#### PUB (MPI) Pre-Ask 1

Part and Chapter:	Page No.:	
PUB Approved Issue No:		
Topic:		
Sub Topic:		

#### Preamble to IR (If Any):

Since February 2018, the starting point used in the current GRA, the benchmark bond yield on Government of Canada 10-year bonds has risen about 20 basis points. The yield on Government of Canada 10-year bonds is a key driver of outcomes within the GRA, affecting among other things the pro-forma financial forecast, the DCAT base and plausible adverse scenarios, the rate indications determined in accordance with accepted actuarial practice in Canada, the Capital Maintenance Provision and the Basic Total Equity target capital thresholds.

#### Question:

To inform these proceedings using the latest information available, please prepare:

- a) An updated interest rate forecast comparable to that shown in INV.14.1, reflecting actual market interest rates at the end of September 2018, and the latest available bank and Global Insight interest rate forecasts (Naïve, 50/50 and SIRF, with accompanying narrative as appropriate).
- b) Updated "break-even" rate indications in accordance with accepted actuarial practice in Canada (both overall and by Major Class) reflecting each of the updated Naïve and 50/50 interest rate forecasts from a) above (with accompanying narrative and supporting schedules as appropriate).

- c) Restatement of b) above to reflect rate indications in accordance with accepted actuarial practice in Canada (both overall and by Major Class) including provision for the expected return on investment assets supporting Basic Total Equity (Naïve and 50/50, with accompanying narrative and supporting schedules as appropriate).
- d) Restatement of c) above to reflect rate indications in accordance with accepted actuarial practice in Canada (both overall and by Major Class) including a Capital Maintenance Provision (derived in a similar manner to the approach used in response to PUB (MPI) 1-76d)) reflecting the longer term (Naïve and 50/50, with accompanying narrative and supporting schedules as appropriate).
- e) Updated pro-forma financial forecast exhibits reflecting the results of d) above (Naïve and 50/50, with accompanying narrative as appropriate).
- f) An updated Basic Total Equity target capital analysis with no Capital Maintenance Provision in the base scenario forecast reflecting the results of b) above, applying the Board-approved iterative methodology for the lower and upper thresholds (lower threshold relative to Basic Total Equity remaining above \$0 over a two-year time horizon at a 1-in-40-year outcome level after routine management / regulatory rate change and RSR Rebuilding Fee actions) (upper threshold relative to Basic Total Equity remaining above lower threshold over a two-year time horizon at a 1-in-40-year outcome level after routine management / regulatory rate change actions i.e., no RSR Rebuilding Fee actions) (Naïve and 50/50, with accompanying narrative and supporting schedules as appropriate).
- g) An updated Basic Total Equity target capital analysis including recognition of the expected return on investment assets supporting Basic Total Equity and a Capital Maintenance Provision in the base scenario forecast reflecting the results of d) above, applying the Board-approved iterative methodology for the lower and upper thresholds (lower threshold relative to Basic Total Equity remaining above \$0 over a two-year time horizon at a 1-in-40-year outcome level after routine management / regulatory rate change and RSR Rebuilding Fee actions) (upper threshold relative to Basic Total Equity remaining above lower threshold over a two-year time

horizon at a 1-in-40-year outcome level after routine management / regulatory rate change actions – i.e., no RSR Rebuilding Fee actions) (Naïve and 50/50, with accompanying narrative and supporting schedules as appropriate).

#### **RESPONSE:**

Below MPI has provided responses to the information requests. However, many of the assumptions and inputs that MPI has been asked to model vary considerably from the best estimate assumptions contained in the methodology supporting the rates for which MPI has applied.

Apart from any update to specific relief requested by MPI, MPI does not endorse the use of the other methodologies or conclusions set out herein and further states that the alternative methodologies suggested herein do not mean the rates for which MPI has applied are not just and reasonable. Where appropriate, MPI has included the updates to its applied for methodology, based on end of September naïve interest rates.

a) <u>Figure 1</u> indicates the source of the bank forecasts, and the date they were published.

<u>Figure 2</u> below shows the Naive interest rate forecast reflecting actual market interest rates, as of September 28, 2018, the last working day of the month, which is consistent with reporting requirements for MPI's financial statements, and past reporting of naïve interest rate forecasts.

<u>Figure 2</u> also shows the latest available bank and Global Insight interest rate forecasts, which comprise the Standard Interest Rate Forecast (SIRF), and the 50/50 forecast. The difference between Naïve and 50/50 as of Q2 2019 (the point in time when we calculate the discount rate for rate setting) is only 17 bps. It does not appear that the banks' most recent forecasts have interest rates rising as significantly as once forecast.

Figure 1: Source and Dates for Interest Rate Forecast

Line					
No.	Sources	Short Term Date	Short Term Type	Long Term Date	Long Term Type
1	BMO NM	October 12, 2018	Average of Period	October 5, 2018	Average of Period
2	CIBC	October 4, 2018	End of Period	October 15, 2018	Annual Average
3	Desjardins	September 19, 2018	End of Period	October 3, 2018	End of Period
4	Global Insight	October 5, 2018	Average of Period	October 5, 2018	Average of Period
5	National	October 1, 2018	End of Period	October 1, 2018	Annual Average
6	RBC	September 1, 2018	End of Period	October 12, 2018	n/a
7	Scotia	October 15, 2018	End of Period	n/a	n/a
8	TD	September 17, 2018	End of Period	September 19, 2018	Annual End of Period

Figure 2: SIRF, Naive and 50/50 GoC 10 Year Bond Forecast

1.1			DMO								Average		
Line			BMO								(Modified		
No.	Year	Quarter	NB	CIBC	Desjardins	Global	National	RBC	Scotia	TD	SIRF)	Naïve	50/50
1	2018	Q3	2.28%	2.35%	2.40%	2.34%	2.43%	2.35%	2.43%	2.34%	2.37%	2.43%	2.40%
2		Q4	2.45%	2.55%	2.60%	2.65%	2.57%	2.60%	2.60%	2.50%	2.57%	2.43%	2.50%
3	2019	Q1	2.55%	2.75%	2.75%	2.76%	2.62%	2.70%	2.60%	2.60%	2.67%	2.43%	2.55%
4		Q2	2.65%	2.75%	2.85%	2.86%	2.96%	2.80%	2.70%	2.65%	2.78%	2.43%	2.60%
5		Q3	2.80%	2.70%	2.90%	2.94%	3.03%	2.90%	2.85%	2.70%	2.85%	2.43%	2.64%
6		Q4	2.90%	2.75%	2.95%	2.99%	3.10%	2.95%	3.00%	2.75%	2.92%	2.43%	2.68%
7	2020	Q1	3.00%	2.72%	3.00%	3.02%	3.16%	X.XX%		2.85%	2.99%	2.43%	2.71%
8		Q2	3.13%	2.75%	3.05%	3.05%	3.24%	X.XX%		2.85%	3.07%	2.43%	2.75%
9		Q3	3.18%	2.80%	2.80%	3.05%	3.21%	X.XX%		2.85%	3.05%	2.43%	2.74%
10		Q4	3.22%	2.85%	2.55%	3.05%	3.19%	X.XX%		2.85%	3.03%	2.43%	2.73%
11	2021	Q1	3.24%	2.90%	2.35%	3.05%	3.16%	X.XX%		2.85%	3.00%	2.43%	2.71%
12		Q2	3.20%	2.95%	2.25%	3.04%	3.13%	X.XX%		2.85%	2.98%	2.43%	2.71%
13		Q3	3.19%	2.96%	2.20%	3.04%	3.12%	X.XX%		2.85%	2.97%	2.43%	2.70%
14		Q4	3.24%	2.98%	2.20%	3.03%	3.11%	X.XX%		2.85%	2.97%	2.43%	2.70%
15	2022	Q1			2.20%	3.03%	3.09%	X.XX%		2.85%	2.90%	2.43%	2.67%
16		Q2			2.25%	3.03%	3.08%	X.XX%		2.85%	2.92%	2.43%	2.68%
17		Q3			2.35%	3.02%	3.07%	X.XX%		2.85%	2.92%	2.43%	2.67%
18		Q4			2.45%	3.02%	3.06%	X.XX%		2.85%	2.95%	2.43%	2.69%

b) Figure 3 below shows the overall rate indications under naïve and 50/50 interest rate forecasts from part (a) above. The table also shows the effect of the RSR Investment Income and the Net CMP on the breakeven rate indications.

Figure 3: Overall Rate Indications

Line			
No.	Description	Naïve	50/50
1	New Money Yield as at Sept 1, 2019	3.40%	3.57%
2	Breakeven Rate Indication	-0.26%	-0.60%
3	Rate Indication Including RSR Investment Income	-1.52%	-1.75%
4	Effect of RSR Investment Income	-1.26%	-1.15%
5	Rate Indication Including Net CMP	1.80%	1.00%
6	Effect of Net CMP	2.06%	1.60%
7	Rate Indication Including Net CMP - SAF Methodology	1.54%	1.20%
8	Effect of Net CMP - SAF Methodology	1.80%	1.80%

The rate indications including RSR Investment Income were calculated assuming 1.2% and 1.1% (for the naïve and 50/50 scenarios respectively) ratios of investment income earned on the RSR to the Basic Vehicle Written Premium for the 2019/20 fiscal year. The derivation of these ratios is shown in the table below.

Figure 4: Ratio of Investment Income on RSR to Basic Vehicle Written

Premium

Line			
No.	Description	Naïve	50/50
1	Basic Vehicle Written Premium	1,061,339	1,061,339
2	Investment Income from RSR	12,306	11,325
3	Vehicle Written Premium	1.2%	1.1%

The derivation of the effect of the Net CMP on the breakeven rate indications based on the Saskatchewan Auto Fund approach is shown in the table below. The derivation of the capital required over the forecast period is shown in Appendix 1.

Figure 5: Net CMP based on Saskatchewan Auto Fund Approach

Line			
No.	Description	Naïve	50/50
1	Capital Required Over the Forecast Period:		
2	2018/19	301,762	302,206
3	2019/20	331,222	329,016
4	2020/21	347,724	344,706
5	2021/22	364,321	363,008
6	2022/23	382,457	381,949
7	Growth in Capital Required Over the Forecast Period	26.74%	26.39%
8	Average Annual Growth in Capital Required	6.1%	6.0%
	Required Increase in Capital Available		
9	(= 2018/19 Capital Required * Average Annual Growth)	18,418	18,221
10	Required Rate Increase	1.8%	1.8%

The effect of the updated interest rate forecast reflecting information as of September 28, 2018 on the major classes' rate indications are summarized in the table below.

Figure 6: Rate Indications by Major Class

Line			Private					
No.	Description	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	<u>Naïve</u>							
2	Breakeven Rate Indication	-0.3%	-0.1%	0.0%	-2.7%	0.2%	-6.7%	-37.7%
3	Rate Indication Including RSR Investment Income	-1.5%	-1.3%	-1.3%	-4.0%	-1.1%	-7.9%	-38.5%
4	Rate Indication Including Net CMP	1.8%	2.0%	2.1%	-0.6%	2.2%	-4.8%	-36.4%
5	Rate Indication Including Net CMP - SAF Methodology	1.5%	1.8%	1.8%	-0.9%	2.0%	-5.0%	-36.6%
6	50/50							
7	Breakeven Rate Indication	-0.6%	-0.4%	-0.4%	-3.1%	-0.6%	-6.8%	-38.0%
8	Rate Indication Including RSR Investment Income	-1.8%	-1.5%	-1.6%	-4.2%	-1.8%	-7.9%	-38.7%
9	Rate Indication Including Net CMP	1.0%	1.2%	1.2%	-1.5%	1.0%	-5.3%	-37.0%
10	Rate Indication Including Net CMP - SAF Methodology	1.2%	1.4%	1.4%	-1.3%	1.2%	-5.1%	-36.9%

Supporting schedules are provided in PUB (MPI) Pre Ask 1(b) Appendix 65.

- c) Refer to (b) above.
- d) Refer to (b) above.

e) Please refer to Appendix 2 for pro-forma financial forecast exhibits reflecting the results of the Rate indication including Net CMP as shown in d) under both SAF and MPI methodologies.

The effect of net CMP on the overall rate indication under both Naïve and 50/50 interest rate scenarios using SAF methodology was 1.8%.

The effect of net CMP on the overall rate indication under Naïve and 50/50 interest rate scenarios using the MPI methodology was 2.06% and 1.6%, respectively. The SAF methodology produces a consistent net CMP by nature of the averaging effect. However, the averaging effect also causes the CMP to underestimate the amount required in the current rating year – which is accurately measured by MPI's Net CMP approach, and equals 2.1%.

Further, the pro-forma in Appendix 2 show that Basic Total Equity target capital thresholds are nearly identical under both methodologies. As such, the likelihood of a subsequent net CMP on future rate changes is lower under the MPI methodology.

- f) Please see g below.
- g) The updated Basic Total Equity targets are outlined in table below. The interest rate forecast was updated as outlined in part (a) along with the appropriate rate indications as outlined in part (b) and part (d). The Corporation modelled the upper threshold based on the dollar threshold method (ensuring capital levels do not fall below the minimum target as expressed in Total Equity) and also on the MCT threshold method (ensuring capital levels do not fall below the minimum target as expressed in percentage MCT).

The Corporation also provided updated targets based on the methodology submitted in the DCAT.

Figure 7: Capital Targets (Interest Rate Forecast as of September 30, 2018)

	Interest Rate Forecast	Capital Maintenance Provision	Scenario #	Total Equity (\$)	MCT (%)
		No CMP	1	\$121	27%
	Naïve	SAF CMP	2	\$120	26%
PUB Lower		MPI CMP	3	\$120	26%
Target		No CMP	4	\$122	27%
	50-50	SAF CMP	5	\$122	27%
		MPI CMP	6	\$122	27%
		No CMP	7	\$243	67%
	Naïve	SAF CMP	8	\$243	66%
PUB Upper (\$)		MPI CMP	9	\$242	66%
Target		No CMP	10	\$250	69%
	50-50	SAF CMP	11	\$250	69%
		MPI CMP	12	\$250	69%
		No CMP	13	\$273	76%
	Naïve	SAF CMP	14	\$272	75%
PUB Upper (%)		MPI CMP	15	\$272	75%
Target		No CMP	16	\$280	78%
	50-50	SAF CMP	17	\$280	78%
		MPI CMP	18	\$279	78%
MPI Lower	Naïve	No CMP	19	\$146	35%
Target	50-50	No CMP	20	\$142	34%
MPI Upper	Naïve	No CMP	21	\$315	88%
Target	50-50	No CMP	22	\$318	89%

October 24, 2018

### Appendix 1a

### Minimum Capital Test: Capital (Margin) Required 2019/20 -0.26% Break even Rate Indication with September 2018 Naïve Interest Rate Forecast

			2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line	400		Current	Forecast Base	Forecast	Forecast	Forecast
No.	(All figures in \$000s, unless otherwise noted)		Year	Year	Year	Year	Year
1	Capital Available:	0.4	040.000	000 000	04.4.44	222 225	470 /54
2	Capital available (from page 30.62 - capital available)	01	218,283	220,092	214,441	202,295	178,654
3	Phase-in of capital available	03	210 202	222.002	014441	202 205	170 / 54
4	Total Capital Available	09	218,283	220,092	214,441	202,295	178,654
5 6	Assets Available:						
7	Net Assets Available (from page 30.92 - net assets available)	11					
8	Phase-in of net assets available	13					
9	Total Net Assets Available	19	218,283	220,092	214,441	202,295	178,654
	Carital (Marris) Described at Tarret						
10	Capital (Margin) Required at Target: Insurance Risk:						
11		20	94,659	00 242	102 221	104 204	110,542
12	Premium liabilities		•	98,243	102,231	106,294	•
13	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
14	Catastrophes	24					
15	Margin required for reinsurance ceded to unregistered insurers	26	00/ 04/	000.074	011.000	200 740	20/ 446
16	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
17	Market Risk:		. ===				
18	Interest rate risk	30	4,798	20,574	24,537	29,049	33,491
19	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,324
20	Equity risk	34	69,145	67,268	71,795	76,632	81,846
21	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
22	Other market risk exposures	38	0	0	0	0	0
23	Subtotal: Market risk margin	39	115,494	129,963	140,153	151,502	165,651
24	Credit Risk:						
25	Counterparty default risk for balance sheet assets	40	39,359	60,566	62,857	64,325	65,427
26	Counterparty default risk for off-balance sheet exposures	42					
27	Counterparty default risk for unregistered reinsurance collateral and SIRs	44					
28	Subtotal: Credit risk margin	49	39,359	60,566	62,857	64,325	65,427
29	Operational risk margin	50	64,469	69,550	72,817	76,119	79,686
30	Less: Diversification credit	52	53,525	62,120	65,633	69,182	73,190
31	Total Capital (Margin) Required at Target	59	452,643	496,833	521,587	546,482	573,686
32	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	331,222	347,724	364,321	382,457
33	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
34	Total Minimum Capital (Margin) Required	69	301,762	331,222	347,724	364,321	382,457
35	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	-83,479	-111,130	-133,283	-162,026	-203,803
36	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	66.45%	61.67%	55.53%	46.71%

October 24, 2018

### Appendix 1b

### Minimum Capital Test: Capital (Margin) Required 2019/20 -0.26% Break even Rate Indication with September 2018 Naïve Interest Rate Forecast

		=	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current	Forecast Base	Forecast	Forecast	Forecast
No.	(All figures in \$000s, unless otherwise noted)		Year	Year	Year	Year	Year
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	221,201	225,199	224,288	217,770	199,717
3	Phase-in of capital available	03					
4	Total Capital Available	09	221,201	225,199	224,288	217,770	199,717
5							
6	Assets Available:						
7	Net Assets Available (from page 30.92 - net assets available)	11					
8	Phase-in of net assets available	13					
9	Total Net Assets Available	19	221,201	225,199	224,288	217,770	199,717
10	Capital (Margin) Required at Target:						
11	Insurance Risk:						
12	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
13	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
14	Catastrophes	24					
15	Margin required for reinsurance ceded to unregistered insurers	26					
16	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,195
17	Market Risk:						
18	Interest rate risk	30	6,468	21,726	25,600	29,355	34,758
19	Foreign exchange risk	32	15,640	15,260	16,262	17,838	20,919
20	Equity risk	34	69,313	67,256	71,783	79,552	84,976
21	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
22	Other market risk exposures	38	0	0	0	0	0
23	Subtotal: Market risk margin	39	117,404	131,141	141,244	155,278	170,690
24	Credit Risk:						
25	Counterparty default risk for balance sheet assets	40	39,383	60,210	62,400	63,916	65,125
26	Counterparty default risk for off-balance sheet exposures	42					
27	Counterparty default risk for unregistered reinsurance collateral and SIRs	44					
28	Subtotal: Credit risk margin	49	39,383	60,210	62,400	63,916	65,125
29	Operational risk margin	50	64,552	69,195	72,353	75,892	79,568
30	Less: Diversification credit	52	53,910	61,979	65,356	69,428	73,655
31	Total Capital (Margin) Required at Target	59	453,309	493,523	517,059	544,511	572,923
32	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	329,016	344,706	363,008	381,949
33	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
34	Total Minimum Capital (Margin) Required	69	302,206	329,016	344,706	363,008	381,949
35	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	-81,005	-103,817	-120,418	-145,238	-182,232
36	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	68.45%	65.07%	59.99%	52.29%
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#### Appendix 65a

#### Rating Year 2019/20 Major Classification Required Rate Changes -Breakeven Rates Naïve Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	712.10	937.37	639.30	1,678.42	654.88	56.94	4.84
3	Claims Expense	114.19	150.32	102.52	269.15	105.02	9.13	0.78
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.18	83.47	83.47	83.47	83.47	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.60	38.92	26.87	68.54	26.58	2.58	0.19
8	Prem Tax: Vehicle	27.41	36.04	24.88	63.46	24.62	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.95	4.95	4.95	4.95	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.24	17.83	17.83	17.83	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.08	79.38	79.38	79.38	79.38	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	913.52	1,201.33	829.35	2,115.35	820.52	79.55	5.99
19	Req Rate (Bal)	898.34	1,181.36	815.56	2,080.19	806.88	78.23	5.89
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.2%	-0.1%	0.0%	1.7%	0.3%	-6.9%	-40.6%
24	Applied for Change	-0.2%	-0.1%	0.0%	1.7%	0.3%	-6.9%	-40.6%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		-0.1%	0.0%	1.1%	0.1%	-6.7%	-37.7%
27	Cred Wtd Req Rate		1,181.36	815.41	2,068.48	806.02	78.38	6.18
28	Cred Wtd Req Rate (Bal)	898.34	1,181.50	815.50	2,068.73	806.12	78.39	6.18
29	Cred Wtd Change (Bal)		-0.1%	0.0%	1.1%	0.2%	-6.7%	-37.7%
30	Selected Req Rate	897.49	1,181.50	815.50	1,990.96	806.12	78.39	6.18
31	Selected Change	-0.3%	-0.1%	0.0%	-2.7%	0.2%	-6.7%	-37.7%

### Appendix 65b

### Rating Year 2019/20 Major Classification Required Rate Changes -Breakeven Rates Including Net CMP (MPI) Naïve Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	712.10	937.37	639.30	1,678.42	654.88	56.94	4.84
3	Claims Expense	114.19	150.32	102.52	269.15	105.02	9.13	0.78
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.18	83.47	83.47	83.47	83.47	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.60	38.92	26.87	68.54	26.58	2.58	0.19
8	Prem Tax: Vehicle	27.41	36.04	24.88	63.46	24.62	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.95	4.95	4.95	4.95	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.24	17.83	17.83	17.83	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.08	79.38	79.38	79.38	79.38	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	913.52	1,201.33	829.35	2,115.35	820.52	79.55	5.99
19	Req Rate (Bal)	898.34	1,181.36	815.56	2,080.19	806.88	78.23	5.89
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.2%	-0.1%	0.0%	1.7%	0.3%	-6.9%	-40.6%
24	Applied for Change	1.9%	2.0%	2.1%	3.8%	2.3%	-5.0%	-39.4%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		2.0%	2.1%	3.2%	2.2%	-4.8%	-36.4%
27	Cred Wtd Req Rate		1,205.73	832.23	2,111.16	822.66	80.00	6.31
28	Cred Wtd Req Rate (Bal)	916.88	1,205.88	832.33	2,111.41	822.75	80.01	6.31
29	Cred Wtd Change (Bal)		2.0%	2.1%	3.2%	2.2%	-4.8%	-36.4%
30	Selected Req Rate	916.03	1,205.88	832.33	2,033.65	822.75	80.01	6.31
31	Selected Change	1.8%	2.0%	2.1%	-0.6%	2.2%	-4.8%	-36.4%

### Appendix 65c

### Rating Year 2019/20 Major Classification Required Rate Changes -Breakeven Rates Including Net CMP (SAF) Naïve Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
	10/20 Hn#o	1 200 000	020 700	47,000	12 100	17 / 00	215 / 00	7/ 100
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	712.10	937.37	639.30	1,678.42	654.88	56.94	4.84
3	Claims Expense	114.19	150.32	102.52	269.15	105.02	9.13	0.78
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.18	83.47	83.47	83.47	83.47	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.60	38.92	26.87	68.54	26.58	2.58	0.19
8	Prem Tax: Vehicle	27.41	36.04	24.88	63.46	24.62	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.95	4.95	4.95	4.95	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.24	17.83	17.83	17.83	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.08	79.38	79.38	79.38	79.38	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	913.52	1,201.33	829.35	2,115.35	820.52	79.55	5.99
19	Req Rate (Bal)	898.34	1,181.36	815.56	2,080.19	806.88	78.23	5.89
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.2%	-0.1%	0.0%	1.7%	0.3%	-6.9%	-40.6%
24	Applied for Change	1.6%	1.7%	1.8%	3.5%	2.1%	-5.2%	-39.6%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		1.7%	1.8%	2.9%	2.0%	-5.0%	-36.6%
27	Cred Wtd Reg Rate		1,202.66	830.11	2,105.78	820.56	79.80	6.30
28	Cred Wtd Req Rate (Bal)	914.54	1,202.80	830.21	2,106.03	820.65	79.81	6.30
29	Cred Wtd Change (Bal)		1.7%	1.8%	2.9%	2.0%	-5.0%	-36.6%
30	Selected Reg Rate	913.69	1,202.80	830.21	2,028.26	820.65	79.81	6.30
31	Selected Change	1.5%	1.8%	1.8%	-0.9%	2.0%	-5.0%	-36.6%

### Appendix 65d

#### Rating Year 2019/20 Major Classification Required Rate Changes -Breakeven Rates 50/50 Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	710.23	935.00	637.02	1,673.69	649.29	56.91	4.82
3	Claims Expense	113.89	149.93	102.15	268.38	104.12	9.13	0.77
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.22	83.52	83.52	83.52	83.52	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.52	38.83	26.78	68.35	26.36	2.58	0.19
8	Prem Tax: Vehicle	27.34	35.95	24.79	63.28	24.41	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.96	4.96	4.96	4.96	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.23	17.82	17.82	17.82	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.13	79.45	79.45	79.45	79.45	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	911.19	1,198.37	826.50	2,109.45	813.58	79.52	5.96
19	Req Rate (Bal)	895.30	1,177.48	812.09	2,072.68	799.40	78.13	5.86
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.5%	-0.4%	-0.4%	1.3%	-0.7%	-7.0%	-41.0%
24	Applied for Change	-0.5%	-0.4%	-0.4%	1.3%	-0.7%	-7.0%	-41.0%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		-0.4%	-0.4%	0.7%	-0.6%	-6.8%	-38.0%
27	Cred Wtd Req Rate		1,177.44	811.99	2,061.11	799.73	78.28	6.15
28	Cred Wtd Req Rate (Bal)	895.28	1,177.55	812.06	2,061.30	799.81	78.29	6.15
29	Cred Wtd Change (Bal)		-0.4%	-0.4%	0.7%	-0.6%	-6.8%	-38.0%
30	Selected Req Rate	894.43	1,177.55	812.06	1,983.54	799.81	78.29	6.15
31	Selected Change	-0.6%	-0.4%	-0.4%	-3.1%	-0.6%	-6.8%	-38.0%

### Appendix 65e

#### Rating Year 2019/20 Major Classification Required Rate Changes -Breakeven Rates Including Net CMP (MPI) 50/50 Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	710.23	935.00	637.02	1,673.69	649.29	56.91	4.82
3	Claims Expense	113.89	149.93	102.15	268.38	104.12	9.13	0.77
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.22	83.52	83.52	83.52	83.52	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.52	38.83	26.78	68.35	26.36	2.58	0.19
8	Prem Tax: Vehicle	27.34	35.95	24.79	63.28	24.41	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.96	4.96	4.96	4.96	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.23	17.82	17.82	17.82	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.13	79.45	79.45	79.45	79.45	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	911.19	1,198.37	826.50	2,109.45	813.58	79.52	5.96
19	Req Rate (Bal)	895.30	1,177.48	812.09	2,072.68	799.40	78.13	5.86
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.5%	-0.4%	-0.4%	1.3%	-0.7%	-7.0%	-41.0%
24	Applied for Change	1.1%	1.2%	1.2%	2.9%	0.9%	-5.5%	-40.0%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		1.2%	1.2%	2.3%	1.0%	-5.3%	-37.0%
27	Cred Wtd Req Rate		1,196.38	825.05	2,094.25	812.59	79.54	6.25
28	Cred Wtd Req Rate (Bal)	909.68	1,196.49	825.12	2,094.45	812.67	79.54	6.25
29	Cred Wtd Change (Bal)		1.2%	1.2%	2.3%	1.0%	-5.3%	-37.0%
30	Selected Req Rate	908.83	1,196.49	825.12	2,016.69	812.67	79.54	6.25
31	Selected Change	1.0%	1.2%	1.2%	-1.5%	1.0%	-5.3%	-37.0%
32								

#### Appendix 65f

### Rating Year 2019/20 Major Classification Required Rate Changes - Breakeven Rates Including Net CMP (SAF) 50/50 Interest Rate Scenario

Line			Private					
No.	Coverage	Overall	Pass	Commercial	Public	Motorcycle	Trailer	ORV
1	19/20 Units	1,200,000	829,700	47,900	13,100	17,600	215,600	76,100
2	Claims	710.23	935.00	637.02	1,673.69	649.29	56.91	4.82
3	Claims Expense	113.89	149.93	102.15	268.38	104.12	9.13	0.77
4	Road Safety	10.63	14.05	14.05	14.05	14.05	0.00	0.00
5	Operating Expense	63.22	83.52	83.52	83.52	83.52	0.00	0.00
6	Regulatory/Appeal	4.10	5.42	5.42	5.42	5.42	0.00	0.00
7	Commission: Vehicle	29.52	38.83	26.78	68.35	26.36	2.58	0.19
8	Prem Tax: Vehicle	27.34	35.95	24.79	63.28	24.41	2.39	0.18
9	Comm & Prem Tax: Driver	3.75	4.96	4.96	4.96	4.96	0.00	0.00
10	Commission Flat Fee	5.70	7.53	7.53	7.53	7.53	0.00	0.00
11	Reins: Casualty	1.76	2.32	2.32	2.32	2.32	0.00	0.00
12	Reins: Catastrophe	7.86	8.52	8.52	8.52	0.00	8.52	0.00
13	Fleet Rebates	13.23	17.82	17.82	17.82	0.00	0.00	0.00
14	Anti-Theft Discount	2.01	2.90	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.13	79.45	79.45	79.45	79.45	0.00	0.00
16	Service Fees	21.90	28.94	28.94	28.94	28.94	0.00	0.00
17	Inv Inc	0.00	0.00	0.00	0.00	0.00	0.00	0.00
18	Req Rate (Raw)	911.19	1,198.37	826.50	2,109.45	813.58	79.52	5.96
19	Req Rate (Bal)	895.30	1,177.48	812.09	2,072.68	799.40	78.13	5.86
20	18/19 Average Rate	857.67	1,113.45	779.74	2,082.92	796.66	80.73	9.92
21	Major Class Drift	4.9%	6.2%	4.6%	-1.8%	1.0%	4.1%	0.0%
22	19/20 Average Rate Without Rate Change	899.87	1,182.16	815.49	2,046.38	804.86	84.01	9.92
23	Full Cred Req Change	-0.5%	-0.4%	-0.4%	1.3%	-0.7%	-7.0%	-41.0%
24	Applied for Change	1.3%	1.4%	1.4%	3.1%	1.1%	-5.3%	-39.9%
25	Credibility		99.3%	88.9%	68.6%	74.6%	97.3%	92.7%
26	Cred Wtd Change		1.4%	1.4%	2.5%	1.2%	-5.1%	-36.9%
27	Cred Wtd Req Rate		1,198.74	826.68	2,098.40	814.20	79.69	6.26
28	Cred Wtd Req Rate (Bal)	911.48	1,198.86	826.76	2,098.60	814.28	79.70	6.26
29	Cred Wtd Change (Bal)		1.4%	1.4%	2.6%	1.2%	-5.1%	-36.9%
30	Selected Req Rate	910.63	1,198.86	826.76	2,020.83	814.28	79.70	6.26
31	Selected Change	1.2%	1.4%	1.4%	-1.3%	1.2%	-5.1%	-36.9%

## Pro Forma-1: Appendix 2a Statement of Operations Multi-year - Statement of Operations

No.	(C\$ 000s, rounding may affect totals)		For the Ye	ears Ended Febr	uary,	
1		2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Motor Vehicles	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
4	Drivers	68,902	70,903	72,885	74,723	76,565
5	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
6	Total Net Premiums Written	1,076,987	1,137,442	1,183,942	1,231,352	1,280,907
7	Net Premiums Earned					
8	Motor Vehicles	991,058	1,050,815	1,102,006	1,147,321	1,194,279
9	Drivers	59,546	69,896	71,887	73,798	75,638
10	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
11	Total Net Premiums Earned	1,039,408	1,109,291	1,162,245	1,209,238	1,257,798
12	Service Fees & Other Revenues	23,832	25,710	27,471	29,370	31,448
13	Total Earned Revenues	1,063,240	1,135,001	1,189,716	1,238,608	1,289,246
14	Claims Incurred	853,862	896,227	942,762	991,755	1,043,924
15	DPAC \ Premium Deficiency Adjustment	(29,722)	(2,364)	(4,289)	4,018	7,959
16	(a) Claims Incurred - Interest Rate Impact	(34,905)	7,254	10,209	8,816	8,310
17	Total Claims Incurred	789,235	901,117	948,682	1,004,589	1,060,193
18	Claims Expense	137,168	135,301	139,089	144,204	146,667
19	Road Safety/Loss Prevention	13,606	12,680	12,805	12,990	13,268
20	Total Claims Costs	940,009	1,049,098	1,100,576	1,161,783	1,220,128
21	Expenses					
22	Operating	75,060	73,545	76,250	79,935	82,851
23	Commissions	40,338	42,591	44,599	46,364	48,188
24	Premium Taxes	31,518	33,621	35,217	36,634	38,098
25	Regulatory/Appeal	4,669	4,839	4,998	5,114	5,233
26	Total Expenses	151,585	154,596	161,064	168,047	174,370
27	Underwriting Income (Loss)	(28,354)	(68,693)	(71,924)	(91,222)	(105,252)
28	Investment Income	192,209	84,840	88,380	91,783	94,747
29	(b) Investment Income - Interest Rate Impact	(20,781)	11	4	3	5
30	Net Investment Income	171,428	84,851	88,384	91,786	94,752
31	Net Income (Loss)	143,074	16,157	16,460	563	(10,500)
32	Total net Impact due to interest rate change (b) - (a)	14,124	(7,243)	(10,205)	(8,812)	(8,305)

# Pro Forma-2: Appendix 2b Statement of Financial Position Multi-year - Statement of Financial Position

No.	(C\$ 000s, rounding may affect totals)			ears Ended Februa		
1	_	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Assets					
4	Cash and cash equivalents	28,746	60,406	68,212	70,977	60,126
5	Investments	2,487,626	2,578,282	2,687,490	2,801,045	2,916,394
6	Investment property	13,906	13,548	13,553	13,760	15,246
7	Due from other insurance companies	-	-	-	-	-
8	Accounts receivable	354,564	373,508	388,286	403,400	419,208
9	Prepaid expenses	-	-	-	-	-
10	Deferred policy acquisition costs	18,310	22,372	27,956	25,263	18,691
11	Reinsurers' share of unpaid claims	-	-	-	-	-
12	Property and equipment	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	43,654	47,117	59,170	61,184	63,216
14		3,036,661	3,186,283	3,333,663	3,463,964	3,583,108
15	Liabilities					
16	Due to other insurance companies	144	144	144	144	144
17	Accounts payable and accrued liabilites	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	341,796	358,128	374,219	390,320	406,730
22	Provision for unpaid claims	1,824,404	1,901,841	1,980,433	2,055,874	2,129,145
23	·	2,774,723	2,900,254	3,021,984	3,141,894	3,260,418
24	Equity					
25	Retained Earnings	314,049	330,205	346,665	347,229	336,729
26	Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
27	Total Equity	261,938	286,029	311,679	322,070	322,690
28	Total Liabilities & Equity	3,036,661	3,186,283	3,333,663	3,463,964	3,583,108

# Pro Forma-3: Appendix 2c Statement of Changes in Equity Multi-year - Statement of Changes in Equity

Line	2019/20 Basic Rates +1.54% Rate Indication Including Net CMP	- SAF Methodolo				S
No. 1	(C\$ 000s, rounding may affect totals)	2019FB	2020F	ears Ended Fel 2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Total Equity	2010/1712	2017/201			
4	Retained Earnings					
5	Beginning Balance	170,975	314,049	330,205	346,665	347,229
6	Net Income (Loss) from annual operations	143,074	16,157	16,460	563	(10,500)
7	Transfer (to) / from Non-Basic Retained Earnings	-	-	-	-	-
8	Total Retained Earnings	314,049	330,205	346,665	347,229	336,729
9	Total Accumulated Other Comprehensive Income					
10	Beginning Balance	39,870	(52,111)	(44,177)	(34,986)	(25,159)
11	Other Comprehensive Income for the Year	(91,981)	7,934	9,191	9,828	11,119
12	Total Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
13	Total Equity Balance	261,938	286,029	311,679	322,070	322,690
14	Total Equity					
15	Rate Stabilization Reserve					
16	Retained Earnings	314,049	330,205	346,665	347,229	336,729
17	Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
18	Total Rate Stabilization Reserve	261,938	286,029	311,679	322,070	322,690
19	Retained Earnings	-	-	-	-	-
20	Total Equity Balance	261,938	286,029	311,679	322,070	322,690
21	RATE STABILIZATION RESERVE TARGETS					
22	PUB Lower Target (@27% MCT Ratio)	121,000	130,000	146,000	153,000	159,000
23	PUB Upper Target (@67% MCT Ratio) - Based on \$ Target	243,000	266,000	289,000	302,000	316,000
24	PUB Upper Target (@76% MCT Ratio) - Based on % target	273,000	299,000	324,000	339,000	354,000
25	MPI Lower Target (@35% MCT Ratio)	146,000	159,000	176,000	184,000	192,000
26	MPI Upper Target (@88% MCT Ratio)	315,000	346,000	373,000	390,000	408,000
27	MCT RATIO (%)	72.3%	71.6%	72.1%	71.0%	67.1%

## Pro Forma-1: Appendix 2d Statement of Operations Multi-year - Statement of Operations

Line No.	2019/20 Basic Rates +1.20% Rate Indication Including Net (C\$ 000s, rounding may affect totals)	om or a mound	• • •	ars Ended Febr		
1		2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Motor Vehicles	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
4	Drivers	68,902	70,903	72,885	74,723	76,565
5	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
6	Total Net Premiums Written	1,076,987	1,133,773	1,180,122	1,227,377	1,276,770
7	Net Premiums Earned					
8	Motor Vehicles	991,058	1,048,843	1,098,256	1,143,418	1,190,217
9	Drivers	59,546	69,896	71,887	73,798	75,638
10	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
11	Total Net Premiums Earned	1,039,408	1,107,319	1,158,495	1,205,335	1,253,736
12	Service Fees & Other Revenues	23,845	25,719	27,572	29,576	31,778
13	Total Earned Revenues	1,063,253	1,133,038	1,186,067	1,234,911	1,285,514
14	Claims Incurred	853,863	895,954	941,834	990,674	1,042,968
15	DPAC \ Premium Deficiency Adjustment	(30,605)	(2,404)	(4,892)	4,230	7,879
16	(a) Claims Incurred - Interest Rate Impact	(44,539)	(18,684)	643	11,004	9,108
17	Total Claims Incurred	778,719	874,866	937,585	1,005,908	1,059,955
18	Claims Expense	137,168	135,259	138,932	144,009	146,487
19	Road Safety/Loss Prevention	13,606	12,676	12,790	12,970	13,249
20	Total Claims Costs	929,493	1,022,801	1,089,307	1,162,887	1,219,691
21	Expenses					
22	Operating	75,060	73,525	76,174	79,838	82,759
23	Commissions	40,338	42,541	44,477	46,238	48,056
24	Premium Taxes	31,518	33,562	35,104	36,516	37,976
25	Regulatory/Appeal	4,669	4,839	4,998	5,114	5,233
26	Total Expenses	151,585	154,467	160,753	167,706	174,024
27	Underwriting Income (Loss)	(17,825)	(44,230)	(63,993)	(95,682)	(108,201)
28	Investment Income	192,131	87,068	92,757	97,119	100,477
29	(b) Investment Income - Interest Rate Impact	(28,313)	(24,536)	(7,429)	4,485	2,067
30	Net Investment Income	163,818	62,532	85,328	101,604	102,544
31	Net Income (Loss)	145,992	18,302	21,333	5,921	(5,657)
32	Total net Impact due to interest rate change (b) - (a)	16,226	(5,853)	(8,072)	(6,519)	(7,041)

# Pro Forma-2: Appendix 2e Statement of Financial Position Multi-year - Statement of Financial Position

No.	(C\$ 000s, rounding may affect totals)		For the	Years Ended Febr	uary,	
1	-	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Assets					
4	Cash and cash equivalents	28,914	58,909	64,447	64,446	50,936
5	Investments	2,479,860	2,546,318	2,651,130	2,775,056	2,898,494
6	Investment property	13,906	13,548	13,553	13,760	15,246
7	Due from other insurance companies	-	-	-	-	-
8	Accounts receivable	354,564	372,535	387,273	402,346	418,111
9	Prepaid expenses	-	-	-	-	-
10	Deferred policy acquisition costs	19,193	23,189	29,371	26,461	19,965
11	Reinsurers' share of unpaid claims	-	-	-	-	-
12	Property and equipment	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	43,654	47,120	59,185	61,207	63,242
14	-	3,029,946	3,152,669	3,293,955	3,431,611	3,556,221
15	Liabilities					
16	Due to other insurance companies	144	144	144	144	144
17	Accounts payable and accrued liabilites	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	341,796	356,990	372,680	389,283	405,983
22	Provision for unpaid claims	1,814,771	1,865,996	1,934,094	2,010,642	2,083,755
23	·	2,765,090	2,861,574	2,972,338	3,093,787	3,212,367
24	Equity					
25	Retained Earnings	316,967	335,269	356,602	362,523	356,867
26	Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
27	Total Equity	264,856	291,095	321,617	337,824	343,854
28	Total Liabilities & Equity	3,029,946	3,152,669	3,293,955	3,431,611	3,556,221

# Pro Forma-3: Appendix 2f Statement of Changes in Equity Multi-year - Statement of Changes in Equity

No.	(C\$ 000s, rounding may affect totals)		For the Ye	ars Ended Febi	ruary,	
1	-	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Total Equity					
4	Retained Earnings					
5	Beginning Balance	170,975	316,967	335,269	356,602	362,523
6	Net Income (Loss) from annual operations	145,992	18,302	21,333	5,921	(5,657)
7	Transfer (to) / from Non-Basic Retained Earnings	-	-	-	-	-
8	Total Retained Earnings	316,967	335,269	356,602	362,523	356,867
9	Total Accumulated Other Comprehensive Income					
10	Beginning Balance	39,870	(52,111)	(44,174)	(34,986)	(24,699)
11	Other Comprehensive Income for the Year	(91,981)	7,937	9,188	10,286	11,686
12	Total Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
13	Total Equity Balance	264,856	291,095	321,617	337,824	343,854
14	Total Equity					
15	Rate Stabilization Reserve					
16	Retained Earnings	316,967	335,269	356,602	362,523	356,867
17	Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
18	Total Rate Stabilization Reserve	264,856	291,095	321,617	337,824	343,854
19	Retained Earnings	-	-	-	-	-
20	Total Equity Balance	264,856	291,095	321,617	337,824	343,854
21	RATE STABILIZATION RESERVE TARGETS					
22	PUB Lower Target (@27% MCT Ratio)	122,000	131,000	147,000	154,000	161,000
23	PUB Upper Target (@69% MCT Ratio) - Based on \$ Target	250,000	272,000	294,000	309,000	324,000
24	PUB Upper Target (@78% MCT Ratio) - Based on % target	280,000	304,000	328,000	345,000	362,000
25	MPI Lower Target (@34% MCT Ratio)	142,000	154,000	171,000	179,000	187,000
	MPI Upper Target (@89% MCT Ratio)	318,000	346,000	372,000	391,000	411,000
26	IVIT TOPPER Target (80770 IVICT Kallu)	310,000	340,000	312,000	371,000	411,000
25	MCT RATIO (%)	73.2%	73.6%	75.6%	75.6%	72.7%

### Pro Forma-1: Appendix 2g Statement of Operations Multi-year - Statement of Operations

Line No.	2019/20 Basic Rates +1.80% Rate Indication Including Net C (C\$ 000s, rounding may affect totals)	MP - MPI Metnoad		tember 2018, Na 'ears Ended Feb		<b>2S</b>
1	(,	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Motor Vehicles	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
4	Drivers	68,902	70,903	72,885	74,723	76,565
5	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
6	Total Net Premiums Written	1,076,987	1,140,248	1,186,864	1,234,391	1,284,071
7	Net Premiums Earned					
8	Motor Vehicles	991,058	1,052,323	1,104,874	1,150,306	1,197,386
9	Drivers	59,546	69,896	71,887	73,798	75,638
10	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
11	Total Net Premiums Earned	1,039,408	1,110,799	1,165,113	1,212,223	1,260,905
12	Service Fees & Other Revenues	23,832	25,761	27,528	29,431	31,515
13	Total Earned Revenues	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
14	Claims Incurred	853,862	896,227	942,762	991,755	1,043,925
15	DPAC \ Premium Deficiency Adjustment	(29,722)	(3,604)	(4,316)	3,963	7,900
16	(a) Claims Incurred - Interest Rate Impact	(34,905)	7,261	10,174	8,904	8,217
17	Total Claims Incurred	789,235	899,884	948,620	1,004,622	1,060,042
18	Claims Expense	137,168	135,301	139,089	144,204	146,654
19	Road Safety/Loss Prevention	13,606	12,680	12,805	12,990	13,266
20	Total Claims Costs	940,009	1,047,865	1,100,514	1,161,816	1,219,962
21	Expenses					
22	Operating	75,060	73,545	76,250	79,935	82,844
23	Commissions	40,338	42,630	44,692	46,461	48,288
24	Premium Taxes	31,518	33,667	35,303	36,723	38,191
25	Regulatory/Appeal	4,669	4,839	4,998	5,114	5,233
26	Total Expenses	151,585	154,681	161,243	168,233	174,556
27	Underwriting Income (Loss)	(28,354)	(65,986)	(69,116)	(88,395)	(102,098)
28	Investment Income	192,209	84,843	88,397	91,818	94,798
29	(b) Investment Income - Interest Rate Impact	(20,781)	11	4	5	3
30	Net Investment Income	171,428	84,854	88,401	91,823	94,801
31	Net Income (Loss)	143,074	18,868	19,285	3,428	(7,297)
32	Total net Impact due to interest rate change (b) - (a)	14,124	(7,249)	(10,170)	(8,898)	(8,214)

# Pro Forma 2: Appendix 2h Statement of Financial Position Multi-year - Statement of Financial Position

No.	(C\$ 000s, rounding may affect totals)		For the Ye	ears Ended Februa	nry,	
1	_	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Assets					
4	Cash and cash equivalents	28,746	62,107	72,268	77,487	69,216
5	Investments	2,487,626	2,578,532	2,688,168	2,802,186	2,918,049
6	Investment property	13,906	13,548	13,553	13,760	15,246
7	Due from other insurance companies	-	-	-	-	-
8	Accounts receivable	354,564	374,252	389,061	404,206	420,047
9	Prepaid expenses	-	-	-	-	-
10	Deferred policy acquisition costs	18,310	23,693	29,306	26,672	20,163
11	Reinsurers' share of unpaid claims	-	-	-	-	-
12	Property and equipment	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	43,654	47,117	59,170	61,184	63,217
14	_	3,036,661	3,190,299	3,340,522	3,473,830	3,596,165
15	Liabilities					
16	Due to other insurance companies	144	144	144	144	144
17	Accounts payable and accrued liabilites	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	341,796	358,128	374,220	390,321	406,734
22	Provision for unpaid claims	1,824,404	1,901,848	1,980,404	2,055,933	2,129,113
23	_	2,774,723	2,901,559	3,023,307	3,143,361	3,261,853
24	Equity					
25	Retained Earnings	314,049	332,916	352,201	355,629	348,332
26	Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
27	Total Equity	261,938	288,739	317,215	330,471	334,312

3,036,661

3,190,298

3,340,522

3,473,832

**Total Liabilities & Equity** 

3,596,165

### Pro Forma-3: Appendix 2i Statement of Changes in Equity

### Multi-year - Statement of Changes in Equity

Line	· · · · · · · · · · · · · · · · · · ·	ethodology using				
No. 1	(C\$ 000s, rounding may affect totals)	2019FB	2020F	ears Ended Feb 2021F	ruary, 2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Total Equity					
4	Retained Earnings					
5	Beginning Balance	170,975	314,049	332,916	352,201	355,629
6 7	Net Income (Loss) from annual operations Transfer (to) / from Non-Basic Retained Earnings	143,074	18,868 -	19,285 -	3,428 -	(7,297) -
8	Total Retained Earnings	314,049	332,916	352,201	355,629	348,332
9	Total Accumulated Other Comprehensive Income					
10	Beginning Balance	39,870	(52,111)	(44,177)	(34,986)	(25,159)
11	Other Comprehensive Income for the Year	(91,981)	7,934	9,191	9,828	11,139
12	Total Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
13	Total Equity Balance	261,938	288,739	317,215	330,471	334,312
14	Total Equity					
15	Rate Stabilization Reserve					
16	Retained Earnings	314,049	332,916	352,201	355,629	348,332
17	Accumulated Other Comprehensive Income	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
18	Total Rate Stabilization Reserve	261,938	288,739	317,215	330,471	334,312
19	Retained Earnings	_	-	-	-	-
20	Total Equity Balance	261,938	288,739	317,215	330,471	334,312
21	RATE STABILIZATION RESERVE TARGETS					
22	PUB Lower Target (@27% MCT Ratio)	121,000	130,000	146,000	153,000	159,000
23	PUB Upper Target (@67% MCT Ratio) - Based on \$ Target	243,000	266,000	289,000	302,000	316,000
24	PUB Upper Target (@76% MCT Ratio) - Based on % target	273,000	299,000	324,000	339,000	354,000
25	MPI Lower Target (@35% MCT Ratio)	146,000	159,000	176,000	184,000	192,000
26	MPI Upper Target (@88% MCT Ratio)	315,000	346,000	373,000	390,000	408,000
25	MCT RATIO (%)	73.2%	75.4%	79.0%	80.7%	79.4%

### Pro Forma-1: Appendix 2j Statement of Operations Multi-year - Statement of Operations

No.	2019/20 Basic Rates +1.00% Rate Indication Including Net (C\$ 000s, rounding may affect totals)			Years Ended Feb.		
1		2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Motor Vehicles	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
4	Drivers	68,902	70,903	72,885	74,723	76,565
5	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
6	Total Net Premiums Written	1,076,987	1,131,614	1,177,875	1,225,038	1,274,337
7	Net Premiums Earned					
8	Motor Vehicles	991,058	1,047,683	1,096,049	1,141,121	1,187,828
9	Drivers	59,546	69,896	71,887	73,798	75,638
10	Reinsurance Ceded	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
11	Total Net Premiums Earned	1,039,408	1,106,159	1,156,288	1,203,038	1,251,347
12	Service Fees & Other Revenues	23,845	25,680	27,529	29,531	31,728
13	Total Earned Revenues	1,063,253	1,131,839	1,183,817	1,232,569	1,283,075
14	Claims Incurred	853,863	895,953	941,834	990,674	1,042,968
15	DPAC \ Premium Deficiency Adjustment	(30,605)	(1,450)	(4,873)	4,278	7,921
16	(a) Claims Incurred - Interest Rate Impact	(44,539)	(18,687)	640	11,049	9,107
17	Total Claims Incurred	778,719	875,816	937,601	1,006,001	1,059,996
18	Claims Expense	137,168	135,259	138,934	144,009	146,487
19	Road Safety/Loss Prevention	13,606	12,676	12,790	12,970	13,249
20	Total Claims Costs	929,493	1,023,751	1,089,325	1,162,980	1,219,732
21	Expenses					
22	Operating	75,060	73,525	76,174	79,838	82,759
23	Commissions	40,338	42,511	44,406	46,163	47,979
24	Premium Taxes	31,518	33,527	35,038	36,448	37,904
25	Regulatory/Appeal	4,669	4,839	4,998	5,114	5,233
26	Total Expenses	151,585	154,402	160,616	167,563	173,875
27	Underwriting Income (Loss)	(17,825)	(46,314)	(66,124)	(97,974)	(110,532)
28	Investment Income	192,131	87,066	92,742	97,098	100,449
29	(b) Investment Income - Interest Rate Impact	(28,313)	(24,535)	(7,428)	4,483	2,065
30	Net Investment Income	163,818	62,531	85,314	101,581	102,514
31	Net Income (Loss)	145,993	16,217	19,190	3,607	(8,018)
32	Total net Impact due to interest rate change (b) - (a)	16,226	(5,848)	(8,068)	(6,565)	(7,042)

# Pro Forma-2: Appendix 2k Statement of Financial Position Multi-year - Statement of Financial Position

Line	2019/20 Basic Rates +1.00% Rate Indication Includi	ng Net CMP - MPI M		•		5
No.	(C\$ 000s, rounding may affect totals)			ears Ended Februa	,	
1	_	2019FB	2020F	2021F	2022F	2023F
2	BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
3	Assets					
4	Cash and cash equivalents	28,914	57,602	61,325	59,442	43,968
5	Investments	2,479,860	2,546,126	2,650,611	2,774,171	2,897,219
6	Investment property	13,906	13,548	13,553	13,760	15,246
7	Due from other insurance companies	-	-	-	-	-
8	Accounts receivable	354,564	371,962	386,677	401,725	417,465
9	Prepaid expenses	-	-	-	-	-
10	Deferred policy acquisition costs	19,193	22,173	28,333	25,373	18,832
11	Reinsurers' share of unpaid claims	-	-	-	-	-
12	Property and equipment	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	43,654	47,120	59,184	61,206	63,241
14		3,029,946	3,149,581	3,288,679	3,424,012	3,546,198
15	Liabilities					
16	Due to other insurance companies	144	144	144	144	144
17	Accounts payable and accrued liabilites	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	341,796	356,990	372,680	389,281	405,982
22	Provision for unpaid claims	1,814,771	1,865,993	1,934,087	2,010,680	2,083,793
23		2,765,090	2,860,572	2,971,292	3,092,741	3,211,278
24	Equity					
25	Retained Earnings	316,967	333,183	352,374	355,981	347,963
26	Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
27	Total Equity	264,856	289,009	317,389	331,273	334,921
28	Total Liabilities & Equity	3,029,946	3,149,581	3,288,681	3,424,014	3,546,199

# Pro Forma-3: Appendix 2I Statement of Changes in Equity Multi-year - Statement of Changes in Equity

2019/20 Basic Rates +1.00% Rate Indication Including Net CMP - MPI (C\$ 000s, rounding may affect totals)		• .	ears Ended Feb		
	2019FB	2020F	2021F	2022F	2023F
BASIC	2018/19FB	2019/20F	2020/21F	2021/22F	2022/23F
Total Equity					
Retained Earnings					
Beginning Balance	170,975	316,967	333,183	352,374	355,981
Net Income (Loss) from annual operations Transfer (to) / from Non-Basic Retained Earnings	145,992 -	16,216 -	19,191 -	3,607 -	(8,018) -
Total Retained Earnings	316,967	333,183	352,374	355,981	347,963
Total Accumulated Other Comprehensive Income					
Beginning Balance	39,870	(52,111)	(44,174)	(34,986)	(24,708)
Other Comprehensive Income for the Year	(91,981)	7,937	9,188	10,277	11,667
Total Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
Total Equity Balance	264,856	289,009	317,389	331,273	334,921
Total Equity					
Rate Stabilization Reserve					
Retained Earnings	316,967	333,183	352,374	355,981	347,963
Accumulated Other Comprehensive Income	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
Total Rate Stabilization Reserve	264,856	289,009	317,389	331,273	334,921
Retained Earnings	-	-	-	-	-
Total Equity Balance	264,856	289,009	317,389	331,273	334,921
RATE STABILIZATION RESERVE TARGETS					
PUB Lower Target (@27% MCT Ratio)	122,000	131,000	147,000	154,000	161,000
PUB Upper Target (@69% MCT Ratio) - Based on \$ Target	250,000	272,000	294,000	309,000	324,000
PUB Upper Target (@78% MCT Ratio) - Based on % target	280,000	304,000	328,000	345,000	362,000
MPI Lower Target (@34% MCT Ratio)	142,000	154,000	171,000	179,000	187,000
MPI Upper Target (@89% MCT Ratio)	318,000	346,000	372,000	391,000	411,000
MCT RATIO (%)	73.2%	73.1%	74.4%	73.8%	70.5%

### Appendix 3a Updated Base Scenario #1 Statement of Operations

:	(C\$ 000s, except where noted)				or the Years En	<b>J</b> .			
		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC	054470	221 222	055.044	4 040 004	4 050 500	4 400 400	4 4 4 7 4 4 5	4 40 4 550
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded Total Net Premiums Written	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
	Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,284
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,875
	Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,160
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
	Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,141
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,873
	Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,904
	Investment Income	48,476	101,645	111,731	192,209	84,813	88,268	91,549	94,615
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	4
	Net Investment Income	(4,038)	82,897	116,320	171,428	84,823	88,271	91,551	94,619
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285
-	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,243)	(10,116)	(8,827)	(8,871

### Appendix 3b Updated Base Scenario #1 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	led February,			
No.	<u>-</u>	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
1	Beginning Balance	177.818	194,498	99.251	170.975	314.049	311.386	308,594	288.633
2			· ·		.,		. ,	-	
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	10,675
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
11	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
	_								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865

### Appendix 3c Updated Base Scenario #1 Balance Sheet

Line	(C\$ 000s, except where noted)			F	or the Years En	ded February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	48,628	40,072	25,785	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,576,553	2,682,810	2,793,177	2,902,041
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
14		2,683,473	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,215	390,308	406,707
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,840	1,980,340	2,055,792	2,129,627
23		2,452,472	2,624,484	2,705,292	2,774,723	2,891,266	3,012,531	3,132,065	3,250,745
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	311,386	308,594	288,633	256,348
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
27	Total Equity	231,003	181,000	210,845	261,938	267,209	273,608	263,475	241,865
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610

### Appendix 3d Updated Base Scenario #1 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No. 1	Capital Available:		(01)	(02)	(03)	(04)	(05)
2	Capital available (from page 30.62 - capital available)	01	218,283	220,092	214,441	202,295	178,654
3	Phase-in of capital available	03	0	0	0	0	170,05
4	Total Capital Available	09	218,283	220,092	214,441	202,295	178,654
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
7	Phase-in of net assets available	13	0	0	0	0	(
8	Total Net Assets Available	19	0	0	0	0	C
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	4,798	20,574	24,537	29,049	33,491
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,324
19	Equity risk	34	69,145	67,268	71,795	76,632	81,846
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	(
22	Subtotal: Market risk margin	39	115,494	129,963	140,153	151,502	165,651
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,566	62,857	64,325	65,427
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	39,359	60,566	62,857	64,325	65,427
28	Operational risk margin	50	64,469	69,550	72,817	76,119	79,686
29	Less: Diversification credit	52	53,525	62,120	65,633	69,182	73,190
30	Total Capital (Margin) Required at Target	59	452,643	496,833	521,587	546,482	573,686
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	331,222	347,724	364,321	382,457
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
33	Total Minimum Capital (Margin) Required	69	301,762	331,222	347,724	364,321	382,457
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(111,130)	(133,283)	(162,026)	(203,803
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	66.45%	61.67%	55.53%	46.719

## Appendix 3e Updated Base Scenario #1 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,504	220,930	222,334	224,958
7	Total	726,240	767,976	844,425	890,928	936,300	985,903
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,684
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767,240	789,235	909,702	948,756	1,005,018	1,061,159

#### Appendix 3f

### Updated Base Scenario #1 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No. 1	A. Claims (Including External Adjustment Expense) Data	a											
2	_					Acci	dent Year					Selected	Selected
3	<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.90%	73.83%	74.76%	75.78%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9395	0.9490	0.9630	0.9995	1.0131					
9	2020				0.9491	0.9635	1.0004	1.0144	1.0115				
10	2021					0.9734	1.0091	1.0215	1.0169	1.0132			
11	2022						1.0153	1.0273	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79.24%
16	2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78.61%
17	2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79.22%
18	2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80.35%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
24	<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsurar</li></ol>	nce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)	) x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
	10 Maintanana Farana [2]					13,837	14,989	14,951	14,890	15,451	16,041		
32	<ol><li>Maintenance Expense [a]</li></ol>												
	Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
33		nhancemer	ıt			70,595 3,950	71,989 3,950	75,746 3,950	78,213 3,950	81,972 3,950	86,498 3,950		
33 34	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	nhancemer	nt			.,							
33 34 35	<ul><li>13. Internal Loss Adjustment Expense [Sheet 1, Row 11]</li><li>14. Expected Claims (Including Ext Adj Expenses) - PIPP E</li></ul>	nhancemer	nt			3,950	3,950	3,950	3,950	3,950	3,950		
33 34 35 36	<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP E</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>	nhancemer	ıt			3,950 (8,845)	3,950 18,310	3,950 13,224	3,950 18,619	3,950 15,485	3,950 8,485		
33 34 35 36 37	<ol> <li>Internal Loss Adjustment Expense (Sheet 1, Row 11)</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP E</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14)))</li> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>	nhancemer	nt			3,950 (8,845) 32,055	3,950 18,310 29,489	3,950 13,224 30,624	3,950 18,619 31,896	3,950 15,485 33,197	3,950 8,485 34,560		
32 33 34 35 36 37 38 39	<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP E</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> </ol>	nhancemer	nt			3,950 (8,845) 32,055 32,055	3,950 18,310 29,489 11,179	3,950 13,224 30,624 17,401	3,950 18,619 31,896 13,277	3,950 15,485 33,197 17,712	3,950 8,485 34,560 26,075		

<sup>41</sup> Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 3g Updated Base Scenario #1 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
Line			Forecasted		
No.					
<ol> <li>Interest Income During Period</li> <li>Cash/Short Term Investments</li> </ol>	255	92	(0)	0	(0
2 Cash/Short Term Investments 3 Marketable Bonds	44,259		(0) 41.01E		72.004
4 MUSH	26,759	55,084 24,361	61,815 22,065	67,258 19,852	72,896 17,693
5 Total	71,273	79,537	83,880	87,109	90,589
6 Dividend and other Income					
7 Canadian Equities	9,657	5,685	4,544	5,164	5,608
Global	4,218	5,969	4,878	5,490	5,877
Global LV	-	2,886	3,212	3,617	3,885
o Private Debt	-	3,822	10,187	10,180	10,173
11 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
12 Infrastructure	1,472	1,135	1,182	1,249	1,318
13 Total	20,287	21,423	26,514	28,151	29,174
Gains During Period - Profit & Loss	(20,000)	(00.744)	(744)	(350)	/7/5
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(746)	(758)	(765
Marketable Bonds Realized Gains/(Loss)	13,969	29,711	746	758	765
MUSH Consider Equities Positived Cains	- (0.000	- 0.451	-	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223 66,318	2,651 3,747	0	0	787 934
	00,310	457	U	U	817
	- 16,307	5,598	- 5,842	- 6,192	6,564
21 Real Estate (Pooled Fund) 22 Infrastructure	5,765	4,447	4,633	4,893	5,167
23 Total	133,380	16,900	10,475	11,085	14,268
	100,000	10,700	10,170	11,000	11,200
24 Other	(F. 200)	(4.700)	(4.50()	(4.054)	/F 00F
Investment Fees Paid	(5,203)	(4,720)	(4,586)	(4,851)	(5,035
Pension Expense Amortization on Marketable Bonds (Prem) / Discour	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discour Investment Write-Down	nt (6,386) -	4,441 -	4,577 -	4,653	4,672
29 Total	(25,030)	(14,151)	(14,322)	(14,955)	(15,570
Total Corporate Investment Income	199,910	103,709	106,547	111,390	118,461
Total Basic Investment Income	171,428	84,823	88,271	91,551	94,619
% - Basic to Total Investment Income	85.75%	82%	83%	82%	80%
3 Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,736	4,808	5,464	6,259
US Equities Unrealized Gains/(Losses)	7,537	9,306	7,279	8,193	8,770
Global LV Unrealized Gains/(Losses)		4,199	4,385	4,938	5,305
Total Corporate Unrealized Gains/(Losses)	19,651	16,042	12,087	13,657	15,030
88 Ending Asset Values for Corporate (\$Millions)					
39 Cash/Short Term Investments	-	-	-	-	=
40 Canadian Fixed Income	1,760.8	1,738.7	1,886.0	2,034.0	2,186.5
MUSH	569.3	522.8	477.0	432.3	386.3
42 Canadian Equities	123.2	128.7	146.9	165.9	181.2
43 Global Equities	166.6	168.1	189.8	212.6	231.8
Global LV Equities Private Debt	96.5	114.7	129.6	145.2	156.2
	133.5	188.7 138.0	188.7 143.9	188.7 150.7	188.7 161.7
46 Real Estate 47 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.5	3,249.2	3,421.5	3,589.7
9 Total Basic Assets	2,530.3	2,638.7	2,736.4	2,832.7	2,917.3
0 Ending Rebalanced Allocations (%)					
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.09
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.99
3 MUSH	19.4%	17.0%	14.7%	12.6%	10.89
4 Canadian Equities	4.2%	4.2%	4.5%	4.8%	5.09
5 US Equities	5.7%	5.5%	5.8%	6.2%	6.59
6 Global LV	3.3%	3.7%	4.0%	4.2%	4.49
7 Private Debt	0.0%	6.1%	5.8%	5.5%	5.39
8 Real Estate	4.6%	4.5%	4.4%	4.4%	4.5%
					0.70
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%

### Appendix 3h Updated Base Scenario #1 with Management Action Statement of Operations

(C\$ 000s, except where noted)			Fo	or the Years En	ded February,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,284
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,87
Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,160
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,873
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,904
Investment Income	48,476	101,645	111,731	192,209	84,813	88,268	91,549	94,615
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	4
Net Investment Income	(4,038)	82,897	116,320	171,428	84,823	88,271	91,551	94,619
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,243)	(10,116)	(8,827)	(8,871

### Appendix 4a Modified Base Scenario #1 Statement of Operations

(C\$ 000s, except where noted)				or the Years En	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,285
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,255	10,117	8,829	8,87
Total Claims Incurred	666,404	860,035	767,239	789,235	909,703	948,754	1,005,019	1,061,16
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
Total Claims Costs	798,045	993,537	923,722	940,009	1,057,684	1,100,694	1,162,259	1,221,14
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82.87
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,487)	(91,060)	(111,512)	(126,909
Chack many moonto (2000)	(02/011)	(200/100)	(0.1,070)	(20,000)	(01/101)	(71,000)	(111/012)	(120)70
Investment Income	48,476	101,645	111,731	192,209	79,580	82,898	85,951	88,78
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	2	2	;
Net Investment Income	(4,038)	82,897	116,320	171,428	79,590	82,900	85,953	88,78
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(7,897)	(8,160)	(25,560)	(38,12

### Appendix 4b Modified Base Scenario #1 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			Foi	r the Years End	ded February,			
No.	- -	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,804	176,189	185,173	183,631
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(7,897)	(8,160)	(25,560)	(38,120)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,245)	11,282	17,144	24,018	36,317
6	Total Retained Earnings	194,498	99,251	170,975	172,804	176,189	185,173	183,631	181,828
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,961)	(38,794)	(31,130)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,150	7,167	7,664	8,320
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,961)	(38,794)	(31,130)	(22,810)
11	Total Equity Balance	231,002	181,000	210,845	120,693	130,228	146,379	152,501	159,018
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,804	176,189	185,173	183,631	181,828
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,961)	(38,794)	(31,130)	(22,810)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,693	130,228	146,379	152,501	159,018
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	120,693	130,228	146,379	152,501	159,018

#### Appendix 4c Modified Base Scenario #1 Balance Sheet

Line	(C\$ 000s, except where noted)			F	or the Years En	ded February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	59,422	67,890	77,613	85,492
4	Equity investments	2,083,349	2,189,534	2,272,545	2,346,381	2,428,783	2,527,766	2,630,381	2,733,721
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
14		2,683,473	2,805,484	2,916,137	2,895,416	3,021,499	3,158,913	3,284,571	3,409,781
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,131	374,218	390,313	406,721
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,842	1,980,340	2,055,792	2,129,631
23		2,452,472	2,624,484	2,705,292	2,774,723	2,891,271	3,012,534	3,132,070	3,250,763
24	Equity								
25	Retained earnings	194,499	99,251	170,975	172,804	176,189	185,173	183,631	181,828
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,961)	(38,794)	(31,130)	(22,810)
27	Total Equity	231,003	181,000	210,845	120,693	130,228	146,379	152,501	159,018
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,895,416	3,021,499	3,158,913	3,284,571	3,409,781

## Appendix 4d Modified Base Scenario #1 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	Canital Available		(01)	(02)	(03)	(04)	(05)
1	Capital Available: Capital available (from page 30.62 - capital available)	01	77,038	83,111	87,212	91,321	95,807
2	Phase-in of capital available	03	77,038	03,111	07,212	91,321	95,807
3	Total Capital Available	09	77,038	83,111	87,212	91,321	95,807
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,632	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,875	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	2,532	12,468	16,086	20,244	24,323
18	Foreign exchange risk	32	13,064	12,595	13,418	14,296	16,870
19	Equity risk	34	56,432	53,946	57,563	61,425	65,586
20	Real estate risk	36	23,121	23,862	24,380	25,121	26,420
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,149	102,871	111,447	121,086	133,199
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,837	55,931	58,185	59,615	60,680
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,837	55,931	58,185	59,615	60,680
28	Operational risk margin	50	62,696	66,854	69,980	73,134	76,524
29	Less: Diversification credit	52	48,453	55,177	58,458	61,765	65,528
30	Total Capital (Margin) Required at Target	59	435,075	469,354	492,547	515,788	540,987
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,050	312,903	328,365	343,859	360,658
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
33	Total Minimum Capital (Margin) Required	69	290,050	312,903	328,365	343,859	360,658
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,012)	(229,792)	(241,153)	(252,538)	(264,851
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.56%	26.56%	26.56%	26.56%	26.56%

# Appendix 4e Modified Base Scenario #1 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,506	220,928	222,334	224,961
7	Total	726,240	767,976	844,426	890,927	936,300	985,906
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,030	6,745	6,685
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767,240	789,235	909,703	948,754	1,005,018	1,061,164

#### Appendix 4f

#### Modified Base Scenario #1 Deferred Policy Acquisition Expenses and Premium Deficiency

Line No.	·												
1	A. Claims (Including External Adjustment Expense) Date	a				A:	dt \/						
2	<del>-</del>	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
,	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.90%	73.83%	74.76%	75.78%	Uluisc	Dis
	Trend/Rate Adjustment for Fiscal Year	00.0770	72.7770	0117770	01.0170	7 1.0770	70.2070	72.7070	70.0070	7 117 070	70.7070		
	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
	2019			0.9395	0.9490	0.9630	0.9995	1.0131					
	2020				0.9491	0.9635	1.0004	1.0144	1.0115				
)	2021					0.9734	1.0091	1.0215	1.0169	1.0132			
	2022						1.0153	1.0273	1.0222	1.0180	1.0134		
,	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
3	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
	2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79.24
,	2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78.61
7	2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79.22
1	2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80.35
)	B. Actual Data Other Than Losses												
)						Fis	cal Year						
	_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
	Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
7	C. Equity in Unearned Premium												
	8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
	<ol><li>Additional Expected Cost of Non-Proportional Reinsura</li></ol>	nce				5,598	5,710	5,824	5,941	6,059	6,059		
	<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9)</li> </ol>	)) x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
	11. Reinsurance PFAD					10	-	-	-	-	-		
	12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
	14. Expected Claims (Including Ext Adj Expenses) - PIPP E	nhanceme	nt			3,950	3,950	3,950	3,950	3,950	3,950		
	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,224	18,619	15,485	8,485		
	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	17,401	13,277	17,712	26,075		
						22/2	(20,876)	6,222	(4,124)	4,436	8,363		
	Change					2,363	(20,870)	0,222	(7,127)	1,100	0,000		
7	Change 18. Premium Deficiency [c]					2,363 8,845	(20,876)	- 0,222	(4,124)		-		

<sup>41</sup> Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

#### Appendix 4g Modified Base Scenario #1 Summary of Corporate Investment Income

0.		2019/20	2020/21 Forecasted	2021/22	2022/23
Interest Income During Period			. o. oodstou		
Cash/Short Term Investments	255	53	0	0	(2)
Marketable Bonds	44,259	54,990	61,796	67,195	72,280
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,404	83,861	87,047	89,972
Dividend and other Income					
Canadian Equities	9,657	5,850	4,555	5,194	5,847
Global	4,218	6,015	4,888	5,517	6,159
Global LV	-	2,888	3,223	3,641	4,062
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
nfrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,636	26,546	28,232	29,872
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(17,522)	(745)	(757)	(755)
Marketable Bonds Realized Gains/(Loss)	13,969	17,522	745	757	755
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,838	0	0	0
Global Equities Realized Gains	66,318	3,813	0	0	1,905
Global LV Realized Gains	-	457	-	-	0
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	17,153	10,475	11,085	13,636
Other					
Investment Fees Paid	(5,203)	(4,737)	(4,589)	(4,854)	(5,075)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	4,435	4,576	4,649	4,635
Investment Write-Down  Total	(25,030)	(14,174)	(14,326)	(14,962)	(15,647)
Total Corporate Investment Income	199,910	104,019	106,556	111,401	117,832
Total Basic Investment Income	171,428	79,590	82,900	85,953	88,788
% - Basic to Total Investment Income	85.75%	77%	78%	77%	75%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,932	4,819	5,496	6,526
US Equities Unrealized Gains/(Losses)	7,537	9,376	7,294	8,233	9,191
Global LV Unrealized Gains/(Losses)	-	4,202	4,400	4,971	5,546
Total Corporate Unrealized Gains/(Losses)	19,651	16,307	12,113	13,729	15,717
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	=	=	=	=	=
Canadian Fixed Income	1,760.8	1,738.5	1,884.3	2,030.6	2,189.3
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	128.9	147.5	167.2	186.7
Global Equities	166.6	168.3	190.5	214.0	219.4
Global LV Equities	96.5	115.0	130.3	146.4	161.9
Private Debt	-	188.7	188.7	188.7	188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.9	3,249.6	3,422.1	3,591.4
Total Basic Assets	2,389.0	2,501.8	2,609.2	2,721.8	2,834.5
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.3%	61.0%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Consider Equities	4.2%	4.2%	4.5%	4.9%	5.2%
Canadian Equities	5.7%	5.5%	5.9%	6.3%	6.1%
US Equities					
US Equities Global LV	3.3%	3.7%	4.0%	4.3%	4.5%
US Equities Global LV Private Debt	3.3% 0.0%	6.1%	5.8%	5.5%	5.3%
US Equities Global LV	3.3%				

### Appendix 5a Adverse Scenario #1 Statement of Operations

:	(C\$ 000s, except where noted)	201/ A	20174		or the Years En		2021D	2022D	20221
	DACIO.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC  Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)		•	•			(11,881)	(12,119
	Total Net Premiums Written	888,366	(11,635) <b>923,789</b>	(11,294) <b>994</b> ,5 <b>93</b>	(11,196) 1,076,987	(11,420) 1,118,016	(11,648) 1,163,716	1,210,307	1,259,005
	Total Net Fremiums written	000,300	723,707	774,373	1,070,707	1,110,010	1,103,710	1,210,307	1,237,003
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,999
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,291
	Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,215	1,125,143	995,889	1,056,343
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
	Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,173	1,137,533	1,000,114	1,062,377
			222/222	,	,	1,002,1110	1,101,1000	.,,,,,,,,,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,931
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,400
	Total Claims Costs	798,045	993,537	923,722	940,009	1,210,154	1,290,200	1,158,876	1,223,708
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,494
	Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,671
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,957)	(280,890)	(108,813)	(130,088
		10.177	404 (45	444 704	100.000	(0.400	50.447	57.407	55.74
	Investment Income	48,476	101,645	111,731	192,209	63,490	59,116	57,137	55,746
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,960	102,282	(65)	(42
	Net Investment Income	(4,038)	82,897	116,320	171,428	188,450	161,398	57,072	55,704
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(51,507)	(119,492)	(51,741)	(74,384

## Appendix 5b Adverse Scenario #1 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			Foi	r the Years End	ded February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,804	132,579	30,231	2,508
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(51,507)	(119,492)	(51,741)	(74,384)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,245)	11,282	17,144	24,018	36,317
6	Total Retained Earnings	194,498	99,251	170,975	172,804	132,579	30,231	2,508	(35,559)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,899)	(46,239)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(99)	311	5,659	5,495
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,239)	(40,745)
11	Total Equity Balance	231,002	181,000	210,845	120,693	80,369	(21,668)	(43,732)	(76,304)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,804	132,579	30,231	2,508	(35,559)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,239)	(40,745)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,693	80,369	(21,668)	(43,732)	(76,304)
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-		-	-
18	Total Equity Balance	231,002	181,000	210,845	120,693	80,369	(21,668)	(43,732)	(76,304)

#### Appendix 5c Adverse Scenario #1 Balance Sheet

Line	(C\$ 000s, except where noted)			F	or the Years En	ded February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	53,110	23,495	26,032	31,768
4	Equity investments	2,083,349	2,189,534	2,272,545	2,346,381	2,537,067	2,716,434	2,785,437	2,851,536
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	2,895,416	3,113,490	3,284,520	3,372,460	3,465,267
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,829	2,274,302	2,339,341	2,421,047
23		2,452,472	2,624,484	2,705,292	2,774,723	3,033,121	3,306,188	3,415,157	3,541,571
24	Equity								
25	Retained earnings	194,499	99,251	170,975	172,804	132,579	30,231	2,508	(35,559)
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,239)	(40,745)
27	Total Equity	231,003	181,000	210,845	120,693	80,369	(21,668)	(43,732)	(76,304)
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,895,416	3,113,490	3,284,520	3,371,425	3,465,267

#### Appendix 5d Adverse Scenario #1 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	Canital Austlahla		(01)	(02)	(03)	(04)	(05)
1	Capital Available: Capital available (from page 30.62 - capital available)	01	77,038	33,252	(80,789)	(104,811)	(139,394
2	Phase-in of capital available	03	77,038	33,232	(80,789)	(104,811)	(139,394
3	Total Capital Available	09	77,038	33,252	(80,789)	(104,811)	(139,394
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,524	113,493
12	Unpaid claims	22	192,187	214,811	238,392	245,238	253,238
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,054	342,097	352,762	366,731
16	Market Risk:						
17	Interest rate risk	30	2,532	3,689	6,508	7,050	4,206
18	Foreign exchange risk	32	13,064	15,163	15,362	13,391	13,715
19	Equity risk	34	56,432	67,632	67,854	55,228	59,984
20	Real estate risk	36	23,121	23,862	24,380	25,121	26,420
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,149	110,346	114,104	100,790	104,325
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,837	55,449	58,219	60,308	61,606
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,837	55,449	58,219	60,308	61,606
28	Operational risk margin	50	62,696	68,653	72,819	73,936	76,751
29	Less: Diversification credit	52	48,453	57,668	60,904	58,643	60,564
30	Total Capital (Margin) Required at Target	59	435,075	489,834	526,335	529,153	548,849
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,050	326,556	350,890	352,769	365,899
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	290,050	326,556	350,890	352,769	365,899
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,012)	(293,304)	(431,679)	(457,580)	(505,293
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.56%	10.18%	-23.02%	-29.71%	-38.10%

# Appendix 5e Adverse Scenario #1 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	471,179	549,150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,942	334,672	222,480	223,702
7	Total	726,240	767,976	966,495	1,042,339	936,151	984,830
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,434	6,774
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(9)	10,563
13	Total Net Claims Incurred	767,240	789,235	1,062,172	1,137,534	1,000,113	1,062,377

#### Appendix 5f

#### Adverse Scenario #1 Deferred Policy Acquisition Expenses and Premium Deficiency

Line	· <u></u>												
No. 1	A. Claims (Including External Adjustment Expense) Da	nta											
2						Acci	dent Year					Selected	Selecte
3	_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Dis
	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%		
j	Trend/Rate Adjustment for Fiscal Year												
	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
	2019			0.9434	0.9521	0.9653	1.0011	1.0138					
	2020				0.9634	0.9750	1.0092	1.0200	1.0139				
0	2021					0.9845	1.0181	1.0282	1.0212	1.0150			
1	2022						1.0241	1.0344	1.0274	1.0212	1.0148		
2	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
3	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
4	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
5	2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.86
6	2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.74
7	2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.52
8	2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83
9	B. Actual Data Other Than Losses												
0	_					Fis	cal Year						
1	_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
2	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
3	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
4	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
5	Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
6	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
8	8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9	<ol><li>Additional Expected Cost of Non-Proportional Reinsur</li></ol>	ance				5,598	5,710	5,824	5,941	6,059	6,059		
0	<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (</li> </ol>	9)) x (3)]				383,468	391,245	420,094	447,430	464,050	490,480		
1	11. Reinsurance PFAD					10	-	-	-	-	-		
2	12. Maintenance Expense [a]					13,837	14,989	14,951	14,921	15,549	16,168		
3	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,327	85,385	90,248		
ļ	14. Expected Claims (Including Ext Adj Expenses) - PIPP	Enhanceme	nt			3,950	3,950	3,950	3,950	3,950	3,950		
	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	(7,884)	(6,573)	(15,774)		
5	14 Carried Deferred Delieu Association European					32,055	29,489	30,624	31,896	33,197	34,560		
	<ol><li>Carried Deferred Policy Acquisition Expenses</li></ol>							07.000	04.007	22 107	24 540		
6	<ul><li>17. Write Down Deferred Policy Acquisition Expenses [b]</li></ul>					32,055	11,179	27,382	31,896	33,197	34,560		
6 7	3 1 1					32,055 2,363	11,179 (20,876)	27,382 16,204	31,896 4,513	1,301	1,362		
15 16 17 18	17. Write Down Deferred Policy Acquisition Expenses [b]												

<sup>41</sup> Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 5g Adverse Scenario #1 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
Line			orecasted		
No. Interest Income During Period					
<ul> <li>Interest Income During Period</li> <li>Cash/Short Term Investments</li> </ul>	255	79	2	0	(29)
3 Marketable Bonds	44,259	50,673	51,207	51,180	52,840
4 MUSH	26,759	24,361	22,065	19,852	17,693
5 Total	71,273	75,113	73,273	71,031	70,504
6 Dividend and other Income					
7 Canadian Equities	9,657	6,538	5,031	4,987	4,983
8 Global	4,218	6,735	5,466	5,458	5,442
9 Global LV	-	3,328	3,357	3,300	3,291
10 Private Debt	-	3,558	9,533	9,583	9,626
11 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
12 Infrastructure 13 Total	1,472 <b>20,287</b>	1,135 <b>23,219</b>	1,182 <b>27,082</b>	1,249 <b>27,029</b>	1,318 <b>26,973</b>
14 Gains During Period - Profit & Loss					
<ul> <li>Gains During Period - Profit &amp; Loss</li> <li>Marketable Bonds Unrealized Gains/(Loss)</li> </ul>	(38,202)	97,759	88,479	(14,183)	(11,881)
16 Marketable Bonds Realized Gains/(Loss)	13,969	38,168	20,507	14,183	11,881
17 MUSH	-	-	-	-	-
18 Canadian Equities Realized Gains	69,223	(299)	(1,227)	282	1,129
19 Global Equities Realized Gains	66,318	154	(87)	934	873
20 Global LV Realized Gains	-	49	11	354	946
21 Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
22 Infrastructure	5,765	4,447	4,633	4,893	5,167
23 Total	133,380	145,877	118,159	12,656	14,679
24 Other					
25 Investment Fees Paid	(5,203)	(4,903)	(4,783)	(4,900)	(4,962)
26 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
27 Amortization on Marketable Bonds (Prem) / Discount 28 Investment Write-Down	(6,386) -	(2,312)	(12,548) -	(14,561) -	(14,264)
29 Total	(25,030)	(21,087)	(31,644)	(34,218)	(34,433)
30 Total Corporate Investment Income	199,910	223,121	197,910	76,498	77,723
31 Total Basic Investment Income	171,428	188,450	161,398	57,072	55,704
32 % - Basic to Total Investment Income	85.75%	84%	82%	75%	72%
33 Equity Unrealized Gains/(Losses)					
34 Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(975)	5,276	5,561
35 US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,146	8,121
36 Global LV Unrealized Gains/(Losses)	-	147	66	4,505	4,493
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,069)	13,422	13,682
38 Ending Asset Values for Corporate (\$Millions)					
39 Cash/Short Term Investments	- 47/00	- 4 700 7	- 4 000 0	(1.0)	- 0.000.4
40 Canadian Fixed Income 41 MUSH	1,760.8 569.3	1,783.7 522.8	1,983.2 477.0	2,187.4 432.3	2,320.4 386.3
41 MUSH 42 Canadian Equities	123.2	150.6	166.2	157.8	161.8
43 Global Equities	166.6	197.3	215.2	193.7	209.3
44 Global LV Equities	96.5	126.0	138.5	123.3	124.6
45 Private Debt	-	188.7	199.7	199.7	199.7
46 Real Estate	133.5	138.0	143.9	150.7	161.7
47 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
48 Total Ending Asset Values	2,928.3	3,189.8	3,411.0	3,536.2	3,661.2
49 Total Basic Assets	2,389.0	2,603.7	2,753.5	2,825.2	2,898.5
50 Ending Rebalanced Allocations (%)					
51 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
52 Canadian Fixed Income	60.1%	55.9%	58.1%	61.9%	63.4%
53 MUSH	19.4%	16.4%	14.0%	12.2%	10.6%
54 Canadian Equities	4.2%	4.7%	4.9%	4.5%	4.4%
55 US Equities 56 Global LV	5.7% 3.3%	6.2% 4.0%	6.3% 4.1%	5.5% 3.5%	5.7% 3.4%
57 Private Debt	0.0%	5.9%	4.1% 5.9%	5.6%	5.5%
58 Real Estate	4.6%	4.3%	4.2%	4.3%	4.4%
59 Infrastructure & Venture Capital	2.7%	2.6%	2.6%	2.6%	2.7%
60 Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 5h Adverse Scenario #1 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	or the Years En	ded February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,124,894	1,170,787	1,218,832
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,186,131	1,233,629	1,283,278
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,094,196	1,149,558	1,196,607
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,514	29,420	31,504
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,181,949	1,240,894	1,291,629
13	Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,215	1,115,216	995,640	1,055,889
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,173	1,127,606	999,864	1,061,923
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,587	147,904
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,131	13,397
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,210,154	1,280,273	1,158,582	1,223,224
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,545	76,597	80.625	83,480
21	Commissions	33,862	35,086	37,378	40,338	42,323	44,265	46,437	48,263
22	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,983	36,701	38,167
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,016	160,843	168,877	175,144
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,957)	(259,167)	(86,565)	(106,739)
26	Investment Income	48,476	101,645	111,731	192,209	63,490	59,139	57,134	55,760
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,960	102,274	(70)	10
28	Net Investment Income	(4,038)	82,897	116,320	171,428	188,450	161,413	57,064	55,771
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(51,507)	(97,754)	(29,501)	(50,968)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	284,002	89,884	(4,295)	(6,024)

## Appendix 5i Adverse Scenario #1 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			Fo	r the Years End	ded February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,804	132,579	51,968	46,485
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(51,507)	(97,754)	(29,501)	(50,968)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,245)	11,282	17,144	24,018	36,317
6	Total Retained Earnings	194,498	99,251	170,975	172,804	132,579	51,968	46,485	31,834
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,899)	(46,010)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(99)	311	5,888	5,973
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,010)	(40,037)
11	Total Equity Balance	231,002	181,000	210,845	120,693	80,369	69	475	(8,203)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,804	132,579	51,968	46,485	31,834
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,010)	(40,037)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,693	80,369	69	475	(8,203)
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-		-		
18	Total Equity Balance	231,002	181,000	210,845	120,693	80,369	69	475	(8,203)

#### Appendix 5j Adverse Scenario #1 with Management Action Balance Sheet

ine	(C\$ 000s, except where noted)			F	or the Years En	ded February,			
lo.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	53,110	37,083	58,293	83,418
	Equity investments	2,083,349	2,189,534	2,272,545	2,346,381	2,537,067	2,718,431	2,790,965	2,861,443
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	368,356	388,867	404,004	419,837
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	2,699	4,218	
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,080	63,092
4		2,683,473	2,805,484	2,916,137	2,895,416	3,113,490	3,308,749	3,420,654	3,533,263
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	605,196	631,310	658,749
0	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,829	2,266,425	2,332,708	2,409,715
3		2,452,472	2,624,484	2,705,292	2,774,723	3,033,121	3,308,679	3,419,312	3,541,466
4	Equity								
5	Retained earnings	194,499	99,251	170,975	172,804	132,579	51,968	46,485	31,834
6	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,899)	(46,010)	(40,037
7	Total Equity	231,003	181,000	210,845	120,693	80,369	69	475	(8,203
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,895,416	3,113,490	3,308,749	3,419,787	3,533,263

## Appendix 5k Adverse Scenario #1 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	Canital Austlahla		(01)	(02)	(03)	(04)	(05)
1	Capital Available: Capital available (from page 30.62 - capital available)	01	77,038	33,252	(59,051)	(60,605)	(71,296
2	Phase-in of capital available	03	77,038	33,232	(39,031)	(60,605)	(71,290
3	Total Capital Available	09	77,038	33,252	(59,051)	(60,605)	(71,296
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	104,170	108,313	113,479
12	Unpaid claims	22	192,187	214,811	238,393	245,232	253,235
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,054	342,563	353,545	366,714
16	Market Risk:						
17	Interest rate risk	30	2,532	3,689	5,250	7,916	8,970
18	Foreign exchange risk	32	13,064	15,163	15,373	13,553	13,404
19	Equity risk	34	56,432	67,632	67,918	56,165	55,373
20	Real estate risk	36	23,121	23,862	24,380	25,121	26,420
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,149	110,346	112,921	102,755	104,167
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,837	55,449	58,802	61,049	62,114
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,837	55,449	58,802	61,049	62,114
28	Operational risk margin	50	62,696	68,653	73,367	74,816	77,387
29	Less: Diversification credit	52	48,453	57,668	60,784	59,378	60,654
30	Total Capital (Margin) Required at Target	59	435,075	489,834	526,869	532,787	549,728
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,050	326,556	351,246	355,192	366,485
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
33	Total Minimum Capital (Margin) Required	69	290,050	326,556	351,246	355,192	366,485
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,012)	(293,304)	(410,297)	(415,797)	(437,781
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.56%	10.18%	-16.81%	-17.06%	-19.45%

# Appendix 5I Adverse Scenario #1 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,942	334,676	222,446	223,714
7	Total	726,240	767,976	966,495	1,042,343	936,114	984,843
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,879	6,404	6,785
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	2,463	(192)	10,085
13	Total Net Claims Incurred	767,240	789,235	1,062,172	1,127,606	999,864	1,061,924

#### Appendix 5m

#### Adverse Scenario #1 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) [	Jala				Acci	dent Year					Selected	Selecte
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.04%	73.35%	74.34%		
2. Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9434	0.9521	0.9653	1.0011	1.0138					
2020				0.9446	0.9559	0.9894	1.0001	1.0045				
2021					0.9659	0.9989	1.0088	1.0125	1.0150			
2022						1.0047	1.0148	1.0186	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.86
2020				76.83%	71.30%	72.47%	74.34%	77.39%			74.55%	81.12
2021					72.05%	73.17%	74.99%	78.00%	74.45%		74.20%	80.96
2022					. =	73.60%	75.43%	78.46%	74.91%	75.44%	75.26%	82.24
B. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.18%	8.16%	8.10%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.73%	2.72%	2.70%		
Selected					3.16%	2.99%	2.88%	2.75%	2.72%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
					468,613	506,193	525,358	557,054	579,209	602,361		
8. Net Unearned Premium					5,598	5,710	5,824	5,941	6,059	6,059		
Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsu	urance						420,094	447,075	463,994	490,427		
9. Additional Expected Cost of Non-Proportional Reinst					383,468	391,245	420,094	1111010				
					383,468 10	391,245 -	420,094	-	-	-		
Additional Expected Cost of Non-Proportional Reinst     Expected Claims (Including Ext Adj Expenses) [((8) -							420,094 - 14,951		- 15,613	- 16,164		
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a]	(9)) x (3)]				10	-	-	-	15,613 85,375	- 16,164 90,238		
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	(9)) x (3)]	nt			10 13,837	14,989	- 14,951	- 15,128				
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11 14. Expected Claims (Including Ext Adj Expenses) - PIPI	(9)) x (3)]	nt			10 13,837 70,595	14,989 71,989	- 14,951 77,297	15,128 82,262	85,375	90,238		
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11 14. Expected Claims (Including Ext Adj Expenses) - PIPI 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	(9)) x (3)]	nt			10 13,837 70,595 3,950	14,989 71,989 3,950	- 14,951 77,297 3,950	15,128 82,262 3,950	85,375 3,950	90,238 3,950		
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11 14. Expected Claims (Including Ext Adj Expenses) - PIPI 15. Equity in Unearned Premium ((8) - Sum((9) to (14))) 16. Carried Deferred Policy Acquisition Expenses	(9)) x (3)] ] P Enhancemer	nt			10 13,837 70,595 3,950 (8,845)	14,989 71,989 3,950 18,310	14,951 77,297 3,950 3,242	15,128 82,262 3,950 2,699	85,375 3,950 4,218	90,238 3,950 (4,477)		
Additional Expected Cost of Non-Proportional Reinst     Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD	(9)) x (3)] ] P Enhancemer	nt			10 13,837 70,595 3,950 (8,845) 32,055	14,989 71,989 3,950 18,310 29,489	14,951 77,297 3,950 3,242 30,624	15,128 82,262 3,950 2,699 32,544	85,375 3,950 4,218 33,872	90,238 3,950 (4,477) 35,262		
9. Additional Expected Cost of Non-Proportional Reinst 10. Expected Claims (Including Ext Adj Expenses) [((8) - 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11 14. Expected Claims (Including Ext Adj Expenses) - PIPI 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	(9)) x (3)] ] P Enhancemer	nt			10 13,837 70,595 3,950 (8,845) 32,055 32,055	14,989 71,989 3,950 18,310 29,489 11,179	14,951 77,297 3,950 3,242 30,624 27,382	15,128 82,262 3,950 2,699 32,544 29,845	85,375 3,950 4,218 33,872 29,654	90,238 3,950 (4,477) 35,262 35,262		

<sup>41</sup> Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

#### Appendix 5n Adverse Scenario #1 with Management Action Summary of Corporate Investment Income

Line		2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
No.	Interset Income During Period			, or considu		
2	Interest Income During Period  Cash/Short Term Investments	255	79	2	0	(12)
3	Marketable Bonds	44,259	50,673	51,259	51,288	53,066
4	MUSH	26,759	24,361	22,065	19,852	17,693
5	Total	71,273	75,113	73,326	71,139	70,748
6	Dividend and other Income					
7	Canadian Equities	9,657	6,538	5,060	5,155	5,302
8	Global	4,218	6,735	5,491	5,609	5,721
9	Global LV	=	3,328	3,376	3,411	3,527
10	Private Debt	-	3,558	9,533	9,583	9,626
11	Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
12 13	Infrastructure Total	1,472 <b>20,287</b>	1,135 <b>23,219</b>	1,182 <b>27,15</b> 5	1,249 <b>27,459</b>	1,318 <b>27,807</b>
		20,207	23,217	21,133	21,437	27,007
14 15	Gains During Period - Profit & Loss  Marketable Bonds Unrealized Gains/(Loss)	(38,202)	97,759	88,527	(13,141)	2,375
16	Marketable Bonds Realized Gains/(Loss)	13,969	38,168	20,459	13,141	(2,375)
17	MUSH	13,707	-	20,437	-	(2,373)
18	Canadian Equities Realized Gains	69,223	(299)	(1,227)	266	1,228
19	Global Equities Realized Gains	66,318	154	(87)	924	797
20	Global LV Realized Gains	=	49	11	332	912
21	Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
22	Infrastructure	5,765	4,447	4,633	4,893	5,167
23	Total	133,380	145,877	118,158	12,607	14,668
24	Other					
25	Investment Fees Paid	(5,203)	(4,903)	(4,789)	(4,938)	(5,040)
26	Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
27 28	Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	(2,312)	(12,588)	(14,711) -	(14,500)
29	Total	(25,030)	(21,087)	(31,690)	(34,406)	(34,747)
30	Total Corporate Investment Income	199,910	223,121	197,989	76,799	78,475
31	Total Basic Investment Income	171,428	188,450	161,413	57,064	55,771
32	% - Basic to Total Investment Income	85.75%	84%	82%	74%	71%
33	Equity Unrealized Gains/(Losses)					
34	Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(975)	5,455	5,918
35	US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,370	8,538
36	Global LV Unrealized Gains/(Losses)	-	147	66	4,657	4,815
37	Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,069)	13,825	14,455
38	Ending Asset Values for Corporate (\$Millions)					
39	Cash/Short Term Investments	-	-	-	(0.9)	-
40	Canadian Fixed Income	1,760.8	1,783.7	1,990.0	2,203.0	2,374.1
41	MUSH	569.3	522.8	477.0	432.3	386.3
42	Canadian Equities	123.2	150.6	168.5	165.1	159.8
43	Global LV Foutties	166.6	197.3	217.6	200.3	213.5
44	Global LV Equities	96.5	126.0	140.3	130.0	130.0
45 46	Private Debt Real Estate	- 133.5	188.7 138.0	199.7 143.9	199.7 150.7	199.7 161.7
40	Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
48	Total Ending Asset Values	2,928.3	3,189.8	3,424.3	3,572.5	3,722.4
49	Total Basic Assets	2,389.0	2,603.7	2,769.1	2,863.0	2,960.1
50	Ending Rebalanced Allocations (%)		-			
51	Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
52	Canadian Fixed Income	60.1%	55.9%	58.1%	61.7%	63.8%
53	MUSH	19.4%	16.4%	13.9%	12.1%	10.4%
54	Canadian Equities	4.2%	4.7%	4.9%	4.6%	4.3%
55	US Equities	5.7%	6.2%	6.4%	5.6%	5.7%
	Global LV	3.3%	4.0%	4.1%	3.6%	3.5%
56		0.007	F 00/	5.8%	5.6%	5.4%
	Private Debt	0.0%	5.9%			
57 58	Real Estate	4.6%	4.3%	4.2%	4.2%	4.3%
57						

### Appendix 6a Updated Base Scenario #2 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832	1,077,959 70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420) 1,109,291 25,710	2021P  1,122,705 72,885 (11,648)  1,183,942  1,102,006 71,887 (11,648)  1,162,245	2022P  1,168,510 74,723 (11,881) 1,231,351  1,147,321 73,798 (11,881) 1,209,237	1,216,461 76,565 (12,119 1,280,907 1,194,279 75,638 (12,119 1,257,798
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832	70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420) 1,109,291	72,885 (11,648) 1,183,942 1,102,006 71,887 (11,648) 1,162,245	74,723 (11,881) 1,231,351 1,147,321 73,798 (11,881)	76,565 (12,119 1,280,907 1,194,279 75,638 (12,119
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832	70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420) 1,109,291	72,885 (11,648) 1,183,942 1,102,006 71,887 (11,648) 1,162,245	74,723 (11,881) 1,231,351 1,147,321 73,798 (11,881)	76,565 (12,119 1,280,907 1,194,279 75,638 (12,119
Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832	(11,420) 1,137,442 1,050,815 69,896 (11,420) 1,109,291	(11,648) 1,183,942 1,102,006 71,887 (11,648) 1,162,245	(11,881) 1,231,351 1,147,321 73,798 (11,881)	(12,119 1,280,907 1,194,279 75,638 (12,119
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) <b>907,144</b> 20,749	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,832	1,050,815 69,896 (11,420) 1,109,291	1,102,006 71,887 (11,648) 1,162,245	1,147,321 73,798 (11,881)	1,194,279 75,638 (12,119
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) <b>907,144</b> 20,749	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,832	69,896 (11,420) 1,109,291	71,887 (11,648) 1,162,245	73,798 (11,881)	75,638 (12,119
Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) <b>907,144</b> 20,749	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,832	69,896 (11,420) 1,109,291	71,887 (11,648) 1,162,245	73,798 (11,881)	75,638 (12,119
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b>	(11,635) <b>907,144</b> 20,749	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,832	(11,420) 1,109,291	(11,648) 1,162,245	(11,881)	(12,119
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	861,066 20,351 881,417	<b>907,144</b> 20,749	<b>960,142</b> 22,849	1,039,407 23,832	1,109,291	1,162,245		
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	20,351 <b>881,417</b>	20,749	22,849	23,832			1,209,237	1,257,798
Total Earned Revenues  Net Claims Incurred	881,417				25.710			
Net Claims Incurred	•	927,893	982,992	4 0 / 0 0 4 0	==1: :=	27,471	29,370	31,448
	742,604			1,063,240	1,135,001	1,189,716	1,238,607	1,289,246
(a) Claims Incurred - Interest Rate Impact		869,023	783,040	824,140	893,862	938,472	995,774	1,051,883
	(76,200)	(8,988)	(15,801)	(34,905)	7,254	10,209	8,816	8,310
Total Claims Incurred	666,404	860,035	767,239	789,235	901,117	948,682	1,004,589	1,060,19
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,667
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,268
Total Claims Costs	798,045	993,537	923,722	940,009	1,049,098	1,100,576	1,161,783	1,220,128
Expenses								
Operating								82,85
Commissions		35,086	37,378	40,338	42,591	44,599	46,364	48,188
								38,09
=								5,23
Total Expenses	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,37
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,694)	(71,923)	(91,223)	(105,25
Investment Income	48,476	101,645	111,731	192,209	84,839	88,379	91,783	94,74
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	3	Ę
Net Investment Income	(4,038)	82,897	116,320	171,428	84,851	88,384	91,786	94,75
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	16,157	16,460	563	(10,50
	Road Safety/Loss Prevention  Total Claims Costs  Expenses Operating Commissions Premium Taxes Regulatory/Appeal  Total Expenses  Underwriting Income (Loss)  Investment Income (b) Investment Income - Interest Rate Impact  Net Investment Income	Road Safety/Loss Prevention         13,027           Total Claims Costs         798,045           Expenses         71,641           Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           Total Expenses         135,383           Underwriting Income (Loss)         (52,011)           Investment Income         48,476           (b) Investment Income - Interest Rate Impact         (52,515)           Net Investment Income         (4,038)           Net Income (Loss)         (56,049)	Road Safety/Loss Prevention         13,027         12,530           Total Claims Costs         798,045         993,537           Expenses         71,641         72,785           Operating         71,641         72,785           Commissions         33,862         35,086           Premium Taxes         26,205         27,563           Regulatory/Appeal         3,675         4,889           Total Expenses         135,383         140,323           Underwriting Income (Loss)         (52,011)         (205,968)           Investment Income         48,476         101,645           (b) Investment Income         48,476         101,645           (b) Investment Income         (52,515)         (18,748)           Net Investment Income         (4,038)         82,897           Net Income (Loss)         (56,049)         (123,071)	Road Safety/Loss Prevention   13,027   12,530   13,146     Total Claims Costs   798,045   993,537   923,722     Expenses	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606     Total Claims Costs   798,045   993,537   923,722   940,009     Expenses	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,680	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,680   12,805	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,680   12,805   12,990

### Appendix 6b Updated Base Scenario #2 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	B. C. Lee								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	330,205	346,665	347,229
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	16,157	16,460	563	(10,500)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,119
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
11	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
47	Detailed Families is access of Data Chalifferti.								
17	Retained Earnings in excess of Rate Stabilization Reserve	-	- 404.000		- 0/4 000		- 044 (70	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690

#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 6

#### Appendix 6c Updated Base Scenario #2 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	60,406	68,212	70,977	60,125
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,282	2,687,490	2,801,045	2,916,394
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,956	25,263	18,691
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
14		2,683,473	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,730
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,433	2,055,874	2,129,145
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,900,255	3,021,983	3,141,893	3,260,418
24	Equity								
25	Retained earnings	194.499	99,251	170,975	314.049	330,205	346.665	347,229	336.729
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
27	Total Equity	231,003	181,000	210,845	261,938	286,029	311,679	322,070	322,690
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108

## Appendix 6d Updated Base Scenario #2 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:		040.000	000.040	050 500	0.0000	050 470
2	Capital available (from page 30.62 - capital available)	01	218,283	238,912	252,509	260,886	259,473
3	Phase-in of capital available	03	0	0	0	0	050.476
4	Total Capital Available	09	218,283	238,912	252,509	260,886	259,473
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Marqin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,171	217,432	225,522
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,151	325,547	337,959
16	Market Risk:						
17	Interest rate risk	30	4,798	20,791	25,111	30,016	32,905
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,317
19	Equity risk	34	69,145	67,268	71,795	76,632	85,251
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	115,494	130,180	140,727	152,469	168,463
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,755	64,102	65,654	66,740
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	C
27	Subtotal: Credit risk margin	49	39,359	61,755	64,102	65,654	66,740
28	Operational risk margin	50	64,469	70,299	73,627	76,996	80,742
29	Less: Diversification credit	52	53,525	62,537	66,138	69,784	74,137
30	Total Capital (Margin) Required at Target	59	452,643	500,252	525,469	550,882	579,767
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,501	350,313	367,255	386,512
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	301,762	333,501	350,313	367,255	386,512
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(94,589)	(97,804)	(106,369)	(127,039
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	71.64%	72.08%	71.04%	67.139

# Appendix 6e Updated Base Scenario #2 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag€	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	221,007	222,324	224,481
7	Total	726,240	767,976	844,426	891,006	936,291	985,421
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,044	6,744	6,603
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,289)	4,018	7,959
13	Total Net Claims Incurred	767.240	789.235	901.117	948.682	1.004.590	1.060.193

#### Appendix 6f

#### Updated Base Scenario #2 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
_					Acci	dent Year					Selected	Selec
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9229	0.9322	0.9460	0.9818	1.0047					
2020				0.9329	0.9470	0.9833	1.0066	1.0115				
2021					0.9568	0.9918	1.0136	1.0169	1.0132			
2022						0.9979	1.0194	1.0222	1.0179	1.0134		
<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77
2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77
2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77
2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78
B. Actual Data Other Than Losses												
_					Fis	cal Year						
_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
Selected					3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) :	x (3)]				383,468	391,245	411,366	425,042	445,470	470,041		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	15,141	14,945	15,446	16,036		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,691	78,208	81,967	86,488		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Enh	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	22,372	27,956	25,263	18,691		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,186	32,481	33,806	35,193		
					32,055	11,179	8,814	4,525	8,544	16,503		
17. Write Down Deferred Policy Acquisition Expenses [b]												
<ol> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>					2,363	(20,876)	(2,364)	(4,289)	4,018	7,959		
Write Down Deferred Policy Acquisition Expenses [b]     Change     Premium Deficiency [c]					2,363 8,845	(20,876)	(2,364)	(4,289)	4,018	7,959 -		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 6g Updated Base Scenario #2 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
c Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds	44,259	55,161	62,122	67,881	73,632
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,614	84,187	87,733	91,325
Dividend and other Income					
Canadian Equities	9,657	5,699	4,639	5,371	5,931
Global	4,218	5,986	4,962	5,675	6,235
Global LV	-	2,900	3,279	3,758	4,092
o Private Debt	-	3,822	10,187	10,180	10,173
1 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
3 Total	20,287	21,468	26,761	28,685	30,061
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(749)	(765)	(773)
6 Marketable Bonds Realized Gains/(Loss)	13,969	29,711	749	765	773
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	2,630	0	0	790
9 Global Equities Realized Gains	66,318	3,727	0	0	1,057
Global LV Realized Gains	-	457	-	-	834
Real Estate (Pooled Fund) Infrastructure	16,307	5,598	5,842	6,192	6,564
Total	5,765 133,380	4,447 16,858	4,633 10,475	4,893 11,085	5,167 <b>14,411</b>
	133,300	10,000	10,473	11,000	14,411
4 Other					
Investment Fees Paid	(5,203)	(4,724)	(4,613)	(4,910)	(5,137)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
7 Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,446	4,598	4,694	4,714
Investment Write-Down  Total	- (2E 020)	- (14.150)	- (14.220)	- (14.072)	- (15 (20)
	(25,030)	(14,150)	(14,328)	(14,973)	(15,630)
Total Corporate Investment Income	199,910	103,790	107,095	112,530	120,168
Total Basic Investment Income	171,428	84,851	88,384	91,786	94,752
% - Basic to Total Investment Income	85.75%	82%	83%	82%	79%
3 Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,752	4,908	5,683	6,620
US Equities Unrealized Gains/(Losses)	7,537	9,332	7,406	8,469	9,304
Global LV Unrealized Gains/(Losses)	-	4,220	4,477	5,132	5,587
Total Corporate Unrealized Gains/(Losses)	19,651	16,084	12,313	14,152	15,924
Ending Asset Values for Corporate (\$Millions)					
29 Cash/Short Term Investments	-	-	=	=	-
Canadian Fixed Income	1,760.8	1,745.3	1,903.2	2,062.3	2,213.2
MUSH	569.3	522.8	477.0	432.3	386.3
Clabal Equities	123.2	130.4	151.7	174.4	198.5
Global Equities Global LV Equities	166.6	169.9	195.0	221.7	249.9
Global LV Equities Private Debt	96.5	116.2	133.8	152.4	170.5
6 Real Estate	133.5	188.7 138.0	188.7 143.9	188.7 150.7	188.7 161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
8 Total Ending Asset Values	2,928.3	3,094.1	3,280.6	3,474.6	3,666.2
9 Total Basic Assets	2,530.3	2,652.2	2,769.3	2,885.8	2,991.8
	2,000.0	E,OOE.E	2,707.0	2,000.0	2,771.0
Ending Rebalanced Allocations (%) Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.4%
MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.4%
US Equities	5.7%	5.5%	5.9%	6.4%	6.8%
Global LV	3.3%	3.8%	4.1%	4.4%	4.7%
7 Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
8 Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
50 Total	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 7a Modified Base Scenario #2 Statement of Operations

(C\$ 000s, except where noted)			Fa	or the Years En	ded February,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,471	29,370	31,448
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,716	1,238,607	1,289,246
Net Claims Incurred	742,604	869,023	783,040	824,140	893,863	938,470	995,775	1,051,885
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,255	10,167	8,859	8,354
Total Claims Incurred	666,404	860,035	767,239	789,235	901,118	948,637	1,004,633	1,060,239
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,207	146,669
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,268
Total Claims Costs	798,045	993,537	923,722	940,009	1,049,099	1,100,531	1,161,830	1,220,176
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,851
Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,098
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,370
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,695)	(71,879)	(91,270)	(105,300)
Investment Income	48,476	101,645	111,731	192,209	79,581	82,989	86,157	88,888
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	3	3	6
Net Investment Income	(4,038)	82,897	116,320	171,428	79,592	82,992	86,159	88,894
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	10,897	11,113	(5,111)	(16,406)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,244)	(10,164)	(8,856)	(8,348)

# Appendix 7b Modified Base Scenario #2 Statement of Changes in Equity

Retained Earnings   177,818   194,498   99,251   170,975   172,209   176,146   185,202   183,736     Retained Earnings   177,818   194,498   99,251   170,975   172,209   176,146   185,202   183,736     Retained Earnings   177,818   194,498   99,251   170,975   172,209   176,146   185,202   183,736     Retained Earnings   177,818   194,498   1	Line	(C\$ 000s, except where noted)			Foi	the Years End	led February.			
2         Beginning Balance         177,818         194,498         99,251         170,975         172,209         176,146         185,202         183,736           3         Net Income (Loss) from annual operations         (56,049)         (123,071)         34,424         143,074         10,897         11,113         (5,111)         (16,406)           4         Premium Rebate         -         <		-	2016A	2017A				2021P	2022P	2023P
2         Beginning Balance         177,818         194,498         99,251         170,975         172,209         176,146         185,202         183,736           3         Net Income (Loss) from annual operations         (56,049)         (123,071)         34,424         143,074         10,897         11,113         (5,111)         (16,406)           4         Premium Rebate         -         <	1	Potained Farnings								
Net Income (Loss) from annual operations (56,049) (123,071) 34,424 143,074 10,897 11,113 (5,111) (16,406) Premium Rebate	1	5	177.010	104 400	00.251	170.075	170 000	17/ 14/	105 202	102 72/
Premium Rebate   1		3 3	•	•				•	-	
Transfer (to) / from Non-Basic Retained Earnings 72,729 27,824 37,300 (141,840) (6,959) (2,058) 3,645 14,394   Total Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724   Total Accumulated Other Comprehensive Income   8 Beginning Balance 35,262 36,504 81,748 39,870 (52,111) (45,969) (38,810) (31,155) 9 Other Comprehensive Income for the Year 1,242 45,245 (41,878) (91,981) 6,142 7,158 7,655 8,755   Total Accumulated Other Comprehensive Income   36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)   Total Equity Balance 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324    Total Equity   Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724   Accumulated Other Comprehensive Income   36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)   Total Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724   Accumulated Other Comprehensive Income   36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)   Total Rate Stabilization Reserve   231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	3		(56,049)	(123,071)	34,424	143,074	10,897	11,113	(5,111)	(16,406)
Total Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724  Total Accumulated Other Comprehensive Income  Beginning Balance 35,262 36,504 81,748 39,870 (52,111) (45,969) (38,810) (31,155)  Other Comprehensive Income for the Year 1,242 45,245 (41,878) (91,981) 6,142 7,158 7,655 8,755  Total Accumulated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)  Total Equity Balance 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324  Total Equity  Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724  Accumulated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)  Total Rate Stabilization Reserve 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	4	Premium Rebate	-	-	-	-	-	-	-	-
Total Accumulated Other Comprehensive Income  8 Beginning Balance 35,262 36,504 81,748 39,870 (52,111) (45,969) (38,810) (31,155)  9 Other Comprehensive Income for the Year 1,242 45,245 (41,878) (91,981) 6,142 7,158 7,655 8,755  10 Total Accumulated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)  11 Total Equity Balance 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324  12 Total Equity  13 Reta Stabilization Reserve  14 Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724  15 Accumululated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)  16 Total Rate Stabilization Reserve 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,840)	(6,959)	(2,058)	3,645	14,394
8         Beginning Balance         35,262         36,504         81,748         39,870         (52,111)         (45,969)         (38,810)         (31,155)           9         Other Comprehensive Income for the Year         1,242         45,245         (41,878)         (91,981)         6,142         7,158         7,655         8,755           10         Total Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           11         Total Equity Balance         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           12         Total Equity         Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178	6	Total Retained Earnings	194,498	99,251	170,975	172,209	176,146	185,202	183,736	181,724
8         Beginning Balance         35,262         36,504         81,748         39,870         (52,111)         (45,969)         (38,810)         (31,155)           9         Other Comprehensive Income for the Year         1,242         45,245         (41,878)         (91,981)         6,142         7,158         7,655         8,755           10         Total Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           11         Total Equity Balance         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           12         Total Equity         Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178										
9         Other Comprehensive Income for the Year         1,242         45,245         (41,878)         (91,981)         6,142         7,158         7,655         8,755           10         Total Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           11         Total Equity Balance         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           12         Total Equity         Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         -         -         -         -	7	Total Accumulated Other Comprehensive Income								
Total Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           11         Total Equity Balance         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           12         Total Equity         Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         -<	8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,969)	(38,810)	(31,155)
Total Equity Balance 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324  Total Equity Rate Stabilization Reserve Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724 Accumululated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400)  Total Rate Stabilization Reserve 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,142	7,158	7,655	8,755
Total Equity Rate Stabilization Reserve Retained Earnings 194,498 99,251 170,975 172,209 176,146 185,202 183,736 181,724 Accumululated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (45,969) (38,810) (31,155) (22,400) Total Rate Stabilization Reserve 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,969)	(38,810)	(31,155)	(22,400)
Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         - <td>11</td> <td>Total Equity Balance</td> <td>231,002</td> <td>181,000</td> <td>210,845</td> <td>120,097</td> <td>130,178</td> <td>146,392</td> <td>152,580</td> <td>159,324</td>	11	Total Equity Balance	231,002	181,000	210,845	120,097	130,178	146,392	152,580	159,324
Rate Stabilization Reserve           14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         - <td></td> <td>-</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>		-								
14         Retained Earnings         194,498         99,251         170,975         172,209         176,146         185,202         183,736         181,724           15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         - </td <td>12</td> <td>Total Equity</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	12	Total Equity								
15         Accumululated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (45,969)         (38,810)         (31,155)         (22,400)           16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         -	13	Rate Stabilization Reserve								
16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         - <td>14</td> <td>Retained Earnings</td> <td>194,498</td> <td>99,251</td> <td>170,975</td> <td>172,209</td> <td>176,146</td> <td>185,202</td> <td>183,736</td> <td>181,724</td>	14	Retained Earnings	194,498	99,251	170,975	172,209	176,146	185,202	183,736	181,724
16         Total Rate Stabilization Reserve         231,002         181,000         210,845         120,097         130,178         146,392         152,580         159,324           17         Retained Earnings in excess of Rate Stabilization Reserve         - <td>15</td> <td>Accumululated Other Comprehensive Income</td> <td>36,504</td> <td>81,749</td> <td>39,870</td> <td>(52,111)</td> <td>(45,969)</td> <td>(38,810)</td> <td>(31,155)</td> <td>(22,400)</td>	15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,969)	(38,810)	(31,155)	(22,400)
•	16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,097	130,178	146,392	152,580	159,324
•										
18 Total Equity Balance 231,002 181,000 210,845 120,097 130,178 146,392 152,580 159,324	17	ů .	-	-	-	-	-	-	-	-
	18	Total Equity Balance	231,002	181,000	210,845	120,097	130,178	146,392	152,580	159,324

### Appendix 7c Modified Base Scenario #2 Balance Sheet

Line	(C\$ 000s, except where noted)			F	or the Years En	ded February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	52,953	58,584	64,979	68,514
4	Equity investments	2,083,349	2,189,534	2,272,545	2,345,785	2,429,889	2,531,791	2,637,559	2,744,700
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	
9	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,958	25,263	18,689
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
14		2,683,473	2,805,484	2,916,137	2,894,821	3,030,437	3,168,337	3,294,479	3,419,800
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,132	374,224	390,325	406,744
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,842	1,980,391	2,055,874	2,129,190
23		2,452,472	2,624,484	2,705,292	2,774,723	2,900,259	3,021,946	3,141,898	3,260,477
24	Equity								
25	Retained earnings	194,499	99,251	170,975	172,209	176,146	185,202	183,736	181,724
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,969)	(38,810)	(31,155)	(22,400)
27	Total Equity	231,003	181,000	210,845	120,097	130,178	146,392	152,580	159,324
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,894,821	3,030,437	3,168,337	3,294,479	3,419,800

#### Appendix 7d Modified Base Scenario #2 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Year
Line No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:		(01)	(02)	(00)	(01)	(00)
2	Capital available (from page 30.62 - capital available)	01	76,443	83,061	87,221	91,397	96,108
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	76,443	83,061	87,221	91,397	96,108
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,167	217,432	225,526
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,147	325,547	337,963
16	Market Risk:						
17	Interest rate risk	30	2,563	12,653	16,631	21,169	23,698
18	Foreign exchange risk	32	13,053	12,583	13,406	14,284	16,848
19	Equity risk	34	56,379	53,889	57,503	61,360	68,924
20	Real estate risk	36	23,109	23,849	24,367	25,107	26,405
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,104	102,974	111,907	121,920	135,875
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,834	57,100	59,411	60,925	61,973
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,834	57,100	59,411	60,925	61,973
28	Operational risk margin	50	62,692	67,590	70,779	73,997	77,567
29	Less: Diversification credit	52	48,441	55,576	58,955	62,368	66,526
30	Total Capital (Margin) Required at Target	59	435,035	472,643	496,289	520,021	546,852
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,024	315,095	330,859	346,681	364,568
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	290,024	315,095	330,859	346,681	364,568
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,581)	(232,034)	(243,638)	(255,284)	(268,460)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.36%	26.36%	26.36%	26.36%	26.36%

# Appendix 7e Modified Base Scenario #2 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions	2011110	2010/17	2017/20	2020/21	2021122	2022/20
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	220,970	222,360	224,518
7	Total	726,240	767,976	844,427	890,969	936,327	985,459
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,038	6,750	6,610
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,291)	4,020	7,961
13	Total Net Claims Incurred	767,240	789,235	901,118	948,637	1,004,634	1,060,239

#### Appendix 7f

#### Modified Base Scenario #2 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.	A. Claima (Including Enternal Adinatment Evacuas)	Data											
1	A. Claims (Including External Adjustment Expense) I	Data				Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%	0114100	
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9229	0.9322	0.9460	0.9818	1.0047					
9	2020				0.9329	0.9470	0.9833	1.0066	1.0115				
10	2021					0.9568	0.9918	1.0136	1.0169	1.0132			
11	2022						0.9979	1.0194	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
15	2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77.83%
16	2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77.27%
17	2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77.87%
18	2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78.97%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
25	Selected					3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
29	9. Additional Expected Cost of Non-Proportional Reins	urance				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8)	- (9)) x (3)]				383,468	391,245	411,366	425,040	445,470	470,043		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,141	14,945	15,446	16,036		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11	]				70,595	71,989	75,691	78,207	81,967	86,488		
34	14. Expected Claims (Including Ext Adj Expenses) - PIP	P Enhancem	ent			3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	22,372	27,958	25,263	18,689		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,186	32,481	33,806	35,193		
37	17. Write Down Deferred Policy Acquisition Expenses [b	)]				32,055	11,179	8,815	4,523	8,544	16,505		
38	Change					2,363	(20,876)	(2,364)	(4,291)	4,020	7,961		
39	18. Premium Deficiency [c]					8,845	-	-	-	-	-		

#### 41 Notes:

- 42 [a] ((8) (9)) x (6) x Discount to Valuation Date Without Margin
- 43 [b] Min((16) (15), (16)) if greater than 0, otherwise 0
- 44 [c] Negative of (15) if greater than 0, otherwise 0

#### Appendix 7g Modified Base Scenario #2 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	53	(0)	0	(2)
Marketable Bonds MUSH	44,259	55,066	62,103	67,818	72,876
Total	26,759 <b>71,273</b>	24,361 <b>79,480</b>	22,065 <b>84,168</b>	19,852 <b>87,670</b>	17,693 <b>90,567</b>
Dividend and other Income	,	·	·	·	•
Canadian Equities	9,657	5,864	4,649	5,401	6,314
Global	4,218	6,032	4,972	5,702	6,439
Global LV	-	2,902	3,290	3,783	4,375
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,682	26,793	28,766	30,930
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(17,471)	(749)	(764)	(761
Marketable Bonds Realized Gains/(Loss)	13,969	17,471	749	764	761
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,815	0	0	1,696
Global Equities Realized Gains	66,318	3,791	0	0	1,865
Global LV Realized Gains	-	457	-	-	0
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	17,108	10,475	11,085	15,291
Other					
Investment Fees Paid	(5,203)	(4,745)	(4,614)	(4,914)	(5,179)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	4,440	4,597	4,691 -	4,668
Total	(25,030)	(14,177)	(14,330)	(14,980)	(15,718)
Total Corporate Investment Income	199,910	104,093	107,106	112,541	121,071
Total Basic Investment Income	171,428	79,592	82,992	86,159	88,894
% - Basic to Total Investment Income	85.75%	76%	77%	77%	73%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,949	4,919	5,715	7,046
US Equities Unrealized Gains/(Losses)	7,537	9,402	7,420	8,510	9,609
Global LV Unrealized Gains/(Losses)	=	4,223	4,492	5,165	5,973
Total Corporate Unrealized Gains/(Losses)	19,651	16,350	12,340	14,224	16,655
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,745.2	1,901.4	2,058.9	2,236.3
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	130.5	152.4	175.6	184.3
Global LV Fautties	166.6	170.1	195.8	223.1	236.3
Global LV Equities	96.5	116.5	134.5	153.6	176.9
Private Debt	- 122 E	188.7	188.7	188.7	188.7
Real Estate Infrastructure & Venture Capital	133.5	138.0	143.9	150.7	161.7
Total Ending Asset Values	78.3 <b>2,928.3</b>	82.7 3,094.5	87.4 3,281.0	92.3 3,475.1	97.4 3,668.0
Total Basic Assets	2,388.4	2,496.4	2,603.9	2,716.3	2,828.5
	2,000.1	2,	2,000.7	4,	2,020.0
Ending Rebalanced Allocations (%) Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.2%	61.0%
MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2%	4.2%	4.6%	5.1%	5.0%
US Equities	5.7%	5.5%	6.0%	6.4%	6.4%
Global LV	3.3%	3.8%	4.1%	4.4%	4.8%
Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
· · · · · · · · · · · · · · · · · · ·	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 8a Adverse Scenario #2 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,474	29,376	31,454
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,719	1,238,614	1,289,252
Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,644	1,124,963	995,384	1,055,987
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,601	1,137,353	999,609	1,062,021
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,587	147,904
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,397
Total Claims Costs	798,045	993,537	923,722	940,009	1,201,582	1,289,976	1,158,327	1,223,322
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,480
Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,098
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,597	161,391	168,737	174,998
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,178)	(261,648)	(88,450)	(109,068)
Investment Income	48,476	101,645	111,731	192,209	63,488	59,160	57,161	55,901
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,947	102,363	(79)	21
Net Investment Income	(4,038)	82,897	116,320	171,428	188,435	161,523	57,082	55,921
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(32,743)	(100,125)	(31,368)	(53,147)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	283,990	89,973	(4,303)	(6,014)

# Appendix 8b Adverse Scenario #2 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,209	132,506	30,324	2,601
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(32,743)	(100,125)	(31,368)	(53,147)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,840)	(6,959)	(2,058)	3,645	14,394
6	Total Retained Earnings	194,498	99,251	170,975	172,209	132,506	30,324	2,601	(36,152)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,898)	(45,964)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(98)	311	5,934	5,692
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,964)	(40,272)
11	Total Equity Balance	231,002	181,000	210,845	120,097	80,297	(21,575)	(43,364)	(76,424)
	-								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,209	132,506	30,324	2,601	(36,152)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,964)	(40,272)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,097	80,297	(21,575)	(43,364)	(76,424)
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	120,097	80,297	(21,575)	(43,364)	(76,424)

### Appendix 8c Adverse Scenario #2 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	46,639	14,130	13,105	15,989
	Equity investments	2,083,349	2,189,534	2,272,545	2,345,785	2,538,168	2,720,546	2,792,830	2,862,027
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,310	12,396	1,458	3,229	
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,082	63,095
4		2,683,473	2,805,484	2,916,137	2,894,821	3,122,426	3,286,091	3,375,741	3,465,792
5	Liabilities								
5	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
)	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,851	2,266,424	2,332,706	2,410,802
3		2,452,472	2,624,484	2,705,292	2,774,723	3,042,129	3,307,666	3,418,257	3,541,457
4	Equity								
5	Retained earnings	194,499	99,251	170,975	172,209	132,506	30,324	2,601	(36,15)
5	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,964)	(40,272
7	Total Equity	231,003	181,000	210,845	120,097	80,297	(21,575)	(43,364)	(76,42
3	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,894,821	3,122,426	3,286,091	3,374,893	3,465,033

### Appendix 8d Adverse Scenario #2 Minimum Capital Test

	(All figures in \$000s)	•	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ne o.			Current Year (01)	Forecast Year (02)	Forecast Year (03)	Forecast Year (04)	Forecast Year (05)
U.	Capital Available:	•	(01)	(02)	(03)	(04)	(03)
	Capital available (from page 30.62 - capital available)	01	76,443	33,180	(80,698)	(104,446)	(139,519
	Phase-in of capital available	03	0	0	0	0	(101,011
	Total Capital Available	09	76,443	33,180	(80,698)	(104,446)	(139,519
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
1	Premium liabilities	20	94,659	99,923	103,980	108,115	113,48
2	Unpaid claims	22	192,187	214,813	238,393	245,232	253,23
3	Catastrophes	24	0	0	0	0	
4	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
5	Subtotal: Insurance risk margin	29	286,846	314,736	342,373	353,347	366,71
5	Market Risk:						
7	Interest rate risk	30	2,563	3,524	5,068	8,054	9,38
3	Foreign exchange risk	32	13,053	15,157	15,403	13,579	13,92
9	Equity risk	34	56,379	67,608	68,100	56,325	54,61
)	Real estate risk	36	23,109	23,849	24,367	25,107	26,40
1	Other market risk exposures	38	0	0	0	0	(
2	Subtotal: Market risk margin	39	95,104	110,138	112,938	103,065	104,33
3	Credit Risk:						
4	Counterparty default risk for balance sheet assets	40	38,834	56,617	58,645	60,914	62,26
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
5	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	38,834	56,617	58,645	60,914	62,26
3	Operational risk margin	50	62,692	69,364	73,285	74,757	77,35
9	Less: Diversification credit	52	48,441	57,994	60,739	59,413	60,73
)	Total Capital (Margin) Required at Target	59	435,035	492,861	526,502	532,670	549,93
1	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,024	328,574	351,001	355,113	366,62
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	290,024	328,574	351,001	355,113	366,62
4	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,581)	(295,394)	(431,699)	(459,559)	(506,14
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.36%	10.10%	-22.99%	-29.41%	-38.06

### Appendix 8e

### Adverse Scenario #2 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,961	334,657	222,446	223,710
7	Total	726,240	767,976	966,514	1,042,324	936,114	984,838
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,875	6,404	6,781
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	12,233	(446)	10,192
13	Total Net Claims Incurred	767.240	789.235	1.053.602	1.137.353	999,608	1.062.021

### Appendix 8f

### Adverse Scenario #2 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
-	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selec
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	76.52%	73.49%	74,48%	Unaisc	D
Trend/Rate Adjustment for Fiscal Year	00.0770	72.7770	01.7770	01.0170	7 1.0770	70.2070	70.0070	70.0270	70.1770	7 11 10 70		
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9267	0.9352	0.9482	0.9833	1.0053					
2020				0.9470	0.9583	0.9919	1.0121	1.0139				
2021					0.9677	1.0007	1.0203	1.0212	1.0150			
2022						1.0066	1.0263	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.
2020				77.03%	71.48%	72.66%	74.53%	77.58%			74.74%	81.
2021					72.18%	73.31%	75.13%	78.14%	74.59%		74.34%	81.
2022						73.73%	75.57%	78.61%	75.04%	75.58%	75.40%	82.
B. Actual Data Other Than Losses												
_					Fis	cal Year						
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.13%	8.18%	8.12%		
<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.73%	2.71%		
Selected					3.16%	2.99%	2.86%	2.72%	2.72%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,792	447,396	463,997	490,428		
11. Reinsurance PFAD					10	-	-	-	-			
12. Maintenance Expense [a]					13,837	14,989	15,141	14,976	15,544	16,164		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,242	82,321	85,375	90,239		
<ol> <li>Expected Claims (Including Ext Adj Expenses) - PIPP Enl</li> </ol>	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
<ol> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>					(8,845)	18,310	12,396	1,458	3,229	(5,575)		
<ol><li>Carried Deferred Policy Acquisition Expenses</li></ol>					32,055	29,489	31,186	32,481	33,806	35,193		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	18,790	31,023	30,577	35,193		
					2,363	(20,876)	7,611	12,233	(446)	4,617		
Change												
Change 18. Premium Deficiency [c]					8,845	-	-	-	-	5,575		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 8g Adverse Scenario #2 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.			rorecasteu		
Interest Income During Period Cash/Short Term Investments	٥٣٣	70	2	(0)	(05)
Cash/Short Term Investments  Marketable Bonds	255	79 50.724	2	(0) 51,497	(25)
MUSH	44,259 26,759	50,734 24,361	51,407 22,065	19,852	53,412 17,693
Total	71,273	75,174	73,474	71,349	71,073
	,=			,	,
Dividend and other Income Canadian Equities	0.757	/ 554	F 120	F 2/4	F 22/
Global	9,657 4,218	6,554 6,753	5,138 5,561	5,264 5,598	5,236 5,781
Global LV	4,210	3,343	3,432	3,485	3,458
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,269	27,358	27,632	27,732
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	97,858	88,907	(12,958)	2,405
Marketable Bonds Realized Gains/(Loss)	13,969	38,070	20,334	12,958	(2,405)
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	(299)	(1,238)	817	555
9 Global Equities Realized Gains	66,318	154	(87)	790	856
Global LV Realized Gains	<del>-</del>	49	11	330	882
Real Estate (Pooled Fund) Infrastructure	16,307	5,598	5,842	6,192	6,564
22 Infrastructure 23 <b>Total</b>	5,765 133,380	4,447 145,876	4,633 118,402	4,893 13,022	5,167 <b>14,024</b>
	133,300	143,670	110,402	13,022	14,024
Other					
Investment Fees Paid	(5,203)	(4,908)	(4,806)	(4,953)	(5,051)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	(2,328)	(12,692)	(14,886)	(14,688)
29 Total	(25,030)	(21,108)	(31,811)	(34,596)	(34,946)
Total Corporate Investment Income	199,910	223,212	198,465	77,406	77,890
•	·	•		·	
Total Basic Investment Income  W - Basic to Total Investment Income	171,428 85.75%	188,435 84%	161,523 81%	57,082 74%	55,921 72%
70 - Dusic to Total investment income	03.7376	0470	0170	7470	1270
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(986)	5,570	5,843
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,355	8,627
Global LV Unrealized Gains/(Losses) Total Corporate Unrealized Gains/(Losses)	19,651	147 (464)	67 (1,080)	4,758	4,722
Total Corporate Officialized Gallis/(Losses)	19,051	(464)	(1,080)	13,925	14,471
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	=	<del>-</del>	-	(8.0)	(0.8)
Canadian Fixed Income  MUSH	1,760.8	1,790.1	1,998.5	2,225.7	2,382.1
12 Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2 166.6	152.3 199.1	171.6 221.1	152.1 203.9	161.9 215.2
4 Global LV Equities	96.5	127.6	143.0	132.8	131.1
5 Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,201.3	3,442.2	3,588.5	3,734.7
9 Total Basic Assets	2,388.4	2,598.4	2,748.2	2,819.7	2,893.3
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.1%	62.0%	63.8%
MUSH MUSH	19.4%	16.3%	13.9%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	5.0%	4.2%	4.3%
US Equities	5.7%	6.2%	6.4%	5.7%	5.8%
Global LV	3.3%	4.0%	4.2%	3.7%	3.5%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.3%
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.3% 2.6%	4.2% 2.5%	4.2% 2.6%	4.3% 2.6%

### Appendix 8h Adverse Scenario #2 with Management Action

**Statement of Operations** 

		201/ /	2017.6	2010 A	20100	20200	2021D	2022D	20221
	BASIC	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	Motor Vehicles	054.170	886,998	955,941	1,019,281	1,077,959	1,145,524	1,192,252	1,241,172
	Drivers	854,170 46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,206,761	1,255,094	1,305,618
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,114,269	1,170,636	1,218,543
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
)	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,174,508	1,232,553	1,282,061
ı	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,903	29,846	31,968
2	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,202,411	1,262,399	1,314,029
3	Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,644	1,114,883	995,179	1,055,508
4	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
5	Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,601	1,127,273	999,404	1,061,542
5	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,545	147,862
7	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,127	13,393
8	Total Claims Costs	798,045	993,537	923,722	940,009	1,201,582	1,279,896	1,158,076	1,222,797
9	Expenses								
0	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,604	83,459
1	Commissions	33,862	35,086	37,378	40,338	42,591	44,913	47,119	48,974
2	Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,585	37,333	38,825
3	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
1	Total Expenses	135,383	140,323	141,165	151,585	154,597	162,073	170,171	176,491
5	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,178)	(239,558)	(65,848)	(85,259)
5	Investment Income	48,476	101,645	111,731	192,209	63,488	59,203	57,119	55,920
7	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,947	102,331	(71)	(9)
3	Net Investment Income	(4,038)	82,897	116,320	171,428	188,435	161,534	57,048	55,911
9	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(32,743)	(78,025)	(8,800)	(29,349)

# Appendix 8i Adverse Scenario #2 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170.975	172,209	132.506	52,424	47.268
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143.074	(32,743)	(78,025)	(8,800)	(29,349)
4	Premium Rebate	-	-		-	-	-	-	
5	Transfer (to) / from Non-Basic Retained Earnings	72.729	27.824	37,300	(141,840)	(6,959)	(2,058)	3.645	14,394
6	Total Retained Earnings	194,498	99,251	170,975	172,209	132,506	52,424	47,268	32,314
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,898)	(45,828)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(98)	311	6,070	6,476
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,828)	(39,352)
11	Total Equity Balance	231,002	181,000	210,845	120,097	80,297	525	1,440	(7,038)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99,251	170,975	172,209	132,506	52,424	47,268	32.314
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,828)	(39,352)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,097	80,297	525	1,440	(7,038)
		<u></u>							
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	120,097	80,297	525	1,440	(7,038)

## Appendix 8j Adverse Scenario #2 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	46,639	27,961	44,346	68,947
4	Equity investments	2,083,349	2,189,534	2,272,545	2,345,785	2,538,168	2,722,577	2,799,257	2,872,946
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	394,339	409,697	425,762
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	12,396	12,221	14,197	5,910
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,084	63,097
14		2,683,473	2,805,484	2,916,137	2,894,821	3,122,426	3,318,770	3,430,676	3,542,135
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	614,739	641,240	669,084
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,851	2,266,446	2,332,702	2,405,233
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,042,129	3,318,244	3,429,236	3,547,319
24	Equity								
25	Retained earnings	194.499	99.251	170,975	172,209	132.506	52.424	47.268	32,314
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,828)	(39,352)
27	Total Equity	231,003	181,000	210,845	120,097	80,297	525	1,440	(7,038)
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,894,821	3,122,426	3,318,770	3,430,676	3,540,281

# Appendix 8k Adverse Scenario #2 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(01)	(00)
2	Capital available (from page 30.62 - capital available)	01	76,443	33,180	(58,598)	(59,644)	(70,135)
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	76,443	33,180	(58,598)	(59,644)	(70,135)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	105,954	110,170	114,574
12	Unpaid claims	22	192,187	214,813	238,395	245,232	253,234
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,736	344,349	355,402	367,808
16	Market Risk:						
17	Interest rate risk	30	2,563	3,524	4,839	7,952	9,506
18	Foreign exchange risk	32	13,053	15,157	15,414	13,851	13,501
19	Equity risk	34	56,379	67,608	68,165	57,893	59,262
20	Real estate risk	36	23,109	23,849	24,367	25,107	26,405
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,104	110,138	112,785	104,803	108,674
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,834	56,617	60,040	62,149	63,272
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,834	56,617	60,040	62,149	63,272
28	Operational risk margin	50	62,692	69,364	74,129	75,777	78,519
29	Less: Diversification credit	52	48,441	57,994	61,151	60,273	62,165
30	Total Capital (Margin) Required at Target	59	435,035	492,861	530,152	537,858	556,108
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,024	328,574	353,435	358,572	370,739
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	290,024	328,574	353,435	358,572	370,739
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,581)	(295,394)	(412,033)	(418,216)	(440,874)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.36%	10.10%	-16.58%	-16.63%	-18.92%

# Appendix 8I Adverse Scenario #2 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,973	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,589	5,393	5,472
6	PIPP	187,022	177,326	341,961	334,668	222,432	223,715
7	Total -	726,240	767,976	966,514	1,042,336	936,099	984,844
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,886	6,392	6,786
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	2,130	(624)	9,702
13	Total Net Claims Incurred	767.240	789.235	1.053.602	1.127.273	999,404	1.061.542

### Appendix 8m

### Adverse Scenario #2 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1 2	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Calantari	Calanta
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	75.72%	72.10%	73.07%	Ondisc	Disc
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9267	0.9352	0.9482	0.9833	1.0053					
9	2020				0.9284	0.9395	0.9725	0.9923	1.0045				
10	2021					0.9494	0.9818	1.0010	1.0124	1.0150			
11	2022						0.9875	1.0069	1.0185	1.0212	1.0148		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.439
16	2020				75.52%	70.08%	71.24%	73.07%	76.06%			73.27%	79.749
17	2021					70.81%	71.92%	73.70%	76.66%	73.18%		72.93%	79.579
18	2022						72.34%	74.14%	77.12%	73.62%	74.15%	73.97%	80.849
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,174,508	1,232,553	1,282,061		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.04%	8.02%	7.96%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.68%	2.67%	2.65%		
25	Selected					3.16%	2.99%	2.86%	2.71%	2.68%	2.66%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	534,344	566,597	589,138	612,695		
9	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
80	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,792	447,045	463,956	490,386		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,141	15,185	15,607	16,158		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,242	82,256	85,368	90,231		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	12,396	12,221	14,197	5,910		
86	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,186	33,141	34,493	35,908		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	18,790	20,920	20,296	29,999		
31	Changa					2,363	(20,876)	7,611	2,130	(624)	9,702		
	Change												
38 39	18. Premium Deficiency [c]					8,845		-		-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 8n Adverse Scenario #2 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
No. Interest Income During Period			orecasteu		
Cash/Short Term Investments	255	79	2	0	(12
Marketable Bonds	44,259	50,734	51,594	52,166	53,438
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,174	73,661	72,018	71,120
Dividend and other Income					
Canadian Equities	9,657	6,554	5,112	5,172	5,981
Global	4,218	6,753	5,538	5,623	6,363
Global LV	4,210	3,343	3,415	3,423	3,760
Private Debt	<u>-</u>	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,269	27,292	27,502	29,361
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	97,858	88,928	(12,514)	2,378
Marketable Bonds Realized Gains/(Loss)	13,969	38,070	20,314	12,514	(2,378
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(299)	(1,238)	261	207
Global Equities Realized Gains	66,318	154	(87)	329	753
Global LV Realized Gains	-	49	11	250	225
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	145,876	118,402	11,925	12,915
Other					
Investment Fees Paid	(5,203)	(4,908)	(4,809)	(4,975)	(5,199
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,328)	(12,769)	(15,124)	(14,525
Investment Write-Down	=	-	-	=	-
Total	(25,030)	(21,108)	(31,891)	(34,856)	(34,931
Total Corporate Investment Income	199,910	223,212	198,506	76,589	78,465
Total Basic Investment Income	171,428	188,435	161,534	57,048	55,911
% - Basic to Total Investment Income	85.75%	84%	81%	74%	71%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(986)	5,472	6,675
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,392	9,496
Global LV Unrealized Gains/(Losses)	-	147	67	4,674	5,134
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,080)	13,864	16,171
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	_	_			(1.9
Canadian Fixed Income	1,760.8	1,790.1	2,024.5	2,226.2	2,371.2
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.3	167.3	169.6	191.9
Global Equities	166.6	199.1	216.4	221.3	240.5
Global LV Equities	96.5	127.6	139.4	134.2	151.1
Private Debt	=	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,201.3	3,455.5	3,626.2	3,797.9
Total Basic Assets	2,388.4	2,598.4	2,764.1	2,857.4	2,957.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.6%	61.4%	62.4%
MUSH	19.4%	16.3%	13.8%	11.9%	10.2%
Canadian Equities	4.2%	4.8%	4.8%	4.7%	5.1%
US Equities	5.7%	6.2%	6.3%	6.1%	6.3%
Global LV	3.3%	4.0%	4.0%	3.7%	4.0%
Delicate Delet	0.007		h X%	5.5%	5.3%
Private Debt	0.0%	5.9%	5.8%		
Private Debt Real Estate Infrastructure & Venture Capital	0.0% 4.6% 2.7%	5.9% 4.3% 2.6%	4.2% 2.5%	4.2% 2.5%	4.3% 2.6%

### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 9

# Appendix 9a Updated Base Scenario #3 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
DACIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,528	29,431	31,515
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
Net Claims Incurred	742,604	869,023	783,040	824,140	892,624	938,446	995,718	1,051,824
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,261	10,174	8,904	8,217
Total Claims Incurred	666,404	860,035	767,239	789,235	899,884	948,620	1,004,622	1,060,042
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,654
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,266
Total Claims Costs	798,045	993,537	923,722	940,009	1,047,865	1,100,514	1,161,816	1,219,962
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,844
Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,191
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,557
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,117)	(88,395)	(102,098)
La contraction of the contractio	40.477	101 / 45	444 704	100.000	04.040	00.007	04.047	0.4.700
Investment Income	48,476	101,645	111,731	192,209	84,843	88,397	91,817	94,798
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	5	3
Net Investment Income	(4,038)	82,897	116,320	171,428	84,854	88,401	91,823	94,801
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,249)	(10,170)	(8,898)	(8,214)

# Appendix 9b Updated Base Scenario #3 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	,	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	5.1.15								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	332,916	352,201	355,629
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
_	T.								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,139
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
11	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_					
18	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
10	Total Equity Dalance	231,002	101,000	210,043	201,730	200,737	317,213	330,471	334,312

### Appendix 9c Updated Base Scenario #3 Balance Sheet

Name		(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Assets   Cash and investments   29,114   61,606   72,998   28,746   62,107   72,268   22,008,1048   Equity investments   2,008,3449   2,189,534   2,272,545   2,487,626   2,578,532   2,688,168   10   10   10   10   10   10   10   1	Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
Cash and investments   Cash and investment property   Cash and investments   Cash and investment property   Cash and investment prope	1	BASIC								
Equity investments   2,083,349   2,189,534   2,272,545   2,487,626   2,578,532   2,680,168     Investment property   35,789   35,615   34,720   13,906   13,548   13,553     Due from other insurance companies   25   16   2   -	2	Assets								
Investment property   35,789   35,615   34,720   13,906   13,548   13,553	3	Cash and investments	29,114	61,606	72,998	28,746	62,107	72,268	77,487	69,216
Due from other insurance companies   25   16   2   -   -   -   -   -   -   -   -   -	4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,532	2,688,168	2,802,186	2,918,049
Accounts receivable   375,262   355,389   389,900   354,564   374,252   389,061	5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Prepaid expenses	6	Due from other insurance companies	25	16	2	-	-	-	-	-
Poeferred policy acquisition costs   4,782       18,310   23,693   29,306	7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
Reinsurers' share of unearned premiums   Post	8	Prepaid expenses	-	-	-	-	-	-	-	-
Reinsurers' share of unearned claims   998   611   1,269	9	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,672	20,163
Property and equipment   88,740   89,847   89,280   89,855   91,050   88,996     Deferred development costs   65,414   72,866   55,423   43,654   47,117   59,170     Une to other insurance companies   152   147   141   144   144   144     Accounts payable and accrued liabilites   38,860   40,443   39,327   40,996   40,602   41,678     Financing lease obligation   3,278   3,239   3,125   2,925   2,843   2,743     Unearned premiums and fees   453,389   472,041   508,089   547,303   580,129   605,535     Provision for employee current benefits   16,871   16,919   16,633   17,155   17,865   18,583     Provision for employee future benefits   281,209   301,245   331,910   341,796   358,128   374,220     Provision for unpaid claims   1,658,713   1,790,450   1,806,067   1,824,404   1,901,848   1,980,404     Equity   Equity   Equity   Equity   Equity   Equity   Equity   Equity   36,504   81,749   39,870   (52,111)   (44,177)   (34,986)	10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
Deferred development costs   65,414   72,866   55,423   43,654   47,117   59,170	11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
Liabilities         Liabilities           16         Due to other insurance companies         152         147         141         144         144         144           17         Accounts payable and accrued liabilities         38,860         40,443         39,327         40,996         40,602         41,678           18         Financing lease obligation         3,278         3,239         3,125         2,925         2,843         2,743           19         Unearned premiums and fees         453,389         472,041         508,089         547,303         580,129         605,535           20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         Equity         2         Equity         2         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity         2	12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Liabilities   Due to other insurance companies   152   147   141   144	13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,217
16         Due to other insurance companies         152         147         141         144         144         144           17         Accounts payable and accrued liabilities         38,860         40,443         39,327         40,996         40,602         41,678           18         Financing lease obligation         3,278         3,239         3,125         2,925         2,843         2,743           19         Unearned premiums and fees         453,389         472,041         508,089         547,303         580,129         605,535           20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         Equity         2         Equity         2         Equity         2         2,774,723         2,901,559         302,307           24         Equity         2         Retained earnings         194,499         99,251	14		2,683,473	2,805,484	2,916,137	3,036,661	3,190,298	3,340,522	3,473,830	3,596,165
17         Accounts payable and accrued liabilities         38,860         40,443         39,327         40,996         40,602         41,678           18         Financing lease obligation         3,278         3,239         3,125         2,925         2,843         2,743           19         Unearned premiums and fees         453,389         472,041         508,089         547,303         580,129         605,535           20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity         Equity         4         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)	15	Liabilities								
18         Financing lease obligation         3,278         3,239         3,125         2,925         2,843         2,743           19         Unearned premiums and fees         453,389         472,041         508,089         547,303         580,129         605,535           20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity         Equity         25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	16	Due to other insurance companies	152	147	141	144	144	144	144	144
19         Unearned premiums and fees         453,389         472,041         508,089         547,303         580,129         605,535           20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity           25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
20         Provision for employee current benefits         16,871         16,919         16,633         17,155         17,865         18,583           21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         Leguity         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity         Equity         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
21         Provision for employee future benefits         281,209         301,245         331,910         341,796         358,128         374,220           22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity           25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
22         Provision for unpaid claims         1,658,713         1,790,450         1,806,067         1,824,404         1,901,848         1,980,404           23         2,452,472         2,624,484         2,705,292         2,774,723         2,901,559         3,023,307           24         Equity         8         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
23 2,452,472 2,624,484 2,705,292 2,774,723 2,901,559 3,023,307  24 Equity 25 Retained earnings 194,499 99,251 170,975 314,049 332,916 352,201 26 Accumulated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (44,177) (34,986)	21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,220	390,321	406,734
24         Equity           25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,848	1,980,404	2,055,933	2,129,113
25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,901,559	3,023,307	3,143,359	3,261,853
25         Retained earnings         194,499         99,251         170,975         314,049         332,916         352,201           26         Accumulated Other Comprehensive Income         36,504         81,749         39,870         (52,111)         (44,177)         (34,986)	24	Fauity								
26 Accumulated Other Comprehensive Income 36,504 81,749 39,870 (52,111) (44,177) (34,986)			194,499	99,251	170.975	314.049	332.916	352,201	355,629	348,332
		9							(25,159)	(14,020)
		·							330,471	334,312
28 Total Liabilities & Equity 2,683,475 2,805,484 2,916,137 3,036,661 3,190,298 3,340,522		T-1-1-1-1-199	0.400.477	0.005.403	0.047.407	2.02/.//	2.400.000	2 240 500	3,473,830	3,596,165

# Appendix 9d Updated Base Scenario #3 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No. 1	Capital Available:	•	(01)	(02)	(03)	(04)	(05)
2	Capital Available:  Capital available (from page 30.62 - capital available)	01	218,283	241,622	258,045	269,286	271,095
3	Phase-in of capital available	03	210,203	241,022	230,043	207,200	271,043
4	Total Capital Available	09	218,283	241,622	258,045	269,286	271,095
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,438	225,519
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,816	338,229
16	Market Risk:						
17	Interest rate risk	30	4,798	20,821	25,203	30,147	33,011
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,344
19	Equity risk	34	69,145	67,268	71,795	76,632	85,397
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,210	140,819	152,600	168,742
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,926	64,282	65,846	66,940
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	61,926	64,282	65,846	66,940
28	Operational risk margin	50	64,469	70,406	73,745	77,122	80,884
29	Less: Diversification credit	52	53,525	62,597	66,213	69,870	74,252
30	Total Capital (Margin) Required at Target	59	452,643	500,742	526,034	551,514	580,543
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,828	350,689	367,676	387,029
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	333,828	350,689	367,676	387,029
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(92,206)	(92,644)	(98,390)	(115,934
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	72.38%	73.58%	73.24%	70.05%

# Appendix 9e Updated Base Scenario #3 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - Bl	4,680	5,032	5,210	5,268	5,337	5,406
6	PIPP	187,022	177,326	215,511	220,977	222,398	224,403
7	Total	726,240	767,976	844,432	890,976	936,366	985,342
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7,039	6,756	6,590
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,604)	(4,316)	3,963	7,900
13	Total Net Claims Incurred	767.240	789.235	899.884	948.620	1.004.622	1.060.042

### Appendix 9f

### Updated Base Scenario #3 Deferred Policy Acquisition Expenses and Premium Deficiency

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 9g Updated Base Scenario #3 Summary of Corporate Investment Income

	2018/19	2019/20 F	2020/21 Forecasted	2021/22	2022/23
e No.  Interest Income During Period		Г	orceasteu		
Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds	44,259	55,172	62,167	67,972	73,612
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,625	84,232	87,823	91,305
Dividend and other Income					
Canadian Equities	9,657	5,701	4,652	5,401	6,053
Global	4,218	5,788	4,975	5,702	6,296
Global LV	4,210	2,902	3,289	3,779	4,173
Private Debt	<u>-</u>	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,475	26,797	28,762	30,325
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(750)	(766)	(774
Marketable Bonds Realized Gains/(Loss)	13,969	29,711	750	766	774
MUSH	-		-	-	-
Canadian Equities Realized Gains	69,223	2,627	0	0	805
Global Equities Realized Gains	66,318	3,724	0	779	0
Global LV Realized Gains	-	457	-	-	848
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,852	10,475	11,864	13,384
Other					
Investment Fees Paid	(5,203)	(4,725)	(4,616)	(4,917)	(5,148
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,447	4,601	4,700	4,721
Investment Write-Down	· -	-	-	-	-
Total	(25,030)	(14,150)	(14,328)	(14,974)	(15,634)
Total Corporate Investment Income	199,910	103,802	107,175	113,476	119,380
Total Basic Investment Income	171,428	84,854	88,401	91,823	94,801
% - Basic to Total Investment Income	85.75%	82%	82%	81%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,755	4,922	5,715	6,755
US Equities Unrealized Gains/(Losses)	7,537	9,335	7,424	8,509	9,396
Global LV Unrealized Gains/(Losses)	-	4,223	4,490	5,160	5,697
Total Corporate Unrealized Gains/(Losses)	19,651	16,090	12,346	14,224	16,151
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,746.3	1,905.6	2,078.7	2,218.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	130.6	152.4	175.6	200.2
Global Equities	166.6	170.2	195.8	210.7	253.6
Global LV Equities	96.5	116.5	134.4	153.4	171.8
Private Debt	-	188.7	188.7	188.7	188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7 2.005.7	87.4 2 205 2	92.3	97.4
<u> </u>	2,928.3	3,095.7	3,285.2	3,482.3	3,677.6
Total Basic Assets	2,530.3	2,654.2	2,774.0	2,893.4	3,002.5
Ending Rebalanced Allocations (%)	0.22	0.007	0.007	0.22	0.00
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.7%	60.3%
MUSH Canadian Equities	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2% 5.7%	4.2% 5.5%	4.6% 6.0%	5.0% 6.1%	5.4% 6.9%
•	:1 / 70			0.1% 4.4%	0.9% 4.7%
US Equities		2 0%			4.170
US Equities Global LV	3.3%	3.8% 6.1%	4.1% 5.7%		
US Equities Global LV Private Debt	3.3% 0.0%	6.1%	5.7%	5.4%	5.1%
US Equities Global LV	3.3%				

# Appendix 10a Modified Base Scenario #3 Statement of Operations

otor Vehicles rivers einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred D Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832 1,063,240  824,140	1,080,765 70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	1,125,627 72,885 (11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,528 1,192,641	1,171,549 74,723 (11,881) 1,234,391  1,150,306 73,798 (11,881) 1,212,223 29,431 1,241,654	1,219,625 76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,515 1,292,420
rivers einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred ) Claims Incurred  Interest Rate Impact al Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	72,885 (11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,528 1,192,641	74,723 (11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,431 1,241,654	76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,515
einsurance Ceded  Il Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded Il Net Premiums Earned ervice Fees & Other Revenues Il Earned Revenues Claims Incurred Claims Incurred Il Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	72,885 (11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,528 1,192,641	74,723 (11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,431 1,241,654	76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,515
Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues Claims Incurred ) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	(11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	(11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,528 1,192,641	(11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,431 1,241,654	1,284,071 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,515
Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues Claims Incurred ) Claims Incurred al Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	1,104,874 71,887 (11,648) 1,165,113 27,528 1,192,641	1,150,306 73,798 (11,881) 1,212,223 29,431 1,241,654	1,197,386 75,638 (12,119 <b>1,260,90</b> 5 31,515
otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b> 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,110,799 25,761 1,136,560	71,887 (11,648) 1,165,113 27,528 1,192,641	73,798 (11,881) 1,212,223 29,431 1,241,654	75,638 (12,119 <b>1,260,905</b> 31,515
rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b> 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,110,799 25,761 1,136,560	71,887 (11,648) 1,165,113 27,528 1,192,641	73,798 (11,881) 1,212,223 29,431 1,241,654	75,638 (12,119 <b>1,260,905</b> 31,515
einsurance Ceded  al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred a) Claims Incurred - Interest Rate Impact al Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040	(11,196) 1,039,407 23,832 1,063,240	(11,420) 1,110,799 25,761 1,136,560	(11,648) 1,165,113 27,528 1,192,641	(11,881) 1,212,223 29,431 1,241,654	(12,119 1,260,905 31,515
al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040	1,039,407 23,832 1,063,240	1,110,799 25,761 1,136,560	1,165,113 27,528 1,192,641	1,212,223 29,431 1,241,654	<b>1,260,90</b> 5
crvice Fees & Other Revenues al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040	23,832 1,063,240	25,761 <b>1,136,560</b>	27,528 <b>1,192,641</b>	29,431 <b>1,241,654</b>	31,51
al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	742,604 (76,200)	927,893 869,023 (8,988)	<b>982,992</b> 783,040	1,063,240	1,136,560	1,192,641	1,241,654	
Claims Incurred ) Claims Incurred - Interest Rate Impact al Claims Incurred	742,604 (76,200)	869,023 (8,988)	783,040					1,292,420
) Claims Incurred - Interest Rate Impact al Claims Incurred	(76,200)	(8,988)		824,140	892.623	020 444	005.747	
al Claims Incurred	, , ,	,	(15.801)			938,446	995,716	1,051,830
	666,404	860 035	(13,001)	(34,905)	7,262	10,174	8,863	8,33
		000,033	767,239	789,235	899,885	948,619	1,004,580	1,060,16
aims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,66
oad Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
al Claims Costs	798,045	993,537	923,722	940,009	1,047,866	1,100,513	1,161,774	1,220,10
enses								
perating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,85
ommissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,28
								38,19
- · · · · ·								5,23
al Expenses _	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,56
erwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,115)	(88,353)	(102,24
estment Income	48,476	101,645	111,731	192,209	79,590	83,011	86,197	88,93
) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	3	3	(
Investment Income	(4,038)	82,897	116,320	171,428	79,601	83,014	86,199	88,93
Income (Loss)	(56,049)	(123,071)	34,424	143,074	13,615	13,898	(2,153)	(13,31
	stment Income ) Investment Income - Interest Rate Impact Investment Income	3,675   3,675   135,383   135,383   erwriting Income (Loss)   (52,011)     (52,011)     (52,515)     (1,038)     (4,038)	agulatory/Appeal         3,675         4,889           Il Expenses         135,383         140,323           erwriting Income (Loss)         (52,011)         (205,968)           stment Income         48,476         101,645           Investment Income - Interest Rate Impact Income         (52,515)         (18,748)           Investment Income         (4,038)         82,897	agulatory/Appeal         3,675         4,889         4,443           Il Expenses         135,383         140,323         141,165           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)           stment Income         48,476         101,645         111,731           Investment Income - Interest Rate Impact Income         (52,515)         (18,748)         4,589           Investment Income         (4,038)         82,897         116,320	agulatory/Appeal         3,675         4,889         4,443         4,669           Il Expenses         135,383         140,323         141,165         151,585           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)           stment Income         48,476         101,645         111,731         192,209           Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)           Investment Income         (4,038)         82,897         116,320         171,428	agulatory/Appeal         3,675         4,889         4,443         4,669         4,839           Il Expenses         135,383         140,323         141,165         151,585         154,681           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (65,986)           stment Income         48,476         101,645         111,731         192,209         79,590           Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)         11           Investment Income         (4,038)         82,897         116,320         171,428         79,601	agulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,998           Il Expenses         135,383         140,323         141,165         151,585         154,681         161,243           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (65,986)         (69,115)           stment Income         48,476         101,645         111,731         192,209         79,590         83,011           Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)         11         3           Investment Income         (4,038)         82,897         116,320         171,428         79,601         83,014	agulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,998         5,114           Il Expenses         135,383         140,323         141,165         151,585         154,681         161,243         168,233           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (65,986)         (69,115)         (88,353)           estment Income         48,476         101,645         111,731         192,209         79,590         83,011         86,197           Investment Income         (52,515)         (18,748)         4,589         (20,781)         11         3         3           Investment Income         (4,038)         82,897         116,320         171,428         79,601         83,014         86,199

# Appendix 10b Modified Base Scenario #3 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	<del>-</del>								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,343	176,362	185,428	183,977
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	13,615	13,898	(2,153)	(13,311)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,706)	(9,595)	(4,833)	703	11,327
6	Total Retained Earnings	194,498	99,251	170,975	172,343	176,362	185,428	183,977	181,994
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,967)	(38,807)	(31,150)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,144	7,160	7,657	8,777
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,967)	(38,807)	(31,150)	(22,373)
11	Total Equity Balance	231,002	181,000	210,845	120,232	130,395	146,621	152,828	159,621
	_								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,343	176,362	185,428	183,977	181,994
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,967)	(38,807)	(31,150)	(22,373)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,232	130,395	146,621	152,828	159,621
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	<u> </u>
18	Total Equity Balance	231,002	181,000	210,845	120,232	130,395	146,621	152,828	159,621

### Appendix 10c Modified Base Scenario #3 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	52,019	57,231	63,141	66,153
	Equity investments	2,083,349	2,189,534	2,272,545	2,345,920	2,430,280	2,532,615	2,638,851	2,746,513
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,674	20,159
)	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
ı	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
1		2,683,473	2,805,484	2,916,137	2,894,955	3,031,959	3,169,932	3,296,151	3,421,562
5	Liabilities								
5	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
3	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
)	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
)	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
ı	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,132	374,224	390,325	406,743
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,849	1,980,404	2,055,892	2,129,192
3		2,452,472	2,624,484	2,705,292	2,774,723	2,901,563	3,023,311	3,143,323	3,261,941
1	Equity								
	Retained earnings	194.499	99,251	170,975	172,343	176,362	185.428	183.977	181,994
5	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,967)	(38,807)	(31,150)	(22,373)
7	Total Equity	231,003	181,000	210,845	120,232	130,395	146,621	152,828	159,621
			·	,	·	•	•	•	·
3	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,894,955	3,031,959	3,169,932	3,296,151	3,421,562

### Appendix 10d Modified Base Scenario #3 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(0.)	(02)	(00)	(0.)	(00)
2	Capital available (from page 30.62 - capital available)	01	76,577	83,278	87,451	91,643	96,405
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	76,577	83,278	87,451	91,643	96,405
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,434	225,527
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,812	338,237
16	Market Risk:						
17	Interest rate risk	30	2,556	12,692	16,721	21,312	23,827
18	Foreign exchange risk	32	13,056	12,586	13,409	14,287	16,880
19	Equity risk	34	56,391	53,903	57,516	61,375	69,090
20	Real estate risk	36	23,111	23,852	24,370	25,110	26,409
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,114	103,033	112,016	122,084	136,206
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,835	57,276	59,595	61,122	62,177
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,835	57,276	59,595	61,122	62,177
28	Operational risk margin	50	62,693	67,701	70,898	74,127	77,715
29	Less: Diversification credit	52	48,443	55,645	59,038	62,466	66,662
30	Total Capital (Margin) Required at Target	59	435,045	473,162	496,872	520,679	547,673
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,030	315,441	331,248	347,119	365,115
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	290,030	315,441	331,248	347,119	365,115
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,453)	(232,163)	(243,797)	(255,476)	(268,710
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.40%	26.40%	26.40%	26.40%	26.40%

# Appendix 10e Modified Base Scenario #3 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,512	220,976	222,364	224,504
7	Total =	726,240	767,976	844,432	890,976	936,331	985,445
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7,039	6,750	6,607
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,603)	(4,316)	3,961	7,906
13	Total Net Claims Incurred	767.240	789.235	899.885	948.620	1.004.579	1.060.168

### Appendix 10f

### Modified Base Scenario #3 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
<u>-</u>						dent Year					Selected	Selec
Ultimate Loss Ratio - Total All Coverage	2013 83.09%	<b>2014</b> 72.79%	2015 81,77%	2016 81.34%	2017 74.59%	2018 73.25%	2019 72.12%	2020 72.39%	2021 73.31%	2022 74.30%	Undisc	[
Trend/Rate Adjustment for Fiscal Year	03.0970	12.1970	01.7770	01.3470	74.3976	13.2370	12.1270	12.3970	73.3170	74.30%		
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2017	0.9142	0.9259	0.9333	0.9697	0.9589	0.9937						
2016		0.9131	0.9364	0.9464	0.9369	0.9793	1.0034					
2020			0.7203	0.9306	0.9447	0.9809	1.0054	1.0115				
2020				0.9300	0.9447	0.9894	1.0034	1.0115	1.0132			
2021					0.9544	0.9894	1.0125	1.0109	1.0132	1.0124		
						0.9955	1.0182	1.0222	1.0179	1.0134		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]	75.0707	(7.200/	70.100/	70.000/	70.7/0/						75.050/	00
2017	75.96%	67.39%	78.12%	78.88%	73.76%	70.700/					75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%	70.070/				73.68%	78.
2019			75.27%	75.63%	70.38%	71.74%	72.37%	70.000/			73.12%	77.
2020				75.69%	70.47%	71.85%	72.51%	73.22%			72.53%	77.
2021					71.19%	72.47%	73.02%	73.62%	74.27%		73.04%	77.
2022						72.92%	73.43%	74.00%	74.62%	75.29%	74.02%	78
B. Actual Data Other Than Losses												
-					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.07%	8.09%	8.04%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.69%	2.70%	2.68%		
Selected					3.16%	2.99%	2.86%	2.71%	2.69%	2.69%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
9. Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,324	425,036	445,466	470,037		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	15,168	14,954	15,446	16,036		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,684	78,207	81,966	86,487		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	23,693	29,306	26,674	20,159		
13. Equity in Orieanieu Frenium ((0) - Sun((4) to (14)))					32,055	29,489	31,268	32,566	33,894	35,285		
					32,055	11,179	7,575	3,259	7,220	15,126		
16. Carried Deferred Policy Acquisition Expenses					32,033							
16. Carried Deferred Policy Acquisition Expenses					2,363	(20,876)	(3,603)	(4,316)	3,961	7,906		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]								(4,316)	3,961			

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 10g Modified Base Scenario #3 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ne No.		'	orecasted		
Interest Income During Period  Cash/Short Term Investments	055	F0	(0)	0	(0)
Marketable Bonds	255 44,259	53 55,077	(0) 62,148	0 67,909	73,123
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,491	84,212	87,760	90,814
Dividend and other Income					
Canadian Equities	9,657	5,866	4,663	5,431	6,210
Global	4,218	6,034	4,984	5,729	6,483
Global LV	-	2,904	3,300	3,803	4,411
Private Debt	=	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,688	26,828	28,843	30,907
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(17,483)	(749)	(765)	(763)
Marketable Bonds Realized Gains/(Loss)	13,969	17,483	749	765	763
MUSH	=	-	=	-	-
Canadian Equities Realized Gains	69,223	2,811	0	0	1,457
Global Equities Realized Gains	66,318	3,787	0	0	1,897
Global LV Realized Gains	-	457	-	-	0
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure Total	5,765	4,447	4,633	4,893	5,167
Total	133,380	17,101	10,475	11,085	15,084
Other					
Investment Fees Paid	(5,203)	(4,746)	(4,617)	(4,922)	(5,183
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,441	4,600	4,697	4,683
Investment Write-Down Total	(25,030)	- (14 177)	- (14.220)	- (14.002)	- /15 707
		(14,177)	(14,330)	(14,982)	(15,707)
Total Corporate Investment Income	199,910	104,103	107,186	112,706	121,099
Total Basic Investment Income % - Basic to Total Investment Income	171,428	79,601	83,014	86,199	88,936
% - Basic to Total Investment Income	85.75%	76%	77%	76%	73%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,951	4,934	5,747	6,930
US Equities Unrealized Gains/(Losses)	7,537	9,405	7,438	8,549	9,675
Global LV Unrealized Gains/(Losses)	-	4,226	4,505	5,193	6,023
Total Corporate Unrealized Gains/(Losses)	19,651	16,356	12,372	14,296	16,605
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,746.1	1,903.9	2,063.0	2,240.5
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	130.8	153.1	176.9	187.5
Global Equities Global LV Equities	166.6	170.3	196.5	224.4	238.0
Private Debt	96.5	116.7	135.2	154.6	178.7
Real Estate	133.5	188.7 138.0	188.7 143.9	188.7 150.7	188.7 161.7
Real Estate Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,096.2	3,285.6	3,482.8	3,678.7
Total Basic Assets	2,388.6	2,495.8	2,603.4	2,715.8	2,827.9
	2,300.0	2,473.0	2,003.4	2,715.0	Z,021.7
Ending Rebalanced Allocations (%)	0.00/	0.00/	0.00/	0.007	0.00/
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income MUSH	60.1%	56.4% 16.0%	57.9%	59.2% 12.4%	60.9%
MUSH Canadian Equities	19.4% 4.2%	16.9% 4.2%	14.5% 4.7%	12.4% 5.1%	10.5% 5.1%
US Equities	5.7%	5.5%	6.0%	6.4%	6.5%
Global LV	3.3%	3.8%	4.1%	4.4%	4.9%
Global LV Private Debt	0.0%	6.1%	5.7%	5.4%	5.1%
Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
	2.7%	2.7%	2.7%	2.6%	2.6%
Infrastructure & Venture Capital					

# Appendix 11a Adverse Scenario #3 Statement of Operations

).	BASIC -	2016A	2017A		2019P	2020P	2021P	2022P	
			201771	2018A	20171	2020.	202.1	LVLL	20231
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
1	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,90
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,531	29,438	31,52
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,644	1,241,660	1,292,420
	Net Claims Incurred	742,604	869,023	783,040	797,438	1,211,414	1,124,933	995,314	1,055,945
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	789,235	1,052,371	1,137,323	999,538	1,061,98
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,749	145,584	147,90
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,39
	Total Claims Costs	798,045	993,537	923,722	940,009	1,200,352	1,289,943	1,158,253	1,223,28
	Expenses								
1	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,48
	Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
	Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,19
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,681	161,570	168,923	175,19
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(218,473)	(258,868)	(85,516)	(106,04
	Investment Income	48,476	101,645	111,731	192,209	63,496	59,173	57,106	56,42
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,949	102,377	(83)	20
	Net Investment Income	(4,038)	82,897	116,320	171,428	188,445	161,550	57,023	56,45
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(30,028)	(97,319)	(28,493)	(49,59

# Appendix 11b Adverse Scenario #3 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,343	132,719	30,568	2,778
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(30,028)	(97,319)	(28,493)	(49,594)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,706)	(9,595)	(4,833)	703	11,327
6	Total Retained Earnings	194,498	99,251	170,975	172,343	132,719	30,568	2,778	(35,489)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,898)	(45,869)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(99)	311	6,030	5,566
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,869)	(40,302)
11	Total Equity Balance	231,002	181,000	210,845	120,232	80,510	(21,330)	(43,091)	(75,791)
10	Total Fauity								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,343	132,719	30,568	2,778	(35,489)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,869)	(40,302)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,232	80,510	(21,330)	(43,091)	(75,791)
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_	_	_			_
18	Total Equity Balance	231,002	181,000	210,845	120,232	80,510	(21,330)	(43,091)	(75,791)
10	Total Equity Dalance	231,002	101,000	210,043	120,232	00,510	(21,330)	(43,071)	(13,171)

### Appendix 11c Adverse Scenario #3 Balance Sheet

(C\$ 000s, except where n	oted)			Fo	or the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC									
Assets									
Cash and investme	ents	29,114	61,606	72,998	28,746	45,704	12,766	9,455	13,652
Equity investments	;	2,083,349	2,189,534	2,272,545	2,345,920	2,538,558	2,721,384	2,795,084	2,865,325
Investment propert	y .	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other ins	urance companies	25	16	2	-	-	-	-	
Accounts receivab	le	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
Prepaid expenses		-	-	-	-	-	-	-	
Deferred policy acc	quisition costs	4,782	-	-	18,310	13,718	2,806	4,643	
Reinsurers' share	of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share	of unearned claims	998	611	1,269	-	-	-	-	
Property and equip	oment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred developm	nent costs	65,414	72,866	55,423	43,654	47,117	59,124	61,083	63,096
		2,683,473	2,805,484	2,916,137	2,894,955	3,123,947	3,287,690	3,376,567	3,467,593
Liabilities									
Due to other insura	ance companies	152	147	141	144	144	144	144	144
Accounts payable	and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease ob	ligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiun		453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
Provision for emplo	oyee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for emplo	byee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
Provision for unpai	d claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,861	2,266,427	2,332,701	2,409,338
•		2,452,472	2,624,484	2,705,292	2,774,723	3,043,438	3,309,020	3,419,658	3,541,456
Equity									
Retained earnings		194,499	99.251	170,975	172,343	132,719	30,568	2.778	(35,489
9	r Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,869)	(40,302
Total Equity		231,003	181,000	210,845	120,232	80,510	(21,330)	(43,091)	(75,791
Total Liabilities & Equ	itv	2,683,475	2,805,484	2,916,137	2,894,955	3,123,947	3,287,690	3,376,567	3,465,666

### Appendix 11d Adverse Scenario #3 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(03)	(04)	(03)
2	Capital available (from page 30.62 - capital available)	01	76,577	33,393	(80,454)	(104,174)	(138,887
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	76,577	33,393	(80,454)	(104,174)	(138,887)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	113,479
12	Unpaid claims	22	192,187	214,814	238,393	245,231	253,234
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,979	342,626	353,609	366,713
16	Market Risk:						
17	Interest rate risk	30	2,556	3,489	4,995	7,506	9,887
18	Foreign exchange risk	32	13,056	15,160	15,413	13,827	13,967
19	Equity risk	34	56,391	67,626	68,159	57,750	54,803
20	Real estate risk	36	23,111	23,852	24,370	25,110	26,409
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,114	110,127	112,937	104,193	105,066
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,835	56,793	58,828	60,888	62,342
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,835	56,793	58,828	60,888	62,342
28	Operational risk margin	50	62,693	69,468	73,395	74,949	77,502
29	Less: Diversification credit	52	48,443	58,047	60,798	59,707	60,946
30	Total Capital (Margin) Required at Target	59	435,045	493,320	526,988	533,932	550,677
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,030	328,880	351,325	355,955	367,118
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	290,030	328,880	351,325	355,955	367,118
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,453)	(295,487)	(431,779)	(460,129)	(506,005)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.40%	10.15%	-22.90%	-29.27%	-37.83%

# Appendix 11e Adverse Scenario #3 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549.150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,969	334,650	222,442	223,715
	_						
7	Total _	726,240	767,976	966,523	1,042,317	936,109	984,844
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,107	27,875	6,400	6,786
10	Change in Reinsurance Ceded Provisior	(676)	040	27,107	27,073	0,400	0,700
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	12,210	(509)	10,141
13	Total Net Claims Incurred	767.240	789.235	1.052.371	1.137.323	999.538	1.061.980

### **Appendix 11f**

### Adverse Scenario #3 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
<del>-</del>						dent Year					Selected	Selecte
1 Hillimata Lasa Balla Tatal All Courses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Dis
Ultimate Loss Ratio - Total All Coverage     Total Vision Advisors of the Figure 1999	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.53%	76.33%	73.31%	74.30%		
Trend/Rate Adjustment for Fiscal Year     2017	0.9142	0.0050	0.9555	0.9697	0.9888							
2017	0.9142	0.9259 0.9151	0.9384	0.9697	0.9888	0.9937						
2019		0.9131	0.9364	0.9404	0.9369	0.9808	1.0041					
2019			0.9243	0.9326	0.9456	0.9895	1.0110	1.0139				
2020				0.9447	0.9550	0.983	1.0110	1.0139	1.0150			
2021					0.9003	1.0041	1.0191	1.0212	1.0130	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]						1.0041	1.0232	1.02/3	1.0212	1.0140		
3. Aujusteu Loss Ratio foi Fiscal Teal [(1) x (2)] 2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2017	73.90%	66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
2019		00.0176	75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79.23
2019			13.36%	76.84%	71.31%	72.48%	74.34%	77.39%			74.55%	81.13
2020				70.0470	72.00%	73.13%	74.94%	77.95%	74.40%		74.33%	80.90
2021					72.00%	73.15%	75.38%	78.42%	74.40%	75.40%	75.21%	82.19
2022						73.3370	73.3070	70.4270	74.0070	73.4070	73.2170	02.11
B. Actual Data Other Than Losses												
					Fis	cal Year						
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.11%	8.16%	8.10%		
<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.70%	2.72%	2.70%		
Selected					3.16%	2.99%	2.86%	2.72%	2.71%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurance</li></ol>	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,749	447,391	463,991	490,423		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	15,168	14,985	15,544	16,164		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,234	82,320	85,374	90,238		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,718	2,806	4,643	(4,107)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,268	32,566	33,894	35,285		
47 141 5 54 151 4 111 5 51					32,055	11,179	17,550	29,760	29,251	35,285		
<ol><li>Write Down Deferred Policy Acquisition Expenses [b]</li></ol>						(00.07/)	6,371	12,210	(509)	6,034		
Write Down Deterred Policy Acquisition Expenses [b]     Change					2,363	(20,876)	0,3/1	12,210	(307)	0,034		
					2,363 8,845	(20,876)	0,3/1	12,210	(307)	4,107		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 11g Adverse Scenario #3 Summary of Corporate Investment Income

	2018/19	2019/20 F	2020/21 Forecasted	2021/22	2022/23
e No.		'	orecasted		
Interest Income During Period			_	(-)	
Cash/Short Term Investments Marketable Bonds	255	79	2	(0)	(12
MUSH	44,259 26,759	50,743	51,437	51,548 19,852	53,312
Total	71,273	24,361 <b>75,183</b>	22,065 <b>73,504</b>	71,399	17,693 <b>70,99</b> 3
	71,270	70,100	70,001	71,077	70,770
Dividend and other Income Canadian Equities	0.757	/ 55/	F 1F2	F 200	F 2/ /
Global	9,657	6,556 6,756	5,153 5,575	5,299 5,627	5,364
Global LV	4,218	3,346	3,443	3,508	5,897 3,547
Private Debt	-	3,558	9,533	9,583	9,626
Private Debt Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,276	27,398	27,718	28,065
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	97,859	88,967	(12,742)	2,408
Marketable Bonds Realized Gains/(Loss)	13,969	38,069	20,312	12,742	(2,408
MUSH	-	-		-	-
Canadian Equities Realized Gains	69,223	(299)	(1,240)	825	684
Global Equities Realized Gains	66,318	154	(87)	795	1,012
Global LV Realized Gains	-	49	11	253	1,047
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	145,877	118,438	12,957	14,474
Other					
Investment Fees Paid	(5,203)	(4,908)	(4,812)	(4,960)	(5,070
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,330)	(12,713)	(14,927)	(14,706
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,110)	(31,838)	(34,644)	(34,983
Total Corporate Investment Income	199,910	223,226	198,543	77,432	78,551
Total Basic Investment Income	171,428	188,445	161,550	57,023	56,453
% - Basic to Total Investment Income	85.75%	84%	81%	74%	729
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,606	5,987
US Equities Unrealized Gains/(Losses)	7,537	88	(95)	8,398	8,800
Global LV Unrealized Gains/(Losses)	-	147	67	4,790	4,843
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,082)	14,004	14,787
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	(1.9
Canadian Fixed Income	1,760.8	1,791.0	2,000.7	2,224.6	2,389.5
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.5	172.4	155.2	163.6
Global Equities Global LV Equities	166.6	199.4	221.9	207.4	217.1
Global LV Equities Private Debt	96.5	127.8	143.7	135.7	132.5
Real Estate	133.5	188.7 138.0	199.7 143.9	199.7 150.7	199.7 161.7
Real Estate Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,202.9	3,446.7	3,597.9	3,745.9
Total Basic Assets	2,388.6	2,597.8	2,747.7	2,818.3	2,894.2
	2,000.0	2,077.0	~ <sub>[</sub> , 11,1	2,0.0.0	2,0,7.2
Ending Rebalanced Allocations (%) Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	-0.1%
Canadian Fixed Income	60.1%	55.9%	58.0%	61.8%	63.8%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	5.0%	4.3%	4.4%
US Equities	5.7%	6.2%	6.4%	5.8%	5.8%
Global LV	3.3%	4.0%	4.2%	3.8%	3.5%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.3%
Real Estate	4.6%	4.3%	4.2%	4.2%	4.3%
Infrastructure & Venture Capital	2.7%	2.6%	2.5%	2.6%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.09

## Appendix 11h Adverse Scenario #3 with Management Action Statement of Operations

(C\$ 000	Os, except where noted)			Fo	r the Years End	ed February,			
		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC									
N	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,148,504	1,195,353	1,244,399
D	Orivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
R	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Tot	al Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,209,741	1,258,195	1,308,845
Net	Premiums Earned								
N	Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,117,169	1,173,681	1,221,711
D	Orivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
R	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Tot	al Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,177,408	1,235,598	1,285,230
S	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,960	29,908	32,036
Tot	al Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,205,368	1,265,506	1,317,266
Net	Claims Incurred	742,604	869,023	783,040	797,438	1,211,414	1,114,838	995,107	1,055,445
(8	a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Tot	al Claims Incurred	666,404	860,035	767,239	789,235	1,052,371	1,127,228	999,331	1,061,479
С	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,749	145,545	147,862
R	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,127	13,393
Tot	al Claims Costs	798,045	993,537	923,722	940,009	1,200,352	1,279,848	1,158,003	1,222,734
Exp	penses								
C	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,604	83,459
C	Commissions	33,862	35,086	37,378	40,338	42,630	45,007	47,218	49,076
Р	Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,672	37,424	38,920
R	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Tot	al Expenses	135,383	140,323	141,165	151,585	154,681	162,254	170,361	176,689
Uno	derwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(218,473)	(236,735)	(62,858)	(82,157)
Inve	estment Income	48,476	101,645	111,731	192,209	63,496	59,218	57,135	55,807
(k	b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	124,949	102,346	(72)	(10
Net	Investment Income	(4,038)	82,897	116,320	171,428	188,445	161,564	57,063	55,797
Net	Income (Loss)	(56,049)	(123,071)	34,424	143,074	(30,028)	(75,171)	(5,795)	(26,360
Tota	al net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	283,992	89,956	(4,296)	(6,044

# Appendix 11i Adverse Scenario #3 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	B. C. Lee								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	172,343	132,719	52,716	47,624
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(30,028)	(75,171)	(5,795)	(26,360)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(141,706)	(9,595)	(4,833)	703	11,327
6	Total Retained Earnings	194,498	99,251	170,975	172,343	132,719	52,716	47,624	32,591
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,210)	(51,898)	(45,809)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(99)	311	6,089	6,492
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,809)	(39,316)
11	Total Equity Balance	231,002	181,000	210,845	120,232	80,510	817	1,815	(6,725)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	172,343	132,719	52,716	47,624	32,591
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,809)	(39,316)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	120,232	80,510	817	1,815	(6,725)
17	Detained Fernings in august of Data Stabilization Description								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	100 000	- 00 510	- 017	1.015	- (/ 705)
18	Total Equity Balance	231,002	181,000	210,845	120,232	80,510	817	1,815	(6,725)

### Appendix 11j Adverse Scenario #3 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	45,704	26,633	42,576	66,651
4	Equity investments	2,083,349	2,189,534	2,272,545	2,345,920	2,538,558	2,723,423	2,800,577	2,874,536
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	395,129	410,520	426,618
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,718	13,593	15,637	7,410
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,124	61,085	63,098
14		2,683,473	2,805,484	2,916,137	2,894,955	3,123,947	3,320,451	3,432,488	3,543,787
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	616,118	642,674	670,576
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,861	2,266,458	2,332,705	2,405,230
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,043,438	3,319,634	3,430,673	3,548,809
24	Equity								
25	Retained earnings	194.499	99.251	170,975	172,343	132.719	52.716	47.624	32,591
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,210)	(51,898)	(45,809)	(39,316)
27	Total Equity	231,003	181,000	210,845	120,232	80,510	817	1,815	(6,725)
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,894,955	3,123,947	3,320,451	3,432,488	3,542,084

## Appendix 11k Adverse Scenario #3 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ne			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Yea
).			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	76,577	33,393	(58,306)	(59,270)	(69,82
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	76,577	33,393	(58,306)	(59,270)	(69,82
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	100,165	106,213	110,437	114,85
	Unpaid claims	22	192,187	214,814	238,396	245,232	253,23
	Catastrophes	24	0	0	0	0	
	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
	Subtotal: Insurance risk margin	29	286,846	314,979	344,609	355,669	368,08
•	Market Risk:						
	Interest rate risk	30	2,556	3,489	4,772	8,060	9,65
	Foreign exchange risk	32	13,056	15,160	15,425	13,865	13,99
)	Equity risk	34	56,391	67,626	68,224	57,969	59,34
)	Real estate risk	36	23,111	23,852	24,370	25,110	26,40
	Other market risk exposures	38	0	0	0	0	
	Subtotal: Market risk margin	39	95,114	110,127	112,791	105,004	109,41
	Credit Risk:						
	Counterparty default risk for balance sheet assets	40	38,835	56,793	60,226	62,348	63,47
	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
)	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
	Subtotal: Credit risk margin	49	38,835	56,793	60,226	62,348	63,47
	Operational risk margin	50	62,693	69,468	74,242	75,912	78,70
)	Less: Diversification credit	52	48,443	58,047	61,212	60,388	62,41
)	Total Capital (Margin) Required at Target	59	435,045	493,320	530,656	538,545	557,25
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	290,030	328,880	353,771	359,030	371,50
	Phase-in of Capital (Margin) Required	62	0	0	0	0	
	Total Minimum Capital (Margin) Required	69	290,030	328,880	353,771	359,030	371,50
	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(213,453)	(295,487)	(412,077)	(418,300)	(441,32
	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.40%	10.15%	-16.48%	-16.51%	-18.79

# Appendix 11I Adverse Scenario #3 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,973	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,589	5,393	5,472
6	PIPP	187,022	177,326	341,969	334,665	222,428	223,712
7	Total -	726,240	767,976	966,523	1,042,334	936,095	984,841
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,107	27,889	6,388	6,783
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	2,084	(688)	9,645
13	Total Net Claims Incurred	767,240	789.235	1.052.371	1.127.228	999,332	1.061,480

#### Appendix 11m

### Adverse Scenario #3 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					Acci	dent Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.53%	75.53%	71.92%	72.89%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9243	0.9328	0.9458	0.9808	1.0041					
2020				0.9261	0.9372	0.9701	0.9912	1.0045				
2021					0.9470	0.9794	0.9999	1.0124	1.0150			
2022						0.9851	1.0058	1.0185	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79.2
2020				75.33%	69.91%	71.06%	72.89%	75.87%			73.09%	79.5
2021					70.64%	71.74%	73.52%	76.47%	73.00%		72.75%	79.3
2022						72.16%	73.96%	76.93%	73.44%	73.97%	73.79%	80.6
3. Actual Data Other Than Losses												
_					Fis	cal Year						
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,177,408	1,235,598	1,285,230		
Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.02%	8.00%	7.94%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.67%	2.67%	2.65%		
Selected					3.16%	2.99%	2.86%	2.70%	2.67%	2.66%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
					468,613	506,193	535,642	567,975	590,572	614,188		
8. Net Unearned Premium					F F00	F 710	5,824	5,941	6,059	6,059		
Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710				490,380		
9. Additional Expected Cost of Non-Proportional Reinsurance					5,598 383,468	391,245	419,749	447,043	463,952	490,300		
<ol> <li>Additional Expected Cost of Non-Proportional Reinsuranc</li> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>							419,749	447,043	463,952	490,360		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) : 11. Reinsurance PFAD					383,468		419,749 - 15,168	447,043 - 15,193	463,952 - 15,607	16,158		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a]					383,468 10	391,245 -	-					
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				383,468 10 13,837	391,245 - 14,989	- 15,168	15,193	15,607	16,158		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				383,468 10 13,837 70,595	391,245 - 14,989 71,989	15,168 77,234	15,193 82,256	15,607 85,367	16,158 90,230		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				383,468 10 13,837 70,595 3,950	391,245 - 14,989 71,989 3,950	15,168 77,234 3,950	15,193 82,256 3,950	15,607 85,367 3,950	16,158 90,230 3,950		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				383,468 10 13,837 70,595 3,950 (8,845)	391,245 - 14,989 71,989 3,950 18,310	15,168 77,234 3,950 13,718	15,193 82,256 3,950 13,593	15,607 85,367 3,950 15,637	16,158 90,230 3,950 7,410		
9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				383,468 10 13,837 70,595 3,950 (8,845) 32,055	391,245 - 14,989 71,989 3,950 18,310 29,489	15,168 77,234 3,950 13,718 31,268	15,193 82,256 3,950 13,593 33,227	15,607 85,367 3,950 15,637 34,583	16,158 90,230 3,950 7,410 36,002		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enf 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	15,168 77,234 3,950 13,718 31,268 17,550	15,193 82,256 3,950 13,593 33,227 19,634	15,607 85,367 3,950 15,637 34,583 18,946	16,158 90,230 3,950 7,410 36,002 28,592		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 11n Adverse Scenario #3 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	79	2	(0)	(21
Marketable Bonds	44,259	50,743	51,624	52,218	53,598
MUSH	26,759 71,272	24,361	22,065	19,852	17,693
Total	71,273	75,183	73,691	72,069	71,271
Dividend and other Income					
Canadian Equities	9,657	6,556	5,127	5,206	6,000
Global	4,218	6,756	5,552	5,654	6,380
Global LV Private Debt	-	3,346	3,426	3,446	3,774
Investment Properties (Cityplace)	- 4,940	3,558 1,926	9,533 2,512	9,583 2,452	9,626 2,312
Investment Properties (Cityplace) Infrastructure	4,940 1,472	1,135	1,182	2,432 1,249	1,318
Total	20,287	23,276	27,332	27,590	29,410
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	97,859	88,987	(12,455)	2,389
Marketable Bonds Realized Gains/(Loss)	13,969	38,069	20,291	12,455	(2,389
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(299)	(1,240)	260	170
Global Equities Realized Gains	66,318	154	(87)	328	709
Global LV Realized Gains	-	49	11	249	194
Real Estate (Pooled Fund) Infrastructure	16,307	5,598	5,842	6,192	6,564
Infrastructure Total	5,765 133,380	4,447 145,877	4,633 118,438	4,893 11,923	5,16 12,80
	133,300	145,077	110,430	11,723	12,000
Other					
Investment Fees Paid	(5,203)	(4,908)	(4,814)	(4,986)	(5,214
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Investment Write-Down	(6,386)	(2,330)	(12,790)	(15,164)	(14,590
Total	(25,030)	(21,110)	(31,917)	(34,907)	(35,011
Total Corporate Investment Income	199,910	223,226	198,584	76,675	78,473
Total Basic Investment Income	171,428	188,445	161,564	57,063	55,797
% - Basic to Total Investment Income	85.75%	84%	81%	74%	719
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,508	6,696
US Equities Unrealized Gains/(Losses)	7,537	88	(95)	8,437	9,521
Global LV Unrealized Gains/(Losses)	-	147	67	4,705	5,153
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,082)	13,945	16,216
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	(1.7
Canadian Fixed Income	1,760.8	1,791.0	2,026.8	2,229.9	2,376.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2 166.6	152.5 199.4	168.1 217.2	170.9 222.8	193.8 242.5
Global LV Equities	96.5	127.8	140.1	135.3	152.7
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,202.9	3,460.0	3,633.9	3,808.8
Total Basic Assets	2,388.6	2,597.8	2,763.6	2,856.9	2,956.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.6%	61.4%	62.4%
MUSH Canadian Equitios	19.4%	16.3%	13.8%	11.9%	10.1%
Canadian Equities US Equities	4.2% 5.7%	4.8% 6.2%	4.9% 6.3%	4.7% 6.1%	5.1% 6.4%
US Equities Global LV	3.3%	4.0%	4.0%	3.7%	4.0%
Private Debt	0.0%	5.9%	5.8%	5.5%	5.2%
Real Estate	4.6%	4.3%	4.2%	4.1%	4.2%
Infrastructure & Venture Capital	2.7%	2.6%	2.5%	2.5%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 12a Updated Base Scenario #4 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Written  Motor Vehicles Drivers Reinsurance Ceded Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  Let Claims Incurred (a) Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,054,863 70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	2021P  1,098,659 72,885 (11,648) 1,159,896  1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	2022P  1,143,490 74,723 (11,881)  1,206,332  1,122,752 73,798 (11,881)  1,184,668 29,154  1,213,822	1,190,422 76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Written  Jet Premiums Earned Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  Jet Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Reinsurance Ceded  Total Net Premiums Written  Jet Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
let Premiums Barned  Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  let Claims Incurred (a) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	(11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	(11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	(11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
let Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Otal Net Premiums Earned Service Fees & Other Revenues Otal Earned Revenues  Jet Claims Incurred (a) Claims Incurred Jet Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred  Total Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,845 1,063,252 823,258	69,896 (11,420) 1,096,879 25,370 1,122,250	71,887 (11,648) 1,138,639 27,187 1,165,826	73,798 (11,881) 1,184,668 29,154 1,213,822	75,638 (12,119 1,232,231 31,315 1,263,546
Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred  Total Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,845 1,063,252 823,258	69,896 (11,420) 1,096,879 25,370 1,122,250	71,887 (11,648) 1,138,639 27,187 1,165,826	73,798 (11,881) 1,184,668 29,154 1,213,822	75,638 (12,119 1,232,231 31,315 1,263,546
Reinsurance Ceded  otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  let Claims Incurred (a) Claims Incurred  otal Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040	(11,196) 1,039,407 23,845 1,063,252 823,258	(11,420) 1,096,879 25,370 1,122,250	(11,648) 1,138,639 27,187 1,165,826	(11,881) 1,184,668 29,154 1,213,822	(12,119 1,232,231 31,315 1,263,546
otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  let Claims Incurred (a) Claims Incurred otal Claims Incurred	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040	1,039,407 23,845 1,063,252 823,258	1,096,879 25,370 1,122,250	1,138,639 27,187 1,165,826	1,184,668 29,154 1,213,822	1,232,23 <sup>1</sup> 31,315 1,263,546
Service Fees & Other Revenues  otal Earned Revenues  let Claims Incurred  (a) Claims Incurred - Interest Rate Impact  otal Claims Incurred	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040	23,845 1,063,252 823,258	25,370 <b>1,122,250</b>	27,187 1,165,826	29,154 1,213,822	31,315 <b>1,263,54</b> 6
let Claims Incurred  (a) Claims Incurred - Interest Rate Impact  fotal Claims Incurred	742,604 (76,200)	927,893 869,023 (8,988)	<b>982,992</b> 783,040	1,063,252 823,258	1,122,250	1,165,826	1,213,822	1,263,54
let Claims Incurred (a) Claims Incurred - Interest Rate Impact otal Claims Incurred	742,604 (76,200)	869,023 (8,988)	783,040	823,258				
(a) Claims Incurred - Interest Rate Impact otal Claims Incurred	(76,200)	(8,988)			902,134	937 111	995 327	
otal Claims Incurred	,	,	(15,801)			,0,,	,,olo5,	1,051,242
-	666,404	860 035		(44,539)	(18,716)	655	11,121	9,45
		000,000	767,239	778,719	883,417	937,766	1,006,448	1,060,69
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,253
otal Claims Costs	798,045	993,537	923,722	929,493	1,031,352	1,089,534	1,163,473	1,220,47
expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,78
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,36
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,33
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
otal Expenses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,70
Inderwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,989)	(83,244)	(116,087)	(129,63
nvestment Income	48,476	101,645	111,731	192,131	87,044	92,631	96,915	100,37
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,528)	(7,424)	4,473	2,029
let Investment Income	(4,038)	82,897	116,320	163,818	62,515	85,206	101,387	102,40
let Income (Loss)	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,23
	xpenses Operating Commissions Premium Taxes Regulatory/Appeal otal Expenses Inderwriting Income (Loss) Investment Income (b) Investment Income	Expenses         71,641           Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           otal Expenses         135,383           Inderwriting Income (Loss)         (52,011)           Investment Income         48,476           (b) Investment Income         (52,515)           et Investment Income         (4,038)           et Income (Loss)         (56,049)	Expenses       71,641       72,785         Commissions       33,862       35,086         Premium Taxes       26,205       27,563         Regulatory/Appeal       3,675       4,889         otal Expenses       135,383       140,323         Inderwriting Income (Loss)       (52,011)       (205,968)         Investment Income       48,476       101,645         (b) Investment Income       (52,515)       (18,748)         et Investment Income       (4,038)       82,897         et Income (Loss)       (56,049)       (123,071)	Expenses         71,641         72,785         70,201           Commissions         33,862         35,086         37,378           Premium Taxes         26,205         27,563         29,143           Regulatory/Appeal         3,675         4,889         4,443           otal Expenses         135,383         140,323         141,165           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)           Investment Income         48,476         101,645         111,731           (b) Investment Income         (52,515)         (18,748)         4,589           et Investment Income         (4,038)         82,897         116,320           et Income (Loss)         (56,049)         (123,071)         34,424	Expenses       71,641       72,785       70,201       75,060         Commissions       33,862       35,086       37,378       40,338         Premium Taxes       26,205       27,563       29,143       31,518         Regulatory/Appeal       3,675       4,889       4,443       4,669         otal Expenses       135,383       140,323       141,165       151,585         Inderwriting Income (Loss)       (52,011)       (205,968)       (81,896)       (17,826)         Investment Income       48,476       101,645       111,731       192,131         (b) Investment Income       48,476       101,645       111,731       192,131         (b) Investment Income       (52,515)       (18,748)       4,589       (28,313)         et Investment Income       (4,038)       82,897       116,320       163,818         et Income (Loss)       (56,049)       (123,071)       34,424       145,992	xpenses         71,641         72,785         70,201         75,060         73,525           Commissions         33,862         35,086         37,378         40,338         42,273           Premium Taxes         26,205         27,563         29,143         31,518         33,249           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839           otal Expenses         135,383         140,323         141,165         151,585         153,886           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (17,826)         (62,989)           Investment Income         48,476         101,645         111,731         192,131         87,044           (b) Investment Income         48,476         101,645         111,731         192,131         87,044           (b) Investment Income         (4,038)         82,897         116,320         163,818         62,515	xpenses Operating 71,641 72,785 70,201 75,060 73,525 76,195 Commissions 33,862 35,086 37,378 40,338 42,273 43,834 Premium Taxes 26,205 27,563 29,143 31,518 33,249 34,509 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 otal Expenses 135,383 140,323 141,165 151,585 153,886 159,536  Inderwriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (62,989) (83,244)  Investment Income 48,476 101,645 111,731 192,131 87,044 92,631 (b) Investment Income (4,038) 82,897 116,320 163,818 62,515 85,206  et Income (Loss) (56,049) (123,071) 34,424 145,992 (474) 1,963	xpenses Operating 71,641 72,785 70,201 75,060 73,525 76,195 79,859 Commissions 33,862 35,086 37,378 40,338 42,273 43,834 45,568 Premium Taxes 26,205 27,563 29,143 31,518 33,249 34,509 35,896 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 5,114 otal Expenses 135,383 140,323 141,165 151,585 153,886 159,536 166,437 Inderwriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (62,989) (83,244) (116,087) Investment Income 48,476 101,645 111,731 192,131 87,044 92,631 96,915 (b) Investment Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,528) (7,424) 4,473 et Investment Income (Loss) (56,049) (123,071) 34,424 145,992 (474) 1,963 (14,700)

## Appendix 12b Updated Base Scenario #4 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February.			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170.975	316.967	316.493	318.456	303.756
	9 9	,		,					
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,233)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,784)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,202	11,214
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
11	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
17	Retained Earnings in excess of Rate Stabilization Reserve		_		_	_		_	
18	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
10	Total Equity Dalance	231,002	101,000	210,040	204,000	Z1Z,317	203,470	210,712	202,733

### Appendix 12c Updated Base Scenario #4 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
!	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	47,134	36,299	19,279	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,544,598	2,646,458	2,767,091	2,874,836
i	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
,	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
1	Prepaid expenses	-	-	-	-	-	-	-	-
,	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,761
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
4		2,683,473	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
10	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,677	389,271	405,961
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,964	1,934,073	2,010,737	2,084,197
3		2,452,472	2,624,484	2,705,292	2,765,090	2,852,555	2,962,957	3,084,134	3,202,656
4	Equity								
5	Retained earnings	194.499	99,251	170,975	316,967	316.493	318.456	303.756	276,523
16	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
7	Total Equity	231,003	181,000	210,845	264,856	272,319	283,470	278,972	262,953
	T	0.400.45-	0.005.403	0.047.405	0.000.04:	0.404.07:	0.044.405	0.040.40:	0.445 ::
18	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609

# Appendix 12d Updated Base Scenario #4 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	221,201	225,199	224,288	217,770	199,717
3	Phase-in of capital available	03	0	0	0	0	. 0
4	Total Capital Available	09	221,201	225,199	224,288	217,770	199,717
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,195
16	Market Risk:						
17	Interest rate risk	30	6,468	21,726	25,600	29,355	34,758
18	Foreign exchange risk	32	15,640	15,260	16,262	17,838	20,919
19	Equity risk	34	69,313	67,256	71,783	79,552	84,976
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,141	141,244	155,278	170,690
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	60,210	62,400	63,916	65,125
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	60,210	62,400	63,916	65,125
28	Operational risk margin	50	64,552	69,195	72,353	75,892	79,568
29	Less: Diversification credit	52	53,910	61,979	65,356	69,428	73,655
30	Total Capital (Margin) Required at Target	59	453,309	493,523	517,059	544,511	572,923
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	329,016	344,706	363,008	381,949
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	329,016	344,706	363,008	381,949
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(103,817)	(120,418)	(145,238)	(182,232
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	68.45%	65.07%	59.99%	52.29%

# Appendix 12e Updated Base Scenario #4 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502,881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damag∈	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,124	223,369	224,650
7	Total	726,240	759,725	821,952	882,030	937,339	985,583
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,630
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,272
13	Total Net Claims Incurred	767.240	778.719	883.418	937.767	1.006.447	1.060.694

#### Appendix 12f

### Updated Base Scenario #4 Deferred Policy Acquisition Expenses and Premium Deficiency

	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	<ol> <li>Ultimate Loss Ratio - Total All Coverage</li> </ol>	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9427	0.9522	0.9663	1.0030	1.0148					
9	2020				0.9522	0.9667	1.0037	1.0159	1.0115				
10	2021					0.9766	1.0124	1.0230	1.0169	1.0132			
11	2022						1.0186	1.0289	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.09%
16	2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.37%
17	2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.03%
18	2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.15%
	<del></del>												
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
25	Selected												
						3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
								2.88% 18.40%					
26	7. ILAE Ratio to Losses - Selected					3.16% 18.40%	2.99% 18.40%	2.88% 18.40%	2.76% 18.40%	2.75% 18.40%	2.75% 18.40%		
26	7. ILAE Ratio to Losses - Selected												
26 27	ILAE Ratio to Losses - Selected     C. Equity in Unearned Premium					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
26 27 28	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	ce.				18.40% 468,613	18.40%	18.40% 523,661	18.40% 544,918	18.40% 566,581	18.40% 589,219		
26 27 28 29	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran					18.40% 468,613 5,598	18.40% 506,193 5,710	18.40% 523,661 5,824	18.40% 544,918 5,941	18.40% 566,581 6,059	18.40% 589,219 6,059		
26 27 28 29 30	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)))					18.40% 468,613 5,598 383,468	18.40% 506,193 5,710 390,499	18.40% 523,661 5,824 409,571	18.40% 544,918 5,941 422,404	18.40% 566,581 6,059 442,958	18.40% 589,219		
26 27 28 29 30 31	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD					18.40% 468,613 5,598 383,468 10	506,193 5,710 390,499	18.40% 523,661 5,824 409,571	18.40% 544,918 5,941 422,404	18.40% 566,581 6,059 442,958	18.40% 589,219 6,059 467,420		
26 27 28 29 30 31 32	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]					18.40% 468,613 5,598 383,468 10 13,837	506,193 5,710 390,499 - 14,989	18.40% 523,661 5,824 409,571	18.40% 544,918 5,941 422,404 - 14,870	18.40% 566,581 6,059 442,958 - 15,434	18.40% 589,219 6,059 467,420 - 16,023		
26 27 28 29 30 31 32 33	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595	18.40% 506,193 5,710 390,499 - 14,989 71,852	18.40% 523,661 5,824 409,571 - 14,913 75,361	18.40% 544,918 5,941 422,404 - 14,870 77,722	18.40% 566,581 6,059 442,958 - 15,434 81,504	589,219 6,059 467,420 - 16,023 86,005		
26 27 28 29 30 31 32 33 34	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	506,193 5,710 390,499 	523,661 5,824 409,571 - 14,913 75,361 3,950	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950	566,581 6,059 442,958 - 15,434 81,504 3,950	589,219 6,059 467,420 - 16,023 86,005 3,950		
26 27 28 29 30 31 32 33 34 35	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	506,193 5,710 390,499 - 14,989 71,852 3,950 19,193	523,661 5,824 409,571 - 14,913 75,361 3,950 14,042	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031	566,581 6,059 442,958 - 15,434 81,504 3,950 16,675	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761		
26 27 28 29 30 31 32 33 34 35 36	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14)))]  16. Carried Deferred Policy Acquisition Expenses	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	523,661 5,824 409,571 - 14,913 75,361 3,950 14,042 30,518	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785	18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675 33,082	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761 34,440		
26 27 28 29 30 31 32 33 34 35 36 37	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				18.40% 468.613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	18.40% 506,193 5,710 390,499 	523,661 5,824 409,571 14,913 75,361 3,950 14,042 30,518 16,476	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785 11,754	18.40% 566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082 16,407	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761 34,440 24,679		
26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	523,661 5,824 409,571 - 14,913 75,361 3,950 14,042 30,518	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785	18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675 33,082	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761 34,440		
26 27 28 29 30 31 32 33 34 35 36 37 38 39	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change  18. Premium Deficiency [c]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950 19,193 29,489 10,295 (21,760)	523,661 5,824 409,571 14,913 75,361 3,950 14,042 30,518 16,476	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785 11,754	18.40% 566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082 16,407	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761 34,440 24,679		
26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 390,499 	523,661 5,824 409,571 14,913 75,361 3,950 14,042 30,518 16,476	18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785 11,754	18.40% 566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082 16,407	18.40% 589,219 6,059 467,420 - 16,023 86,005 3,950 9,761 34,440 24,679		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 12g Updated Base Scenario #4 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
e No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	259	135	0	0	0
Marketable Bonds	44,245	55,517	63,687	69,947	76,032
MUSH Total	26,759 <b>71,264</b>	24,361 <b>80,013</b>	22,065 <b>85,752</b>	19,852 <b>89,798</b>	17,693 <b>93,72</b> 5
10(a)	/ 1,204	00,013	00,/02	09,190	93,123
Dividend and other Income					
Canadian Equities	9,657	5,675	4,509	5,224	5,711
Global	4,218	5,958	4,843	5,540	5,968
Global LV	-	2,881	3,193	3,661	4,018
Private Debt Investment Properties (Cityplace)	-	3,873	10,338	10,321	10,308
Infrastructure	4,940 1,472	1,926 1,136	2,512 1,183	2,452 1,249	2,312 1,319
Total	20,288	21,449	26,578	28,448	29,637
	20/200	2.1/	20/070	20/110	27,007
Gains During Period - Profit & Loss	/===\	(	<b>(= 1)</b>		
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,139)	(7,824)	2,711	578
Marketable Bonds Realized Gains/(Loss) MUSH	11,781	25,389	(40)	2,026	1,546
Canadian Equities Realized Gains	- 69,223	- 2,659	- 0	- 0	- 747
Global Equities Realized Gains	69,223 66,319	2,009 3,761	0	0	889
Global LV Realized Gains	-	459	-	-	908
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,818)	2,619	15,831	16,407
Other					
Investment Fees Paid	/F 204)	(4.70()	/4 EEE)	(4 02E)	/E 024
Pension Expense	(5,204) (13,441)	(4,706) (13,872)	(4,555) (14,313)	(4,835) (14,757)	(5,034 (15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,796	7,626	7,682	7,391
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,782)	(11,242)	(11,910)	(12,850
Total Corporate Investment Income	191,042	78,800	102,766	122,681	127,153
Total Basic Investment Income	163,818	62,515	85,206	101,387	102,402
% - Basic to Total Investment Income	85.75%	79%	83%	83%	81%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,724	4,771	5,528	6,373
US Equities Unrealized Gains/(Losses)	7,538	9,289	7,228	8,268	8,906
Global LV Unrealized Gains/(Losses)	-	4,193	4,359	4,999	5,487
Total Corporate Unrealized Gains/(Losses)	19,652	16,013	11,999	13,796	15,280
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,704.4	1,846.5	1,990.6	2,149.3
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.3	127.9	145.4	168.7	184.2
Global Equities	166.7	167.1	188.1	215.5	234.8
Global LV Equities	96.6	114.2	128.6	147.7	158.1
Private Debt Real Estate	- 122 /	187.7	186.8	187.3	187.5
Infrastructure & Venture Capital	133.6	138.1	144.0 87.4	150.8 92.3	161.8
Total Ending Asset Values	78.3 <b>2,919.5</b>	82.8 3,045.1	3,203.9	3,385.2	97.5 3,559.5
Total Basic Assets	2,522.7	2,605.3	2,696.3	2,800.1	2,890.1
	2,322.1	2,000.3	2,090.3	2,000.1	2,090.1
Ending Rebalanced Allocations (%)	0.007	0.007	0.004	0.007	0.004
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income MUSH	60.0% 19.5%	56.0% 17.2%	57.6% 14.9%	58.8% 12.8%	60.4% 10.9%
MUSH Canadian Equities	19.5% 4.2%	4.2%	4.5%	12.8% 5.0%	10.9% 5.2%
US Equities	5.7%	5.5%	5.9%	6.4%	6.6%
Global LV	3.3%	3.8%	4.0%	4.4%	4.4%
Private Debt	0.0%	6.2%	5.8%	5.5%	5.3%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
ilinastractare a ventare capitar	-1770	2.770	2.770	2.170	2.770

### Appendix 13a Modified Base Scenario #4 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,370	27,187	29,154	31,315
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,122,250	1,165,826	1,213,822	1,263,546
Net Claims Incurred	742,604	869,023	783,040	823,258	902,134	937,112	995,327	1,051,240
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,714)	654	11,120	9,416
Total Claims Incurred	666,404	860,035	767,239	778,719	883,420	937,766	1,006,447	1,060,656
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,253
Total Claims Costs	798,045	993,537	923,722	929,493	1,031,355	1,089,534	1,163,472	1,220,438
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,781
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,704
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,991)	(83,244)	(116,086)	(129,596)
Investment Income	48,476	101,645	111,731	192,131	81,764	87,106	90,962	94,243
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,110)	(7,296)	4,394	1,988
Net Investment Income	(4,038)	82,897	116,320	163,818	57,654	79,810	95,356	96,231
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	(5,337)	(3,434)	(20,731)	(33,366)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,396)	(7,950)	(6,725)	(7,429)

## Appendix 13b Modified Base Scenario #4 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	173,752	177,022	185,905	184,553
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(5,337)	(3,434)	(20,731)	(33,366)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(143,215)	8,607	12,316	19,378	31,339
6	Total Retained Earnings	194,498	99,251	170,975	173,752	177,022	185,905	184,553	182,526
	T								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,979)	(38,838)	(30,826)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,132	7,141	8,013	8,832
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,979)	(38,838)	(30,826)	(21,993)
11	Total Equity Balance	231,002	181,000	210,845	121,641	131,043	147,067	153,727	160,533
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	173,752	177,022	185,905	184,553	182,526
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,979)	(38,838)	(30,826)	(21,993)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,641	131,043	147,067	153,727	160,533
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_		_	_		
	Total Equity Balance	221 002		210,845	101 441				140 522
18	Total Equity Balance	231,002	181,000	Z 1U,840	121,641	131,043	147,067	153,727	160,533

### Appendix 13c Modified Base Scenario #4 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	55,235	56,587	58,926	59,134
	Equity investments	2,083,349	2,189,534	2,272,545	2,336,645	2,395,225	2,489,772	2,602,205	2,713,256
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,763
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
4		2,683,473	2,805,484	2,916,137	2,886,731	2,983,603	3,110,030	3,237,866	3,363,165
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
0	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,994	372,681	389,277	405,974
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,966	1,934,074	2,010,737	2,084,161
3		2,452,472	2,624,484	2,705,292	2,765,090	2,852,560	2,962,963	3,084,139	3,202,632
4	Equity								
5	Retained earnings	194.499	99,251	170,975	173,752	177.022	185.905	184,553	182,526
6	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,979)	(38,838)	(30,826)	(21,993)
7	Total Equity	231,003	181,000	210,845	121,641	131,043	147,067	153,727	160,533
			•			•		•	
8	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,886,731	2,983,603	3,110,030	3,237,866	3,363,165

#### Appendix 13d Modified Base Scenario #4 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.)	(00)
2	Capital available (from page 30.62 - capital available)	01	77,986	83,923	87,885	92,525	97,296
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	77,986	83,923	87,885	92,525	97,296
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,032	204,519	212,902	221,006
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,957	306,419	318,853	331,191
16	Market Risk:						
17	Interest rate risk	30	979	13,655	17,244	20,605	25,614
18	Foreign exchange risk	32	13,062	12,562	13,383	14,768	17,425
19	Equity risk	34	56,424	53,782	57,388	64,173	68,532
20	Real estate risk	36	23,119	23,859	24,378	25,119	26,418
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	93,584	103,858	112,393	124,665	137,989
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,853	55,537	57,710	59,174	60,336
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,853	55,537	57,710	59,174	60,336
28	Operational risk margin	50	62,482	66,479	69,502	72,887	76,381
29	Less: Diversification credit	52	48,009	55,076	58,251	62,145	66,155
30	Total Capital (Margin) Required at Target	59	432,790	465,755	487,773	513,434	539,742
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,527	310,503	325,182	342,289	359,828
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	288,527	310,503	325,182	342,289	359,828
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,541)	(226,580)	(237,297)	(249,764)	(262,532
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.03%	27.03%	27.03%	27.03%	27.04%

#### Appendix 13e

### Modified Base Scenario #4 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502.881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,251	212,123	223,368	224,619
	_						
7	Total _	726,240	759,725	821,953	882,030	937,339	985,552
0	Linallocated Loca Adjustment Evnences	42,252	50.135	52,371	54,921	57.537	60,210
8	Unallocated Loss Adjustment Expenses Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,624
9		. ,	(337)	2,914	0,037	0,910	0,024
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,181	(4,722)	4,653	8,270
13	Total Net Claims Incurred	767.240	778.719	883.419	937.766	1.006.446	1.060.656

#### Appendix 13f

### Modified Base Scenario #4 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.	\ <u></u>												
1	A. Claims (Including External Adjustment Expense) Data												
2	_					Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	<ol> <li>Ultimate Loss Ratio - Total All Coverage</li> </ol>	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9427	0.9522	0.9663	1.0030	1.0148					
9	2020				0.9522	0.9667	1.0037	1.0159	1.0115				
10	2021					0.9766	1.0124	1.0230	1.0169	1.0132			
11	2022						1.0186	1.0289	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.09%
16	2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.37%
17	2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.03%
18	2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.15%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
22 23	Net Earned Premium     Operating Expenses as % of Earned Premium	764,671 11.06%	803,881 11.14%	861,065 10.26%	907,145 9.94%	960,142 8.99%	1,039,407 8.98%	1,096,879 8.30%	1,138,639 8.25%	1,184,668 8.27%	1,232,231 8.22%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.30% 2.77%	8.25% 2.75%	8.27% 2.76%	8.22% 2.74%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.30% 2.77% 2.88%	8.25% 2.75% 2.76%	8.27% 2.76% 2.75%	8.22% 2.74% 2.75%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.30% 2.77% 2.88%	8.25% 2.75% 2.76%	8.27% 2.76% 2.75%	8.22% 2.74% 2.75%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.30% 2.77% 2.88%	8.25% 2.75% 2.76%	8.27% 2.76% 2.75%	8.22% 2.74% 2.75%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.30% 2.77% 2.88% 18.40%	8.25% 2.75% 2.76% 18.40%	8.27% 2.76% 2.75% 18.40%	8.22% 2.74% 2.75% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.30% 2.77% 2.88% 18.40%	8.25% 2.75% 2.76% 18.40%	8.27% 2.76% 2.75% 18.40%	8.22% 2.74% 2.75% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.30% 2.77% 2.88% 18.40% 523,661 5,824	8.25% 2.75% 2.76% 18.40% 544,918 5,941	8.27% 2.76% 2.75% 18.40% 566,581 6,059	8.22% 2.74% 2.75% 18.40% 589,219 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958	8.22% 2.74% 2.75% 18.40% 589,219 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurand 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurand 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8,99% 3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571 14,913 75,361	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14,870 77,722	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 	8.30% 2.77% 2.88% 18.40% 523,661 5.824 409,571 	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504 3,950	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571 	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.30% 2.77% 2.88% 18.40% 523,661 5,824 409,571 	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14.870 77,722 3,950 20,031 31,785 11,754	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675 33,082	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a] 13. Internal Lose Expense Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses  18. Internal Lose Expenses  19. Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 	8.30% 2.77% 2.88% 18.40% 523,661 5.824 409,571 - 14,913 75,361 3.950 14,042 30,518 16,476	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675 33,082 16,407	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.30% 2.77% 2.88% 18.40% 523,661 5.824 409,571 - 14,913 75,361 3.950 14,042 30,518 16,476	8.25% 2.75% 2.76% 18.40% 544,918 5,941 422,404 - 14.870 77,722 3,950 20,031 31,785 11,754	8.27% 2.76% 2.75% 18.40% 566,581 6,059 442,958 15,434 81,504 3,950 16,675 33,082 16,407	8.22% 2.74% 2.75% 18.40% 589,219 6,059 467,419 		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 13g Modified Base Scenario #4 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	78	(0)	0	(2)
Marketable Bonds	44,245	55,418	(0) 63,666	69,877	(3) 75,465
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	79,857	85,731	89,729	93,155
Dividend and other Income					
Canadian Equities	9,657	5,842	4,520	5,256	5,941
Global	4,218	6,005	4,853	5,568	6,238
Global LV	-	2,883	3,204	3,686	4,129
o Private Debt	-	3,873	10,338	10,321	10,308
1 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure  Total	1,472	1,136	1,183	1,249	1,319
3 Total	20,288	21,665	26,611	28,532	30,247
4 Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(38,777)	(7,823)	2,711	600
Marketable Bonds Realized Gains/(Loss)	11,781	13,055	(41)	2,024	1,547
7 MUSH 8 Canadian Equities Realized Gains	- (0.222	-	-	-	-
8 Canadian Equities Realized Gains 9 Global Equities Realized Gains	69,223 66,319	2,849 3,829	0	0 0	0
Global LV Realized Gains	-	459	-	-	0
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	(8,533)	2,619	15,828	13,886
24 Other					
Investment Fees Paid	(5,204)	(4,725)	(4,558)	(4,843)	(5,077)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
7 Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,783	7,622	7,672	7,325
8 Investment Write-Down	· · ·	-	-	-	-
9 Total	(25,105)	(12,814)	(11,249)	(11,928)	(12,959)
Total Corporate Investment Income	191,042	79,113	102,771	122,674	124,563
Total Basic Investment Income	163,818	57,654	79,810	95,356	96,231
% - Basic to Total Investment Income	85.75%	73%	78%	78%	77%
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	6,922	4,783	5,561	6,630
US Equities Unrealized Gains/(Losses)	7,538	9,360	7,243	8,309	9,309
Global LV Unrealized Gains/(Losses)	-	4,196	4,375	5,033	5,637
Total Corporate Unrealized Gains/(Losses)	19,652	16,282	12,025	13,870	15,939
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	<u>-</u>	-	=	-
Canadian Fixed Income  MUSH	1,751.6	1,704.3	1,844.8	1,987.1	2,134.5
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	128.1 167.3	146.1 188.9	170.0 216.9	189.3 239.7
4 Global LV Equities	96.6	114.5	129.3	149.0	164.3
5 Private Debt	-	187.7	186.8	187.3	187.5
6 Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,045.5	3,204.2	3,385.7	3,561.0
9 Total Basic Assets	2,379.5	2,464.0	2,559.9	2,674.9	2,787.6
Ending Rebalanced Allocations (%)					
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	56.0%	57.6%	58.7%	59.9%
MUSH	19.5%	17.2%	14.9%	12.8%	10.8%
4 Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.3%
5 US Equities	5.7%	5.5%	5.9%	6.4%	6.7%
6 Global LV	3.3%	3.8%	4.0%	4.4%	4.6%
7 Private Debt 8 Real Estate	0.0% 4.6%	6.2% 4.5%	5.8% 4.5%	5.5% 4.5%	5.3% 4.5%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	2.770	2.770	2.770	2.770	2.770

#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 14

### Appendix 14a Adverse Scenario #4 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
DAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,141
Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,928	1,011,316	1,005,162	1,063,268
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,885	1,023,706	1,009,386	1,069,302
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
Total Claims Costs	798,045	993,537	923,722	929,944	1,186,820	1,176,247	1,167,548	1,230,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,191
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,532)	(170,471)	(120,955)	(140,192)
Investment Income	48,476	101,645	111,731	192,129	74,291	72,457	76,786	77,258
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,605	39,097	4,931	2,274
Net Investment Income	(4,038)	82,897	116,320	163,817	111,895	111,555	81,717	79,532
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(106,637)	(58,916)	(39,238)	(60,659)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	196,647	26,707	706	(3,760)

## Appendix 14b Adverse Scenario #4 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	(ev coo), shoup time o haday	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	173,288	75,258	28,659	8,798
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(106,637)	(58,916)	(39,238)	(60,659)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(143,215)	8,607	12,316	19,378	31,339
6	Total Retained Earnings	194,498	99,251	170,975	173,288	75,258	28,659	8,798	(20,522)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,605)	(51,918)	(45,410)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,494)	2,686	6,508	7,074
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,410)	(38,337)
11	Total Equity Balance	231,002	181,000	210,845	121,176	20,654	(23,260)	(36,612)	(58,858)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	173,288	75,258	28,659	8,798	(20,522)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,410)	(38,337)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,176	20,654	(23,260)	(36,612)	(58,858)
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_		_			
	Total Equity Balance	231,002	181,000	210,845	121,176	20,654	(23,260)	(36,612)	(50 050)
18	Tutal Equity Dalance	231,002	101,000	210,845	121,170	20,034	(23,200)	(30,012)	(58,858)

### Appendix 14c Adverse Scenario #4 Balance Sheet

(C	C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
e No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
В	ASIC								
A	ssets								
	Cash and investments	29,114	61,606	72,998	28,914	26,197	6,255	1,344	
	Equity investments	2,083,349	2,189,534	2,272,545	2,336,631	2,435,498	2,556,481	2,652,007	2,741,198
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	
	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
		2,683,473	2,805,484	2,916,137	2,886,266	2,980,796	3,106,325	3,213,321	3,322,104
Li	iabilities								
	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,547	2,099,466	2,175,956	2,262,353
		2,452,472	2,624,484	2,705,292	2,765,089	2,960,142	3,129,585	3,249,933	3,380,962
E	quity								
	Retained earnings	194,499	99,251	170,975	173,288	75,258	28,659	8,798	(20,522
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,410)	(38,337
To	otal Equity	231,003	181,000	210,845	121,176	20,654	(23,260)	(36,612)	(58,858
_	otal Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,886,266	2,980,796	3,106,325	3,213,321	3,322,104

#### Appendix 14d Adverse Scenario #4 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(01)	(02)	(00)	(0.1)	(00)
2	Capital available (from page 30.62 - capital available)	01	77,522	(26,467)	(82,392)	(97,724)	(121,989
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	77,522	(26,467)	(82,392)	(97,724)	(121,989)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,192	111,946
12	Unpaid claims	22	191,221	207,950	220,840	229,385	237,945
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,505	335,577	349,891
16	Market Risk:						
17	Interest rate risk	30	979	2,981	2,738	11,953	14,287
18	Foreign exchange risk	32	13,062	13,617	13,224	12,994	13,499
19	Equity risk	34	56,422	61,006	58,220	55,812	59,572
20	Real estate risk	36	23,118	23,859	24,378	25,118	26,418
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	93,581	101,463	98,560	105,877	113,776
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,808	54,091	56,435	58,351	60,038
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,808	54,091	56,435	58,351	60,038
28	Operational risk margin	50	62,478	67,136	69,670	72,641	75,887
29	Less: Diversification credit	52	47,997	54,850	55,628	58,564	61,697
30	Total Capital (Margin) Required at Target	59	432,750	474,366	492,542	513,882	537,895
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,500	316,244	328,361	342,588	358,596
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	288,500	316,244	328,361	342,588	358,596
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,978)	(342,711)	(410,753)	(440,312)	(480,585)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.87%	-8.37%	-25.09%	-28.53%	-34.02%

# Appendix 14e Adverse Scenario #4 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Ciainis incurred before i manciai riovisions						
2	Collision	415,906	438,793	502,291	489,508	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag€	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,765	278,213	232,391	231,660
7	Total	726,240	759,725	946,812	952,749	946,354	992,622
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,161	6,998	6,983
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,876	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.886	1.023.706	1.009.386	1.069.302

#### Appendix 14f

#### Adverse Scenario #4

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Anai	dont Voor						
2		2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%	Ulluisc	DISC
5	Trend/Rate Adjustment for Fiscal Year	00.0770	72.7770	01.7770	01.0170	7 1.0770	70.2070	77.0070	70.0170	70.0170	70.0070		
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9710	0.9817	1.0151	1.0233	1.0147				
10	2021					0.9909	1.0241	1.0317	1.0224	1.0155			
11	2022						1.0289	1.0370	1.0282	1.0217	1.0150		
12	Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95%
16	2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.15%
17	2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.72%
18	2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.92%
19	B. Actual Data Other Than Losses												
20			Fiscal Year										
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
25	Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
29	9. Additional Expected Cost of Non-Proportional Reinsuran	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,368	442,746	458,059	483,537		
31	11. Reinsurance PFAD					10							
32	12. Maintenance Expense [a]					13,837	14,989	14,913	14,903	15,518	16,120		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,084	81,465	84,283	88,971		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	(3,478)	(4,087)	(1,288)	(9,418)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	31,785	33,082	34,440		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	30,518	31,785	33,082	34,440		
	Change					2,363	(21,308)	19,771	1,267	1,297	1,358		
38								, .			,		
38 39	18. Premium Deficiency [c]					8,845	-	3,478	4,087	1,288	9,418		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 14g Adverse Scenario #4 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/
No.		<u> </u>	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	58	2	0	(
Marketable Bonds	44,245	53,648	57,685	61,119	64,44
MUSH	26,759	24,361	22,065	19,852	17,69
Total	71,259	78,067	79,753	80,970	82,13
Dividend and other Income					
Canadian Equities	9,657	5,886	4,523	4,762	5,24
Global	4,218	6,004	4,613	4,822	5,28
Global LV	-	2,889	2,867	3,006	3,29
Private Debt	-	3,761	10,045	10,061	10,0
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,3
Infrastructure	1,472	1,136	1,183	1,249	1,31
Total	20,287	21,601	25,743	26,352	27,52
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,313	28,475	(1,199)	2,3
Marketable Bonds Realized Gains/(Loss)	11,782	21,755	13,159	6,413	2,0
MUSH	-	-	-	-	
Canadian Equities Realized Gains	69,223	(2,676)	(4,323)	84	
Global Equities Realized Gains	66,318	(637)	(6,499)	106	
Global LV Realized Gains	-	(99)	(4,074)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,5
Infrastructure	5,765	4,449	4,636	4,895	5,1
Total	124,596	47,708	37,221	16,568	14,1
Other					
Investment Fees Paid	(5,204)	(4,741)	(4,530)	(4,696)	(4,8
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,2
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,983	(219)	(1,214)	(1,8
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(15,630)	(19,062)	(20,667)	(21,89
Total Corporate Investment Income	191,037	131,746	128,381	103,755	102,10
Total Basic Investment Income	163,817	111,895	111,555	81,717	79,5
% - Basic to Total Investment Income	85.75%	85%	87%	79%	77,3
	00.7070	0070	0770	7770	
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,841)	5,039	5,8
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,700)	7,196	7,89
Global LV Unrealized Gains/(Losses)	- 40 /54	(1,895)	(2,278)	4,104	4,4
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,540)	12,234	13,7
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,693.0	1,869.1	2,032.0	2,158
MUSH	569.3	522.8	477.0	432.3	386
Canadian Equities	123.3	139.1	142.8	150.1	167
Global Equities	166.7	171.2	174.6	183.9	203
Global LV Equities	96.6	110.5	113.7	118.7	13
Private Debt	-	188.8	193.5	194.0	194
Real Estate Infrastructure & Venture Capital	133.6	138.1	143.9	150.8	161
Total Ending Asset Values	78.3	82.8	87.4	92.3	97
Total Enuling Asset Values	2,919.4	3,046.2	3,202.0	3,354.0	3,50
Total Basic Assets	2,379.5	2,475.2	2,576.3	2,667.1	2,756
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0
Canadian Fixed Income	60.0%	55.6%	58.4%	60.6%	61.7
MUSH	19.5%	17.2%	14.9%	12.9%	11.0
Canadian Equities	4.2%	4.6%	4.5%	4.5%	4.8
US Equities	5.7%	5.6%	5.5%	5.5%	5.8
Global LV	3.3%	3.6%	3.5%	3.5%	3.8
Private Debt Real Estate	0.0% 4.6%	6.2% 4.5%	6.0%	5.8%	5.6 4.6
Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.5% 2.7%	4.5% 2.8%	4.6 2.8

### Appendix 14h Adverse Scenario #4 with Management Action Statement of Operations

ne	(C\$ 000s, except where noted)				r the Years End				
0.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC								
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,120,997	1,166,733	1,214,612
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,182,234	1,229,574	1,279,058
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,090,405	1,145,576	1,192,463
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
)	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982
1	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,440	29,337	31,414
2	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,178,084	1,236,830	1,287,396
3	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,928	1,001,467	1,004,773	1,062,819
4	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
5	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,885	1,013,857	1,008,997	1,068,853
,	Claims Evnance	118,614	120,972	143,337	137,168	135,259	139,677	145,040	147,443
5	Claims Expense Road Safety/Loss Prevention	13,027						13,076	
7 3	Total Claims Costs	798,045	12,530 <b>993,537</b>	13,146 <b>923,722</b>	13,606 <b>929,944</b>	12,676 <b>1,186,820</b>	12,864 <b>1,166,398</b>	1,167,113	13,349 <b>1,229,645</b>
	_								
9	Expenses	74 / 44	70 705	70.004	75.040	70.505	7/5/4	00.050	00.047
)	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,353	83,247
1	Commissions	33,862	35,086	37,378	40,338	42,273	44,142	46,308	48,129
2	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,869	36,581	38,043
3	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
4	Total Expenses	135,383	140,323	141,165	151,585	153,886	160,551	168,356	174,652
5	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,532)	(148,866)	(98,640)	(116,901)
5	Investment Income	48,476	101,645	111,731	192,129	74,291	72,481	77,332	77,313
7	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,605	39,096	4,940	2,271
8	Net Investment Income	(4,038)	82,897	116,320	163,817	111,895	111,577	82,272	79,584
9	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(106,637)	(37,289)	(16,368)	(37,317)
- 0	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	196,647	26,706	715	(3,76

## Appendix 14i Adverse Scenario #4 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Datained Formings								
	Retained Earnings	477.040	404.400	00.054	470.075	470.000	75.050	50.00/	F0.007
2	Beginning Balance	177,818	194,498	99,251	170,975	173,288	75,258	50,286	53,297
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(106,637)	(37,289)	(16,368)	(37,317)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(143,215)	8,607	12,316	19,378	31,339
6	Total Retained Earnings	194,498	99,251	170,975	173,288	75,258	50,286	53,297	47,319
	-								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,605)	(51,918)	(45,791)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,494)	2,686	6,127	6,861
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,791)	(38,931)
11	Total Equity Balance	231,002	181,000	210,845	121,176	20,654	(1,632)	7,505	8,388
									_
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	173,288	75,258	50,286	53,297	47,319
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,791)	(38,931)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,176	20,654	(1,632)	7,505	8,388
47	Detailed Families is access of Deta Ctabilly after Decays								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 224 002	101.000	- 210.045	101.17/	- 20.754	- (1 (22)	7.505	- 0 200
18	Total Equity Balance	231,002	181,000	210,845	121,176	20,654	(1,632)	7,505	8,388

### Appendix 14j Adverse Scenario #4 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	26,197	19,800	33,664	49,357
4	Equity investments	2,083,349	2,189,534	2,272,545	2,336,631	2,435,498	2,558,477	2,657,479	2,752,473
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
5	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	387,833	402,929	418,718
8	Prepaid expenses	-	-	-	-	-	-	-	
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	6,456	9,455	1,835
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,114	63,133
14		2,683,473	2,805,484	2,916,137	2,886,266	2,980,796	3,134,247	3,266,735	3,390,989
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	603,394	629,434	656,797
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,547	2,095,427	2,174,501	2,252,801
23		2,452,472	2,624,484	2,705,292	2,765,089	2,960,142	3,135,879	3,259,229	3,382,601
24	Equity								
25	Retained earnings	194,499	99,251	170,975	173,288	75,258	50,286	53,297	47,319
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,605)	(51,918)	(45,791)	(38,931
27	Total Equity	231,003	181,000	210,845	121,176	20,654	(1,632)	7,505	8,388
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,886,266	2,980,796	3,134,247	3,266,735	3,390,989

## Appendix 14k Adverse Scenario #4 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ine o.			Current Year (01)	Forecast Year (02)	Forecast Year (03)	Forecast Year (04)	Forecast Year (05)
0.	Capital Available:		(01)	(02)	(00)	(0.1)	(00)
	Capital available (from page 30.62 - capital available)	01	77,522	(26,467)	(60,765)	(53,608)	(54,745
	Phase-in of capital available	03	0	0	0	0	
	Total Capital Available	09	77,522	(26,467)	(60,765)	(53,608)	(54,745
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	C
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	C
	Capital (Margin) Required at Target:						
0	Insurance Risk:						
1	Premium liabilities	20	94,659	98,576	103,833	107,962	112,27
2	Unpaid claims	22	191,221	207,950	220,845	229,369	237,93
3	Catastrophes	24	0	0	0	0	
4	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
5	Subtotal: Insurance risk margin	29	285,880	306,526	324,678	337,331	350,20
6	Market Risk:						
7	Interest rate risk	30	979	2,981	3,439	13,697	16,10
8	Foreign exchange risk	32	13,062	13,617	13,232	12,737	13,20
9	Equity risk	34	56,422	61,006	58,274	53,054	60,18
0	Real estate risk	36	23,118	23,859	24,378	25,118	26,41
1	Other market risk exposures	38	0	0	0	0	(
2	Subtotal: Market risk margin	39	93,581	101,463	99,323	104,606	115,91
3	Credit Risk:						
4	Counterparty default risk for balance sheet assets	40	38,808	54,091	57,393	59,629	60,45
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
6	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
7	Subtotal: Credit risk margin	49	38,808	54,091	57,393	59,629	60,45
8	Operational risk margin	50	62,478	67,136	70,474	73,372	76,73
9	Less: Diversification credit	52	47,997	54,850	56,120	58,659	62,33
0	Total Capital (Margin) Required at Target	59	432,750	474,366	495,748	516,279	540,97
1	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,500	316,244	330,499	344,186	360,64
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	288,500	316,244	330,499	344,186	360,64
4	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,978)	(342,711)	(391,264)	(397,794)	(415,39
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	26.87%	-8.37%	-18.39%	-15.58%	-15.189

# Appendix 14I Adverse Scenario #4 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489.509	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117.916	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,342	5,395
6	PIPP	187,022	169,153	273,765	278,254	232,208	231,688
	_						
7	Total _	726,240	759,725	946,812	952,790	946,170	992,651
0	Linallocated Loca Adjustment Evnences	42,252	50,135	52,371	54.921	57.537	60,210
8	Unallocated Loss Adjustment Expenses Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,967	6,988
9	Change in Reinsurance Ceded Provision	(2,219, (676)	(337)	10,433	14,107	0,907	0,900
10		` '	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	(2.221)	(1.17.)	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	(8,021)	(1,676)	9,005
13	Total Net Claims Incurred	767.240	779.170	1.038.886	1.013.857	1.008.997	1.068.853

#### Appendix 14m

### Adverse Scenario #4 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.02%	73.59%	74.59%	Ondiso	5.0
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9520	0.9625	0.9953	1.0032	1.0053				
10	2021					0.9722	1.0047	1.0122	1.0136	1.0155			
11	2022						1.0094	1.0174	1.0194	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.109
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.959
16	2020				77.44%	71.79%	72.91%	79.63%	75.42%			75.25%	80.549
17	2021					72.51%	73.60%	80.34%	76.05%	74.73%		74.79%	80.179
18	2022						73.94%	80.76%	76.47%	75.19%	75.71%	75.79%	81.359
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.20%	8.16%	8.11%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.73%	2.72%	2.70%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.73%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	523,661	555,251	577,333	600,409		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,368	442,394	458,012	483,487		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,913	15,110	15,581	16,115		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,084	81,401	84,274	88,962		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	<ol><li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li></ol>					(8,845)	18,742	(3,478)	6,456	9,455	1,835		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	32,432	33,755	35,140		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	30,518	25,975	24,299	33,305		
37						2,363	(21,308)	19,771	(4,543)	(1,676)	9,005		
	Change												
37 38 39	Change 18. Premium Deficiency [c]					8,845	-	3,478	-	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 14n Adverse Scenario #4 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	rorecasted		
Interest Income During Period					
Cash/Short Term Investments	255	58	3	(0)	(3
Marketable Bonds	44,245	53,648	57,749	61,316	65,10
MUSH	26,759	24,361	22,065	19,852	17,69
Total	71,259	78,067	79,817	81,168	82,79
Dividend and other Income					
Canadian Equities	9,657	5,886	4,552	4,912	5,35
Global	4,218	6,004	4,639	4,955	5,43
Global LV	-	2,889	2,886	3,105	3,48
Private Debt Investment Properties (Cityplace)	-	3,761	10,045	10,061	10,07
Infrastructure	4,940 1,472	1,926 1,136	2,512 1,183	2,452 1,249	2,31 1,31
Total	20,287	21,601	25,816	26,734	27,98
Gains During Period - Profit & Loss					
Gains During Period - Profit & Loss  Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,313	28,541	(481)	92
Marketable Bonds Realized Gains/(Loss)	11,782	21,755	13,093	5,703	1,50
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,676)	(4,323)	411	
Global Equities Realized Gains	66,318	(637)	(6,499)	278	
Global LV Realized Gains	-	(99)	(4,074)	63	-
Real Estate (Pooled Fund) Infrastructure	16,307	5,602	5,847	6,198	6,56
Total	5,765 124,596	4,449 47,708	4,636 37,221	4,895 17,067	5,16
	124,390	47,708	31,221	17,007	14,16
Other					
Investment Fees Paid	(5,204)	(4,741)	(4,539)	(4,733)	(4,9
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757) (1,258)	(15,20
Investment Write-Down	(6,461)	2,983	(227)	(1,238)	(1,98
Total	(25,105)	(15,630)	(19,079)	(20,748)	(22,10
Total Corporate Investment Income	191,037	131,746	128,501	104,754	103,08
Total Basic Investment Income	163,817	111,895	111,577	82,272	79,58
% - Basic to Total Investment Income	85.75%	85%	87%	79%	77
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,841)	5,197	5,98
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,700)	7,394	8,11
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,278)	4,239	4,75
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,540)	12,591	14,09
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	- 4 754 /	-	- 4.077.0	-	
MUSH	1,751.6 569.3	1,693.0 522.8	1,876.0 477.0	2,059.4 432.3	2,187 386
Canadian Equities	569.3 123.3	522.8 139.1	477.0 145.0	432.3 149.3	386 181
Global Equities	166.7	171.2	176.9	187.6	211
Global LV Equities	96.6	110.5	115.5	124.6	140
Private Debt	-	188.8	193.5	194.0	194
Real Estate	133.6	138.1	143.9	150.8	161
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97
Total Ending Asset Values	2,919.4	3,046.2	3,215.2	3,390.2	3,560
Total Basic Assets	2,379.5	2,475.2	2,591.8	2,704.9	2,817.
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.09
Canadian Fixed Income	60.0%	55.6%	58.3%	60.7%	61.49
MUSH Canadian Equities	19.5% 4.2%	17.2%	14.8% 4.5%	12.8%	10.89
US Equities	4.2% 5.7%	4.6% 5.6%	4.5% 5.5%	4.4% 5.5%	5.19 5.99
Global LV	3.3%	3.6%	3.6%	3.7%	4.09
Private Debt	0.0%	6.2%	6.0%	5.7%	5.59
Real Estate	4.6%	4.5%	4.5%	4.4%	4.59
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.79
Total	100.0%	100.0%	100.0%	100.0%	100.0

### Appendix 15a Updated Base Scenario #5 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,074,290 70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	2021P  1,118,885 72,885 (11,648) 1,180,122  1,098,256 71,887 (11,648) 1,158,495 27,572	2022P  1,164,535 74,723 (11,881)  1,227,376  1,143,418 73,798 (11,881) 1,205,334	1,212,324 76,565 (12,119 1,276,770  1,190,217 75,638 (12,119 1,253,736
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	(11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	(11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	1,276,770 1,190,217 75,638 (12,119 1,253,736
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,845	1,048,843 69,896 (11,420) 1,107,319 25,719	1,098,256 71,887 (11,648) 1,158,495	1,143,418 73,798 (11,881) 1,205,334	1,190,21 75,638 (12,11 <sup>4</sup> 1,253,738
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495	73,798 (11,881) 1,205,334	75,638 (12,119 <b>1,253,73</b> 6
Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495	73,798 (11,881) 1,205,334	75,63 (12,11) <b>1,253,73</b>
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) 861,066 20,351 881,417 742,604	(11,635) <b>907,144</b> 20,749 <b>927,893</b>	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,845	(11,420) 1,107,319 25,719	(11,648) 1,158,495	(11,881) 1,205,334	(12,11 <sup>1</sup> 1,253,73
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893	<b>960,142</b> 22,849	1,039,407 23,845	<b>1,107,319</b> 25,719	1,158,495	1,205,334	1,253,73
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b>	22,849	23,845	25,719			
Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	881,417 742,604	927,893			-	27,572		21 77
Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	742,604	·	982,992	1,063,252	4 400 000		29,576	31,77
(a) Claims Incurred - Interest Rate Impact					1,133,038	1,186,066	1,234,910	1,285,51
- · · ·	(7 ( 000)	869,023	783,040	823,258	893,550	936,942	994,904	1,050,84
	(76,200)	(8,988)	(15,801)	(44,539)	(18,684)	643	11,004	9,10
Total Claims Incurred	666,404	860,035	767,239	778,719	874,866	937,585	1,005,908	1,059,95
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,932	144,009	146,48
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
Total Claims Costs	798,045	993,537	923,722	929,493	1,022,801	1,089,307	1,162,887	1,219,69
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,05
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,97
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,02
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,230)	(63,994)	(95,683)	(108,20
Investment Income	48,476	101,645	111,731	192,131	87,069	92,756	97,119	100,47
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,536)	(7,429)	4,485	2,06
Net Investment Income	(4,038)	82,897	116,320	163,818	62,532	85,328	101,604	102,54
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	18,302	21,333	5,921	(5,65

## Appendix 15b Updated Base Scenario #5 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	335,269	356,602	362,523
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	18,302	21,333	5,921	(5,657)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	335,269	356,602	362,523	356,867
_	T.								
7	Total Accumulated Other Comprehensive Income					(== · · · · ·		<b></b>	()
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,699)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,286	11,686
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
11	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99,251	170.975	316,967	335,269	356.602	362,523	356,867
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
10	Total Nate Stabilization Neset Ve	231,002	101,000	210,040	204,030	271,093	321,017	331,024	343,034
17	Retained Earnings in excess of Rate Stabilization Reserve	<u>-</u>	<u>-</u> _	-	-				
18	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854

#### Appendix 15c Updated Base Scenario #5 Balance Sheet

		For the Years Ended February,										
ne No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023				
BASIC												
Assets												
Cash and investments	29,114	61,606	72,998	28,914	58,910	64,447	64,445	50,93				
Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,318	2,651,130	2,775,056	2,898,49				
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,24				
Due from other insurance companies	25	16	2	-	-	-	-					
Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,11				
Prepaid expenses	-	-	-	-	-	-	-					
Deferred policy acquisition costs	4,782	-	-	19,193	23,189	29,371	26,461	19,965				
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-					
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-					
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22				
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,185	61,207	63,24				
	2,683,473	2,805,484	2,916,137	3,029,946	3,152,669	3,293,954	3,431,609	3,556,22				
Liabilities												
Due to other insurance companies	152	147	141	144	144	144	144	14				
Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182				
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518				
Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,73				
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046				
Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,983				
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,996	1,934,094	2,010,642	2,083,755				
	2,452,472	2,624,484	2,705,292	2,765,090	2,861,574	2,972,338	3,093,785	3,212,36				
Equity												
Retained earnings	194,499	99,251	170,975	316,967	335,269	356,602	362,523	356,86				
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,01				
Total Equity	231,003	181,000	210,845	264,856	291,095	321,617	337,824	343,85				

# Appendix 15d Updated Base Scenario #5 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	221,201	243,975	262,432	276,617	280,612
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	243,975	262,432	276,617	280,612
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,965
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,044
16	Market Risk:						
17	Interest rate risk	30	6,468	21,932	26,165	29,932	34,203
18	Foreign exchange risk	32	15,640	15,260	16,262	17,953	20,895
19	Equity risk	34	69,313	67,256	71,783	80,213	88,365
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,347	141,809	156,631	173,500
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,398	63,645	65,227	66,439
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,398	63,645	65,227	66,439
28	Operational risk margin	50	64,552	69,943	73,161	76,798	80,623
29	Less: Diversification credit	52	53,910	62,394	65,858	70,094	74,586
30	Total Capital (Margin) Required at Target	59	453,309	496,935	520,928	549,225	579,020
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,290	347,285	366,150	386,013
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	331,290	347,285	366,150	386,013
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(87,315)	(84,853)	(89,533)	(105,401
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.64%	75.57%	75.55%	72.70%

# Appendix 15e Updated Base Scenario #5 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damag€	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,277	212,114	223,270	224,355
7	Total	726,240	759,725	821,980	882,021	937,240	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,536	6,902	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,879
13	Total Net Claims Incurred	767.240	778.719	874.866	937.585	1.005.909	1.059.954

#### Appendix 15f

#### Updated Base Scenario #5 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
					Acci	dent Year					Selected	Selec
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	[
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.34%	72.80%	73.72%	74.72%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9260	0.9353	0.9491	0.9851	1.0062					
2020				0.9359	0.9501	0.9865	1.0080	1.0115				
2021					0.9599	0.9950	1.0151	1.0169	1.0132			
2022						1.0012	1.0208	1.0222	1.0179	1.0134		
<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			75.71%	76.08%	70.80%	72.16%	72.80%				73.56%	77
2020				76.13%	70.87%	72.27%	72.92%	73.64%			72.94%	77
2021					71.60%	72.89%	73.43%	74.04%	74.69%		73.45%	77
2022						73.34%	73.85%	74.42%	75.05%	75.72%	74.44%	78
B. Actual Data Other Than Losses												
_					Fis	cal Year						
_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.11%	8.12%	8.08%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.71%	2.69%		
Selected					3.16%	2.99%	2.87%	2.72%	2.71%	2.70%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	532,647	554,274	576,316	599,350		
Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) :	x (3)]				383,468	390,499	409,275	422,371	442,919	467,364		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	15,103	14,925	15,429	16,017		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,307	77,716	81,497	85,995		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	23,189	29,371	26,461	19,965		
					32,055	29,489	31,080	32,370	33,691	35,074		
<ol> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>					32,055	10,295	7,892	3,000	7,230	15,109		
*												
*					2,363	(21,760)	(2,404)	(4,892)	4,230	7,879		
<ul> <li>16. Carried Deferred Policy Acquisition Expenses</li> <li>17. Write Down Deferred Policy Acquisition Expenses [b]         Change     </li> <li>18. Premium Deficiency [c]</li> </ul>						(21,760)	(2,404)	(4,892)	4,230	7,879		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 15g Updated Base Scenario #5 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	259	135	0	0	0
Marketable Bonds	44,245	55,595	64,011	70,511	76,775
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,092	86,075	90,362	94,468
Dividend and other Income					
Canadian Equities	9,657	5,689	4,604	5,457	6,047
Global	4,218	5,975	4,928	5,748	6,334
Global LV	-	2,896	3,260	3,820	4,241
Private Debt	-	3,873	10,338	10,321	10,30
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,31
Total	20,288	21,494	26,825	29,048	30,560
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,165)	(7,848)	2,722	59
Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(35)	2,044	1,56
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,638	0	0	75
Global Equities Realized Gains	66,319	3,740	0	0	1,01
Global LV Realized Gains	-	459	-	-	90
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,57
Infrastructure	5,765	4,449	4,636	4,895	5,16
Total	124,596	(8,887)	2,599	15,860	16,56
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,580)	(4,899)	(5,14
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,806	7,676	7,767	7,49
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,779)	(11,217)	(11,889)	(12,857
Total Corporate Investment Income	191,042	78,858	103,342	123,896	128,975
Total Basic Investment Income	163,818	62,532	85,328	101,604	102,54
% - Basic to Total Investment Income	85.75%	79%	83%	82%	809
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,740	4,871	5,774	6,748
US Equities Unrealized Gains/(Losses)	7,538	9,315	7,354	8,579	9,45
Global LV Unrealized Gains/(Losses)	- -	4,214	4,451	5,216	5,79
Total Corporate Unrealized Gains/(Losses)	19,652	16,055	12,225	14,353	16,20
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,711.0	1,863.7	2,016.0	2,176.
MUSH	569.3	522.8	477.0	432.3	386.
Canadian Equities	123.3	129.6	150.3	178.2	201.
Global Equities	166.7	168.9	193.4	225.8	253.
Global LV Equities	96.6	115.7	132.8	155.8	172.
Private Debt	-	187.7	186.8	187.3	187.
Real Estate	133.6	138.1	144.0	150.8	161.
Infrastructure & Venture Capital  Total Ending Asset Values	78.3 <b>2,919.5</b>	82.8 3,056.7	87.4 3,235.3	92.3	97.
Total Ending Asset Values	2,919.5	3,030.7	3,230.3	3,438.4	3,636.
Total Basic Assets	2,522.7	2,618.8	2,729.1	2,853.3	2,964.
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.6%	59.9%
MUSH	19.5%	17.1%	14.7%	12.6%	10.69
Canadian Equities US Equities	4.2%	4.2%	4.6%	5.2%	5.59
	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.6% 4.5%	7.09 4.79
	0.0%	6.1%	5.8%	5.4%	5.29
Private Debt Real Estate	4.6%	4.5%	4.4%	4.4%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0

### Appendix 16a Modified Base Scenario #5 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact Total Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,074,290 70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719 1,133,038	1,118,885 72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572 1,186,066	2022P  1,164,535 74,723 (11,881)  1,227,376  1,143,418 73,798 (11,881)  1,205,334 29,576	1,212,324 76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736 31,778
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	(11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	(11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	1,276,770 1,276,770 1,190,217 75,638 (12,119 1,253,736
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,845	1,048,843 69,896 (11,420) 1,107,319 25,719	1,098,256 71,887 (11,648) 1,158,495 27,572	1,143,418 73,798 (11,881) 1,205,334	1,190,217 75,638 (12,119 <b>1,253,73</b> 6
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495 27,572	73,798 (11,881) 1,205,334	75,638 (12,119 <b>1,253,736</b>
Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495 27,572	73,798 (11,881) 1,205,334	75,638 (12,119 <b>1,253,736</b>
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	(11,635) <b>907,144</b> 20,749 <b>927,893</b>	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,845	(11,420) 1,107,319 25,719	(11,648) 1,158,495 27,572	(11,881) 1,205,334	(12,119 1,253,736
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893	<b>960,142</b> 22,849	1,039,407 23,845	<b>1,107,319</b> 25,719	1,158,495 27,572	1,205,334	1,253,736
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b>	22,849	23,845	25,719	27,572		
Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	881,417 742,604	927,893			-		29,576	31,778
Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	742,604	·	982,992	1,063,252	1,133,038	1 104 044		
(a) Claims Incurred - Interest Rate Impact		869,023				1,100,000	1,234,910	1,285,51
- ```	(76,200)		783,040	823,258	893,550	936,942	994,905	1,050,851
Total Claims Incurred		(8,988)	(15,801)	(44,539)	(18,683)	642	11,004	9,19
-	666,404	860,035	767,239	778,719	874,867	937,584	1,005,908	1,060,042
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,48
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
Total Claims Costs	798,045	993,537	923,722	929,493	1,022,802	1,089,308	1,162,887	1,219,778
Expenses								
Operating								82,75
								48,056
								37,97
_								5,233
Total Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,02
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,231)	(63,995)	(95,683)	(108,28
Investment Income	48,476	101,645	111,731	192,131	81,815	87,256	91,197	94,373
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,121)	(7,302)	4,405	2,033
Net Investment Income	(4,038)	82,897	116,320	163,818	57,693	79,953	95,602	96,40
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	13,462	15,958	(81)	(11,88
	Road Safety/Loss Prevention  Total Claims Costs  Expenses Operating Commissions Premium Taxes Regulatory/Appeal  Total Expenses  Underwriting Income (Loss)  Investment Income (b) Investment Income - Interest Rate Impact Net Investment Income	Road Safety/Loss Prevention   13,027     Total Claims Costs   798,045     Expenses	Road Safety/Loss Prevention   13,027   12,530     12,530	Road Safety/Loss Prevention   13,027   12,530   13,146     Total Claims Costs   798,045   993,537   923,722     Expenses	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606     Total Claims Costs   798,045   993,537   923,722   929,493     Expenses	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,676   Total Claims Costs   798,045   993,537   923,722   929,493   1,022,802	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,676   12,790	Road Safety/Loss Prevention   13,027   12,530   13,146   13,606   12,676   12,790   12,970     Total Claims Costs   798,045   993,537   923,722   929,493   1,022,802   1,089,308   1,162,887     Expenses

## Appendix 16b Modified Base Scenario #5 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	174,496	178,437	187,442	186,162
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	13,462	15,958	(81)	(11,882)
4	Premium Rebate	=	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,471)	(9,522)	(6,953)	(1,199)	9,635
6	Total Retained Earnings	194,498	99,251	170,975	174,496	178,437	187,442	186,162	183,915
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,970)	(38,818)	(30,709)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,141	7,151	8,109	9,317
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,393)
11	Total Equity Balance	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
12	Total Equity								
	Rate Stabilization Reserve								
13		104 400	00.054	470.075	174.407	470 407	107 110	40/4/0	100.015
14	Retained Earnings	194,498	99,251	170,975	174,496	178,437	187,442	186,162	183,915
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,393)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
	=								

#### Appendix 16c Modified Base Scenario #5 Balance Sheet

(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Assets								
Cash and investments	29,114	61,606	72,998	28,914	48,883	47,337	46,120	42,238
Equity investments	2,083,349	2,189,534	2,272,545	2,337,389	2,397,722	2,495,252	2,611,014	2,725,965
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance companies	25	16	2	-	-	-	-	
Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
Prepaid expenses	-	-	-	-	-	-	-	
Deferred policy acquisition costs	4,782	-	-	19,193	23,188	29,371	26,461	19,961
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,24
	2,683,473	2,805,484	2,916,137	2,887,475	2,994,046	3,120,966	3,249,242	3,374,98
Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	144
Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee future benefits	281,209	301,245	331,910	341,796	356,995	372,684	389,288	406,000
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,997	1,934,094	2,010,642	2,083,838
	2,452,472	2,624,484	2,705,292	2,765,090	2,861,579	2,972,342	3,093,790	3,212,46
Equity								
Retained earnings	194,499	99,251	170,975	174,496	178,437	187,442	186,162	183,91
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,39
Total Equity	231,003	181,000	210,845	122,385	132,467	148,623	155,452	162,52
	2,683,475	2,805,484	2,916,137	2,887,475	2,994,046	3,120,966	3,249,242	3,374,989

#### Appendix 16d Modified Base Scenario #5 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.)	(00)
2	Capital available (from page 30.62 - capital available)	01	78,731	85,347	89,439	94,246	99,281
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	78,731	85,347	89,439	94,246	99,281
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,974
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,053
16	Market Risk:						
17	Interest rate risk	30	941	13,906	17,853	21,226	25,095
18	Foreign exchange risk	32	13,075	12,576	13,398	14,898	17,418
19	Equity risk	34	56,490	53,852	57,463	64,913	72,007
20	Real estate risk	36	23,133	23,875	24,395	25,136	26,437
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	93,639	104,209	113,109	126,173	140,957
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,856	56,750	58,979	60,509	61,674
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,856	56,750	58,979	60,509	61,674
28	Operational risk margin	50	62,487	67,241	70,325	73,808	77,452
29	Less: Diversification credit	52	48,024	55,542	58,814	62,894	67,207
30	Total Capital (Margin) Required at Target	59	432,838	469,299	491,770	518,259	545,929
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,559	312,866	327,847	345,506	363,953
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	288,559	312,866	327,847	345,506	363,953
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(209,828)	(227,519)	(238,408)	(251,260)	(264,672
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.28%	27.28%	27.28%	27.28%	27.28%

# Appendix 16e Modified Base Scenario #5 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damag∈	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,278	212,114	223,270	224,426
7	Total	726,240	759,725	821,981	882,020	937,240	985,357
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,535	6,902	6,592
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,883
13	Total Net Claims Incurred	767.240	778.719	874.867	937.584	1.005.908	1.060.042

#### Appendix 16f

#### Modified Base Scenario #5 Deferred Policy Acquisition Expenses and Premium Deficiency

Line	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.34%	72.80%	73.72%	74.72%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9260	0.9353	0.9491	0.9851	1.0062					
9	2020				0.9359	0.9501	0.9865	1.0080	1.0115				
10	2021					0.9599	0.9950	1.0151	1.0169	1.0132			
11	2022						1.0012	1.0208	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.71%	76.08%	70.80%	72.16%	72.80%				73.56%	77.69%
16	2020				76.13%	70.87%	72.27%	72.92%	73.64%			72.94%	77.03%
17	2021					71.60%	72.89%	73.43%	74.04%	74.69%		73.45%	77.67%
18	2022						73.34%	73.85%	74.42%	75.05%	75.72%	74.44%	78.78%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.11%	8.12%	8.08%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.71%	2.69%		
25	Selected					3.16%	2.99%	2.87%	2.72%	2.71%	2.70%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	Net Unearned Premium					468.613	506.193	532.647	554.274	576.316	599.350		
28	Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsuran	ce				468,613 5.598	506,193 5.710	532,647 5.824	554,274 5.941	576,316 6.059	599,350 6.059		
29	9. Additional Expected Cost of Non-Proportional Reinsuran					5,598	5,710	5,824	5,941	6,059	6,059		
29 30	<ol> <li>Additional Expected Cost of Non-Proportional Reinsuran</li> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>					5,598 383,468	5,710 390,499	5,824 409,275	5,941 422,371	6,059 442,919			
29 30 31	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD					5,598 383,468 10	5,710 390,499	5,824 409,275	5,941 422,371	6,059 442,919	6,059 467,367		
29 30 31 32	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a]					5,598 383,468 10 13,837	5,710 390,499 - 14,989	5,824 409,275 - 15,103	5,941 422,371 - 14,925	6,059 442,919 - 15,429	6,059 467,367 - 16,017		
29 30 31 32 33	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				5,598 383,468 10 13,837 70,595	5,710 390,499 - 14,989 71,852	5,824 409,275 - 15,103 75,307	5,941 422,371 - 14,925 77,716	6,059 442,919 - 15,429 81,497	6,059 467,367 - 16,017 85,996		
29 30 31 32 33 34	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	x (3)]				5,598 383,468 10 13,837 70,595 3,950	5,710 390,499 14,989 71,852 3,950	5,824 409,275 15,103 75,307 3,950	5,941 422,371 14,925 77,716 3,950	6,059 442,919 15,429 81,497 3,950	6,059 467,367 - 16,017 85,996 3,950		
29 30 31 32 33 34 35	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845)	5,710 390,499 14,989 71,852 3,950 19,193	5,824 409,275 15,103 75,307 3,950 23,188	5,941 422,371 14,925 77,716 3,950 29,371	6,059 442,919 - 15,429 81,497 3,950 26,461	6,059 467,367 16,017 85,996 3,950 19,961		
29 30 31 32 33 34 35 36	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	5,710 390,499 14,989 71,852 3,950 19,193 29,489	5,824 409,275 15,103 75,307 3,950 23,188 31,080	5,941 422,371 14,925 77,716 3,950 29,371 32,370	6,059 442,919 15,429 81,497 3,950 26,461 33,691	6,059 467,367 - 16,017 85,996 3,950 19,961 35,074		
29 30 31 32 33 34 35 36 37	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295	5,824 409,275 15,103 75,307 3,950 23,188 31,080 7,892	5,941 422,371 14,925 77,716 3,950 29,371 32,370 3,000	6,059 442,919 15,429 81,497 3,950 26,461 33,691 7,230	6,059 467,367 16,017 85,996 3,950 19,961 35,074 15,113		
29 30 31 32 33 34 35 36 37 38	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	5,710 390,499 14,989 71,852 3,950 19,193 29,489	5,824 409,275 15,103 75,307 3,950 23,188 31,080	5,941 422,371 14,925 77,716 3,950 29,371 32,370	6,059 442,919 15,429 81,497 3,950 26,461 33,691	6,059 467,367 - 16,017 85,996 3,950 19,961 35,074		
29 30 31 32 33 34 35 36 37 38 39	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change 18. Premium Deficiency [c]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295 (21,760)	5,824 409,275 15,103 75,307 3,950 23,188 31,080 7,892 (2,404)	5,941 422,371 14,925 77,716 3,950 29,371 32,370 3,000	6,059 442,919 15,429 81,497 3,950 26,461 33,691 7,230	6,059 467,367 16,017 85,996 3,950 19,961 35,074 15,113		
29 30 31 32 33 34 35 36 37 38	9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295	5,824 409,275 15,103 75,307 3,950 23,188 31,080 7,892	5,941 422,371 14,925 77,716 3,950 29,371 32,370 3,000	6,059 442,919 15,429 81,497 3,950 26,461 33,691 7,230	6,059 467,367 16,017 85,996 3,950 19,961 35,074 15,113		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 16g Modified Base Scenario #5 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	78	0	0	(2)
Marketable Bonds	44,245	78 55,497	0 63,990	70,442	(3) 76,068
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	79,936	86,055	90,293	93,758
Dividend and other Income					
Canadian Equities	9,657	5,855	4,615	5,488	6,415
Global	4,218	6,021	4,938	5,776	6,531
Global LV	-	2,898	3,271	3,845	4,447
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472 20,288	1,136 <b>21,709</b>	1,183 26,857	1,249 <b>29,132</b>	1,319 <b>31,331</b>
Total	20,288	21,709	20,837	29,132	31,331
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(38,868)	(7,848)	2,721	611
Marketable Bonds Realized Gains/(Loss)  MUSH	11,781	13,118	(36)	2,042	1,565
	- 69,223	- 2,825	- 0	- 0	1,636
Canadian Equities Realized Gains Global Equities Realized Gains	66,319	3,806	0	0	1,030
Global LV Realized Gains	-	459	-	-	0
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,608)	2,599	15,857	17,346
Other					
Investment Fees Paid	(5,204)	(4,733)	(4,586)	(4,905)	(5,176
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,793	7,673	7,757	7,409
Investment Write-Down	-		-	-	-
Total	(25,105)	(12,812)	(11,226)	(11,905)	(12,974)
Total Corporate Investment Income	191,042	79,163	103,344	123,890	129,696
Total Basic Investment Income	163,818	57,693	79,953	95,602	96,406
% - Basic to Total Investment Income	85.75%	73%	77%	77%	74%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,937	4,883	5,807	7,159
US Equities Unrealized Gains/(Losses)	7,538	9,386	7,369	8,620	9,746
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 40 / 50	4,217	4,467	5,250	6,071
Total Corporate Unrealized Gains/(Losses)	19,652	16,323	12,252	14,427	16,905
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	-	-	-	-	-
Canadian Fixed Income MUSH	1,751.6 569.3	1,710.9 522.8	1,861.9	2,012.5	2,197.9 386.3
Canadian Equities	123.3	129.7	477.0 151.0	432.3 179.5	300.3 187.8
Global Equities	166.7	169.1	194.1	227.2	239.9
Global LV Equities	96.6	116.0	133.5	157.0	179.3
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,057.1	3,235.7	3,438.9	3,638.0
Total Basic Assets	2,380.2	2,460.2	2,556.1	2,670.9	2,783.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.5%	58.5%	60.4%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities	4.2%	4.2%	4.7%	5.2%	5.2%
US Equities Global LV	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.6% 4.6%	6.6%
	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.6% 5.4%	4.9% 5.2%
Private Debt Real Estate	4.6%	4.5%	4.4%	4.4%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%

### Appendix 17a Adverse Scenario #5 Statement of Operations

-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC		201771	2010/1	20171	20201	LULII	LULLI	2020
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,56
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,21
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,63
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,11
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,73
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,403	29,296	31,36
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,185,898	1,234,630	1,285,10
Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,328	1,011,023	1,004,605	1,062,96
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,285	1,023,413	1,008,830	1,069,00
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,44
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,34
Total Claims Costs	798,045	993,537	923,722	929,944	1,178,220	1,175,910	1,166,959	1,229,79
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,24
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,05
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,97
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,467	161,101	168,229	174,51
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,724)	(151,114)	(100,557)	(119,20
Investment Income	48,476	101,645	111,731	192,129	74,336	72,529	76,919	77,50
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,610	39,137	4,927	2,26
Net Investment Income	(4,038)	82,897	116,320	163,817	111,946	111,666	81,845	79,77
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(87,778)	(39,448)	(18,712)	(39,42

## Appendix 17b Adverse Scenario #5 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	174,032	76,733	30,331	10,420
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(87,778)	(39,448)	(18,712)	(39,423)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,471)	(9,522)	(6,953)	(1,199)	9,635
6	Total Retained Earnings	194,498	99,251	170,975	174,032	76,733	30,331	10,420	(19,368)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,610)	(51,918)	(45,200)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,499)	2,692	6,718	7,302
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,200)	(37,898)
11	Total Equity Balance	231,002	181,000	210,845	121,921	22,122	(21,587)	(34,780)	(57,266)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	174,032	76,733	30,331	10,420	(19,368)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,200)	(37,898)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,921	22,122	(21,587)	(34,780)	(57,266)
	Data Isaa ka k								
17	Retained Earnings in excess of Rate Stabilization Reserve	-	- 404.000		- 404 004	- 00.400	- (04 507)	- (0.4.700)	(57.077)
18	Total Equity Balance	231,002	181,000	210,845	121,921	22,122	(21,587)	(34,780)	(57,266)

### Appendix 17c Adverse Scenario #5 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
-	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	19,843	-	-	
	Equity investments	2,083,349	2,189,534	2,272,545	2,337,375	2,437,993	2,558,919	2,649,273	2,736,725
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,742	5,682	5,262	8,507	774
	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
		2,683,473	2,805,484	2,916,137	2,887,010	2,987,771	3,113,138	3,223,336	3,324,219
	Liabilities								
	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,067	2,095,250	2,174,404	2,252,743
	·	2,452,472	2,624,484	2,705,292	2,765,089	2,965,649	3,134,725	3,258,116	3,381,485
	Equity								
	Retained earnings	194.499	99.251	170,975	174,032	76.733	30,331	10.420	(19,368
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,200)	(37,898
	Total Equity	231,003	181,000	210,845	121,921	22,122	(21,587)	(34,780)	(57,266
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,887,010	2,987,771	3,113,138	3,223,336	3,324,219

#### Appendix 17d Adverse Scenario #5 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020 Forecast Voor	2020 - 2021	2021 - 2022 Forecast Vear	2022 - 2023 Forecast Year
ne o.			Current Year (01)	Forecast Year (02)	Forecast Year (03)	Forecast Year (04)	(05)
	Capital Available:		(5.7)	(=-)	(10)	()	(/
	Capital available (from page 30.62 - capital available)	01	78,266	(24,998)	(80,722)	(95,896)	(120,40
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	78,266	(24,998)	(80,722)	(95,896)	(120,40
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	99,606	103,650	107,771	112,07
!	Unpaid claims	22	191,221	207,950	220,828	229,359	237,92
;	Catastrophes	24	0	0	0	0	
	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
,	Subtotal: Insurance risk margin	29	285,880	307,556	324,478	337,130	350,00
,	Market Risk:						
,	Interest rate risk	30	941	3,623	3,451	12,471	16,18
}	Foreign exchange risk	32	13,075	13,640	13,338	13,191	13,72
)	Equity risk	34	56,489	61,119	58,957	57,035	60,88
)	Real estate risk	36	23,133	23,875	24,395	25,136	26,43
	Other market risk exposures	38	0	0	0	0	
!	Subtotal: Market risk margin	39	93,638	102,257	100,141	107,833	117,22
}	Credit Risk:						
ļ	Counterparty default risk for balance sheet assets	40	38,811	54,956	57,269	59,536	60,49
,	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
)	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
,	Subtotal: Credit risk margin	49	38,811	54,956	57,269	59,536	60,49
}	Operational risk margin	50	62,483	67,850	70,463	73,566	76,77
,	Less: Diversification credit	52	48,012	55,308	56,283	59,421	62,65
)	Total Capital (Margin) Required at Target	59	432,800	477,311	496,068	518,644	541,84
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,533	318,207	330,712	345,762	361,22
!	Phase-in of Capital (Margin) Required	62	0	0	0	0	
,	Total Minimum Capital (Margin) Required	69	288,533	318,207	330,712	345,762	361,22
	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,267)	(343,205)	(411,434)	(441,658)	(481,63
,	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.13%	-7.86%	-24.41%	-27.73%	-33.33

# Appendix 17e Adverse Scenario #5 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489.508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117.917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,764	278,105	232,277	231,721
7	Total	726,240	759,725	946,810	952,639	946,239	992,683
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,142	6,978	6,993
10	Change in Reinsurance Ceded Provisior	(676)	° o′	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	1,710	(1,924)	9,115
13	Total Net Claims Incurred	767.240	779.170	1.030.285	1.023.413	1.008.830	1.069.001

#### Appendix 17f

#### Adverse Scenario #5

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	74.51%	73.72%	74.72%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
9	2020				0.9544	0.9649	0.9977	1.0153	1.0146				
10	2021					0.9739	1.0065	1.0236	1.0224	1.0155			
11	2022						1.0112	1.0289	1.0282	1.0217	1.0150		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.49%
16	2020				77.63%	71.97%	73.09%	79.83%	75.61%			75.44%	80.74%
17	2021					72.64%	73.73%	80.49%	76.18%	74.87%		74.93%	80.32%
18	2022						74.07%	80.90%	76.61%	75.32%	75.84%	75.93%	81.49%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.15%	8.18%	8.12%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
	<ol><li>Maintenance Expense Rate [(5) x 1/3] Selected</li></ol>	3.69%						2.74% 2.87%	2.72% 2.73%		2.71% 2.72%		
24		3.69%				3.00%	2.99%	2.74%		2.73%			
24 25	Selected	3.69%				3.00% 3.16%	2.99% 2.99%	2.74% 2.87%	2.73%	2.73% 2.72%	2.72%		
24 25 26	Selected 7. ILAE Ratio to Losses - Selected	3.69%				3.00% 3.16%	2.99% 2.99%	2.74% 2.87%	2.73%	2.73% 2.72%	2.72%		
24 25 26 27	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium					3.00% 3.16% 18.40%	2.99% 2.99% 18.40%	2.74% 2.87% 18.40%	2.73% 18.40%	2.73% 2.72% 18.40%	2.72% 18.40%		
24 25 26 27 28	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium 8. Net Unearned Premium	ce				3.00% 3.16% 18.40% 468,613	2.99% 2.99% 18.40%	2.74% 2.87% 18.40%	2.73% 18.40% 554,274	2.73% 2.72% 18.40% 576,316	2.72% 18.40% 599,350		
24 25 26 27 28 29	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium 8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran	ce				3.00% 3.16% 18.40% 468,613 5,598	2.99% 2.99% 18.40% 506,193 5,710	2.74% 2.87% 18.40% 532,647 5,824	2.73% 18.40% 554,274 5,941	2.73% 2.72% 18.40% 576,316 6,059	2.72% 18.40% 599,350 6,059		
24 25 26 27 28 29 30	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	ce				3.00% 3.16% 18.40% 468,613 5,598 383,468	2.99% 2.99% 18.40% 506,193 5,710 390,881	2.74% 2.87% 18.40% 532,647 5,824 424,060	2.73% 18.40% 554,274 5,941 442,705	2.73% 2.72% 18.40% 576,316 6,059	2.72% 18.40% 599,350 6,059		
24 25 26 27 28 29 30 31	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))] 11. Reinsurance PFAD	ce				3.00% 3.16% 18.40% 468,613 5,598 383,468 10	2.99% 2.99% 18.40% 506,193 5,710 390,881	2.74% 2.87% 18.40% 532,647 5,824 424,060	2.73% 18.40% 554,274 5,941 442,705	2.73% 2.72% 18.40% 576,316 6,059 458,012	2.72% 18.40% 599,350 6,059 483,489		
24 25 26 27 28 29 30 31 32	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a]	ce x (3)]				3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	2.99% 2.99% 18.40% 506,193 5,710 390,881	2.74% 2.87% 18.40% 532,647 5,824 424,060	2.73% 18.40% 554,274 5,941 442,705	2.73% 2.72% 18.40% 576,316 6,059 458,012	2.72% 18.40% 599,350 6,059 483,489		
24 25 26 27 28 29 30 31 32 33	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	ce x (3)]				3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922	2.74% 2.87% 18.40% 532,647 5,824 424,060 - 15,103 78,027	2.73% 18.40% 554,274 5,941 442,705 - 14,958 81,458	2.73% 2.72% 18.40% 576,316 6,059 458,012 - 15,513 84,274	2.72% 18.40% 599,350 6,059 483,489 - 16,116 88,962		
24 25 26 27 28 29 30 31 32 33 34	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	ce x (3)]				3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595 3,950	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950	2.74% 2.87% 18.40% 532,647 5,824 424,060 - 15,103 78,027 3,950	2.73% 18.40% 554,274 5,941 442,705 - 14,958 81,458 3,950	2.73% 2.72% 18.40% 576,316 6,059 458,012 - 15,513 84,274 3,950	2.72% 18.40% 599,350 6,059 483,489 - 16,116 88,962 3,950		
24 25 26 27 28 29 30 31 32 33 34 35	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	ce x (3)]				3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15.103 78,027 3,950 5,682	2.73% 18.40% 554,274 5,941 442,705 	2.73% 2.72% 18.40% 576,316 6.059 458,012 - 15,513 84,274 3,950 8,507	2.72% 18.40% 599,350 6,059 483,489 - 16,116 88,962 3,950 774		
24 25 26 27 28 29 30 31 32 33 34 35 36	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14)))]  16. Carried Deferred Policy Acquisition Expenses	ce x (3)]				3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950 5,682 31,080	2.73% 18.40% 554,274 5,941 442,705 - 14,958 81,458 3,950 5,262 32,370	2.73% 2.72% 18.40% 576,316 6.059 458,012 - 15,513 84,274 3,950 8,507 33,691	2.72% 18.40% 599,350 6.059 483,489 - 16,116 88,962 3,950 774 35,074		
24 25 26 27 28 29 30 31 32 33 34 35 36 37	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	ce x (3)]				3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747	2.74% 2.87% 18.40% 532,647 5,824 424,060 	2.73% 18.40% 554,274 5,941 442,705 - 14,958 81,458 3,950 5,262 32,370 27,108	2.73% 2.72% 18.40% 576,316 6.059 458,012 - 15,513 84,274 3,950 8,507 33,691 25,184	2.72% 18.40% 599,350 6,059 483,489 		
24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	ce x (3)]				3.00% 3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747 (21,308)	2.74% 2.87% 18.40% 532,647 5,824 424,060 	2.73% 18.40% 554,274 5,941 442,705 - 14,958 81,458 3,950 5,262 32,370 27,108 1,710	2.73% 2.72% 18.40% 576,316 6.059 458,012 - 15,513 84,274 3,950 8,507 33,691 25,184	2.72% 18.40% 599,350 6,059 483,489 		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 17g Adverse Scenario #5 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	58	3	0	(
Marketable Bonds	44,245	53,716	57,873	61,496	65,08
MUSH	26,759	24,361	22,065	19,852	17,69
Total	71,259	78,135	79,941	81,347	82,77
Dividend and other Income					
Canadian Equities	9,657	5,900	4,644	5,023	5,63
Global	4,218	6,022	4,720	5,045	5,63
Global LV	-	2,905	2,952	3,183	3,55
Private Debt	-	3,761	10,045	10,061	10,0
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,3
Infrastructure	1,472	1,136	1,183	1,249	1,3
Total	20,287	21,650	26,056	27,013	28,5
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,305	29,304	(773)	2,3
Marketable Bonds Realized Gains/(Loss)	11,782	21,763	12,435	6,004	2,3
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,674)	(4,371)	78	
Global Equities Realized Gains	66,318	(629)	(6,547)	98	
Global LV Realized Gains	-	(99)	(4,106)	67	
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,5
Infrastructure	5,765	4,449	4,636	4,895	5,1
Total	124,596	47,717	37,197	16,567	14,1
04					
Other	(5.004)	(4.7.0)	(4.5.4)	(4.74.1)	/
Investment Fees Paid	(5,204)	(4,743)	(4,566)	(4,764)	(4,9
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,2
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	2,983	(250)	(1,293)	(1,9
Total	(25,105)	(15,632)	(19,129)	(20,814)	(22,1
Total Corporate Investment Income	191,037	131,870	128,791	104,646	103,5
Total Basic Investment Income	163,817	111,946	111,666	81,845	79,7
% - Basic to Total Investment Income	85.75%	85%	87%	78%	7
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,887)	5,314	6,2
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,740)	7,529	8,4
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,311)	4,346	4,8
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,627)	12,844	14,6
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	<u>-</u>	-	-	-	
Canadian Fixed Income	1,751.6	1,699.4	1,883.1	2,054.9	2,19
MUSH	569.3	522.8	477.0	432.3	38
Canadian Equities	123.3	140.8	148.7	160.4	18
Global Equities	166.7	173.0	180.6	194.6	21
Global LV Equities	96.6	112.1	118.8	127.4	14
Private Debt	-	188.8	193.5	194.0	19
Real Estate	133.6	138.1	143.9	150.8	16
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	9
Total Ending Asset Values	2,919.4	3,057.8	3,233.0	3,406.7	3,57
Total Basic Assets	2,380.2	2,471.4	2,572.5	2,663.0	2,75
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0
Canadian Fixed Income	60.0%	55.6%	58.2%	60.3%	61.3
MUSH	19.5%	17.1%	14.8%	12.7%	10.8
Canadian Equities	4.2%	4.6%	4.6%	4.7%	5.
US Equities	5.7%	5.7%	5.6%	5.7%	6.1
Clabal I V	3.3%	3.7%	3.7%	3.7%	4.0
Global LV				F 70/	F.
Private Debt	0.0%	6.2%	6.0%	5.7%	5.4
	4.6%	4.5%	4.5%	5.7% 4.4%	5.4 4.5
Private Debt					

### Appendix 5h Adverse Scenario #5 with Management Action Statement of Operations

ine	(C\$ 000s, except where noted)				r the Years End				
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,141,627	1,188,198	1,236,952
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,202,864	1,251,040	1,301,398
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,110,478	1,166,655	1,214,399
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,170,717	1,228,571	1,277,918
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,830	29,764	31,879
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,198,547	1,258,335	1,309,797
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,328	1,001,001	1,004,452	1,062,445
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,285	1,013,391	1,008,677	1,068,479
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,010	147,401
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,073	13,345
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,178,220	1,165,888	1,166,760	1,229,225
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,339	83,226
21	Commissions	33,862	35,086	37,378	40,338	42,541	44,791	46,990	48,840
22	Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,471	37,214	38,701
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,467	161,781	169,658	176,000
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,724)	(129,123)	(78,082)	(95,428)
26	Investment Income	48,476	101,645	111,731	192,129	74,336	72,554	77,001	77,709
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,610	39,136	4,928	2,267
28	Net Investment Income	(4,038)	82,897	116,320	163,817	111,946	111,690	81,929	79,976
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(87,778)	(17,433)	3,847	(15,451)
		(,/)	(,)	,	,	(== ;= = 0)	(,0)	-,,	(12,101)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	196,652	26,746	704	(3,767)

## Appendix 5i Adverse Scenario #5 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	174,032	76,733	52,346	54,993
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(87,778)	(17,433)	3,847	(15,451)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,471)	(9,522)	(6,953)	(1,199)	9,635
6	Total Retained Earnings	194,498	99,251	170,975	174,032	76,733	52,346	54,993	49,177
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,610)	(51,918)	(45,142)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,499)	2,692	6,776	7,366
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,142)	(37,776)
11	Total Equity Balance	231,002	181,000	210,845	121,921	22,122	428	9,851	11,401
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	174,032	76,733	52,346	54,993	49,177
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,142)	(37,776)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,921	22,122	428	9,851	11,401
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	121,921	22,122	428	9,851	11,401

### Appendix 5j Adverse Scenario #5 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	19,843	10,643	21,291	33,377
4	Equity investments	2,083,349	2,189,534	2,272,545	2,337,375	2,437,993	2,564,100	2,666,422	2,765,463
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	372,535	393,305	408,622	424,643
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	5,682	15,990	19,433	12,221
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,117	63,138
14		2,683,473	2,805,484	2,916,137	2,887,010	2,987,771	3,145,721	3,278,980	3,404,316
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	612,937	639,364	667,132
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,067	2,095,299	2,174,470	2,252,780
23		2,452,472	2,624,484	2,705,292	2,765,089	2,965,649	3,145,294	3,269,129	3,392,915
24	Equity								
25	Retained earnings	194,499	99,251	170,975	174,032	76.733	52,346	54,993	49.177
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,610)	(51,918)	(45,142)	(37,776)
27	Total Equity	231,003	181,000	210,845	121,921	22,122	428	9,851	11,401
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,887,010	2,987,771	3,145,721	3,278,980	3,404,316

## Appendix 5k Adverse Scenario #5 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ne			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
٥.			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	78,266	(24,998)	(58,707)	(51,266)	(51,737
	Phase-in of capital available	03	0	0	0	0	C
	Total Capital Available	09	78,266	(24,998)	(58,707)	(51,266)	(51,737
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
l	Premium liabilities	20	94,659	99,606	105,617	109,819	114,20
2	Unpaid claims	22	191,221	207,950	220,832	229,366	237,93
3	Catastrophes	24	0	0	0	0	
ļ	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
5	Subtotal: Insurance risk margin	29	285,880	307,556	326,449	339,185	352,13
ò	Market Risk:						
7	Interest rate risk	30	941	3,623	3,661	12,940	17,12
3	Foreign exchange risk	32	13,075	13,640	13,346	13,249	13,79
)	Equity risk	34	56,489	61,119	59,013	57,376	61,24
)	Real estate risk	36	23,133	23,875	24,395	25,136	26,43
l	Other market risk exposures	38	0	0	0	0	(
2	Subtotal: Market risk margin	39	93,638	102,257	100,415	108,701	118,60
3	Credit Risk:						
ļ	Counterparty default risk for balance sheet assets	40	38,811	54,956	58,660	60,982	62,03
ò	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
ò	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	38,811	54,956	58,660	60,982	62,03
3	Operational risk margin	50	62,483	67,850	71,342	74,530	77,82
)	Less: Diversification credit	52	48,012	55,308	56,801	60,100	63,47
)	Total Capital (Margin) Required at Target	59	432,800	477,311	500,065	523,298	547,12
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,533	318,207	333,376	348,865	364,74
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	288,533	318,207	333,376	348,865	364,74
ļ	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,267)	(343,205)	(392,083)	(400,131)	(416,48
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.13%	-7.86%	-17.61%	-14.70%	-14.18

# Appendix 5I Adverse Scenario #5 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,764	278,146	232,292	231,696
7	Total -	726,240	759,725	946,810	952,681	946,254	992,659
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,149	6,981	6,989
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	(8,360)	(2,095)	8,622
13	Total Net Claims Incurred	767.240	779.170	1.030.285	1.013.392	1.008.676	1.068,480

#### Appendix 5m

#### Adverse Scenario #5 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	73.74%	72.33%	73.31%	Ondiso	2.50
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
9	2020				0.9357	0.9460	0.9782	0.9954	1.0052				
10	2021					0.9555	0.9875	1.0043	1.0136	1.0155			
11	2022						0.9921	1.0094	1.0193	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.49%
16	2020				76.11%	70.56%	71.65%	78.27%	74.12%			73.96%	79.15%
17	2021					71.27%	72.33%	78.97%	74.74%	73.45%		73.51%	78.80%
18	2022						72.67%	79.37%	75.16%	73.90%	74.41%	74.49%	79.95%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,170,717	1,228,571	1,277,918		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.06%	8.02%	7.97%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.69%	2.67%	2.66%		
25	Selected					3.16%	2.99%	2.87%	2.71%	2.68%	2.66%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	532,647	564,794	587,263	610,743		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,060	442,354	457,976	483,448		
31	11. Reinsurance PFAD					10		-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,103	15,166	15,577	16,110		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,027	81,393	84,268	88,954		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	5,682	15,990	19,433	12,221		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,080	33,028	34,376	35,786		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	25,398	17,038	14,943	23,565		
37						2,363	(21,308)	14,651	(8,360)	(2,095)	8,622		
37 38	Change					2,303	(21,300)	14,001	(0,500)	(2,070)	0,022		
	Change 18. Premium Deficiency [c]					2,363 8,845	(21,300)	14,031	-	(2,073)	0,022		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 5n Adverse Scenario #5 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
No. Interest Income During Period		'	S. Sousiou		
Cash/Short Term Investments	255	58	4	0	(3)
Marketable Bonds	44,245	53,716	57,938	61,761	65,653
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,135	80,007	81,613	83,344
Dividend and other Income					
Canadian Equities	9,657	5,900	4,673	5,156	5,908
Global	4,218	6,022	4,746	5,163	5,871
Global LV	-	2,905	2,971	3,271	3,736
Private Debt	_	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,650	26,130	27,352	29,222
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,305	29,371	(499)	2,362
Marketable Bonds Realized Gains/(Loss)	11,782	21,763	12,367	5,744	58
MUSH	=	-	-	=	-
Canadian Equities Realized Gains	69,223	(2,674)	(4,371)	74	0
Global Equities Realized Gains	66,318	(629)	(6,547)	94	0
Global LV Realized Gains	-	(99)	(4,106)	64	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	47,717	37,197	16,569	14,158
Other					
Investment Fees Paid	(5,204)	(4,743)	(4,572)	(4,799)	(5,039)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,983	(257)	(1,332)	(2,053)
Investment Write-Down	-	-	-	-	<u> </u>
Total	(25,105)	(15,632)	(19,142)	(20,888)	(22,299)
Total Corporate Investment Income	191,037	131,870	128,917	105,179	104,667
Total Basic Investment Income	163,817	111,946	111,690	81,929	79,976
% - Basic to Total Investment Income	85.75%	85%	87%	78%	76%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,887)	5,455	6,594
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,740)	7,705	8,762
Global LV Unrealized Gains/(Losses)	e	(1,895)	(2,311)	4,466	5,102
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,627)	13,160	15,356
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,699.4	1,890.1	2,072.9	2,223.9
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.3	140.8	151.0	166.8	192.1
Global Equities	166.7	173.0	183.0	201.6	230.1
Global LV Equities	96.6	112.1	120.6	132.7	152.2
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital  Total Ending Asset Values	78.3 <b>2,919.4</b>	82.8 3,057.8	87.4 3,246.6	92.3 3,443.4	97.5 3,638.2
				•	
Total Basic Assets	2,380.2	2,471.4	2,588.3	2,701.5	2,814.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.6%	58.2%	60.2%	61.1%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities	4.2%	4.6%	4.7%	4.8%	5.3%
·	5.7%	5.7%	5.6%	5.9%	6.3%
US Equities		0			
US Equities Global LV	3.3%	3.7%	3.7%	3.9%	4.2%
US Equities Global LV Private Debt	3.3% 0.0%	6.2%	6.0%	5.6%	5.3%
US Equities Global LV	3.3%				

### Appendix 18a Updated Base Scenario #6 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	· ·			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,680	27,529	29,531	31,728
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,131,839	1,183,817	1,232,568	1,283,075
Net Claims Incurred	742,604	869,023	783,040	823,258	894,503	936,961	994,953	1,050,889
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,687)	640	11,049	9,107
Total Claims Incurred	666,404	860,035	767,239	778,719	875,816	937,601	1,006,001	1,059,996
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,487
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
Total Claims Costs	798,045	993,537	923,722	929,493	1,023,751	1,089,325	1,162,980	1,219,732
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,759
Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,979
Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,904
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,403	160,616	167,562	173,876
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,314)	(66,123)	(97,974)	(110,532)
Investment Income	48,476	101,645	111,731	192,131	87,066	92,743	97,098	100,449
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,535)	(7,428)	4,483	2,065
Net Investment Income	(4,038)	82,897	116,320	163,818	62,531	85,314	101,581	102,514
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,018)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,848)	(8,068)	(6,565)	(7,042)

## Appendix 18b Updated Base Scenario #6 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	333,183	352,374	355,981
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,018)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,708)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,277	11,667
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
11	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
12	Total Equity								
	Rate Stabilization Reserve								
13		104 400	00.054	170.075	04/0/7	000 400	050.074	255 004	0.47.07.0
14	Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921

### Appendix 18c Updated Base Scenario #6 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	57,602	61,325	59,442	43,968
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,126	2,650,611	2,774,171	2,897,219
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,373	18,832
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
14		2,683,473	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,281	405,982
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,993	1,934,087	2,010,680	2,083,793
23		2,452,472	2,624,484	2,705,292	2,765,090	2,860,572	2,971,291	3,092,740	3,211,278
24	Equity								
25	Retained earnings	194,499	99.251	170,975	316.967	333.183	352,374	355.981	347.963
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
27	Total Equity	231,003	181,000	210,845	264,856	289,009	317,389	331,273	334,921
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200

# Appendix 18d Updated Base Scenario #6 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:		004.004	0.44.000	050.004	070.047	074 (06
2	Capital available (from page 30.62 - capital available)	01	221,201	241,889	258,204	270,067	271,680
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	241,889	258,204	270,067	271,680
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,896	220,969
13	Catastrophes	24	0	0	0	0	C
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	C
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,465	332,838
16	Market Risk:						
17	Interest rate risk	30	6,468	21,908	26,102	29,860	34,120
18	Foreign exchange risk	32	15,640	15,260	16,262	17,940	20,872
19	Equity risk	34	69,313	67,256	71,783	80,140	88,240
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,323	141,746	156,473	173,269
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,266	63,507	65,082	66,286
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,266	63,507	65,082	66,286
28	Operational risk margin	50	64,552	69,860	73,071	76,698	80,511
29	Less: Diversification credit	52	53,910	62,347	65,802	70,019	74,497
30	Total Capital (Margin) Required at Target	59	453,309	496,555	520,497	548,699	578,407
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,037	346,998	365,799	385,605
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
33	Total Minimum Capital (Margin) Required	69	302,206	331,037	346,998	365,799	385,60
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(89,148)	(88,794)	(95,732)	(113,92
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.07%	74.41%	73.83%	70.469

# Appendix 18e Updated Base Scenario #6 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,540	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damag€	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,274	212,112	223,308	224,355
7	Total	726,240	759,725	821,977	882,018	937,278	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,908	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,278	7,921
13	Total Net Claims Incurred	767.240	778.719	875.816	937.601	1.006.001	1.059.996

#### Appendix 18f

#### Updated Base Scenario #6 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.42%	72.94%	73.87%	74.86%	Ondiso	5.0
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9278	0.9372	0.9510	0.9871	1.0072					
9	2020				0.9377	0.9519	0.9884	1.0089	1.0115				
10	2021					0.9617	0.9969	1.0159	1.0169	1.0132			
11	2022						1.0031	1.0217	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.029
15	2019			75.86%	76.23%	70.94%	72.31%	72.94%				73.70%	77.849
16	2020				76.27%	71.00%	72.40%	73.06%	73.78%			73.08%	77.189
17	2021					71.73%	73.03%	73.57%	74.18%	74.84%		73.59%	77.829
18	2022						73.48%	73.99%	74.56%	75.19%	75.87%	74.58%	78.939
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.13%	8.14%	8.09%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.71%	2.70%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.71%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,308	422,374	442,924	467,369		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,082	14,919	15,429	16,017		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,313	77,717	81,498	85,996		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	22,173	28,333	25,373	18,832		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,018	32,305	33,624	35,003		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	8,845	3,972	8,250	16,171		
	Change					2,363	(21,760)	(1,450)	(4,873)	4,278	7,921		
38													
38 39	18. Premium Deficiency [c]					8,845	-	-	-	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 18g Updated Base Scenario #6 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	125	0	0	(0)
Cash/Short Term Investments  Marketable Bonds	44,245	135 55,586	0 63,975	70,448	(0) 76,595
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,083	86,040	90,300	94,288
Dividend and other Income					
Canadian Equities	9,657	5,687	4,593	5,432	6,098
Global	4,218	5,973	4,918	5,725	6,302
Global LV	-	2,894	3,253	3,803	4,216
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 <b>Total</b>	1,472 20,288	1,136 <b>21,489</b>	1,183 26,798	1,249 28,982	1,319 <b>30,554</b>
	20,200	21,407	20,770	20,702	30,334
Gains During Period - Profit & Loss	(===)	(= )	(= )		
Marketable Bonds Unrealized Gains/(Loss) Marketable Bonds Realized Gains/(Loss)	(44,800)	(51,162)	(7,846)	2,721	598
MUSH	11,781	25,389	(36)	2,042	1,563
Canadian Equities Realized Gains	69,223	2,640	0	0	856
Global Equities Realized Gains	66,319	3,743	0	0	998
Global LV Realized Gains	-	459	-	-	890
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,879)	2,602	15,856	16,644
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,577)	(4,894)	(5,135
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	5,805	7,671	7,758	7,471
Investment Write-Down  Total	(25,105)	(12,780)	(11,219)	(11,893)	(12,871)
Total Corporate Investment Income	191,042	78,850	103,278	123,759	128,849
Total Basic Investment Income	163,818	62,531	85,314	101,581	102,514
% - Basic to Total Investment Income	85.75%	79%	83%	82%	80%
Equity Unrealized Gains/(Losses)					
Equity Unrealized Gains/(Losses)  Canadian Equities Unrealized Gains/(Losses)	12,114	6,739	4,860	5,747	6,805
US Equities Unrealized Gains/(Losses)	7,538	9,312	7,340	8,544	9,404
Global LV Unrealized Gains/(Losses)	· -	4,212	4,441	5,192	5,756
Total Corporate Unrealized Gains/(Losses)	19,652	16,051	12,200	14,291	16,209
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,710.3	1,861.8	2,013.2	2,172.8
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3 166.7	129.4 168.7	149.7 192.8	177.2 224.6	199.2 251.5
Global LV Equities	96.6	115.6	132.3	154.9	171.3
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,055.4	3,231.8	3,432.5	3,627.9
Total Basic Assets	2,522.7	2,617.3	2,725.5	2,847.4	2,956.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income MUSH	60.0%	56.0%	57.6%	58.7%	59.9%
MUSH Canadian Equitios	19.5%	17.1%	14.8%	12.6%	10.6%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.6% 6.0%	5.2% 6.5%	5.5% 6.9%
· · · · · ·	3.3%	3.8%	4.1%	4.5%	4.7%
Global LV Private Debt	0.0%	6.1%	5.8%	5.5%	5.2%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 19a Modified Base Scenario #6 Statement of Operations

BA	Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066	2017A 886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635)	955,941 49,946 (11,294) 994,593	2019P 1,019,281 68,902 (11,196) 1,076,987	1,072,131 70,903 (11,420) 1,131,614	2021P 1,116,638 72,885 (11,648) 1,177,874	2022P 1,162,196 74,723 (11,881) 1,225,038	1,209,891 76,565 (12,119 1,274,337
	Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066	48,426 (11,635) <b>923,789</b> 871,173 47,606	49,946 (11,294) <b>994,593</b> 922,617	68,902 (11,196) 1,076,987	70,903 (11,420) 1,131,614	72,885 (11,648) 1,177,874	74,723 (11,881) 1,225,038	76,565 (12,119 <b>1,274,337</b>
	Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066	48,426 (11,635) <b>923,789</b> 871,173 47,606	49,946 (11,294) <b>994,593</b> 922,617	68,902 (11,196) 1,076,987	70,903 (11,420) 1,131,614	72,885 (11,648) 1,177,874	74,723 (11,881) 1,225,038	76,565 (12,119 <b>1,274,337</b>
	Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues	(12,423) 888,366 827,703 45,787 (12,423) 861,066	(11,635) 923,789 871,173 47,606	994,593 922,617	(11,196) 1,076,987 991,058	(11,420) 1,131,614	(11,648) 1,177,874	(11,881) 1,225,038	(12,119 1,274,337
	Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues	827,703 45,787 (12,423) 861,066	871,173 47,606	922,617	991,058				
	Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues	45,787 (12,423) 861,066	47,606			1,047,683	1,096,049	1 141 121	1 107 070
	Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues	45,787 (12,423) 861,066	47,606			1,047,683	1,096,049	1 141 121	1 107 020
	Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues	(12,423) <b>861,066</b>		48,819	50 544			.,	1,101,020
	Total Net Premiums Earned Service Fees & Other Revenues	861,066	(11,635)		59,546	69,896	71,887	73,798	75,638
	Service Fees & Other Revenues			(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	-	00.054	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,34
	Total Earned Revenues	20,351	20,749	22,849	23,845	25,680	27,529	29,531	31,728
		881,417	927,893	982,992	1,063,252	1,131,839	1,183,817	1,232,568	1,283,07
	Net Claims Incurred	742,604	869,023	783,040	823,258	894,503	936,961	994,951	1,050,892
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,686)	639	11,008	9,19
	Total Claims Incurred	666,404	860,035	767,239	778,719	875,817	937,600	1,005,958	1,060,08
	Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,48
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
	Total Claims Costs	798,045	993,537	923,722	929,493	1,023,752	1,089,324	1,162,937	1,219,82
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
	Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,97
	Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
	Total Expenses _	135,383	140,323	141,165	151,585	154,403	160,616	167,562	173,87
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,315)	(66,122)	(97,931)	(110,62
	Investment Income	48,476	101,645	111,731	192,131	81,807	87,237	91,168	94,33
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,120)	(7,301)	4,404	2,032
	Net Investment Income	(4,038)	82,897	116,320	163,818	57,688	79,936	95,573	96,36
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	11,373	13,813	(2,359)	(14,25

## Appendix 19b Modified Base Scenario #6 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	174,360	178,254	187,223	185,955
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	11,373	13,813	(2,359)	(14,252)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,607)	(7,478)	(4,844)	1,092	11,976
6	Total Retained Earnings	194,498	99,251	170,975	174,360	178,254	187,223	185,955	183,679
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,971)	(38,822)	(30,724)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,140	7,150	8,097	9,295
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,971)	(38,822)	(30,724)	(21,429)
11	Total Equity Balance	231,002	181,000	210,845	122,248	132,282	148,401	155,231	162,250
	_								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	174,360	178,254	187,223	185,955	183,679
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,971)	(38,822)	(30,724)	(21,429)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	122,248	132,282	148,401	155,231	162,250
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	122,248	132,282	148,401	155,231	162,250

#### Appendix 19c Modified Base Scenario #6 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	49,618	48,369	47,560	44,055
ļ	Equity investments	2,083,349	2,189,534	2,272,545	2,337,252	2,397,389	2,494,584	2,609,975	2,724,520
i	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
,	Due from other insurance companies	25	16	2	-	-	-	-	-
,	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
3	Prepaid expenses	-	-	-	-	-	-	-	-
)	Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,375	18,830
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
4		2,683,473	2,805,484	2,916,137	2,887,338	2,992,859	3,119,697	3,247,936	3,373,585
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,995	372,684	389,287	405,996
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,994	1,934,087	2,010,639	2,083,836
23		2,452,472	2,624,484	2,705,292	2,765,090	2,860,577	2,971,296	3,092,705	3,211,335
24	Equity								
25	Retained earnings	194.499	99,251	170,975	174,360	178,254	187.223	185.955	183,679
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,971)	(38,822)	(30,724)	(21,429)
27	Total Equity	231,003	181,000	210,845	122,248	132,282	148,401	155,231	162,250
	T. 111.1.199 A. E 9	0.400.477	0.005.407	0.047.407	202 202	0.000.050	0.440.707	0.047.007	0.070.505
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,887,338	2,992,859	3,119,697	3,247,936	3,373,585

# Appendix 19d Modified Base Scenario #6 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.1)	(00)
2	Capital available (from page 30.62 - capital available)	01	78,594	85,162	89,216	94,025	99,009
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	78,594	85,162	89,216	94,025	99,009
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,892	220,973
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,461	332,842
16	Market Risk:						
17	Interest rate risk	30	948	13,875	17,783	21,155	25,004
18	Foreign exchange risk	32	13,073	12,573	13,395	14,882	17,393
19	Equity risk	34	56,478	53,840	57,449	64,826	71,871
20	Real estate risk	36	23,131	23,872	24,392	25,133	26,433
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	93,630	104,160	113,019	125,996	140,701
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,855	56,613	58,837	60,359	61,516
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,855	56,613	58,837	60,359	61,516
28	Operational risk margin	50	62,486	67,155	70,233	73,705	77,338
29	Less: Diversification credit	52	48,021	55,487	58,748	62,808	67,104
30	Total Capital (Margin) Required at Target	59	432,830	468,894	491,316	517,713	545,293
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,554	312,596	327,544	345,142	363,529
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	288,554	312,596	327,544	345,142	363,529
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(209,960)	(227,434)	(238,328)	(251,117)	(264,520
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.24%	27.24%	27.24%	27.24%	27.24%

# Appendix 19e Modified Base Scenario #6 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,275	212,111	223,273	224,426
7	Total	726,240	759,725	821,978	882,017	937,243	985,358
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,902	6,592
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,276	7,925
13	Total Net Claims Incurred	767.240	778.719	875.817	937.600	1.005.959	1.060.084

### Appendix 19f

### Modified Base Scenario #6 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.42%	72.94%	73.87%	74.86%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9278	0.9372	0.9510	0.9871	1.0072					
9	2020				0.9377	0.9519	0.9884	1.0089	1.0115				
10	2021					0.9617	0.9969	1.0159	1.0169	1.0132			
11	2022						1.0031	1.0217	1.0222	1.0180	1.0134		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.86%	76.23%	70.94%	72.31%	72.94%				73.70%	77.84%
16	2020				76.27%	71.00%	72.40%	73.06%	73.78%			73.08%	77.18%
17	2021					71.73%	73.03%	73.57%	74.18%	74.84%		73.59%	77.82%
18	2022						73.48%	73.99%	74.56%	75.19%	75.87%	74.58%	78.93%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.13%	8.14%	8.09%		
	/ Maintananaa Euranaa Data [/E] y 1/2]			2 420/				2.74%	2.71%	2.71%	2.70%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%						
24 25	o. Maintenance Expense Rate [(5) x 173] Selected	3.69%	3.71%	3.42%	3.31%	3.00% 3.16%	2.99% 2.99%	2.87%	2.73%	2.71%	2.71%		
		3.69%	3.71%	3.42%	3.31%					2.71% 18.40%	2.71% 18.40%		
25	Selected	3.69%	3.71%	3.42%	3.31%	3.16%	2.99%	2.87%	2.73%				
25 26	Selected 7. ILAE Ratio to Losses - Selected	3.69%	3.71%	3.42%	3.31%	3.16%	2.99%	2.87%	2.73%				
25 26 27	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium		3.71%	3.42%	3.31%	3.16% 18.40%	2.99% 18.40%	2.87% 18.40%	2.73% 18.40%	18.40%	18.40%		
25 26 27 28	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium 8. Net Unearned Premium	ce	3.71%	3.42%	3.31%	3.16% 18.40% 468,613	2.99% 18.40% 506,193	2.87% 18.40% 531,648	2.73% 18.40% 553,234	18.40% 575,235	18.40% 598,225		
25 26 27 28 29	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium 8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran	ce	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598	2.99% 18.40% 506,193 5,710	2.87% 18.40% 531,648 5,824	2.73% 18.40% 553,234 5,941	18.40% 575,235 6,059	18.40% 598,225 6,059		
25 26 27 28 29 30	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	ce	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468	2.99% 18.40% 506,193 5,710 390,499	2.87% 18.40% 531,648 5,824	2.73% 18.40% 553,234 5,941 422,374	18.40% 575,235 6,059	18.40% 598,225 6,059		
25 26 27 28 29 30 31	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))] 11. Reinsurance PFAD	ce	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10	2.99% 18.40% 506,193 5,710 390,499	2.87% 18.40% 531,648 5,824 409,308	2.73% 18.40% 553,234 5,941 422,374	18.40% 575,235 6,059 442,923	18.40% 598,225 6,059 467,371		
25 26 27 28 29 30 31 32	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a]	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837	2.99% 18.40% 506,193 5,710 390,499	2.87% 18.40% 531,648 5,824 409,308	2.73% 18.40% 553,234 5,941 422,374	18.40% 575,235 6,059 442,923 - 15,429	18.40% 598,225 6,059 467,371 - 16,017		
25 26 27 28 29 30 31 32 33	Selected 7. ILAE Ratio to Losses - Selected C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595	2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852	2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717	18.40% 575,235 6,059 442,923 - 15,429 81,498	598,225 6,059 467,371 - 16,017 85,996		
25 26 27 28 29 30 31 32 33 34	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950	2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313 3,950	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950	575,235 6,059 442,923 - 15,429 81,498 3,950	598,225 6,059 467,371 - 16,017 85,996 3,950		
25 26 27 28 29 30 31 32 33 34 35	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193	2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313 3,950 22,173	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333	575,235 6,059 442,923 - 15,429 81,498 3,950 25,375	18.40% 598,225 6,059 467,371 - 16,017 85,996 3,950 18,830		
25 26 27 28 29 30 31 32 33 34 35 36	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313 3,950 22,173 31,018	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305	18.40% 575,235 6.059 442,923 - 15,429 81,498 3,950 25,375 33,624	18.40% 598,225 6,059 467,371 16,017 85,996 3,950 18,830 35,003		
25 26 27 28 29 30 31 32 33 34 35 36 37	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950 19,193 29,489 10,295	2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313 3,950 22,173 31,018 8,845	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305 3,972	18.40% 575,235 6,059 442,923 - 15,429 81,498 3,950 25,375 33,624 8,248	18.40% 598,225 6,059 467,371 16,017 85,996 3,950 18,830 35,003 16,173		
25 26 27 28 29 30 31 32 33 34 35 36 37 38	Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	ce x (3)]	3.71%	3.42%	3.31%	3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950 19,193 29,489 10,295	2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313 3,950 22,173 31,018 8,845	2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305 3,972	18.40% 575,235 6,059 442,923 - 15,429 81,498 3,950 25,375 33,624 8,248	18.40% 598,225 6,059 467,371 16,017 85,996 3,950 18,830 35,003 16,173		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 19g Modified Base Scenario #6 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	70	0	0	(0)
Cash/Short Term Investments  Marketable Bonds	259	78	0	0 70,379	(3) 75,973
MUSH	44,245 26,759	55,488 24,361	63,954 22,065	70,379 19,852	17,693
Total	71,264	79,928	86,019	90,230	93,663
	•	,			
Dividend and other Income Canadian Equities	9,657	E 0E2	4.404	5,462	6,372
Global	4,218	5,853 6,019	4,604 4,928	5,753	6,495
Global LV	4,210	2,896	3,264	3,827	4,418
o Private Debt	-	3,873	10,338	10,321	10,308
1 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,288	21,704	26,830	29,065	31,225
4 Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(38,853)	(7,845)	2,720	612
Marketable Bonds Realized Gains/(Loss)	11,781	13,107	(36)	2,040	1,563
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains 9 Global Equities Realized Gains	69,223	2,827	0	0	1,613
9 Global Equities Realized Gains 0 Global LV Realized Gains	66,319	3,809 459	0	0	1,770 0
Real Estate (Pooled Fund)	16,307	5,603	5,847	- 6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,599)	2,602	15,853	17,297
Othor					
4 Other 5 Investment Fees Paid	(F 204)	(4.721)	/4 E04)	(4.000)	/E 1//
6 Pension Expense	(5,204) (13,441)	(4,731) (13,872)	(4,584) (14,313)	(4,898) (14,757)	(5,166) (15,207)
7 Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,791	7,667	7,747	7,398
8 Investment Write-Down	-	-	-	-	
9 Total	(25,105)	(12,812)	(11,230)	(11,908)	(12,975)
Total Corporate Investment Income	191,042	79,159	103,279	123,755	129,444
Total Basic Investment Income	163,818	57,688	79,936	95,573	96,368
% - Basic to Total Investment Income	85.75%	73%	77%	77%	74%
3 Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	6,936	4,872	5,780	7,112
5 US Equities Unrealized Gains/(Losses)	7,538	9,383	7,355	8,585	9,693
Global LV Unrealized Gains/(Losses)	-	4,215	4,457	5,226	6,032
Total Corporate Unrealized Gains/(Losses)	19,652	16,319	12,226	14,365	16,805
8 Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,710.1	1,860.0	2,009.7	2,193.2
1 MUSH 2 Canadian Equities	569.3	522.8	477.0	432.3	386.3
3 Global Equities	123.3 166.7	129.5 168.9	150.4 193.5	178.5 226.1	186.6 238.6
4 Global LV Equities	96.6	115.8	133.1	156.1	178.0
5 Private Debt	-	187.7	186.8	187.3	187.5
6 Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
8 Total Ending Asset Values	2,919.5	3,055.8	3,232.2	3,433.0	3,629.4
9 Total Basic Assets	2,380.1	2,460.6	2,556.5	2,671.3	2,783.8
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	56.0%	57.5%	58.5%	60.4%
MUSH	19.5%	17.1%	14.8%	12.6%	10.6%
4 Canadian Equities	4.2%	4.2%	4.7%	5.2%	5.1%
US Equities Global LV	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.6% 4.5%	6.6% 4.9%
6 Global LV 7 Private Debt	0.0%	6.1%	5.8%	5.5%	5.2%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

# Appendix 20a Adverse Scenario #6 Statement of Operations

	•	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
В	BASIC	201071	201771	2010/1	20171	20201	20211	LULLI	20201
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,606	27,360	29,248	31,314
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,131,765	1,183,648	1,232,286	1,282,661
	Net Claims Incurred	742,604	869,023	783,040	787,372	1,190,279	1,011,038	1,004,697	1,063,003
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,031,236	1,023,428	1,008,922	1,069,038
	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,349
	Total Claims Costs	798,045	993,537	923,722	929,944	1,179,171	1,175,925	1,167,051	1,229,830
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,24
	Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,979
	Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,904
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,403	160,963	168,085	174,36
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,809)	(153,241)	(102,850)	(121,53
	Investment Income	48,476	101,645	111,731	192,129	74,329	72,519	76,898	77,475
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,609	39,132	4,926	2,269
	Net Investment Income	(4,038)	82,897	116,320	163,817	111,938	111,651	81,824	79,74
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(89,871)	(41,589)	(21,027)	(41,78
_	Net Income (Loss)  Total net Impact due to interest rate change (b) - (a)	(56,049)	(9,760)	34,424 20,390	145,528 (20,110)	(89,871) 196,652	(41,589) 26,742	(21,027) 702	

# Appendix 20b Adverse Scenario #6 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	173,895	76,546	30,112	10,177
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(89,871)	(41,589)	(21,027)	(41,787)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,607)	(7,478)	(4,844)	1,092	11,976
6	Total Retained Earnings	194,498	99,251	170,975	173,895	76,546	30,112	10,177	(19,635)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,609)	(51,918)	(45,215)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,498)	2,691	6,703	7,287
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	(45,215)	(37,928)
11	Total Equity Balance	231,002	181,000	210,845	121,784	21,937	(21,806)	(35,038)	(57,563)
	T.15. 9								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	173,895	76,546	30,112	10,177	(19,635)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	(45,215)	(37,928)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,784	21,937	(21,806)	(35,038)	(57,563)
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	121,784	21,937	(21,806)	(35,038)	(57,563)
10	Total Equity Balance	201,002	101,000	210,040	121,704	21,731	(21,000)	(00,000)	(07,000)

### Appendix 20c Adverse Scenario #6 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	20,578	-	-	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,337,239	2,437,659	2,559,287	2,649,678	2,737,111
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	4,225	7,419	-
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
4		2,683,473	2,805,484	2,916,137	2,886,874	2,986,583	3,111,872	3,222,033	3,323,185
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
10	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,063	2,095,242	2,174,440	2,253,132
3		2,452,472	2,624,484	2,705,292	2,765,089	2,964,645	3,133,677	3,257,071	3,380,748
4	Equity								
5	Retained earnings	194,499	99,251	170,975	173,895	76.546	30,112	10,177	(19,635)
16	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	(45,215)	(37,928)
7	Total Equity	231,003	181,000	210,845	121,784	21,937	(21,806)	(35,038)	(57,563)
18	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,886,874	2,986,583	3,111,872	3,222,033	3,323,185

### Appendix 20d Adverse Scenario #6 Minimum Capital Test

ne	(All figures in \$000s)	•	2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Year
ne ).			(01)	(02)	(03)	(04)	(05)
	Capital Available:		(5.7)	(+-)	()	(/	(5-2)
	Capital available (from page 30.62 - capital available)	01	78,130	(25,183)	(80,941)	(96,153)	(120,698
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	78,130	(25,183)	(80,941)	(96,153)	(120,698
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	99,419	103,455	107,569	111,93
	Unpaid claims	22	191,221	207,949	220,827	229,363	237,92
	Catastrophes	24	0	0	0	0	
	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
	Subtotal: Insurance risk margin	29	285,880	307,368	324,282	336,932	349,86
,	Market Risk:						
	Interest rate risk	30	948	3,595	3,399	12,391	16,00
	Foreign exchange risk	32	13,073	13,636	13,331	13,176	13,70
)	Equity risk	34	56,477	61,101	58,912	56,949	60,79
)	Real estate risk	36	23,130	23,872	24,391	25,133	26,43
	Other market risk exposures	38	0	0	0	0	
	Subtotal: Market risk margin	39	93,628	102,204	100,033	107,649	116,94
	Credit Risk:						
	Counterparty default risk for balance sheet assets	40	38,810	54,820	57,127	59,386	60,36
	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
,	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
	Subtotal: Credit risk margin	49	38,810	54,820	57,127	59,386	60,36
	Operational risk margin	50	62,482	67,764	70,370	73,463	76,66
)	Less: Diversification credit	52	48,009	55,252	56,210	59,329	62,54
)	Total Capital (Margin) Required at Target	59	432,791	476,904	495,602	518,101	541,29
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,527	317,936	330,402	345,401	360,86
	Phase-in of Capital (Margin) Required	62	0	0	0	0	
	Total Minimum Capital (Margin) Required	69	288,527	317,936	330,402	345,401	360,86
	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,397)	(343,119)	(411,343)	(441,554)	(481,56
	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.08%	-7.92%	-24.50%	-27.84%	-33.45

# Appendix 20e Adverse Scenario #6 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489.508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117.917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,760	278,102	232,314	231,716
	_						
7	Total _	726,240	759,725	946,806	952,637	946,276	992,679
0	Unallocated Loss Adjustment Expenses	42,252	50.135	52,371	54.921	57.537	60,210
8 9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,142	6,985	6,993
10	Change in Reinsurance Ceded Provision	(676)	(557)	10,432	14,142	0,703 N	0,773 N
10	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	1,728	(1,876)	9,157
12	Change in DEAC / Flemium Denciency Flovision	4,304	(30,103,	15,000	1,720	(1,070,	7,107
13	Total Net Claims Incurred	767.240	779.170	1.031.236	1.023.428	1.008.922	1.069.038

### Appendix 20f

**Deferred Policy Acquisition Expenses and Premium Deficiency** 

### Adverse Scenario #6

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2	_					Acci	dent Year					Selected	Selected
3	-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	74.66%	73.87%	74.86%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9444	0.9504	0.9608	0.9936	1.0100					
9	2020				0.9562	0.9667	0.9996	1.0162	1.0146				
10	2021					0.9758	1.0084	1.0245	1.0224	1.0155			
11	2022						1.0131	1.0298	1.0282	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80.65%
16	2020				77.78%	72.11%	73.23%	79.99%	75.75%			75.58%	80.89%
17	2021					72.78%	73.87%	80.64%	76.33%	75.01%		75.07%	80.47%
18	2022						74.22%	81.06%	76.76%	75.47%	75.99%	76.07%	81.65%
19	B. Actual Data Other Than Losses												
20	_					Fis	cal Year						
21	-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
22	Net Earned Premium     Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	907,145 9.94%	960,142 8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.23% 2.74%	8.16% 2.72%	8.19% 2.73%	8.14% 2.71%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.23% 2.74% 2.87%	8.16% 2.72% 2.73%	8.19% 2.73% 2.73%	8.14% 2.71% 2.72%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.23% 2.74% 2.87%	8.16% 2.72% 2.73%	8.19% 2.73% 2.73%	8.14% 2.71% 2.72%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.23% 2.74% 2.87% 18.40%	8.16% 2.72% 2.73% 18.40%	8.19% 2.73% 2.73% 18.40%	8.14% 2.71% 2.72% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.23% 2.74% 2.87% 18.40%	8.16% 2.72% 2.73% 18.40%	8.19% 2.73% 2.73% 18.40%	8.14% 2.71% 2.72% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.23% 2.74% 2.87% 18.40% 531,648 5,824	8.16% 2.72% 2.73% 18.40% 553,234 5,941	8.19% 2.73% 2.73% 18.40% 575,235 6,059	8.14% 2.71% 2.72% 18.40% 598,225 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.23% 2.74% 2.87% 18.40% 531,648 5,824	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018	8.14% 2.71% 2.72% 18.40% 598,225 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.23% 2.74% 2.87% 18.40% 531,648 5,824 424,094	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a]	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.23% 2.74% 2.87% 18.40% 531,648 5.824 424,094	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8,99% 3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5.710 390,881 - 14,989 71,922	8.23% 2.74% 2.87% 18.40% 531,648 5,824 424,094 15,082 78,033	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709 14,952 81,458	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018 15,513 84,275	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495 		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enternal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950	8.23% 2.74% 2.87% 18.40% 531,648 5,824 424,094 - 15,082 78,033 3,950	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709 14,952 81,458 3,950	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018 15,513 84,275 3,950	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495 		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	8.23% 2.74% 2.87% 18.40% 531,648 5,824 424,094 	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709 14,952 81,458 3,950 4,225	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018 15,513 84,275 3,950 7,419	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495 - 16,116 88,963 3,950 (358)		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	8.23% 2.74% 2.87% 18.40% 531,648 5.824 424,094 - 15.082 78,033 3.950 4.665 31,018	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709 14,952 81,458 3,950 4,225 32,305	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018 15,513 84,275 3,950 7,419 33,624	8.14% 2.71% 2.72% 18.40% 598,225 6,059 483,495 - 16,116 88,963 3,950 (358) 35,003		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69% e e x (3)]	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390.881 - 14,989 71,922 3,950 18,742 29,489 10,747	8.23% 2.74% 2.87% 18.40% 531,648 5.824 424,094 - 15,082 78,033 3,950 4,665 31,018 26,353	8.16% 2.72% 2.73% 18.40% 553,234 5,941 442,709 14,952 81,458 3,950 4,225 32,305 28,081	8.19% 2.73% 2.73% 18.40% 575,235 6,059 458,018 - 15,513 84,275 3,950 7,419 33,624 26,205	8.14% 2.71% 2.72% 18.40% 598,225 6.059 483,495 - 16,116 88,963 3,950 (358) 35,003 35,003		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 20g Adverse Scenario #6 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.			orecasted		
Interest Income During Period  Cash/Short Term Investments	٥٢٢	FO	2	0	(2)
Marketable Bonds	255 44,245	58 53,708	3 57,846	0 61,444	(3) 65,002
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,128	79,914	81,296	82,693
Dividend and other Income					
Dividend and other Income Canadian Equities	9,657	5,899	4,633	4,997	5,598
Global	4,218	6,020	4,710	5,022	5,595
Global LV	-	2,903	2,943	3,165	3,531
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,644	26,026	26,947	28,431
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,310	29,263	(812)	2,339
Marketable Bonds Realized Gains/(Loss)	11,782	21,758	12,463	6,041	74
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,674)	(4,366)	79	0
Global Equities Realized Gains Global LV Realized Gains	66,318	(630)	(6,541)	99	0
Real Estate (Pooled Fund)	- 16,307	(99) 5,602	(4,103) 5,847	67 6,198	6,569
Infrastructure	5,765	4,449	4,636	0,196 4,895	5,169
Total	124,596	47,716	37,199	16,566	14,152
		,	2.,,	,	,
Other Investment Fees Paid	(F 00 t)	(4.740)	(4.5(4)	(4.757)	(4.05.0
Investment Fees Paid Pension Expense	(5,204) (13,441)	(4,743)	(4,561) (14,313)	(4,757) (14,757)	(4,956)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	(13,872) 2,983	(247)	(1,285)	(15,207) (1,944)
Investment Write-Down	(0,401)	-	-	-	- (1,744,
Total	(25,105)	(15,632)	(19,121)	(20,799)	(22,107)
Total Corporate Investment Income	191,037	131,856	128,745	104,542	103,411
Total Basic Investment Income	163,817	111,938	111,651	81,824	79,744
% - Basic to Total Investment Income	85.75%	85%	87%	78%	77%
Equity Unrealized Gains/(Losses)					
Equity Unrealized Gains/(Losses) Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,882)	5,287	6,247
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,735)	7,495	8,350
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,307)	4,322	4,821
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,617)	12,782	14,598
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	<u>-</u>	=	-	-
Canadian Fixed Income MUSH	1,751.6	1,698.7	1,881.3	2,052.1	2,189.1
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	140.6 172.8	148.2 180.0	159.3 193.5	179.9 216.9
Global LV Equities	96.6	111.9	118.3	126.5	142.1
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,056.5	3,229.6	3,400.8	3,567.9
Total Basic Assets	2,380.1	2,471.8	2,572.8	2,663.4	2,752.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.6%	58.3%	60.3%	61.4%
MUSH	19.5%	17.1%	14.8%	12.7%	10.8%
Canadian Equities	4.2%	4.6%	4.6%	4.7%	5.0%
US Equities Global LV	5.7% 3.3%	5.7% 3.7%	5.6% 3.7%	5.7% 3.7%	6.1% 4.0%
Private Debt	0.0%	6.2%	6.0%	5.7%	5.4%
Private Debt Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 20h

### Adverse Scenario #6 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Foi	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,139,335	1,185,813	1,234,470
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,200,572	1,248,655	1,298,916
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,108,247	1,164,313	1,211,962
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,168,486	1,226,229	1,275,481
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,606	27,786	29,716	31,827
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,131,765	1,196,273	1,255,945	1,307,308
13	Net Claims Incurred	742,604	869,023	783.040	787,372	1,190,279	1,001,035	1,004,499	1,062,483
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,031,236	1,013,425	1,008,723	1,068,518
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,010	147,403
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,073	13,345
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,179,171	1,165,922	1,166,806	1,229,266
10	Evnanças								
19	Expenses	71,641	72 705	70 201	75.040	72 525	76,521	80,339	83,226
20	Operating Commissions	33,862	72,785 35,086	70,201 37,378	75,060 40,338	73,525 42,511	76,521 44,719	80,339 46,915	83,226 48,761
21	Premium Taxes	26,205	27,563	29,143	40,336 31,518			37,143	38,628
22	Regulatory/Appeal	3,675	4,889	4,443	4,669	33,527 4,839	35,404 4,999	5,114	5,233
23 24	Total Expenses	135,383	140,323	141,165	151,585	154,403	161,642	169,511	175,847
24	Total Expenses	133,303	140,323	141,103	131,303	134,403	101,042	107,511	175,047
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,809)	(131,292)	(80,373)	(97,806)
26	Investment Income	48,476	101,645	111,731	192,129	74,329	72,541	-	-
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,609	39,131	-	-
28	Net Investment Income	(4,038)	82,897	116,320	163,817	111,938	111,672	-	-
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(89,871)	(19,620)	-	-
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	196,652	26,741	(4,224)	(6,035)

# Appendix 20i Adverse Scenario #6 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	173,895	76,546	52,082	-
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(89,871)	(19,620)	-	-
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,607)	(7,478)	(4,844)	1,092	11,976
6	Total Retained Earnings	194,498	99,251	170,975	173,895	76,546	52,082	-	-
-	Tabel Assumed to death of Other Comments are broaden								
7	Total Accumulated Other Comprehensive Income					(==)	(=	(	
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,609)	(51,918)	-
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,498)	2,691	-	-
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	-	-
11	Total Equity Balance	231,002	181,000	210,845	121,784	21,937	164	-	
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	173,895	76,546	52,082	-	-
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	-	-
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	121,784	21,937	164	-	-
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_		_	_	
18	Total Equity Balance	231,002	181,000	210,845	121,784	21,937	164	-	
,,,	·		/000	/ 0 . 10	,,	,,,,,			

## Appendix 20j Adverse Scenario #6 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	20,578	11,656	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,337,239	2,437,659	2,563,421	-	-
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	392,697	407,989	423,985
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	14,932	18,325	11,068
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,117	63,138
14		2,683,473	2,805,484	2,916,137	2,886,874	2,986,583	3,144,389	-	-
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	611,876	638,261	665,983
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,063	2,095,291	2,174,463	2,252,768
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,964,645	3,144,226	3,268,018	3,391,754
24	Equity								
25	Retained earnings	194,499	99.251	170,975	173,895	76.546	52.082	_	
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,609)	(51,918)	-	-
27	Total Equity	231,003	181,000	210,845	121,784	21,937	164	-	-
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,886,874	2,986,583	3,144,389		

# Appendix 20k Adverse Scenario #6 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0. 7.14. 7.11	•	(01)	(02)	(03)	(04)	(05)
1	Capital Available:	0.1	70.100	(05.400)	(50.074)		
2	Capital available (from page 30.62 - capital available)	01	78,130	(25,183)	(58,971)	0	(
3	Phase-in of capital available	03	70.120	(25.103)	(50.071)	0	(
4	Total Capital Available	09	78,130	(25,183)	(58,971)	U	C
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	C
7	Phase-in of net assets available	13	0	0	0	0	C
8	Total Net Assets Available	19	0	0	0	0	C
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	105,419	109,612	113,995
12	Unpaid claims	22	191,221	207,949	220,832	229,365	237,929
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	285,880	307,368	326,251	338,977	351,92
16	Market Risk:						
17	Interest rate risk	30	948	3,595	3,608	0	C
18	Foreign exchange risk	32	13,073	13,636	13,339	0	C
19	Equity risk	34	56,477	61,101	58,968	0	C
20	Real estate risk	36	23,130	23,872	24,391	25,133	C
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	93,628	102,204	100,306	0	C
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,810	54,820	58,515	0	0
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	38,810	54,820	58,515	0	(
28	Operational risk margin	50	62,482	67,764	71,246	0	(
29	Less: Diversification credit	52	48,009	55,252	56,727	0	(
30	Total Capital (Margin) Required at Target	59	432,791	476,904	499,591	0	(
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,527	317,936	333,061	0	(
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	288,527	317,936	333,061	0	(
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(210,397)	(343,119)	(392,032)	0	C
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.08%	-7.92%	-17.71%	0.00%	0.009

# Appendix 20I Adverse Scenario #6 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag∈	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,760	278,143	232,292	231,692
7	Total _	726,240	759,725	946,806	952,678	946,254	992,655
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,149	6,981	6,988
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	(8,323)	(2,049)	8,665
13	Total Net Claims Incurred	767.240	779.170	1.031.236	1.013.425	1.008.724	1.068.517

### Appendix 20m

### Adverse Scenario #6 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					Acci	dent Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	73.88%	72.47%	73.45%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9444	0.9504	0.9608	0.9936	1.0100					
2020				0.9374	0.9478	0.9800	0.9963	1.0052				
2021					0.9573	0.9893	1.0051	1.0136	1.0155			
2022						0.9940	1.0103	1.0193	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10
2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80.65
2020				76.25%	70.69%	71.79%	78.42%	74.26%			74.10%	79.30
2021					71.41%	72.47%	79.12%	74.88%	73.59%		73.65%	78.9
2022						72.81%	79.52%	75.31%	74.04%	74.55%	74.63%	80.10
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,168,486	1,226,229	1,275,481		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.08%	8.03%	7.98%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.69%	2.68%	2.66%		
Selected					3.16%	2.99%	2.87%	2.72%	2.69%	2.67%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium								E(0.704	F0/ 1F0	609,595		
Equity in Unearned Premium     Net Unearned Premium					468,613	506,193	531,648	563,734	586,159			
	e				468,613 5,598	506,193 5,710	531,648 5,824	5,941	6,059	6,059		
Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsurance												
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 0. Expected Claims (Including Ext Adj Expenses) [((8) - (9)):					5,598	5,710	5,824	5,941	6,059	6,059		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD					5,598 383,468	5,710	5,824	5,941	6,059	6,059		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a]					5,598 383,468 10	5,710 390,881	5,824 424,094	5,941 442,358 -	6,059 457,979 -	6,059 483,452		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				5,598 383,468 10 13,837	5,710 390,881 14,989	5,824 424,094 15,082	5,941 442,358 - 15,160	6,059 457,979 - 15,577	6,059 483,452 - 16,110		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	x (3)]				5,598 383,468 10 13,837 70,595	5,710 390,881 - 14,989 71,922	5,824 424,094 - 15,082 78,033	5,941 442,358 - 15,160 81,394	6,059 457,979 - 15,577 84,268	6,059 483,452 - 16,110 88,955 3,950 11,068		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc. 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				5,598 383,468 10 13,837 70,595 3,950	5,710 390,881 14,989 71,922 3,950	5,824 424,094 15,082 78,033 3,950	5,941 442,358 - 15,160 81,394 3,950	6,059 457,979 - 15,577 84,268 3,950	6,059 483,452 - 16,110 88,955 3,950		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845)	5,710 390,881 14,989 71,922 3,950 18,742	5,824 424,094 15,082 78,033 3,950 4,665	5,941 442,358 - 15,160 81,394 3,950 14,932	6,059 457,979 - 15,577 84,268 3,950 18,325	6,059 483,452 - 16,110 88,955 3,950 11,068		
8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	5,710 390,881 14,989 71,922 3,950 18,742 29,489	5,824 424,094 15,082 78,033 3,950 4,665 31,018	5,941 442,358 - 15,160 81,394 3,950 14,932 32,962	6,059 457,979 - 15,577 84,268 3,950 18,325 34,307	6,059 483,452 - 16,110 88,955 3,950 11,068 35,714		
9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)): 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	5,710 390,881 14,989 71,922 3,950 18,742 29,489 10,747	5,824 424,094 15,082 78,033 3,950 4,665 31,018 26,353	5,941 442,358 - 15,160 81,394 3,950 14,932 32,962 18,030	6,059 457,979 15,577 84,268 3,950 18,325 34,307 15,981	6,059 483,452 - 16,110 88,955 3,950 11,068 35,714 24,646		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 20n Adverse Scenario #6 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	58	4	0	-
Marketable Bonds	44,245	53,708	57,911	61,710	-
MUSH	26,759	24,361	22,065	19,852	-
Total	71,259	78,128	79,980	81,561	-
Dividend and other Income					
Canadian Equities	9,657	5,899	4,662	5,130	_
Global	4,218	6,020	4,735	5,140	_
Global LV	-	2,903	2,963	3,253	_
Private Debt	-	3,761	10,045	10,061	_
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	-
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,644	26,100	27,285	-
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	19,310	29,331		
Marketable Bonds Realized Gains/(Loss)	11,782	21,758	12,396	-	-
MUSH	11,702	21,750	12,370	_	_
Canadian Equities Realized Gains	69,223	(2,674)	(4,366)	_	-
Global Equities Realized Gains	66,318	(630)	(6,541)	-	-
Global LV Realized Gains	-	(99)	(4,103)	-	_
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	-
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	47,716	37,199		
4 Other					
Investment Fees Paid	(5,204)	(4,743)	(4,569)	(4,792)	
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,983	(254)	(14,757)	(13,207
Investment Write-Down	-	-	-	_	_
Total	(25,105)	(15,632)	(19,136)	-	-
Total Corporate Investment Income	191,037	131,856	128,868	-	-
Total Basic Investment Income	163,817	111,938	111,672		
2 % - Basic to Total Investment Income	85.75%	85%	87%	#DIV/0!	#DIV/0!
Equity Unrealized Gains/(Losses)		(= -==)	()		
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,882)	5,427	-
US Equities Unrealized Gains/(Losses) Global LV Unrealized Gains/(Losses)	7,537	(3,436)	(3,735)	7,671	-
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	19,651	(1,895) (6,594)	(2,307) (7,617)	4,442 13,098	-
Total corporate officialized dams/(Losses)	19,001	(0,394)	(7,017)	13,098	<u>-</u>
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,698.7	1,888.3	-	-
1 MUSH	569.3	522.8	477.0	432.3	-
Canadian Equities Global Equities	123.3	140.6	150.4	<u> </u>	=
Global Equities Global LV Equities	166.7	172.8	182.4	-	-
Private Debt	96.6	111.9 188.8	120.1 193.5	-	194.3
Real Estate	133.6	138.1	143.9	194.0 150.8	194.3
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	- 97.5
Total Ending Asset Values	2,919.4	3,056.5	3,243.1	-	-
Total Basic Assets					
Total Dasic Assets	2,380.1	2,471.8	2,588.6	-	-
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.6%	58.2%	0.0%	0.0%
MUSH	19.5%	17.1%	14.7%	0.0%	0.0%
Canadian Equities	4.2%	4.6%	4.6%	0.0%	0.0%
US Equities	5.7%	5.7%	5.6%	0.0%	0.0%
Global LV	3.3%	3.7%	3.7%	0.0%	0.0%
Private Debt Real Estate	0.0% 4.6%	6.2% 4.5%	6.0% 4.4%	0.0% 0.0%	0.0% 0.0%
	4.6% 2.7%	4.5% 2.7%	4.4% 2.7%	0.0%	0.0%
Infrastructure & Venture Capital	100.0%	100.0%	100.0%	0.070	0.070

# Appendix 21a Updated Base Scenario #7 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
PAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,284
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,875
Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,160
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,873
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,904)
Investment Income	48,476	101,645	111,731	192,209	84,813	88,268	91,549	94,615
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	4
Net Investment Income	(4,038)	82,897	116,320	171,428	84,823	88,271	91,551	94,619
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,243)	(10,116)	(8,827)	(8,871)

# Appendix 21b Updated Base Scenario #7 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	311,386	308,594	288,633
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	10,675
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
11	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
12	Total Equity								
13	Rate Stabilization Reserve								
		104 400	00.051	170.075	214.040	211 207	200 504	200 /22	257.240
14	Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
	• • • • • • • • • • • • • • • • • • • •	- ,		-,					

## Appendix 21c Updated Base Scenario #7 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	48,628	40,072	25,785	-
l	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,576,553	2,682,810	2,793,177	2,902,041
i	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
5	Due from other insurance companies	25	16	2	-	-	-	-	
,	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
3	Prepaid expenses	-	-	-	-	-	-	-	-
)	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
4		2,683,473	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610
15	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,215	390,308	406,707
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,840	1,980,340	2,055,792	2,129,627
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,891,266	3,012,531	3,132,065	3,250,745
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	311,386	308,594	288,633	256,348
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
27	Total Equity	231,003	181,000	210,845	261,938	267,209	273,608	263,475	241,865
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610

# Appendix 21d Updated Base Scenario #7 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	218,283	220,092	214,441	202,295	178,654
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	220,092	214,441	202,295	178,654
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	4,798	20,574	24,537	29,049	33,491
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,324
19	Equity risk	34	69,145	67,268	71,795	76,632	81,846
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	129,963	140,153	151,502	165,651
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,566	62,857	64,325	65,427
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,566	62,857	64,325	65,427
28	Operational risk margin	50	64,469	69,550	72,817	76,119	79,686
29	Less: Diversification credit	52	53,525	62,120	65,633	69,182	73,190
30	Total Capital (Margin) Required at Target	59	452,643	496,833	521,587	546,482	573,686
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	331,222	347,724	364,321	382,457
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	331,222	347,724	364,321	382,457
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(111,130)	(133,283)	(162,026)	(203,803
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	66.45%	61.67%	55.53%	46.719

# Appendix 21e Updated Base Scenario #7 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,504	220,930	222,334	224,958
	_						
7	Total	726,240	767,976	844,425	890,928	936,300	985,903
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,684
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767.240	789.235	909.702	948.756	1.005.018	1.061.159

### Appendix 21f

### Updated Base Scenario #7 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
- ·						dent Year					Selected	Sele
1 Ultimate Less Datis Total All Coverage	2013	2014	2015 81.77%	2016	2017 74.59%	2018	2019 72.90%	2020	2021	2022 75.78%	Undisc	
Ultimate Loss Ratio - Total All Coverage     Trans/Date Adjustment for Figure Vege	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	12.90%	73.83%	74.76%	75.78%		
Trend/Rate Adjustment for Fiscal Year     2017	0.9142	0.9259	0.9555	0.0407	0.9888							
2017	0.9142	0.9259	0.9384	0.9697 0.9464	0.9888	0.9937						
		0.9151	0.9384				1 0121					
2019			0.9395	0.9490	0.9630	0.9995	1.0131	1 0115				
2020				0.9491	0.9635	1.0004	1.0144	1.0115	1.0122			
2021					0.9734	1.0091	1.0215	1.0169	1.0132	1.0124		
2022						1.0153	1.0273	1.0222	1.0180	1.0134		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]	75.0707	(7.000/	70.400/	70.000/	70 7/0/						75.050/	
2017	75.96%	67.39%	78.12%	78.88%	73.76%	70 700/					75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79
2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78
2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79
2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) :	x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,224	18,619	15,485	8,485		
15. Equity in Orieanieu Fremium ((6) - Sum((7) to (14)))					32,055	29,489	30,624	31,896	33,197	34,560		
					32,055	11,179	17,401	13,277	17,712	26,075		
16. Carried Deferred Policy Acquisition Expenses					32,000	,						
16. Carried Deferred Policy Acquisition Expenses					2,363	(20,876)	6,222	(4,124)	4,436	8,363		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]												

### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 21g Updated Base Scenario #7 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	92	(0)	0	(0
Marketable Bonds	44,259	55,084	61,815	67,258	72,896
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,537	83,880	87,109	90,589
Dividend and other Income					
Canadian Equities	9,657	5,685	4,544	5,164	5,608
Global	4,218	5,969	4,878	5,490	5,877
Global LV	-	2,886	3,212	3,617	3,885
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,423	26,514	28,151	29,174
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(746)	(758)	(76
Marketable Bonds Realized Gains/(Loss)	13,969	29,711	746	758	765
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,651	0	0	787
Global Equities Realized Gains	66,318	3,747	0	0	93
Global LV Realized Gains	-	457	-	-	817
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,900	10,475	11,085	14,268
Other					
Investment Fees Paid	(5,203)	(4,720)	(4,586)	(4,851)	(5,035
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,441	4,577	4,653	4,672
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(14,151)	(14,322)	(14,955)	(15,570
Total Corporate Investment Income	199,910	103,709	106,547	111,390	118,461
Total Basic Investment Income	171,428	84,823	88,271	91,551	94,619
% - Basic to Total Investment Income	85.75%	82%	83%	82%	809
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,736	4,808	5,464	6,259
US Equities Unrealized Gains/(Losses)	7,537	9,306	7,279	8,193	8,770
Global LV Unrealized Gains/(Losses)	-	4,199	4,385	4,938	5,305
Total Corporate Unrealized Gains/(Losses)	19,651	16,042	12,087	13,657	15,030
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	_
Canadian Fixed Income	1,760.8	1,738.7	1,886.0	2,034.0	2,186.5
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	128.7	146.9	165.9	181.2
Global Equities	166.6	168.1	189.8	212.6	231.
Global LV Equities	96.5	114.7	129.6	145.2	156.
Private Debt	-	188.7	188.7	188.7	188.
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.5	3,249.2	3,421.5	3,589.7
Total Basic Assets	2,530.3	2,638.7	2,736.4	2,832.7	2,917.3
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.9%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Canadian Equities	4.2%	4.2%	4.5%	4.8%	5.0%
US Equities	5.7% 3.3%	5.5% 3.7%	5.8% 4.0%	6.2%	6.5%
Global LV Private Debt	3.3% 0.0%	3.7% 6.1%	4.0% 5.8%	4.2% 5.5%	4.4% 5.3%
Real Estate	4.6%	4.5%	4.4%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
Total	100.0%	100.0%	100.0%	100.0%	100.09

# Appendix 22a Modified Base Scenario #7 Statement of Operations

vehicles rs surance Ceded et Premiums Written  miums Earned vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues  ims Incurred aims Incurred laims Incurred as Expense Safety/Loss Prevention laims Costs	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832 1,063,240  824,140 (34,905) 789,235	1,058,533 70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254 909,702	2021P  1,102,480 72,885 (11,648) 1,163,716  1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480  938,637 10,118 948,755	1,147,465 74,723 (11,881) 1,210,307  1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525  996,190 8,829 1,005,019	1,194,559 76,565 (12,119 1,259,005  1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,288 8,957 1,061,246
rs surance Ceded et Premiums Written  miums Earned  Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred aims Incurred ais Expense Safety/Loss Prevention	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,288 8,957
surance Ceded et Premiums Written  miums Earned Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred aims Incurred sis Expense Safety/Loss Prevention	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,288 8,957
et Premiums Written  miums Earned  Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred laims Incurred as Expense Safety/Loss Prevention	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404 118,614	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	(11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	(11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	(11,881) 1,210,307  1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525  996,190 8,829	1,172,774 75,638 (12,119 1,236,293 30,993 1,267,288 8,957
miums Earned Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred - Interest Rate Impact laims Incurred us Expense Safety/Loss Prevention	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	1,172,77 <sup>2</sup> 75,638 (12,119 1,236,293 30,993 1,267,288 1,052,288 8,957
vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred aims Incurred sis Expense Safety/Loss Prevention	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200) <b>666,404</b>	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	75,638 (12,119 1,236,293 30,993 1,267,285 1,052,288 8,957
rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred laims Incurred sis Expense Safety/Loss Prevention	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200) <b>666,404</b>	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	69,896 (11,420) 1,098,851 25,362 1,124,213 902,448 7,254	71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,118	73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	75,638 (12,119 1,236,293 30,993 1,267,288 1,052,288 8,957
surance Ceded  et Premiums Earned  ce Fees & Other Revenues  arned Revenues  ims Incurred  aims Incurred - Interest Rate Impact  laims Incurred  as Expense  Safety/Loss Prevention	(12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	(11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	(11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	(11,196) 1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	(11,420) 1,098,851 25,362 1,124,213 902,448 7,254	(11,648) 1,142,389 27,091 1,169,480 938,637 10,118	(11,881) 1,188,572 28,953 1,217,525 996,190 8,829	(12,119 1,236,293 30,993 1,267,283 1,052,283 8,95
et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred - Interest Rate Impact laims Incurred as Expense Safety/Loss Prevention	861,066 20,351 881,417 742,604 (76,200) 666,404	907,144 20,749 927,893 869,023 (8,988) 860,035	960,142 22,849 982,992 783,040 (15,801) 767,239	1,039,407 23,832 1,063,240 824,140 (34,905) 789,235	1,098,851 25,362 1,124,213 902,448 7,254	1,142,389 27,091 1,169,480 938,637 10,118	1,188,572 28,953 1,217,525 996,190 8,829	1,236,29 30,99 1,267,28 1,052,28 8,95
ce Fees & Other Revenues arned Revenues ims Incurred aims Incurred - Interest Rate Impact laims Incurred as Expense Safety/Loss Prevention	20,351 881,417 742,604 (76,200) 666,404	20,749 927,893 869,023 (8,988) 860,035	22,849 982,992 783,040 (15,801) 767,239	23,832 1,063,240 824,140 (34,905) 789,235	25,362 1,124,213 902,448 7,254	27,091 1,169,480 938,637 10,118	28,953 1,217,525 996,190 8,829	30,993 1,267,285 1,052,288 8,955
ims Incurred aims Incurred - Interest Rate Impact laims Incurred  s Expense Safety/Loss Prevention	881,417 742,604 (76,200) 666,404	927,893 869,023 (8,988) 860,035	982,992 783,040 (15,801) 767,239	1,063,240 824,140 (34,905) 789,235	1,124,213 902,448 7,254	938,637 10,118	1,217,525 996,190 8,829	1,267,28 1,052,28 8,95
ims Incurred aims Incurred - Interest Rate Impact laims Incurred  s Expense Safety/Loss Prevention	742,604 (76,200) <b>666,404</b> 118,614	869,023 (8,988) 860,035	783,040 (15,801) 767,239	824,140 (34,905) 789,235	902,448 7,254	938,637 10,118	996,190 8,829	1,052,28 8,95
aims Incurred - Interest Rate Impact laims Incurred  s Expense Safety/Loss Prevention	(76,200) 666,404 118,614	(8,988) <b>860,035</b> 120,972	(15,801) <b>767,239</b>	(34,905) <b>789,235</b>	7,254	10,118	8,829	8,95
Is Expense Safety/Loss Prevention	666,404 118,614	860,035 120,972	767,239	789,235				
is Expense Safety/Loss Prevention	118,614	120,972			909,702	948,755	1,005,019	1,061,24
Safety/Loss Prevention			143,337	407440				
-	13.027			137,168	135,301	139,131	144,246	146,70
laime Coete		12,530	13,146	13,606	12,680	12,809	12,994	13,27
-	798,045	993,537	923,722	940,009	1,057,683	1,100,695	1,162,259	1,221,22
es								
ating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,87
missions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
ium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
latory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
xpenses _	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,04
riting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,061)	(111,512)	(126,99
nent Income	48,476	101,645	111,731	192,209	84,125	87,560	90,814	93,84
vestment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	
estment Income	(4,038)	82,897	116,320	171,428	84,134	87,562	90,816	93,85
ome (Loss)	(56,049)	(123,071)	34,424	143,074	(3,352)	(3,499)	(20,696)	(33,13
ne:	ent Income estment Income - Interest Rate Impact stment Income	ent Income 48,476 estment Income - Interest Rate Impact (52,515) stment Income (4,038)	ent Income 48,476 101,645 estment Income - Interest Rate Impact (52,515) (18,748) stment Income (4,038) 82,897	ent Income 48,476 101,645 111,731 estment Income - Interest Rate Impact (52,515) (18,748) 4,589 stment Income (4,038) 82,897 116,320	ent Income 48,476 101,645 111,731 192,209 estment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) stment Income (4,038) 82,897 116,320 171,428	ent Income 48,476 101,645 111,731 192,209 84,125 estment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) 10 stment Income (4,038) 82,897 116,320 171,428 84,134	ent Income 48,476 101,645 111,731 192,209 84,125 87,560 estment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) 10 3 stment Income (4,038) 82,897 116,320 171,428 84,134 87,562	ent Income 48,476 101,645 111,731 192,209 84,125 87,560 90,814 estment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) 10 3 2 stment Income (4,038) 82,897 116,320 171,428 84,134 87,562 90,816

# Appendix 22b Modified Base Scenario #7 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	295,458	310,508	324,513	327,944
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(3,352)	(3,499)	(20,696)	(33,138)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(18,591)	18,402	17,504	24,128	36,763
6	Total Retained Earnings	194,498	99,251	170,975	295,458	310,508	324,513	327,944	331,569
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,412)	(35,487)	(25,945)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,699	8,924	9,543	10,365
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,412)	(35,487)	(25,945)	(15,580)
11	Total Equity Balance	231,002	181,000	210,845	243,347	266,096	289,026	302,000	315,990
	-								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	295,458	310,508	324,513	327,944	331,569
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,412)	(35,487)	(25,945)	(15,580)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	243,347	266,096	289,026	302,000	315,990
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	243,347	266,096	289,026	302,000	315,990
10		201,002	101,000	210,010	2 10,017	200,070	207,020	302,000	010,770

### Appendix 22c Modified Base Scenario #7 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	66,967	75,897	85,739	94,066
4	Equity investments	2,083,349	2,189,534	2,272,545	2,469,035	2,557,102	2,662,402	2,771,749	2,882,188
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,481
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
14		2,683,473	2,805,484	2,916,137	3,018,070	3,157,363	3,301,556	3,434,065	3,566,818
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,215	390,309	406,708
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,340	2,055,792	2,129,709
23		2,452,472	2,624,484	2,705,292	2,774,723	2,891,267	3,012,531	3,132,065	3,250,829
24	Equity								
25	Retained earnings	194.499	99,251	170,975	295,458	310,508	324,513	327,944	331,569
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,412)	(35,487)	(25,945)	(15,580)
27	Total Equity	231,003	181,000	210,845	243,347	266,096	289,026	302,000	315,990
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,018,070	3,157,363	3,301,556	3,434,065	3,566,818

### Appendix 22d Modified Base Scenario #7 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	199,692	218,979	229,858	240,820	252,779
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	199,692	218,979	229,858	240,820	252,779
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,578
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,120
16	Market Risk:						
17	Interest rate risk	30	3,833	19,504	23,424	27,890	32,269
18	Foreign exchange risk	32	15,272	14,911	15,889	16,932	19,867
19	Equity risk	34	67,471	65,514	69,922	74,630	79,706
20	Real estate risk	36	25,574	26,464	27,139	28,045	29,520
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	112,150	126,393	136,374	147,497	161,362
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,290	59,956	62,242	63,705	64,802
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,290	59,956	62,242	63,705	64,802
28	Operational risk margin	50	64,179	69,195	72,444	75,726	79,269
29	Less: Diversification credit	52	52,728	61,258	64,743	68,262	72,238
30	Total Capital (Margin) Required at Target	59	449,737	493,160	517,710	542,384	569,315
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,825	328,773	345,140	361,589	379,543
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,825	328,773	345,140	361,589	379,543
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,133)	(109,794)	(115,282)	(120,769)	(126,764
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.60%	66.60%	66.60%	66.60%	66.60%

### Appendix 22e

### Modified Base Scenario #7 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
'	Cidinis incurred perore i mandiar i rovisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,762
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,778
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,505	220,929	222,334	225,028
	_						
7	Total	726,240	767,976	844,425	890,928	936,300	985,973
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,696
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,367
13	Total Net Claims Incurred	767,240	789.235	909.702	948.755	1.005.018	1.061.246

### Appendix 22f

### Modified Base Scenario #7 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.90%	73.83%	74.76%	75.78%	Ondiso	5.50
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9395	0.9490	0.9630	0.9995	1.0131					
9	2020				0.9491	0.9635	1.0004	1.0144	1.0115				
10	2021					0.9734	1.0091	1.0215	1.0169	1.0132			
11	2022						1.0153	1.0273	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79.249
16	2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78.619
17	2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79.229
18	2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80.35%
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,663	425,072	445,502	470,102		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,499		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,224	18,619	15,485	8,481		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	17,401	13,277	17,712	26,079		
37						2,363	(20,876)	6,222	(4,124)	4,436	8,367		
	Change					-,							
37 38 39	Change 18. Premium Deficiency [c]					8,845	-	-	-	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 22g Modified Base Scenario #7 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.			orecasted		
nterest Income During Period Cash/Short Term Investments	٥٣٦	0.7	(0)	0	(0)
2 Cash/Short Term Investments 3 Marketable Bonds	255	87 EE 072	(0)	0 67,249	(0) 72,765
4 MUSH	44,259 26,759	55,072 24,361	61,813 22,065	67,249 19,852	17,693
5 Total	71,273	79,520	83,878	87,101	90,458
	,=	,,		,,	,
6 Dividend and other Income 7 Canadian Equities	0 / 57	E 707	4 5 4 5	E 1/0	F / 10
Global	9,657 4,218	5,707 5,975	4,545 4,879	5,168 5,493	5,610 5,947
9 Global LV	4,210	2,886	3,213	3,620	3,952
10 Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
12 Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,451	26,518	28,161	29,313
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(28,107)	(746)	(758)	(760)
Marketable Bonds Realized Gains/(Loss)	13,969	28,107	746	758	760
17 MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,675	0	0	823
Global Equities Realized Gains Global LV Realized Gains	66,318	3,755	0	0	1,082
20 Global LV Realized Gains 21 Real Estate (Pooled Fund)	- 16,307	457 5,598	- 5,842	- 6,192	995 6,564
22 Infrastructure	5,765	5,596 4,447	4,633	4,893	5,167
Total	133,380	16,932	10.475	11,085	14,631
		,	,	,	,
24 Other 25 Investment Fees Paid	(F. 000)	(4.704)	(4.507)	(4.054)	(5.040)
Investment Fees Paid Pension Expense	(5,203)	(4,721)	(4,587)	(4,851)	(5,043)
Amortization on Marketable Bonds (Prem) / Discount	(13,441) (6,386)	(13,872) 4,440	(14,313) 4,577	(14,757) 4,652	(15,207) 4,664
28 Investment Write-Down	(0,300)	-	-	-	-
29 Total	(25,030)	(14,153)	(14,323)	(14,956)	(15,586)
Total Corporate Investment Income	199,910	103,750	106,548	111,392	118,816
Total Basic Investment Income	171,428	84,134	87,562	90,816	93,853
% - Basic to Total Investment Income	85.75%	81%	82%	82%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,762	4,809	5,468	6,261
US Equities Unrealized Gains/(Losses)	7,537	9,315	7,281	8,198	8,876
Global LV Unrealized Gains/(Losses)	· -	4,199	4,387	4,942	5,396
Total Corporate Unrealized Gains/(Losses)	19,651	16,077	12,090	13,666	15,136
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
40 Canadian Fixed Income	1,760.8	1,738.6	1,885.8	2,033.5	2,211.4
41 MUSH 42 Canadian Equities	569.3	522.8	477.0	432.3	386.3
42 Canadian Equities 43 Global Equities	123.2 166.6	128.8 168.2	147.0 189.9	166.1 212.8	173.2 222.5
44 Global LV Equities	96.5	114.7	129.7	145.4	148.7
45 Private Debt	-	188.7	188.7	188.7	188.7
46 Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.5	3,249.2	3,421.6	3,589.9
49 Total Basic Assets	2,511.7	2,637.6	2,751.9	2,871.2	2,991.5
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	61.6%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Canadian Equities	4.2%	4.2%	4.5%	4.9%	4.8%
US Equities	5.7%	5.5%	5.8%	6.2%	6.2%
56 Global LV 57 Private Debt	3.3% 0.0%	3.7% 6.1%	4.0% 5.8%	4.2% 5.5%	4.1% 5.3%
57 Private Debt 58 Real Estate	4.6%	4.5%	4.4%	5.5% 4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
- P - P	100.0%	100.0%	100.0%		100.0%

# Appendix 23a Adverse Scenario #7 Statement of Operations

9	(C\$ 000s, except where noted)				r the Years End	· ·			
	DACIC	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC	054.170	007.000	055.041	1 010 201	1 050 522	1 100 400	1 147 4/5	1 104 55
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,999
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,291
	Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,125,146	995,909	1,056,325
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
	Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,137,536	1,000,133	1,062,359
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,931
	Road Safety/Loss Prevention	13,027	12,530				12,875		
	Total Claims Costs	798,045	993,537	13,146 <b>923,722</b>	13,606 <b>940,009</b>	12,680 <b>1,210,152</b>	1,290,203	13,136 1,158,895	13,400 1, <b>223,69</b> 0
	Total Ciallis Costs	770,043	773,337	723,122	740,007	1,210,132	1,270,203	1,130,073	1,223,070
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,494
	Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,671
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,833)	(130,070
		10.17/	404 / 45	444 704	400.000	47.004	/0.774	40.005	50.000
	Investment Income	48,476	101,645	111,731	192,209	67,394	63,771	60,925	58,820
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,271	103,641	(49)	(16
	Net Investment Income	(4,038)	82,897	116,320	171,428	194,664	167,411	60,876	58,804
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(45,290)	(113,481)	(47,956)	(71,265
	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,313	91,251	(4,273)	(6,051

# Appendix 23b Adverse Scenario #7 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	Determined Foundations								
1	Retained Earnings	477.040	404.400	00.054	470.075	005.450	0/05/0	470 500	440.740
2	Beginning Balance	177,818	194,498	99,251	170,975	295,458	268,569	172,592	148,763
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(45,290)	(113,481)	(47,956)	(71,265)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(18,591)	18,402	17,504	24,128	36,763
6	Total Retained Earnings	194,498	99,251	170,975	295,458	268,569	172,592	148,763	114,260
									<u>.</u>
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,341)	(51,875)	(44,032)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(229)	466	7,843	8,550
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482)
11	Total Equity Balance	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778
	-								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	295,458	268,569	172,592	148,763	114,260
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778

## Appendix 23c Adverse Scenario #7 Balance Sheet

(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Assets								
Cash and investments	29,114	61,606	72,998	28,746	60,626	29,267	29,926	35,864
Equity investments	2,083,349	2,189,534	2,272,545	2,469,035	2,665,409	2,853,047	2,928,990	3,002,524
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance companies	25	16	2	-	-	-	-	
Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
Prepaid expenses	-	-	-	-	-	-	-	
Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
	2,683,473	2,805,484	2,916,137	3,018,070	3,249,348	3,426,905	3,519,908	3,620,350
Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	144
Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,361	2,421,048
	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,177	3,541,572
Equity								
Retained earnings	194.499	99.251	170,975	295,458	268,569	172,592	148.763	114,260
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482
Total Equity	231,003	181,000	210,845	243,347	216,229	120,717	104,731	78,778
Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,018,070	3,249,348	3,426,905	3,519,908	3,620,350

### Appendix 23d Adverse Scenario #7 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	199,692	169,112	61,596	43,652	15,688
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	199,692	169,112	61,596	43,652	15,688
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,731
16	Market Risk:						
17	Interest rate risk	30	3,833	3,701	1,094	16,514	14,847
18	Foreign exchange risk	32	15,272	17,479	18,039	15,547	16,451
19	Equity risk	34	67,471	79,202	81,403	65,652	70,081
20	Real estate risk	36	25,574	26,464	27,139	28,045	29,520
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	112,150	126,846	127,675	125,758	130,899
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,290	59,491	62,250	64,346	65,822
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,290	59,491	62,250	64,346	65,822
28	Operational risk margin	50	64,179	70,399	74,315	76,402	79,368
29	Less: Diversification credit	52	52,728	62,289	65,037	65,748	68,140
30	Total Capital (Margin) Required at Target	59	449,737	507,500	541,300	553,522	574,680
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,825	338,333	360,867	369,014	383,120
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,825	338,333	360,867	369,014	383,120
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,133)	(169,221)	(299,271)	(325,362)	(367,432
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.60%	49.98%	17.07%	11.83%	4.09%

### Appendix 23e

### Adverse Scenario #7 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549.150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53.784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,488	223,695
7	Total	726,240	767,976	966,494	1,042,341	936,160	984,822
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,441	6,768
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(5)	10,559
13	Total Net Claims Incurred	767.240	789.235	1.062.170	1.137.536	1.000.133	1.062.359

### Appendix 23f

#### Adverse Scenario #7

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

A. Claims (Including External Adjustment Expense) Data						-l4 W						
-	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Select
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Ulluisc	D
Trend/Rate Adjustment for Fiscal Year	00.0770	72.7770	01.7770	01.0170	7 1.0770	70.2070	7 1.0070	77.0070	7 11.7070	70.7070		
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9434	0.9521	0.9653	1.0011	1.0138					
2020				0.9634	0.9750	1.0092	1.0200	1.0139				
2021					0.9845	1.0181	1.0282	1.0212	1.0150			
2022						1.0241	1.0344	1.0274	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.
2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.
2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.
B. Actual Data Other Than Losses												
_					Fis	cal Year						
- -	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurance</li></ol>	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,430	464,053	490,480		
11. Reinsurance PFAD					10	-	-	-	-			
12. Maintenance Expense [a]					13,837	14,989	14,951	14,921	15,549	16,168		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,327	85,386	90,248		
14. Expected Claims (Including Ext Adj Expenses) - PIPP En	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	(7,884)	(6,577)	(15,774)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	31,896	33,197	34,560		
					2,363	(20,876)	16,204	4,514	1,301	1,362		
Change												
Change 18. Premium Deficiency [c]					8,845			7,884	6,577	15,774		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 23g Adverse Scenario #7 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	112	(0)	0	(2)
Marketable Bonds	44,259	50,746	51,230	51,358	52,830
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,219	73,295	71,209	70,522
Dividend and other Income					
Canadian Equities	9,657	6,392	5,024	4,892	4,942
Global	4,218	6,699	5,459	5,320	5,466
Global LV	-	3,326	3,353	3,300	3,222
o Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
3 Total	20,287	23,035	27,064	26,797	26,887
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	89,916	87,539	(13,968)	2,355
6 Marketable Bonds Realized Gains/(Loss)	13,969	46,012	21,456	13,968	(2,355)
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	(176)	(1,350)	530	0
9 Global Equities Realized Gains	66,318	181	(121)	539	510
o Global LV Realized Gains	-	49	13	592	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,026	118,012	12,746	12,241
4 Other					
5 Investment Fees Paid	(5,203)	(4,888)	(4,781)	(4,878)	(4,953
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,332)	(12,571)	(14,700)	(14,381
8 Investment Write-Down	-	-			-
9 Total	(25,030)	(21,092)	(31,665)	(34,335)	(34,541)
Total Corporate Investment Income	199,910	223,188	197,747	76,417	75,109
1 Total Basic Investment Income	171,428	194,664	167,411	60,876	58,804
% - Basic to Total Investment Income	85.75%	87%	85%	80%	78%
3 Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,176	5,516
5 US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,940	8,157
6 Global LV Unrealized Gains/(Losses)	-	147	66	4,506	4,400
7 Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,116	13,673
Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments		_	_		
Canadian Fixed Income	1,760.8	1,783.9	1,985.9	2,215.8	2,328.0
1 MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities	123.2	150.5	165.8	141.2	157.9
3 Global Equities	166.6	197.2	214.8	191.7	204.9
4 Global LV Equities	96.5	125.8	138.6	116.0	128.8
5 Private Debt	-	188.7	199.7	199.7	199.7
6 Real Estate	133.5	138.0	143.9	150.7	161.7
7 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.1	3,539.6	3,664.7
9 Total Basic Assets	2,511.7	2,739.6	2,895.9	2,972.7	3,053.6
Ending Rebalanced Allocations (%)					
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	55.9%	58.2%	62.6%	63.5%
3 MUSH	19.4%	16.4%	14.0%	12.2%	10.5%
4 Canadian Equities	4.2%	4.7%	4.9%	4.0%	4.3%
5 US Equities	5.7% 3.3%	6.2% 3.9%	6.3%	5.4%	5.6% 3.5%
6 Global LV 7 Private Debt	3.3% 0.0%	3.9% 5.9%	4.1% 5.9%	3.3% 5.6%	3.5% 5.4%
7 Private Debt 8 Real Estate	4.6%	4.3%	4.2%	4.3%	5.4% 4.4%
9 Infrastructure & Venture Capital	2.7%	2.6%	2.6%	2.6%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 23h

### Adverse Scenario #3 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,999
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,291
13	Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,125,146	995,909	1,056,325
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,137,536	1,000,133	1,062,359
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,931
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,400
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,290,203	1,158,895	1,223,690
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,494
21	Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
22	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,671
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,833)	(130,070)
26	Investment Income	48.476	101,645	111,731	192,209	67,394	63,771	60,925	58.820
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,271	103,641	(49)	(16)
28	Net Investment Income	(4,038)	82,897	116,320	171,428	194,664	167,411	60,876	58,804
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(45,290)	(113,481)	(47,956)	(71,265)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,313	91,251	(4,273)	(6,051)

# Appendix 23i Adverse Scenario #3 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	295,458	268,569	172,592	148,763
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(45,290)	(113,481)	(47,956)	(71,265)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(18,591)	18,402	17,504	24,128	36,763
6	Total Retained Earnings	194,498	99,251	170,975	295,458	268,569	172,592	148,763	114,260
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,341)	(51,875)	(44,032)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(229)	466	7,843	8,550
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482)
11	Total Equity Balance	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778
	T.15. 9								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	295,458	268,569	172,592	148,763	114,260
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778
17	Retained Earnings in excess of Rate Stabilization Reserve		_					_	
18	Total Equity Balance	231,002	181,000	210,845	243,347	216,229	120,717	104,731	78,778
10	Total Equity Dalance	231,002	101,000	210,043	273,347	210,227	120,717	104,731	70,770

### Appendix 23j Adverse Scenario #3 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	60,626	29,267	29,926	35,864
4	Equity investments	2,083,349	2,189,534	2,272,545	2,469,035	2,665,409	2,853,047	2,928,990	3,002,524
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	3,018,070	3,249,348	3,426,905	3,519,908	3,620,350
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,361	2,421,048
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,177	3,541,572
24	Equity								
25	Retained earnings	194.499	99.251	170,975	295,458	268.569	172.592	148.763	114,260
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,341)	(51,875)	(44,032)	(35,482)
27	Total Equity	231,003	181,000	210,845	243,347	216,229	120,717	104,731	78,778
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,018,070	3,249,348	3,426,905	3,519,908	3,620,350

# Appendix 23k Adverse Scenario #3 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0. 7.14. 7.11	,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:		400 (00	410.440	/4 50/	40.450	45 (00
2	Capital available (from page 30.62 - capital available)	01	199,692	169,112	61,596	43,652	15,688
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	199,692	169,112	61,596	43,652	15,688
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	C
7	Phase-in of net assets available	13	0	0	0	0	C
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Marqin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,73
16	Market Risk:						
17	Interest rate risk	30	3,833	3,701	1,094	16,514	14,847
18	Foreign exchange risk	32	15,272	17,479	18,039	15,547	16,451
19	Equity risk	34	67,471	79,202	81,403	65,652	70,081
20	Real estate risk	36	25,574	26,464	27,139	28,045	29,520
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	112,150	126,846	127,675	125,758	130,899
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,290	59,491	62,250	64,346	65,822
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	39,290	59,491	62,250	64,346	65,822
28	Operational risk margin	50	64,179	70,399	74,315	76,402	79,368
29	Less: Diversification credit	52	52,728	62,289	65,037	65,748	68,140
30	Total Capital (Margin) Required at Target	59	449,737	507,500	541,300	553,522	574,680
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,825	338,333	360,867	369,014	383,120
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	299,825	338,333	360,867	369,014	383,12
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,133)	(169,221)	(299,271)	(325,362)	(367,432
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.60%	49.98%	17.07%	11.83%	4.09%

### Appendix 23I Adverse Scenario #3 with Management Action

**Net Claims Incurred Summary** 

Line No.	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Ciainis incurred before i manciai Provisions						
2	Collision	415,906	438,827	471,179	549,150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damag∈	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,488	223,695
7	Total	726,240	767,976	966,494	1,042,341	936,160	984,822
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,441	6,768
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(5)	10,559
13	Total Net Claims Incurred	767.240	789.235	1.062.170	1.137.536	1.000.133	1.062.359

### Appendix 23m

### Adverse Scenario #3 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A a a !	dout Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Olidisc	DIS
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9434	0.9521	0.9653	1.0011	1.0138					
2020				0.9634	0.9750	1.0092	1.0200	1.0139				
2021					0.9845	1.0181	1.0282	1.0212	1.0150			
2022						1.0241	1.0344	1.0274	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.86
2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.74
2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.52
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83
. Actual Data Other Than Losses												
						cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance					5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	391,245	420,094	447,430	464,053	490,480		
1 Deineuronee DEAD					10		-	-				
					13,837	14,989	14,951	14,921	15,549	16,168		
12. Maintenance Expense [a]					70,595	71,989	77,297	82,327	85,386	90,248		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]							3,950	3,950	3,950	3,950		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En	hancement				3,950	3,950						
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement				(8,845)	18,310	3,242	(7,884)	(6,577)	(15,774)		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	hancement				(8,845) 32,055	18,310 29,489	3,242 30,624	(7,884) 31,896	(6,577) 33,197	34,560		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	hancement				(8,845) 32,055 32,055	18,310 29,489 11,179	3,242 30,624 27,382	(7,884) 31,896 31,896	(6,577) 33,197 33,197	34,560 34,560		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				(8,845) 32,055 32,055 2,363	18,310 29,489	3,242 30,624	(7,884) 31,896 31,896 4,514	(6,577) 33,197 33,197 1,301	34,560 34,560 1,362		
<ol> <li>Reinsurance PFAD</li> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]         Change     </li> <li>Premium Deficiency [c]         Change     </li> </ol>	hancement				(8,845) 32,055 32,055	18,310 29,489 11,179	3,242 30,624 27,382	(7,884) 31,896 31,896	(6,577) 33,197 33,197	34,560 34,560		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 23n Adverse Scenario #3 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ie No.			I OTECASIEU		
Interest Income During Period Cash/Short Term Investments	055	440	(0)	0	(0)
Marketable Bonds	255	112	(0)	0	(2
MUSH	44,259	50,746	51,230	51,358	52,830
Total	26,759 <b>71.273</b>	24,361 <b>75,219</b>	22,065 <b>73,295</b>	19,852 <b>71,209</b>	17,693 <b>70,522</b>
	71,270	70,217	70,270	71,207	10,022
Dividend and other Income					
Canadian Equities	9,657	6,392	5,024	4,892	4,942
Global	4,218	6,699	5,459	5,320	5,466
Global LV	-	3,326	3,353	3,300	3,222
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,035	27,064	26,797	26,887
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	89,916	87,539	(13,968)	2,355
Marketable Bonds Realized Gains/(Loss)	13,969	46,012	21,456	13,968	(2,355
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(176)	(1,350)	530	0
Global Equities Realized Gains	66,318	181	(121)	539	510
Global LV Realized Gains	-	49	13	592	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,026	118,012	12,746	12,241
Other					
Investment Fees Paid	(5,203)	(4,888)	(4,781)	(4,878)	(4,953
Pension Expense	(5,203)	(13,872)	(4,781)	(4,878) (14,757)	(4,953
Amortization on Marketable Bonds (Prem) / Discount	(6,386)		(12,571)	(14,700)	(14,381
Investment Write-Down	(0,380)	(2,332)	(12,571)	(14,700)	(14,381
Total	(25,030)	(21,092)	(31,665)	(34,335)	(34,541)
Total Corporate Investment Income	199,910	223,188	197,747	76,417	75,109
Tatal Danie Incomenturant Income	·		·		
Total Basic Investment Income % - Basic to Total Investment Income	171,428 85.75%	<u>194,664</u> 87%	167,411 85%	60,876 80%	58,804 78%
	03.7370	0770	0370	0070	7070
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,176	5,516
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,940	8,157
Global LV Unrealized Gains/(Losses)	-	147	66	4,506	4,400
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,116	13,673
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	_	_	_	_	_
Canadian Fixed Income	1,760.8	1,783.9	1,985.9	2,215.8	2,328.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	150.5	165.8	141.2	157.9
Global Equities	166.6	197.2	214.8	191.7	204.9
				.,	
•				116.0	128 8
Global LV Equities Private Debt	96.5 -	125.8	138.6	116.0 199.7	
Global LV Equities	96.5 -	125.8 188.7	138.6 199.7	199.7	199.7
Global LV Equities Private Debt		125.8	138.6		199.7 161.7
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital	96.5 - 133.5	125.8 188.7 138.0	138.6 199.7 143.9	199.7 150.7	199.7 161.7 97.4
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values	96.5 - 133.5 78.3	125.8 188.7 138.0 82.7	138.6 199.7 143.9 87.4	199.7 150.7 92.3	199.7 161.7 97.4 <b>3,664.7</b>
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets	96.5 - 133.5 78.3 <b>2,928.3</b>	125.8 188.7 138.0 82.7 3,189.6	138.6 199.7 143.9 87.4 3,413.1	199.7 150.7 92.3 3,539.6	199.7 161.7 97.4 <b>3,664.7</b>
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%)	96.5 - 133.5 78.3 2,928.3 2,511.7	125.8 188.7 138.0 82.7 3,189.6	138.6 199.7 143.9 87.4 3,413.1 2,895.9	199.7 150.7 92.3 3,539.6 2,972.7	199.7 161.7 97.4 3,664.7 3,053.6
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments	96.5 - 133.5 78.3 2,928.3 2,511.7	125.8 188.7 138.0 82.7 3,189.6 2,739.6	138.6 199.7 143.9 87.4 3,413.1 2,895.9	199.7 150.7 92.3 3,539.6 2,972.7	199.7 161.7 97.4 3,664.7 3,053.6
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital  Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income	96.5 - 133.5 78.3 2,928.3 2,511.7	125.8 188.7 138.0 82.7 3,189.6 2,739.6	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2%	199.7 150.7 92.3 3,539.6 2,972.7	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital  Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH	96.5 133.5 78.3 2,928.3 2,511.7 0.0% 60.1% 19.4%	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2%	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5% 10.5%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital  Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH Canadian Equities	96.5 133.5 78.3 2,928.3 2,511.7 0.0% 60.1% 19.4% 4.2%	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4% 4.7%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0% 4.9%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2% 4.0%	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5% 10.5% 4.3%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital  Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH Canadian Equities US Equities	96.5 133.5 78.3 2,928.3 2,511.7 0.0% 60.1% 19.4% 4.2% 5.7%	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4% 4.7% 6.2%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0% 4.9% 6.3%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2% 4.0% 5.4%	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5% 10.5% 4.3% 5.6%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH Canadian Equities US Equities Global LV	96.5 	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4% 4.7% 6.2% 3.9%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0% 4.9% 6.3% 4.1%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2% 4.0% 5.4% 3.3%	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5% 10.5% 4.3% 5.6% 3.5%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH Canadian Equities US Equities Global LV Private Debt	96.5	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4% 4.7% 6.2% 3.9% 5.9%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0% 4.9% 6.3% 4.1% 5.9%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2% 4.0% 5.4% 3.3% 5.6%	199.7 161.7 97.4 3,664.7 3,053.6 0.0% 63.5% 10.5% 4.3% 5.6% 3.5% 5.4%
Global LV Equities Private Debt Real Estate Infrastructure & Venture Capital Total Ending Asset Values  Total Basic Assets  Ending Rebalanced Allocations (%) Cash/Short Term Investments Canadian Fixed Income MUSH Canadian Equities US Equities Global LV	96.5 	125.8 188.7 138.0 82.7 3,189.6 2,739.6 0.0% 55.9% 16.4% 4.7% 6.2% 3.9%	138.6 199.7 143.9 87.4 3,413.1 2,895.9 0.0% 58.2% 14.0% 4.9% 6.3% 4.1%	199.7 150.7 92.3 3,539.6 2,972.7 0.0% 62.6% 12.2% 4.0% 5.4% 3.3%	63.5% 10.5% 4.3% 5.6% 3.5%

### Appendix 24a Updated Base Scenario #8 Statement of Operations

•	2016A	2017A	2018A	2019P	2020P	2021P	2022P	
								20231
	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
ded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
ns Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
rned								
	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
ded _	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
ns Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
Other Revenues	20,351	20,749	22,849	23,832	25,710	27,471	29,370	31,448
enues <u> </u>	881,417	927,893	982,992	1,063,240	1,135,001	1,189,716	1,238,607	1,289,24
ed	742,604	869,023	783,040	824,140	893,862	938,472	995,774	1,051,883
ed - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,254	10,209	8,816	8,31
rred _	666,404	860,035	767,239	789,235	901,117	948,682	1,004,589	1,060,19
	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,66
s Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
s <u>-</u>	798,045	993,537	923,722	940,009	1,049,098	1,100,576	1,161,783	1,220,12
	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,85
	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,18
	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,09
al _	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
-	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,37
me (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,694)	(71,923)	(91,223)	(105,25
e	48,476	101,645	111,731	192,209	84,839	88,379	91,783	94,74
come - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	3	Ę
come	(4,038)	82,897	116,320	171,428	84,851	88,384	91,786	94,75
- -	(56,049)	(123,071)	34,424	143,074	16,157	16,460	563	(10,50
come	Interest Rate Impact	(4,038)	(4,038) 82,897	(4,038) 82,897 116,320	(4,038) 82,897 116,320 171,428	(4,038) 82,897 116,320 171,428 84,851	(4,038) 82,897 116,320 171,428 84,851 88,384	(4,038) 82,897 116,320 171,428 84,851 88,384 91,786

# Appendix 24b Updated Base Scenario #8 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	(	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170.975	314.049	330.205	346.665	347.229
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	143.074	16.157	16,460	563	(10,500)
4	Premium Rebate	(00,017)	(120,071)	01,121	-	-	-	-	(10,000)
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	_	_	_	_	_
6	Total Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
	•								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,119
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
11	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	286.029	311,679	322,070	322,690
10	Total Nate Stabilization Neserve	231,002	101,000	210,043	201,730	200,027	311,017	322,010	322,070
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
	· •								

### Appendix 24c Updated Base Scenario #8 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	60,406	68,212	70,977	60,125
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,282	2,687,490	2,801,045	2,916,394
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,956	25,263	18,691
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
14		2,683,473	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,730
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,433	2,055,874	2,129,145
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,900,255	3,021,983	3,141,893	3,260,418
24	Equity								
25	Retained earnings	194.499	99,251	170,975	314.049	330,205	346.665	347,229	336.729
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
27	Total Equity	231,003	181,000	210,845	261,938	286,029	311,679	322,070	322,690
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108

# Appendix 24d Updated Base Scenario #8 Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(* /	(**)	(**/	()
2	Capital available (from page 30.62 - capital available)	01	218,283	238,912	252,509	260,886	259,473
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	238,912	252,509	260,886	259,473
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,171	217,432	225,522
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,151	325,547	337,959
16	Market Risk:						
17	Interest rate risk	30	4,798	20,791	25,111	30,016	32,905
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,317
19	Equity risk	34	69,145	67,268	71,795	76,632	85,251
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,180	140,727	152,469	168,463
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,755	64,102	65,654	66,740
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	61,755	64,102	65,654	66,740
28	Operational risk margin	50	64,469	70,299	73,627	76,996	80,742
29	Less: Diversification credit	52	53,525	62,537	66,138	69,784	74,137
30	Total Capital (Margin) Required at Target	59	452,643	500,252	525,469	550,882	579,767
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,501	350,313	367,255	386,512
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	333,501	350,313	367,255	386,512
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(94,589)	(97,804)	(106,369)	(127,039
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	71.64%	72.08%	71.04%	67.13%

# Appendix 24e Updated Base Scenario #8 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag∈	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	221,007	222,324	224,481
7	Total	726,240	767,976	844,426	891,006	936,291	985,421
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,044	6,744	6,603
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,289)	4,018	7,959
13	Total Net Claims Incurred	767.240	789.235	901.117	948.682	1.004.590	1.060.193

### Appendix 24f

### Updated Base Scenario #8 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.			-										
1 2	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%	Ondiso	2.0.
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9229	0.9322	0.9460	0.9818	1.0047					
9	2020				0.9329	0.9470	0.9833	1.0066	1.0115				
10	2021					0.9568	0.9918	1.0136	1.0169	1.0132			
11	2022						0.9979	1.0194	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77.839
16	2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77.279
17	2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77.879
18	2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78.979
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
23	Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
25	Selected					3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,366	425,042	445,470	470,041		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,141	14,945	15,446	16,036		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,691	78,208	81,967	86,488		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	22,372	27,956	25,263	18,691		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,186	32,481	33,806	35,193		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	8,814	4,525	8,544	16,503		
	Change					2,363	(20,876)	(2,364)	(4,289)	4,018	7,959		
38													
38 39	18. Premium Deficiency [c]					8,845	-	-	-	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 24g Updated Base Scenario #8 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds MUSH	44,259	55,161	62,122	67,881	73,632
Total	26,759 <b>71,273</b>	24,361 <b>79,614</b>	22,065 <b>84,187</b>	19,852 <b>87,733</b>	17,693 <b>91,325</b>
	71,273	77,014	04,107	67,733	71,323
Dividend and other Income					
Canadian Equities	9,657	5,699	4,639	5,371	5,931
Global	4,218	5,986	4,962	5,675	6,235
Global LV Private Debt	- -	2,900	3,279	3,758	4,092
Investment Properties (Cityplace)	4,940	3,822 1,926	10,187 2,512	10,180 2,452	10,173 2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,468	26,761	28,685	30,061
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(20 202)	(20.711)	(740)	/74E\	(777)
Marketable Bonds Realized Gains/(Loss)	(38,202) 13,969	(29,711) 29,711	(749) 749	(765) 765	(773 773
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,630	0	0	790
Global Equities Realized Gains	66,318	3,727	0	0	1,057
Global LV Realized Gains	-	457	-	-	834
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,858	10,475	11,085	14,411
Other					
Investment Fees Paid	(5,203)	(4,724)	(4,613)	(4,910)	(5,137
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,446	4,598	4,694	4,714
Investment Write-Down Total	- (05.000)	- (4.4.4.50)	- (44.000)	- (44.070)	- (45.400)
	(25,030)	(14,150)	(14,328)	(14,973)	(15,630)
Total Corporate Investment Income	199,910	103,790	107,095	112,530	120,168
Total Basic Investment Income	171,428	84,851	88,384	91,786	94,752
% - Basic to Total Investment Income	85.75%	82%	83%	82%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,752	4,908	5,683	6,620
US Equities Unrealized Gains/(Losses)	7,537	9,332	7,406	8,469	9,304
Global LV Unrealized Gains/(Losses)	-	4,220	4,477	5,132	5,587
Total Corporate Unrealized Gains/(Losses)	19,651	16,084	12,313	14,152	15,924
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,745.3	1,903.2	2,062.3	2,213.2
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2 166.6	130.4 169.9	151.7 195.0	174.4 221.7	198.5 249.9
Global LV Equities	96.5	116.2	133.8	152.4	170.5
Private Debt	-	188.7	188.7	188.7	170.3
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,094.1	3,280.6	3,474.6	3,666.2
Total Basic Assets	2,530.3	2,652.2	2,769.3	2,885.8	2,991.8
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.4%
MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.4%
US Equities	5.7%	5.5%	5.9%	6.4%	6.8%
Global LV	3.3%	3.8%	4.1%	4.4%	4.7%
Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
		4 EO/	4 40/	4 20/	4 407
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.4% 2.7%	4.3% 2.7%	4.4% 2.7%

### Appendix 25a Modified Base Scenario #8 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832	1,077,959 70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420) 1,109,291	2021P  1,122,705 72,885 (11,648) 1,183,942  1,102,006 71,887 (11,648) 1,162,245	2022P  1,168,510 74,723 (11,881) 1,231,351  1,147,321 73,798 (11,881)	1,216,461 76,565 (12,119 1,280,907 1,194,279 75,638 (12,119 1,257,798
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407	70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420)	72,885 (11,648) 1,183,942 1,102,006 71,887 (11,648)	74,723 (11,881) 1,231,351 1,147,321 73,798 (11,881)	76,565 (12,119 1,280,907 1,194,279 75,638 (12,119
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407	70,903 (11,420) 1,137,442 1,050,815 69,896 (11,420)	72,885 (11,648) 1,183,942 1,102,006 71,887 (11,648)	74,723 (11,881) 1,231,351 1,147,321 73,798 (11,881)	76,565 (12,119 1,280,907 1,194,279 75,638 (12,119
Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407	(11,420) 1,137,442 1,050,815 69,896 (11,420)	(11,648) 1,183,942 1,102,006 71,887 (11,648)	(11,881) 1,231,351 1,147,321 73,798 (11,881)	1,280,907 1,194,279 75,638 (12,119
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) <b>907,144</b> 20,749	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407	1,050,815 69,896 (11,420)	1,102,006 71,887 (11,648)	1,147,321 73,798 (11,881)	1,194,279 75,638 (12,119
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) <b>907,144</b> 20,749	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407	69,896 (11,420)	71,887 (11,648)	73,798 (11,881)	75,638 (12,119
Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) <b>907,144</b> 20,749	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407	69,896 (11,420)	71,887 (11,648)	73,798 (11,881)	75,638 (12,119
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b>	(11,635) <b>907,144</b> 20,749	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred	861,066 20,351 881,417	<b>907,144</b> 20,749	<b>960,142</b> 22,849	1,039,407				
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred	20,351 <b>881,417</b>	20,749	22,849		1,109,291	1,162,245	1 200 227	1 257 700
Total Earned Revenues  Net Claims Incurred	881,417			23 832			1,209,237	1,207,790
Net Claims Incurred		927,893	002 002	23,032	25,710	27,471	29,370	31,448
			702,772	1,063,240	1,135,001	1,189,716	1,238,607	1,289,24
	742,604	869,023	783,040	824,140	893,862	938,472	995,774	1,051,883
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,254	10,209	8,816	8,310
Total Claims Incurred	666,404	860,035	767,239	789,235	901,117	948,682	1,004,589	1,060,193
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,66
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
Total Claims Costs	798,045	993,537	923,722	940,009	1,049,098	1,100,576	1,161,783	1,220,12
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,85
Commissions		35,086	37,378	40,338	42,591	44,599	46,364	48,188
								38,09
<u>-</u>								5,23
Total Expenses	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,37
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,694)	(71,923)	(91,223)	(105,252
Investment Income	48,476	101,645	111,731	192,209	84,133	87,655	91,025	93,96
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	3	Į
Net Investment Income	(4,038)	82,897	116,320	171,428	84,144	87,659	91,029	93,96
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	15,450	15,735	(194)	(11,28
	Claims Expense Road Safety/Loss Prevention Total Claims Costs  Expenses Operating Commissions Premium Taxes Regulatory/Appeal Total Expenses  Underwriting Income (Loss)  Investment Income (b) Investment Income - Interest Rate Impact Net Investment Income	Claims Expense	Claims Expense   118,614   120,972   Road Safety/Loss Prevention   13,027   12,530   Total Claims Costs   798,045   993,537	Claims Expense   118,614   120,972   143,337   Road Safety/Loss Prevention   13,027   12,530   13,146   Total Claims Costs   798,045   993,537   923,722	Claims Expense         118,614         120,972         143,337         137,168           Road Safety/Loss Prevention         13,027         12,530         13,146         13,606           Total Claims Costs         798,045         993,537         923,722         940,009           Expenses         Operating         71,641         72,785         70,201         75,060           Commissions         33,862         35,086         37,378         40,338           Premium Taxes         26,205         27,563         29,143         31,518           Regulatory/Appeal         3,675         4,889         4,443         4,669           Total Expenses         135,383         140,323         141,165         151,585           Underwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)           Investment Income         48,476         101,645         111,731         192,209           (b) Investment Income         (4,038)         82,897         116,320         171,428           Net Income (Loss)         (56,049)         (123,071)         34,424         143,074	Claims Expense	Claims Expense Road Safety/Loss Prevention 13,027 12,530 13,146 13,606 12,680 12,805 Total Claims Costs 798,045 993,537 923,722 940,009 1,049,098 1,100,576  Expenses Operating 71,641 72,785 70,201 75,060 73,545 76,250 Commissions 33,862 35,086 37,378 40,338 42,591 44,599 Premium Taxes 26,205 27,563 29,143 31,518 33,621 35,217 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 Total Expenses  Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355) (68,694) (71,923)  Investment Income 48,476 (101,645 111,731 192,209 84,133 87,655 (b) Investment Income (4,038) 82,897 116,320 171,428 84,144 87,659  Net Income (Loss) (56,049) (123,071) 34,424 143,074 15,450 15,735	Claims Expense Road Safety/Loss Prevention 13,027 12,530 13,146 13,606 12,680 12,805 12,990 Total Claims Costs 798,045 993,537 923,722 940,009 1,049,098 1,100,576 1,161,783  Expenses Operating 71,641 72,785 70,201 75,060 73,545 76,250 79,935 Commissions 33,862 35,086 37,378 40,338 42,591 44,599 46,364 Premium Taxes 26,205 27,563 29,143 31,518 33,621 35,217 36,634 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 5,114 Total Expenses 135,383 140,323 141,165 151,585 154,597 161,064 168,047  Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355) (68,694) (71,923) (91,223)  Net Investment Income (4,038) 82,897 116,320 171,428 84,144 87,659 91,029  Net Income (Loss) (56,049) (123,071) 34,424 143,074 15,450 15,735 (194)

# Appendix 25b Modified Base Scenario #8 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	295,005	311,502	325,733	329,378
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	15,450	15,735	(194)	(11,286)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(19,044)	1,047	(1,504)	3,839	15,181
6	Total Retained Earnings	194,498	99,251	170,975	295,005	311,502	325,733	329,378	333,273
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,417)	(35,500)	(25,964)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,694	8,918	9,536	10,802
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,417)	(35,500)	(25,964)	(15,162)
11	Total Equity Balance	231,002	181,000	210,845	242,894	267,085	290,233	303,414	318,111
12	Total Equity								
	, ,								
13	Rate Stabilization Reserve	404.400	00.054	470.075	005.005	044 500	005 700	000 070	000.070
14	Retained Earnings	194,498	99,251	170,975	295,005	311,502	325,733	329,378	333,273
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,417)	(35,500)	(25,964)	(15,162)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	242,894	267,085	290,233	303,414	318,111
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	242,894	267,085	290,233	303,414	318,111

### Appendix 25c Modified Base Scenario #8 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
!	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	61,387	67,672	74,275	78,604
	Equity investments	2,083,349	2,189,534	2,272,545	2,468,582	2,558,358	2,666,583	2,779,091	2,893,338
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
,	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
1	Prepaid expenses	-	-	-	-	-	-	-	-
,	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,956	25,263	18,691
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
4		2,683,473	2,805,484	2,916,137	3,017,617	3,167,339	3,312,217	3,445,307	3,578,531
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
10	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,731
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,433	2,055,874	2,129,145
3		2,452,472	2,624,484	2,705,292	2,774,723	2,900,255	3,021,983	3,141,893	3,260,419
4	Equity								
5	Retained earnings	194,499	99,251	170,975	295,005	311.502	325,733	329.378	333,273
16	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,417)	(35,500)	(25,964)	(15,162)
7	Total Equity	231,003	181,000	210,845	242,894	267,085	290,233	303,414	318,111
18	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,017,617	3,167,339	3,312,217	3,445,307	3,578,531

### Appendix 25d Modified Base Scenario #8 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	199,239	219,968	231,063	242,230	254,895
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	199,239	219,968	231,063	242,230	254,895
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,171	217,432	225,522
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,151	325,547	337,959
16	Market Risk:						
17	Interest rate risk	30	3,810	19,699	23,971	28,828	31,672
18	Foreign exchange risk	32	15,263	14,902	15,880	16,922	19,852
19	Equity risk	34	67,430	65,471	69,877	74,581	83,059
20	Real estate risk	36	25,565	26,455	27,129	28,035	29,509
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	112,068	126,527	136,857	148,366	164,092
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,289	61,130	63,472	65,019	66,100
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,289	61,130	63,472	65,019	66,100
28	Operational risk margin	50	64,172	69,935	73,245	76,593	80,316
29	Less: Diversification credit	52	52,709	61,656	65,230	68,846	73,176
30	Total Capital (Margin) Required at Target	59	449,666	496,491	521,495	546,679	575,291
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,777	330,994	347,663	364,453	383,527
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,777	330,994	347,663	364,453	383,527
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,538)	(111,026)	(116,600)	(122,223)	(128,632
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.46%	66.46%	66.46%	66.46%	66.46%

# Appendix 25e Modified Base Scenario #8 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions	2017,10	2010(17	2017/20			
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	221,007	222,324	224,481
7	Total	726,240	767,976	844,426	891,006	936,291	985,421
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,044	6,744	6,603
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,289)	4,018	7,959
13	Total Net Claims Incurred	767,240	789.235	901.117	948.682	1.004.590	1.060.193

### Appendix 25f

### Modified Base Scenario #8 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9229	0.9322	0.9460	0.9818	1.0047					
9	2020				0.9329	0.9470	0.9833	1.0066	1.0115				
10	2021					0.9568	0.9918	1.0136	1.0169	1.0132			
11	2022						0.9979	1.0194	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
15	2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77.83%
16	2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77.27%
17	2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77.87%
18	2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78.97%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
25	Selected					3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
26	7. ILAE Ratio to Losses - Selected												
							18.40%		18.40%	18.40%	18.40%		
	7. IETE Nation to Educated					18.40%	18.40%	18.40%	18.40%	18.40%			
27							18.40%		18.40%	18.40%			
27	C. Equity in Unearned Premium						18.40%		18.40%	18.40%			
	C. Equity in Unearned Premium					18.40%		18.40%			18.40%		
28	C. Equity in Unearned Premium  8. Net Unearned Premium	ce.				18.40% 468,613	506,193	18.40% 534,344	556,041	578,155	18.40%		
28 29	C. Equity in Unearned Premium     Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsuran					18.40% 468,613 5,598	506,193 5,710	18.40% 534,344 5,824	556,041 5,941	578,155 6,059	18.40% 601,264 6,059		
28 29 30	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]					18.40% 468,613 5,598 383,468	506,193 5,710 391,245	18.40% 534,344 5,824 411,366	556,041 5,941 425,042	578,155 6,059 445,470	18.40%		
28 29 30 31	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD					18.40% 468,613 5,598 383,468 10	506,193 5,710 391,245	18.40% 534,344 5,824 411,366	556,041 5,941 425,042	578,155 6,059 445,470	18.40% 601,264 6,059 470,041		
28 29 30 31 32	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]					18.40% 468,613 5,598 383,468 10 13,837	506,193 5,710 391,245 - 14,989	18.40% 534,344 5,824 411,366 - 15,141	556,041 5,941 425,042 - 14,945	578,155 6,059 445,470 - 15,446	18.40% 601,264 6,059 470,041		
28 29 30 31 32 33	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595	506,193 5,710 391,245 - 14,989 71,989	18.40% 534,344 5,824 411,366 - 15,141 75,691	556,041 5,941 425,042 - 14,945 78,208	578,155 6,059 445,470 - 15,446 81,967	18.40% 601,264 6,059 470,041 - 16,036 86,488		
28 29 30 31 32 33 34	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]  Expected Claims (Including Ext Adj Expenses) - PIPP Er	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	506,193 5,710 391,245 - 14,989 71,989 3,950	534,344 5,824 411,366 - 15,141 75,691 3,950	556,041 5,941 425,042 - 14,945 78,208 3,950	578,155 6,059 445,470 - 15,446 81,967 3,950	601,264 6,059 470,041 - 16,036 86,488 3,950		
28 29 30 31 32 33 34 35	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310	534,344 5,824 411,366 - 15,141 75,691 3,950 22,372	556,041 5,941 425,042 - 14,945 78,208 3,950 27,956	578,155 6,059 445,470 - 15,446 81,967 3,950 25,263	18.40% 601,264 6,059 470,041 - 16,036 86,488 3,950 18,691		
28 29 30 31 32 33 34 35 36	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14)))  16. Carried Deferred Policy Acquisition Expenses	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 534,344 5,824 411,366 - 15,141 75,691 3,950 22,372 31,186	556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481	578,155 6,059 445,470 	18.40% 601,264 6,059 470,041 - 16,036 86,488 3,950 18,691 35,193		
28 29 30 31 32 33 34 35 36 37	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				18.40% 468.613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	18.40% 534,344 5.824 411,366 15,141 75,691 3.950 22,372 31,186 8.814	556,041 5,941 425,042 14,945 78,208 3,950 27,956 32,481 4,525	578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6.059 470,041 - 16,036 86,488 3,950 18,691 35,193 16,503		
28 29 30 31 32 33 34 35 36 37	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 534,344 5,824 411,366 - 15,141 75,691 3,950 22,372 31,186	556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481	578,155 6,059 445,470 	18.40% 601,264 6,059 470,041 - 16,036 86,488 3,950 18,691 35,193		
28 29 30 31 32 33 34 35 36 37 38	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]  Expected Claims (Including Ext Adj Expenses) - PIPP Er  Equity in Unearned Premium [(8) - Sum((9) to (14))]  Carried Deferred Policy Acquisition Expenses  Write Down Deferred Policy Acquisition Expenses [b]  Change  Remium Deficiency [c]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179 (20,876)	18.40% 534,344 5.824 411,366 15,141 75,691 3.950 22,372 31,186 8.814	556,041 5,941 425,042 14,945 78,208 3,950 27,956 32,481 4,525	578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6.059 470,041 - 16,036 86,488 3,950 18,691 35,193 16,503		
28 29 30 31 32 33 34 35 36 37	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	18.40% 534,344 5.824 411,366 15,141 75,691 3.950 22,372 31,186 8.814	556,041 5,941 425,042 14,945 78,208 3,950 27,956 32,481 4,525	578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6.059 470,041 - 16,036 86,488 3,950 18,691 35,193 16,503		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 25g Modified Base Scenario #8 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.			orecasieu		
Interest Income During Period Cash/Short Term Investments	255	86	0	0	(0)
Marketable Bonds	44,259	55,148	62,120	67,873	(0) 73,492
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,596	84,185	87,724	91,185
Dividend and other Income					
Canadian Equities	9,657	5,721	4,640	5,375	6,025
Global	4,218	5,992	4,964	5,679	6,234
Global LV	-	2,901	3,280	3,762	4,164
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 Total	1,472	1,135	1,182	1,249	1,318
3 Total	20,287	21,497	26,765	28,696	30,226
Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(28,068)	(749)	(764)	(772)
<ul> <li>Marketable Bonds Realized Gains/(Loss)</li> <li>MUSH</li> </ul>	13,969	28,068	749	764	772
Rousin Realized Gains	- 69,223	- 2,654	0	- 0	950
9 Global Equities Realized Gains	66,318	3,735	0	0	1,102
Global LV Realized Gains	-	457	-	-	979
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,890	10,475	11,085	14,762
24 Other					
Investment Fees Paid	(5,203)	(4,727)	(4,615)	(4,913)	(5,141)
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,445	4,598	4,694	4,706
8 Investment Write-Down	-	-		-	-
9 Total	(25,030)	(14,154)	(14,330)	(14,976)	(15,642)
Total Corporate Investment Income	199,910	103,829	107,095	112,529	120,531
Total Basic Investment Income	171,428	84,144	87,659	91,029	93,966
% - Basic to Total Investment Income	85.75%	81%	82%	81%	78%
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	6,779	4,909	5,687	6,724
5 US Equities Unrealized Gains/(Losses)	7,537	9,341	7,408	8,475	9,303
6 Global LV Unrealized Gains/(Losses)	-	4,221	4,479	5,136	5,685
7 Total Corporate Unrealized Gains/(Losses)	19,651	16,120	12,317	14,162	16,027
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income  MUSH	1,760.8	1,745.3	1,902.9	2,061.8	2,213.6
2 Canadian Equities	569.3 123.2	522.8 130.4	477.0 151.8	432.3 174.5	386.3 198.1
3 Global Equities	166.6	169.9	195.1	221.9	250.5
4 Global LV Equities	96.5	116.3	133.9	152.5	170.2
5 Private Debt	-	188.7	188.7	188.7	188.7
6 Real Estate	133.5	138.0	143.9	150.7	161.7
7 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
8 Total Ending Asset Values	2,928.3	3,094.1	3,280.7	3,474.7	3,666.4
9 Total Basic Assets	2,511.2	2,633.3	2,747.8	2,867.1	2,987.2
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.3%	60.4%
MUSH Canadian Equities	19.4% 4.2%	16.9%	14.5%	12.4%	10.5%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.6% 5.9%	5.0% 6.4%	5.4% 6.8%
Global LV	3.3%	3.8%	4.1%	4.4%	4.6%
Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
50 Total	100.0%	100.0%	100.0%	100.0%	100.0%

October 26, 2018

#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 26

### Appendix 26a Adverse Scenario #8 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
DAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC	054470	00/000	055.044	4 040 004	4 077 050	4 400 705	4.440.540	4 04 / 4 / 4
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,474	29,376	31,454
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,719	1,238,614	1,289,252
Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,643	1,124,975	995,365	1,055,987
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,600	1,137,365	999,589	1,062,021
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,584	147,904
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,397
Total Claims Costs	798,045	993,537	923,722	940,009	1,201,581	1,289,988	1,158,304	1,223,322
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,480
Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,098
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,597	161,391	168,737	174,998
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,177)	(261,659)	(88,427)	(109,068)
Investment Income	48,476	101,645	111,731	192,209	67,399	63,841	60,934	59,020
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,260	103,703	(28)	(45)
Net Investment Income	(4,038)	82,897	116,320	171,428	194,660	167,543	60,906	58,975
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(26,518)	(94,116)	(27,521)	(50,094)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,303	91,312	(4,252)	(6,080)

# Appendix 26b Adverse Scenario #8 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	295,005	269,535	173,914	150,232
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(26,518)	(94,116)	(27,521)	(50,094)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(19,044)	1,047	(1,504)	3,839	15,181
6	Total Retained Earnings	194,498	99,251	170,975	295,005	269,535	173,914	150,232	115,319
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,340)	(51,875)	(43,757)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(229)	466	8,118	8,847
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
11	Total Equity Balance	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409
	-								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	295,005	269,535	173,914	150,232	115,319
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409
47	Datained Fermines in success of Data Chability Decrees								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	210.045	- 242.004	- 217 104	122.040	10/ 475	- 00 400
18	Total Equity Balance	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409

### Appendix 26c Adverse Scenario #8 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	55,044	20,978	18,342	20,400
4	Equity investments	2,083,349	2,189,534	2,272,545	2,468,582	2,666,659	2,857,322	2,936,573	3,013,680
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	12,397	1,455	3,232	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,083	63,095
14		2,683,473	2,805,484	2,916,137	3,017,617	3,259,323	3,429,713	3,524,725	3,621,857
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,850	2,266,432	2,332,699	2,410,792
23		2,452,472	2,624,484	2,705,292	2,774,723	3,042,128	3,307,674	3,418,250	3,541,448
24	Equity								
25	Retained earnings	194.499	99,251	170,975	295,005	269.535	173.914	150,232	115,319
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
27	Total Equity	231,003	181,000	210,845	242,894	217,194	122,040	106,475	80,409
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,017,617	3,259,323	3,429,713	3,524,725	3,621,857

### Appendix 26d Adverse Scenario #8 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	199,239	170,077	62,917	45,392	17,314
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	199,239	170,077	62,917	45,392	17,314
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	113,479
12	Unpaid claims	22	192,187	214,813	238,394	245,231	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,736	342,374	353,346	366,712
16	Market Risk:						
17	Interest rate risk	30	3,810	3,870	2,528	17,335	16,603
18	Foreign exchange risk	32	15,263	17,476	18,083	15,822	16,082
19	Equity risk	34	67,430	79,192	81,665	67,245	71,789
20	Real estate risk	36	25,565	26,455	27,129	28,035	29,509
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	112,068	126,993	129,405	128,437	133,983
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,289	60,664	62,680	64,953	66,146
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,289	60,664	62,680	64,953	66,146
28	Operational risk margin	50	64,172	71,140	75,028	77,257	80,205
29	Less: Diversification credit	52	52,709	62,693	65,544	66,541	68,926
30	Total Capital (Margin) Required at Target	59	449,666	510,840	543,943	557,452	578,120
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,777	340,560	362,628	371,634	385,414
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,777	340,560	362,628	371,634	385,414
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,538)	(170,483)	(299,711)	(326,242)	(368,100
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.46%	49.94%	17.35%	12.21%	4.49%

# Appendix 26e Adverse Scenario #8 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549.150	538,020	576,825
2	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48.647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - Bl	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,960	334,661	222,438	223,710
_		,	,	211,7122	55.,55.	,	
7	Total	726,240	767,976	966,513	1,042,329	936,106	984,839
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,879	6,397	6,781
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	12,236	(451)	10,192
13	Total Net Claims Incurred	767.240	789.235	1.053.601	1.137.365	999.589	1.062.021

### Appendix 26f

### Adverse Scenario #8 Deferred Policy Acquisition Expenses and Premium Deficiency

e												
A. Claims (Including External Adjustment Expense) Data												
7. Claims (molading External Flaguetinon Expense) Bala					Acci	dent Year					Selected	Selected
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	76.52%	73.49%	74.48%		
<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9267	0.9352	0.9482	0.9833	1.0053					
2020				0.9470	0.9583	0.9919	1.0121	1.0139				
2021					0.9677	1.0007	1.0203	1.0212	1.0150			
2022						1.0066	1.0263	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.439
2020				77.03%	71.48%	72.66%	74.53%	77.58%			74.74%	81.339
2021					72.18%	73.31%	75.13%	78.14%	74.59%		74.34%	81.109
2022						73.73%	75.57%	78.61%	75.04%	75.58%	75.40%	82.409
B. Actual Data Other Than Losses												
<u>-</u>					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.13%	8.18%	8.12%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.73%	2.71%		
Selected					3.16%	2.99%	2.86%	2.72%	2.72%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurance</li></ol>	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,792	447,398	463,995	490,426		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	15,141	14,976	15,544	16,164		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,242	82,321	85,375	90,238		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Enl	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	12,397	1,455	3,232	(5,573)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,186	32,481	33,806	35,193		
17 Malta David Ballan Association Francisco					32,055	11,179	18,790	31,026	30,575	35,193		
<ol> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> </ol>						(20.07/)	7/11	12,236	(451)	4,619		
Change					2,363	(20,876)	7,611	12,230	(401)	4,017		
* * * * * * * * * * * * * * * * * * * *					2,363 8,845	(20,876)	7,011	12,230	(431)	5,573		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 26g Adverse Scenario #8 Summary of Corporate Investment Income

	2018/19	2019/20 F	2020/21 orecasted	2021/22	2022/23
No			orecasted		
Interest Income During Period  Cash/Short Term Investments	255	110	(0)	0	(2
Marketable Bonds	255 44,259	112 50,807	(0) 51,515	51,816	53,144
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,280	73,580	71,667	70,835
Dividend and other Income					
Canadian Equities	9,657	6,408	5,096	5,104	5,535
Global	4,218	6,717	5,524	5,563	5,874
Global LV	-	3,342	3,406	3,395	3,659
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312
Total	20,287	23,085	27,253	27,346	1,318 <b>28,32</b> 5
Gains During Period - Profit & Loss	•		·		
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	90,016	87,980	(12,899)	2,373
Marketable Bonds Realized Gains/(Loss)	13,969	45,912	21,270	12,899	(2,373
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(176)	(1,360)	265	766
Global Equities Realized Gains	66,318	181	(121)	334	1,211
Global LV Realized Gains	- 4/ 007	49	12	257	
Real Estate (Pooled Fund) Infrastructure	16,307 5,765	5,598 4,447	5,842 4,633	6,192 4,893	6,564 5,167
Total	133,380	146,026	4,633 118,255	4,893 11,941	5,167 <b>13,708</b>
	100,000	110,020	110,200	11,711	10,700
Other Investment Fees Paid	(F 202)	(4.004)	(4.000)	(4.044)	/F 070
Pension Expense	(5,203) (13,441)	(4,896) (13,872)	(4,800) (14,313)	(4,944) (14,757)	(5,078) (15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,347)	(12,737)	(14,737)	(14,490
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,115)	(31,850)	(34,673)	(34,775)
Total Corporate Investment Income	199,910	223,276	198,279	76,282	78,093
Total Basic Investment Income	171,428	194,660	167,543	60,906	58,975
% - Basic to Total Investment Income	85.75%	87%	84%	80%	76%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(985)	5,400	6,177
US Equities Unrealized Gains/(Losses) Global LV Unrealized Gains/(Losses)	7,537	88	(94)	8,302	8,767
Total Corporate Unrealized Gains/(Losses)	19,651	147 (464)	67 (1,080)	4,636 13,702	4,996 <b>14,944</b>
	17,031	(404)	(1,000)	13,702	14,744
Ending Asset Values for Corporate (\$Millions)  Cash/Short Term Investments					
Canadian Fixed Income	- 1,760.8	- 1,790.3	2,013.0	2,220.9	2,371.4
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.2	167.1	157.2	164.6
Global Equities	166.6	199.0	216.2	208.0	212.5
Global LV Equities	96.5	127.4	139.9	130.9	147.5
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate Infrastructure & Venture Capital	133.5	138.0	143.9	150.7	161.7
Total Ending Asset Values	78.3 2,928.3	82.7 3,201.1	87.4 3,444.1	92.3 3,591.9	97.4 3,741.0
Total Basic Assets	2,511.2	2,735.3	2,891.9	2,968.7	3,049.3
	2,011.2	2,733.3	2,071.7	2,700.7	3,047.3
Ending Rebalanced Allocations (%) Cash/Short Term Investments	0.00/	0.00/	0.00/	0.00/	0.00/
Cash/short ferm investments  Canadian Fixed Income	0.0% 60.1%	0.0% 55.9%	0.0% 58.4%	0.0% 61.8%	0.0% 63.4%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	4.9%	4.4%	4.4%
US Equities	5.7%	6.2%	6.3%	5.8%	5.7%
Global LV	3.3%	4.0%	4.1%	3.6%	3.9%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.3%
Real Estate	4.6%	4.3%	4.2%	4.2%	4.3% 2.6%
Infrastructure & Venture Capital	2.7%	2.6%	2.5%	2.6%	

### Appendix 26h Adverse Scenario #8 with Management Action

**Statement of Operations** 

2 3	BASIC  Motor Vehicles  Drivers	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
2 3 4 5	Motor Vehicles Drivers	054170							
4		854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
	B.I	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
6	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
6	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
7	Net Premiums Earned								
,	Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,474	29,376	31,454
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,719	1,238,614	1,289,252
13	Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,643	1,124,975	995,365	1,055,987
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,600	1,137,365	999,589	1,062,021
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,584	147,904
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,397
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,201,581	1,289,988	1,158,304	1,223,322
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,480
21	Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
22	Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,098
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,597	161,391	168,737	174,998
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,177)	(261,659)	(88,427)	(109,068)
26	Investment Income	48,476	101,645	111,731	192,209	67,399	63,841	60,934	59,020
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,260	103,703	(28)	(45)
28	Net Investment Income	(4,038)	82,897	116,320	171,428	194,660	167,543	60,906	58,975
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(26,518)	(94,116)	(27,521)	(50,094)

# Appendix 26i Adverse Scenario #8 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	295,005	269,535	173,914	150,232
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(26,518)	(94,116)	(27,521)	(50,094)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(19,044)	1,047	(1,504)	3,839	15,181
6	Total Retained Earnings	194,498	99,251	170,975	295,005	269,535	173,914	150,232	115,319
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,340)	(51,875)	(43,757)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(229)	466	8,118	8,847
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
11	Total Equity Balance	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	295,005	269,535	173,914	150,232	115,319
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409
17	Retained Earnings in excess of Rate Stabilization Reserve		- 101 000				- 400.040	- 40/ 475	
18	Total Equity Balance	231,002	181,000	210,845	242,894	217,194	122,040	106,475	80,409

### Appendix 26j Adverse Scenario #8 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	55,044	20,978	18,342	20,400
	Equity investments	2,083,349	2,189,534	2,272,545	2,468,582	2,666,659	2,857,322	2,936,573	3,013,680
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,310	12,397	1,455	3,232	-
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,083	63,095
4		2,683,473	2,805,484	2,916,137	3,017,617	3,259,323	3,429,713	3,524,725	3,621,857
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
0	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,850	2,266,432	2,332,699	2,410,792
3		2,452,472	2,624,484	2,705,292	2,774,723	3,042,128	3,307,674	3,418,250	3,541,448
4	Equity								
5	Retained earnings	194.499	99,251	170,975	295,005	269,535	173.914	150,232	115,319
6	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,340)	(51,875)	(43,757)	(34,910)
7	Total Equity	231,003	181,000	210,845	242,894	217,194	122,040	106,475	80,409
8	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,017,617	3,259,323	3,429,713	3,524,725	3,621,857

# Appendix 26k Adverse Scenario #8 with Management Action Minimum Capital Test

	(All figures in \$000s)	•	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.		,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	199,239	170,077	62,917	45,392	17,314
3	Phase-in of capital available	03	0	0	0	0	(
4	Total Capital Available	09	199,239	170,077	62,917	45,392	17,31
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
7	Phase-in of net assets available	13	0	0	0	0	(
8	Total Net Assets Available	19	0	0	0	0	(
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	113,47
12	Unpaid claims	22	192,187	214,813	238,394	245,231	253,23
13	Catastrophes	24	0	0	0	0	
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
15	Subtotal: Insurance risk margin	29	286,846	314,736	342,374	353,346	366,71
16	Market Risk:						
17	Interest rate risk	30	3,810	3,870	2,528	17,335	16,60
18	Foreign exchange risk	32	15,263	17,476	18,083	15,822	16,08
19	Equity risk	34	67,430	79,192	81,665	67,245	71,78
20	Real estate risk	36	25,565	26,455	27,129	28,035	29,50
21	Other market risk exposures	38	0	0	0	0	
22	Subtotal: Market risk margin	39	112,068	126,993	129,405	128,437	133,98
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,289	60,664	62,680	64,953	66,14
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
27	Subtotal: Credit risk margin	49	39,289	60,664	62,680	64,953	66,14
28	Operational risk margin	50	64,172	71,140	75,028	77,257	80,20
29	Less: Diversification credit	52	52,709	62,693	65,544	66,541	68,92
30	Total Capital (Margin) Required at Target	59	449,666	510,840	543,943	557,452	578,12
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,777	340,560	362,628	371,634	385,41
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	
33	Total Minimum Capital (Margin) Required	69	299,777	340,560	362,628	371,634	385,41
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(100,538)	(170,483)	(299,711)	(326,242)	(368,10
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.46%	49.94%	17.35%	12.21%	4.49

# Appendix 26I Adverse Scenario #8 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415.906	438,827	471,179	549.150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,960	334,661	222,438	223,710
7	Total	726,240	767,976	966,513	1,042,329	936,106	984,839
8	Unallocated Loss Adjustment Expenses	42,252	50.135	52,371	54.921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,879	6,397	6,781
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	12,236	(451)	10,192
13	Total Net Claims Incurred	767.240	789.235	1.053.601	1.137.365	999.589	1.062.021

### Appendix 26m

### Adverse Scenario #8 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A a a !	doub Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Di:
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	76.52%	73.49%	74.48%	Olidisc	D1.
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9267	0.9352	0.9482	0.9833	1.0053					
2020				0.9470	0.9583	0.9919	1.0121	1.0139				
2021					0.9677	1.0007	1.0203	1.0212	1.0150			
2022						1.0066	1.0263	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.4
2020				77.03%	71.48%	72.66%	74.53%	77.58%			74.74%	81.3
2021					72.18%	73.31%	75.13%	78.14%	74.59%		74.34%	81.1
2022						73.73%	75.57%	78.61%	75.04%	75.58%	75.40%	82.4
B. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.13%	8.18%	8.12%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.73%	2.71%		
Selected					3.16%	2.99%	2.86%	2.72%	2.72%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
Additional Expected Cost of Non-Proportional Reinsurance					5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	391,245	419,792	447,398	463,995	490,426		
11. Reinsurance PFAD					10	-	-	-	-	-		
					13,837	14,989	15,141	14,976	15,544	16,164		
12. Maintenance Expense [a]					70,595	71,989	77,242	82,321	85,375	90,238		
					3,950	3,950	3,950	3,950	3,950	3,950		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement											
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>	hancement				(8,845)	18,310	12,397	1,455	3,232	(5,573)		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>	hancement				32,055	29,489	31,186	32,481	33,806	35,193		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> </ol>	hancement				32,055 32,055	29,489 11,179	31,186 18,790	32,481 31,026	33,806 30,575	35,193 35,193		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				32,055 32,055 2,363	29,489	31,186	32,481	33,806	35,193 35,193 4,619		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equily in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change 18. Premium Deficiency [c]	hancement				32,055 32,055	29,489 11,179	31,186 18,790	32,481 31,026	33,806 30,575	35,193 35,193		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 26n Adverse Scenario #8 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	112	(0)	0	(2)
Marketable Bonds	44,259	50,807	51,515	51,816	53,144
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,280	73,580	71,667	70,835
Dividend and other Income					
Canadian Equities	9,657	6,408	5,096	5,104	5,535
Global	4,218	6,717	5,524	5,563	5,874
Global LV	-	3,342	3,406	3,395	3,659
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,085	27,253	27,346	28,325
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	90,016	87,980	(12,899)	2,373
Marketable Bonds Realized Gains/(Loss)	13,969	45,912	21,270	12,899	(2,373
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(176)	(1,360)	265	766
Global Equities Realized Gains	66,318	181	(121)	334	1,211
Global LV Realized Gains	-	49	12	257	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,026	118,255	11,941	13,708
Other					
Investment Fees Paid	(5,203)	(4,896)	(4,800)	(4,944)	(5,078
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,347)	(12,737)	(14,972)	(14,490
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,115)	(31,850)	(34,673)	(34,775)
Total Corporate Investment Income	199,910	223,276	198,279	76,282	78,093
Total Basic Investment Income	171,428	194,660	167,543	60,906	58,975
% - Basic to Total Investment Income	85.75%	87%	84%	80%	76%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(985)	5,400	6,177
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,302	8,767
Global LV Unrealized Gains/(Losses)	-	147	67	4,636	4,996
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,080)	13,702	14,944
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments					
Canadian Fixed Income	1,760.8	1,790.3	2,013.0	2,220.9	2,371.4
n MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities	123.2	152.2	167.1	157.2	164.6
Global Equities	166.6	199.0	216.2	208.0	212.5
Global LV Equities	96.5	127.4	139.9	130.9	147.5
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,201.1	3,444.1	3,591.9	3,741.0
Total Basic Assets	2,511.2	2,735.3	2,891.9	2,968.7	3,049.3
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.4%	61.8%	63.4%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	4.9%	4.4%	4.4%
US Equities	5.7%	6.2%	6.3%	5.8%	5.7%
Global LV	3.3%	4.0%	4.1%	3.6%	3.9%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.3%
Real Estate	4.6%	4.3%	4.2% 2.5%	4.2%	4.3% 2.6%
Infrastructure & Venture Capital	2.7%	2.6%		2.6%	

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#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 27

### Appendix 27a Updated Base Scenario #9 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
DACIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,528	29,431	31,515
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
Net Claims Incurred	742,604	869,023	783,040	824,140	892,624	938,446	995,718	1,051,824
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,261	10,174	8,904	8,217
Total Claims Incurred	666,404	860,035	767,239	789,235	899,884	948,620	1,004,622	1,060,042
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,654
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,266
Total Claims Costs	798,045	993,537	923,722	940,009	1,047,865	1,100,514	1,161,816	1,219,962
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,844
Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,191
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,557
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,117)	(88,395)	(102,098)
La contraction of the contractio	40.477	101 / 45	444 704	100.000	04.040	00.007	04.047	0.4.700
Investment Income	48,476	101,645	111,731	192,209	84,843	88,397	91,817	94,798
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	5	3
Net Investment Income	(4,038)	82,897	116,320	171,428	84,854	88,401	91,823	94,801
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,249)	(10,170)	(8,898)	(8,214)

# Appendix 27b Updated Base Scenario #9 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	332,916	352,201	355,629
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,139
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
11	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
12	Total Equity								
	' '								
13	Rate Stabilization Reserve	404.400	00.054	470.075	044040	000.047	050 004	055 (00	0.40.000
14	Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
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#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 27

### Appendix 27c Updated Base Scenario #9 Balance Sheet

2 3 4	BASIC Assets Cash and investments	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1 2 3 4 5	Assets					2020.	20211	2022F	20231
3 4 5									
4	Cash and investments								
5	Cash and investments	29,114	61,606	72,998	28,746	62,107	72,268	77,487	69,216
	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,532	2,688,168	2,802,186	2,918,049
6	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,672	20,163
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,217
14		2,683,473	2,805,484	2,916,137	3,036,661	3,190,298	3,340,522	3,473,830	3,596,165
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,220	390,321	406,734
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,848	1,980,404	2,055,933	2,129,113
23		2,452,472	2,624,484	2,705,292	2,774,723	2,901,559	3,023,307	3,143,359	3,261,853
24	Equity								
25	Retained earnings	194.499	99,251	170,975	314,049	332,916	352,201	355,629	348,332
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
27	Total Equity	231,003	181,000	210,845	261,938	288,739	317,215	330,471	334,312
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,190,298	3,340,522	3,473,830	3,596,165

# Appendix 27d Updated Base Scenario #9 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:		040.000	0.44 /00	050.045	0.0000	074 005
2	Capital available (from page 30.62 - capital available)	01	218,283	241,622	258,045	269,286	271,095
3	Phase-in of capital available	03	0	0	0	0	271.000
4	Total Capital Available		218,283	241,622	258,045	269,286	271,095
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,438	225,519
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,816	338,229
16	Market Risk:						
17	Interest rate risk	30	4,798	20,821	25,203	30,147	33,011
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,344
19	Equity risk	34	69,145	67,268	71,795	76,632	85,397
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	115,494	130,210	140,819	152,600	168,742
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,926	64,282	65,846	66,940
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	39,359	61,926	64,282	65,846	66,940
28	Operational risk margin	50	64,469	70,406	73,745	77,122	80,884
29	Less: Diversification credit	52	53,525	62,597	66,213	69,870	74,252
30	Total Capital (Margin) Required at Target	59	452,643	500,742	526,034	551,514	580,543
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,828	350,689	367,676	387,029
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	301,762	333,828	350,689	367,676	387,029
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(92,206)	(92,644)	(98,390)	(115,93
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	72.38%	73.58%	73.24%	70.05%

# Appendix 27e Updated Base Scenario #9 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag€	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,406
6	PIPP	187,022	177,326	215,511	220,977	222,398	224,403
7	Total	726,240	767,976	844,432	890,976	936,366	985,342
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7,039	6,756	6,590
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,604)	(4,316)	3,963	7,900
13	Total Net Claims Incurred	767.240	789.235	899.884	948.620	1.004.622	1.060.042

#### Appendix 27f

### Updated Base Scenario #9 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
- · · · · · · · · · · · · · · · · · · ·						dent Year					Selected	Sele
1 Ultimate Lace Datie Total All Coverage	2013	2014	2015 81,77%	2016	2017 74.59%	2018	2019 72.12%	2020	2021	2022 74.30%	Undisc	
Ultimate Loss Ratio - Total All Coverage     Transl/Date Adjustment for Figer Veer	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	12.12%	72.39%	73.31%	74.30%		
Trend/Rate Adjustment for Fiscal Year     2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2017	0.9142	0.9259	0.9384	0.9697	0.9888	0.9937						
2018		0.9151	0.9384	0.9464	0.9589	0.97937	1.0034					
			0.9205					1 0115				
2020				0.9306	0.9447	0.9809	1.0054	1.0115	1.0122			
2021					0.9544	0.9894	1.0125	1.0169	1.0132	1.0124		
2022						0.9955	1.0182	1.0222	1.0179	1.0134		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]	75.0707	(7.000/	70.400/	70.000/	70 7/0/						75.050/	
2017	75.96%	67.39%	78.12%	78.88%	73.76%	70 700/					75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			75.27%	75.63%	70.38%	71.74%	72.37%				73.12%	77
2020				75.69%	70.47%	71.85%	72.51%	73.22%			72.53%	77
2021					71.19%	72.47%	73.02%	73.62%	74.27%		73.04%	77
2022						72.92%	73.43%	74.00%	74.62%	75.29%	74.02%	78
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.07%	8.09%	8.04%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.69%	2.70%	2.68%		
Selected					3.16%	2.99%	2.86%	2.71%	2.69%	2.69%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
9. Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,324	425,036	445,468	470,034		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	15,168	14,954	15,446	16,035		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,684	78,207	81,966	86,486		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	23,693	29,306	26,672	20,163		
13. Equity in Oricanica i Terniani (to) - Sani(17) to (14))]					32,055	29,489	31,268	32,566	33,894	35,285		
					32,055	11,179	7,575	3,259	7,222	15,122		
16. Carried Deferred Policy Acquisition Expenses					32,033							
16. Carried Deferred Policy Acquisition Expenses					2,363	(20,876)	(3,604)	(4,316)	3,963	7,900		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]							(3,604)	(4,316)	3,963			

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 27g Updated Base Scenario #9 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
Line No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds	44,259	55,172	62,167	67,972	73,612
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,625	84,232	87,823	91,305
Dividend and other Income					
Canadian Equities	9,657	5,701	4,652	5,401	6,053
Global .	4,218	5,988	4,975	5,702	6,296
Global LV	-	2,902	3,289	3,779	4,173
o Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,475	26,797	28,762	30,325
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(750)	(766)	(774)
6 Marketable Bonds Realized Gains/(Loss)	13,969	29,711	750	766	774
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	2,627	0	0	805
9 Global Equities Realized Gains	66,318	3,724	0	779	0
Global LV Realized Gains	=	457	<u>-</u>	-	848
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
22 Infrastructure 23 <b>Total</b>	5,765	4,447	4,633	4,893	5,167
	133,380	16,852	10,475	11,864	13,384
Other					
Investment Fees Paid	(5,203)	(4,725)	(4,616)	(4,917)	(5,148)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,447	4,601	4,700	4,721
Investment Write-Down  Total	- (05.000)	- (4.4.50)	- (44.000)	- (44.074)	- (45 (24)
	(25,030)	(14,150)	(14,328)	(14,974)	(15,634)
Total Corporate Investment Income	199,910	103,802	107,175	113,476	119,380
Total Basic Investment Income	171,428	84,854	88,401	91,823	94,801
% - Basic to Total Investment Income	85.75%	82%	82%	81%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,755	4,922	5,715	6,755
US Equities Unrealized Gains/(Losses)	7,537	9,335	7,424	8,509	9,396
Global LV Unrealized Gains/(Losses)	-	4,223	4,490	5,160	5,697
Total Corporate Unrealized Gains/(Losses)	19,651	16,090	12,346	14,224	16,151
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	=	=	-
Canadian Fixed Income	1,760.8	1,746.3	1,905.6	2,078.7	2,218.0
MUSH	569.3	522.8	477.0	432.3	386.3
Clabal Equities	123.2	130.6	152.4	175.6	200.2
Global Equities Global LV Equities	166.6	170.2	195.8	210.7	253.6
Global LV Equities Private Debt	96.5	116.5	134.4	153.4	171.8
Real Estate	133.5	188.7 138.0	188.7 143.9	188.7 150.7	188.7 161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,095.7	3,285.2	3,482.3	3,677.6
9 Total Basic Assets	2,530.3	2,654.2	2,774.0	2,893.4	3,002.5
Ending Rebalanced Allocations (%)		_,	=,		
o Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.7%	60.3%
3 MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.4%
US Equities	5.7%	5.5%	6.0%	6.1%	6.9%
Global LV	3.3%	3.8%	4.1%	4.4%	4.7%
Private Debt	0.0%	6.1%	5.7%	5.4%	5.1%
Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
Information 0 Marking Caribal	2.7%	2.7%	2.7%	2.6%	2.6%
infrastructure & Venture Capital Total	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 28a Modified Base Scenario #9 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
DACIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,528	29,431	31,515
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
Net Claims Incurred	742,604	869,023	783,040	824,140	892,624	938,446	995,716	1,051,825
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,261	10,174	8,862	8,256
Total Claims Incurred	666,404	860,035	767,239	789,235	899,884	948,620	1,004,579	1,060,082
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,654
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,266
Total Claims Costs	798,045	993,537	923,722	940,009	1,047,865	1,100,514	1,161,773	1,220,002
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,844
Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,191
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,557
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,117)	(88,352)	(102,138)
Investment Income	48,476	101,645	111 721	192,209	84,084	87,620	91,007	93,947
(b) Investment Income - Interest Rate Impact			111,731 4,589	(20,781)	04,004	67,020	31,007	
Net Investment Income  Net Investment Income	(52,515) (4,038)	(18,748) <b>82.897</b>	116,320	171.428	84.095	87.624	91,010	93,952
Net investment income	(4,036)	02,097	110,320	171,420	04,093	07,024	91,010	93,932
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	18,109	18,507	2,658	(8,186)
	23,685							(8,251)

# Appendix 28b Modified Base Scenario #9 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	293,616	310,193	324,395	327,992
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	18,109	18,507	2,658	(8,186)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(20,433)	(1,532)	(4,305)	939	12,093
6	Total Retained Earnings	194,498	99,251	170,975	293,616	310,193	324,395	327,992	331,899
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,435)	(35,537)	(26,022)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,676	8,898	9,515	10,799
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,435)	(35,537)	(26,022)	(15,224)
11	Total Equity Balance	231,002	181,000	210,845	241,505	265,758	288,858	301,969	316,675
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	293,616	310,193	324,395	327,992	331,899
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,435)	(35,537)	(26,022)	(15,224)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	241,505	265,758	288,858	301,969	316,675
47	Detailed Families is suggested for Challing the December								
17	Retained Earnings in excess of Rate Stabilization Reserve	221 002	101.000	- 210.045	241 505	- 2/E 7E0	- 200.050	201.070	21/ /75
18	Total Equity Balance	231,002	181,000	210,845	241,505	265,758	288,858	301,969	316,675

### Appendix 28c Modified Base Scenario #9 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	60,503	66,343	72,499	76,308
4	Equity investments	2,083,349	2,189,534	2,272,545	2,467,193	2,557,154	2,665,735	2,778,628	2,893,313
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,674	20,163
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,217
14		2,683,473	2,805,484	2,916,137	3,016,228	3,167,317	3,312,164	3,445,286	3,578,521
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,731
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,848	1,980,404	2,055,891	2,129,109
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,901,559	3,023,306	3,143,317	3,261,847
24	Equity								
25	Retained earnings	194.499	99,251	170,975	293,616	310.193	324,395	327.992	331,899
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,435)	(35,537)	(26,022)	(15,224)
27	Total Equity	231,003	181,000	210,845	241,505	265,758	288,858	301,969	316,675
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,016,228	3,167,317	3,312,164	3,445,286	3,578,521

# Appendix 28d Modified Base Scenario #9 Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(* )	(-)	(**)	(* ')	(**)
2	Capital available (from page 30.62 - capital available)	01	197,850	218,641	229,688	240,785	253,458
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	197,850	218,641	229,688	240,785	253,458
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,434	225,518
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,812	338,228
16	Market Risk:						
17	Interest rate risk	30	3,738	19,650	23,979	28,880	31,698
18	Foreign exchange risk	32	15,238	14,876	15,852	16,893	19,846
19	Equity risk	34	67,305	65,340	69,736	74,431	83,050
20	Real estate risk	36	25,537	26,425	27,098	28,002	29,474
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	111,818	126,291	136,665	148,206	164,068
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,284	61,256	63,606	65,165	66,253
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,284	61,256	63,606	65,165	66,253
28	Operational risk margin	50	64,151	70,016	73,334	76,691	80,429
29	Less: Diversification credit	52	52,649	61,652	65,237	68,865	73,224
30	Total Capital (Margin) Required at Target	59	449,450	496,708	521,769	547,009	575,754
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,633	331,138	347,846	364,673	383,836
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,633	331,138	347,846	364,673	383,836
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(101,783)	(112,497)	(118,158)	(123,888)	(130,378
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.03%	66.03%	66.03%	66.03%	66.03%

# Appendix 28e Modified Base Scenario #9 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag€	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,406
6	PIPP	187,022	177,326	215,511	220,977	222,363	224,435
7	Total	726,240	767,976	844,432	890,976	936,330	985,375
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7.039	6,750	6,596
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,604)	(4,316)	3,961	7,902
13	Total Net Claims Incurred	767.240	789.235	899.884	948.620	1.004.578	1.060.082

#### Appendix 28f

### Modified Base Scenario #9 Deferred Policy Acquisition Expenses and Premium Deficiency

1. Ultimate Loss Ratio - Total All Coverage   83.09%   72.79%   81.77%   81.34%   74.59%   73.25%   72.12%   72.39%   73.31%   74.30%   74.20%	0.85% 3.17% 7.63%
Selected	Disc 0.85% 3.17% 7.63% 7.08%
2013   2014   2015   2016   2017   2018   2019   2020   2021   2022   Undiscription	Disc 0.85% 3.17% 7.63% 7.08%
1. Ultimate Loss Ratio - Total All Coverage 83.09% 72.79% 81.77% 81.34% 74.59% 73.25% 72.12% 72.39% 73.31% 74.30%	0.85% 3.17% 7.63% 7.08%
2. Trend/Rate Adjustment for Fiscal Year  6	3.17% 7.63% 7.08%
6 2017 0,9142 0,9259 0,9555 0,9697 0,9888 7 2018 0,9151 0,9384 0,9464 0,9589 0,9937 8 2019 0,9205 0,9298 0,9435 0,9793 1,0034 1,0115 1 2020 0,936 0,9447 0,9809 1,0054 1,0115 1,0169 1,0132 1 2022 1,0179 1,0134 1 2022 1,0179 1,0134 1 2022 1,0179 1,0134 1 2018 66,61% 76,73% 76,98% 71,52% 72,79% 72,37% 72,37% 73,68% 78,12% 75,56% 70,34% 71,34% 72,37% 72,37% 73,22% 73,12% 73,12% 75,11% 2020 1 75,209 75,56% 70,47% 71,85% 72,51% 73,22% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 73,04% 75,29% 74,27% 75,	3.17% 7.63% 7.08%
7 2018 0.9151 0.9384 0.9464 0.9589 0.9937 8 2019 0.9205 0.9298 0.9435 0.9793 1.0034 9 2020 0.9306 0.9447 0.9809 1.0054 1.0115 1.	3.17% 7.63% 7.08%
8 2019 0,9205 0,9298 0,9435 0,9793 1,0034 9 2020 0,9306 0,9447 0,9809 1,0054 1,0115 10 2021 0,954 0,9894 1,0125 1,0169 1,0132 11 2022 1,0179 1,0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 72.79% 72.37% 72.37% 73.22% 73.42% 73.12% 7	3.17% 7.63% 7.08%
9 2020 0.9306 0.9447 0.9809 1.0054 1.0115 10 2021 0.9544 0.9894 1.0125 1.0169 1.0132 11 2022 1.0179 1.0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 73.76% 72.79% 72.79% 72.79% 73.12% 73.68% 78.12% 75.95% 80.14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 72.37% 72.37% 72.37% 73.22% 73.1	3.17% 7.63% 7.08%
10	3.17% 7.63% 7.08%
11 2022	3.17% 7.63% 7.08%
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  13	3.17% 7.63% 7.08%
13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 73.76% 75.95% 80 14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 72.79% 73.68% 78 15 2019 75.27% 75.63% 70.38% 71.74% 72.37% 73.12% 73.12% 73.12% 75.12% 75.12% 75.69% 70.47% 71.85% 72.51% 73.22% 73.42% 73.12%	3.17% 7.63% 7.08%
14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 71.52% 72.37% 73.68% 78 15 2019 75.27% 75.63% 70.38% 71.74% 72.37% 73.22% 73.12% 77 16 2020 75.69% 70.47% 71.85% 72.51% 73.22% 74.27% 73.04% 77 17 2021 71.19% 72.47% 73.02% 73.62% 74.27% 73.04% 77 18 2022 72.92% 73.43% 74.00% 74.62% 75.29% 74.02% 78 19 B. Actual Data Other Than Losses	3.17% 7.63% 7.08%
75.27% 75.63% 70.38% 71.74% 72.37% 73.22% 73.12% 77	7.63% 7.08%
16 2020 75.69% 70.47% 71.85% 72.51% 73.22% 72.53% 77. 17 2021 71.19% 72.47% 73.02% 73.62% 74.27% 73.04% 77. 18 2022 72.92% 73.43% 74.00% 74.62% 75.29% 74.02% 78. 19 B. Actual Data Other Than Losses 20 Fiscal Year	7.08%
17 2021 71.19% 72.47% 73.02% 73.62% 74.27% 73.04% 77. 18 2022 72.92% 73.43% 74.00% 74.62% 75.29% 74.02% 78. 19 B. Actual Data Other Than Losses 20 Fiscal Year	
17 2021 71.19% 72.47% 73.02% 73.62% 74.27% 73.04% 77. 18 2022 72.92% 73.43% 74.00% 74.62% 75.29% 74.02% 78. 19 B. Actual Data Other Than Losses 20 Fiscal Year	
18 2022 72.92% 73.43% 74.00% 74.62% 75.29% 74.02% 78.  19 B. Actual Data Other Than Losses 20 Fiscal Year	7.67%
19 B. Actual Data Other Than Losses 20 Fiscal Year	3.78%
20 Fiscal Year	
20 Fiscal Year	
22 4. Net Earned Premium 764,671 803,881 861,065 907,145 960,142 1,039,407 1,110,799 1,165,113 1,212,223 1,260,905	
23 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 10.26% 9.94% 8.99% 8.99% 8.20% 8.07% 8.09% 8.04%	
24 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% 3.42% 3.31% 3.00% 2.99% 2.73% 2.69% 2.70% 2.68%	
25 Selected 3.16% 2.99% 2.86% 2.71% 2.69% 2.69%	
26 7. ILAE Ratio to Losses - Selected 18.40% 18.40% 18.40% 18.40% 18.40% 18.40% 18.40%	
27 C. Equity in Unearned Premium	
28 8. Net Unearned Premium 468.613 506,193 535,642 557,393 579,561 602,728	
29 9. Additional Expected Cost of Non-Proportional Reinsurance 5.598 5.710 5.824 5.941 6.059 6.059	
30 10. Expected Claims (Including Ext Adj Expenses) [(8) - (9)) x (3)] 383,468 391,245 411,324 425,036 445,466 470,034	
31 11. Reinsurance PFAD 10	
32 12. Maintenance Expense [a] 13,837 14,989 15,168 14,954 15,446 16,035	
3 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 70.595 71,989 75,684 78,207 81,966 86,486	
36 16. Carried Deferred Policy Acquisition Expenses 32,055 29,489 31,268 32,566 33,894 35,285	
37 17. Write Down Deferred Policy Acquisition Expenses [b] 32,055 11,179 7,575 3,259 7,220 15,122	
38 Change 2,363 (20,876) (3,604) (4,316) 3,961 7,902	
39 18. Premium Deficiency [c] 8,845	
40 Change 2,001 (8,845)	

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 28g Modified Base Scenario #9 Summary of Corporate Investment Income

2018/19	2019/20	2020/21	2021/22	2022/23
		orecasteu		
055	0.4	0	0	(0)
				(0)
				73,628 17,693
71,273	79,606	84,229	87,814	91,321
•	, , ,	•	,	•
0.457	E 72E	4 4E 4	E 40E	6,072
				6,274
4,210				4,195
-				10,173
4,940	1,926	2,512	2,452	2,312
1,472	1,135	1,182	1,249	1,318
20,287	21,506	26,801	28,774	30,344
(38,202)	(27,948)	(750)	(765)	(773)
13,969	27,948	750	765	773
-	-	-	-	-
69,223	2,652	0	0	971
		0	0	1,123
		-	- ( 100	1,000
				6,564 5,167
	<u> </u>	<u> </u>		14,825
100/000	10/000	10,170	/ 000	11/020
(=\)	()		( )	<b>/-</b>
, ,	, ,	. ,	, ,	(5,154)
	, ,		, ,	(15,207) 4,714
(0,300)	4,440	4,001	4,700	4,714
(25,030)	(14,155)	(14,328)	(14,976)	(15,647)
199,910	103,843	107,177	112,697	120,843
171 //20	94.005	87.624	01 010	93,952
85.75%	81%	82%	81%	78%
12.114	4 702	4.024	E 710	4 777
				6,777 9,362
-				5,728
19,651	16,129	12,350	14,234	16,139
-	-	-	-	-
1,760.8	1,746.3	1,905.4	2,065.9	2,219.2
569.3	522.8	477.0	432.3	386.3
123.2	130.6	152.5	175.8	199.9
				252.6
				171.7
				188.7
				161.7 97.4
				3,677.5
				2,984.9
2,007.0	2,001.2	2,7 10.0	2,001.7	2,701.7
0.00/	0.00/	0.00/	0.00/	0.00/
0.0% 60.1%	0.0% 56.4%	0.0% 58.0%	0.0% 59.3%	0.0% 60.3%
		14.5%	12.4%	10.5%
	16 9%			
19.4%	16.9% 4.2%			
	16.9% 4.2% 5.5%	4.6% 6.0%	5.0% 6.4%	5.4% 6.9%
19.4% 4.2%	4.2%	4.6%	5.0%	5.4%
19.4% 4.2% 5.7% 3.3% 0.0%	4.2% 5.5% 3.8% 6.1%	4.6% 6.0% 4.1% 5.7%	5.0% 6.4% 4.4% 5.4%	5.4% 6.9% 4.7% 5.1%
19.4% 4.2% 5.7% 3.3%	4.2% 5.5% 3.8%	4.6% 6.0% 4.1%	5.0% 6.4% 4.4%	5.4% 6.9% 4.7%
	255 44,259 26,759 71,273  9,657 4,218 4,940 1,472 20,287  (38,202) 13,969 69,223 66,318 - 16,307 5,765 133,380  (5,203) (13,441) (6,386) - (25,030) 199,910  171,428 85.75%  12,114 7,537 - 19,651	255 86 44,259 55,158 26,759 24,361 71,273 79,606  9,657 5,725 4,218 5,995 - 2,903 - 3,822 4,940 1,926 1,472 1,135 20,287 21,506  (38,202) (27,948) 13,969 27,948 69,223 2,652 66,318 3,732 - 457 16,307 5,598 5,765 4,447 133,380 16,886  (5,203) (4,729) (13,441) (13,872) (6,386) 4,446 (25,030) (14,155) 199,910 103,843  171,428 84,095 85,75% 81%  12,114 6,783 7,537 9,345 - 4,224 19,651 16,129	Section   Sect	Forecasted

## Appendix 29a Adverse Scenario #9 Statement of Operations

BASIC  Motor Vehicles	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,63
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,11
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,90
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,531	29,438	31,52
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,644	1,241,660	1,292,42
Net Claims Incurred	742,604	869,023	783,040	797,438	1,211,413	1,124,944	995,304	1,055,93
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
Total Claims Incurred	666,404	860,035	767,239	789,235	1,052,370	1,137,334	999,528	1,061,96
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,749	145,584	147,88
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,39
Total Claims Costs	798,045	993,537	923,722	940,009	1,200,351	1,289,954	1,158,243	1,223,25
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,47
Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,28
Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,19
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,681	161,570	168,923	175,18
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(218,472)	(258,880)	(85,506)	(106,01
Investment Income	48,476	101,645	111,731	192,209	67,357	63,799	60,903	58,99
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,234	103,700	(29)	(4
Net Investment Income	(4,038)	82,897	116,320	171,428	194,591	167,498	60,874	58,95
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(23,881)	(91,382)	(24,632)	(47,06

# Appendix 29b Adverse Scenario #9 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	293,616	268,203	172,516	148,823
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(23,881)	(91,382)	(24,632)	(47,063)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(20,433)	(1,532)	(4,305)	939	12,093
6	Total Retained Earnings	194,498	99,251	170,975	293,616	268,203	172,516	148,823	113,853
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,339)	(51,875)	(43,764)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(228)	464	8,111	8,839
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924)
11	Total Equity Balance	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
10	Total Faults								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	293,616	268,203	172,516	148,823	113,853
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
	' ´		,,,,,,			-	-		

### Appendix 29c Adverse Scenario #9 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	54,161	19,669	16,583	18,126
	Equity investments	2,083,349	2,189,534	2,272,545	2,467,193	2,665,455	2,856,464	2,936,107	3,013,632
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,310	13,718	2,804	4,643	
)	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,124	61,083	63,096
		2,683,473	2,805,484	2,916,137	3,016,228	3,259,300	3,429,670	3,524,717	3,620,375
5	Liabilities								
j	Due to other insurance companies	152	147	141	144	144	144	144	144
,	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
3	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
)	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
)	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,860	2,266,435	2,332,701	2,409,327
3	·	2,452,472	2,624,484	2,705,292	2,774,723	3,043,436	3,309,028	3,419,658	3,541,446
	Equity								
;	Retained earnings	194.499	99.251	170,975	293,616	268,203	172,516	148,823	113,853
,	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924
	Total Equity	231,003	181,000	210,845	241,505	215,864	120,642	105,059	78,928
3	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,016,228	3,259,300	3,429,670	3,524,717	3,620,375

#### Appendix 29d Adverse Scenario #9 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	197,850	168,747	61,518	43,976	15,832
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	197,850	168,747	61,518	43,976	15,832
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	113,478
12	Unpaid claims	22	192,187	214,814	238,394	245,232	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,979	342,627	353,610	366,711
16	Market Risk:						
17	Interest rate risk	30	3,738	3,815	2,504	17,333	16,855
18	Foreign exchange risk	32	15,238	17,451	18,060	15,806	16,116
19	Equity risk	34	67,305	79,065	81,556	67,179	71,720
20	Real estate risk	36	25,537	26,425	27,098	28,002	29,474
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	111,818	126,756	129,218	128,320	134,165
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,284	60,790	62,812	65,095	66,153
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,284	60,790	62,812	65,095	66,153
28	Operational risk margin	50	64,151	71,222	75,118	77,357	80,299
29	Less: Diversification credit	52	52,649	62,686	65,548	66,564	68,970
30	Total Capital (Margin) Required at Target	59	449,450	511,061	544,227	557,818	578,358
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,633	340,707	362,818	371,879	385,572
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	299,633	340,707	362,818	371,879	385,572
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(101,783)	(171,960)	(301,300)	(327,903)	(369,740
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.03%	49.53%	16.96%	11.83%	4.11%

# Appendix 29e Adverse Scenario #9 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549.150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48.647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,968	334,655	222,438	223,711
		•		·			
7	Total	726,240	767,976	966,522	1,042,322	936,105	984,840
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,107	27,879	6,397	6,782
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	12,212	(511)	10,138
13	Total Net Claims Incurred	767.240	789.235	1.052.370	1.137.334	999.528	1.061.969

#### Appendix 29f

#### Adverse Scenario #9

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

A. Claims (Including External Adjustment Expense) Data												
- ·						dent Year					Selected	Sele
1 Ultimata Laca Datia Tatal All Cavarage	2013	2014	2015 81.77%	2016	2017 74.59%	2018	2019 73.53%	2020	2021	2022 74.30%	Undisc	
Ultimate Loss Ratio - Total All Coverage     Trans/(Date Adjustment for Figure Vege)	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	13.53%	76.33%	73.31%	74.30%		
Trend/Rate Adjustment for Fiscal Year     2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2017	0.9142	0.9259	0.9555	0.9697	0.9888	0.9937						
		0.9151	0.9384				1 0041					
2019			0.9243	0.9328	0.9458	0.9808	1.0041	1.0120				
2020				0.9447	0.9560	0.9895	1.0110	1.0139	1.0150			
2021					0.9653	0.9983	1.0191	1.0212	1.0150	4.0440		
2022						1.0041	1.0252	1.0273	1.0212	1.0148		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79
2020				76.84%	71.31%	72.48%	74.34%	77.39%			74.55%	81
2021					72.00%	73.13%	74.94%	77.95%	74.40%		74.16%	80
2022						73.55%	75.38%	78.42%	74.86%	75.40%	75.21%	82
B. Actual Data Other Than Losses												
-		Fiscal Year										
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.11%	8.16%	8.10%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.70%	2.72%	2.70%		
Selected					3.16%	2.99%	2.86%	2.72%	2.71%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
9. Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,749	447,393	463,991	490,422		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	15,168	14,985	15,544	16,163		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,234	82,320	85,374	90,238		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
45 5 11 11 10 1 ((0) 0 ((0) 1 (4.1))]					(8,845)	18,310	13,718	2,804	4,643	(4,104)		
<ol> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>					32,055	29,489	31,268	32,566	33,894	35,285		
					22.055	11,179	17,550	29,762	29,251	35,285		
16. Carried Deferred Policy Acquisition Expenses					32,055	11,177						
16. Carried Deferred Policy Acquisition Expenses					2,363	(20,876)	6,371	12,212	(511)	6,034		
Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]     Change     Premium Deficiency [c]												

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 29g Adverse Scenario #9 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ne No.			orecasted		
Interest Income During Period  Cash/Short Term Investments	٥٦٦	111	(0)	(0)	(2)
Marketable Bonds	255 44,259	111 50,815	(0) 51,545	(0) 51,868	(2) 53,281
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,287	73,610	71,720	70,972
Dividend and other Income					
Canadian Equities	9,657	6,412	5,111	5,137	5,480
Global	4,218	6,720	5,537	5,592	5,917
Global LV	-	3,344	3,417	3,418	3,694
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
nfrastructure  Total	1,472	1,135 23,095	1,182 27,292	1,249 27,431	1,318
	20,287	23,095	21,292	27,431	28,348
Gains During Period - Profit & Loss	()			()	
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	90,119	88,052	(12,832)	2,386
Marketable Bonds Realized Gains/(Loss) MUSH	13,969	45,808	21,234	12,832	(2,386)
Canadian Equities Realized Gains	69,223	(177)	(1,361)	264	621
Global Equities Realized Gains	66,318	181	(121)	333	1,237
Global LV Realized Gains	-	49	12	256	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,024	118,292	11,939	13,588
Other					
Investment Fees Paid	(5,203)	(4,897)	(4,804)	(4,953)	(5,086)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,349)	(12,758)	(15,011)	(14,569)
Investment Write-Down  Total	(25,030)	(21,118)	(31,875)	(34,721)	(34,862)
Total Corporate Investment Income	199,910	223,288	198,360	76,369	78,046
<del></del>	·	•			
Total Basic Investment Income  % - Basic to Total Investment Income	171,428 85.75%	194,591 87%	167,498 84%	60,874 80%	58,950 76%
	03.7370	0770	0470	0070	7070
Equity Unrealized Gains/(Losses)	40.444	(554)	(0.07)	5 405	
Canadian Equities Unrealized Gains/(Losses) US Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,435	6,116
Global LV Unrealized Gains/(Losses)	7,537	88 147	(95) 67	8,346 4,667	8,831 5,044
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,081)	13,781	14,946
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	
Canadian Fixed Income	1,760.8	1,791.3	2,015.3	2,224.5	2,376.0
n MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.4	167.8	158.6	167.3
Global LV Fruities	166.6	199.3	217.0	209.4	214.0
Global LV Equities Private Debt	96.5	127.6	140.5	132.1	149.1
5 Private Debt 5 Real Estate	- 133.5	188.7 138.0	199.7 143.9	199.7 150.7	199.7 161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,202.8	3,448.5	3,599.4	3,751.6
Total Basic Assets	2,509.8	2,733.2	2,889.7	2,966.4	3,047.0
Ending Robolanced Allocations (9/)		=,			
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	55.9%	58.4%	61.8%	63.3%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	4.9%	4.4%	4.5%
US Equities	5.7%	6.2%	6.3%	5.8%	5.7%
Global LV	3.3%	4.0%	4.1%	3.7%	4.0%
Private Debt	0.0%	5.9%	5.8%	5.5%	5.3%
Real Estate	4.6% 2.7%	4.3% 2.6%	4.2% 2.5%	4.2% 2.6%	4.3% 2.6%
Infrastructure & Venture Capital					

#### Appendix 29h

#### Adverse Scenario #9 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Foi	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,531	29,438	31,521
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,644	1,241,660	1,292,426
13	Net Claims Incurred	742,604	869,023	783.040	797,438	1,211,413	1,124,944	995,304	1,055,934
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,052,370	1,137,334	999,528	1,061,969
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,749	145,584	147,889
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,396
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,200,351	1,289,954	1,158,243	1,223,254
19	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,473
20 21	Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
22	Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,191
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,681	161,570	168,923	175,185
05	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(218,472)	(258,880)	(85,506)	(106,013)
25	onderwriting income (coss)	(52,011)	(203,906)	(01,090)	(20,300)	(210,472)	(230,000)	(65,500)	(100,013)
26	Investment Income	48,476	101,645	111,731	192,209	67,357	63,799	60,903	58,995
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,234	103,700	(29)	(45)
28	Net Investment Income	(4,038)	82,897	116,320	171,428	194,591	167,498	60,874	58,950
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(23,881)	(91,382)	(24,632)	(47,063)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,277	91,310	(4,254)	(6,080)

# Appendix 29i Adverse Scenario #9 with Management Action Statement of Changes in Equity

Line	e (C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99,251	170.975	293.616	268.203	172.516	148.823
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	143.074	(23,881)	(91,382)	(24,632)	(47,063)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(20,433)	(1,532)	(4,305)	939	12,093
6	Total Retained Earnings	194,498	99,251	170,975	293,616	268,203	172,516	148,823	113,853
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,339)	(51,875)	(43,764)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(228)	464	8,111	8,839
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924)
11	Total Equity Balance	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99.251	170,975	293,616	268,203	172,516	148,823	113,853
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924)
	·								
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	241,505	215,864	120,642	105,059	78,928
	-								

### Appendix 29j Adverse Scenario #9 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	54,161	19,669	16,583	18,126
4	Equity investments	2,083,349	2,189,534	2,272,545	2,467,193	2,665,455	2,856,464	2,936,107	3,013,632
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,718	2,804	4,643	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,124	61,083	63,096
14		2,683,473	2,805,484	2,916,137	3,016,228	3,259,300	3,429,670	3,524,717	3,620,375
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,860	2,266,435	2,332,701	2,409,327
23		2,452,472	2,624,484	2,705,292	2,774,723	3,043,436	3,309,028	3,419,658	3,541,446
24	Equity								
25	Retained earnings	194.499	99,251	170,975	293,616	268,203	172.516	148.823	113,853
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,339)	(51,875)	(43,764)	(34,924)
27	Total Equity	231,003	181,000	210,845	241,505	215,864	120,642	105,059	78,928
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,016,228	3,259,300	3,429,670	3,524,717	3,620,375

# Appendix 29k Adverse Scenario #9 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0. 7.14. 7.11	•	(01)	(02)	(03)	(04)	(05)
1	Capital Available:		407.050	4/0.747		40.07/	45.000
2	Capital available (from page 30.62 - capital available)	01	197,850	168,747	61,518	43,976	15,832
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	197,850	168,747	61,518	43,976	15,832
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	113,478
12	Unpaid claims	22	192,187	214,814	238,394	245,232	253,233
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	C
15	Subtotal: Insurance risk margin	29	286,846	314,979	342,627	353,610	366,711
16	Market Risk:						
17	Interest rate risk	30	3,738	3,815	2,504	17,333	16,855
18	Foreign exchange risk	32	15,238	17,451	18,060	15,806	16,116
19	Equity risk	34	67,305	79,065	81,556	67,179	71,720
20	Real estate risk	36	25,537	26,425	27,098	28,002	29,474
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	111,818	126,756	129,218	128,320	134,165
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,284	60,790	62,812	65,095	66,153
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	C
27	Subtotal: Credit risk margin	49	39,284	60,790	62,812	65,095	66,153
28	Operational risk margin	50	64,151	71,222	75,118	77,357	80,299
29	Less: Diversification credit	52	52,649	62,686	65,548	66,564	68,970
30	Total Capital (Margin) Required at Target	59	449,450	511,061	544,227	557,818	578,358
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	299,633	340,707	362,818	371,879	385,57
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	299,633	340,707	362,818	371,879	385,572
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(101,783)	(171,960)	(301,300)	(327,903)	(369,740
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	66.03%	49.53%	16.96%	11.83%	4.119

# Appendix 29I Adverse Scenario #9 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
•							
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damag€	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,968	334,655	222,438	223,711
	<u>-</u>						
7	Total	726,240	767,976	966,522	1,042,322	936,105	984,840
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,107	27,879	6,397	6,782
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	12,212	(511)	10,138
13	Total Net Claims Incurred	767.240	789.235	1.052.370	1.137.334	999.528	1.061.969

#### Appendix 29m

### Adverse Scenario #9 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A!	d4.W						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Di:
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.53%	76.33%	73.31%	74.30%	Ondisc	DI.
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9243	0.9328	0.9458	0.9808	1.0041					
2020				0.9447	0.9560	0.9895	1.0110	1.0139				
2021					0.9653	0.9983	1.0191	1.0212	1.0150			
2022						1.0041	1.0252	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79.2
2020				76.84%	71.31%	72.48%	74.34%	77.39%			74.55%	81.1
2021					72.00%	73.13%	74.94%	77.95%	74.40%		74.16%	80.9
2022						73.55%	75.38%	78.42%	74.86%	75.40%	75.21%	82.1
B. Actual Data Other Than Losses												
_					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.11%	8.16%	8.10%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.70%	2.72%	2.70%		
Selected					3.16%	2.99%	2.86%	2.72%	2.71%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol><li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li></ol>	x (3)]				383,468	391,245	419,749	447,393	463,991	490,422		
11. Reinsurance PFAD					10		-	-	-	-		
					13,837	14,989	15,168	14,985	15,544	16,163		
					70,595	71,989	77,234	82,320	85,374	90,238		
12. Maintenance Expense [a]					3,950	3,950	3,950	3,950	3,950	3,950		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	hancement				0,700							
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement				(8,845)	18,310	13,718	2,804	4,643	(4,104)		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement					18,310 29,489	13,718 31,268	2,804 32,566	4,643 33,894	(4,104) 35,285		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	hancement				(8,845)					,		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				(8,845) 32,055 32,055 2,363	29,489	31,268	32,566	33,894	35,285		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]	hancement				(8,845) 32,055 32,055	29,489 11,179	31,268 17,550	32,566 29,762	33,894 29,251	35,285 35,285		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 29n Adverse Scenario #9 with Management Action Summary of Corporate Investment Income

<u> </u>	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	111	(0)	(0)	(2)
Marketable Bonds	44,259	50,815	51,545	51,868	53,281
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,287	73,610	71,720	70,972
Dividend and other Income					
Canadian Equities	9,657	6,412	5,111	5,137	5,480
Global	4,218	6,720	5,537	5,592	5,917
Global LV	-	3,344	3,417	3,418	3,694
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940	1,926	2,512	2,452	2,312
	1,472	1,135 23,095	1,182 27,292	1,249	1,318
Total	20,287	23,093	21,292	27,431	28,348
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	90,119	88,052	(12,832)	2,386
Marketable Bonds Realized Gains/(Loss)	13,969	45,808	21,234	12,832	(2,386
MUSH	-	-	- (4.0.4)	=	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(177)	(1,361)	264	621
	66,318	181	(121)	333	1,237
Global LV Realized Gains Real Estate (Pooled Fund)	- 16,307	49 5,598	12 5,842	256 6,192	- / 5/4
Infrastructure	5,765	5,596 4,447	4,633	4,893	6,564 5,167
Total	133,380	146,024	118,292	11,939	13,588
	100/000	1 10/02 1	110/272	,,,,,	.0/000
Other Investment Fees Paid					
	(5,203)	(4,897)	(4,804)	(4,953)	(5,086
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	(2,349)	(12,758)	(15,011)	(14,569
Total	(25,030)	(21,118)	(31,875)	(34,721)	(34,862
Total Corporate Investment Income	199,910	223,288	198,360	76,369	78,046
<del></del>					
Total Basic Investment Income % - Basic to Total Investment Income	171,428 85.75%	194,591 87%	167,498 84%	60,874 80%	58,950 76%
70 Busic to Total investment income	03.7370	0770	04 /0	00 70	707
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,435	6,116
US Equities Unrealized Gains/(Losses)	7,537	88	(95)	8,346	8,831
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 10 / 51	147	67	4,667	5,044
Total Corporate officialized Gallis/(Losses)	19,651	(464)	(1,081)	13,781	14,946
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income MUSH	1,760.8	1,791.3	2,015.3	2,224.5	2,376.0
	569.3	522.8	477.0	432.3	386.3
	123.2	152.4	167.8 217.0	158.6	167.3
Global Equities Global LV Equities	166.6 96.5	199.3 127.6	217.0 140.5	209.4 132.1	214.0 149.1
Private Debt	70.3	188.7	199.7	199.7	149.1
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,202.8	3,448.5	3,599.4	3,751.6
Total Basic Assets	2,509.8	2,733.2	2,889.7	2,966.4	3,047.0
Ending Rebalanced Allocations (%)					
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
On a Paris Fire III and a second	60.1%	55.9%	58.4%	61.8%	63.3%
Canadian Fixed Income		16.3%	13.8%	12.0%	10.3%
Canadian Fixed Income MUSH	19.4%	10.570			
MUSH Canadian Equities	4.2%	4.8%	4.9%	4.4%	
MUSH Canadian Equities US Equities	4.2% 5.7%	4.8% 6.2%	6.3%	5.8%	5.7%
MUSH Canadian Equities US Equities Global LV	4.2% 5.7% 3.3%	4.8% 6.2% 4.0%	6.3% 4.1%	5.8% 3.7%	4.5% 5.7% 4.0%
MUSH Canadian Equities US Equities Global LV Private Debt	4.2% 5.7% 3.3% 0.0%	4.8% 6.2% 4.0% 5.9%	6.3% 4.1% 5.8%	5.8% 3.7% 5.5%	5.7% 4.0% 5.3%
MUSH Canadian Equities US Equities Global LV	4.2% 5.7% 3.3%	4.8% 6.2% 4.0%	6.3% 4.1%	5.8% 3.7%	5.7% 4.0%

## Appendix 30a Updated Base Scenario #10 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Written  Motor Vehicles Drivers Reinsurance Ceded Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  Let Claims Incurred (a) Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,054,863 70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	2021P  1,098,659 72,885 (11,648) 1,159,896  1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	2022P  1,143,490 74,723 (11,881)  1,206,332  1,122,752 73,798 (11,881)  1,184,668 29,154  1,213,822	1,190,422 76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Written  Jet Premiums Earned Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  Jet Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Reinsurance Ceded  Total Net Premiums Written  Jet Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	76,565 (12,119 1,254,868 1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
let Premiums Barned  Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  let Claims Incurred (a) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	(11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	(11,648) 1,159,896 1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	(11,881) 1,206,332 1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
let Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Otal Net Premiums Earned Service Fees & Other Revenues Otal Earned Revenues  Jet Claims Incurred (a) Claims Incurred Jet Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,038,403 69,896 (11,420) 1,096,879 25,370 1,122,250	1,078,400 71,887 (11,648) 1,138,639 27,187 1,165,826	1,122,752 73,798 (11,881) 1,184,668 29,154 1,213,822	1,168,712 75,638 (12,119 1,232,231 31,315 1,263,546
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred  Total Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,845 1,063,252 823,258	69,896 (11,420) 1,096,879 25,370 1,122,250	71,887 (11,648) 1,138,639 27,187 1,165,826	73,798 (11,881) 1,184,668 29,154 1,213,822	75,638 (12,119 1,232,231 31,315 1,263,546
Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred  Total Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,845 1,063,252 823,258	69,896 (11,420) 1,096,879 25,370 1,122,250	71,887 (11,648) 1,138,639 27,187 1,165,826	73,798 (11,881) 1,184,668 29,154 1,213,822	75,638 (12,119 1,232,231 31,315 1,263,546
Reinsurance Ceded  otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  let Claims Incurred (a) Claims Incurred  otal Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040	(11,196) 1,039,407 23,845 1,063,252 823,258	(11,420) 1,096,879 25,370 1,122,250	(11,648) 1,138,639 27,187 1,165,826	(11,881) 1,184,668 29,154 1,213,822	(12,119 1,232,231 31,315 1,263,546
otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  let Claims Incurred (a) Claims Incurred otal Claims Incurred	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040	1,039,407 23,845 1,063,252 823,258	1,096,879 25,370 1,122,250	1,138,639 27,187 1,165,826	1,184,668 29,154 1,213,822	1,232,23 <sup>1</sup> 31,315 1,263,546
Service Fees & Other Revenues  otal Earned Revenues  let Claims Incurred  (a) Claims Incurred - Interest Rate Impact  otal Claims Incurred	20,351 <b>881,417</b> 742,604 (76,200)	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040	23,845 1,063,252 823,258	25,370 <b>1,122,250</b>	27,187 1,165,826	29,154 1,213,822	31,315 <b>1,263,54</b> 6
let Claims Incurred  (a) Claims Incurred - Interest Rate Impact  fotal Claims Incurred	742,604 (76,200)	927,893 869,023 (8,988)	<b>982,992</b> 783,040	1,063,252 823,258	1,122,250	1,165,826	1,213,822	1,263,54
let Claims Incurred (a) Claims Incurred - Interest Rate Impact otal Claims Incurred	742,604 (76,200)	869,023 (8,988)	783,040	823,258				
(a) Claims Incurred - Interest Rate Impact otal Claims Incurred	(76,200)	(8,988)			902,134	937 111	995 327	
otal Claims Incurred	,	,	(15,801)			,0,,	,,olo5,	1,051,242
-	666,404	860 035		(44,539)	(18,716)	655	11,121	9,45
		000,000	767,239	778,719	883,417	937,766	1,006,448	1,060,69
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,253
otal Claims Costs	798,045	993,537	923,722	929,493	1,031,352	1,089,534	1,163,473	1,220,47
expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,78
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,36
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,33
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
otal Expenses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,70
Inderwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,989)	(83,244)	(116,087)	(129,63
nvestment Income	48,476	101,645	111,731	192,131	87,044	92,631	96,915	100,37
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,528)	(7,424)	4,473	2,029
let Investment Income	(4,038)	82,897	116,320	163,818	62,515	85,206	101,387	102,40
let Income (Loss)	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,23
	xpenses Operating Commissions Premium Taxes Regulatory/Appeal otal Expenses Inderwriting Income (Loss) Investment Income (b) Investment Income	Expenses         71,641           Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           otal Expenses         135,383           Inderwriting Income (Loss)         (52,011)           Investment Income         48,476           (b) Investment Income         (52,515)           et Investment Income         (4,038)           et Income (Loss)         (56,049)	Expenses       71,641       72,785         Commissions       33,862       35,086         Premium Taxes       26,205       27,563         Regulatory/Appeal       3,675       4,889         otal Expenses       135,383       140,323         Inderwriting Income (Loss)       (52,011)       (205,968)         Investment Income       48,476       101,645         (b) Investment Income       (52,515)       (18,748)         et Investment Income       (4,038)       82,897         et Income (Loss)       (56,049)       (123,071)	Expenses         71,641         72,785         70,201           Commissions         33,862         35,086         37,378           Premium Taxes         26,205         27,563         29,143           Regulatory/Appeal         3,675         4,889         4,443           otal Expenses         135,383         140,323         141,165           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)           Investment Income         48,476         101,645         111,731           (b) Investment Income         (52,515)         (18,748)         4,589           et Investment Income         (4,038)         82,897         116,320           et Income (Loss)         (56,049)         (123,071)         34,424	Expenses       71,641       72,785       70,201       75,060         Commissions       33,862       35,086       37,378       40,338         Premium Taxes       26,205       27,563       29,143       31,518         Regulatory/Appeal       3,675       4,889       4,443       4,669         otal Expenses       135,383       140,323       141,165       151,585         Inderwriting Income (Loss)       (52,011)       (205,968)       (81,896)       (17,826)         Investment Income       48,476       101,645       111,731       192,131         (b) Investment Income       48,476       101,645       111,731       192,131         (b) Investment Income       (52,515)       (18,748)       4,589       (28,313)         et Investment Income       (4,038)       82,897       116,320       163,818         et Income (Loss)       (56,049)       (123,071)       34,424       145,992	xpenses         71,641         72,785         70,201         75,060         73,525           Commissions         33,862         35,086         37,378         40,338         42,273           Premium Taxes         26,205         27,563         29,143         31,518         33,249           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839           otal Expenses         135,383         140,323         141,165         151,585         153,886           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (17,826)         (62,989)           Investment Income         48,476         101,645         111,731         192,131         87,044           (b) Investment Income         48,476         101,645         111,731         192,131         87,044           (b) Investment Income         (4,038)         82,897         116,320         163,818         62,515	xpenses Operating 71,641 72,785 70,201 75,060 73,525 76,195 Commissions 33,862 35,086 37,378 40,338 42,273 43,834 Premium Taxes 26,205 27,563 29,143 31,518 33,249 34,509 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 otal Expenses 135,383 140,323 141,165 151,585 153,886 159,536  Inderwriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (62,989) (83,244)  Investment Income 48,476 101,645 111,731 192,131 87,044 92,631 (b) Investment Income (4,038) 82,897 116,320 163,818 62,515 85,206  et Income (Loss) (56,049) (123,071) 34,424 145,992 (474) 1,963	xpenses Operating 71,641 72,785 70,201 75,060 73,525 76,195 79,859 Commissions 33,862 35,086 37,378 40,338 42,273 43,834 45,568 Premium Taxes 26,205 27,563 29,143 31,518 33,249 34,509 35,896 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 5,114 otal Expenses 135,383 140,323 141,165 151,585 153,886 159,536 166,437 Inderwriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (62,989) (83,244) (116,087) Investment Income 48,476 101,645 111,731 192,131 87,044 92,631 96,915 (b) Investment Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,528) (7,424) 4,473 et Investment Income (Loss) (56,049) (123,071) 34,424 145,992 (474) 1,963 (14,700)

# Appendix 30b Updated Base Scenario #10 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	316,493	318,456	303,756
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,233)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,784)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,202	11,214
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
11	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
12	Total Equity								
13	Rate Stabilization Reserve								
		104 400	00.251	170.075	21/ 0/7	21/ 402	210 454	202 754	27/ 522
14	Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	_	_	-
18	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953

### Appendix 30c Updated Base Scenario #10 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	47,134	36,299	19,279	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,544,598	2,646,458	2,767,091	2,874,836
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,761
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
4		2,683,473	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609
5	Liabilities								
5	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
3	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
)	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,677	389,271	405,961
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,964	1,934,073	2,010,737	2,084,197
3	·	2,452,472	2,624,484	2,705,292	2,765,090	2,852,555	2,962,957	3,084,134	3,202,656
4	Equity								
5	Retained earnings	194,499	99,251	170,975	316,967	316,493	318,456	303,756	276,523
5	Accumulated Other Comprehensive Income	36.504	81,749	39.870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
7	Total Equity	231,003	181,000	210,845	264,856	272,319	283,470	278,972	262,953
3	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609

# Appendix 30d Updated Base Scenario #10 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line		•	Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	221,201	225,199	224,288	217,770	199,717
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	225,199	224,288	217,770	199,717
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,195
16	Market Risk:						
17	Interest rate risk	30	6,468	21,726	25,600	29,355	34,758
18	Foreign exchange risk	32	15,640	15,260	16,262	17,838	20,919
19	Equity risk	34	69,313	67,256	71,783	79,552	84,976
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,141	141,244	155,278	170,690
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	60,210	62,400	63,916	65,125
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	60,210	62,400	63,916	65,125
28	Operational risk margin	50	64,552	69,195	72,353	75,892	79,568
29	Less: Diversification credit	52	53,910	61,979	65,356	69,428	73,655
30	Total Capital (Margin) Required at Target	59	453,309	493,523	517,059	544,511	572,923
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	329,016	344,706	363,008	381,949
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	329,016	344,706	363,008	381,949
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(103,817)	(120,418)	(145,238)	(182,232)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	68.45%	65.07%	59.99%	52.29%

# Appendix 30e Updated Base Scenario #10 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502.881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,124	223,369	224,650
	_						
7	Total _	726,240	759,725	821,952	882,030	937,339	985,583
	Limelle cotted Lace Adjustment Function	42.252	FO 12F	FO 071	F4 001	F7 F27	(0.010
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,630
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,272
13	Total Net Claims Incurred	767.240	778.719	883.418	937.767	1.006.447	1.060.694

#### Appendix 30f

### Updated Base Scenario #10 Deferred Policy Acquisition Expenses and Premium Deficiency

Line	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9427	0.9522	0.9663	1.0030	1.0148					
9	2020				0.9522	0.9667	1.0037	1.0159	1.0115				
10	2021					0.9766	1.0124	1.0230	1.0169	1.0132			
11	2022						1.0186	1.0289	1.0222	1.0180	1.0134		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.09%
16	2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.37%
17	2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.03%
18	2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.15%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
24	<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
25	Selected					3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
							2.7770				18.40%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%			
26 27	ILAE Ratio to Losses - Selected     C. Equity in Unearned Premium								18.40%	18.40%			
									18.40% 544,918	18.40% 566,581	589,219		
27	C. Equity in Unearned Premium	ce				18.40%	18.40%	18.40%			589,219 6,059		
27 28	C. Equity in Unearned Premium  8. Net Unearned Premium					18.40% 468,613	18.40%	18.40% 523,661	544,918	566,581			
27 28 29	C. Equity in Unearned Premium     Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsuran					18.40% 468,613 5,598	18.40% 506,193 5,710	18.40% 523,661 5,824	544,918 5,941	566,581 6,059	6,059		
27 28 29 30	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]					18.40% 468,613 5,598 383,468	18.40% 506,193 5,710 390,499	18.40% 523,661 5,824	544,918 5,941 422,404	566,581 6,059	6,059		
27 28 29 30 31	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD					18.40% 468,613 5,598 383,468 10	18.40% 506,193 5,710 390,499	18.40% 523,661 5,824 409,571	544,918 5,941 422,404	566,581 6,059 442,958	6,059 467,420		
27 28 29 30 31 32	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837	18.40% 506,193 5,710 390,499 - 14,989	18.40% 523,661 5,824 409,571	544,918 5,941 422,404 - 14,870	566,581 6,059 442,958 - 15,434	6,059 467,420 - 16,023		
27 28 29 30 31 32 33	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595	18.40% 506,193 5,710 390,499 - 14,989 71,852	18.40% 523,661 5,824 409,571 - 14,913 75,361	544,918 5,941 422,404 - 14,870 77,722	566,581 6,059 442,958 - 15,434 81,504	6,059 467,420 - 16,023 86,005		
27 28 29 30 31 32 33 34	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Erectors  Expected Claims (Including Ext Adj Expenses) - PIPP Expenses)	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	506,193 5,710 390,499 	523,661 5,824 409,571 - 14,913 75,361 3,950	544,918 5,941 422,404 - 14,870 77,722 3,950	566,581 6,059 442,958 - 15,434 81,504 3,950	6,059 467,420 - 16,023 86,005 3,950		
27 28 29 30 31 32 33 34 35	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	506,193 5,710 390,499 	523,661 5,824 409,571 - 14,913 75,361 3,950 14,042	544,918 5,941 422,404 - 14,870 77,722 3,950 20,031	566,581 6,059 442,958 - 15,434 81,504 3,950 16,675	6,059 467,420 16,023 86,005 3,950 9,761		
27 28 29 30 31 32 33 34 35 36	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	18.40% 523,661 5,824 409,571 - 14,913 75,361 3,950 14,042 30,518	544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785	566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082	6,059 467,420 - 16,023 86,005 3,950 9,761 34,440		
27 28 29 30 31 32 33 34 35 36 37	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				18.40% 468.613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	506,193 5,710 390,499 	523,661 5,824 409,571 14,913 75,361 3,950 14,042 30,518 16,476	544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785 11,754	566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082 16,407	6,059 467,420 16,023 86,005 3,950 9,761 34,440 24,679		
27 28 29 30 31 32 33 34 35 36 37 38	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium ((8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	506,193 5,710 390,499 	523,661 5,824 409,571 14,913 75,361 3,950 14,042 30,518 16,476	544,918 5,941 422,404 - 14,870 77,722 3,950 20,031 31,785 11,754	566,581 6,059 442,958 - 15,434 81,504 3,950 16,675 33,082 16,407	6,059 467,420 16,023 86,005 3,950 9,761 34,440 24,679		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 30g Updated Base Scenario #10 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
e No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	259	135	0	0	0
Marketable Bonds	44,245	55,517	63,687	69,947	76,032
MUSH	26,759	24,361 <b>80,013</b>	22,065	19,852	17,693
Total	71,264	80,013	85,752	89,798	93,725
Dividend and other Income					
Canadian Equities	9,657	5,675	4,509	5,224	5,711
Global	4,218	5,958	4,843	5,540	5,968
Global LV Private Debt	-	2,881	3,193	3,661	4,018
Investment Properties (Cityplace)	- 4,940	3,873	10,338 2,512	10,321	10,308 2,312
Infrastructure	4,940 1,472	1,926 1,136	1,183	2,452 1,249	1,319
Total	20,288	21,449	26,578	28,448	29,637
	20/200	2.1/	20,070	20/110	27,007
Gains During Period - Profit & Loss	/===\	(	<b>(= 1)</b>		
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,139)	(7,824)	2,711	578
Marketable Bonds Realized Gains/(Loss) MUSH	11,781	25,389	(40)	2,026	1,546
Canadian Equities Realized Gains	- 69,223	- 2,659	- 0	- 0	- 747
Global Equities Realized Gains	69,223 66,319	2,659 3,761	0	0	889
Global LV Realized Gains	-	459	-	-	908
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,818)	2,619	15,831	16,407
Other					
Investment Fees Paid	/F 204)	(4.70()	/4 EEE)	(4 02E)	/E 024
Pension Expense	(5,204) (13,441)	(4,706) (13,872)	(4,555) (14,313)	(4,835) (14,757)	(5,034 (15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,796	7,626	7,682	7,391
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,782)	(11,242)	(11,910)	(12,850
Total Corporate Investment Income	191,042	78,800	102,766	122,681	127,153
Total Basic Investment Income	163,818	62,515	85,206	101,387	102,402
% - Basic to Total Investment Income	85.75%	79%	83%	83%	81%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12.114	4 724	A 771	E E20	4 272
US Equities Unrealized Gains/(Losses)	12,114 7,538	6,724 9,289	4,771 7,228	5,528 8,268	6,373 8,906
Global LV Unrealized Gains/(Losses)	7,330	4,193	4,359	4,999	5,487
Total Corporate Unrealized Gains/(Losses)	19,652	16,013	11,999	13,796	15,280
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,704.4	1,846.5	1,990.6	2,149.3
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.3	127.9	145.4	168.7	184.2
Global Equities	166.7	167.1	188.1	215.5	234.8
Global LV Equities	96.6	114.2	128.6	147.7	158.1
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate Infrastructure & Venture Capital	133.6	138.1	144.0	150.8	161.8
Total Ending Asset Values	78.3 <b>2,919.5</b>	82.8 3,045.1	87.4 3,203.9	92.3 3,385.2	97.5 3,559.5
··			•	•	
Total Basic Assets	2,522.7	2,605.3	2,696.3	2,800.1	2,890.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.8%	60.4%
MUSH Canadian Equition	19.5%	17.2%	14.9%	12.8%	10.9%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.5% 5.9%	5.0% 6.4%	5.2% 6.6%
Global LV	3.3%	3.8%	4.0%	4.4%	4.4%
Private Debt	0.0%	6.2%	5.8%	5.5%	5.3%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.5%
		2.7%	2.7%	2.7%	2.7%
Infrastructure & Venture Capital	2.7%	Z.170	Z.170	Z.170	7.17h

## Appendix 31a Modified Scenario #10 Statement of Operations

nicles  nce Ceded remiums Written  ms Earned nicles  nce Ceded remiums Earned ees & Other Revenues ed Revenues  Incurred s Incurred s Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845	1,054,863 70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879 25,370	2021P  1,098,659 72,885 (11,648) 1,159,896  1,078,400 71,887 (11,648) 1,138,639	1,143,490 74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881)	1,190,422 76,565 (12,119 1,254,868 1,168,712 75,638 (12,119
nce Ceded remiums Written  ms Earned nicles nce Ceded remiums Earned ees & Other Revenues ad Revenues Incurred Incurred Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648)	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881)	76,565 (12,119 1,254,868 1,168,712 75,638
remiums Written  ms Earned nicles  nce Ceded remiums Earned ees & Other Revenues ad Revenues  Incurred s Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879	72,885 (11,648) 1,159,896 1,078,400 71,887 (11,648)	74,723 (11,881) 1,206,332 1,122,752 73,798 (11,881)	76,565 (12,119 1,254,868 1,168,712 75,638
remiums Written  ms Earned nicles  nce Ceded remiums Earned ees & Other Revenues ad Revenues  Incurred s Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,114,346 1,038,403 69,896 (11,420) 1,096,879	(11,648) 1,159,896 1,078,400 71,887 (11,648)	(11,881) 1,206,332 1,122,752 73,798 (11,881)	(12,119 1, <b>254,868</b> 1,168,712 75,638
ms Earned hicles hice Ceded remiums Earned ees & Other Revenues ed Revenues Incurred Incurred Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,845	1,038,403 69,896 (11,420) 1,096,879	1,078,400 71,887 (11,648)	1,122,752 73,798 (11,881)	1,168,712 75,638
nicles  nce Ceded  remiums Earned ees & Other Revenues ed Revenues  Incurred s Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,096,879	71,887 (11,648)	73,798 (11,881)	75,638
nce Ceded remiums Earned ees & Other Revenues ed Revenues Incurred s Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b>	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,096,879	71,887 (11,648)	73,798 (11,881)	75,638
remiums Earned ees & Other Revenues ed Revenues Incurred s Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	(11,635) <b>907,144</b> 20,749 <b>927,893</b>	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,845	(11,420) 1,096,879	(11,648)	(11,881)	
remiums Earned ees & Other Revenues ed Revenues Incurred s Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893	<b>960,142</b> 22,849	1,039,407 23,845	1,096,879		,	(12,11
ees & Other Revenues ad Revenues Incurred s Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b>	22,849	23,845		1,138,639		
d Revenues  Incurred s Incurred - Interest Rate Impact	881,417 742,604	927,893			25.370		1,184,668	1,232,23
Incurred s Incurred - Interest Rate Impact	742,604	·	982,992	1.0/1.151	- 1	27,187	29,154	31,31
s Incurred - Interest Rate Impact		0.40.000		1,063,252	1,122,250	1,165,826	1,213,822	1,263,540
' ·	/-·	869,023	783,040	823,258	902,134	937,112	995,327	1,051,24
s Incurred	(76,200)	(8,988)	(15,801)	(44,539)	(18,715)	654	11,121	9,49
	666,404	860,035	767,239	778,719	883,418	937,766	1,006,448	1,060,73
xpense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
ety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,25
s Costs .	798,045	993,537	923,722	929,493	1,031,353	1,089,534	1,163,473	1,220,51
1	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,78
ions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,36
Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,33
y/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
nses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,70
ng Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,990)	(83,244)	(116,087)	(129,67
Income	48,476	101,645	111,731	192,131	86,493	92,056	96,296	99,73
ment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,485)	(7,411)	4,465	2,03
nent Income	(4,038)	82,897	116,320	163,818	62,008	84,645	100,761	101,76
	(56,049)	(123,071)	34,424	145,992	(982)	1,401	(15,327)	(27,91
mei nen	nt Income - Interest Rate Impact	nt Income - Interest Rate Impact (52,515) t Income (4,038)	nt Income - Interest Rate Impact (52,515) (18,748) tt Income (4,038) 82,897  poss) (56,049) (123,071)	nt Income - Interest Rate Impact (52,515) (18,748) 4,589 t Income (4,038) 82,897 116,320	nt Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) t Income (4,038) 82,897 116,320 163,818  poss) (56,049) (123,071) 34,424 145,992	nt Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,485) t Income (4,038) 82,897 116,320 163,818 62,008	nt Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,485) (7,411) t Income (4,038) 82,897 116,320 163,818 62,008 84,645	nt Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,485) (7,411) 4,465 t Income (4,038) 82,897 116,320 163,818 62,008 84,645 100,761

# Appendix 31b Modified Scenario #10 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	302,103	315,947	329,728	334,255
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(982)	1,401	(15,327)	(27,914)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,863)	14,825	12,380	19,854	31,876
6	Total Retained Earnings	194,498	99,251	170,975	302,103	315,947	329,728	334,255	338,217
_	T.								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,361)	(35,385)	(25,411)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,750	8,976	9,974	10,967
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,411)	(14,444)
11	Total Equity Balance	231,002	181,000	210,845	249,992	271,586	294,342	308,844	323,772
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	302,103	315,947	329,728	334,255	338,217
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,411)	(14,444)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,992	271,586	294,342	308,844	323,772
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_	_				
18	Total Equity Balance	231,002	181,000	210,845	249,992	271,586	294,342	308,844	323,772
10	Total Equity Dalance	231,002	101,000	210,043	247,772	271,300	274,342	300,044	323,112

## Appendix 31c Modified Scenario #10 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	61,904	63,435	66,266	67,011
	Equity investments	2,083,349	2,189,534	2,272,545	2,464,996	2,529,092	2,630,192	2,749,973	2,868,683
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,759
1	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
!	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
		2,683,473	2,805,484	2,916,137	3,015,082	3,124,139	3,257,298	3,392,975	3,526,464
i	Liabilities								
,	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
,	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
1	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,988	372,675	389,269	405,958
!	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,965	1,934,073	2,010,737	2,084,237
	·	2,452,472	2,624,484	2,705,292	2,765,090	2,852,554	2,962,955	3,084,131	3,202,692
	Equity								
	Retained earnings	194.499	99.251	170,975	302,103	315,947	329.728	334,255	338,217
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,411)	(14,444
	Total Equity	231,003	181,000	210,845	249,992	271,586	294,342	308,844	323,772
ı	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,015,082	3,124,139	3,257,298	3,392,975	3,526,464

### Appendix 31d Modified Scenario #10 Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(= -)	(=-)	(00)	(5.7)	()
2	Capital available (from page 30.62 - capital available)	01	206,338	224,465	235,160	247,642	260,536
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	206,338	224,465	235,160	247,642	260,536
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,032	204,518	212,902	221,014
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,957	306,418	318,853	331,199
16	Market Risk:						
17	Interest rate risk	30	5,695	20,885	24,732	28,447	33,805
18	Foreign exchange risk	32	15,372	14,980	15,963	17,519	20,555
19	Equity risk	34	67,975	65,857	70,289	77,955	83,269
20	Real estate risk	36	25,686	26,583	27,265	28,179	29,662
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,728	128,305	138,249	152,100	167,291
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,328	59,725	61,913	63,424	64,628
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,328	59,725	61,913	63,424	64,628
28	Operational risk margin	50	64,320	68,913	72,057	75,580	79,237
29	Less: Diversification credit	52	53,281	61,305	64,664	68,718	72,924
30	Total Capital (Margin) Required at Target	59	450,975	490,595	513,973	541,239	569,431
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,650	327,064	342,649	360,826	379,620
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,650	327,064	342,649	360,826	379,620
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,312)	(102,599)	(107,489)	(113,184)	(119,084
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.63%	68.63%	68.63%	68.63%	68.63%

# Appendix 31e Modified Scenario #10 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502,881	538,540	576,753
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,123	223,369	224,683
7	Total	726,240	759,725	821,953	882,030	937,339	985,617
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,635
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,274
13	Total Net Claims Incurred	767.240	778.719	883.418	937.766	1.006.447	1.060.736

### Appendix 31f

### Modified Scenario #10

### **Deferred Policy Acquisition Expenses and Premium Deficiency**

A. Claims (Including External Adjustment Expense) Data												
	2012	2014	2015	2017		dent Year	2010	2020	2021	2022	Selected	Selec
Ultimate Loss Ratio - Total All Coverage	2013 83.09%	<b>2014</b> 72.79%	<b>2015</b> 81.77%	2016 81.34%	<b>2017</b> 74.59%	2018 73.25%	2019 73.03%	2020 74.07%	2021 75.01%	76.03%	Undisc	
Trend/Rate Adjustment for Fiscal Year	00.0770	72.7770	01.7770	01.0170	7 1.0770	70.2070	70.0070	7 110770	70.0170	70.0070		
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9427	0.9522	0.9663	1.0030	1.0148					
2020				0.9522	0.9667	1.0037	1.0159	1.0115				
2021					0.9766	1.0124	1.0230	1.0169	1.0132			
2022						1.0186	1.0289	1.0222	1.0180	1.0134		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.
2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.
2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.
2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.
B. Actual Data Other Than Losses												
<u>.</u>						cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
Selected					3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,571	422,404	442,958	467,422		
11. Reinsurance PFAD					10		-	-				
12. Maintenance Expense [a]					13,837	14,989	14,913	14,870	15,434	16,023		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,361	77,722	81,504	86,006		
<ol> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
<ol> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>					(8,845)	19,193	14,042	20,031	16,675	9,759		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	31,785	33,082	34,440		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	16,476	11,754	16,407	24,681		
01					2,363	(21,760)	6,180	(4,722)	4,653	8,274		
Change												
Change  18. Premium Deficiency [c]					8,845	-	-	-	-	-		

### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 31g Modified Scenario #10 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	259	129	(0)	(0)	(0
Marketable Bonds	44,245	55,506	63,685	69,939	75,894
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	79,997	85,750	89,791	93,587
Dividend and other Income					
Canadian Equities	9,657	5,692	4,510	5,228	5,794
Global	4,218	5,963	4,844	5,543	6,035
Global LV	-	2,882	3,194	3,664	4,021
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,471	26,582	28,457	29,789
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(49,856)	(7,824)	2,711	574
Marketable Bonds Realized Gains/(Loss)	11,781	24,110	(40)	2,026	1,552
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,679	0	0	924
Global Equities Realized Gains	66,319	3,767	0	0	1,019
Global LV Realized Gains	-	459		-	943
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure  Total	5,765	4,449	4,636	4,895	5,169
	124,596	(8,789)	2,619	15,830	16,751
4 Other					
Investment Fees Paid	(5,204)	(4,710)	(4,557)	(4,838)	(5,04
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,795	7,626	7,681	7,375
Investment Write-Down  Total	- (05.405)	- (40.707)	- (44.044)	- (44.04.4)	- (40.070
	(25,105)	(12,787)	(11,244)	(11,914)	(12,878
Total Corporate Investment Income	191,042	78,830	102,765	122,678	127,482
Total Basic Investment Income	163,818	62,008	84,645	100,761	101,762
% - Basic to Total Investment Income	85.75%	79%	82%	82%	809
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,745	4,772	5,531	6,466
US Equities Unrealized Gains/(Losses)	7,538	9,297	7,229	8,272	9,006
Global LV Unrealized Gains/(Losses)	-	4,193	4,361	5,003	5,490
Total Corporate Unrealized Gains/(Losses)	19,652	16,041	12,001	13,803	15,472
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,704.4	1,846.4	1,990.2	2,173.5
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3	128.0	145.5	168.9	175.5
	166.7 96.6	167.2	188.2	215.6	225.9
Global LV Equities Private Debt	90.0	114.2 187.7	128.7 186.8	147.8 187.3	151.6 187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,045.1	3,203.9	3,385.2	3,559.7
Total Basic Assets	2,507.8	2,604.5	2,707.2	2,830.0	2,950.9
Ending Rebalanced Allocations (%)	,	,	, ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	_,
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
	60.0%	56.0%	57.6%	58.8%	61.1%
Canadian Fixed Income  MUSH	19.5%	17.2%	14.9%	12.8%	10.9%
	4.2%	4.2%	4.5%	5.0%	4.9%
Canadian Equities	11270		E 00/	/ 40/	4 20/
US Equities	5.7%	5.5%	5.9%	6.4%	
US Equities Global LV	5.7% 3.3%	3.8%	4.0%	4.4%	4.3%
US Equities Global LV Private Debt	5.7% 3.3% 0.0%	3.8% 6.2%	4.0% 5.8%	4.4% 5.5%	4.3% 5.3%
US Equities Global LV	5.7% 3.3%	3.8%	4.0%	4.4%	6.3% 4.3% 5.3% 4.5% 2.7%

## Appendix 32a Adverse Scenario #10 Statement of Operations

D.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC	2010/1	201771	2010/1	20171	20201	20211	LULLI	2020
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
)	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,23
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,14
3	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,207	1,063,223
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,431	1,069,25
b	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
7	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,35
	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,593	1,230,09
)	Expenses								
)	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,26
	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,33
3	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,19
i	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(121,001)	(140,14
5	Investment Income	48,476	101,645	111,731	192,129	78,346	75,435	82,367	81,78
,	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,367	39,626	5,021	2,32
	Net Investment Income	(4,038)	82,897	116,320	163,817	116,714	115,061	87,388	84,10
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,817)	(55,457)	(33,612)	(56,04

# Appendix 32b Adverse Scenario #10 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	301,639	214,647	171,570	157,812
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(101,817)	(55,457)	(33,612)	(56,045)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,863)	14,825	12,380	19,854	31,876
6	Total Retained Earnings	194,498	99,251	170,975	301,639	214,647	171,570	157,812	133,642
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,483)	(51,918)	(44,772)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,372)	3,565	7,146	8,149
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623)
11	Total Equity Balance	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
12	Total Equity								
	, ,								
13	Rate Stabilization Reserve	404.400	00.054	470.075	004 /00	044.447	474 570	457.040	400 / 40
14	Retained Earnings	194,498	99,251	170,975	301,639	214,647	171,570	157,812	133,642
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	_	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
	' ´		,,,,,,		-				

## Appendix 32c Adverse Scenario #10 Balance Sheet

(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Assets								
Cash and investments	29,114	61,606	72,998	28,914	32,850	15,956	11,523	8,164
Equity investments	2,083,349	2,189,534	2,272,545	2,464,983	2,567,355	2,689,737	2,791,570	2,888,957
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance companies	25	16	2	-	-	-	-	
Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
Prepaid expenses	-	-	-	-	-	-	-	
Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
	2,683,473	2,805,484	2,916,137	3,014,617	3,119,305	3,249,283	3,363,063	3,478,027
Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	144
Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,047	2,262,399
	2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,250,024	3,381,008
Equity								
Retained earnings	194,499	99,251	170,975	301,639	214,647	171,570	157,812	133,642
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623
Total Equity	231,003	181,000	210,845	249,528	159,164	119,652	113,040	97,019
Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,617	3,119,305	3.249.283	3,363,063	3,478,027

### Appendix 32d Adverse Scenario #10 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.1)	(00)
2	Capital available (from page 30.62 - capital available)	01	205,874	112,043	60,520	51,928	33,888
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	205,874	112,043	60,520	51,928	33,888
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,194	111,946
12	Unpaid claims	22	191,221	207,950	220,845	229,394	237,950
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,588	349,896
16	Market Risk:						
17	Interest rate risk	30	5,695	9,850	10,819	23,074	23,144
18	Foreign exchange risk	32	15,372	16,402	15,772	14,969	15,739
19	Equity risk	34	67,974	74,109	69,596	61,299	72,329
20	Real estate risk	36	25,685	26,583	27,265	28,179	29,661
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,726	126,944	123,452	127,521	140,873
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,283	58,249	61,044	63,004	64,453
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,283	58,249	61,044	63,004	64,453
28	Operational risk margin	50	64,316	69,655	72,179	74,878	78,566
29	Less: Diversification credit	52	53,270	61,578	62,603	64,749	68,983
30	Total Capital (Margin) Required at Target	59	450,935	499,796	517,582	536,242	564,805
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,623	333,197	345,055	357,494	376,537
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,623	333,197	345,055	357,494	376,537
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,749)	(221,154)	(284,535)	(305,566)	(342,649
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.48%	33.63%	17.54%	14.53%	9.00%

# Appendix 32e Adverse Scenario #10 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415.906	438,793	502,291	489.509	538.746	576,807
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,427	231,623
7	Total	726,240	759,725	946,811	952,787	946,391	992,585
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	7,004	6,977
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,500)	9,486
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.432	1.069.257

### Appendix 32f

### Adverse Scenario #10

### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9710	0.9817	1.0151	1.0233	1.0147				
10	2021					0.9909	1.0241	1.0317	1.0224	1.0155			
11	2022						1.0289	1.0370	1.0282	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95%
16	2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.15%
17	2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.72%
18	2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.92%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
00	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
22	4. Net Edition Ferniam		000,001										
23	Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.30% 2.77%	8.29% 2.76%	8.32% 2.77%	8.27% 2.76%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.30% 2.77% 2.88%	8.29% 2.76% 2.77%	8.32% 2.77% 2.77%	8.27% 2.76% 2.76%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.30% 2.77% 2.88%	8.29% 2.76% 2.77%	8.32% 2.77% 2.77%	8.27% 2.76% 2.76%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.30% 2.77% 2.88% 18.40%	8.29% 2.76% 2.77% 18.40%	8.32% 2.77% 2.77% 18.40%	8.27% 2.76% 2.76% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.30% 2.77% 2.88% 18.40%	8.29% 2.76% 2.77% 18.40%	8.32% 2.77% 2.77% 18.40%	8.27% 2.76% 2.76% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.30% 2.77% 2.88% 18.40% 523,661 5,824	8.29% 2.76% 2.77% 18.40% 544,918 5,941	8.32% 2.77% 2.77% 18.40% 566,581 6,059	8.27% 2.76% 2.76% 18.40% 589,219 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.30% 2.77% 2.88% 18.40% 523,661 5,824	8.29% 2.76% 2.77% 18.40% 544,918 5,941	8.32% 2.77% 2.77% 18.40% 566,581 6,059	8.27% 2.76% 2.76% 18.40% 589,219 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.30% 2.77% 2.88% 18.40% 523,661 5,824 424,368	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.30% 2.77% 2.88% 18.40% 523,661 5,824 424,368	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922	8.30% 2.77% 2.88% 18.40% 523,661 5,824 424,368 - 14,913 78,084	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538 - 16,120 88,971		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950	8.30% 2.77% 2.88% 18.40% 523,661 5,824 424,368 - 14,913 78,084 3,950	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284 3,950	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	8.30% 2.77% 2.88% 18.40% 523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478)	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089)	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284 3,950 (1,292)	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420)		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14)))  16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	8.30% 2.77% 2.88% 18.40% 523,661 5.824 424,368 - 14,913 78,084 3.950 (3.478) 30,518	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284 3,950 (1,292) 33,082	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420) 34,440		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747	8.30% 2.77% 2.88% 18.40% 523,661 5.824 424,368 - 14,913 78,084 3.950 (3,478) 30,518 30,518	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785 31,785	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284 3,950 (1,292) 33,082 33,082	8.27% 2.76% 2.76% 18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420) 34,440 34,440		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747	523,661 5,824 424,368 14,913 78,098 30,518 30,518 19,771	8.29% 2.76% 2.77% 18.40% 544,918 5,941 442,747 	8.32% 2.77% 2.77% 18.40% 566,581 6,059 458,063 - 15,518 84,284 3,950 (1,292) 33,082 33,082 1,297	8.27% 2.76% 2.76% 18.40% 589,219 6.059 483,538 - 16,120 88,971 3,950 (9,420) 34,440 34,440 1,358		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 32g Adverse Scenario #10 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.		Г	rorecasteu		
Interest Income During Period  Cash/Short Term Investments	٥٣٣	01	0	0	(4)
Cash/Short Term Investments  Marketable Bonds	255	91 53,728	0	0	(1)
MUSH	44,245 26,759	24,361	57,662 22,065	61,282 19,852	64,978 17,693
Total	71,259	78,180	79,727	81,134	82,671
	,=				
Dividend and other Income Canadian Equities	0.757	F 740	4.407	4./10	4.750
Global	9,657 4,218	5,740 5,969	4,486 4,694	4,618 4,829	4,752 5,070
Global LV	4,210	2,887	2,838	2,906	3,175
o Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,287	21,418	25,758	26,115	26,704
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(44,799)	9,171	28,017	(2,095)	(859)
6 Marketable Bonds Realized Gains/(Loss)	11,782	31,897	13,567	7,319	3,303
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	(2,372)	(4,624)	709	0
9 Global Equities Realized Gains	66,318	(609)	(6,610)	450	0
o Global LV Realized Gains	-	(99)	(4,069)	72	-
1 Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	48,039	36,764	17,547	14,182
4 Other					
5 Investment Fees Paid	(5,204)	(4,725)	(4,544)	(4,695)	(4,805)
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(213)	(1,212)	(1,932)
8 Investment Write-Down	-	-	-	-	
9 Total	(25,105)	(15,615)	(19,070)	(20,664)	(21,944)
Total Corporate Investment Income	191,037	132,023	127,905	104,665	101,855
1 Total Basic Investment Income	163,817	116,714	115,061	87,388	84,101
% - Basic to Total Investment Income	85.75%	88%	90%	83%	83%
3 Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	4,886	5,303
5 US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,782)	7,207	7,567
6 Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	3,968	4,336
7 Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,620)	12,093	12,870
8 Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,751.6	1,689.3	1,873.0	2,059.7	2,165.9
1 MUSH 2 Canadian Equities	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.3	139.0	138.8	130.5	168.6
4 Global LV Equities	166.7 96.6	175.0 110.3	175.0 110.2	176.4 114.6	194.8 126.5
5 Private Debt	70.0	188.8	193.5	194.0	194.3
6 Real Estate	133.6	138.1	143.9	150.8	161.8
7 Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
8 Total Ending Asset Values	2,919.4	3,046.1	3,198.9	3,350.6	3,495.5
9 Total Basic Assets	2,507.8	2,613.8	2,719.2	2,816.9	2,912.4
Ending Rebalanced Allocations (%)	•			•	•
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	55.5%	58.6%	61.5%	62.0%
3 MUSH	19.5%	17.2%	14.9%	12.9%	11.1%
4 Canadian Equities	4.2%	4.6%	4.3%	3.9%	4.8%
5 US Equities	5.7%	5.7%	5.5%	5.3%	5.6%
6 Global LV	3.3%	3.6%	3.4%	3.4%	3.6%
7 Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
8 Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%

## Appendix 32h Adverse Scenario #10 with Management Action Statement of Operations

).	_		2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC	2016A	201771	2010/1	20171	20201	LULII	LULLI	20201
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,14
	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,207	1,063,223
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,431	1,069,25
	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,593	1,230,09
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,36
	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,19
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(121,001)	(140,14
	Investment Income	48,476	101,645	111,731	192,129	78,346	75,435	82,367	81,78
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,367	39,626	5,021	2,32
	Net Investment Income	(4,038)	82,897	116,320	163,817	116,714	115,061	87,388	84,10
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,817)	(55,457)	(33,612)	(56,04

# Appendix 32i Adverse Scenario #10 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99,251	170.975	301.639	214.647	171.570	157.812
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	145,528	(101,817)	(55,457)	(33,612)	(56,045)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,863)	14,825	12,380	19,854	31,876
6	Total Retained Earnings	194,498	99,251	170,975	301,639	214,647	171,570	157,812	133,642
7	Total Accumulated Other Comprehensive Income								
7	Total Accumulated Other Comprehensive Income	25.070	07.504	04.740	20.070	(50 444)	(FF 400)	(E4 040)	(44.770)
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,483)	(51,918)	(44,772)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,372)	3,565	7,146	8,149
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623)
11	Total Equity Balance	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	301,639	214,647	171,570	157,812	133,642
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	249,528	159,164	119,652	113,040	97,019
		,	,	,		,	,	,	,,

## Appendix 32j Adverse Scenario #10 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	32,850	15,956	11,523	8,164
4	Equity investments	2,083,349	2,189,534	2,272,545	2,464,983	2,567,355	2,689,737	2,791,570	2,888,957
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
14		2,683,473	2,805,484	2,916,137	3,014,617	3,119,305	3,249,283	3,363,063	3,478,027
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,047	2,262,399
23		2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,250,024	3,381,008
24	Equity								
25	Retained earnings	194.499	99,251	170,975	301,639	214,647	171.570	157.812	133,642
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,483)	(51,918)	(44,772)	(36,623)
27	Total Equity	231,003	181,000	210,845	249,528	159,164	119,652	113,040	97,019
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,617	3,119,305	3,249,283	3,363,063	3,478,027

# Appendix 32k Adverse Scenario #10 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	205,874	112,043	60,520	51,928	33,888
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	205,874	112,043	60,520	51,928	33,888
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,194	111,946
12	Unpaid claims	22	191,221	207,950	220,845	229,394	237,950
13	Catastrophes	24	0	0	0	0	C
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	C
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,588	349,896
16	Market Risk:						
17	Interest rate risk	30	5,695	9,850	10,819	23,074	23,144
18	Foreign exchange risk	32	15,372	16,402	15,772	14,969	15,739
19	Equity risk	34	67,974	74,109	69,596	61,299	72,329
20	Real estate risk	36	25,685	26,583	27,265	28,179	29,661
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,726	126,944	123,452	127,521	140,873
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,283	58,249	61,044	63,004	64,453
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	C
27	Subtotal: Credit risk margin	49	39,283	58,249	61,044	63,004	64,453
28	Operational risk margin	50	64,316	69,655	72,179	74,878	78,566
29	Less: Diversification credit	52	53,270	61,578	62,603	64,749	68,983
30	Total Capital (Margin) Required at Target	59	450,935	499,796	517,582	536,242	564,805
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,623	333,197	345,055	357,494	376,537
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	300,623	333,197	345,055	357,494	376,53
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,749)	(221,154)	(284,535)	(305,566)	(342,64
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.48%	33.63%	17.54%	14.53%	9.009

# Appendix 32I Adverse Scenario #10 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
•							
2	Collision	415,906	438,793	502,291	489,509	538,746	576,807
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,427	231,623
7	Total	726,240	759,725	946,811	952,787	946,391	992,585
	•	·		·		•	
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	7,004	6,977
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,500)	9,486
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.432	1.069.257

### Appendix 32m

### Adverse Scenario #10 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A!	d4.W						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%	Ondisc	Dis
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9596	0.9657	0.9763	1.0095	1.0176					
2020				0.9710	0.9817	1.0151	1.0233	1.0147				
2021					0.9909	1.0241	1.0317	1.0224	1.0155			
2022						1.0289	1.0370	1.0282	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.9
2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.1
2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.7
2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.9
B. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,368	442,747	458,063	483,538		
					10		-	-	-			
11. Reinsurance PFAD					13,837	14,989	14,913	14,903	15,518	16,120		
					70,595	71,922	78,084	81,466	84,284	88,971		
12. Maintenance Expense [a]							2.000	3,950	3,950	3,950		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement				3,950	3,950	3,950	0,700				
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>	hancement				(8,845)	3,950 18,742	(3,478)	(4,089)	(1,292)	(9,420)		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	hancement				(8,845) 32,055	18,742 29,489		(4,089) 31,785	(1,292) 33,082			
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	hancement				(8,845) 32,055 32,055	18,742 29,489 10,747	(3,478) 30,518 30,518	(4,089) 31,785 31,785	(1,292) 33,082 33,082	(9,420) 34,440 34,440		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				(8,845) 32,055 32,055 2,363	18,742 29,489	(3,478) 30,518 30,518 19,771	(4,089) 31,785 31,785 1,267	(1,292) 33,082 33,082 1,297	(9,420) 34,440 34,440 1,358		
<ol> <li>Reinsurance PFAD</li> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]         Change     </li> <li>Premium Deficiency [c]</li> </ol>	hancement				(8,845) 32,055 32,055	18,742 29,489 10,747	(3,478) 30,518 30,518	(4,089) 31,785 31,785	(1,292) 33,082 33,082	(9,420) 34,440 34,440		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 32n Adverse Scenario #10 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	91	0	0	(1
Marketable Bonds	44,245	53,728	57,662	61,282	64,978
MUSH Total	26,759 <b>71,259</b>	24,361 <b>78,180</b>	22,065 <b>79,727</b>	19,852 <b>81,134</b>	17,693 <b>82,671</b>
10tai	/ 1,239	78,180	19,121	81,134	82,071
Dividend and other Income					
Canadian Equities	9,657	5,740	4,486	4,618	4,752
Global	4,218	5,969	4,694	4,829	5,070
Global LV	-	2,887	2,838	2,906	3,175
Private Debt Investment Properties (Cityplace)	-	3,761	10,045	10,061	10,07
Infrastructure	4,940 1,472	1,926 1,136	2,512 1,183	2,452 1,249	2,312 1,319
Total	20,287	21,418	25,758	26,115	26,704
	•	,	,		
Gains During Period - Profit & Loss  Marketable Bonds Unrealized Gains/(Loss)	(44.700)	0.474	00.047	(0.005)	(05)
Marketable Bonds Unrealized Gains/(Loss)  Marketable Bonds Realized Gains/(Loss)	(44,799) 11,782	9,171 31,897	28,017	(2,095) 7,319	(859 3,303
MUSH	11,702	31,097	13,567	7,319	3,30
Canadian Equities Realized Gains	69,223	(2,372)	(4,624)	709	- (
Global Equities Realized Gains	66,318	(609)	(6,610)	450	(
Global LV Realized Gains	-	(99)	(4,069)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	48,039	36,764	17,547	14,182
Other					
Investment Fees Paid	(5,204)	(4,725)	(4,544)	(4,695)	(4,805
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(213)	(1,212)	(1,932
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(15,615)	(19,070)	(20,664)	(21,944
Total Corporate Investment Income	191,037	132,023	127,905	104,665	101,855
Total Basic Investment Income	163,817	116,714	115,061	87,388	84,101
% - Basic to Total Investment Income	85.75%	88%	90%	83%	839
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	4,886	5,300
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,782)	7,207	7,56
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	3,968	4,336
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,620)	12,093	12,870
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,689.3	1,873.0	2,059.7	2,165.9
MUSH	569.3	522.8	477.0	432.3	386.3
Clobal Equities	123.3	139.0	138.8	130.5	168.6
Global Equities Global LV Equities	166.7 96.6	175.0	175.0	176.4	194.8
Private Debt	90.0	110.3 188.8	110.2 193.5	114.6 194.0	126.5 194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,198.9	3,350.6	3,495.5
Total Basic Assets	2,507.8	2,613.8	2,719.2	2,816.9	2,912.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.5%	58.6%	61.5%	62.0%
MUSH	19.5%	17.2%	14.9%	12.9%	11.1%
Canadian Equities	4.2%	4.6%	4.3%	3.9%	4.8%
US Equities	5.7%	5.7%	5.5%	5.3%	5.6%
Global LV	3.3%	3.6%	3.4%	3.4%	3.6%
Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%

## Appendix 33a Updated Base Scenario #11 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,074,290 70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	2021P  1,118,885 72,885 (11,648) 1,180,122  1,098,256 71,887 (11,648) 1,158,495 27,572	2022P  1,164,535 74,723 (11,881)  1,227,376  1,143,418 73,798 (11,881) 1,205,334	1,212,324 76,565 (12,119 1,276,770  1,190,217 75,638 (12,119 1,253,736
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736
Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	994,593 922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	(11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495	(11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334	1,276,770 1,190,217 75,638 (12,119 1,253,736
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,845	1,048,843 69,896 (11,420) 1,107,319 25,719	1,098,256 71,887 (11,648) 1,158,495	1,143,418 73,798 (11,881) 1,205,334	1,190,21 75,638 (12,11 <sup>4</sup> 1,253,738
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495	73,798 (11,881) 1,205,334	75,638 (12,119 <b>1,253,73</b> 6
Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495	73,798 (11,881) 1,205,334	75,63 (12,11) <b>1,253,73</b>
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) 861,066 20,351 881,417 742,604	(11,635) <b>907,144</b> 20,749 <b>927,893</b>	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,845	(11,420) 1,107,319 25,719	(11,648) 1,158,495	(11,881) 1,205,334	(12,11 <sup>1</sup> 1,253,73
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893	<b>960,142</b> 22,849	1,039,407 23,845	<b>1,107,319</b> 25,719	1,158,495	1,205,334	1,253,73
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b>	22,849	23,845	25,719			
Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	881,417 742,604	927,893			-	27,572		21 77
Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	742,604	·	982,992	1,063,252	4 400 000		29,576	31,77
(a) Claims Incurred - Interest Rate Impact					1,133,038	1,186,066	1,234,910	1,285,51
- · · · · · · · · · · · · · · · · · · ·	(7 ( 000)	869,023	783,040	823,258	893,550	936,942	994,904	1,050,84
	(76,200)	(8,988)	(15,801)	(44,539)	(18,684)	643	11,004	9,10
Total Claims Incurred	666,404	860,035	767,239	778,719	874,866	937,585	1,005,908	1,059,95
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,932	144,009	146,48
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
Total Claims Costs	798,045	993,537	923,722	929,493	1,022,801	1,089,307	1,162,887	1,219,69
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,05
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,97
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,02
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,230)	(63,994)	(95,683)	(108,20
Investment Income	48,476	101,645	111,731	192,131	87,069	92,756	97,119	100,47
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,536)	(7,429)	4,485	2,06
Net Investment Income	(4,038)	82,897	116,320	163,818	62,532	85,328	101,604	102,54
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	18,302	21,333	5,921	(5,65

# Appendix 33b Updated Base Scenario #11 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170.975	316.967	335.269	356.602	362.523
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	145.992	18.302	21.333	5.921	(5,657)
	Premium Rebate	(50,047)	(123,071)	34,424	143,772	10,302	21,333	3,721	(3,037)
4	Transfer (to) / from Non-Basic Retained Earnings	- 72,729	27,824	37,300	-	-	-	-	-
5	Total Retained Earnings	194,498	99,251	170,975	316,967	335,269	356,602	362,523	356,867
6	Total Retained Earnings	194,498	99,201	170,975	310,907	333,209	330,002	302,323	330,807
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35.262	36.504	81.748	39.870	(52,111)	(44,174)	(34,986)	(24,699)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,286	11,686
10	Total Accumulated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
11	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
	=		- ,			,	-	, , , , , , , , , , , , , , , , , , , ,	
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,967	335,269	356,602	362,523	356,867
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
17	Retained Earnings in excess of Rate Stabilization Reserve								
17	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
10	Total Equity Balance	231,002	101,000	210,040	204,000	271,073	321,017	331,024	343,034

## Appendix 33c Updated Base Scenario #11 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	).	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	58,910	64,447	64,445	50,937
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,318	2,651,130	2,775,056	2,898,494
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	23,189	29,371	26,461	19,965
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,185	61,207	63,242
14		2,683,473	2,805,484	2,916,137	3,029,946	3,152,669	3,293,954	3,431,609	3,556,221
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,983
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,996	1,934,094	2,010,642	2,083,755
23	·	2,452,472	2,624,484	2,705,292	2,765,090	2,861,574	2,972,338	3,093,785	3,212,367
24	Equity								
25	Retained earnings	194,499	99,251	170,975	316.967	335.269	356,602	362.523	356,867
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
27	Total Equity	231,003	181,000	210,845	264,856	291,095	321,617	337,824	343,854
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,152,669	3,293,954	3,431,609	3,556,221

# Appendix 33d Updated Base Scenario #11 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	221,201	243,975	262,432	276,617	280,612
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	243,975	262,432	276,617	280,612
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,965
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,044
16	Market Risk:						
17	Interest rate risk	30	6,468	21,932	26,165	29,932	34,203
18	Foreign exchange risk	32	15,640	15,260	16,262	17,953	20,895
19	Equity risk	34	69,313	67,256	71,783	80,213	88,365
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,347	141,809	156,631	173,500
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,398	63,645	65,227	66,439
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,398	63,645	65,227	66,439
28	Operational risk margin	50	64,552	69,943	73,161	76,798	80,623
29	Less: Diversification credit	52	53,910	62,394	65,858	70,094	74,586
30	Total Capital (Margin) Required at Target	59	453,309	496,935	520,928	549,225	579,020
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,290	347,285	366,150	386,013
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	331,290	347,285	366,150	386,013
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(87,315)	(84,853)	(89,533)	(105,401
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.64%	75.57%	75.55%	72.70%

## Appendix 33e Updated Base Scenario #11

### Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damag∈	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,277	212,114	223,270	224,355
7	Total	726,240	759,725	821,980	882,021	937,240	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,536	6,902	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,879
13	Total Net Claims Incurred	767.240	778.719	874.866	937.585	1.005.909	1.059.954

### Appendix 33f

### Updated Base Scenario #11 Deferred Policy Acquisition Expenses and Premium Deficiency

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 33g Updated Base Scenario #11 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	125	0	0	0
Marketable Bonds	259 44,245	135 55,595	0 64,011	0 70,511	0 76,775
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,092	86,075	90,362	94,468
Dividend and other Income					
Dividend and other Income Canadian Equities	9,657	5,689	4,604	5,457	6,047
Global	4,218	5,975	4,928	5,748	6,334
Global LV	-	2,896	3,260	3,820	4,241
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,494	26,825	29,048	30,560
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,165)	(7,848)	2,722	591
Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(35)	2,044	1,566
MUSH Canadian Equities Realized Gains	-	-	-	-	-
	69,223	2,638	0	0	757
Global Equities Realized Gains Global LV Realized Gains	66,319	3,740 459	U	U	1,012 905
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,887)	2,599	15,860	16,569
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,580)	(4,899)	(5,141)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,806	7,676	7,767	7,491
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,779)	(11,217)	(11,889)	(12,857)
Total Corporate Investment Income	191,042	78,858	103,342	123,896	128,975
Total Basic Investment Income	163,818	62,532	85,328	101,604	102,544
% - Basic to Total Investment Income	85.75%	79%	83%	82%	80%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,740	4,871	5,774	6,748
US Equities Unrealized Gains/(Losses)	7,538	9,315	7,354	8,579	9,452
Global LV Unrealized Gains/(Losses)	-	4,214	4,451	5,216	5,790
Total Corporate Unrealized Gains/(Losses)	19,652	16,055	12,225	14,353	16,200
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	<u>-</u>	-
Canadian Fixed Income MUSH	1,751.6	1,711.0	1,863.7	2,016.0	2,176.4
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	129.6 168.9	150.3 193.4	178.2 225.8	201.5 253.0
Global LV Equities	96.6	115.7	132.8	155.8	172.4
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,056.7	3,235.3	3,438.4	3,636.4
Total Basic Assets	2,522.7	2,618.8	2,729.1	2,853.3	2,964.7
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.6%	59.9%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities US Equities	4.2%	4.2%	4.6%	5.2%	5.5%
US Equities	5.7%	5.5%	6.0%	6.6%	7.0%
Global LV Private Debt	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.5% 5.4%	4.7% 5.2%
Private Debt Real Estate	4.6%	4.5%	4.4%	5.4% 4.4%	5.2% 4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	100.0%	100.0%	100.0%		270

## Appendix 34a Modified Base Scenario #11 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Let Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Let Claims Incurred (a) Claims Incurred Total Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,074,290 70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719 1,133,038	2021P  1,118,885 72,885 (11,648) 1,180,122  1,098,256 71,887 (11,648) 1,158,495 27,572 1,186,066	2022P  1,164,535 74,723 (11,881)  1,227,376  1,143,418 73,798 (11,881)  1,205,334 29,576 1,234,910	1,212,324 76,565 (12,119 1,276,770  1,190,217 75,638 (12,119 1,253,736 31,778 1,285,515
Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Written  Jet Premiums Earned Motor Vehicles Drivers Reinsurance Ceded fotal Net Premiums Earned Service Fees & Other Revenues fotal Earned Revenues  Jet Claims Incurred (a) Claims Incurred  Jet Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334 29,576	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736 31,778
Reinsurance Ceded  Total Net Premiums Written  Jet Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned  Service Fees & Other Revenues  Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	70,903 (11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	72,885 (11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	74,723 (11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334 29,576	76,565 (12,119 1,276,770 1,190,217 75,638 (12,119 1,253,736 31,778
let Premiums Barned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  let Claims Incurred (a) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	(11,420) 1,133,773 1,048,843 69,896 (11,420) 1,107,319 25,719	(11,648) 1,180,122 1,098,256 71,887 (11,648) 1,158,495 27,572	(11,881) 1,227,376 1,143,418 73,798 (11,881) 1,205,334 29,576	1,276,770 1,276,770 1,190,217 75,638 (12,119 1,253,736 31,778
Jet Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  fotal Net Premiums Earned  Service Fees & Other Revenues  fotal Earned Revenues  Jet Claims Incurred  (a) Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,048,843 69,896 (11,420) 1,107,319 25,719	1,098,256 71,887 (11,648) 1,158,495 27,572	1,143,418 73,798 (11,881) 1,205,334 29,576	1,190,217 75,638 (12,119 <b>1,253,736</b> 31,778
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) <b>907,144</b> 20,749 <b>927,893</b> 869,023	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b>	59,546 (11,196) 1,039,407 23,845 1,063,252	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495 27,572	73,798 (11,881) 1,205,334 29,576	75,638 (12,119 <b>1,253,736</b> 31,778
Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Jet Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) <b>907,144</b> 20,749 <b>927,893</b> 869,023	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b>	59,546 (11,196) 1,039,407 23,845 1,063,252	69,896 (11,420) 1,107,319 25,719	71,887 (11,648) 1,158,495 27,572	73,798 (11,881) 1,205,334 29,576	75,638 (12,119 <b>1,253,736</b> 31,778
Reinsurance Ceded  otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  let Claims Incurred (a) Claims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023	(11,294) 960,142 22,849 982,992	(11,196) 1,039,407 23,845 1,063,252	(11,420) 1,107,319 25,719	(11,648) 1,158,495 27,572	(11,881) 1,205,334 29,576	(12,119 <b>1,253,736</b> 31,778
otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues let Claims Incurred (a) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023	960,142 22,849 982,992	1,039,407 23,845 1,063,252	<b>1,107,319</b> 25,719	<b>1,158,495</b> 27,572	1,205,334 29,576	<b>1,253,73</b> 6
Service Fees & Other Revenues  otal Earned Revenues  let Claims Incurred  (a) Claims Incurred - Interest Rate Impact	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023	22,849 <b>982,992</b>	23,845 1,063,252	25,719	27,572	29,576	31,778
let Claims Incurred  (a) Claims Incurred	742,604 (76,200)	<b>927,893</b> 869,023	982,992	1,063,252		-		
let Claims Incurred  (a) Claims Incurred - Interest Rate Impact	742,604 (76,200)	869,023			1,133,038	1,186,066	1,234,910	1,285,51
(a) Claims Incurred - Interest Rate Impact	(76,200)		783,040					
•	, , ,	(8,988)		823,258	893,550	936,942	994,904	1,050,84
otal Claims Incurred	666.404		(15,801)	(44,539)	(18,684)	643	11,004	9,10
	,	860,035	767,239	778,719	874,866	937,585	1,005,908	1,059,95
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,932	144,009	146,48
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
otal Claims Costs	798,045	993,537	923,722	929,493	1,022,801	1,089,307	1,162,887	1,219,69
expenses								
Operating								82,75
								48,05
								37,97
								5,23
otal Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,02
Inderwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,230)	(63,994)	(95,683)	(108,20
nvestment Income	48,476	101,645	111,731	192,131	86,520	92,183	96,503	99,84
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,493)	(7,416)	4,476	2,062
let Investment Income	(4,038)	82,897	116,320	163,818	62,027	84,767	100,979	101,90
let Income (Loss)	(56,049)	(123,071)	34,424	145,992	17,797	20,773	5,296	(6,29
	Expenses Operating Commissions Premium Taxes Regulatory/Appeal Total Expenses Underwriting Income (Loss) Investment Income (b) Investment Income let Investment Income let Income (Loss)	Total Claims Costs   798,045	Total Claims Costs   798,045   993,537	Total Claims Costs  798,045  993,537  923,722  Expenses  Operating  71,641  72,785  70,201  Commissions  33,862  35,086  37,378  Premium Taxes  26,205  27,563  29,143  Regulatory/Appeal  3,675  4,889  4,443  Total Expenses  135,383  140,323  141,165  Underwriting Income (Loss)  (52,011)  (205,968)  (81,896)  Investment Income  48,476  49,476  101,645  111,731  (b) Investment Income  48,476  (52,515)  (18,748)  4,589  Idet Investment Income  (4,038)  82,897  116,320  Idet Income (Loss)  (56,049)  (123,071)  34,424	Total Claims Costs 798,045 993,537 923,722 929,493 (Expenses Operating 71,641 72,785 70,201 75,060 Commissions 33,862 35,086 37,378 40,338 Premium Taxes 26,205 27,563 29,143 31,518 Regulatory/Appeal 3,675 4,889 4,443 4,669 (Total Expenses 135,383 140,323 141,165 151,585 (Inderwriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (Investment Income 48,476 101,645 111,731 192,131 (b) Investment Income (4,038) 82,897 116,320 163,818	Total Claims Costs 798,045 993,537 923,722 929,493 1,022,801 (202,801) (203,802) (203,702) (203,	Total Claims Costs 798,045 993,537 923,722 929,493 1,022,801 1,089,307 receives a superses and superscript and	Total Claims Costs 798,045 993,537 923,722 929,493 1,022,801 1,089,307 1,162,887 (2011) (2011

# Appendix 34b Modified Base Scenario #11 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	302,176	317,587	331,565	336,388
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	17,797	20,773	5,296	(6,292)
4	Premium Rebate	=	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,791)	(2,386)	(6,795)	(473)	10,450
6	Total Retained Earnings	194,498	99,251	170,975	302,176	317,587	331,565	336,388	340,546
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,360)	(35,383)	(25,323)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,751	8,977	10,060	11,440
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,360)	(35,383)	(25,323)	(13,883)
11	Total Equity Balance	231,002	181,000	210,845	250,065	273,227	296,181	311,065	326,664
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	302,176	317,587	331,565	336,388	340,546
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,360)	(35,383)	(25,323)	(13,883)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	250,065	273,227	296,181	311,065	326,664
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_	_				
	Total Equity Balance	231,002	181,000	210,845	250,065	273,227	296,181	311,065	226 664
18	Tutal Equity Dalance	231,002	101,000	Z 1U,840	230,003	Z13,ZZ1	270, 181	311,000	326,664

## Appendix 34c Modified Base Scenario #11 Balance Sheet

(C\$ 000s, except where noted)		For the Years Ended February,							
ne No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023	
BASIC									
Assets									
Cash and investments	29,114	61,606	72,998	28,914	56,470	55,199	54,722	51,660	
Equity investments	2,083,349	2,189,534	2,272,545	2,465,069	2,530,889	2,634,942	2,758,020	2,880,57	
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,24	
Due from other insurance companies	25	16	2	-	-	-	-		
Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,11	
Prepaid expenses	-	-	-	-	-	-	-		
Deferred policy acquisition costs	4,782	-	-	19,193	23,189	29,371	26,461	19,965	
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-		
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-		
2 Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22	
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,185	61,207	63,24	
4	2,683,473	2,805,484	2,916,137	3,015,155	3,134,800	3,268,519	3,404,850	3,539,030	
5 Liabilities									
Due to other insurance companies	152	147	141	144	144	144	144	14	
Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182	
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518	
Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,73	
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046	
Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,982	
2 Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,996	1,934,094	2,010,642	2,083,755	
3	2,452,472	2,624,484	2,705,292	2,765,090	2,861,574	2,972,338	3,093,785	3,212,36	
4 Equity									
Retained earnings	194,499	99,251	170,975	302,176	317,587	331,565	336,388	340,54	
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,360)	(35,383)	(25,323)	(13,88	
7 Total Equity	231,003	181,000	210,845	250,065	273,227	296,181	311,065	326,66	

### Appendix 34d Modified Base Scenario #11 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(5.7)	(=-)	(==)	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	206,411	226,106	236,996	249,858	263,422
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	206,411	226,106	236,996	249,858	263,422
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,965
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,044
16	Market Risk:						
17	Interest rate risk	30	5,699	21,099	25,301	29,027	33,260
18	Foreign exchange risk	32	15,374	14,982	15,964	17,636	20,534
19	Equity risk	34	67,981	65,864	70,296	78,624	86,667
20	Real estate risk	36	25,687	26,585	27,267	28,181	29,664
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,741	128,530	138,828	153,468	170,125
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,328	60,916	63,161	64,737	65,945
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,328	60,916	63,161	64,737	65,945
28	Operational risk margin	50	64,321	69,662	72,867	76,488	80,294
29	Less: Diversification credit	52	53,284	61,725	65,170	69,391	73,867
30	Total Capital (Margin) Required at Target	59	450,986	494,024	517,857	545,965	575,541
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,658	329,349	345,238	363,977	383,694
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,658	329,349	345,238	363,977	383,694
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,247)	(103,243)	(108,242)	(114,119)	(120,272
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.65%	68.65%	68.65%	68.65%	68.65%

# Appendix 34e Modified Base Scenario #11 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,277	212,114	223,270	224,355
7	Total -	726,240	759,725	821,980	882,021	937,240	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,536	6,902	6,580
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,879
13	Total Net Claims Incurred	767,240	778.719	874.866	937.585	1.005.909	1.059.954

### Appendix 34f

### Modified Base Scenario #11 Deferred Policy Acquisition Expenses and Premium Deficiency

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 34g Modified Base Scenario #11 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ne No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	050	100	(0)	0	
Marketable Bonds	259	129	(0)	0 70,504	0
MUSH	44,245 26,759	55,585 24,361	64,008 22,065	70,504 19,852	76,702 17,693
Total	71,264	80,075	86,073	90,355	94,395
	,				,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
Dividend and other Income Canadian Equities	0.757	F 70/	4.405	F 4/1	/ 12/
Global	9,657 4,218	5,706 5,980	4,605 4,929	5,461 5,751	6,136
Global LV	4,210	2,896	3,261	3,823	6,333 4,242
Private Debt	_	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,516	26,828	29,057	30,650
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(49,888)	(7,848)	2,722	597
Marketable Bonds Realized Gains/(Loss)	11,781	24,115	(35)	2,722	1,565
MUSH	-	24,113	-	-	1,303
Canadian Equities Realized Gains	69,223	2,657	0	0	901
Global Equities Realized Gains	66,319	3,747	0	0	1,046
Global LV Realized Gains	-	459	-	-	935
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,859)	2,599	15,859	16,782
Other					
Investment Fees Paid	(5,204)	(4,716)	(4,583)	(4,901)	(5,143)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,804	7,676	7,766	7,483
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,784)	(11,220)	(11,892)	(12,867)
Total Corporate Investment Income	191,042	78,887	103,340	123,894	129,195
Total Basic Investment Income	163,818	62,027	84,767	100,979	101,909
% - Basic to Total Investment Income	85.75%	79%	82%	82%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,761	4,872	5,778	6,848
US Equities Unrealized Gains/(Losses)	7,538	9,322	7,356	8,583	9,451
Global LV Unrealized Gains/(Losses)	-	4,214	4,453	5,220	5,791
Total Corporate Unrealized Gains/(Losses)	19,652	16,083	12,228	14,361	16,300
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,711.0	1,863.5	2,015.6	2,176.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3	129.6	150.4	178.4	200.9
Global LV Equities	166.7 96.6	168.9 115.8	193.4 132.9	225.9 155.9	253.4 172.7
Private Debt	70.0	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,056.7	3,235.3	3,438.4	3,636.5
Total Basic Assets	2,507.9	2,600.9	2,703.7	2,826.5	2,947.5
Ending Rebalanced Allocations (%)	•	,			,
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.6%	59.8%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities	4.2%	4.2%	4.6%	5.2%	5.5%
US Equities	5.7%	5.5%	6.0%	6.6%	7.0%
Global LV	3.3%	3.8%	4.1%	4.5%	4.7%
Private Debt	0.0%	6.1%	5.8%	5.4%	5.2%
					4 40/
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.4% 2.7%	4.4% 2.7%	4.4% 2.7%

## Appendix 35a Adverse Scenario #11 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,403	29,296	31,367
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,185,898	1,234,630	1,285,103
Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,326	1,011,071	1,004,605	1,063,012
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,283	1,023,461	1,008,830	1,069,046
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,349
Total Claims Costs	798,045	993,537	923,722	929,944	1,178,218	1,175,958	1,166,959	1,229,838
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,247
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,976
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,467	161,101	168,229	174,512
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,721)	(151,161)	(100,557)	(119,247)
Investment Income	48,476	101,645	111,731	192,129	78,368	75,496	81,527	82,230
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,369	39,662	5,000	2,298
Net Investment Income	(4,038)	82,897	116,320	163,817	116,737	115,158	86,526	84,528
Net Income (Loss)	(56.049)	(123.071)	34.424	145.528	(82,984)	(36,003)	(14,031)	(34,719
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(82,984)	(36,003)	(14,031)	(

## Appendix 35b Adverse Scenario #11 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	301,712	216,342	173,544	159,039
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(82,984)	(36,003)	(14,031)	(34,719)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,791)	(2,386)	(6,795)	(473)	10,450
6	Total Retained Earnings	194,498	99,251	170,975	301,712	216,342	173,544	159,039	134,771
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,484)	(51,918)	(43,602)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,373)	3,566	8,316	9,038
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
11	Total Equity Balance	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207
12	Total Equity								
	Rate Stabilization Reserve								
13		104 400	00.051	170.075	201 712	01/ 040	170 544	150.000	104 771
14	Retained Earnings	194,498	99,251	170,975	301,712	216,342	173,544	159,039	134,771
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207

### Appendix 35c Adverse Scenario #11 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	27,412	7,673	-	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,465,055	2,569,156	2,694,504	2,799,536	2,894,288
i	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
,	Due from other insurance companies	25	16	2	-	-	-	-	-
,	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
3	Prepaid expenses	-	-	-	-	-	-	-	-
)	Deferred policy acquisition costs	4,782	-	-	18,742	5,682	5,260	8,505	770
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
4		2,683,473	2,805,484	2,916,137	3,014,690	3,126,504	3,256,394	3,373,597	3,481,778
5	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,065	2,095,293	2,174,448	2,252,829
23		2,452,472	2,624,484	2,705,292	2,765,089	2,965,647	3,134,768	3,258,160	3,381,571
24	Equity								
25	Retained earnings	194,499	99,251	170,975	301,712	216,342	173,544	159,039	134,771
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
27	Total Equity	231,003	181,000	210,845	249,601	160,857	121,625	115,437	100,207
00	Total Linkilition 9 Faults	2 (02 475	2.005.404	2.01/.127	2.014.600	2 12/ 504	2.257.204	2 272 507	2 401 770
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,690	3,126,504	3,256,394	3,373,597	3,481,778

#### Appendix 35d Adverse Scenario #11 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	205,946	113,737	62,490	54,322	37,071
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	205,946	113,737	62,490	54,322	37,071
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	207,950	220,832	229,364	237,935
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	285,880	307,556	324,482	337,135	350,014
16	Market Risk:						
17	Interest rate risk	30	5,699	10,460	11,482	20,953	24,995
18	Foreign exchange risk	32	15,373	16,410	15,893	15,915	16,826
19	Equity risk	34	67,980	74,153	70,293	69,138	73,818
20	Real estate risk	36	25,687	26,584	27,266	28,180	29,663
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,739	127,607	124,934	134,186	145,302
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,283	59,092	61,863	64,173	65,165
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	39,283	59,092	61,863	64,173	65,165
28	Operational risk margin	50	64,317	70,357	72,962	76,201	79,560
29	Less: Diversification credit	52	53,273	61,973	63,179	66,580	70,10
30	Total Capital (Margin) Required at Target	59	450,946	502,639	521,062	545,115	569,94
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,631	335,093	347,375	363,410	379,96
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	300,631	335,093	347,375	363,410	379,96
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,685)	(221,356)	(284,885)	(309,088)	(342,889
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.50%	33.94%	17.99%	14.95%	9.769

# Appendix 35e Adverse Scenario #11 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Callision	415.007	420.702	F02 201	400 500	F20 74F	F7/ 000
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag€	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,762	278,143	232,277	231,757
7	Total	726,240	759,725	946,809	952,678	946,239	992,720
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,149	6,978	6,999
10	Change in Reinsurance Ceded Provisior	(676)	° o′	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	1,713	(1,924)	9,117
13	Total Net Claims Incurred	767.240	779.170	1.030.283	1.023.461	1.008.830	1.069.046

#### Appendix 35f

#### Adverse Scenario #11

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	74.51%	73.72%	74.72%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
9	2020				0.9544	0.9649	0.9977	1.0153	1.0146				
10	2021					0.9739	1.0065	1.0236	1.0224	1.0155			
11	2022						1.0112	1.0289	1.0282	1.0217	1.0150		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.49%
16	2020				77.63%	71.97%	73.09%	79.83%	75.61%			75.44%	80.74%
17	2021					72.64%	73.73%	80.49%	76.18%	74.87%		74.93%	80.32%
18	2022						74.07%	80.90%	76.61%	75.32%	75.84%	75.93%	81.49%
19	B. Actual Data Other Than Losses												
20	B. Actual Data Other High Losses					Fic	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Farned Premium	764.671	803.881	861.065	907.145	960.142	1.039.407	1.107.319	1.158.495	1.205.334	1.253.736		
22	Net Earned Premium     Operating Expenses as % of Earned Premium	764,671 11.06%	803,881 11.14%	861,065 10.26%	907,145 9.94%	960,142 8.99%	1,039,407 8.98%	1,107,319 8.22%	1,158,495 8.15%	1,205,334 8.18%	1,253,736 8.12%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.15%	8.18%	8.12%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>					8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.15% 2.72%	8.18% 2.73%	8.12% 2.71%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.15% 2.72% 2.73%	8.18% 2.73% 2.72%	8.12% 2.71% 2.72%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.15% 2.72%	8.18% 2.73%	8.12% 2.71%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.15% 2.72% 2.73%	8.18% 2.73% 2.72%	8.12% 2.71% 2.72%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.15% 2.72% 2.73%	8.18% 2.73% 2.72%	8.12% 2.71% 2.72%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.15% 2.72% 2.73% 18.40%	8.18% 2.73% 2.72% 18.40%	8.12% 2.71% 2.72% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.15% 2.72% 2.73% 18.40%	8.18% 2.73% 2.72% 18.40%	8.12% 2.71% 2.72% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.22% 2.74% 2.87% 18.40% 532,647 5.824	8.15% 2.72% 2.73% 18.40% 554,274 5,941	8.18% 2.73% 2.72% 18.40% 576,316 6,059	8.12% 2.71% 2.72% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059	8.12% 2.71% 2.72% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5,824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 - 14,958 81,458	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014 - 15,513 84,275	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	11.06% 3.69%	11.14%	10.26%	9.94%	8,99% 3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950 5,682	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,505	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3.950 18,742 29,489 10,747	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3.950 5.682 31,080 25,398	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,505 33,691 25,186	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950 5,682 31,080	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,505 33,691	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747 (21,308)	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3.950 5.682 31,080 25,398	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,505 33,691 25,186	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,493 		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 35g Adverse Scenario #11 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	91	0	0	(1)
Marketable Bonds	44,245	53,796	57,852	61,659	65,282
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,248	79,917	81,510	82,974
Dividend and other Income					
Canadian Equities	9,657	5,755	4,606	4,874	5,463
Global	4,218	5,987	4,802	5,059	5,631
Global LV	-	2,903	2,922	3,081	3,438
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,467	26,070	26,776	28,239
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	9,274	28,880	(1,633)	2,346
Marketable Bonds Realized Gains/(Loss)	11,782	31,794	12,808	6,873	73
MUSH	-	-	=	-	-
Canadian Equities Realized Gains	69,223	(2,372)	(4,671)	78	(
Global Equities Realized Gains	66,318	(602)	(6,656)	99	702
Global LV Realized Gains	-	(99)	(4,102)	67	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure  Total	5,765	4,449	4,636	4,895	5,169
	124,596	48,046	36,743	16,577	14,859
4 Other					
Investment Fees Paid	(5,204)	(4,732)	(4,575)	(4,762)	(4,965
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(244)	(1,289)	(1,955
Investment Write-Down	-	-	-	-	
Total	(25,105)	(15,622)	(19,132)	(20,808)	(22,127
Total Corporate Investment Income	191,037	132,140	128,324	104,587	104,187
Total Basic Investment Income	163,817	116,737	115,158	86,526	84,528
% - Basic to Total Investment Income	85.75%	88%	90%	83%	819
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,884)	5,157	6,096
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,822)	7,549	8,404
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,306)	4,206	4,695
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,706)	12,706	14,500
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,695.8	1,886.9	2,060.3	2,212.2
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3	140.7	144.6	155.5	175.6
	166.7 96.6	176.8	181.3	194.8	206.1
Global LV Equities Frivate Debt	90.0	111.9 188.8	115.2 193.5	123.1 194.0	138.5 194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,057.6	3,229.8	3,403.1	3,572.3
Total Basic Assets	2,507.9	2,610.1	2,715.7	2,813.3	2,909.5
Ending Rebalanced Allocations (%)	• •	<u> </u>	•		
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
	60.0%	55.5%	58.4%	60.5%	61.9%
Canadian Fixed Income MUSH	19.5%	17.1%	14.8%	12.7%	10.8%
Canadian Equities	4.2%	4.6%	4.5%	4.6%	4.9%
US Equities	5.7%	5.8%	5.6%	5.7%	5.8%
Global LV	3.3%	3.7%	3.6%	3.6%	3.9%
Private Debt	0.0%	6.2%	6.0%	5.7%	5.4%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital Total	2.7% 100.0%	2.7% 100.0%	2.7% 100.0%	2.7% 100.0%	2.7% 100.09

### Appendix 35h Adverse Scenario #11 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,403	29,296	31,367
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,185,898	1,234,630	1,285,103
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,326	1,011,071	1,004,605	1,063,012
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,283	1,023,461	1,008,830	1,069,046
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,349
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,178,218	1,175,958	1,166,959	1,229,838
	Expenses								
19 20	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,247
21	Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
22	Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,976
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,467	161,101	168,229	174,512
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,721)	(151,161)	(100,557)	(119,247)
23	Order writing income (2033)	(32,011)	(203,700)	(01,070)	(10,207)	(177,721)	(131,101)	(100,537)	(117,247)
26	Investment Income	48,476	101,645	111,731	192,129	78,368	75,496	81,527	82,230
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,369	39,662	5,000	2,298
28	Net Investment Income	(4,038)	82,897	116,320	163,817	116,737	115,158	86,526	84,528
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(82,984)	(36,003)	(14,031)	(34,719)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,411	27,272	775	(3,737)

## Appendix 35i Adverse Scenario #11 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170,975	301,712	216.342	173,544	159.039
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(82,984)	(36,003)	(14,031)	(34,719)
4	Premium Rebate	(30,047)	(123,071)	54,424	143,320	(02,704)	(30,003)	(14,031)	(34,717)
5	Transfer (to) / from Non-Basic Retained Earnings	72.729	27.824	37,300	(14,791)	(2,386)	(6,795)	(473)	10,450
6	Total Retained Earnings	194,498	99,251	170,975	301,712	216,342	173,544	159,039	134,771
Ü	Total Retained Earnings	171,170	77,201	110,710	001,712	210,012	170,011	107,007	101,771
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,484)	(51,918)	(43,602)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,373)	3,566	8,316	9,038
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
11	Total Equity Balance	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207
10	Total Faville								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	301,712	216,342	173,544	159,039	134,771
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	249,601	160,857	121,625	115,437	100,207
	=	,	- 7	.,	. ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	7	.,	

### Appendix 35j Adverse Scenario #11 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	27,412	7,673	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,465,055	2,569,156	2,694,504	2,799,536	2,894,288
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	5,682	5,260	8,505	770
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
14		2,683,473	2,805,484	2,916,137	3,014,690	3,126,504	3,256,394	3,373,597	3,481,778
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,065	2,095,293	2,174,448	2,252,829
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,965,647	3,134,768	3,258,160	3,381,571
24	Equity								
25	Retained earnings	194,499	99,251	170,975	301,712	216,342	173,544	159,039	134,771
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,602)	(34,564)
27	Total Equity	231,003	181,000	210,845	249,601	160,857	121,625	115,437	100,207
	, ,								
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,690	3,126,504	3,256,394	3,373,597	3,481,778

## Appendix 35k Adverse Scenario #11 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.1)	(00)
2	Capital available (from page 30.62 - capital available)	01	205,946	113,737	62,490	54,322	37,071
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	205,946	113,737	62,490	54,322	37,071
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	207,950	220,832	229,364	237,935
13	Catastrophes	24	0	0	0	0	C
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	C
15	Subtotal: Insurance risk margin	29	285,880	307,556	324,482	337,135	350,014
16	Market Risk:						
17	Interest rate risk	30	5,699	10,460	11,482	20,953	24,995
18	Foreign exchange risk	32	15,373	16,410	15,893	15,915	16,826
19	Equity risk	34	67,980	74,153	70,293	69,138	73,818
20	Real estate risk	36	25,687	26,584	27,266	28,180	29,663
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,739	127,607	124,934	134,186	145,302
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,283	59,092	61,863	64,173	65,165
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,283	59,092	61,863	64,173	65,165
28	Operational risk margin	50	64,317	70,357	72,962	76,201	79,560
29	Less: Diversification credit	52	53,273	61,973	63,179	66,580	70,101
30	Total Capital (Margin) Required at Target	59	450,946	502,639	521,062	545,115	569,940
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,631	335,093	347,375	363,410	379,960
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,631	335,093	347,375	363,410	379,960
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,685)	(221,356)	(284,885)	(309,088)	(342,889
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.50%	33.94%	17.99%	14.95%	9.769

# Appendix 35I Adverse Scenario #11 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
	Callision	415.007	420.702	F02 201	400 500	F20 74F	F7/ 000
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag€	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,762	278,143	232,277	231,757
7	Total	726,240	759,725	946,809	952,678	946,239	992,720
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,149	6,978	6,999
10	Change in Reinsurance Ceded Provisior	(676)	° o′	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	1,713	(1,924)	9,117
13	Total Net Claims Incurred	767.240	779.170	1.030.283	1.023.461	1.008.830	1.069.046

#### Appendix 35m

### Adverse Scenario #11 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					0.1.1.1	
2		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	74.51%	73.72%	74.72%	Ondisc	DIS
5	Trend/Rate Adjustment for Fiscal Year												
5	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
3	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
)	2020				0.9544	0.9649	0.9977	1.0153	1.0146				
0	2021					0.9739	1.0065	1.0236	1.0224	1.0155			
1	2022						1.0112	1.0289	1.0282	1.0217	1.0150		
2	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
3	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
4	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.109
5	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.499
6	2020				77.63%	71.97%	73.09%	79.83%	75.61%			75.44%	80.749
7	2021					72.64%	73.73%	80.49%	76.18%	74.87%		74.93%	80.329
8	2022						74.07%	80.90%	76.61%	75.32%	75.84%	75.93%	81.499
9	B. Actual Data Other Than Losses												
0						Fis	scal Year						
1		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
3	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.15%	8.18%	8.12%		
4	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.72%	2.72%		
6	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
8	8. Net Unearned Premium					468,613	506,193	532,647	554,274	576,316	599,350		
9	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
0	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,060	442,707	458,014	483,493		
1	11. Reinsurance PFAD					10	-	-	-	-	-		
2	12. Maintenance Expense [a]					13,837	14,989	15,103	14,958	15,513	16,116		
3	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,027	81,458	84,275	88,963		
4	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
5	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	5,682	5,260	8,505	770		
6	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,080	32,370	33,691	35,074		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	25,398	27,110	25,186	34,304		
7						2,363	(21,308)	14,651	1,713	(1,924)	9,117		
	Change					2,303	(21,000)	11,001					
87 88 89	Change 18. Premium Deficiency [c]					8,845	-	- 1,001					

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 35n Adverse Scenario #11 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20 F	2020/21 orecasted	2021/22	2022
No.			orecasted		
Interest Income During Period  Cash/Short Term Investments	255	91	0	0	
Marketable Bonds	255 44,245	53,796	57,852	61,659	65,2
MUSH	26,759	24,361	22,065	19,852	17,6
Total	71,259	78,248	79,917	81,510	82,9
Dividend and other Income					
Canadian Equities	9,657	5,755	4,606	4,874	5,40
Global	4,218	5,987	4,802	5,059	5,6
Global LV	-	2,903	2,922	3,081	3,4
Private Debt	=	3,761	10,045	10,061	10,0
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,3
Infrastructure	1,472	1,136	1,183	1,249	1,3
Total	20,287	21,467	26,070	26,776	28,2
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	9,274	28,880	(1,633)	2,3
Marketable Bonds Realized Gains/(Loss)	11,782	31,794	12,808	6,873	
MUSH	-	-	-	-	
Canadian Equities Realized Gains	69,223	(2,372)	(4,671)	78	
Global Equities Realized Gains	66,318	(602)	(6,656)	99	
Global LV Realized Gains	-	(99)	(4,102)	67	
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,5
Infrastructure Total	5,765 <b>124,596</b>	4,449 48,046	4,636 <b>36,743</b>	4,895 <b>16,577</b>	5, <sup>-</sup> 14,8
10(d)	124,596	48,046	30,743	16,577	14,
Other					
Investment Fees Paid	(5,204)	(4,732)	(4,575)	(4,762)	(4,
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	2,982	(244)	(1,289)	(1,9
Total	(25,105)	(15,622)	(19,132)	(20,808)	(22,1
Total Corporate Investment Income	191,037	132,140	128,324	104,587	104,1
Total Basic Investment Income	163,817	116,737	115,158	86,526	84,5
% - Basic to Total Investment Income	85.75%	88%	90%	83%	64,5
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12 114	(2.1E0)	(2.004)	E 1E7	4 (
US Equities Unrealized Gains/(Losses)	12,114 7,537	(3,158) (3,436)	(3,884) (3,822)	5,157 7,549	6,0 8,4
Global LV Unrealized Gains/(Losses)	1,331	(1,895)	(2,306)	4,206	4,0
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,706)	12,706	14,
Ending Asset Values for Corporate (\$Millions)					•
Cash/Short Term Investments	-	-	-	-	
Canadian Fixed Income	1,751.6	1,695.8	1,886.9	2,060.3	2,21
MUSH	569.3	522.8	477.0	432.3	38
Canadian Equities	123.3	140.7	144.6	155.5	17
Global Equities	166.7	176.8	181.3	194.8	20
Global LV Equities	96.6	111.9	115.2	123.1	13
Private Debt	-	188.8	193.5	194.0	19
Real Estate	133.6	138.1	143.9	150.8	16
Infrastructure & Venture Capital  Total Ending Asset Values	78.3 <b>2,919.4</b>	82.8 3,057.6	87.4 3,229.8	92.3 3,403.1	9 3,57
Total Basic Assets	2,507.9	2,610.1	2,715.7	2,813.3	2,90
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0
Canadian Fixed Income	60.0%	55.5%	58.4%	60.5%	61.
MUSH	19.5%	17.1%	14.8%	12.7%	10.
Canadian Equities	4.2% 5.7%	4.6% 5.8%	4.5%	4.6% 5.7%	4.
US Equities Global LV	5.7% 3.3%	5.8% 3.7%	5.6% 3.6%	3.6%	5. 3.
Private Debt	0.0%	6.2%	6.0%	5.7%	5.
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.
		E-1770			

### Appendix 36a Updated Base Scenario #12 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred (b) Interest Rate Impact	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,072,131 70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680 1,131,839	2021P  1,116,638 72,885 (11,648) 1,177,874  1,096,049 71,887 (11,648) 1,156,288 27,529 1,183,817	2022P  1,162,196 74,723 (11,881)  1,225,038  1,141,121 73,798 (11,881)  1,203,038  29,531	1,209,891 76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347 31,728
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) 960,142 22,849	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	(11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	(11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	1,274,337 1,187,828 75,638 (12,119 1,251,347
Net Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) <b>960,142</b> 22,849	991,058 59,546 (11,196) 1,039,407 23,845	1,047,683 69,896 (11,420) 1,106,159 25,680	1,096,049 71,887 (11,648) 1,156,288 27,529	1,141,121 73,798 (11,881) 1,203,038	1,187,828 75,638 (12,119 <b>1,251,34</b> 7
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,34</b> 7
Drivers Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893	48,819 (11,294) <b>960,142</b> 22,849	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,34</b> 7
Reinsurance Ceded  Total Net Premiums Earned Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	(11,635) <b>907,144</b> 20,749 <b>927,893</b>	(11,294) <b>960,142</b> 22,849	(11,196) 1,039,407 23,845	(11,420) 1,106,159 25,680	(11,648) 1,156,288 27,529	(11,881) 1,203,038	(12,119 1,251,34
Total Net Premiums Earned Service Fees & Other Revenues Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893	<b>960,142</b> 22,849	1,039,407 23,845	<b>1,106,159</b> 25,680	<b>1,156,288</b> 27,529	1,203,038	1,251,34
Service Fees & Other Revenues  Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b>	22,849	23,845	25,680	27,529		
Total Earned Revenues  Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	881,417 742,604	927,893			-	-	29,531	31,72
Net Claims Incurred  (a) Claims Incurred - Interest Rate Impact	742,604		982,992	1,063,252	1,131,839	1 102 017		
(a) Claims Incurred - Interest Rate Impact		869 023				1,103,017	1,232,568	1,283,07
· · · · · · · · · · · · · · · · · · ·	(76.200)	007,023	783,040	823,258	894,503	936,961	994,953	1,050,88
Total Claima Inguerod	(10,200)	(8,988)	(15,801)	(44,539)	(18,687)	640	11,049	9,10
Total Claims Incurred	666,404	860,035	767,239	778,719	875,816	937,601	1,006,001	1,059,99
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,48
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
Total Claims Costs	798,045	993,537	923,722	929,493	1,023,751	1,089,325	1,162,980	1,219,73
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,97
Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,403	160,616	167,562	173,87
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,314)	(66,123)	(97,974)	(110,53
Investment Income	48,476	101,645	111,731	192,131	87,066	92,743	97,098	100,44
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,535)	(7,428)	4,483	2,06
Net Investment Income	(4,038)	82,897	116,320	163,818	62,531	85,314	101,581	102,51
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,01

## Appendix 36b Updated Base Scenario #12 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	,	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	B. C. Lee								
1	Retained Earnings	477.040	404 400	00.054	470.075	04 / 0 / 7	000 400	050.074	055.004
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	333,183	352,374	355,981
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,018)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
7	Total Accumulated Other Comprehensive Income								
7	Total Accumulated Other Comprehensive Income	25.070	27.504	01.740	20.070	(50.444)	(44.474)	(0.4.007)	(0.4.700)
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,708)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,277	11,667
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
11	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_			_	_	
18	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
10	Total Equity Balance	231,002	101,000	210,043	204,030	207,007	311,307	331,213	JJ4,74 I

### Appendix 36c Updated Base Scenario #12 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	).	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	57,602	61,325	59,442	43,968
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,126	2,650,611	2,774,171	2,897,219
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,373	18,832
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
14		2,683,473	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,281	405,982
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,993	1,934,087	2,010,680	2,083,793
23	·	2,452,472	2,624,484	2,705,292	2,765,090	2,860,572	2,971,291	3,092,740	3,211,278
24	Equity								
25	Retained earnings	194,499	99.251	170,975	316.967	333.183	352,374	355.981	347.963
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
27	Total Equity	231,003	181,000	210,845	264,856	289,009	317,389	331,273	334,921
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200

# Appendix 36d Updated Base Scenario #12 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	221,201	241,889	258,204	270,067	271,680
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	241,889	258,204	270,067	271,680
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,896	220,969
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,465	332,838
16	Market Risk:						
17	Interest rate risk	30	6,468	21,908	26,102	29,860	34,120
18	Foreign exchange risk	32	15,640	15,260	16,262	17,940	20,872
19	Equity risk	34	69,313	67,256	71,783	80,140	88,240
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,323	141,746	156,473	173,269
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,266	63,507	65,082	66,286
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,266	63,507	65,082	66,286
28	Operational risk margin	50	64,552	69,860	73,071	76,698	80,511
29	Less: Diversification credit	52	53,910	62,347	65,802	70,019	74,497
30	Total Capital (Margin) Required at Target	59	453,309	496,555	520,497	548,699	578,407
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,037	346,998	365,799	385,605
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	331,037	346,998	365,799	385,605
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(89,148)	(88,794)	(95,732)	(113,925)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.07%	74.41%	73.83%	70.46%

# Appendix 36e Updated Base Scenario #12 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,540	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,274	212,112	223,308	224,355
7	Total -	726,240	759,725	821,977	882,018	937,278	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,908	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,278	7,921
13	Total Net Claims Incurred	767,240	778.719	875.816	937.601	1.006.001	1.059.996

#### Appendix 36f

### Updated Base Scenario #12 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.42%	72.94%	73.87%	74.86%	Ondiso	5.0
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9278	0.9372	0.9510	0.9871	1.0072					
9	2020				0.9377	0.9519	0.9884	1.0089	1.0115				
10	2021					0.9617	0.9969	1.0159	1.0169	1.0132			
11	2022						1.0031	1.0217	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.029
15	2019			75.86%	76.23%	70.94%	72.31%	72.94%				73.70%	77.849
16	2020				76.27%	71.00%	72.40%	73.06%	73.78%			73.08%	77.189
17	2021					71.73%	73.03%	73.57%	74.18%	74.84%		73.59%	77.829
18	2022						73.48%	73.99%	74.56%	75.19%	75.87%	74.58%	78.939
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.13%	8.14%	8.09%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.71%	2.70%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.71%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,308	422,374	442,924	467,369		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,082	14,919	15,429	16,017		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,313	77,717	81,498	85,996		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	22,173	28,333	25,373	18,832		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,018	32,305	33,624	35,003		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	8,845	3,972	8,250	16,171		
	Change					2,363	(21,760)	(1,450)	(4,873)	4,278	7,921		
38													
38 39	18. Premium Deficiency [c]					8,845	-	-	-	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 36g Updated Base Scenario #12 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	125	0	0	(0)
Cash/Short Term Investments  Marketable Bonds	44,245	135 55,586	0 63,975	70,448	(0) 76,595
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,083	86,040	90,300	94,288
Dividend and other Income					
Canadian Equities	9,657	5,687	4,593	5,432	6,098
Global	4,218	5,973	4,918	5,725	6,302
Global LV	-	2,894	3,253	3,803	4,216
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 <b>Total</b>	1,472 20,288	1,136 <b>21,489</b>	1,183 26,798	1,249 28,982	1,319 <b>30,554</b>
	20,200	21,407	20,770	20,702	30,334
Gains During Period - Profit & Loss	(===)	(= )	(= )		
Marketable Bonds Unrealized Gains/(Loss) Marketable Bonds Realized Gains/(Loss)	(44,800)	(51,162)	(7,846)	2,721	598
MUSH	11,781	25,389	(36)	2,042	1,563
Canadian Equities Realized Gains	69,223	2,640	0	0	856
Global Equities Realized Gains	66,319	3,743	0	0	998
Global LV Realized Gains	-	459	-	-	890
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,879)	2,602	15,856	16,644
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,577)	(4,894)	(5,135
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	5,805	7,671	7,758	7,471
Investment Write-Down  Total	(25,105)	(12,780)	(11,219)	(11,893)	(12,871)
Total Corporate Investment Income	191,042	78,850	103,278	123,759	128,849
Total Basic Investment Income	163,818	62,531	85,314	101,581	102,514
% - Basic to Total Investment Income	85.75%	79%	83%	82%	80%
Equity Unrealized Gains/(Losses)					
Equity Unrealized Gains/(Losses)  Canadian Equities Unrealized Gains/(Losses)	12,114	6,739	4,860	5,747	6,805
US Equities Unrealized Gains/(Losses)	7,538	9,312	7,340	8,544	9,404
Global LV Unrealized Gains/(Losses)	· -	4,212	4,441	5,192	5,756
Total Corporate Unrealized Gains/(Losses)	19,652	16,051	12,200	14,291	16,209
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,710.3	1,861.8	2,013.2	2,172.8
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3 166.7	129.4 168.7	149.7 192.8	177.2 224.6	199.2 251.5
Global LV Equities	96.6	115.6	132.3	154.9	171.3
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,055.4	3,231.8	3,432.5	3,627.9
Total Basic Assets	2,522.7	2,617.3	2,725.5	2,847.4	2,956.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income MUSH	60.0%	56.0%	57.6%	58.7%	59.9%
MUSH Canadian Equitios	19.5%	17.1%	14.8%	12.6%	10.6%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.6% 6.0%	5.2% 6.5%	5.5% 6.9%
· · · · · ·	3.3%	3.8%	4.1%	4.5%	4.7%
Global LV Private Debt	0.0%	6.1%	5.8%	5.5%	5.2%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 37a Modified Base Scenario #12 Statement of Operations

otor Vehicles rivers einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred of Claims Incurred  Claims Incurred  Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,072,131 70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680 1,131,839	1,116,638 72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	2022P  1,162,196 74,723 (11,881) 1,225,038  1,141,121 73,798 (11,881) 1,203,038 29,531	1,209,891 76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
otor Vehicles rivers einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
rivers einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
einsurance Ceded al Net Premiums Written  Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023	922,617 48,819 (11,294) 960,142 22,849 982,992	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	(11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	(11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	1,274,337 1,187,828 75,638 (12,119 1,251,347
Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues Claims Incurred o) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845	1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	1,225,038 1,141,121 73,798 (11,881) 1,203,038	1,274,337 1,187,828 75,638 (12,119 1,251,347
Premiums Earned otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues Claims Incurred o) Claims Incurred - Interest Rate Impact	827,703 45,787 (12,423) 861,066 20,351 881,417	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845	1,047,683 69,896 (11,420) 1,106,159 25,680	1,096,049 71,887 (11,648) <b>1,156,288</b> 27,529	1,141,121 73,798 (11,881) 1,203,038	1,187,828 75,638 (12,119 <b>1,251,347</b>
otor Vehicles rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893 869,023	48,819 (11,294) 960,142 22,849 982,992	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,347</b>
rivers einsurance Ceded al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417	47,606 (11,635) 907,144 20,749 927,893 869,023	48,819 (11,294) 960,142 22,849 982,992	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,347</b>
einsurance Ceded  al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604	(11,635) 907,144 20,749 927,893 869,023	(11,294) <b>960,142</b> 22,849 <b>982,992</b>	(11,196) 1,039,407 23,845	(11,420) 1,106,159 25,680	(11,648) 1,156,288 27,529	(11,881) 1,203,038	(12,119 <b>1,251,347</b>
al Net Premiums Earned ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604	907,144 20,749 927,893 869,023	960,142 22,849 982,992	1,039,407 23,845	1,106,159 25,680	1,156,288 27,529	1,203,038	1,251,347
ervice Fees & Other Revenues al Earned Revenues  Claims Incurred o) Claims Incurred - Interest Rate Impact	20,351 <b>881,417</b> 742,604	20,749 <b>927,893</b> 869,023	22,849 <b>982,992</b>	23,845	25,680	27,529		
al Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact	881,417 742,604	<b>927,893</b> 869,023	982,992				29 531	
Claims Incurred ) Claims Incurred - Interest Rate Impact	742,604	869,023	•	1,063,252	1,131,839		27/001	31,728
) Claims Incurred - Interest Rate Impact			702.040			1,183,817	1,232,568	1,283,075
· •			/83.040	823,258	894,503	936,961	994,953	1,050,889
· •	, ,	(8,988)	(15,801)	(44,539)	(18,687)	640	11,049	9,107
	666,404	860,035	767,239	778,719	875,816	937,601	1,006,001	1,059,996
laims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,487
oad Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
al Claims Costs	798,045	993,537	923,722	929,493	1,023,751	1,089,325	1,162,980	1,219,732
enses	71 / /1	70 705	70 201	75.070	72 525	7/ 17/	70.020	82,759
								82,759 47,979
								37,904
								5,233
-	-							173,876
	100,000	140,323	141,103	131,303	104,400	100,010	107,302	173,070
lerwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,314)	(66,123)	(97,974)	(110,532)
estment Income	48.476	101.645	111.731	192.131	86.515	92.168	96.480	99,812
								2,061
· •	(4,038)	82,897	116,320	163,818	62,023	84,753	100,955	101,873
<u>-</u>	(56,049)	(123,071)	34,424	145,992	15,709	18,629	2,981	(8,659
	perating commissions remium Taxes legulatory/Appeal al Expenses derwriting Income (Loss) estment Income o) Investment Income Income (Loss)	33,862   135,383   26,205	33,862   35,086   33,862   35,086   35,086   35,086   36,205   27,563   36,205   27,563   36,675   4,889   3,675   4,889   315,383   140,323   36,205   36	33,862   35,086   37,378   37,878   37,878   37,978   3	33,862   35,086   37,378   40,338   40,338   40,338   40,338   40,338   40,338   40,338   40,338   40,338   40,338   40,325   4,889   4,443   4,669   4,669   4,443   4,669   4,443   4,669   4,669   4,443   4,669   4,669   4,443   4,669   4,443   4,669   4,669   4,443   4,669   4,669   4,443   4,669	33,862   35,086   37,378   40,338   42,511	33,862   35,086   37,378   40,338   42,511   44,406	33,862   35,086   37,378   40,338   42,511   44,406   46,163   4

## Appendix 37b Modified Base Scenario #12 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February.			
No.	(ov oods, except where noted)	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	-		-				-		
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	302,122	317,353	331,322	336,113
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	15,709	18,629	2,981	(8,659)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,845)	(478)	(4,660)	1,810	12,776
6	Total Retained Earnings	194,498	99,251	170,975	302,122	317,353	331,322	336,113	340,230
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,361)	(35,385)	(25,335)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,750	8,976	10,050	11,420
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,335)	(13,915)
11	Total Equity Balance	231,002	181,000	210,845	250,011	272,992	295,937	310,778	326,316
40	Takel Carrier								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	302,122	317,353	331,322	336,113	340,230
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,335)	(13,915)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	250,011	272,992	295,937	310,778	326,316
17	Retained Earnings in excess of Rate Stabilization Reserve	-	_	-	-	-	_	-	_
18	Total Equity Balance	231,002	181,000	210,845	250,011	272,992	295,937	310,778	326,316

### Appendix 37c Modified Base Scenario #12 Balance Sheet

(C\$	000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BA	SIC								
Ass	sets								
3	Cash and investments	29,114	61,606	72,998	28,914	57,070	56,120	56,044	53,346
1	Equity investments	2,083,349	2,189,534	2,272,545	2,465,015	2,530,641	2,634,365	2,757,076	2,879,236
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
5	Due from other insurance companies	25	16	2	-	-	-	-	
,	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
3	Prepaid expenses	-	-	-	-	-	-	-	
)	Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,373	18,832
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
4		2,683,473	2,805,484	2,916,137	3,015,101	3,133,564	3,267,229	3,403,519	3,537,594
5 Lia	bilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,982
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,993	1,934,087	2,010,680	2,083,793
23		2,452,472	2,624,484	2,705,292	2,765,090	2,860,572	2,971,291	3,092,741	3,211,278
24 Eau	uity								
25	Retained earnings	194,499	99,251	170,975	302,122	317,353	331,322	336,113	340,230
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,361)	(35,385)	(25,335)	(13,915
	tal Equity	231,003	181,000	210,845	250,011	272,992	295,937	310,778	326,316
8 Tot	tal Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,015,101	3,133,564	3,267,229	3,403,519	3,537,594

#### Appendix 37d Modified Base Scenario #12 Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(5.7)	(=-)	(==)	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	206,356	225,872	236,753	249,572	263,074
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	206,356	225,872	236,753	249,572	263,074
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,896	220,969
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,465	332,838
16	Market Risk:						
17	Interest rate risk	30	5,696	21,072	25,236	28,953	33,173
18	Foreign exchange risk	32	15,373	14,981	15,963	17,622	20,509
19	Equity risk	34	67,976	65,859	70,290	78,545	86,536
20	Real estate risk	36	25,686	26,583	27,266	28,179	29,662
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,731	128,495	138,755	153,299	169,880
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,328	60,782	63,021	64,590	65,789
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,328	60,782	63,021	64,590	65,789
28	Operational risk margin	50	64,320	69,578	72,776	76,386	80,181
29	Less: Diversification credit	52	53,282	61,676	65,112	69,313	73,774
30	Total Capital (Margin) Required at Target	59	450,977	493,632	517,415	545,427	574,914
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,651	329,088	344,943	363,618	383,276
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,651	329,088	344,943	363,618	383,276
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,295)	(103,216)	(108,190)	(114,046)	(120,202
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.64%	68.64%	68.64%	68.64%	68.64%

# Appendix 37e Modified Base Scenario #12 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	41E 004	120 702	440 424	E02 001	E20 E40	E74 7E1
2	Comprehensive	415,906 69,497	438,793 99,932	469,624 105,457	502,881 111,606	538,540 118,147	576,751 124,995
3	•						53,777
4	Property Damage	48,647	46,838	48,474	50,174	51,942	
5	Public Liability - Bl	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,274	212,112	223,308	224,355
7	Total	726,240	759,725	821,977	882,018	937,278	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,908	6,580
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,278	7,921
13	Total Net Claims Incurred	767.240	778.719	875.816	937.601	1.006.001	1.059.996

#### Appendix 37f

### Modified Base Scenario #12 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.42%	72.94%	73.87%	74.86%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9278	0.9372	0.9510	0.9871	1.0072					
9	2020				0.9377	0.9519	0.9884	1.0089	1.0115				
10	2021					0.9617	0.9969	1.0159	1.0169	1.0132			
11	2022						1.0031	1.0217	1.0222	1.0180	1.0134		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.86%	76.23%	70.94%	72.31%	72.94%				73.70%	77.84%
16	2020				76.27%	71.00%	72.40%	73.06%	73.78%			73.08%	77.18%
17	2021					71.73%	73.03%	73.57%	74.18%	74.84%		73.59%	77.82%
18	2022						73.48%	73.99%	74.56%	75.19%	75.87%	74.58%	78.93%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
		764,671	002 001	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
22	Net Earned Premium		803,881										
22 23	Net Earned Premium     Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.13%	8.14%	8.09%		
							8.98% 2.99%	8.23% 2.74%	8.13% 2.71%	8.14% 2.71%	8.09% 2.70%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23% 2.74% 2.87%	8.13%	8.14%	8.09%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.23% 2.74%	8.13% 2.71%	8.14% 2.71%	8.09% 2.70%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.23% 2.74% 2.87%	8.13% 2.71% 2.73%	8.14% 2.71% 2.71%	8.09% 2.70% 2.71%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.23% 2.74% 2.87%	8.13% 2.71% 2.73%	8.14% 2.71% 2.71%	8.09% 2.70% 2.71%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.23% 2.74% 2.87% 18.40%	8.13% 2.71% 2.73% 18.40%	8.14% 2.71% 2.71% 18.40%	8.09% 2.70% 2.71% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.23% 2.74% 2.87% 18.40%	8.13% 2.71% 2.73% 18.40%	8.14% 2.71% 2.71% 18.40%	8.09% 2.70% 2.71% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.23% 2.74% 2.87% 18.40% 531,648 5,824	8.13% 2.71% 2.73% 18.40% 553,234 5,941	8.14% 2.71% 2.71% 18.40% 575,235 6,059	8.09% 2.70% 2.71% 18.40% 598,225 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.23% 2.74% 2.87% 18.40% 531,648 5,824	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374	8.14% 2.71% 2.71% 18.40% 575,235 6,059	8.09% 2.70% 2.71% 18.40% 598,225 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.23% 2.74% 2.87% 18.40% 531,648 5,824 409,308	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374	8.14% 2.71% 2.71% 18.40% 575,235 6,059 442,924	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.23% 2.74% 2.87% 18.40% 531,648 5,824 409,308	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374	8.14% 2.71% 2.71% 18.40% 575,235 6,059 442,924	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5.710 390,499 - 14,989 71,852	8.23% 2.74% 2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717	8.14% 2.71% 2.71% 18.40% 575,235 6.059 442,924 - 15,429 81,498	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369 - 16,017 85,996		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5.710 390,499 	8.23% 2.74% 2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313 3,950	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950	8.14% 2.71% 2.71% 18.40% 575,235 6.059 442,924 - 15,429 81,498 3,950	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369 - 16,017 85,996 3,950		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 	8.23% 2.74% 2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313 3,950 22,173	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333	8.14% 2.71% 2.71% 18.40% 575,235 6,059 442,924 - 15,429 81,498 3,950 25,373	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369 - 16,017 85,996 3,950 18,832		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	8.23% 2.74% 2.87% 18.40% 531,648 5,824 409,308 - 15,082 75,313 3,950 22,173 31,018	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305	8.14% 2.71% 2.71% 18.40% 575,235 6,059 442,924 - 15,429 81,498 3,950 25,373 33,624	8.09% 2.70% 2.71% 18.40% 598,225 6,059 467,369 - 16,017 85,996 3,950 18,832 35,003		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390.499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.23% 2.74% 2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313 3,950 22,173 31,018 8,845	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305 3,972	8.14% 2.71% 2.71% 18.40% 575,235 6.059 442,924 - 15,429 81,498 3,950 25,373 33,624 8,250	8.09% 2.70% 2.71% 18.40% 598,225 6.059 467,369 - 16.017 85,996 3,950 18,832 35,003 16,171		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390.499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.23% 2.74% 2.87% 18.40% 531,648 5.824 409,308 - 15,082 75,313 3,950 22,173 31,018 8,845	8.13% 2.71% 2.73% 18.40% 553,234 5,941 422,374 - 14,919 77,717 3,950 28,333 32,305 3,972	8.14% 2.71% 2.71% 18.40% 575,235 6.059 442,924 - 15,429 81,498 3,950 25,373 33,624 8,250	8.09% 2.70% 2.71% 18.40% 598,225 6.059 467,369 - 16.017 85,996 3,950 18,832 35,003 16,171		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 37g Modified Base Scenario #12 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	120	0	0	0
Marketable Bonds	44,245	129 55,576	0 63,972	70,441	0 76,595
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,067	86,037	90,292	94,288
Dividend and other Income					
Canadian Equities	9,657	5,704	4,594	5,435	6,099
Global	4,218	5,978	4,919	5,728	6,301
Global LV	-	2,895	3,254	3,805	4,217
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
nfrastructure  Total	1,472 20,288	1,136 21,511	1,183 26,801	1,249 28,990	1,319
Total	20,288	21,311	20,801	28,990	30,556
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(49,881)	(7,846)	2,721	598
Marketable Bonds Realized Gains/(Loss)  MUSH	11,781	24,111	(36)	2,042	1,563
	- 69,223	- 2,659	- 0	- 0	- 887
Canadian Equities Realized Gains Global Equities Realized Gains	66,319	3,749	0	0	1,032
Global LV Realized Gains	-	459	-	-	922
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,851)	2,602	15,856	16,741
Other					
Investment Fees Paid	(5,204)	(4,716)	(4,578)	(4,893)	(5,132
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,803	7,670	7,757	7,470
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,785)	(11,221)	(11,893)	(12,869)
Total Corporate Investment Income	191,042	78,880	103,278	123,760	128,951
Total Basic Investment Income	163,818	62,023	84,753	100,955	101,873
% - Basic to Total Investment Income	85.75%	79%	82%	82%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,759	4,861	5,750	6,806
US Equities Unrealized Gains/(Losses)	7,538	9,319	7,341	8,548	9,404
Global LV Unrealized Gains/(Losses)		4,212	4,443	5,196	5,757
Total Corporate Unrealized Gains/(Losses)	19,652	16,078	12,203	14,299	16,210
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	<u>-</u>	<u>-</u>	-	=
Canadian Fixed Income MUSH	1,751.6	1,710.3	1,861.6	2,012.8	2,172.1
Canadian Equities	569.3 123.3	522.8 129.4	477.0 149.8	432.3 177.3	386.3 199.5
Global Equities	166.7	168.7	192.9	224.8	251.8
Global LV Equities	96.6	115.6	132.4	155.0	171.5
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,055.4	3,231.8	3,432.5	3,628.0
Total Basic Assets	2,507.8	2,601.3	2,704.0	2,826.9	2,947.8
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.6%	59.9%
MUSH	19.5%	17.1%	14.8%	12.6%	10.6%
Canadian Equities	4.2%	4.2%	4.6%	5.2%	5.5%
US Equities Global LV	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.5% 4.5%	6.9% 4.7%
Global LV Private Debt	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.5% 5.5%	4.7% 5.2%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 38a Adverse Scenario #12 Statement of Operations

).		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC	2010/1	201771	2010/1	20171	20201	LULII	LULLI	2020
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
1	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,34
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,606	27,360	29,248	31,31
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,131,765	1,183,648	1,232,286	1,282,66
	Net Claims Incurred	742,604	869,023	783,040	787,372	1,190,276	1,011,085	1,004,651	1,063,04
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,031,234	1,023,475	1,008,876	1,069,083
	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,34
	Total Claims Costs	798,045	993,537	923,722	929,944	1,179,169	1,175,972	1,167,005	1,229,87
	Expenses								
1	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,24
	Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,97
	Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,403	160,963	168,085	174,36
i	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,807)	(153,288)	(102,804)	(121,57
,	Investment Income	48,476	101,645	111,731	192,129	78,364	75,487	81,509	82,20
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,368	39,658	4,999	2,298
	Net Investment Income	(4,038)	82,897	116,320	163,817	116,733	115,145	86,508	84,49
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(85,074)	(38,143)	(16,297)	(37,07

## Appendix 38b Adverse Scenario #12 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February.			
No.	- Lot boos, except where notedy	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	-								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	301,658	216,106	173,303	158,816
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(85,074)	(38,143)	(16,297)	(37,079)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,845)	(478)	(4,660)	1,810	12,776
6	Total Retained Earnings	194,498	99,251	170,975	301,658	216,106	173,303	158,816	134,514
	T.								
7	Total Accumulated Other Comprehensive Income	05.040	0/ 504	04.740	00.070	(50.444)	(55.40.4)	(54.040)	(40 (45)
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,484)	(51,918)	(43,615)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,373)	3,566	8,303	9,024
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
11	Total Equity Balance	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	301,658	216,106	173,303	158,816	134,514
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
10	Total Nate Stabilization Neserve	231,002	101,000	210,043	217,547	100,022	121,304	110,201	77,723
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
	-	•							

### Appendix 38c Adverse Scenario #12 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	28,011	8,596	1,235	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,465,001	2,568,909	2,693,926	2,798,682	2,894,641
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	4,223	7,419	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
14		2,683,473	2,805,484	2,916,137	3,014,636	3,125,265	3,255,105	3,372,272	3,480,716
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,061	2,095,286	2,174,440	2,253,177
23		2,452,472	2,624,484	2,705,292	2,765,089	2,964,644	3,133,721	3,257,071	3,380,793
24	Equity								
25	Retained earnings	194,499	99,251	170,975	301,658	216.106	173,303	158.816	134,514
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
27	Total Equity	231,003	181,000	210,845	249,547	160,622	121,384	115,201	99,923
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,636	3,125,265	3,255,105	3,372,272	3,480,716

#### Appendix 38d Adverse Scenario #12 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020 Forecast Voor	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Yea
ne o.			(01)	Forecast Year (02)	(03)	(04)	(05)
U.	Capital Available:		(01)	(02)	(03)	(04)	(03)
	Capital available (from page 30.62 - capital available)	01	205,892	113,502	62,249	54,085	36,78
	Phase-in of capital available	03	0	0	0	0	
	Total Capital Available	09	205,892	113,502	62,249	54,085	36,78
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	
	Phase-in of net assets available	13	0	0	0	0	
	Total Net Assets Available	19	0	0	0	0	
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
ı	Premium liabilities	20	94,659	99,419	103,455	107,569	111,9
2	Unpaid claims	22	191,221	207,949	220,831	229,363	237,9
3	Catastrophes	24	0	0	0	0	
ļ	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
5	Subtotal: Insurance risk margin	29	285,880	307,368	324,286	336,932	349,8
5	Market Risk:						
7	Interest rate risk	30	5,696	10,436	11,434	20,888	24,8
3	Foreign exchange risk	32	15,372	16,408	15,887	15,902	16,8
9	Equity risk	34	67,975	74,143	70,257	69,060	73,7
)	Real estate risk	36	25,686	26,583	27,265	28,179	29,6
ı	Other market risk exposures	38	0	0	0	0	
2	Subtotal: Market risk margin	39	114,729	127,570	124,843	134,029	145,0
3	Credit Risk:						
1	Counterparty default risk for balance sheet assets	40	39,283	58,958	61,724	64,026	65,0
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
5	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	39,283	58,958	61,724	64,026	65,0
3	Operational risk margin	50	64,316	70,272	72,869	76,100	79,4
)	Less: Diversification credit	52	53,271	61,923	63,115	66,500	70,0
)	Total Capital (Margin) Required at Target	59	450,937	502,245	520,607	544,587	569,4
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,625	334,830	347,071	363,058	379,6
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	300,625	334,830	347,071	363,058	379,6
ļ	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,733)	(221,328)	(284,822)	(308,973)	(342,8
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.49%	33.90%	17.94%	14.90%	9.6

# Appendix 38e Adverse Scenario #12 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag∈	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,758	278,141	232,277	231,753
7	Total	726,240	759,725	946,805	952,676	946,239	992,716
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,148	6,978	6,999
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	1,730	(1,878)	9,159
13	Total Net Claims Incurred	767.240	779.170	1.031.234	1.023.475	1.008.876	1.069.083

#### Appendix 38f

### Adverse Scenario #12 Deferred Policy Acquisition Expenses and Premium Deficiency

·												
A. Claims (Including External Adjustment Expense) Data												
-	2013	2014	2015	2016	Acci 2017	dent Year 2018	2019	2020	2021	2022	Selected	Selec E
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	74.66%	73.87%	74.86%	Undisc	L
Trend/Rate Adjustment for Fiscal Year	00.0770	72.770	01.7770	01.0170	7 110 7 70	70.2070	70.7170	7 11.0070	70.0770	7 1.0070		
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018	0.7112	0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9444	0.9504	0.9608	0.9936	1.0100					
2020			******	0.9562	0.9667	0.9996	1.0162	1.0146				
2021					0.9758	1.0084	1.0245	1.0224	1.0155			
2022						1.0131	1.0298	1.0282	1.0217	1.0150		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80
2020				77.78%	72.11%	73.23%	79.99%	75.75%			75.58%	80
2021					72.78%	73.87%	80.64%	76.33%	75.01%		75.07%	80
2022						74.22%	81.06%	76.76%	75.47%	75.99%	76.07%	8
B. Actual Data Other Than Losses												
_					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
Selected					3.16%	2.99%	2.87%	2.73%	2.73%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,094	442,710	458,018	483,496		
11. Reinsurance PFAD					10		-	-	-			
12. Maintenance Expense [a]					13,837	14,989	15,082	14,952	15,513	16,116		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,033	81,459	84,275	88,963		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Enl	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	4,665	4,223	7,419	(360)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,018	32,305	33,624	35,003		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	26,353	28,083	26,205	35,003		
Change					2,363	(21,308)	15,606	1,730	(1,878)	8,799		
18. Premium Deficiency [c]					8,845		-	-	-	360		
					2,001	(8,845)				360		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 38g Adverse Scenario #12 Summary of Corporate Investment Income

_	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.		Г	orecasteu		
Interest Income During Period  Cash/Short Term Investments	055	0.1	0	0	(1)
Cash/Short Term Investments  Marketable Bonds	255	91 52.700	0	0 61,607	(1) 4E 201
MUSH	44,245 26,759	53,788 24,361	57,825 22,065	19,852	65,201 17,693
Total	71,259	78,241	79,890	81,459	82,893
	,		,		
Dividend and other Income Canadian Equities	0.757	F 7F2	4.504	4.040	F 422
Global	9,657 4,218	5,753 5,985	4,594 4,791	4,848 5,036	5,422
Global LV	4,210	2,902	2,914	3,063	5,595 3,411
o Private Debt	_	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,287	21,462	26,040	26,710	28,135
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(44,799)	9,267	28,839	(1,677)	2,342
6 Marketable Bonds Realized Gains/(Loss)	11,782	31,801	12,838	6,914	76
7 MUSH	-	-	-	-	-
8 Canadian Equities Realized Gains	69,223	(2,372)	(4,665)	79	0
9 Global Equities Realized Gains	66,318	(603)	(6,651)	99	679
o Global LV Realized Gains	-	(99)	(4,098)	67	-
1 Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	48,046	36,745	16,575	14,836
4 Other					
5 Investment Fees Paid	(5,204)	(4,732)	(4,570)	(4,756)	(4,952)
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(241)	(1,281)	(1,941)
8 Investment Write-Down	-	-	-	-	-
9 Total	(25,105)	(15,622)	(19,124)	(20,794)	(22,100)
Total Corporate Investment Income	191,037	132,126	128,277	104,482	104,007
1 Total Basic Investment Income	163,817	116,733	115,145	86,508	84,498
% - Basic to Total Investment Income	85.75%	88%	90%	83%	81%
3 Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,879)	5,130	6,052
5 US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,817)	7,515	8,350
6 Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,302)	4,182	4,658
7 Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,697)	12,645	14,401
8 Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,751.6	1,695.0	1,885.2	2,057.5	2,207.7
1 MUSH 2 Canadian Equities	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.3	140.5	144.0	154.4	174.2
4 Global LV Equities	166.7 96.6	176.6 111.7	180.7 114.7	193.7 122.3	205.0 137.2
5 Private Debt	-	188.8	193.5	194.0	194.3
6 Real Estate	133.6	138.1	143.9	150.8	161.8
7 Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
8 Total Ending Asset Values	2,919.4	3,056.3	3,226.4	3,397.3	3,563.9
9 Total Basic Assets	2,507.8	2,610.5	2,716.1	2,813.7	2,909.9
Ending Rebalanced Allocations (%)	•	,	•		•
o Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	55.5%	58.4%	60.6%	61.9%
3 MUSH	19.5%	17.1%	14.8%	12.7%	10.8%
4 Canadian Equities	4.2%	4.6%	4.5%	4.5%	4.9%
5 US Equities	5.7%	5.8%	5.6%	5.7%	5.8%
6 Global LV	3.3%	3.7%	3.6%	3.6%	3.9%
7 Private Debt	0.0%	6.2%	6.0%	5.7%	5.5%
			4 E0/	4 40/	/ E0/
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.5% 2.7%	4.4% 2.7%	4.5% 2.7%

### Appendix 38h Adverse Scenario #12 with Management Action Statement of Operations

potor Vehicles ivers einsurance Ceded I Net Premiums Written  Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues  Claims Incurred Claims Incurred I Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196)  1,076,987  991,058 59,546 (11,196)  1,039,407 23,832 1,063,240  787,372	1,072,131 70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,606 1,131,765	1,116,638 72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,360 1,183,648	1,162,196 74,723 (11,881) 1,225,038  1,141,121 73,798 (11,881) 1,203,038 29,248 1,232,286	1,209,891 76,565 (12,119 1,274,337  1,187,828 75,638 (12,119 1,251,347 31,314 1,282,661
ivers ivers insurance Ceded I Net Premiums Written  Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues  Claims Incurred Claims Incurred Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,606 1,131,765	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,360 1,183,648	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038 29,248	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347 31,314
Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues Claims Incurred O Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,606 1,131,765	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,360 1,183,648	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038 29,248	76,563 (12,114 1,274,333 1,187,828 75,638 (12,114 1,251,341 31,314
Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues Claims Incurred Claims Incurred	888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,047,683 69,896 (11,420) 1,106,159 25,606 1,131,765	1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,360 1,183,648	1,225,038 1,141,121 73,798 (11,881) 1,203,038 29,248	1,274,337 1,187,828 75,638 (12,119 1,251,347 31,314
Premiums Earned otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues Claims Incurred O Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,047,683 69,896 (11,420) 1,106,159 25,606 1,131,765	1,096,049 71,887 (11,648) 1,156,288 27,360 1,183,648	1,141,121 73,798 (11,881) 1,203,038 29,248	1,187,828 75,638 (12,119 <b>1,251,34</b> ) 31,314
otor Vehicles ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues Claims Incurred O Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b> 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,106,159 25,606 1,131,765	71,887 (11,648) 1,156,288 27,360 1,183,648	73,798 (11,881) 1,203,038 29,248	75,638 (12,119 <b>1,251,34</b> 7 31,314
ivers einsurance Ceded I Net Premiums Earned ervice Fees & Other Revenues I Earned Revenues Claims Incurred ) Claims Incurred - Interest Rate Impact	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) <b>960,142</b> 22,849 <b>982,992</b> 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,106,159 25,606 1,131,765	71,887 (11,648) 1,156,288 27,360 1,183,648	73,798 (11,881) 1,203,038 29,248	75,638 (12,119 <b>1,251,34</b> 7 31,314
I Net Premiums Earned  rivice Fees & Other Revenues I Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040	(11,196) 1,039,407 23,832 1,063,240	(11,420) 1,106,159 25,606 1,131,765	(11,648) 1,156,288 27,360 1,183,648	(11,881) 1,203,038 29,248	(12,119 <b>1,251,34</b> 31,314
I Net Premiums Earned  privice Fees & Other Revenues I Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040	1,039,407 23,832 1,063,240	1,106,159 25,606 1,131,765	1,156,288 27,360 1,183,648	1,203,038 29,248	1, <b>251,34</b> 31,31
crvice Fees & Other Revenues  I Earned Revenues  Claims Incurred  Claims Incurred - Interest Rate Impact	20,351 881,417 742,604 (76,200)	20,749 927,893 869,023 (8,988)	22,849 <b>982,992</b> 783,040	23,832 1,063,240	25,606 <b>1,131,765</b>	27,360 1,183,648	29,248	31,314
l Earned Revenues  Claims Incurred ) Claims Incurred - Interest Rate Impact	742,604 (76,200)	927,893 869,023 (8,988)	<b>982,992</b> 783,040	1,063,240	1,131,765	1,183,648		
Claims Incurred ) Claims Incurred - Interest Rate Impact	742,604 (76,200)	869,023 (8,988)	783,040				1,232,286	1,282,66
Claims Incurred - Interest Rate Impact	(76,200)	(8,988)		787 372		4 044 005		
' ' -	` ' '	,	(45.004)	101,312	1,190,276	1,011,085	1,004,651	1,063,04
I Claims Incurred	666,404	0/0 005	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
		860,035	767,239	779,170	1,031,234	1,023,475	1,008,876	1,069,08
aims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,44
oad Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,34
I Claims Costs	798,045	993,537	923,722	929,944	1,179,169	1,175,972	1,167,005	1,229,87
enses								
perating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,24
ommissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,97
emium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
-	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
I Expenses	135,383	140,323	141,165	151,585	154,403	160,963	168,085	174,36
erwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,807)	(153,288)	(102,804)	(121,57
stment Income	48,476	101,645	111,731	192,129	78,364	75,487	81,509	82,20
Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,368	39,658	4,999	2,29
nvestment Income	(4,038)	82,897	116,320	163,817	116,733	115,145	86,508	84,49
Income (Loss)	(56,049)	(123,071)	34,424	145,528	(85,074)	(38,143)	(16,297)	(37,07
	emium Taxes egulatory/Appeal I Expenses erwriting Income (Loss)  stment Income I Investment Income - Interest Rate Impact Investment Income Income (Loss)	3,675   I Expenses   135,383     erwriting Income (Loss)   (52,011)     stment Income   48,476     Investment Income   (52,515)     Investment Income   (4,038)	agulatory/Appeal         3,675         4,889           I Expenses         135,383         140,323           erwriting Income (Loss)         (52,011)         (205,968)           estment Income         48,476         101,645           o Investment Income - Interest Rate Impact Investment Income         (52,515)         (18,748)           investment Income         (4,038)         82,897	agulatory/Appeal         3,675         4,889         4,443           I Expenses         135,383         140,323         141,165           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)           estment Income         48,476         101,645         111,731           olivestment Income - Interest Rate Impact Investment Income         (52,515)         (18,748)         4,589           investment Income         (4,038)         82,897         116,320	agulatory/Appeal         3,675         4,889         4,443         4,669           I Expenses         135,383         140,323         141,165         151,585           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (18,289)           estment Income         48,476         101,645         111,731         192,129           Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (28,313)           Investment Income         (4,038)         82,897         116,320         163,817	agulatory/Appeal         3,675         4,889         4,443         4,669         4,839           I Expenses         135,383         140,323         141,165         151,585         154,403           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (18,289)         (201,807)           estment Income         48,476         101,645         111,731         192,129         78,364           ol Investment Income - Interest Rate Impact Income         (52,515)         (18,748)         4,589         (28,313)         38,368           investment Income         (4,038)         82,897         116,320         163,817         116,733	Agulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,999           I Expenses         135,383         140,323         141,165         151,585         154,403         160,963           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (18,289)         (201,807)         (153,288)           estment Income         48,476         101,645         111,731         192,129         78,364         75,487           Investment Income - Interest Rate Impact Income         (52,515)         (18,748)         4,589         (28,313)         38,368         39,658           Investment Income         (4,038)         82,897         116,320         163,817         116,733         115,145	Agulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,999         5,114           I Expenses         135,383         140,323         141,165         151,585         154,403         160,963         168,085           erwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (18,289)         (201,807)         (153,288)         (102,804)           estment Income         48,476         101,645         111,731         192,129         78,364         75,487         81,509           Investment Income         (52,515)         (18,748)         4,589         (28,313)         38,368         39,658         4,999           Investment Income         (4,038)         82,897         116,320         163,817         116,733         115,145         86,508

## Appendix 38i Adverse Scenario #12 with Management Action Statement of Changes in Equity

Line	e (C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99,251	170.975	301.658	216.106	173.303	158.816
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	145,528	(85,074)	(38,143)	(16,297)	(37,079)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(14,845)	(478)	(4,660)	1,810	12,776
6	Total Retained Earnings	194,498	99,251	170,975	301,658	216,106	173,303	158,816	134,514
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,484)	(51,918)	(43,615)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,373)	3,566	8,303	9,024
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
11	Total Equity Balance	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99,251	170,975	301,658	216,106	173,303	158,816	134,514
	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
15	·								
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	249,547	160,622	121,384	115,201	99,923
	<del>-</del>								

### Appendix 38j Adverse Scenario #12 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	28,011	8,596	1,235	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,465,001	2,568,909	2,693,926	2,798,682	2,894,641
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	4,223	7,419	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
14		2,683,473	2,805,484	2,916,137	3,014,636	3,125,265	3,255,105	3,372,272	3,480,716
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,061	2,095,286	2,174,440	2,253,177
23		2,452,472	2,624,484	2,705,292	2,765,089	2,964,644	3,133,721	3,257,071	3,380,793
24	Equity								
25	Retained earnings	194,499	99,251	170,975	301,658	216.106	173,303	158.816	134,514
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,484)	(51,918)	(43,615)	(34,591)
27	Total Equity	231,003	181,000	210,845	249,547	160,622	121,384	115,201	99,923
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,014,636	3,125,265	3,255,105	3,372,272	3,480,716

## Appendix 38k Adverse Scenario #12 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(01)	(00)
2	Capital available (from page 30.62 - capital available)	01	205,892	113,502	62,249	54,085	36,787
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	205,892	113,502	62,249	54,085	36,787
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,936
12	Unpaid claims	22	191,221	207,949	220,831	229,363	237,934
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	307,368	324,286	336,932	349,870
16	Market Risk:						
17	Interest rate risk	30	5,696	10,436	11,434	20,888	24,837
18	Foreign exchange risk	32	15,372	16,408	15,887	15,902	16,810
19	Equity risk	34	67,975	74,143	70,257	69,060	73,735
20	Real estate risk	36	25,686	26,583	27,265	28,179	29,662
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	114,729	127,570	124,843	134,029	145,044
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,283	58,958	61,724	64,026	65,044
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,283	58,958	61,724	64,026	65,044
28	Operational risk margin	50	64,316	70,272	72,869	76,100	79,454
29	Less: Diversification credit	52	53,271	61,923	63,115	66,500	70,010
30	Total Capital (Margin) Required at Target	59	450,937	502,245	520,607	544,587	569,402
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	300,625	334,830	347,071	363,058	379,601
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	300,625	334,830	347,071	363,058	379,601
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(94,733)	(221,328)	(284,822)	(308,973)	(342,814
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	68.49%	33.90%	17.94%	14.90%	9.69%

# Appendix 38I Adverse Scenario #12 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489.508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117.917	124,975
4	Property Damage	48.647	46,838	49,741	49,423	51,957	53.785
5	Public Liability - Bl	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,758	278,141	232,277	231,753
7	Total	726,240	759,725	946,805	952,676	946,239	992,716
		40.050	50.405	50.074	E 4 004	F7 F07	(0.010
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,148	6,978	6,999
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	1,730	(1,878)	9,159
13	Total Net Claims Incurred	767.240	779.170	1.031.234	1.023,475	1.008.876	1.069.083

#### Appendix 38m

### Adverse Scenario #12 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A a a !	doub Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	74.66%	73.87%	74.86%	Ondisc	DIS
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9444	0.9504	0.9608	0.9936	1.0100					
2020				0.9562	0.9667	0.9996	1.0162	1.0146				
2021					0.9758	1.0084	1.0245	1.0224	1.0155			
2022						1.0131	1.0298	1.0282	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10
2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80.65
2020				77.78%	72.11%	73.23%	79.99%	75.75%			75.58%	80.89
2021					72.78%	73.87%	80.64%	76.33%	75.01%		75.07%	80.47
2022						74.22%	81.06%	76.76%	75.47%	75.99%	76.07%	81.65
3. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
Selected					3.16%	2.99%	2.87%	2.73%	2.73%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,094	442,710	458,018	483,496		
Reinsurance PFAD					10	-	-	-	-	-		
2 Maintananaa Europea [a]					13,837	14,989	15,082	14,952	15,513	16,116		
					70,595	71,922	78,033	81,459	84,275	88,963		
					3,950	3,950	3,950	3,950	3,950	3,950		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	hancement							4 222	7 410	(360)		
Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement				(8,845)	18,742	4,665	4,223	7,419	. ,		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>	hancement				32,055	29,489	31,018	32,305	33,624	35,003		
Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]	hancement				32,055 32,055	29,489 10,747	31,018 26,353	32,305 28,083	33,624 26,205	35,003 35,003		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				32,055 32,055 2,363	29,489	31,018	32,305	33,624	35,003 35,003 8,799		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b] Change</li> <li>Premium Deficiency [c]</li> </ol>	hancement				32,055 32,055	29,489 10,747	31,018 26,353	32,305 28,083	33,624 26,205	35,003 35,003		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 38n Adverse Scenario #12 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	91	0	0	(1
Marketable Bonds	44,245	53,788	57,825	61,607	65,201
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,241	79,890	81,459	82,893
Dividend and other Income					
Canadian Equities	9,657	5,753	4,594	4,848	5,422
Global	4,218	5,985	4,791	5,036	5,59
Global LV	-	2,902	2,914	3,063	3,41
Private Debt	-	3,761	10,045	10,061	10,07
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,31
Infrastructure Total	1,472	1,136 <b>21,462</b>	1,183	1,249	1,31
Total	20,287	21,402	26,040	26,710	28,13
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	9,267	28,839	(1,677)	2,34
Marketable Bonds Realized Gains/(Loss) MUSH	11,782	31,801	12,838	6,914	7
MUSH Consider Equities Realized Coins	-	-	-	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(2,372)	(4,665)	79	/=
	66,318	(603)	(6,651)	99	67
Global LV Realized Gains Real Estate (Pooled Fund)	16,307	(99) 5,602	(4,098) 5,847	67 6,198	6,56
Infrastructure	5,765	4,449	4,636	4,895	5,16
Total	124,596	48,046	36,745	16,575	14,83
Other Investment Fees Paid	(F. 00.1)	(4.700)	(4.570)	(4.75.0)	/
Investment Fees Paid Pension Expense	(5,204)	(4,732)	(4,570)	(4,756)	(4,95
Amortization on Marketable Bonds (Prem) / Discount	(13,441) (6,461)	(13,872) 2,982	(14,313) (241)	(14,757) (1,281)	(15,20 (1,94
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(0,401)	2,902	(241)	(1,201)	(1,94
Total	(25,105)	(15,622)	(19,124)	(20,794)	(22,10
Total Corporate Investment Income	191,037	132,126	128,277	104,482	104,00
Total Basic Investment Income					
% - Basic to Total Investment Income	163,817 85.75%	116,733 88%	115,145 90%	86,508 83%	84,499 81°
	03.7370	00 /0	70 /0	0370	01
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,879)	5,130	6,05
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,817)	7,515	8,35
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 10 / 51	(1,895)	(2,302)	4,182	4,65
• • • • • • • • • • • • • • • • • • • •	19,651	(6,594)	(7,697)	12,645	14,40
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,695.0	1,885.2	2,057.5	2,207
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386
Global Equities	123.3	140.5	144.0 180.7	154.4	174 205
Global Equities Global LV Equities	166.7 96.6	176.6 111.7	114.7	193.7 122.3	205. 137.
Private Debt	70.0	188.8	193.5	194.0	194.
Real Estate	133.6	138.1	143.9	150.8	161.
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.
Total Ending Asset Values	2,919.4	3,056.3	3,226.4	3,397.3	3,563.
Total Basic Assets	2,507.8	2,610.5	2,716.1	2,813.7	2,909.
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.09
Canadian Fixed Income	60.0%	55.5%	58.4%	60.6%	61.99
MUSH	19.5%	17.1%	14.8%	12.7%	10.89
Canadian Equities	4.2%	4.6%	4.5%	4.5%	4.99
US Equities	5.7%	5.8%	5.6%	5.7%	5.89
Global LV	3.3%	3.7%	3.6%	3.6%	3.99
Private Debt	0.0%	6.2%	6.0%	5.7%	5.5%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%

### Appendix 39a Updated Base Scenario #13 Statement of Operations

D.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
ō	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
5	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
0	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
1	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
13	Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,284
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,875
5	Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,160
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,141
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,873
21	Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
22	Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,904
26	Investment Income	48,476	101,645	111,731	192,209	84,813	88,268	91,549	94,615
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	4
28	Net Investment Income	(4,038)	82,897	116,320	171,428	84,823	88,271	91,551	94,619
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285

## Appendix 39b Updated Base Scenario #13 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
1	Beginning Balance	177,818	194,498	99,251	170,975	314,049	311,386	308,594	288,633
2	3 3								
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	10,675
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
11	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
17	Detained Farnings in aveces of Data Stabilization Decome								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	- 2/1 020	2/7 200	- 272 (00	- 2/2 475	241.0/5
18	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865

### Appendix 39c Updated Base Scenario #13 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	48,628	40,072	25,785	-
l	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,576,553	2,682,810	2,793,177	2,902,041
i	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
5	Due from other insurance companies	25	16	2	-	-	-	-	
,	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
3	Prepaid expenses	-	-	-	-	-	-	-	-
)	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
4		2,683,473	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610
15	Liabilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,215	390,308	406,707
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,840	1,980,340	2,055,792	2,129,627
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,891,266	3,012,531	3,132,065	3,250,745
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	311,386	308,594	288,633	256,348
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
27	Total Equity	231,003	181,000	210,845	261,938	267,209	273,608	263,475	241,865
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610

#### Appendix 39d Updated Base Scenario #13 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	218,283	220,092	214,441	202,295	178,654
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	220,092	214,441	202,295	178,654
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	4,798	20,574	24,537	29,049	33,491
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,324
19	Equity risk	34	69,145	67,268	71,795	76,632	81,846
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	129,963	140,153	151,502	165,651
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,566	62,857	64,325	65,427
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,566	62,857	64,325	65,427
28	Operational risk margin	50	64,469	69,550	72,817	76,119	79,686
29	Less: Diversification credit	52	53,525	62,120	65,633	69,182	73,190
30	Total Capital (Margin) Required at Target	59	452,643	496,833	521,587	546,482	573,686
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	331,222	347,724	364,321	382,457
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	331,222	347,724	364,321	382,457
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(111,130)	(133,283)	(162,026)	(203,803
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	66.45%	61.67%	55.53%	46.719

# Appendix 39e Updated Base Scenario #13 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,504	220,930	222,334	224,958
7	Total -	726,240	767,976	844,425	890,928	936,300	985,903
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,684
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767.240	789.235	909.702	948.756	1.005.018	1.061.159

#### Appendix 39f

### Updated Base Scenario #13 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Calantari	Calanta
2		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.90%	73.83%	74.76%	75.78%	Ondisc	Disc
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9395	0.9490	0.9630	0.9995	1.0131					
9	2020				0.9491	0.9635	1.0004	1.0144	1.0115				
10	2021					0.9734	1.0091	1.0215	1.0169	1.0132			
11	2022						1.0153	1.0273	1.0222	1.0180	1.0134		
2	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79.249
16	2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78.619
17	2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79.229
18	2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80.35%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
24	<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
31	11. Reinsurance PFAD					10		-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
3	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,224	18,619	15,485	8,485		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	17,401	13,277	17,712	26,075		
37						2,363	(20,876)	6,222	(4,124)	4,436	8,363		
	Change					2,303							
37 38 39	Change 18. Premium Deficiency [c]					8,845	-	-,	-	-,,			

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 39g Updated Base Scenario #13 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	92	(0)	0	(0)
Marketable Bonds	44,259	55,084	61,815	67,258	72,896
MUSH	26,759 <b>71,273</b>	24,361 <b>79,537</b>	22,065 <b>83,880</b>	19,852 <b>87,109</b>	17,693 <b>90,589</b>
10tai	11,213	19,531	83,880	87,109	90,389
Dividend and other Income					
Canadian Equities	9,657	5,685	4,544	5,164	5,608
Global	4,218	5,969	4,878	5,490	5,877
Global LV Private Debt	-	2,886	3,212	3,617	3,885
Investment Properties (Cityplace)	- 4,940	3,822	10,187	10,180	10,173
Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312 1,318
Total	20,287	21,423	26,514	28,151	29,174
	20/207	2.7120	20/011	20/101	_,,,,,
Gains During Period - Profit & Loss	()	()	(=)	( <del></del> )	
Marketable Bonds Unrealized Gains/(Loss) Marketable Bonds Realized Gains/(Loss)	(38,202)	(29,711)	(746)	(758)	(765
MUSH	13,969	29,711	746	758	765
Canadian Equities Realized Gains	69,223	- 2,651	- 0	- 0	- 787
Global Equities Realized Gains	69,223 66,318	2,651 3,747	0	0	787 934
Global LV Realized Gains	-	457	-	-	817
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,900	10,475	11,085	14,268
Other					
Investment Fees Paid	(F 202)	(4.720)	(4 EQ/)	/4 OF1)	/F 02F
Pension Expense	(5,203) (13,441)	(4,720) (13,872)	(4,586) (14,313)	(4,851) (14,757)	(5,035 (15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,441	4,577	4,653	4,672
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(14,151)	(14,322)	(14,955)	(15,570)
Total Corporate Investment Income	199,910	103,709	106,547	111,390	118,461
Total Basic Investment Income	171,428	84,823	88,271	91,551	94,619
% - Basic to Total Investment Income	85.75%	82%	83%	82%	80%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,736	4,808	5,464	6,259
US Equities Unrealized Gains/(Losses)	7,537	9,306	7,279	8,193	8,770
Global LV Unrealized Gains/(Losses)	-	4,199	4,385	4,938	5,305
Total Corporate Unrealized Gains/(Losses)	19,651	16,042	12,087	13,657	15,030
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,738.7	1,886.0	2,034.0	2,186.5
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	128.7	146.9	165.9	181.2
Global Equities Global LV Equities	166.6	168.1	189.8	212.6	231.8
Private Debt	96.5	114.7	129.6	145.2	156.2
Real Estate	- 133.5	188.7 138.0	188.7 143.9	188.7 150.7	188.7 161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.5	3,249.2	3,421.5	3,589.7
Total Basic Assets	2,530.3	2,638.7	2,736.4	2,832.7	2,917.3
Ending Rebalanced Allocations (%)	=,555.5	_,		_,	
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Cash Shore remining suncilly	60.1%	56.4%	58.0%	59.4%	60.9%
Canadian Fixed Income	00.170		14.7%	12.6%	10.8%
Canadian Fixed Income MUSH	19.4%	1/.0%			
Canadian Fixed Income MUSH Canadian Equities	19.4% 4.2%	17.0% 4.2%	4.5%	4.8%	
MUSH					5.0% 6.5%
MUSH Canadian Equities	4.2%	4.2%	4.5%	4.8%	5.0%
MUSH Canadian Equities US Equities Global LV Private Debt	4.2% 5.7% 3.3% 0.0%	4.2% 5.5%	4.5% 5.8% 4.0% 5.8%	4.8% 6.2%	5.0% 6.5% 4.4% 5.3%
MUSH Canadian Equities US Equities Global LV	4.2% 5.7% 3.3%	4.2% 5.5% 3.7%	4.5% 5.8% 4.0%	4.8% 6.2% 4.2%	5.0% 6.5% 4.4%

### Appendix 40a Modified Base Scenario #13 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,993
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,285
Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,284
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,875
Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,160
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,709
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,873
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,049
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,904)
Investment Income	48,476	101,645	111,731	192,209	85,231	88,694	91,998	95,083
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	4
Net Investment Income	(4,038)	82,897	116,320	171,428	85,241	88,697	92,000	95,087
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,245)	(2,365)	(19,512)	(31,817)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	14,124	(7,243)	(10,116)	(8,827)	(8,871)

## Appendix 40b Modified Base Scenario #13 Statement of Changes in Equity

Una	(Ct 1000 avaant where noted)			For	the Years End	ad Fahruary			
Line No.	(C\$ 000s, except where noted)	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	•								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	325,326	343,280	358,556	363,221
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(2,245)	(2,365)	(19,512)	(31,817)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	11,278	20,199	17,641	24,177	36,795
6	Total Retained Earnings	194,498	99,251	170,975	325,326	343,280	358,556	363,221	368,198
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35.262	36,504	81,748	39,870	(52,111)	(44,034)	(34,682)	(24,682)
									, ,
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,077	9,352	10,000	10,863
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,034)	(34,682)	(24,682)	(13,819)
11	Total Equity Balance	231,002	181,000	210,845	273,215	299,246	323,874	338,539	354,379
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	325,326	343,280	358,556	363,221	368,198
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,034)	(34,682)	(24,682)	(13,819)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	273,215	299,246	323,874	338,539	354,379
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	273,215	299,246	323,874	338,539	354,379
	1. 7	/	. /	.,	- /	7=	/	/	

### Appendix 40c Modified Base Scenario #13 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC	•							
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	68,866	77,960	87,852	96,213
4	Equity investments	2,083,349	2,189,534	2,272,545	2,498,903	2,588,351	2,695,187	2,806,173	2,918,339
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
14		2,683,473	2,805,484	2,916,137	3,047,938	3,190,511	3,336,404	3,470,602	3,605,121
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,127	374,214	390,306	406,703
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,840	1,980,340	2,055,792	2,129,627
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,891,265	3,012,529	3,132,063	3,250,741
24	Equity								
25	Retained earnings	194,499	99,251	170,975	325,326	343,280	358,556	363,221	368,198
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,034)	(34,682)	(24,682)	(13,819)
27	Total Equity	231,003	181,000	210,845	273,215	299,246	323,874	338,539	354,379
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,047,938	3,190,511	3,336,404	3,470,602	3,605,121

#### Appendix 40d Modified Base Scenario #13 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(0.1)	(00)
2	Capital available (from page 30.62 - capital available)	01	229,561	252,129	264,707	277,359	291,168
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	229,561	252,129	264,707	277,359	291,168
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	5,384	21,220	25,211	29,752	34,222
18	Foreign exchange risk	32	15,809	15,475	16,491	17,574	20,600
19	Equity risk	34	70,159	68,332	72,932	77,845	83,144
20	Real estate risk	36	26,171	27,098	27,811	28,758	30,275
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,523	132,125	142,445	153,929	168,241
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,401	60,936	63,230	64,700	65,806
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,401	60,936	63,230	64,700	65,806
28	Operational risk margin	50	64,645	69,765	73,044	76,358	79,939
29	Less: Diversification credit	52	54,002	62,634	66,165	69,731	73,757
30	Total Capital (Margin) Required at Target	59	454,413	499,066	523,947	548,974	576,341
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,942	332,711	349,298	365,983	384,227
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,942	332,711	349,298	365,983	384,227
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(73,381)	(80,582)	(84,591)	(88,624)	(93,059
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.78%	75.78%	75.78%	75.78%	75.78%

# Appendix 40e Modified Base Scenario #13 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,504	220,930	222,334	224,958
7	Total	726,240	767,976	844,425	890,928	936,300	985,903
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,684
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767.240	789.235	909.702	948,756	1.005.018	1.061.159

Line

#### Appendix 40f

### Modified Base Scenario #13 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Selected	Selecte
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Di:
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.90%	73.83%	74.76%	75.78%		
<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9395	0.9490	0.9630	0.9995	1.0131					
2020				0.9491	0.9635	1.0004	1.0144	1.0115				
2021					0.9734	1.0091	1.0215	1.0169	1.0132			
2022						1.0153	1.0273	1.0222	1.0180	1.0134		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79.2
2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78.
2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79.2
2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80.3
B. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurar</li></ol>	nce				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)	)) x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
11. Reinsurance PFAD					10	-	-	-	-			
12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
14. Expected Claims (Including Ext Adj Expenses) - PIPP E	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
					(8,845)	18,310	13,224	18,619	15,485	8,485		
<ol><li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li></ol>					32,055	29,489	30,624	31,896	33,197	34,560		
<ul><li>15. Equity in Unearned Premium [(8) - Sum((9) to (14))]</li><li>16. Carried Deferred Policy Acquisition Expenses</li></ul>						11,179	17,401	13,277	17,712	26,075		
					32,055	11,179	17,401	13,211	17,712	20,075		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]					32,055 2,363	(20,876)	6,222	(4,124)	4,436	8,363		
16. Carried Deferred Policy Acquisition Expenses												

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 40g Modified Base Scenario #13 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	95	(0)	(0)	0
Marketable Bonds	44,259	55,092	61,817	67,263	72,896
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,548	83,882	87,114	90,589
Dividend and other Income					
Canadian Equities	9,657	5,672	4,543	5,162	5,608
Global	4,218	5,966	4,877	5,488	5,877
Global LV	-	2,886	3,211	3,615	3,885
o Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
3 Total	20,287	21,406	26,512	28,144	29,173
Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(30,684)	(746)	(758)	(765
6 Marketable Bonds Realized Gains/(Loss)	13,969	30,684	746	758	765
7 MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,637	0	0	763
Global Equities Realized Gains	66,318	3,742	0	0	908
o Global LV Realized Gains	=	457	<u>-</u>	-	793
1 Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure 3 <b>Total</b>	5,765	4,447	4,633	4,893	5,167
3 10tai	133,380	16,881	10,475	11,085	14,194
4 Other					
5 Investment Fees Paid	(5,203)	(4,719)	(4,587)	(4,850)	(5,034
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,441	4,577	4,653	4,672
8 Investment Write-Down	-	-		-	-
9 Total	(25,030)	(14,150)	(14,323)	(14,954)	(15,569)
Total Corporate Investment Income	199,910	103,685	106,545	111,389	118,387
1 Total Basic Investment Income	171,428	85,241	88,697	92,000	95,087
% - Basic to Total Investment Income	85.75%	82%	83%	83%	80%
3 Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	6,721	4,807	5,461	6,258
5 US Equities Unrealized Gains/(Losses)	7,537	9,300	7,278	8,190	8,771
6 Global LV Unrealized Gains/(Losses)	-	4,199	4,384	4,935	5,304
7 Total Corporate Unrealized Gains/(Losses)	19,651	16,021	12,085	13,651	15,029
8 Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,760.8	1,738.7	1,886.2	2,034.2	2,187.0
1 MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.2	128.7	146.8	165.8	181.0
Global LV Equities  4 Global LV Equities	166.6 96.5	168.1	189.7	212.5	231.5
5 Private Debt	90.5	114.7 188.7	129.6 188.7	145.1 188.7	156.0 188.7
6 Real Estate	133.5	138.0	143.9	150.7	161.7
7 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.4	3,249.2	3,421.5	3,589.6
Total Basic Assets	2,541.6	2,670.8	2,786.7	2,907.8	3,029.8
Ending Rebalanced Allocations (%)		_,			
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.1%	59.5%	60.9%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Canadian Equities	4.2%	4.2%	4.5%	4.8%	5.0%
US Equities	5.7%	5.5%	5.8%	6.2%	6.5%
Global LV	3.3%	3.7%	4.0%	4.2%	4.3%
Private Debt	0.0%	6.1%	5.8%	5.5%	5.3%
Real Estate	4.6%	4.5%	4.4%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

#### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 41

### Appendix 41a Adverse Scenario #13 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded stal Net Premiums Written et Premiums Earned Motor Vehicles Drivers Reinsurance Ceded stal Net Premiums Earned Services Reinsurance Ceded stal Net Premiums Earned Service Fees & Other Revenues stal Earned Revenues et Claims Incurred (a) Claims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,058,533 70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213	2021P  1,102,480 72,885 (11,648)  1,163,716  1,082,150 71,887 (11,648)  1,142,389 27,094 1,169,483	1,147,465 74,723 (11,881) 1,210,307  1,126,655 73,798 (11,881) 1,188,572 28,959 1,217,531	1,194,559 76,565 (12,119 1,259,005  1,172,774 75,638 (12,119 1,236,293 30,999 1,267,291
Motor Vehicles  Drivers  Reinsurance Ceded  stal Net Premiums Written  et Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  stal Net Premiums Earned  Service Fees & Other Revenues  stal Earned Revenues  et Claims Incurred  (a) Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,094 1,169,483	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,959 1,217,531	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,999 1,267,291
Reinsurance Ceded  et al Net Premiums Written  et Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  etal Net Premiums Earned  Service Fees & Other Revenues  etal Earned Revenues  et Claims Incurred  (a) Claims Incurred  etal Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,094 1,169,483	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,959 1,217,531	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,999 1,267,291
etal Net Premiums Written  et Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  etal Net Premiums Earned  Service Fees & Other Revenues  etal Earned Revenues  et Claims Incurred  (a) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	(11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213	(11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,094 1,169,483	(11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,959 1,217,531	1,172,774 75,638 (12,119 1,236,293 30,999 1,267,291
et Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  stal Net Premiums Earned  Service Fees & Other Revenues  stal Earned Revenues  et Claims Incurred  (a) Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213	1,082,150 71,887 (11,648) 1,142,389 27,094 1,169,483	1,126,655 73,798 (11,881) 1,188,572 28,959 1,217,531	1,172,77 <sup>2</sup> 75,638 (12,119 1,236,293 30,999 1,267,291
Motor Vehicles Drivers Reinsurance Ceded  Intal Net Premiums Earned Service Fees & Other Revenues Intal Earned Revenues  Intel Claims Incurred  Interest Rate Impact  Intal Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240 797,438	69,896 (11,420) 1,098,851 25,362 1,124,213	71,887 (11,648) 1,142,389 27,094 1,169,483	73,798 (11,881) 1,188,572 28,959 1,217,531	75,638 (12,119 1,236,293 30,999 1,267,291
Drivers Reinsurance Ceded  stal Net Premiums Earned Service Fees & Other Revenues stal Earned Revenues et Claims Incurred (a) Claims Incurred  tal Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040	59,546 (11,196) 1,039,407 23,832 1,063,240 797,438	69,896 (11,420) 1,098,851 25,362 1,124,213	71,887 (11,648) 1,142,389 27,094 1,169,483	73,798 (11,881) 1,188,572 28,959 1,217,531	75,638 (12,119 1,236,293 30,999 1,267,291
Reinsurance Ceded  Ital Net Premiums Earned Service Fees & Other Revenues Ital Earned Revenues  It Claims Incurred (a) Claims Incurred  Ital Claims Incurred	(12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040	(11,196) 1,039,407 23,832 1,063,240 797,438	(11,420) 1,098,851 25,362 1,124,213	(11,648) 1,142,389 27,094 1,169,483	(11,881) 1,188,572 28,959 1,217,531	1,236,293 30,999 1,267,29
stal Net Premiums Earned Service Fees & Other Revenues stal Earned Revenues et Claims Incurred (a) Claims Incurred	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040	1,039,407 23,832 1,063,240 797,438	1,098,851 25,362 1,124,213	1,142,389 27,094 1,169,483	1,188,572 28,959 1,217,531	1,236,29 30,99 1,267,29
Service Fees & Other Revenues  Ital Earned Revenues  Ital Claims Incurred  (a) Claims Incurred - Interest Rate Impact  Ital Claims Incurred	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040	23,832 1,063,240 797,438	25,362 <b>1,124,213</b>	27,094 1,169,483	28,959 1,217,531	30,999 <b>1,267,29</b>
et al Earned Revenues  et Claims Incurred  (a) Claims Incurred - Interest Rate Impact  et al Claims Incurred	742,604 (76,200)	927,893 869,023 (8,988)	<b>982,992</b> 783,040	1,063,240 797,438	1,124,213	1,169,483	1,217,531	1,267,29
et Claims Incurred (a) Claims Incurred - Interest Rate Impact  tal Claims Incurred	742,604 (76,200)	869,023 (8,988)	783,040	797,438				
(a) Claims Incurred - Interest Rate Impact tal Claims Incurred	(76,200)	(8,988)			1,221,213	1 125 146	005 808	1 056 22
tal Claims Incurred	, , ,	,	(15,801)	/		1,123,140	773,070	1,000,00
-	666,404	860,035		(8,203)	(159,043)	12,390	4,224	6,03
			767,239	789,235	1,062,171	1,137,536	1,000,123	1,062,36
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,93
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,40
tal Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,290,203	1,158,885	1,223,69
penses								
Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,49
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
tal Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,67
nderwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,822)	(130,07
vestment Income	48,476	101,645	111,731	192,209	68,345	64,904	61,865	59,83
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,833	103,972	(49)	(1
et Investment Income	(4,038)	82,897	116,320	171,428	196,179	168,875	61,816	59,81
et Income (Loss)	(56,049)	(123,071)	34,424	143,074	(43,776)	(112,017)	(47,006)	(70,26
	Operating Commissions Premium Taxes Regulatory/Appeal tal Expenses  Iderwriting Income (Loss)  Vestment Income (b) Investment Income Interest Rate Impact t Investment Income	Disperating   71,641	Disperating   71,641   72,785   72,785   72,785   72,785   72,785   73,641   72,785   73,642   73,645   74,889   74,88	Disperating   71,641   72,785   70,201	Toperating   Toperations   Toperations	Toperating   Toperation   Top	Departing 71,641 72,785 70,201 75,060 73,545 76,597 70,201 75,060 74,599 70,201 75,060 74,599 70,201 75,060 74,599 70,201 75,060 74,599 70,201 71,428 70,201	Departing   71,641   72,785   70,201   75,060   73,545   76,597   80,646

## Appendix 41b Adverse Scenario #13 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	325,326	301,749	207,373	184,543
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(43,776)	(112,017)	(47,006)	(70,265)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	11,278	20,199	17,641	24,177	36,795
6	Total Retained Earnings	194,498	99,251	170,975	325,326	301,749	207,373	184,543	151,074
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,372)	(51,869)	(43,520)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(261)	503	8,349	9,101
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419)
11	Total Equity Balance	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	325,326	301,749	207,373	184,543	151,074
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655
17	Detained Farnings in excess of Data Stabilization December								
17	Retained Earnings in excess of Rate Stabilization Reserve	221 002	101 000	210.045	272 215	240 277	155 504	1/1 022	114 455
18	Total Equity Balance	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655

### Appendix 41c Adverse Scenario #13 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	62,521	30,786	31,491	37,459
4	Equity investments	2,083,349	2,189,534	2,272,545	2,498,903	2,696,663	2,886,315	2,963,707	3,038,804
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	3,047,938	3,282,496	3,461,692	3,556,190	3,658,226
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,350	2,421,048
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,167	3,541,572
24	Equity								
25	Retained earnings	194.499	99,251	170,975	325,326	301.749	207,373	184,543	151,074
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419)
27	Total Equity	231,003	181,000	210,845	273,215	249,377	155,504	141,023	116,655
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,047,938	3,282,496	3,461,692	3,556,190	3,658,226

#### Appendix 41d Adverse Scenario #13 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(* )	(* )	(**)	(* ')	(1.3)
2	Capital available (from page 30.62 - capital available)	01	229,561	202,260	96,383	79,945	53,564
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	229,561	202,260	96,383	79,945	53,564
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,731
16	Market Risk:						
17	Interest rate risk	30	5,384	5,498	2,964	18,467	16,835
18	Foreign exchange risk	32	15,809	18,043	18,690	16,242	16,373
19	Equity risk	34	70,159	82,020	84,702	69,178	73,853
20	Real estate risk	36	26,171	27,098	27,811	28,758	30,275
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,523	132,659	134,167	132,645	137,336
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,401	60,475	63,234	65,335	66,817
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,401	60,475	63,234	65,335	66,817
28	Operational risk margin	50	64,645	70,977	74,950	77,071	80,000
29	Less: Diversification credit	52	54,002	63,735	66,711	67,548	69,846
30	Total Capital (Margin) Required at Target	59	454,413	513,429	547,737	560,267	581,038
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,942	342,286	365,158	373,511	387,358
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,942	342,286	365,158	373,511	387,358
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(73,381)	(140,026)	(268,775)	(293,566)	(333,794
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.78%	59.09%	26.39%	21.40%	13.83%

# Appendix 41e Adverse Scenario #13 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415.906	438,827	471,179	549.150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,484	223,699
7	Total	726,240	767,976	966,494	1,042,341	936,155	984,826
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,437	6,771
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(7)	10,561
13	Total Net Claims Incurred	767.240	789.235	1.062.170	1.137.536	1.000.123	1.062.369

#### Appendix 41f

### Adverse Scenario #13 Deferred Policy Acquisition Expenses and Premium Deficiency

ne													
o. Δ Clair	ms (Including External Adjustment Expense) Data												
7t. Oldii	ins (including External Adjustment Expense) bata					Accid	dent Year					Selected	Selected
	-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
1. Ult	timate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%		
2. Tre	end/Rate Adjustment for Fiscal Year												
	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
	2019			0.9434	0.9521	0.9653	1.0011	1.0138					
	2020				0.9634	0.9750	1.0092	1.0200	1.0139				
	2021					0.9845	1.0181	1.0282	1.0212	1.0150			
	2022						1.0241	1.0344	1.0274	1.0212	1.0148		
3. Ad	ljusted Loss Ratio for Fiscal Year [(1) x (2)]												
	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
	2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.86%
	2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.74%
	2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.52%
	2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83%
B. Actu	ual Data Other Than Losses												
						Fis	cal Year						
		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
4. Ne	et Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
5. Op	perating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
6. Ma	nintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
	Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
7. ILA	AE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equi	ity in Unearned Premium												
8. Ne	et Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9 ΔΑ	Iditional Expected Cost of Non-Proportional Reinsuranc	е				5,598	5,710	5,824	5,941	6,059	6,059		
/. Au						202 4/0	391,245	420,094	447,430	464,051	490,480		
	pected Claims (Including Ext Adj Expenses) [((8) - (9))	(3)]				383,468	391,243	120,071					
10. Ex	pected Claims (Including Ext Adj Expenses) [((8) - (9)) : einsurance PFAD	(3)]				383,468	391,243	-	-		-		
10. Ex 11. Re		(3)]							- 14,921	15,549	- 16,168		
10. Ex 11. Re 12. Ma	einsurance PFAD	(3)]				10	-	-		-	- 16,168 90,248		
10. Exp 11. Re 12. Ma 13. Inte	einsurance PFAD aintenance Expense [a]					10 13,837	- 14,989	- 14,951	14,921	- 15,549			
10. Exp 11. Re 12. Ma 13. Inte 14. Exp	einsurance PFAD aintenance Expense [a] ernal Loss Adjustment Expense [Sheet 1, Row 11]					10 13,837 70,595	- 14,989 71,989	14,951 77,297	14,921 82,327	- 15,549 85,385	90,248		
10. Exp 11. Re 12. Ma 13. Inte 14. Exp 15. Eq	insurance PFAD aintenance Expense [a] ernal Loss Adjustment Expense [Sheet 1, Row 11] pected Claims (Including Ext Adj Expenses) - PIPP Ent					10 13,837 70,595 3,950	14,989 71,989 3,950	14,951 77,297 3,950	14,921 82,327 3,950	15,549 85,385 3,950	90,248 3,950		
10. Exp 11. Re 12. Ma 13. Inte 14. Exp 15. Eq 16. Ca	insurance PFAD sintenance Expense [a] ernal Loss Adjustment Expense [Sheet 1, Row 11] pected Claims (Including Ext Adj Expenses) - PIPP Ent juity in Unearned Premium [(8) - Sum((9) to (14))]					10 13,837 70,595 3,950 (8,845)	14,989 71,989 3,950 18,310	14,951 77,297 3,950 3,242	14,921 82,327 3,950 (7,884)	15,549 85,385 3,950 (6,575)	90,248 3,950 (15,774)		
10. Exp 11. Re 12. Ma 13. Inte 14. Exp 15. Eq 16. Ca	insurance PFAD sintenance Expense [a] ernal Loss Adjustment Expense [Sheet 1, Row 11] pected Claims (Including Ext Adj Expenses) - PIPP Enf uity in Unearned Premium [(8) - Sum((9) to (14))] urried Deferred Policy Acquisition Expenses (ile Down Deferred Policy Acquisition Expenses [b]					10 13,837 70,595 3,950 (8,845) 32,055 32,055	14,989 71,989 3,950 18,310 29,489 11,179	14,951 77,297 3,950 3,242 30,624	14,921 82,327 3,950 (7,884) 31,896 31,896	15,549 85,385 3,950 (6,575) 33,197	90,248 3,950 (15,774) 34,560 34,560		
10. Exp 11. Re 12. Ma 13. Inte 14. Exp 15. Eq 16. Ca 17. Wr	insurance PFAD sintenance Expense [a] ernal Loss Adjustment Expense [Sheet 1, Row 11] pected Claims (Including Ext Adj Expenses) - PIPP Enf uity in Unearned Premium [(8) - Sum((9) to (14))] urried Deferred Policy Acquisition Expenses					10 13,837 70,595 3,950 (8,845) 32,055	14,989 71,989 3,950 18,310 29,489	14,951 77,297 3,950 3,242 30,624 27,382	14,921 82,327 3,950 (7,884) 31,896	15,549 85,385 3,950 (6,575) 33,197	90,248 3,950 (15,774) 34,560		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 41g Adverse Scenario #13 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
e No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	120	(0)	0	(1)
Marketable Bonds	44,259	50,763	51,236	51,455	52,762
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,244	73,301	71,307	70,454
Dividend and other Income					
Canadian Equities	9,657	6,357	5,022	4,840	4,994
Global	4,218	6,690	5,458	5,328	5,483
Global LV	-	3,326	3,351	3,205	3,274
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940	1,926	2,512	2,452	2,312
	1,472	1,135 <b>22,991</b>	1,182 27,058	1,249	1,318
Total	20,287	22,991	27,038	26,657	27,007
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	87,892	87,384	(14,382)	2,348
Marketable Bonds Realized Gains/(Loss)	13,969	48,036	21,612	14,382	(2,348
MUSH	-	-	- (4.000)	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(146)	(1,380)	426	[10
Global Equities Realized Gains Global LV Realized Gains	66,318	187 49	(129)	518	510
Real Estate (Pooled Fund)	16,307	5,598	13 5,842	413 6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,063	117,976	12,442	12,241
	100/000	. 10/000	,	12/112	,
Other					
Investment Fees Paid	(5,203)	(4,883)	(4,781)	(4,880)	(4,957
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Investment Write-Down	(6,386)	(2,337)	(12,576) -	(14,777)	(14,338
Total	(25,030)	(21,092)	(31,670)	(34,414)	(34,502
Total Corporate Investment Income	199,910	223,206	197,706	75,992	75,200
Total Basic Investment Income % - Basic to Total Investment Income	171,428 85.75%	196,179 88%	168,875 85%	61,816 81%	59,814 809
	03.7376	00 /0	0370	0170	007
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,121	5,573
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,951	8,182
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 10 / 51	147	66	4,375	4,470
	19,651	(464)	(1,068)	13,072	13,755
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,784.0	1,986.7	2,211.9	2,324.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.2	150.5	165.7 214.7	142.8	159.5 205.5
Global LV Equities	166.6 96.5	197.2 125.7	138.5	192.3 117.9	205.5 130.7
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.6	3,539.8	3,665.2
Total Basic Assets	2,541.6	2,772.7	2,930.7	3,009.0	3,091.5
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.2%	62.5%	63.4%
MUSH	19.4%	16.4%	14.0%	12.2%	10.5%
Canadian Equities	4.2%	4.7%	4.9%	4.0%	4.4%
US Equities	5.7%	6.2%	6.3%	5.4%	5.6%
	3.3%	3.9%	4.1%	3.3%	3.6%
Global LV			E	E	
Private Debt	0.0%	5.9%	5.9%	5.6%	
			5.9% 4.2% 2.6%	5.6% 4.3% 2.6%	5.4% 4.4% 2.7%

### Appendix 41h Adverse Scenario #13 with Management Action Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,999
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,291
Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,125,146	995,898	1,056,334
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,137,536	1,000,123	1,062,368
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,931
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,400
Total Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,290,203	1,158,885	1,223,699
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,494
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,491
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,452
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,671
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,822)	(130,079)
Investment Income	48,476	101,645	111,731	192,209	68,345	64,904	61,865	59,831
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,833	103,972	(49)	(17)
Net Investment Income	(4,038)	82,897	116,320	171,428	196,179	168,875	61,816	59,814
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(43,776)	(112,017)	(47,006)	(70,265
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,876	91,582	(4,273)	(6,052)

## Appendix 41i Adverse Scenario #13 with Management Action Statement of Changes in Equity

Line	e (C\$ 000s, except where noted)			For	the Years End	ed February.			
No.	- (co cocs, checht mare noted)	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99,251	170.975	325.326	301.749	207.373	184.543
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	143.074	(43,776)	(112,017)	(47,006)	(70,265)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72.729	27.824	37.300	11.278	20.199	17.641	24,177	36,795
6	Total Retained Earnings	194,498	99,251	170,975	325,326	301,749	207,373	184,543	151,074
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,372)	(51,869)	(43,520)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(261)	503	8,349	9,101
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419)
11	Total Equity Balance	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99.251	170,975	325,326	301,749	207,373	184,543	151,074
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419)
	·								
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	273,215	249,377	155,504	141,023	116,655
	•								

### Appendix 41j Adverse Scenario #13 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	62,521	30,786	31,491	37,459
	Equity investments	2,083,349	2,189,534	2,272,545	2,498,903	2,696,663	2,886,315	2,963,707	3,038,804
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	
)	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
!	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
		2,683,473	2,805,484	2,916,137	3,047,938	3,282,496	3,461,692	3,556,190	3,658,226
i	Liabilities								
,	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
,	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
1	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
!	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,350	2,421,048
		2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,167	3,541,572
	Equity								
	Retained earnings	194,499	99.251	170,975	325,326	301.749	207,373	184,543	151.074
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,372)	(51,869)	(43,520)	(34,419
	Total Equity	231,003	181,000	210,845	273,215	249,377	155,504	141,023	116,655
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,047,938	3,282,496	3,461,692	3,556,190	3,658,226

## Appendix 41k Adverse Scenario #13 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	<u> </u>	, ,	<u> </u>	·	· · · ·
2	Capital available (from page 30.62 - capital available)	01	229,561	202,260	96,383	79,945	53,564
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	229,561	202,260	96,383	79,945	53,564
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,731
16	Market Risk:						
17	Interest rate risk	30	5,384	5,498	2,964	18,467	16,835
18	Foreign exchange risk	32	15,809	18,043	18,690	16,242	16,373
19	Equity risk	34	70,159	82,020	84,702	69,178	73,853
20	Real estate risk	36	26,171	27,098	27,811	28,758	30,275
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,523	132,659	134,167	132,645	137,336
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,401	60,475	63,234	65,335	66,817
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,401	60,475	63,234	65,335	66,817
28	Operational risk margin	50	64,645	70,977	74,950	77,071	80,000
29	Less: Diversification credit	52	54,002	63,735	66,711	67,548	69,846
30	Total Capital (Margin) Required at Target	59	454,413	513,429	547,737	560,267	581,038
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,942	342,286	365,158	373,511	387,358
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,942	342,286	365,158	373,511	387,358
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(73,381)	(140,026)	(268,775)	(293,566)	(333,794)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.78%	59.09%	26.39%	21.40%	13.83%

# Appendix 41I Adverse Scenario #13 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,484	223,699
7	Total _	726,240	767,976	966,494	1,042,341	936,155	984,826
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,437	6,771
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(7)	10,561
13	Total Net Claims Incurred	767,240	789.235	1.062.170	1.137.536	1.000.123	1.062.369

#### Appendix 41m

### Adverse Scenario #13 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
A. Claims (Including External Adjustment Expense) Data												
					Anal	dont Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Ulluisc	DISC
· · · · · · · · · · · · · · · · · · ·			*******									
•	0.9142	0.9259	0.9555	0.9697	0.9888							
						0.9937						
							1.0138					
								1.0139				
									1.0150			
										1.0148		
,	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
						72.79%						78.17%
							75.36%					80.86%
								78.93%				82.74%
									75.88%			82.52%
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83%
B. Actual Data Other Than Losses												
					Fis							
	3.69%	3.71%	3.42%	3.31%								
ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,430	464,051	490,480		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	14,951	14,921	15,549	16,168		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,327	85,385	90,248		
14. Expected Claims (Including Ext Adj Expenses) - PIPP En	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	(7,884)	(6,575)	(15,774)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	31,896	33,197	34,560		
Change					2,363	(20,876)	16,204	4,514	1,301	1,362		
18. Premium Deficiency [c]					8,845	-	-	7,884	6,575	15,774		
Change					2,001	(8,845)		7,884	(1,309)	9,199		
	A. Net Earned Premium  5. Operating Expenses as % of Earned Premium  6. Maintenance Expense Rate [(5) x 1/3] Selected  7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b] Change	2017 0.9142 2018 2019 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75.96% 2018 2019 2020 2021 2020 2021 2022  B. Actual Data Other Than Losses  2013 4. Net Earned Premium 764.671 5. Operating Expenses as % of Earned Premium 11.06% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) · (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium ((8) - Sum((9) to (14))) 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18.	2017 0.9142 0.9259 2018 0.9151 2019 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75.96% 67.39% 2018 66.61% 2019 2020 2021 2022  B. Actual Data Other Than Losses  2013 2014 764,671 803,881 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses	2017 0,9142 0,9259 0,9555 2018 0,9151 0,9384 2019 0,9434 2020 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75,96% 67,39% 78.12% 2018 66.61% 76,73% 2019 77.14% 2020 2021 2020 2021 2022  B. Actual Data Other Than Losses  2019 2010 2022  B. Actual Data Other Than Losses  2011 2022  B. Actual Data Other Than Losses  2013 2014 2015 76,4,671 803,881 861,065 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 10.26% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% 3.42% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18. Weith Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18. Weith Down Deferred Policy Acquisition Expenses 18. Weith Down Deferred Policy Acquisition Expenses 19. Write Down Deferred Policy Acquisition Expenses 19. Additional Expenses Proper Propertional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 19. Expense Propertional Reinsurance 19. Expense P	2017   0.9142   0.9259   0.9555   0.9697	2017		Part   Part	2017	2017		Part   Part

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 41n Adverse Scenario #13 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	120	(0)	0	(1)
Marketable Bonds	44,259	50,763	51,236	51,455	52,762
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,244	73,301	71,307	70,454
Dividend and other Income					
Canadian Equities	9,657	6,357	5,022	4,840	4,994
Global	4,218	6,690	5,458	5,328	5,483
Global LV	-	3,326	3,351	3,205	3,274
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	22,991	27,058	26,657	27,007
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	87,892	87,384	(14,382)	2,348
Marketable Bonds Realized Gains/(Loss)	13,969	48,036	21,612	14,382	(2,348
7 MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(146)	(1,380)	426	0
Global Equities Realized Gains	66,318	187	(129)	518	510
Global LV Realized Gains	-	49	13	413	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
3 Total	133,380	146,063	117,976	12,442	12,241
4 Other					
Investment Fees Paid	(5,203)	(4,883)	(4,781)	(4,880)	(4,957)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,337)	(12,576)	(14,777)	(14,338)
Investment Write-Down	-	-	-	-	-
9 Total	(25,030)	(21,092)	(31,670)	(34,414)	(34,502)
Total Corporate Investment Income	199,910	223,206	197,706	75,992	75,200
Total Basic Investment Income	171,428	196,179	168,875	61,816	59,814
% - Basic to Total Investment Income	85.75%	88%	85%	81%	80%
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,121	5,573
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,951	8,182
Global LV Unrealized Gains/(Losses)	-	147	66	4,375	4,470
7 Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,072	13,755
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	_
Canadian Fixed Income	1,760.8	1,784.0	1,986.7	2,211.9	2,324.4
1 MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	150.5	165.7	142.8	159.5
Global Equities	166.6	197.2	214.7	192.3	205.5
Global LV Equities	96.5	125.7	138.5	117.9	130.7
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.6	3,539.8	3,665.2
Total Basic Assets	2,541.6	2,772.7	2,930.7	3,009.0	3,091.5
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.2%	62.5%	63.4%
MUSH	19.4%	16.4%	14.0%	12.2%	10.5%
Canadian Equities	4.2%	4.7%	4.9%	4.0%	4.4%
US Equities	5.7% 3.3%	6.2% 3.9%	6.3%	5.4%	5.6%
Global LV Private Debt	3.3% 0.0%	3.9% 5.9%	4.1% 5.9%	3.3% 5.6%	3.6% 5.4%
	4.6%	5.9% 4.3%	4.2%	4.3%	5.4% 4.4%
Real Estate Infrastructure & Venture Capital	2.7%	2.6%	2.6%	2.6%	2.7%
, imastractors a voltare Suprai	4.170	100.0%	2.070	2.070	2.170

### Appendix 42a Updated Base Scenario #14 Statement of Operations

•	2016A	2017A	2018A	2019P	2020P	2021P	2022P	
								20231
	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
ded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
ns Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
rned								
	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
ded _	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
ns Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
Other Revenues	20,351	20,749	22,849	23,832	25,710	27,471	29,370	31,448
enues <u> </u>	881,417	927,893	982,992	1,063,240	1,135,001	1,189,716	1,238,607	1,289,24
ed	742,604	869,023	783,040	824,140	893,862	938,472	995,774	1,051,883
ed - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,254	10,209	8,816	8,31
rred _	666,404	860,035	767,239	789,235	901,117	948,682	1,004,589	1,060,19
	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,66
s Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
s <u>-</u>	798,045	993,537	923,722	940,009	1,049,098	1,100,576	1,161,783	1,220,12
	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,85
	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,18
	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,09
al _	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
-	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,37
me (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,694)	(71,923)	(91,223)	(105,25
e	48,476	101,645	111,731	192,209	84,839	88,379	91,783	94,74
come - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	3	Ę
come	(4,038)	82,897	116,320	171,428	84,851	88,384	91,786	94,75
- -	(56,049)	(123,071)	34,424	143,074	16,157	16,460	563	(10,50
come	Interest Rate Impact	(4,038)	(4,038) 82,897	(4,038) 82,897 116,320	(4,038) 82,897 116,320 171,428	(4,038) 82,897 116,320 171,428 84,851	(4,038) 82,897 116,320 171,428 84,851 88,384	(4,038) 82,897 116,320 171,428 84,851 88,384 91,786

## Appendix 42b Updated Base Scenario #14 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	330,205	346,665	347,229
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	16,157	16,460	563	(10,500)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,119
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
11	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
	T.15. 9								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	330,205	346,665	347,229	336,729
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_				_	_	
18	Total Equity Balance	231,002	181,000	210,845	261,938	286,029	311,679	322,070	322,690
10	Total Equity Dalance	231,002	101,000	210,043	201,730	200,027	311,077	322,070	322,070

### Appendix 42c Updated Base Scenario #14 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	60,406	68,212	70,977	60,125
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,282	2,687,490	2,801,045	2,916,394
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,956	25,263	18,691
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
14		2,683,473	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,730
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,433	2,055,874	2,129,145
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,900,255	3,021,983	3,141,893	3,260,418
24	Equity								
25	Retained earnings	194.499	99,251	170,975	314.049	330,205	346.665	347,229	336.729
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,039)
27	Total Equity	231,003	181,000	210,845	261,938	286,029	311,679	322,070	322,690
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,186,283	3,333,662	3,463,963	3,583,108

# Appendix 42d Updated Base Scenario #14 Minimum Capital Test

Line No.	(All figures in \$000s)	,	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(* /	(**)	(**/	()
2	Capital available (from page 30.62 - capital available)	01	218,283	238,912	252,509	260,886	259,473
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	238,912	252,509	260,886	259,473
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,171	217,432	225,522
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,151	325,547	337,959
16	Market Risk:						
17	Interest rate risk	30	4,798	20,791	25,111	30,016	32,905
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,317
19	Equity risk	34	69,145	67,268	71,795	76,632	85,251
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,180	140,727	152,469	168,463
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,755	64,102	65,654	66,740
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	61,755	64,102	65,654	66,740
28	Operational risk margin	50	64,469	70,299	73,627	76,996	80,742
29	Less: Diversification credit	52	53,525	62,537	66,138	69,784	74,137
30	Total Capital (Margin) Required at Target	59	452,643	500,252	525,469	550,882	579,767
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,501	350,313	367,255	386,512
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	333,501	350,313	367,255	386,512
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(94,589)	(97,804)	(106,369)	(127,039
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	71.64%	72.08%	71.04%	67.13%

# Appendix 42e Updated Base Scenario #14 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Cidinis incurred before i manciai riovisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag€	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	221,007	222,324	224,481
	_						
7	Total	726,240	767,976	844,426	891,006	936,291	985,421
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,044	6,744	6,603
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,289)	4,018	7,959
13	Total Net Claims Incurred	767.240	789.235	901.117	948.682	1.004.590	1.060.193

### Appendix 42f

### Updated Base Scenario #14 Deferred Policy Acquisition Expenses and Premium Deficiency

	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	<ol> <li>Ultimate Loss Ratio - Total All Coverage</li> </ol>	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9229	0.9322	0.9460	0.9818	1.0047					
9	2020				0.9329	0.9470	0.9833	1.0066	1.0115				
10	2021					0.9568	0.9918	1.0136	1.0169	1.0132			
11	2022						0.9979	1.0194	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
15	2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77.83%
16	2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77.27%
17	2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77.87%
18	2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78.97%
	<del></del>												
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
25	Selected		0.7170		3.3170	3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
25 26			0.7170		3.3170			2.86% 18.40%			2.69% 18.40%		
25 26	Selected 7. ILAE Ratio to Losses - Selected		0.7170		3.3170	3.16% 18.40%	2.99% 18.40%	2.86% 18.40%	2.72% 18.40%	2.70% 18.40%			
26	7. ILAE Ratio to Losses - Selected		5.7.7.0		3.3170								
			0		3.3170								
26 27	ILAE Ratio to Losses - Selected     C. Equity in Unearned Premium		0		5.51%	18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
26 27 28	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	ce	0		5.51%	18.40% 468,613	18.40% 506,193	18.40% 534,344	18.40% 556,041	18.40% 578,155	18.40%		
26 27 28 29	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance		0		5.5176	18.40% 468,613 5,598	18.40% 506,193 5,710	18.40% 534,344 5,824	18.40% 556,041 5,941	18.40% 578,155 6,059	18.40% 601,264 6,059		
26 27 28 29 30	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]		0		5.5176	18.40% 468,613 5,598 383,468	18.40% 506,193 5,710 391,245	18.40% 534,344 5,824 411,366	18.40% 556,041 5,941 425,042	18.40% 578,155 6,059 445,470	18.40%		
26 27 28 29 30 31	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD		G		5.5176	18.40% 468,613 5,598 383,468 10	18.40% 506,193 5,710 391,245	18.40% 534,344 5,824 411,366	18.40% 556,041 5,941 425,042	18.40% 578,155 6,059 445,470	18.40% 601,264 6,059 470,041		
26 27 28 29 30 31 32	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]		G		5.5176	18.40% 468,613 5,598 383,468 10 13,837	18.40% 506,193 5,710 391,245 - 14,989	18.40% 534,344 5,824 411,366 - 15,141	18.40% 556,041 5,941 425,042 - 14,945	18.40% 578,155 6,059 445,470 - 15,446	18.40% 601,264 6,059 470,041		
26 27 28 29 30 31 32 33	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]	G		5.5176	18.40% 468,613 5,598 383,468 10 13,837 70,595	18.40% 506,193 5,710 391,245 - 14,989 71,989	18.40% 534,344 5,824 411,366 - 15,141 75,691	18.40% 556,041 5,941 425,042 - 14,945 78,208	578,155 6,059 445,470 - 15,446 81,967	601,264 6,059 470,041 - 16,036 86,488		
26 27 28 29 30 31 32 33 34	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En	x (3)]			3.31%	18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	506,193 5,710 391,245 - 14,989 71,989 3,950	534,344 5,824 411,366 - 15,141 75,691 3,950	556,041 5,941 425,042 - 14,945 78,208 3,950	578,155 6,059 445,470 - 15,446 81,967 3,950	601,264 6,059 470,041 - 16,036 86,488 3,950		
26 27 28 29 30 31 32 33 34 35	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurann  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]	0.178		331%	18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310	534,344 5,824 411,366 - 15,141 75,691 3,950 22,372	556,041 5,941 425,042 - 14,945 78,208 3,950 27,956	578,155 6,059 445,470 - 15,446 81,967 3,950 25,263	18.40% 601,264 6,059 470,041 - 16,036 86,488 3,950 18,691		
26 27 28 29 30 31 32 33 34 35 36	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurann  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14)))]  16. Carried Deferred Policy Acquisition Expenses	x (3)]	C. 12		331%	18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 534,344 5.824 411,366 - 15,141 75,691 3,950 22,372 31,186	18.40% 556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481	18.40% 578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806	18.40% 601,264 6,059 470,041 16,036 86,488 3,950 18,691 35,193		
26 27 28 29 30 31 32 33 34 35 36 37	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurana  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]	C. 12		331%	18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	534,344 5,824 411,366 - 15,141 75,691 3,950 22,372 31,186 8,814	18.40% 556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481 4,525	18.40% 578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6,059 470,041 16,036 86,488 3,950 18,691 35,193 16,503		
26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurane  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]			337%	18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 534,344 5.824 411,366 - 15,141 75,691 3,950 22,372 31,186	18.40% 556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481	18.40% 578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806	18.40% 601,264 6,059 470,041 16,036 86,488 3,950 18,691 35,193		
26 27 28 29 30 31 32 33 34 35 36 37 38 39	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurana  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change  18. Premium Deficiency [c]	x (3)]			337%	18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179 (20,876)	534,344 5,824 411,366 - 15,141 75,691 3,950 22,372 31,186 8,814	18.40% 556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481 4,525	18.40% 578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6,059 470,041 16,036 86,488 3,950 18,691 35,193 16,503		
26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurane  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	534,344 5,824 411,366 - 15,141 75,691 3,950 22,372 31,186 8,814	18.40% 556,041 5,941 425,042 - 14,945 78,208 3,950 27,956 32,481 4,525	18.40% 578,155 6,059 445,470 - 15,446 81,967 3,950 25,263 33,806 8,544	18.40% 601,264 6,059 470,041 16,036 86,488 3,950 18,691 35,193 16,503		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 42g Updated Base Scenario #14 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds	255 44,259	55,161	62,122	67,881	(0) 73,632
MUSH	26,759	24,361	22,065	19,852	17,693
5 Total	71,273	79,614	84,187	87,733	91,325
Dividend and other Income					
Canadian Equities	9,657	5,699	4,639	5,371	5,931
Global	4,218	5,986	4,962	5,675	6,235
Global LV	-	2,900	3,279	3,758	4,092
o Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 Total	1,472 20,287	1,135 <b>21,468</b>	1,182 <b>26,761</b>	1,249 28,685	1,318 <b>30,061</b>
3 Total	20,287	21,408	20,/01	28,083	30,001
Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(749)	(765)	(773)
6 Marketable Bonds Realized Gains/(Loss) 7 MUSH	13,969	29,711	749	765	773
Canadian Equities Realized Gains	- 69,223	2,630	0	- 0	- 790
9 Global Equities Realized Gains	66,318	3,727	0	0	1,057
Global LV Realized Gains	-	457	-	-	834
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
3 Total	133,380	16,858	10,475	11,085	14,411
24 Other					
5 Investment Fees Paid	(5,203)	(4,724)	(4,613)	(4,910)	(5,137)
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,446	4,598	4,694	4,714
8 Investment Write-Down		-	-	-	-
9 Total	(25,030)	(14,150)	(14,328)	(14,973)	(15,630)
Total Corporate Investment Income	199,910	103,790	107,095	112,530	120,168
Total Basic Investment Income	171,428	84,851	88,384	91,786	94,752
% - Basic to Total Investment Income	85.75%	82%	83%	82%	79%
3 Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,752	4,908	5,683	6,620
US Equities Unrealized Gains/(Losses)	7,537	9,332	7,406	8,469	9,304
6 Global LV Unrealized Gains/(Losses)		4,220	4,477	5,132	5,587
Total Corporate Unrealized Gains/(Losses)	19,651	16,084	12,313	14,152	15,924
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income  MUSH	1,760.8	1,745.3	1,903.2	2,062.3	2,213.2
2 Canadian Equities	569.3 123.2	522.8 130.4	477.0 151.7	432.3 174.4	386.3 198.5
3 Global Equities	166.6	169.9	195.0	221.7	249.9
4 Global LV Equities	96.5	116.2	133.8	152.4	170.5
5 Private Debt	-	188.7	188.7	188.7	188.7
6 Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,094.1	3,280.6	3,474.6	3,666.2
9 Total Basic Assets	2,530.3	2,652.2	2,769.3	2,885.8	2,991.8
Ending Rebalanced Allocations (%)					
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.4%
MUSH Consider Equities	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.6% 5.9%	5.0% 6.4%	5.4% 6.8%
Global LV	3.3%	3.8%	4.1%	4.4%	4.7%
Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

# Appendix 43a Modified Base Scenario #14 Statement of Operations

E	BASIC  Motor Vehicles  Drivers  Reinsurance Ceded	<b>2016A</b> 854,170	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	Motor Vehicles Drivers	854,170							
			886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
	Reinsurance Ceded	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
		(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,471	29,370	31,448
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,716	1,238,607	1,289,24
	Net Claims Incurred	742,604	869,023	783,040	824,140	893,862	938,472	995,776	1,051,882
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,254	10,209	8,857	8,27
	Total Claims Incurred	666,404	860,035	767,239	789,235	901,117	948,682	1,004,633	1,060,154
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,66
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
	Total Claims Costs	798,045	993,537	923,722	940,009	1,049,098	1,100,576	1,161,827	1,220,08
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,85
	Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,18
	Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,09
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,597	161,064	168,047	174,37
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(68,694)	(71,923)	(91,267)	(105,21
	Investment Income	48,476	101,645	111,731	192,209	85,195	88,747	92,164	95,15
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	5	3
	Net Investment Income	(4,038)	82,897	116,320	171,428	85,206	88,751	92,170	95,16
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	16,512	16,827	903	(10,05

# Appendix 43b Modified Base Scenario #14 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Endo	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	_								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	323,702	343,206	358,640	363,483
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	16,512	16,827	903	(10,053)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,654	2,992	(1,393)	3,940	15,347
6	Total Retained Earnings	194,498	99,251	170,975	323,702	343,206	358,640	363,483	368,777
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,055)	(34,726)	(24,750)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,056	9,329	9,975	11,280
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,055)	(34,726)	(24,750)	(13,471)
11	Total Equity Balance	231,002	181,000	210,845	271,591	299,151	323,915	338,733	355,307
40	Takal Farriba								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,702	343,206	358,640	363,483	368,777
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,055)	(34,726)	(24,750)	(13,471)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,591	299,151	323,915	338,733	355,307
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	271,591	299,151	323,915	338,733	355,307

### Appendix 43c Modified Base Scenario #14 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	63,430	69,852	76,558	81,064
4	Equity investments	2,083,349	2,189,534	2,272,545	2,497,279	2,588,381	2,698,085	2,812,170	2,928,079
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	22,372	27,956	25,261	18,691
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,216
14		2,683,473	2,805,484	2,916,137	3,046,315	3,199,406	3,345,898	3,480,667	3,615,731
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,732
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,841	1,980,433	2,055,915	2,129,150
23		2,452,472	2,624,484	2,705,292	2,774,723	2,900,255	3,021,983	3,141,934	3,260,424
24	Equity								
25	Retained earnings	194.499	99,251	170,975	323,702	343,206	358.640	363.483	368,777
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,055)	(34,726)	(24,750)	(13,471)
27	Total Equity	231,003	181,000	210,845	271,591	299,151	323,915	338,733	355,307
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,315	3,199,406	3,345,898	3,480,667	3,615,731

### Appendix 43d Modified Base Scenario #14 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	227,937	252,034	264,744	277,548	292,090
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	227,937	252,034	264,744	277,548	292,090
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	112,437
12	Unpaid claims	22	192,187	200,632	209,171	217,436	225,522
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,555	313,151	325,551	337,959
16	Market Risk:						
17	Interest rate risk	30	5,299	21,345	25,688	30,609	33,516
18	Foreign exchange risk	32	15,780	15,444	16,458	17,539	20,552
19	Equity risk	34	70,014	68,178	72,768	77,670	86,357
20	Real estate risk	36	26,139	27,064	27,775	28,719	30,234
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,232	132,031	142,689	154,537	170,659
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	62,071	64,421	65,976	67,065
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	62,071	64,421	65,976	67,065
28	Operational risk margin	50	64,620	70,483	73,821	77,199	80,956
29	Less: Diversification credit	52	53,934	62,978	66,593	70,251	74,614
30	Total Capital (Margin) Required at Target	59	454,159	502,162	527,489	553,012	582,025
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,773	334,775	351,659	368,675	388,017
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,773	334,775	351,659	368,675	388,017
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,836)	(82,741)	(86,915)	(91,127)	(95,927)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.28%	75.28%	75.28%	75.28%	75.28%

# Appendix 43e Modified Base Scenario #14 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
•	Claims mounted screen mandain revisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,506	221,007	222,359	224,449
	_						
7	Total	726,240	767,976	844,426	891,006	936,326	985,389
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,044	6,750	6,598
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(2,364)	(4,289)	4,020	7,957
13	Total Net Claims Incurred	767.240	789.235	901.117	948.682	1.004.633	1.060.154

### Appendix 43f

### Modified Base Scenario #14 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
_					Acci	dent Year					Selected	Selec
_	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	[
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.22%	72.57%	73.49%	74.48%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9229	0.9322	0.9460	0.9818	1.0047					
2020				0.9329	0.9470	0.9833	1.0066	1.0115				
2021					0.9568	0.9918	1.0136	1.0169	1.0132			
2022						0.9979	1.0194	1.0222	1.0179	1.0134		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			75.46%	75.82%	70.56%	71.92%	72.55%				73.31%	77
2020				75.88%	70.64%	72.03%	72.69%	73.41%			72.71%	77
2021					71.36%	72.65%	73.20%	73.80%	74.45%		73.22%	77
2022						73.10%	73.61%	74.18%	74.81%	75.48%	74.20%	78
B. Actual Data Other Than Losses												
_					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.09%	8.11%	8.06%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.70%	2.69%		
Selected					3.16%	2.99%	2.86%	2.72%	2.70%	2.69%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	411,366	425,042	445,472	470,041		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	15,141	14,945	15,446	16,036		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,691	78,208	81,967	86,488		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	22,372	27,956	25,261	18,691		
					32,055	29,489	31,186	32,481	33,806	35,193		
					32,055	11,179	8,814	4,525	8,545	16,503		
16. Carried Deferred Policy Acquisition Expenses					32,033							
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]							(2,364)		4,020			
16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change 18. Premium Deficiency [c]					2,363 8,845	(20,876)	(2,364)	(4,289)	4,020	7,957		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 43g Modified Base Scenario #14 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	255	94	(0)	(0)	0
Marketable Bonds	255 44,259	55,167	(0) 62,124	(0) 67,886	73,479
MUSH	26,759	24,361	22,065	19,852	17,693
5 Total	71,273	79,623	84,189	87,737	91,172
Dividend and other Income					
Canadian Equities	9,657	5,687	4,638	5,369	6,005
Global	4,218	5,983	4,962	5,673	6,256
Global LV	-	2,900	3,278	3,757	4,141
o Private Debt	-	3,822	10,187	10,180	10,173
1 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure  Total	1,472 20,287	1,135 <b>21,454</b>	1,182 26,759	1,249 28,679	1,318 <b>30,205</b>
	20,207	21,434	20,739	20,079	30,203
4 Gains During Period - Profit & Loss	(00.000)	(00.5.45)	(7.40)	(7.5)	(770)
5 Marketable Bonds Unrealized Gains/(Loss) 6 Marketable Bonds Realized Gains/(Loss)	(38,202)	(30,545)	(749)	(765)	(772)
Marketable Bonds Realized Gains/(Loss) MUSH	13,969	30,545	749	765	772
8 Canadian Equities Realized Gains	69,223	2,618	0	0	774
Global Equities Realized Gains	66,318	3,723	0	747	0
o Global LV Realized Gains	-	457	-	-	816
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,842	10,475	11,832	13,321
Other					
Investment Fees Paid	(5,203)	(4,725)	(4,614)	(4,908)	(5,132)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,446	4,598	4,695	4,712
Investment Write-Down  Total	(25,030)	(14,151)	(14,329)	(14,970)	(15,627)
Total Corporate Investment Income	199,910	103,769	107,093	113,278	
	•	•		·	119,071
Total Basic Investment Income  W - Basic to Total Investment Income	171,428	85,206	88,751	92,170	95,160
2 % - Dasic to Total investment income	85.75%	82%	83%	81%	80%
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	6,739	4,907	5,681	6,702
US Equities Unrealized Gains/(Losses)	7,537	9,327	7,405	8,466	9,335
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	19,651	4,220	4,476	5,129	5,654
	19,051	16,066	12,312	14,147	16,037
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	17/00	17450	1.002.2	- 2.074.4	- 2.212.0
10 Canadian Fixed Income 11 MUSH	1,760.8 569.3	1,745.3 522.8	1,903.3 477.0	2,074.4 432.3	2,212.9 386.3
Canadian Equities	123.2	130.4	151.7	174.3	198.1
Global Equities	166.6	169.9	195.0	209.8	251.3
4 Global LV Equities	96.5	116.2	133.8	152.3	170.1
5 Private Debt	-	188.7	188.7	188.7	188.7
6 Real Estate	133.5	138.0	143.9	150.7	161.7
7 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,094.0	3,280.6	3,474.6	3,666.5
9 Total Basic Assets	2,539.9	2,665.4	2,781.5	2,902.5	3,024.4
Ending Rebalanced Allocations (%)					
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.7%	60.4%
MUSH Canadian Equities	19.4% 4.2%	16.9% 4.2%	14.5% 4.6%	12.4% 5.0%	10.5% 5.4%
4 Canadian Equities 5 US Equities	5.7%	5.5%	5.9%	6.0%	6.9%
6 Global LV	3.3%	3.8%	4.1%	4.4%	4.6%
7 Private Debt	0.0%	6.1%	5.8%	5.4%	5.1%
8 Real Estate	4.6%	4.5%	4.4%	4.3%	4.4%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
50 Total	100.0%	100.0%	100.0%	100.0%	100.0%

### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 44

# Appendix 44a Adverse Scenario #14 Statement of Operations

. 1	BASIC  Motor Vehicles	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
		854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,474	29,376	31,454
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,719	1,238,614	1,289,252
	Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,642	1,124,965	995,394	1,055,968
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,599	1,137,355	999,619	1,062,00
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,584	147,90
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,39
	Total Claims Costs	798,045	993,537	923,722	940,009	1,201,580	1,289,978	1,158,334	1,223,30
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,48
	Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
	Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,09
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,597	161,391	168,737	174,99
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,176)	(261,650)	(88,457)	(109,050
	Investment Income	48,476	101,645	111,731	192,209	68,307	64,921	61,879	59,96
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,806	104,028	(66)	(24
	Net Investment Income	(4,038)	82,897	116,320	171,428	196,113	168,948	61,813	59,93
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(25,063)	(92,701)	(26,644)	(49,11

# Appendix 44b Adverse Scenario #14 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February.			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	-								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	323,702	301,631	207,537	184,833
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(25,063)	(92,701)	(26,644)	(49,113)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,654	2,992	(1,393)	3,940	15,347
6	Total Retained Earnings	194,498	99,251	170,975	323,702	301,631	207,537	184,833	151,067
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,371)	(51,869)	(43,265)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(260)	502	8,604	9,376
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)
11	Total Equity Balance	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,702	301,631	207,537	184,833	151,067
	ÿ								
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
	-								

October 26, 2018

### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 44

### Appendix 44c Adverse Scenario #14 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	57,080	22,634	20,089	22,322
	Equity investments	2,083,349	2,189,534	2,272,545	2,497,279	2,696,689	2,889,284	2,969,939	3,048,528
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,310	12,397	1,458	3,227	-
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,083	63,095
4		2,683,473	2,805,484	2,916,137	3,046,315	3,291,388	3,463,334	3,559,832	3,658,626
5	Liabilities								
5	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653
0	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,849	2,266,423	2,332,713	2,410,793
3		2,452,472	2,624,484	2,705,292	2,774,723	3,042,127	3,307,665	3,418,264	3,541,448
4	Equity								
5	Retained earnings	194,499	99,251	170,975	323,702	301,631	207,537	184,833	151,067
5	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)
7	Total Equity	231,003	181,000	210,845	271,591	249,261	155,669	141,568	117,178
8	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,315	3,291,388	3,463,334	3,559,832	3,658,626

### Appendix 44d Adverse Scenario #14 Minimum Capital Test

Line	(All figures in \$000s)	•	2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	Forecast Year
No.	Comitted Associated	•	(01)	(02)	(03)	(04)	(05)
1	Capital Available:	01	227,937	202,143	07.547	00.405	E4.003
2	Capital available (from page 30.62 - capital available)		221,931	202,143	96,546 0	80,485 0	54,083 0
3 4	Phase-in of capital available  Total Capital Available	03	227,937	202,143	96,546	80,485	54,083
		-	,	, , , , , , , , , , , , , , , , , , , ,	.,	.,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	113,479
12	Unpaid claims	22	192,187	214,813	238,393	245,233	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,736	342,373	353,348	366,712
16	Market Risk:						
17	Interest rate risk	30	5,299	5,602	4,336	19,207	18,501
18	Foreign exchange risk	32	15,780	18,018	18,709	16,490	16,843
19	Equity risk	34	70,014	81,899	84,835	70,633	75,412
20	Real estate risk	36	26,139	27,064	27,775	28,719	30,234
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,232	132,583	135,655	135,049	140,990
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	61,610	63,625	65,902	67,102
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	61,610	63,625	65,902	67,102
28	Operational risk margin	50	64,620	71,696	75,639	77,899	80,881
29	Less: Diversification credit	52	53,934	64,082	67,143	68,252	70,731
30	Total Capital (Margin) Required at Target	59	454,159	516,543	550,149	563,946	584,954
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,773	344,362	366,766	375,964	389,969
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,773	344,362	366,766	375,964	389,969
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,836)	(142,219)	(270,220)	(295,479)	(335,886
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.28%	58.70%	26.32%	21.41%	13.879

# Appendix 44e Adverse Scenario #14 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
·							
2	Collision	415,906	438,827	471,179	549,150	538,020	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damag∈	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,959	334,658	222,450	223,702
	<u>-</u>						
7	Total _	726,240	767,976	966,512	1,042,325	936,118	984,831
0	Unallocated Lace Adjustment Evanges	42.252	50.135	EO 271	54.921	57.537	40 210
8	Unallocated Loss Adjustment Expenses Change in Internet Loss Adjustment Expense Provision	42,252		52,371			60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,875	6,407	6,775
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	12,233	(444)	10,188
13	Total Net Claims Incurred	767.240	789.235	1.053.599	1.137.355	999.619	1.062.002

### Appendix 44f

### Adverse Scenario #14 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
_						dent Year					Selected	Selec
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	76.52%	73.49%	74.48%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9267	0.9352	0.9482	0.9833	1.0053					
2020				0.9470	0.9583	0.9919	1.0121	1.0139				
2021					0.9677	1.0007	1.0203	1.0212	1.0150			
2022						1.0066	1.0263	1.0273	1.0212	1.0148		
<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.
2020				77.03%	71.48%	72.66%	74.53%	77.58%			74.74%	81.
2021					72.18%	73.31%	75.13%	78.14%	74.59%		74.34%	81.
2022						73.73%	75.57%	78.61%	75.04%	75.58%	75.40%	82
B. Actual Data Other Than Losses												
_					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.13%	8.18%	8.12%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.73%	2.71%		
Selected					3.16%	2.99%	2.86%	2.72%	2.72%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) :	x (3)]				383,468	391,245	419,791	447,396	463,999	490,426		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	15,141	14,976	15,544	16,164		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,242	82,321	85,376	90,238		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	12,397	1,458	3,227	(5,573)		
					32,055	29,489	31,186	32,481	33,806	35,193		
<ol> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>					32,055	11,179	18,790	31,023	30,579	35,193		
* * * * * * * * * * * * * * * * * * * *												
*					2,363	(20,876)	7,611	12,233	(444)	4,614		
<ul> <li>16. Carried Deferred Policy Acquisition Expenses</li> <li>17. Write Down Deferred Policy Acquisition Expenses [b]         Change     </li> <li>18. Premium Deficiency [c]</li> </ul>					2,363 8,845	(20,876)	7,611	12,233	(444)	4,614 5,573		

### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 44

## Appendix 44g Adverse Scenario #14 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	119	(0)	0	(1)
Marketable Bonds MUSH	44,259	50,824	51,491	51,636	53,302
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,304	73,556	71,487	70,994
Dividend and other Income					
Canadian Equities	9,657	6,374	5,099	5,161	5,316
Global	4,218	6,708	5,540	5,580	5,770
Global LV	-	3,341	3,407	3,427	3,488
Private Debt	_	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,042	27,274	27,452	27,831
Gains During Period - Profit & Loss					
	(20, 202)	00.074	07./74	(10.070)	2 41 4
Marketable Bonds Unrealized Gains/(Loss)  Marketable Bonds Realized Gains/(Loss)	(38,202)	88,074	87,674	(13,279)	2,414
MUSH	13,969	47,854	21,357	13,279	(2,414
Canadian Equities Realized Gains	- 40.222	- (1.47)	- (1 200)		- 0
Global Equities Realized Gains	69,223	(147)	(1,389)	535	0 E10
Global Equities Realized Gains Global LV Realized Gains	66,318	179 49	(84) 12	580 511	510
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,053	118,046	12,711	12,241
	133,300	140,000	110,040	12,711	12,271
Other					
Investment Fees Paid	(5,203)	(4,890)	(4,807)	(4,945)	(5,049
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,352)	(12,746)	(15,012)	(14,741
Investment Write-Down	-			-	-
Total	(25,030)	(21,114)	(31,866)	(34,714)	(34,997
Total Corporate Investment Income	199,910	223,286	198,050	76,936	76,069
Total Basic Investment Income	171,428	196,113	168,948	61,813	59,937
% - Basic to Total Investment Income	85.75%	88%	85%	80%	79%
Equity Unrealized Gains/(Losses)					
Equity Unrealized Gains/(Losses) Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(985)	5,461	5,933
	7,537	88	(98)	8,327	8,612
US Equities Unrealized Gains/(Losses) Global LV Unrealized Gains/(Losses)	1,331	147	67	4,679	4,763
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,083)	13,789	14,544
	17,001	(404)	(1,003)	13,707	14,544
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,783.6	2,002.3	2,240.5	2,364.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.1	171.4	150.9	171.6
Global Equities	166.6	205.8	219.2	201.1	218.6
Global LV Equities Private Debt	96.5	127.3	143.4	124.7	140.8
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate Infrastructure & Venture Capital	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,201.1	3,444.3	3,592.1	3,740.1
Total Basic Assets	2,539.9	2,767.3	2,925.5	3,003.8	3,086.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.7%	58.1%	62.4%	63.2%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	5.0%	4.2%	4.6%
US Equities	5.7%	6.4%	6.4%	5.6%	5.8%
Global LV	3.3%	4.0%	4.2%	3.5%	3.8%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.3%
Real Estate	4.6%	4.3%	4.2%	4.2%	4.3%
9 Infrastructure & Venture Capital 0 Total	2.7% 100.0%	2.6% 100.0%	2.5% <b>100.0%</b>	2.6% 100.0%	2.6% 100.0%

### 2019 GRA Information Requests - Pre-Ask PUB (MPI) 1(g) Appendix 44

### Appendix 44h

### Adverse Scenario #14 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	ea February,			
Vo.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,077,959	1,122,705	1,168,510	1,216,461
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,137,442	1,183,942	1,231,351	1,280,907
5	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,050,815	1,102,006	1,147,321	1,194,279
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,710	27,474	29,376	31,454
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,135,001	1,189,719	1,238,614	1,289,252
13	Net Claims Incurred	742,604	869,023	783,040	797,438	1,212,642	1,124,965	995,394	1,055,968
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,053,599	1,137,355	999,619	1,062,003
	Claims Function	110 /14	120.072	142 227	127.1/0	125 201	120 752	145 504	147.004
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,752	145,584	147,904
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,397
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,201,580	1,289,978	1,158,334	1,223,304
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,480
21	Commissions	33,862	35,086	37,378	40,338	42,591	44,599	46,364	48,188
22	Premium Taxes	26,205	27,563	29,143	31,518	33,621	35,217	36,634	38,098
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,597	161,391	168,737	174,998
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(221,176)	(261,650)	(88,457)	(109,050)
26	Investment Income	48,476	101,645	111,731	192,209	68,307	64,921	61,879	59.960
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,806	104,028	(66)	(24)
28	Net Investment Income	(4,038)	82,897	116,320	171,428	196,113	168,948	61,813	59,937
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(25,063)	(92,701)	(26,644)	(49,113)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,849	91,638	(4,290)	(6,058)

# Appendix 44i Adverse Scenario #14 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Endo	ed February.			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	<del>-</del>								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	323,702	301,631	207,537	184,833
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(25,063)	(92,701)	(26,644)	(49,113)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,654	2,992	(1,393)	3,940	15,347
6	Total Retained Earnings	194,498	99,251	170,975	323,702	301,631	207,537	184,833	151,067
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,371)	(51,869)	(43,265)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(260)	502	8,604	9,376
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)
11	Total Equity Balance	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
	T. 15								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,702	301,631	207,537	184,833	151,067
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
17	Retained Earnings in excess of Rate Stabilization Reserve								
18	Total Equity Balance	231,002	181,000	210,845	271,591	249,261	155,669	141,568	117,178
10	Total Equity Dalance	231,002	101,000	210,043	211 <sub>1</sub> 371	247,201	133,007	141,000	117,170

## Appendix 44j Adverse Scenario #14 with Management Action Balance Sheet

	(C\$ 000s, except where noted)		For the Years Ended February,										
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P				
1	BASIC	•											
2	Assets												
3	Cash and investments	29,114	61,606	72,998	28,746	57,080	22,634	20,089	22,322				
4	Equity investments	2,083,349	2,189,534	2,272,545	2,497,279	2,696,689	2,889,284	2,969,939	3,048,528				
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246				
6	Due from other insurance companies	25	16	2	-	-	-	-	-				
7	Accounts receivable	375,262	355,389	389,900	354,564	373,508	388,286	403,400	419,208				
8	Prepaid expenses	-	-	-	-	-	-	-	-				
9	Deferred policy acquisition costs	4,782	-	-	18,310	12,397	1,458	3,227	-				
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-				
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-				
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227				
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,123	61,083	63,095				
14		2,683,473	2,805,484	2,916,137	3,046,315	3,291,388	3,463,334	3,559,832	3,658,626				
15	Liabilities												
16	Due to other insurance companies	152	147	141	144	144	144	144	144				
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182				
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518				
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	578,831	604,184	630,256	657,653				
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046				
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113				
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,849	2,266,423	2,332,713	2,410,793				
23		2,452,472	2,624,484	2,705,292	2,774,723	3,042,127	3,307,665	3,418,264	3,541,448				
24	Equity												
25	Retained earnings	194,499	99,251	170,975	323,702	301,631	207,537	184,833	151,067				
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,265)	(33,889)				
27	Total Equity	231,003	181,000	210,845	271,591	249,261	155,669	141,568	117,178				
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,315	3,291,388	3,463,334	3,559,832	3,658,626				

# Appendix 44k Adverse Scenario #14 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	227,937	202,143	96,546	80,485	54,083
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	227,937	202,143	96,546	80,485	54,083
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,923	103,980	108,115	113,479
12	Unpaid claims	22	192,187	214,813	238,393	245,233	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,736	342,373	353,348	366,712
16	Market Risk:						
17	Interest rate risk	30	5,299	5,602	4,336	19,207	18,501
18	Foreign exchange risk	32	15,780	18,018	18,709	16,490	16,843
19	Equity risk	34	70,014	81,899	84,835	70,633	75,412
20	Real estate risk	36	26,139	27,064	27,775	28,719	30,234
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,232	132,583	135,655	135,049	140,990
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	61,610	63,625	65,902	67,102
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	61,610	63,625	65,902	67,102
28	Operational risk margin	50	64,620	71,696	75,639	77,899	80,881
29	Less: Diversification credit	52	53,934	64,082	67,143	68,252	70,731
30	Total Capital (Margin) Required at Target	59	454,159	516,543	550,149	563,946	584,954
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,773	344,362	366,766	375,964	389,969
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,773	344,362	366,766	375,964	389,969
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,836)	(142,219)	(270,220)	(295,479)	(335,886)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.28%	58.70%	26.32%	21.41%	13.87%

# Appendix 44I Adverse Scenario #14 with Management Action Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	471,179	549,150	538,020	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damag∈	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,959	334,658	222,450	223,702
7	Total	726,240	767,976	966,512	1,042,325	936,118	984,831
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,105	27,875	6,407	6,775
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	7,611	12,233	(444)	10,188
13	Total Net Claims Incurred	767.240	789.235	1.053.599	1.137.355	999.619	1.062.002

### Appendix 44m

### Adverse Scenario #14 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A!	d						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.63%	76.52%	73.49%	74.48%	Olidisc	DIS
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9267	0.9352	0.9482	0.9833	1.0053					
2020				0.9470	0.9583	0.9919	1.0121	1.0139				
2021					0.9677	1.0007	1.0203	1.0212	1.0150			
2022						1.0066	1.0263	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
2019			75.77%	76.07%	70.73%	72.03%	74.02%				73.94%	79.43
2020				77.03%	71.48%	72.66%	74.53%	77.58%			74.74%	81.33
2021					72.18%	73.31%	75.13%	78.14%	74.59%		74.34%	81.11
2022						73.73%	75.57%	78.61%	75.04%	75.58%	75.40%	82.40
B. Actual Data Other Than Losses												
					Fis	cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,109,291	1,162,245	1,209,237	1,257,798		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.21%	8.13%	8.18%	8.12%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.73%	2.71%		
Selected					3.16%	2.99%	2.86%	2.72%	2.72%	2.72%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	534,344	556,041	578,155	601,264		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	391,245	419,791	447,396	463,999	490,426		
Reinsurance PFAD					10	-	-	-	-	-		
					13,837	14,989	15,141	14,976	15,544	16,164		
					70,595	71,989	77,242	82,321	85,376	90,238		
					3,950	3,950	3,950	3,950	3,950	3,950		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement				3,730							
Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement				(8,845)	18,310	12,397	1,458	3,227	(5,573)		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>	hancement				(8,845) 32,055	18,310 29,489	31,186	32,481	33,806	35,193		
Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]	hancement				(8,845) 32,055 32,055	18,310 29,489 11,179	31,186 18,790	32,481 31,023	33,806 30,579	35,193 35,193		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				(8,845) 32,055 32,055 2,363	18,310 29,489	31,186	32,481	33,806	35,193 35,193 4,614		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equitly in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]         Change     </li> <li>Premium Deficiency [c]</li> </ol>	nhancement				(8,845) 32,055 32,055	18,310 29,489 11,179	31,186 18,790	32,481 31,023	33,806 30,579	35,193 35,193		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 44n Adverse Scenario #14 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ie No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	119	(0)	0	(1
Marketable Bonds	44,259	50,824	51,491	51,636	53,302
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,304	73,556	71,487	70,994
Dividend and other Income					
Canadian Equities	9,657	6,374	5,099	5,161	5,316
Global	4,218	6,708	5,540	5,580	5,770
Global LV	-	3,341	3,407	3,427	3,488
Private Debt	-	3,558	9,533	9,583	9,62
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,31
Infrastructure	1,472	1,135	1,182	1,249	1,31
Total	20,287	23,042	27,274	27,452	27,83
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,074	87,674	(13,279)	2,41
Marketable Bonds Realized Gains/(Loss)	13,969	47,854	21,357	13,279	(2,41
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(147)	(1,389)	535	
Global Equities Realized Gains Global LV Realized Gains	66,318	179	(84)	580	51
	- 1/ 207	49	12	511	- / - /
Real Estate (Pooled Fund) Infrastructure	16,307 5.765	5,598	5,842	6,192	6,56 5.16
Total	5,765 133,380	4,447 146,053	4,633 118,046	4,893 12,711	5,16 <b>12,24</b>
	133,300	140,055	110,040	12,711	12,24
Other					
Investment Fees Paid	(5,203)	(4,890)	(4,807)	(4,945)	(5,04
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,352)	(12,746)	(15,012)	(14,74
Investment Write-Down Total	(25,030)	(21,114)	(31,866)	(34,714)	(34,99
Total Corporate Investment Income	199,910	223,286	198,050	76,936	76,069
Total Basic Investment Income	171,428	196,113	168,948	61,813	59,93
% - Basic to Total Investment Income	85.75%	88%	85%	80%	79
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(985)	5,461	5,93
US Equities Unrealized Gains/(Losses)	7,537	88	(98)	8,327	8,61
Global LV Unrealized Gains/(Losses)	-	147	67	4,679	4,76
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,083)	13,789	14,54
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income MUSH	1,760.8	1,783.6	2,002.3	2,240.5	2,364.
MUSH Canadian Equitios	569.3	522.8	477.0	432.3	386
Canadian Equities Global Equities	123.2	152.1	171.4	150.9	171
Global LV Equities	166.6 96.5	205.8 127.3	219.2 143.4	201.1 124.7	218 140
Private Debt	90.5	188.7	199.7	199.7	199
Real Estate	133.5	138.0	143.9	150.7	161
Real Estate Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.
Total Ending Asset Values	2,928.3	3,201.1	3,444.3	3,592.1	3,740.
Total Basic Assets	2,539.9	2,767.3	2,925.5	3,003.8	3,086.
Ending Rebalanced Allocations (%)					•
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.09
Canadian Fixed Income	60.1%	55.7%	58.1%	62.4%	63.2%
MUSH	19.4%	16.3%	13.8%	12.0%	10.39
Canadian Equities	4.2%	4.8%	5.0%	4.2%	4.69
US Equities	5.7%	6.4%	6.4%	5.6%	5.89
Global LV	3.3%	4.0%	4.2%	3.5%	3.89
Private Debt	0.0%	5.9%	5.8%	5.6%	5.39
Real Estate	4.6%	4.3%	4.2%	4.2%	4.3%
Infrastructure & Venture Capital  Total	2.7% 100.0%	2.6% 100.0%	2.5%	2.6% 100.0%	2.6%
	700.0%	700 0%	100.0%	700.0%	100

# Appendix 45a Updated Base Scenario #15 Statement of Operations

L.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC	2010/1	201111	201071	20.77	20201	202.1	LULLI	2020.
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,080,765	1,125,627	1,171,549	1,219,625
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,140,248	1,186,863	1,234,391	1,284,071
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,052,323	1,104,874	1,150,306	1,197,386
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,761	27,528	29,431	31,515
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
	Net Claims Incurred	742,604	869,023	783,040	824,140	892,624	938,446	995,718	1,051,824
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,261	10,174	8,904	8,217
	Total Claims Incurred	666,404	860,035	767,239	789,235	899,884	948,620	1,004,622	1,060,042
	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,654
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,266
	Total Claims Costs	798,045	993,537	923,722	940,009	1,047,865	1,100,514	1,161,816	1,219,962
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,545	76,250	79,935	82,844
	Commissions	33,862	35,086	37,378	40,338	42,630	44,692	46,461	48,288
	Premium Taxes	26,205	27,563	29,143	31,518	33,667	35,303	36,723	38,191
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
	Total Expenses	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,557
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,117)	(88,395)	(102,098
	Investment Income	48,476	101,645	111,731	192,209	84,843	88,397	91,817	94,798
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	11	4	5	3
	Net Investment Income	(4,038)	82,897	116,320	171,428	84,854	88,401	91,823	94,801
	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297

# Appendix 45b Updated Base Scenario #15 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	,	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	5.1.15								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	332,916	352,201	355,629
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	18,868	19,285	3,428	(7,297)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
	T.								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	11,139
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
11	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	332,916	352,201	355,629	348,332
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_					
18	Total Equity Balance	231,002	181,000	210,845	261,938	288,739	317,215	330,471	334,312
10	Total Equity Dalance	231,002	101,000	210,043	201,730	200,737	317,213	330,471	334,312

## Appendix 45c Updated Base Scenario #15 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	62,107	72,268	77,487	69,216
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,578,532	2,688,168	2,802,186	2,918,049
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,672	20,163
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,217
14		2,683,473	2,805,484	2,916,137	3,036,661	3,190,298	3,340,522	3,473,830	3,596,165
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,220	390,321	406,734
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,848	1,980,404	2,055,933	2,129,113
23	·	2,452,472	2,624,484	2,705,292	2,774,723	2,901,559	3,023,307	3,143,359	3,261,853
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	332,916	352,201	355,629	348,332
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,020)
27	Total Equity	231,003	181,000	210,845	261,938	288,739	317,215	330,471	334,312
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,190,298	3,340,522	3,473,830	3,596,165

# Appendix 45d Updated Base Scenario #15 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No. 1	Capital Available:	•	(01)	(02)	(03)	(04)	(05)
2	Capital Available:  Capital available (from page 30.62 - capital available)	01	218,283	241,622	258,045	269,286	271,095
3	Phase-in of capital available	03	210,203	241,022	230,043	207,200	271,043
4	Total Capital Available	09	218,283	241,622	258,045	269,286	271,095
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,438	225,519
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,816	338,229
16	Market Risk:						
17	Interest rate risk	30	4,798	20,821	25,203	30,147	33,011
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,344
19	Equity risk	34	69,145	67,268	71,795	76,632	85,397
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,210	140,819	152,600	168,742
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	61,926	64,282	65,846	66,940
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	61,926	64,282	65,846	66,940
28	Operational risk margin	50	64,469	70,406	73,745	77,122	80,884
29	Less: Diversification credit	52	53,525	62,597	66,213	69,870	74,252
30	Total Capital (Margin) Required at Target	59	452,643	500,742	526,034	551,514	580,543
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	333,828	350,689	367,676	387,029
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	333,828	350,689	367,676	387,029
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(92,206)	(92,644)	(98,390)	(115,934
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	72.38%	73.58%	73.24%	70.05%

### Appendix 45e

### Updated Base Scenario #15 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Ciaillis iliculted before Filialicial Frovisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damag∈	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,406
6	PIPP	187,022	177,326	215,511	220,977	222,398	224,403
		70/.040	7/7.07/	044.400	222.27	201.011	205.040
7	Total _	726,240	767,976	844,432	890,976	936,366	985,342
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7,039	6,756	6,590
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,604)	(4,316)	3,963	7,900
13	Total Net Claims Incurred	767.240	789.235	899.884	948.620	1.004.622	1.060.042

### Appendix 45f

### Updated Base Scenario #15 Deferred Policy Acquisition Expenses and Premium Deficiency

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 45g Updated Base Scenario #15 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		Г	orecasteu		
Interest Income During Period  Cash/Short Term Investments	255	92	0	0	(0)
Marketable Bonds	255 44,259	55,172	62,167	67,972	(0) 73,612
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,625	84,232	87,823	91,305
Dividend and other Income					
Canadian Equities	9,657	5,701	4,652	5,401	6,053
Global	4,218	5,988	4,975	5,702	6,296
Global LV	-	2,902	3,289	3,779	4,173
o Private Debt	-	3,822	10,187	10,180	10,173
1 Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 Total	1,472	1,135	1,182	1,249	1,318
3 Total	20,287	21,475	26,797	28,762	30,325
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(29,711)	(750)	(766)	(774)
6 Marketable Bonds Realized Gains/(Loss)	13,969	29,711	750	766	774
7 MUSH 8 Canadian Equities Realized Gains	- (0.222	- 2 / 27	-	-	-
9 Global Equities Realized Gains	69,223 66,318	2,627 3,724	0	0 779	805 0
Global LV Realized Gains	00,310	3,724 457	-	119	848
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
3 Total	133,380	16,852	10,475	11,864	13,384
4 Other					
Investment Fees Paid	(5,203)	(4,725)	(4,616)	(4,917)	(5,148)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
7 Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,447	4,601	4,700	4,721
8 Investment Write-Down	-	· -	· -	· -	<u> </u>
9 Total	(25,030)	(14,150)	(14,328)	(14,974)	(15,634)
Total Corporate Investment Income	199,910	103,802	107,175	113,476	119,380
Total Basic Investment Income	171,428	84,854	88,401	91,823	94,801
% - Basic to Total Investment Income	85.75%	82%	82%	81%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,755	4,922	5,715	6,755
US Equities Unrealized Gains/(Losses)	7,537	9,335	7,424	8,509	9,396
Global LV Unrealized Gains/(Losses)	-	4,223	4,490	5,160	5,697
Total Corporate Unrealized Gains/(Losses)	19,651	16,090	12,346	14,224	16,151
8 Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	<u>-</u>	<u>-</u>	-	
Canadian Fixed Income  MUSH	1,760.8	1,746.3	1,905.6	2,078.7	2,218.0
2 Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2 166.6	130.6 170.2	152.4 195.8	175.6 210.7	200.2 253.6
4 Global LV Equities	96.5	116.5	134.4	153.4	171.8
5 Private Debt	-	188.7	188.7	188.7	188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
8 Total Ending Asset Values	2,928.3	3,095.7	3,285.2	3,482.3	3,677.6
9 Total Basic Assets	2,530.3	2,654.2	2,774.0	2,893.4	3,002.5
Ending Rebalanced Allocations (%)					
11 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.7%	60.3%
MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
4 Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.4%
5 US Equities	5.7%	5.5%	6.0%	6.1%	6.9%
6 Global LV 7 Private Debt	3.3% 0.0%	3.8% 6.1%	4.1% 5.7%	4.4% 5.4%	4.7% 5.1%
77 Private Debt 88 Real Estate	4.6%	4.5%	5.7% 4.4%	4.3%	4.4%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.6%	2.6%

# Appendix 46a Modified Base Scenario #15 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned Service Fees & Other Revenues	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423)	2017A 886,998 48,426 (11,635) 923,789 871,173 47,606	955,941 49,946 (11,294) 994,593	1,019,281 68,902 (11,196) 1,076,987	1,080,765 70,903 (11,420) 1,140,248	2021P 1,125,627 72,885 (11,648) 1,186,863	1,171,549 74,723 (11,881) 1,234,391	1,219,625 76,565 (12,119 1,284,071
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Written  Net Premiums Earned Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned	46,619 (12,423) 888,366 827,703 45,787	48,426 (11,635) 923,789 871,173	49,946 (11,294) 994,593	68,902 (11,196) 1,076,987	70,903 (11,420)	72,885 (11,648)	74,723 (11,881)	76,565 (12,119
Reinsurance Ceded  Total Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned	46,619 (12,423) 888,366 827,703 45,787	48,426 (11,635) 923,789 871,173	49,946 (11,294) 994,593	68,902 (11,196) 1,076,987	70,903 (11,420)	72,885 (11,648)	74,723 (11,881)	76,565 (12,119
Net Premiums Written  Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned	(12,423) 888,366 827,703 45,787	(11,635) <b>923,789</b> 871,173	994,593	(11,196) 1,076,987	(11,420)	(11,648)	(11,881)	(12,119
Net Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  Total Net Premiums Earned	827,703 45,787	871,173			1,140,248	1,186,863	1,234,391	1,284,071
Motor Vehicles Drivers Reinsurance Ceded Total Net Premiums Earned	45,787		922,617	004.050				
Drivers Reinsurance Ceded Total Net Premiums Earned	45,787		922,617	004.050				
Reinsurance Ceded Total Net Premiums Earned		47,606		991,058	1,052,323	1,104,874	1,150,306	1,197,386
Total Net Premiums Earned	(12,423)		48,819	59,546	69,896	71,887	73,798	75,638
-		(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Service Fees & Other Revenues	861,066	907,144	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,90
	20,351	20,749	22,849	23,832	25,761	27,528	29,431	31,51
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,136,560	1,192,641	1,241,654	1,292,420
Net Claims Incurred	742,604	869,023	783,040	824,140	892,624	938,446	995,716	1,051,828
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,261	10,174	8,862	8,29
Total Claims Incurred	666,404	860,035	767,239	789,235	899,884	948,620	1,004,579	1,060,12
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,089	144,204	146,65
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,805	12,990	13,26
Total Claims Costs	798,045	993,537	923,722	940,009	1,047,865	1,100,514	1,161,773	1,220,04
Expenses								
Operating								82,84
								48,28
								38,19
-								5,233
Total Expenses	135,383	140,323	141,165	151,585	154,681	161,243	168,233	174,55
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(65,986)	(69,117)	(88,352)	(102,182
Investment Income	48,476	101,645	111,731	192,209	85,197	88,759	92,198	95,19
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	6	4	(
Net Investment Income	(4,038)	82,897	116,320	171,428	85,207	88,765	92,202	95,19
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	19,221	19,649	3,850	(6,98
	(a) Claims Incurred - Interest Rate Impact  Total Claims Incurred  Claims Expense Road Safety/Loss Prevention  Total Claims Costs  Expenses Operating Commissions Premium Taxes Regulatory/Appeal  Total Expenses  Underwriting Income (Loss)  Investment Income (b) Investment Income - Interest Rate Impact Net Investment Income	(a) Claims Incurred - Interest Rate Impact         (76,200)           Total Claims Incurred         666,404           Claims Expense         118,614           Road Safety/Loss Prevention         13,027           Total Claims Costs         798,045           Expenses         0           Operating         71,641           Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           Total Expenses         135,383           Underwriting Income (Loss)         (52,011)           Investment Income         48,476           (b) Investment Income - Interest Rate Impact         (52,515)           Net Investment Income         (4,038)           Net Income (Loss)         (56,049)	(a) Claims Incurred - Interest Rate Impact       (76,200)       (8,988)         Total Claims Incurred       666,404       860,035         Claims Expense       118,614       120,972         Road Safety/Loss Prevention       13,027       12,530         Total Claims Costs       798,045       993,537         Expenses       71,641       72,785         Commissions       33,862       35,086         Premium Taxes       26,205       27,563         Regulatory/Appeal       3,675       4,889         Total Expenses       135,383       140,323         Underwriting Income (Loss)       (52,011)       (205,968)         Investment Income       48,476       101,645         (b) Investment Income - Interest Rate Impact       (52,515)       (18,748)         Net Investment Income       (4,038)       82,897         Net Income (Loss)       (56,049)       (123,071)	(a) Claims Incurred - Interest Rate Impact       (76,200)       (8,988)       (15,801)         Total Claims Incurred       666,404       860,035       767,239         Claims Expense       118,614       120,972       143,337         Road Safety/Loss Prevention       13,027       12,530       13,146         Total Claims Costs       798,045       993,537       923,722         Expenses       993,537       923,722         Expenses       33,862       35,086       37,378         Premium Taxes       26,205       27,563       29,143         Regulatory/Appeal       3,675       4,889       4,443         Total Expenses       135,383       140,323       141,165         Underwriting Income (Loss)       (52,011)       (205,968)       (81,896)         Investment Income       48,476       101,645       111,731         (b) Investment Income       (4,038)       82,897       116,320         Net Income (Loss)       (56,049)       (123,071)       34,424	(a) Claims Incurred - Interest Rate Impact         (76,200)         (8,988)         (15,801)         (34,905)           Total Claims Incurred         666,404         860,035         767,239         789,235           Claims Expense         118,614         120,972         143,337         137,168           Road Safety/Loss Prevention         13,027         12,530         13,146         13,606           Total Claims Costs         798,045         993,537         923,722         940,009           Expenses         Operating         71,641         72,785         70,201         75,060           Commissions         33,862         35,086         37,378         40,338           Premium Taxes         26,205         27,563         29,143         31,518           Regulatory/Appeal         3,675         4,889         4,443         4,669           Total Expenses         135,383         140,323         141,165         151,585           Underwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)           Investment Income         48,476         101,645         111,731         192,209           (b) Investment Income         (4,038)         82,897         116,320         171,428      <	(a) Claims Incurred - Interest Rate Impact         (76,200)         (8,988)         (15,801)         (34,905)         7,261           Total Claims Incurred         666,404         860,035         767,239         789,235         899,884           Claims Expense         118,614         120,972         143,337         137,168         135,301           Road Safety/Loss Prevention         13,027         12,530         13,146         13,606         12,680           Total Claims Costs         798,045         993,537         923,722         940,009         1,047,865           Expenses         Operating         71,641         72,785         70,201         75,060         73,545           Commissions         33,862         35,086         37,378         40,338         42,630           Premium Taxes         26,205         27,563         29,143         31,518         33,667           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839           Total Expenses         135,383         140,323         141,165         151,585         154,681           Underwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (65,986)           Investment Income	(a) Claims Incurred - Interest Rate Impact (76,200) (8,988) (15,801) (34,905) 7,261 10,174  Total Claims Incurred (666,404) 860,035 767,239 789,235 899,884 948,620  Claims Expense 118,614 120,972 143,337 137,168 135,301 139,089 Road Safety/Loss Prevention 13,027 12,530 13,146 13,606 12,680 12,805  Total Claims Costs 798,045 993,537 923,722 940,009 1,047,865 1,100,514  Expenses Operating 71,641 72,785 70,201 75,060 73,545 76,250 Commissions 33,862 35,086 37,378 40,338 42,630 44,692 Premium Taxes 26,205 27,563 29,143 31,518 33,667 35,303 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998  Total Expenses 135,383 140,323 141,165 151,585 154,681 161,243  Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355) (65,986) (69,117)  Investment Income (4,038) 82,897 116,320 171,428 85,207 88,765  Net Income (Loss) (56,049) (123,071) 34,424 143,074 19,221 19,649	(a) Claims Incurred - Interest Rate Impact (76,200) (8,988) (15,801) (34,905) 7,261 10,174 8.862  Total Claims Incurred (666,404 860,035 767,239 789,235 899,884 948,620 1,004,579)  Claims Expense 118,614 120,972 143,337 137,168 135,301 139,089 144,204 Road Safety/Loss Prevention 13,027 12,530 13,146 13,606 12,680 12,805 12,900  Total Claims Costs 798,045 993,537 923,722 940,009 1,047,865 1,100,514 1,161,773  Expenses  Operating 71,641 72,785 70,201 75,060 73,545 76,250 79,935  Commissions 33,862 35,086 37,378 40,338 42,630 44,692 46,461 Premium Taxes 26,205 27,563 29,143 31,518 33,667 35,303 36,723  Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 5,114  Total Expenses  Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355) (65,986) (69,117) (88,352)  Investment Income 48,476 101,645 111,731 192,209 85,197 88,759 92,198  (b) Investment Income - Interest Rate Impact (c) Investment Income - Interest Rate Impact (d) Investment Income - Interest Rate Impact (d) Investment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) 10 6 4  Net Income (Loss) (56,049) (123,071) 34,424 143,074 19,221 19,649 3,850

# Appendix 46b Modified Base Scenario #15 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	323,651	343,386	358,863	363,741
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	19,221	19,649	3,850	(6,985)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,603	514	(4,171)	1,028	12,363
6	Total Retained Earnings	194,498	99,251	170,975	323,651	343,386	358,863	363,741	369,120
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,056)	(34,727)	(24,753)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,056	9,328	9,975	11,299
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,056)	(34,727)	(24,753)	(13,453)
11	Total Equity Balance	231,002	181,000	210,845	271,540	299,330	324,136	338,989	355,666
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,651	343,386	358,863	363,741	369,120
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,056)	(34,727)	(24,753)	(13,453)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,540	299,330	324,136	338,989	355,666
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	271,540	299,330	324,136	338,989	355,666

## Appendix 46c Modified Base Scenario #15 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
I	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	62,652	68,651	74,899	78,984
1	Equity investments	2,083,349	2,189,534	2,272,545	2,497,228	2,588,577	2,698,705	2,813,248	2,929,672
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
5	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
3	Prepaid expenses	-	-	-	-	-	-	-	
)	Deferred policy acquisition costs	4,782	-	-	18,310	23,693	29,306	26,674	20,161
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,170	61,184	63,217
14		2,683,473	2,805,484	2,916,137	3,046,264	3,200,889	3,347,442	3,482,305	3,617,554
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,219	390,320	406,731
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,848	1,980,404	2,055,891	2,129,151
23		2,452,472	2,624,484	2,705,292	2,774,723	2,901,559	3,023,306	3,143,317	3,261,888
24	Equity								
25	Retained earnings	194,499	99,251	170,975	323,651	343,386	358,863	363,741	369,120
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,056)	(34,727)	(24,753)	(13,453
27	Total Equity	231,003	181,000	210,845	271,540	299,330	324,136	338,989	355,666
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,264	3,200,889	3,347,442	3,482,305	3,617,554

### Appendix 46d Modified Base Scenario #15 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	227,886	252,213	264,966	277,805	292,450
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	227,886	252,213	264,966	277,805	292,450
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	112,710
12	Unpaid claims	22	192,187	200,632	209,168	217,434	225,522
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	300,797	313,401	325,812	338,232
16	Market Risk:						
17	Interest rate risk	30	5,297	21,372	25,777	30,754	33,634
18	Foreign exchange risk	32	15,779	15,443	16,457	17,538	20,580
19	Equity risk	34	70,009	68,173	72,763	77,665	86,508
20	Real estate risk	36	26,138	27,063	27,773	28,718	30,233
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,223	132,051	142,770	154,675	170,955
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	62,241	64,600	66,166	67,263
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	62,241	64,600	66,166	67,263
28	Operational risk margin	50	64,619	70,590	73,937	77,326	81,100
29	Less: Diversification credit	52	53,932	63,035	66,665	70,337	74,731
30	Total Capital (Margin) Required at Target	59	454,151	502,644	528,043	553,642	582,819
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,767	335,096	352,028	369,095	388,546
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,767	335,096	352,028	369,095	388,546
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,881)	(82,883)	(87,062)	(91,290)	(96,096)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.27%	75.27%	75.27%	75.27%	75.27%

# Appendix 46e Modified Base Scenario #15 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	469,723	502,927	538,542	576,759
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,997
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,407
6	PIPP	187,022	177,326	215,511	220,977	222,363	224,470
7	Total =	726,240	767,976	844,432	890,976	936,330	985,410
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,685	7,039	6,750	6,602
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	(3,604)	(4,316)	3,961	7,904
13	Total Net Claims Incurred	767,240	789.235	899.884	948.620	1.004.578	1.060.125

#### Appendix 46f

#### Modified Base Scenario #15 Deferred Policy Acquisition Expenses and Premium Deficiency

	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	<ol> <li>Ultimate Loss Ratio - Total All Coverage</li> </ol>	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.12%	72.39%	73.31%	74.30%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9205	0.9298	0.9435	0.9793	1.0034					
9	2020				0.9306	0.9447	0.9809	1.0054	1.0115				
10	2021					0.9544	0.9894	1.0125	1.0169	1.0132			
11	2022						0.9955	1.0182	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
15	2019			75.27%	75.63%	70.38%	71.74%	72.37%				73.12%	77.63%
16	2020				75.69%	70.47%	71.85%	72.51%	73.22%			72.53%	77.08%
17	2021					71.19%	72.47%	73.02%	73.62%	74.27%		73.04%	77.67%
18	2022						72.92%	73.43%	74.00%	74.62%	75.29%	74.02%	78.78%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.07%	8.09%	8.04%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.69%	2.70%	2.68%		
25	Selected									2 (00/	2.69%		
						3.16%	2.99%	2.86%	2.71%	2.69%			
26	<ol> <li>ILAE Ratio to Losses - Selected</li> </ol>							2.86% 18.40%			18.40%		
26	7. ILAE Ratio to Losses - Selected					3.16% 18.40%	2.99% 18.40%	2.86% 18.40%	2./1% 18.40%	18.40%			
26 27	ILAE Ratio to Losses - Selected     C. Equity in Unearned Premium												
27	C. Equity in Unearned Premium					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27 28	C. Equity in Unearned Premium  8. Net Unearned Premium	ce				18.40% 468,613	18.40% 506,193	18.40% 535,642	18.40% 557,393	18.40% 579,561	18.40%		
27 28 29	C. Equity in Unearned Premium     Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsuran					18.40% 468,613 5,598	18.40% 506,193 5,710	18.40% 535,642 5,824	18.40% 557,393 5,941	18.40% 579,561 6,059	18.40% 602,728 6,059		
27 28 29 30	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]					18.40% 468,613 5,598 383,468	18.40% 506,193 5,710 391,245	18.40% 535,642 5,824 411,324	18.40% 557,393 5,941 425,036	18.40% 579,561	18.40%		
27 28 29 30 31	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD					18.40% 468,613 5,598 383,468 10	18.40% 506,193 5,710 391,245	18.40% 535,642 5,824 411,324	18.40% 557,393 5,941 425,036	18.40% 579,561 6,059 445,466	18.40% 602,728 6,059 470,036		
27 28 29 30 31 32	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]					18.40% 468,613 5,598 383,468 10 13,837	18.40% 506,193 5,710 391,245 - 14,989	18.40% 535,642 5,824 411,324 - 15,168	18.40% 557,393 5,941 425,036	18.40% 579,561 6,059 445,466 - 15,446	18.40% 602,728 6,059 470,036		
27 28 29 30 31 32 33	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595	18.40% 506,193 5,710 391,245 - 14,989 71,989	18.40% 535,642 5,824 411,324 - 15,168 75,684	18.40% 557,393 5,941 425,036 - 14,954 78,207	579,561 6,059 445,466 - 15,446 81,966	602,728 6,059 470,036 - 16,035 86,487		
27 28 29 30 31 32 33 34	C. Equity in Unearned Premium  Net Unearned Premium  Additional Expected Cost of Non-Proportional Reinsuran  Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  Reinsurance PFAD  Maintenance Expense [a]  Internal Loss Adjustment Expense [Sheet 1, Row 11]  Expected Claims (Including Ext Adj Expenses) - PIPP Er	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	506,193 5,710 391,245 - 14,989 71,989 3,950	18.40% 535,642 5,824 411,324 - 15,168 75,684 3,950	557,393 5,941 425,036 - 14,954 78,207 3,950	579,561 6,059 445,466 15,446 81,966 3,950	602,728 6,059 470,036 - 16,035 86,487 3,950		
27 28 29 30 31 32 33 34 35	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	506,193 5,710 391,245 - 14,989 71,989 3,950 18,310	18.40% 535,642 5,824 411,324 - 15,168 75,684 3,950 23,693	18.40% 557,393 5,941 425,036 - 14,954 78,207 3,950 29,306	579,561 6,059 445,466 - 15,446 81,966 3,950 26,674	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161		
27 28 29 30 31 32 33 34 35 36	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 535,642 5,824 411,324 - 15,168 75,684 3,950 23,693 31,268	18.40% 557,393 5,941 425,036 	18.40% 579,561 6,059 445,466 15,446 81,966 3,950 26,674 33,894	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161 35,285		
27 28 29 30 31 32 33 34 35 36 37	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	18.40% 535,642 5.824 411,324 - 15,168 3,950 23,693 31,268 7,575	18.40% 557,393 5,941 425,036 14,954 78,207 3,950 29,306 32,566 3,259	18.40% 579,561 6,059 445,466 - 15,446 81,966 3,950 26,674 33,894 7,220	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161 35,285 15,124		
27 28 29 30 31 32 33 34 35 36 37 38	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489	18.40% 535,642 5,824 411,324 - 15,168 75,684 3,950 23,693 31,268	18.40% 557,393 5,941 425,036 	18.40% 579,561 6,059 445,466 15,446 81,966 3,950 26,674 33,894	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161 35,285		
27 28 29 30 31 32 33 34 35 36 37 38 39	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change  18. Premium Deficiency [c]	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179 (20,876)	18.40% 535,642 5.824 411,324 - 15,168 3,950 23,693 31,268 7,575	18.40% 557,393 5,941 425,036 14,954 78,207 3,950 29,306 32,566 3,259	18.40% 579,561 6,059 445,466 - 15,446 81,966 3,950 26,674 33,894 7,220	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161 35,285 15,124		
27 28 29 30 31 32 33 34 35 36 37 38	C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	x (3)]				18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	18.40% 506,193 5,710 391,245 - 14,989 71,989 3,950 18,310 29,489 11,179	18.40% 535,642 5.824 411,324 - 15,168 3,950 23,693 31,268 7,575	18.40% 557,393 5,941 425,036 14,954 78,207 3,950 29,306 32,566 3,259	18.40% 579,561 6,059 445,466 - 15,446 81,966 3,950 26,674 33,894 7,220	18.40% 602,728 6,059 470,036 - 16,035 86,487 3,950 20,161 35,285 15,124		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 46g Modified Base Scenario #15 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	94	0	0	(0)
Marketable Bonds	44,259	55,178	62,150	68,016	73,711
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,634	84,214	87,868	91,404
Dividend and other Income					
Canadian Equities	9,657	5,690	4,651	5,399	5,976
Global	4,218	5,985	4,995	5,658	6,336
Global LV	-	2,902	3,288	3,777	4,122
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	21,460	26,815	28,715	30,237
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(30,540)	(749)	(766)	(774
Marketable Bonds Realized Gains/(Loss)	13,969	30,540	749	766	` 774
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,615	0	0	785
Global Equities Realized Gains	66,318	3,555	267	0	1,047
Global LV Realized Gains	-	457	-	-	828
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	16,672	10,742	11,085	14,391
Other					
Investment Fees Paid	(5,203)	(4,725)	(4,620)	(4,911)	(5,154)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	4,447	4,600	4,703	4,719
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(14,150)	(14,333)	(14,965)	(15,642)
Total Corporate Investment Income	199,910	103,616	107,439	112,703	120,390
Total Basic Investment Income	171,428	85,207	88,765	92,202	95,197
% - Basic to Total Investment Income	85.75%	82%	83%	82%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,742	4,921	5,712	6,669
US Equities Unrealized Gains/(Losses)	7,537	9,331	7,454	8,444	9,456
Global LV Unrealized Gains/(Losses)	-	4,223	4,489	5,157	5,628
Total Corporate Unrealized Gains/(Losses)	19,651	16,072	12,376	14,157	16,125
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	_
Canadian Fixed Income	1,760.8	1,739.0	1,907.3	2,068.1	2,220.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	130.6	152.4	175.5	200.4
Global Equities	166.6	177.4	194.3	221.4	250.8
Global LV Equities	96.5	116.5	134.4	153.3	172.0
Private Debt	-	188.7	188.7	188.7	188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,095.7	3,285.2	3,482.2	3,677.2
Total Basic Assets	2,539.9	2,664.8	2,780.9	2,901.9	3,023.9
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.2%	58.1%	59.4%	60.4%
MUSH	19.4%	16.9%	14.5%	12.4%	10.5%
Canadian Equities	4.2%	4.2%	4.6%	5.0%	5.4%
US Equities	5.7%	5.7%	5.9%	6.4%	6.8%
Global LV	3.3%	3.8%	4.1%	4.4%	4.7%
Private Debt	0.0%	6.1%	5.7%	5.4%	5.1%
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.4% 2.7%	4.3% 2.6%	4.4% 2.6%

### Appendix 47a Adverse Scenario #15 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Written et Premiums Earned Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues et Claims Incurred (a) Claims Incurred Claims Incurred Claims Expense	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832 1,063,240  797,438 (8,203)	1,080,765 70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560 1,211,412 (159,043)	2021P  1,125,627 72,885 (11,648) 1,186,863  1,104,874 71,887 (11,648) 1,165,113 27,531 1,192,644  1,124,935 12,390	1,171,549 74,723 (11,881) 1,234,391  1,150,306 73,798 (11,881) 1,212,223 29,438 1,241,660	1,219,625 76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,521 1,292,426
Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Written  et Premiums Earned Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues  et Claims Incurred (a) Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	72,885 (11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,531 1,192,644	74,723 (11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,438 1,241,660	76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,521 1,292,426
Reinsurance Ceded  otal Net Premiums Written  et Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  otal Net Premiums Earned  Service Fees & Other Revenues  otal Earned Revenues  et Claims Incurred  (a) Claims Incurred	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	70,903 (11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	72,885 (11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,531 1,192,644	74,723 (11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,438 1,241,660	76,565 (12,119 1,284,071 1,197,386 75,638 (12,119 1,260,905 31,521 1,292,426
et Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues et Claims Incurred (a) Claims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	(11,420) 1,140,248 1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	(11,648) 1,186,863 1,104,874 71,887 (11,648) 1,165,113 27,531 1,192,644	(11,881) 1,234,391 1,150,306 73,798 (11,881) 1,212,223 29,438 1,241,660	1,197,386 75,638 (12,119 1,260,908 31,521 1,292,426
et Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues et Claims Incurred (a) Claims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240	1,052,323 69,896 (11,420) 1,110,799 25,761 1,136,560	1,104,874 71,887 (11,648) 1,165,113 27,531 1,192,644	1,150,306 73,798 (11,881) 1,212,223 29,438 1,241,660	1,197,386 75,638 (12,119 1,260,905 31,521 1,292,426
Motor Vehicles Drivers Reinsurance Ceded otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues et Claims Incurred (a) Claims Incurred otal Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,110,799 25,761 1,136,560 1,211,412	71,887 (11,648) 1,165,113 27,531 1,192,644 1,124,935	73,798 (11,881) 1,212,223 29,438 1,241,660	75,638 (12,119 <b>1,260,90</b> 5 31,521 <b>1,292,42</b> 6
Drivers Reinsurance Ceded  ptal Net Premiums Earned Service Fees & Other Revenues ptal Earned Revenues  et Claims Incurred (a) Claims Incurred  ptal Claims Incurred	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	59,546 (11,196) 1,039,407 23,832 1,063,240	69,896 (11,420) 1,110,799 25,761 1,136,560 1,211,412	71,887 (11,648) 1,165,113 27,531 1,192,644 1,124,935	73,798 (11,881) 1,212,223 29,438 1,241,660	75,638 (12,119 <b>1,260,905</b> 31,521 <b>1,292,426</b>
Reinsurance Ceded  otal Net Premiums Earned  Service Fees & Other Revenues  otal Earned Revenues  et Claims Incurred  (a) Claims Incurred - Interest Rate Impact  otal Claims Incurred	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040 (15,801)	(11,196) 1,039,407 23,832 1,063,240 797,438	(11,420) 1,110,799 25,761 1,136,560	(11,648) 1,165,113 27,531 1,192,644 1,124,935	(11,881) 1,212,223 29,438 1,241,660	1,260,905 31,52° 1,292,426
otal Net Premiums Earned Service Fees & Other Revenues otal Earned Revenues et Claims Incurred (a) Claims Incurred otal Claims Incurred	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040 (15,801)	1,039,407 23,832 1,063,240 797,438	1,110,799 25,761 1,136,560 1,211,412	1,165,113 27,531 1,192,644 1,124,935	1,212,223 29,438 1,241,660 995,333	1,260,909 31,52 1,292,420
Service Fees & Other Revenues  otal Earned Revenues  et Claims Incurred  (a) Claims Incurred - Interest Rate Impact  otal Claims Incurred	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040 (15,801)	23,832 1,063,240 797,438	25,761 1,136,560 1,211,412	27,531 1,192,644 1,124,935	29,438 1,241,660 995,333	31,52° <b>1,292,42</b>
et Claims Incurred (a) Claims Incurred - Interest Rate Impact otal Claims Incurred	742,604 (76,200)	927,893 869,023 (8,988)	982,992 783,040 (15,801)	1,063,240 797,438	1,136,560 1,211,412	<b>1,192,644 1,124,935</b>	1,241,660 995,333	1,292,42
et Claims Incurred (a) Claims Incurred - Interest Rate Impact otal Claims Incurred	742,604 (76,200)	869,023 (8,988)	783,040 (15,801)	797,438	1,211,412	1,124,935	995,333	
(a) Claims Incurred - Interest Rate Impact obtal Claims Incurred	(76,200)	(8,988)	(15,801)					1,055,90
otal Claims Incurred	, , ,	,		(8,203)	(1E0 042)	12 300		
	666,404	860,035	7/7 000		(139,043)	12,370	4,224	6,03
Claims Evnansa			767,239	789,235	1,052,369	1,137,325	999,558	1,061,94
Cidillis Experise	118,614	120,972	143,337	137,168	135,301	139,749	145,584	147,88
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,871	13,131	13,39
otal Claims Costs	798,045	993,537	923,722	940,009	1,200,350	1,289,945	1,158,273	1,223,22
xpenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,576	80,625	83,47
Commissions			37,378	40,338	42,630	44,692	46,461	48,28
								38,19
- · · · · · · ·								5,23
otal Expenses	135,383	140,323	141,165	151,585	154,681	161,570	168,923	175,18
nderwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(218,471)	(258,870)	(85,536)	(105,98
vestment Income	48,476	101,645	111,731	192,209	68,308	64,930	61,893	59,98
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,805	104,040	(68)	(2
et Investment Income	(4,038)	82,897	116,320	171,428	196,113	168,970	61,824	59,96
et Income (Loss)	(56,049)	(123,071)	34,424	143,074	(22,358)	(89,901)	(23,711)	(46,02
֡֡֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜	Operating Commissions Premium Taxes Regulatory/Appeal otal Expenses Inderwriting Income (Loss)  vestment Income (b) Investment Income et Investment Income et Income (Loss)	Operating         71,641           Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           otal Expenses         135,383           Inderwriting Income (Loss)         (52,011)           vestment Income         48,476           (b) Investment Income         (52,515)           et Investment Income         (4,038)           et Income (Loss)         (56,049)	Operating         71,641         72,785           Commissions         33,862         35,086           Premium Taxes         26,205         27,563           Regulatory/Appeal         3,675         4,889           otal Expenses         135,383         140,323           Inderwriting Income (Loss)         (52,011)         (205,968)           vestment Income         48,476         101,645           (b) Investment Income         (52,515)         (18,748)           et Investment Income         (4,038)         82,897           et Income (Loss)         (56,049)         (123,071)	Operating         71,641         72,785         70,201           Commissions         33,862         35,086         37,378           Premium Taxes         26,205         27,563         29,143           Regulatory/Appeal         3,675         4,889         4,443           otal Expenses         135,383         140,323         141,165           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)           vestment Income         48,476         101,645         111,731           (b) Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589           et Investment Income (Loss)         (56,049)         (123,071)         34,424	Operating         71,641         72,785         70,201         75,060           Commissions         33,862         35,086         37,378         40,338           Premium Taxes         26,205         27,563         29,143         31,518           Regulatory/Appeal         3,675         4,889         4,443         4,669           otal Expenses         135,383         140,323         141,165         151,585           inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)           vestment Income         48,476         101,645         111,731         192,209           (b) Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)           et Investment Income         (4,038)         82,897         116,320         171,428	Operating         71,641         72,785         70,201         75,060         73,545           Commissions         33,862         35,086         37,378         40,338         42,630           Premium Taxes         26,205         27,563         29,143         31,518         33,667           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839           otal Expenses         135,383         140,323         141,165         151,585         154,681           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (218,471)           vestment Income         48,476         101,645         111,731         192,209         68,308           (b) Investment Income         (52,515)         (18,748)         4,589         (20,781)         127,805           et Investment Income         (4,038)         82,897         116,320         171,428         196,113           et Income (Loss)         (56,049)         (123,071)         34,424         143,074         (22,358)	Operating         71,641         72,785         70,201         75,060         73,545         76,576           Commissions         33,862         35,086         37,378         40,338         42,630         44,692           Premium Taxes         26,205         27,563         29,143         31,518         33,667         35,303           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,999           otal Expenses         135,383         140,323         141,165         151,585         154,681         161,570           restment Income         48,476         101,645         111,731         192,209         68,308         64,930           (b) Investment Income         48,476         101,645         111,731         192,209         68,308         64,930           (b) Investment Income         (4,038)         82,897         116,320         171,428         196,113         168,970           et Income (Loss)         (56,049)         (123,071)         34,424         143,074         (22,358)         (89,901)	Operating         71,641         72,785         70,201         75,060         73,545         76,576         80,625           Commissions         33,862         35,086         37,378         40,338         42,630         44,692         46,461           Premium Taxes         26,205         27,563         29,143         31,518         33,667         35,303         36,723           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,999         5,114           otal Expenses         135,383         140,323         141,165         151,585         154,681         161,570         168,923           Inderwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (218,471)         (258,870)         (85,536)           vestment Income         48,476         101,645         111,731         192,209         68,308         64,930         61,893           (b) Investment Income         (52,515)         (18,748)         4,589         (20,781)         127,805         104,040         (68)           et Income (Loss)         (56,049)         (123,071)         34,424         143,074         (22,358)         (89,901)         (23,711)

### Appendix 47b Adverse Scenario #15 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	323,651	301,807	207,735	185,052
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(22,358)	(89,901)	(23,711)	(46,024)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,603	514	(4,171)	1,028	12,363
6	Total Retained Earnings	194,498	99,251	170,975	323,651	301,807	207,735	185,052	151,392
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,371)	(51,869)	(43,249)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(260)	502	8,620	9,394
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855)
11	Total Equity Balance	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
	T.15. 9								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,651	301,807	207,735	185,052	151,392
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
17	Retained Earnings in excess of Rate Stabilization Reserve		_			_	_		
18	Total Equity Balance	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
10	Total Equity Dalatice	231,002	101,000	210,043	2/1/540	247,430	133,000	141,003	111,331

### Appendix 47c Adverse Scenario #15 Balance Sheet

(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
1 BASIC								
2 Assets								
Cash and investments	29,114	61,606	72,998	28,746	56,303	21,430	18,422	20,248
4 Equity investments	2,083,349	2,189,534	2,272,545	2,497,228	2,696,884	2,889,917	2,971,030	3,050,108
5 Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance companies	25	16	2	-	-	-	-	
7 Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8 Prepaid expenses	-	-	-	-	-	-	-	
9 Deferred policy acquisition costs	4,782	-	-	18,310	13,718	2,806	4,639	
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12 Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,124	61,083	63,096
14	2,683,473	2,805,484	2,916,137	3,046,264	3,292,872	3,464,886	3,561,476	3,658,973
15 Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	144
Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18 Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19 Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20 Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21 Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22 Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,859	2,266,427	2,332,716	2,409,318
23	2,452,472	2,624,484	2,705,292	2,774,723	3,043,435	3,309,020	3,419,673	3,541,437
24 Equity								
25 Retained earnings	194,499	99,251	170,975	323,651	301,807	207.735	185,052	151,392
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855
Total Equity	231,003	181,000	210,845	271,540	249,436	155,866	141,803	117,537
28 Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,264	3,292,872	3,464,886	3,561,476	3,658,973

#### Appendix 47d Adverse Scenario #15 Minimum Capital Test

Line No.	(All figures in \$000s)	•	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(-)	(**)	(* ')	(**/
2	Capital available (from page 30.62 - capital available)	01	227,886	202,319	96,743	80,719	54,441
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	227,886	202,319	96,743	80,719	54,441
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	113,478
12	Unpaid claims	22	192,187	214,814	238,393	245,233	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,979	342,626	353,611	366,711
16	Market Risk:						
17	Interest rate risk	30	5,297	5,626	4,391	19,291	18,846
18	Foreign exchange risk	32	15,779	18,018	18,716	16,506	16,912
19	Equity risk	34	70,009	81,899	84,874	70,726	75,513
20	Real estate risk	36	26,138	27,063	27,773	28,718	30,233
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,223	132,606	135,754	135,241	141,504
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	61,780	63,801	66,089	67,153
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	61,780	63,801	66,089	67,153
28	Operational risk margin	50	64,619	71,803	75,757	78,030	81,008
29	Less: Diversification credit	52	53,932	64,140	67,221	68,354	70,857
30	Total Capital (Margin) Required at Target	59	454,151	517,028	550,717	564,617	585,519
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,767	344,685	367,145	376,411	390,346
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,767	344,685	367,145	376,411	390,346
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,881)	(142,366)	(270,402)	(295,692)	(335,905
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.27%	58.70%	26.35%	21.44%	13.95%

# Appendix 47e Adverse Scenario #15 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549.150	538,020	576,824
2	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48.647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - Bl	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,967	334,651	222,449	223,700
_		,	,	2.1,121	55.,55.	,	
7	Total	726,240	767,976	966,521	1,042,318	936,118	984,828
		40.050	E0 40E	E0 074	E 4 001	F7 F07	(0.010
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,106	27,876	6,407	6,772
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	12,210	(504)	10,131
13	Total Net Claims Incurred	767.240	789.235	1.052.369	1.137.325	999.558	1.061.940

#### Appendix 47f

#### Adverse Scenario #15

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					A a a i	dout Voor						
2		2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.53%	76.33%	73.31%	74.30%	Ulluisc	DISC
5	Trend/Rate Adjustment for Fiscal Year	00.0770	72.770	01.7770	01.0170	7 110770	70.2070	70.0070	70.0070	70.0170	7 110070		
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9243	0.9328	0.9458	0.9808	1.0041					
9	2020				0.9447	0.9560	0.9895	1.0110	1.0139				
10	2021					0.9653	0.9983	1.0191	1.0212	1.0150			
11	2022						1.0041	1.0252	1.0273	1.0212	1.0148		
12	Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17%
15	2019			75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79.23%
16	2020				76.84%	71.31%	72.48%	74.34%	77.39%			74.55%	81.13%
17	2021					72.00%	73.13%	74.94%	77.95%	74.40%		74.16%	80.91%
18	2022						73.55%	75.38%	78.42%	74.86%	75.40%	75.21%	82.19%
19	B. Actual Data Other Than Losses												
20 21		2012	2014	2015	2017		cal Year	2010	2020	2021	2022		
22	Net Earned Premium	2013 764,671	2014 803,881	2015 861,065	<b>2016</b> 907,145	2017 960,142	2018 1,039,407	2019 1,110,799	2020 1,165,113	2021 1,212,223	2022 1,260,905		
23	Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8,98%	8.20%	8.11%	8.16%	8.10%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.70%	2.72%	2.70%		
25	Selected	3.0770	3.7170	3.4270	3.3170	3.16%	2.99%	2.86%	2.70%	2.72%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
	7. IEIE Nationo Essado					10.1070	10.1070	10.1070	10.1070	10.1070	10.1070		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
29	9. Additional Expected Cost of Non-Proportional Reinsuran	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	419,749	447,391	463,994	490,420		
31	11. Reinsurance PFAD					10		-					
32	12. Maintenance Expense [a]					13,837	14,989	15,168	14,985	15,544	16,163		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,234	82,320	85,375	90,237		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,718	2,806	4,639	(4,101)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,268	32,566	33,894	35,285		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	17,550	29,759	29,255	35,285		
38	Change					2,363	(20,876)	6,371	12,210	(504)	6,030		
	18. Premium Deficiency [c]					8,845					4,101		
39													

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 47g Adverse Scenario #15 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	119	(0)	(0)	(1)
Marketable Bonds	44,259	50,833	51,521	51,687	53,391
MUSH	<u>26,759</u>	24,361	22,065	19,852	17,693
Total	71,273	75,313	73,586	71,539	71,083
Dividend and other Income					
Canadian Equities	9,657	6,376	5,114	5,194	5,360
Global	4,218	6,711	5,554	5,609	5,809
Global LV	-	3,344	3,418	3,449	3,517
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312 1,318
Total	20,287	23,050	27,313	27,536	27,943
	20,207	23,030	27,313	21,330	27,743
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,087	87,741	(13,229)	2,422
Marketable Bonds Realized Gains/(Loss)	13,969	47,840	21,328	13,229	(2,422)
MUSH Canadian Equities Realized Gains	- 40 222	- (1 / 7\	- /1 201\	-	-
Global Equities Realized Gains	69,223 66,318	(147) 179	(1,391) (85)	540 586	0 510
Global LV Realized Gains	-	49	12	515	510
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,053	118,080	12,727	12,241
Other					
Investment Fees Paid	(F 202)	(4.002)	(4.007)	(4 OF 4)	/E 0/ 0
Pension Expense	(5,203) (13,441)	(4,892) (13,872)	(4,807) (14,313)	(4,954) (14,757)	(5,062) (15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,354)	(12,767)	(15,053)	(14,795)
Investment Write-Down	-	-	-	-	(11,770,
Total	(25,030)	(21,118)	(31,887)	(34,764)	(35,064)
Total Corporate Investment Income	199,910	223,297	198,133	77,037	76,203
Total Basic Investment Income	171,428	196,113	168,970	61,824	59,961
% - Basic to Total Investment Income	85.75%	88%	85%	80%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,495	5,981
US Equities Unrealized Gains/(Losses)	7,537	88	(98)	8,371	8,670
Global LV Unrealized Gains/(Losses)	-	147	67	4,709	4,802
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,084)	13,866	14,651
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,784.5	2,004.5	2,244.9	2,370.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.2	152.4	172.2	152.0	173.2
Global LV Equities	166.6	206.0	220.1	202.3	220.4
Private Debt	96.5 -	127.6 188.7	144.1 199.7	125.6 199.7	142.2 199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,202.7	3,448.8	3,599.6	3,750.9
Total Basic Assets	2,539.9	2,766.7	2,924.9	3,003.2	3,085.6
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.7%	58.1%	62.4%	63.2%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	5.0%	4.2%	4.6%
US Equities	5.7%	6.4%	6.4%	5.6%	5.9%
Global LV	3.3%	4.0%	4.2%	3.5%	3.8%
		5.9%	5.8%	5.5%	5.3%
Private Debt	0.0%				
Private Debt Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.3% 2.6%	4.2% 2.5%	4.2% 2.6%	4.3% 2.6%

#### Appendix 47h Adverse Scenario #15 with Management Action

**Statement of Operations** 

#### For the Years Ended February, Line (C\$ 000s, except where noted) 2017A 2021P 2022P 2023P 2016A 2018A 2019P 2020P No **BASIC** 886,998 1,019,281 1,080,765 1,125,627 1,171,549 1,219,625 Motor Vehicles 854,170 955,941 Drivers 46,619 48,426 49.946 68,902 70,903 72.885 74,723 76,565 Reinsurance Ceded (12,423)(11,635)(11,294)(11, 196)(11,420)(11,648)(11,881)(12,119)888,366 923,789 994,593 1,076,987 1,140,248 1,186,863 1,234,391 1,284,071 **Total Net Premiums Written** Net Premiums Earned 871.173 991.058 1,197,386 Motor Vehicles 827,703 922,617 1,052,323 1,104,874 1,150,306 Drivers 45,787 47,606 48.819 59.546 69,896 71,887 73,798 75,638 Reinsurance Ceded (12,423)(11,635)(11,294)(11, 196)(11,420)(11,648)(11,881)(12,119)907,144 960,142 1,039,407 1,110,799 1,165,113 1,260,905 **Total Net Premiums Earned** 861,066 1,212,223 10 Service Fees & Other Revenues 20,351 20,749 22,849 23,832 25,761 27,531 29,438 31,521 11 **Total Earned Revenues** 881,417 927,893 982,992 1,063,240 1,136,560 1,192,644 1,241,660 1,292,426 12 869,023 797,438 995,333 1,055,905 13 Net Claims Incurred 742,604 783.040 1,211,412 1.124.935 (a) Claims Incurred - Interest Rate Impact (76,200)(8,988)(15,801)(8,203)(159,043)12,390 4,224 6,035 14 860,035 789,235 1,137,325 999,558 1,061,940 **Total Claims Incurred** 666,404 767,239 1,052,369 15 118,614 120,972 143,337 137,168 139,749 145,584 147,889 Claims Expense 135.301 16 13,027 12,530 13,146 13,606 12,680 12,871 13,131 13,396 17 Road Safety/Loss Prevention 798,045 993,537 923,722 940,009 1,200,350 1,289,945 1,158,273 1,223,225 **Total Claims Costs** 18 Expenses 19 Operating 71,641 72,785 70,201 75,060 73,545 76,576 80,625 83,473 20 48,288 Commissions 33.862 35.086 37.378 40.338 42.630 44.692 46.461 21 22 Premium Taxes 26,205 27,563 29,143 31,518 33,667 35,303 36,723 38,191 23 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,999 5,114 5,233 **Total Expenses** 135,383 140,323 141,165 151,585 154,681 161,570 168,923 175,185 24 (105,984) Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355)(218,471) (258,870) (85,536) 25 59,985 26 Investment Income 48,476 101,645 111,731 192,209 68,308 64,930 61,893 (52,515)127,805 (b) Investment Income - Interest Rate Impact (18,748)4.589 (20,781)104,040 (68)(24) 27 Net Investment Income (4,038)82,897 116,320 171,428 196,113 168,970 61,824 59,961 28 Net Income (Loss) (56,049) (123,071)34,424 143,074 (22,358)(89,901) (23,711)(46,024) 29

23.685

(9,760)

20.390

(12,578)

286,847

91,649

(4,293)

(6,059)

Total net Impact due to interest rate change (b) - (a)

30

### Appendix 47i Adverse Scenario #15 with Management Action Statement of Changes in Equity

Line	e (C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99,251	170.975	323.651	301.807	207.735	185.052
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34.424	143.074	(22,358)	(89,901)	(23,711)	(46,024)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	9,603	514	(4,171)	1,028	12,363
6	Total Retained Earnings	194,498	99,251	170,975	323,651	301,807	207,735	185,052	151,392
7	Total Acquimulated Other Comprehensive Income								
7	Total Accumulated Other Comprehensive Income	25.272	27.504	01 740	20.070	(FO 111)	(F0.071)	(F1 0/0)	(42.240)
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,371)	(51,869)	(43,249)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(260)	502	8,620	9,394
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855)
11	Total Equity Balance	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	323,651	301,807	207,735	185,052	151,392
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
17	Retained Earnings in excess of Rate Stabilization Reserve			_	_	_	_	_	
18	Total Equity Balance	231,002	181,000	210,845	271,540	249,436	155,866	141,803	117,537
10	=	201,002	.5.,000	2.0,010	27.1,010	217,100	.00,000	,000	,001

### Appendix 47j Adverse Scenario #15 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	56,303	21,430	18,422	20,248
4	Equity investments	2,083,349	2,189,534	2,272,545	2,497,228	2,696,884	2,889,917	2,971,030	3,050,108
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	374,252	389,061	404,206	420,047
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	13,718	2,806	4,639	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,124	61,083	63,096
14	·	2,683,473	2,805,484	2,916,137	3,046,264	3,292,872	3,464,886	3,561,476	3,658,973
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	580,129	605,535	631,663	659,116
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,859	2,266,427	2,332,716	2,409,318
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,043,435	3,309,020	3,419,673	3,541,437
24	Equity								
25	Retained earnings	194,499	99,251	170,975	323,651	301,807	207,735	185,052	151,392
26	Accumulated Other Comprehensive Income	36,504	81.749	39,870	(52,111)	(52,371)	(51,869)	(43,249)	(33,855)
27	Total Equity	231,003	181,000	210,845	271,540	249,436	155,866	141,803	117,537
	, ,				,				,
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,046,264	3,292,872	3,464,886	3,561,476	3,658,973

### Appendix 47k Adverse Scenario #15 with Management Action Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0. 7.14. 7.11	,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:		207.007	000.040	04.740	00.740	F
2	Capital available (from page 30.62 - capital available)	01	227,886	202,319	96,743	80,719	54,441
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	227,886	202,319	96,743	80,719	54,441
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	100,165	104,233	108,378	113,478
12	Unpaid claims	22	192,187	214,814	238,393	245,233	253,233
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	314,979	342,626	353,611	366,711
16	Market Risk:						
17	Interest rate risk	30	5,297	5,626	4,391	19,291	18,846
18	Foreign exchange risk	32	15,779	18,018	18,716	16,506	16,912
19	Equity risk	34	70,009	81,899	84,874	70,726	75,513
20	Real estate risk	36	26,138	27,063	27,773	28,718	30,233
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,223	132,606	135,754	135,241	141,504
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,395	61,780	63,801	66,089	67,153
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,395	61,780	63,801	66,089	67,153
28	Operational risk margin	50	64,619	71,803	75,757	78,030	81,008
29	Less: Diversification credit	52	53,932	64,140	67,221	68,354	70,857
30	Total Capital (Margin) Required at Target	59	454,151	517,028	550,717	564,617	585,519
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,767	344,685	367,145	376,411	390,346
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	C
33	Total Minimum Capital (Margin) Required	69	302,767	344,685	367,145	376,411	390,346
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(74,881)	(142,366)	(270,402)	(295,692)	(335,905
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	75.27%	58.70%	26.35%	21.44%	13.95%

# Appendix 47I Adverse Scenario #15 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,020	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,967	334,651	222,449	223,700
7	Total	726,240	767,976	966,521	1,042,318	936,118	984,828
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,106	27,876	6,407	6,772
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,371	12,210	(504)	10,131
13	Total Net Claims Incurred	767.240	789.235	1.052.369	1.137.325	999,558	1.061.940

Line

#### Appendix 47m

#### Adverse Scenario #15 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

					Acci	dent Year					Selected	Select
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	D
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.53%	76.33%	73.31%	74.30%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9243	0.9328	0.9458	0.9808	1.0041					
2020				0.9447	0.9560	0.9895	1.0110	1.0139				
2021					0.9653	0.9983	1.0191	1.0212	1.0150			
2022						1.0041	1.0252	1.0273	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			75.58%	75.88%	70.55%	71.85%	73.83%				73.75%	79.
2020				76.84%	71.31%	72.48%	74.34%	77.39%			74.55%	81.
2021					72.00%	73.13%	74.94%	77.95%	74.40%		74.16%	80.
2022						73.55%	75.38%	78.42%	74.86%	75.40%	75.21%	82.
3. Actual Data Other Than Losses												
						cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,110,799	1,165,113	1,212,223	1,260,905		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.20%	8.11%	8.16%	8.10%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.73%	2.70%	2.72%	2.70%		
Selected					3.16%	2.99%	2.86%	2.72%	2.71%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	535,642	557,393	579,561	602,728		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurar</li></ol>	nce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol><li>Expected Claims (Including Ext Adj Expenses) [((8) - (9)</li></ol>	)) x (3)]				383,468	391,245	419,749	447,391	463,994	490,420		
11. Reinsurance PFAD					10		-					
12. Maintenance Expense [a]					13,837	14,989	15,168	14,985	15,544	16,163		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> </ol>					70,595	71,989	77,234	82,320	85,375	90,237		
<ol> <li>Expected Claims (Including Ext Adj Expenses) - PIPP E</li> </ol>	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,718	2,806	4,639	(4,101)		
<ol><li>Carried Deferred Policy Acquisition Expenses</li></ol>					32,055	29,489	31,268	32,566	33,894	35,285		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	17,550	29,759	29,255	35,285		
= =					0.070	(20.07/)	6,371	12,210	(FO4)	/ 020		
Change					2,363	(20,876)	0,371	12,210	(504)	6,030		
					2,363 8,845	(20,876)	0,371	12,210	(504)	4,101		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 47n Adverse Scenario #15 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	119	(0)	(0)	(1)
Marketable Bonds	44,259	50,833	51,521	51,687	53,391
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,313	73,586	71,539	71,083
Dividend and other Income					
Canadian Equities	9,657	6,376	5,114	5,194	5,360
Global	4,218	6,711	5,554	5,609	5,809
Global LV	-	3,344	3,418	3,449	3,517
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,135	1,182	1,249	1,318
Total	20,287	23,050	27,313	27,536	27,943
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,087	87,741	(13,229)	2,422
Marketable Bonds Realized Gains/(Loss)	13,969	47,840	21,328	13,229	(2,422
MUSH	-	-	-	-	
Canadian Equities Realized Gains	69,223	(147)	(1,391)	540	C
Global Equities Realized Gains	66,318	179	(85)	586	510
Global LV Realized Gains	-	49	12	515	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,053	118,080	12,727	12,241
Other					
Investment Fees Paid	(5,203)	(4,892)	(4,807)	(4,954)	(5,062
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,354)	(12,767)	(15,053)	(14,795
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,118)	(31,887)	(34,764)	(35,064
Total Corporate Investment Income	199,910	223,297	198,133	77,037	76,203
Total Basic Investment Income	171,428	196,113	168,970	61,824	59,961
% - Basic to Total Investment Income	85.75%	88%	85%	80%	799
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(987)	5,495	5,981
US Equities Unrealized Gains/(Losses)	7,537	88	(98)	8,371	8,670
Global LV Unrealized Gains/(Losses)	-	147	67	4,709	4,802
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,084)	13,866	14,651
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,784.5	2,004.5	2,244.9	2,370.0
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.2	152.4	172.2	152.0	173.2
Global Equities	166.6	206.0	220.1	202.3	220.4
Global LV Equities	96.5	127.6	144.1	125.6	142.2
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital  Total Ending Asset Values	78.3 <b>2,928.3</b>	82.7 3,202.7	87.4 3,448.8	92.3 <b>3,599.6</b>	97.4 3, <b>750</b> .9
<u> </u>			ა,448.8	J,377.0	
Total Basic Assets	2,539.9	2,766.7	2,924.9	3,003.2	3,085.6
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.7%	58.1%	62.4%	63.2%
MUSH	19.4%	16.3%	13.8%	12.0%	10.3%
Canadian Equities	4.2%	4.8%	5.0%	4.2%	4.6%
US Equities Global LV	5.7% 3.3%	6.4%	6.4% 4.2%	5.6%	5.9%
	3.3% 0.0%	4.0% 5.9%	4.2% 5.8%	3.5% 5.5%	3.8% 5.3%
	4.6%	4.3%	4.2%	5.5% 4.2%	4.3%
Real Estate Infrastructure & Venture Capital	2.7%	2.6%	2.5%	2.6%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.09

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### Appendix 48a Updated Base Scenario #16 Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,370	27,187	29,154	31,315
12	Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,122,250	1,165,826	1,213,822	1,263,546
13	Net Claims Incurred	742,604	869,023	783,040	823,258	902,134	937,111	995,327	1,051,242
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,716)	655	11,121	9,453
15	Total Claims Incurred	666,404	860,035	767,239	778,719	883,417	937,766	1,006,448	1,060,695
	Claima Funcasa	110 /14	120.072	142 227	127.1/0	125.250	120.074	144.051	14/ 520
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,253
18	Total Claims Costs	798,045	993,537	923,722	929,493	1,031,352	1,089,534	1,163,473	1,220,477
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,781
21	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
22	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,704
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,989)	(83,244)	(116,087)	(129,635)
26	Investment Income	48.476	101,645	111,731	192,131	87.044	92,631	96,915	100,373
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,528)	(7,424)	4,473	2,029
28	Net Investment Income	(4,038)	82,897	116,320	163,818	62,515	85,206	101,387	102,402
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,233)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,812)	(8,079)	(6,648)	(7,424)

### Appendix 48b Updated Base Scenario #16 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	316,493	318,456	303,756
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,233)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35.262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,784)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,202	11,214
10	Total Accumulated Other Comprehensive Income	36.504	81.749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
11	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99.251	170,975	316,967	316,493	318,456	303,756	276,523
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
	=	. ,				,-			

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### Appendix 48c Updated Base Scenario #16 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	47,134	36,299	19,279	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,544,598	2,646,458	2,767,091	2,874,836
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,761
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
14		2,683,473	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,677	389,271	405,961
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,964	1,934,073	2,010,737	2,084,197
23		2,452,472	2,624,484	2,705,292	2,765,090	2,852,555	2,962,957	3,084,134	3,202,656
24	Equity								
25	Retained earnings	194,499	99,251	170,975	316,967	316,493	318,456	303,756	276,523
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
27	Total Equity	231,003	181,000	210,845	264,856	272,319	283,470	278,972	262,953
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609

### Appendix 48d Updated Base Scenario #16 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.		,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	221,201	225,199	224,288	217,770	199,717
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	225,199	224,288	217,770	199,717
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,19
16	Market Risk:						
17	Interest rate risk	30	6,468	21,726	25,600	29,355	34,758
18	Foreign exchange risk	32	15,640	15,260	16,262	17,838	20,919
19	Equity risk	34	69,313	67,256	71,783	79,552	84,976
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	117,404	131,141	141,244	155,278	170,690
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	60,210	62,400	63,916	65,125
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	C
27	Subtotal: Credit risk margin	49	39,383	60,210	62,400	63,916	65,125
28	Operational risk margin	50	64,552	69,195	72,353	75,892	79,568
29	Less: Diversification credit	52	53,910	61,979	65,356	69,428	73,655
30	Total Capital (Margin) Required at Target	59	453,309	493,523	517,059	544,511	572,923
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	329,016	344,706	363,008	381,949
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	302,206	329,016	344,706	363,008	381,949
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(103,817)	(120,418)	(145,238)	(182,232
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	68.45%	65.07%	59.99%	52.29%

# Appendix 48e Updated Base Scenario #16 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502,881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damag∈	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,124	223,369	224,650
7	Total	726,240	759,725	821,952	882,030	937,339	985,583
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,630
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,272
13	Total Net Claims Incurred	767.240	778.719	883.418	937.767	1.006.447	1.060.694

#### Appendix 48f

#### Updated Base Scenario #16 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
<u> </u>						dent Year					Selected	Select
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Di
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9427	0.9522	0.9663	1.0030	1.0148					
2020				0.9522	0.9667	1.0037	1.0159	1.0115				
2021					0.9766	1.0124	1.0230	1.0169	1.0132			
2022						1.0186	1.0289	1.0222	1.0180	1.0134		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.0
2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.0
2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.3
2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.0
2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.1
B. Actual Data Other Than Losses												
_					Fis	cal Year						
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
Selected					3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
9. Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,571	422,404	442,958	467,420		
11. Reinsurance PFAD					10		-	-		-		
12. Maintenance Expense [a]					13,837	14,989	14,913	14,870	15,434	16,023		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,361	77,722	81,504	86,005		
13. Internal Loss Aujustinent Expense (Sheet 1, Now 11)	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
					(8,845)	19,193	14,042	20,031	16,675	9,761		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Enh							20 510	21 705	22.002	24.440		
<ol> <li>Expected Claims (Including Ext Adj Expenses) - PIPP Ent</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>					32,055	29,489	30,518	31,785	33,082	34,440		
Expected Claims (Including Ext Adj Expenses) - PIPP Ent     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses					32,055 32,055	29,489 10,295	30,518 16,476	11,754	16,407	24,679		
Expected Claims (Including Ext Adj Expenses) - PIPP Ent     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses												
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	16,476	11,754	16,407	24,679		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 48g Updated Base Scenario #16 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/2
e No.		<u>'</u>	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	125	0	0	
Marketable Bonds	259 44,245	135 55,517	0 63,687	0 69,947	76,032
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,013	85,752	89,798	93,725
Dividend and other Income					
Canadian Equities	9,657	5,675	4,509	5,224	5,711
Global	4,218	5,958	4,843	5,540	5,968
Global LV	-	2,881	3,193	3,661	4,018
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,449	26,578	28,448	29,637
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,139)	(7,824)	2,711	578
Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(40)	2,026	1,546
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,659	0	0	747
Global Equities Realized Gains	66,319	3,761	0	0	889
Global LV Realized Gains	-	459	-	-	908
Real Estate (Pooled Fund) Infrastructure	16,307	5,603	5,847	6,198	6,570
Total	5,765 <b>124,596</b>	4,449 (8,818)	4,636 <b>2,619</b>	4,895 15,831	5,169 16,407
	124,390	(8,818)	2,019	15,831	10,40
Other					
Investment Fees Paid	(5,204)	(4,706)	(4,555)	(4,835)	(5,034
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	5,796	7,626	7,682	7,391
Total	(25,105)	(12,782)	(11,242)	(11,910)	(12,850
Total Corporate Investment Income	191,042	78,800	102,766	122,681	127,153
Total Basic Investment Income	·	·	•	·	
% - Basic to Total Investment Income	163,818 85.75%	62,515 79%	85,206 83%	101,387 83%	102,402 819
Faulty Unrealized Coine/(Leases)					
Equity Unrealized Gains/(Losses)  Canadian Equities Unrealized Gains/(Losses)	10.114	/ 70/	4 771	E E20	( 272
US Equities Unrealized Gains/(Losses)	12,114 7,538	6,724 9,289	4,771 7,228	5,528 8,268	6,373 8,906
Global LV Unrealized Gains/(Losses)	7,330	4,193	4,359	4,999	5,487
Total Corporate Unrealized Gains/(Losses)	19,652	16,013	11,999	13,796	15,280
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	_
Canadian Fixed Income	1,751.6	1,704.4	1,846.5	1,990.6	2.149.3
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.3	127.9	145.4	168.7	184.2
Global Equities	166.7	167.1	188.1	215.5	234.8
Global LV Equities	96.6	114.2	128.6	147.7	158.1
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital  Total Ending Asset Values	78.3 <b>2,919.</b> 5	82.8 3,045.1	87.4 3,203.9	92.3 3,385.2	97.5 3,559.5
Total Basic Assets	2,522.7	2,605.3	2,696.3	2,800.1	2,890.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.8%	60.4%
MUSH Congolian Equities	19.5%	17.2%	14.9%	12.8%	10.9%
Canadian Equities US Equities	4.2% 5.7%	4.2% 5.5%	4.5% 5.9%	5.0% 6.4%	5.2% 6.6%
Global LV	3.3%	3.8%	4.0%	4.4%	4.4%
Private Debt	0.0%	6.2%	5.8%	5.5%	5.3%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	2.7.73	100.0%	100.0%	Ev	100.09

### Appendix 49a Modified Base Scenario #16 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	· ·			
PAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,370	27,187	29,154	31,315
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,122,250	1,165,826	1,213,822	1,263,546
Net Claims Incurred	742,604	869,023	783,040	823,258	902,134	937,111	995,327	1,051,243
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,716)	655	11,121	9,453
Total Claims Incurred	666,404	860,035	767,239	778,719	883,417	937,766	1,006,448	1,060,696
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,962	144,051	146,529
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,792	12,974	13,253
Total Claims Costs	798,045	993,537	923,722	929,493	1,031,352	1,089,520	1,163,473	1,220,478
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,188	79,859	82,781
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,529	166,437	172,704
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,989)	(83,222)	(116,087)	(129,636)
Investment Income	48,476	101,645	111,731	192,131	87,593	93,211	97,535	101,014
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,572)	(7,438)	4,481	2,032
Net Investment Income	(4,038)	82,897	116,320	163,818	63,021	85,773	102,016	103,047
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	32	2,551	(14,071)	(26,589)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,856)	(8,093)	(6,639)	(7,421)

### Appendix 49b Modified Base Scenario #16 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	B. C. Lee								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,941	348,448	363,389	369,298
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	32	2,551	(14,071)	(26,589)
4	Premium Rebate	=	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,975	16,474	12,390	19,981	32,006
6	Total Retained Earnings	194,498	99,251	170,975	331,941	348,448	363,389	369,298	374,715
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(43,985)	(34,583)	(24,152)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,126	9,402	10,431	11,463
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,985)	(34,583)	(24,152)	(12,689)
11	Total Equity Balance	231,002	181,000	210,845	279,830	304,463	328,806	345,146	362,026
12	Total Equity								
	Rate Stabilization Reserve								
13		404.400	00.054	470.075	004.044	0.40.440	0.40.000	0.40.000	074745
14	Retained Earnings	194,498	99,251	170,975	331,941	348,448	363,389	369,298	374,715
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,985)	(34,583)	(24,152)	(12,689)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,830	304,463	328,806	345,146	362,026
17	Retained Earnings in excess of Rate Stabilization Reserve	-	_	-	_	_	_	_	-
18	Total Equity Balance	231,002	181,000	210,845	279,830	304,463	328,806	345,146	362,026
10	Total Equity Building	201,002	101,000	210,040	2,7,030	001,100	320,000	010,140	552,020

### Appendix 49c Modified Base Scenario #16 Balance Sheet

(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ne No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Assets								
Cash and investments	29,114	61,606	72,998	28,914	63,659	65,251	68,210	69,091
Equity investments	2,083,349	2,189,534	2,272,545	2,494,834	2,560,214	2,662,839	2,784,330	2,904,813
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance companies	25	16	2	-	-	-	-	
Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
Prepaid expenses	-	-	-	-	-	-	-	
Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,032	16,676	9,761
Reinsurers' share of unearned premi	ums -	-	-	-	-	-	-	
Reinsurers' share of unearned claim	s 998	611	1,269	-	-	-	-	
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,183	61,203	63,237
	2,683,473	2,805,484	2,916,137	3,044,920	3,157,016	3,291,761	3,429,277	3,564,678
Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	144
Accounts payable and accrued liabili	tes 38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
Provision for employee current bene	fits 16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee future benefi	ts 281,209	301,245	331,910	341,796	356,988	372,675	389,269	405,958
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,964	1,934,073	2,010,737	2,084,197
· ·	2,452,472	2,624,484	2,705,292	2,765,090	2,852,553	2,962,955	3,084,131	3,202,652
Equity								
Retained earnings	194,499	99,251	170,975	331,941	348,448	363,389	369,298	374,715
Accumulated Other Comprehensive		81,749	39,870	(52,111)	(43,985)	(34,583)	(24,152)	(12,689
Total Equity	231,003	181,000	210,845	279,830	304,463	328,806	345,146	362,026
Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,044,920	3,157,016	3,291,761	3,429,277	3,564,678

#### Appendix 49d Modified Base Scenario #16 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	236,176	257,343	269,623	283,943	298,789
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	236,176	257,343	269,623	283,943	298,789
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,195
16	Market Risk:						
17	Interest rate risk	30	7,246	22,569	26,473	30,270	35,713
18	Foreign exchange risk	32	15,909	15,543	16,563	18,159	21,284
19	Equity risk	34	70,660	68,665	73,287	81,159	86,695
20	Real estate risk	36	26,282	27,216	27,936	28,890	30,416
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	120,097	133,993	144,259	158,478	174,108
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,438	60,699	62,890	64,412	65,626
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,438	60,699	62,890	64,412	65,626
28	Operational risk margin	50	64,785	69,479	72,651	76,206	79,901
29	Less: Diversification credit	52	54,536	62,647	66,044	70,133	74,380
30	Total Capital (Margin) Required at Target	59	455,664	496,480	520,174	547,816	576,450
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,776	330,987	346,783	365,211	384,300
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	303,776	330,987	346,783	365,211	384,300
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(67,600)	(73,644)	(77,160)	(81,268)	(85,511
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.75%	77.75%	77.75%	77.75%	77.75%

# Appendix 49e Modified Base Scenario #16 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502.881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,124	223,369	224,650
7	Total _	726,240	759,725	821,952	882,030	937,339	985,583
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,630
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,273
13	Total Net Claims Incurred	767.240	778.719	883.418	937.766	1.006.447	1.060.695

#### Appendix 49f

#### Modified Base Scenario #16 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
_						dent Year					Selected	Sele
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	[
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%		
Trend/Rate Adjustment for Fiscal Year	0.04.40	0.0050	0.0555	0.0407	0.0000							
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9427	0.9522	0.9663	1.0030	1.0148					
2020				0.9522	0.9667	1.0037	1.0159	1.0115				
2021					0.9766	1.0124	1.0230	1.0169	1.0132			
2022						1.0186	1.0289	1.0222	1.0180	1.0134		
<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79
2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78
2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79
2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
Selected					3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
9. Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,571	422,404	442,958	467,420		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	14,913	14,869	15,434	16,023		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,361	77,722	81,504	86,005		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	14,042	20,032	16,676	9,761		
					32,055	29,489	30,518	31,785	33,082	34,440		
<ol> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>					32,055	10,295	16,476	11,754	16,406	24,679		
*												
*					2,363	(21,760)	6,180	(4,722)	4,653	8,273		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]     Change     Premium Deficiency [c]					2,363 8,845	(21,760)	6,180	(4,722)	4,653	8,273		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 49g Modified Base Scenario #16 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		'	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	1.41	(0)	0	(0)
Marketable Bonds	259 44,245	141 55,527	(0) 63,689	0 69,954	(0) 76,096
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,029	85,754	89,805	93,789
Dividend and other Income					
Canadian Equities	9,657	5,657	4,508	5,221	5,710
Global	4,218	5,954	4,842	5,537	5,968
Global LV	-	2,881	3,192	3,659	3,957
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
nfrastructure  Total	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,426	26,575	28,440	29,574
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(52,431)	(7,824)	2,712	579
Marketable Bonds Realized Gains/(Loss)	11,781	26,679	(40)	2,026	1,548
MUSH Canadian Equition Realized Cains	-	-	-	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	2,640	0 0	0 0	716
Global Equities Realized Gains Global LV Realized Gains	66,319	3,754 459	U	Ü	855 751
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,846)	2,619	15,831	16,188
Other					
Investment Fees Paid	(5,204)	(4,707)	(4,553)	(4,838)	(5,038)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,797	7,626	7,683	7,399
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,782)	(11,240)	(11,912)	(12,846)
Total Corporate Investment Income	191,042	78,766	102,767	122,678	126,938
Total Basic Investment Income	163,818	63,021	85,773	102,016	103,047
% - Basic to Total Investment Income	85.75%	80%	83%	83%	81%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,703	4,770	5,524	6,372
US Equities Unrealized Gains/(Losses)	7,538	9,282	7,226	8,264	8,907
Global LV Unrealized Gains/(Losses)	-	4,192	4,358	4,996	5,403
Total Corporate Unrealized Gains/(Losses)	19,652	15,985	11,996	13,788	15,279
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	=
Canadian Fixed Income MUSH	1,751.6	1,704.4	1,846.7	1,991.0	2,149.5
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	127.9 167.1	145.4 188.0	168.6 215.3	183.8 234.4
Global LV Equities	96.6	114.2	128.5	147.6	158.5
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,045.0	3,203.8	3,385.1	3,559.4
Total Basic Assets	2,537.7	2,637.4	2,741.6	2,866.3	2,989.2
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.8%	60.4%
MUSH	19.5%	17.2%	14.9%	12.8%	10.9%
Canadian Equities US Equities	4.2%	4.2%	4.5%	5.0%	5.2%
•	5.7%	5.5%	5.9%	6.4%	6.6%
Global LV Private Debt	3.3% 0.0%	3.7% 6.2%	4.0% 5.8%	4.4% 5.5%	4.5% 5.3%
Private Debt Real Estate	4.6%	6.2% 4.5%	4.5%	5.5% 4.5%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	=17.70	=:7.70	=	,,,	2.,,0

### Appendix 50a Adverse Scenario #16 Statement of Operations

i.	BASIC -	2016A	2017A		2019P	2020P	2021P	2022P	
				2018A					2023
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,23
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,14
	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,162	1,063,26
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,386	1,069,30
	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,48
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,35
	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,548	1,230,14
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,26
	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,36
	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,33
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,19
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(120,955)	(140,192
	Investment Income	48,476	101,645	111,731	192,129	79,291	76,130	82,502	83,11
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,545	39,749	5,019	2,31
	Net Investment Income	(4,038)	82,897	116,320	163,817	117,836	115,879	87,521	85,42
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(100,695)	(54,639)	(33,434)	(54,76

### Appendix 50b Adverse Scenario #16 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,477	247,257	205,008	191,554
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(100,695)	(54,639)	(33,434)	(54,762)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,975	16,474	12,390	19,981	32,006
6	Total Retained Earnings	194,498	99,251	170,975	331,477	247,257	205,008	191,554	168,798
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,688)	(51,918)	(43,346)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,577)	3,769	8,572	9,316
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029)
11	Total Equity Balance	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768
12	Total Equity								
	, ,								
13	Rate Stabilization Reserve	404.400	00.054	470.075	004 477	0.47.057	005.000	404 554	4/0.700
14	Retained Earnings	194,498	99,251	170,975	331,477	247,257	205,008	191,554	168,798
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	_	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768
	•								

#### Appendix 50c Adverse Scenario #16 Balance Sheet

(	C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ie No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
В	BASIC								
A	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	34,601	17,733	13,427	10,201
	Equity investments	2,083,349	2,189,534	2,272,545	2,494,821	2,598,008	2,721,398	2,824,790	2,924,669
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	
	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
		2,683,473	2,805,484	2,916,137	3,044,455	3,151,710	3,282,720	3,398,187	3,515,776
L	iabilities								
	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,001	2,262,398
		2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,249,978	3,381,008
Е	Equity								
	Retained earnings	194,499	99,251	170,975	331,477	247,257	205,008	191,554	168,798
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029
	otal Equity	231,003	181,000	210,845	279,366	191,569	153,089	148,208	134,76
Т	otal Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,044,455	3,151,710	3.282.720	3,398,187	3,515,776

#### Appendix 50d Adverse Scenario #16 Minimum Capital Test

	(All figures in \$000s)	•	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.		,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	235,712	144,448	93,957	87,096	71,637
3	Phase-in of capital available	03	0	0	0	0	(
4	Total Capital Available	09	235,712	144,448	93,957	87,096	71,637
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
7	Phase-in of net assets available	13	0	0	0	0	C
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,192	111,94
12	Unpaid claims	22	191,221	207,950	220,845	229,390	237,95
13	Catastrophes	24	0	0	0	0	
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,582	349,89
16	Market Risk:						
17	Interest rate risk	30	7,246	11,446	12,532	22,296	25,04
18	Foreign exchange risk	32	15,909	17,049	16,431	16,413	17,39
19	Equity risk	34	70,659	77,155	72,683	71,256	76,07
20	Real estate risk	36	26,282	27,216	27,936	28,890	30,41
21	Other market risk exposures	38	0	0	0	0	(
22	Subtotal: Market risk margin	39	120,096	132,866	129,582	138,855	148,92
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,393	59,215	62,040	64,009	65,74
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
27	Subtotal: Credit risk margin	49	39,393	59,215	62,040	64,009	65,74
28	Operational risk margin	50	64,781	70,241	72,784	75,926	79,36
29	Less: Diversification credit	52	54,525	63,026	64,167	67,440	70,98
30	Total Capital (Margin) Required at Target	59	455,625	505,822	523,749	546,932	572,94
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,750	337,215	349,166	364,621	381,96
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	
33	Total Minimum Capital (Margin) Required	69	303,750	337,215	349,166	364,621	381,96
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,038)	(192,767)	(255,209)	(277,525)	(310,32
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.60%	42.84%	26.91%	23.89%	18.76

# Appendix 50e Adverse Scenario #16 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damag€	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,390	231,659
7	Total	726,240	759,725	946,811	952,787	946,353	992,621
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,998	6,983
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.386	1.069.302

### Appendix 50f

### Adverse Scenario #16 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
-						dent Year					Selected	Selec
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	[
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%		
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9596	0.9657	0.9763	1.0095	1.0176					
2020				0.9710	0.9817	1.0151	1.0233	1.0147				
2021					0.9909	1.0241	1.0317	1.0224	1.0155			
2022						1.0289	1.0370	1.0282	1.0217	1.0150		
<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81
2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82
2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81
2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
<ol><li>Additional Expected Cost of Non-Proportional Reinsurance</li></ol>	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,368	442,747	458,061	483,538		
11. Reinsurance PFAD					10	-	-	-	-	-		
12. Maintenance Expense [a]					13,837	14,989	14,913	14,903	15,518	16,120		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,084	81,466	84,283	88,971		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Enl	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	(3,478)	(4,089)	(1,290)	(9,420)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	31,785	33,082	34,440		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	30,518	31,785	33,082	34,440		
* * * * * * * * * * * * * * * * * * * *					2,363	(21,308)	19,771	1,267	1,297	1,358		
Change												
Change 18. Premium Deficiency [c]					8,845		3,478	4,089	1,290	9,420		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 50g Adverse Scenario #16 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
e No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	99	0	(0)	(1
Marketable Bonds MUSH	44,245	53,747	57,643	61,272	64,643
Total	26,759 <b>71,259</b>	24,361 <b>78,207</b>	22,065 <b>79,708</b>	19,852 <b>81,123</b>	17,693 <b>82,33</b> 6
	71,237	70,207	77,700	01,123	02,330
Dividend and other Income					
Canadian Equities	9,657	5,706	4,484	4,612	5,061
Global	4,218	5,960	4,717	4,850	5,300
Global LV Private Debt	-	2,887	2,836	2,901	3,168
Investment Properties (Cityplace)	4,940	3,761 1,926	10,045 2,512	10,061 2,452	10,075 2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,375	25,777	26,126	27,235
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44.700)	4 411	20.020	(2.040)	2,318
Marketable Bonds Realized Gains/(Loss)	(44,799) 11,782	6,411 34,657	28,038 13,534	(2,069) 7,292	2,310 95
MUSH	-	34,007	-	-	-
Canadian Equities Realized Gains	69,223	(2,302)	(4,694)	84	0
Global Equities Realized Gains	66,318	(602)	(6,635)	106	0
Global LV Realized Gains	-	(99)	(4,068)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	48,116	36,658	16,577	14,152
Other					
Investment Fees Paid	(5,204)	(4,720)	(4,549)	(4,702)	(4,864
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(211)	(1,210)	(1,816
Investment Write-Down Total	(25,105)	(15,610)	(19,073)	(20,669)	(21,887
Total Corporate Investment Income					
	191,037	132,089	127,796	103,689	102,078
Total Basic Investment Income  % - Basic to Total Investment Income	163,817 85.75%	117,836 89%	115,879 91%	87,521 84%	85,429
70 - Dasic to Total investment income	83.73%	89%	91%	84%	84%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,837)	4,879	5,648
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,801)	7,238	7,910
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 10 / 51	(1,895)	(2,272)	3,961	4,325
Total Corporate officialized Galfis/(Losses)	19,651	(6,594)	(7,639)	12,118	13,558
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income MUSH	1,751.6	1,688.5	1,872.5	2,037.3	2,166.1
Mush Canadian Equities	569.3	522.8	477.0 120.7	432.3	386.3
Global Equities	123.3 166.7	139.0 175.9	138.7 175.8	145.1 184.5	161.0 203.4
Global LV Equities	96.6	110.2	110.0	114.3	126.1
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,198.8	3,350.6	3,496.4
Total Basic Assets	2,537.6	2,646.2	2,752.7	2,852.0	2,950.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.5%	60.8%	62.0%
MUSH	19.5%	17.2%	14.9%	12.9%	11.0%
Canadian Equities	4.2%	4.6%	4.3%	4.3%	4.6%
US Equities Global LV	5.7% 3.3%	5.8% 3.6%	5.5% 3.4%	5.5% 3.4%	5.8%
Private Debt	0.0%	6.2%	6.0%	5.8%	3.6% 5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%

# Appendix 50h Adverse Scenario #16 with Management Action Statement of Operations

o.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,141
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,162	1,063,268
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,386	1,069,302
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,548	1,230,141
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
21	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
22	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,191
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(120,955)	(140,192)
26	Investment Income	48,476	101,645	111,731	192,129	79,291	76,130	82,502	83,114
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,545	39,749	5,019	2,316
28	Net Investment Income	(4,038)	82,897	116,320	163,817	117,836	115,879	87,521	85,429
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(100,695)	(54,639)	(33,434)	(54,762)
29 30	Net Income (Loss)  Total net Impact due to interest rate change (b) - (a)	(56,049)	(123,071) (9,760)	20,390	145,528 (20,110)	(100,695) 197,587	(54,639) 27,359	(33,434)	

# Appendix 50i Adverse Scenario #16 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,477	247,257	205,008	191,554
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(100,695)	(54,639)	(33,434)	(54,762)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,975	16,474	12,390	19,981	32,006
6	Total Retained Earnings	194,498	99,251	170,975	331,477	247,257	205,008	191,554	168,798
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,688)	(51,918)	(43,346)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,577)	3,769	8,572	9,316
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029)
11	Total Equity Balance	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	331,477	247,257	205,008	191,554	168,798
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	279,366	191,569	153,089	148,208	134,768

# Appendix 50j Adverse Scenario #16 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	34,601	17,733	13,427	10,201
4	Equity investments	2,083,349	2,189,534	2,272,545	2,494,821	2,598,008	2,721,398	2,824,790	2,924,669
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
14		2,683,473	2,805,484	2,916,137	3,044,455	3,151,710	3,282,720	3,398,187	3,515,776
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,001	2,262,398
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,249,978	3,381,008
24	Equity								
25	Retained earnings	194.499	99.251	170,975	331.477	247.257	205.008	191.554	168.798
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,688)	(51,918)	(43,346)	(34,029)
27	Total Equity	231,003	181,000	210,845	279,366	191,569	153,089	148,208	134,768
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,044,455	3,151,710	3,282,720	3,398,187	3,515,776

# Appendix 50k Adverse Scenario #16 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	(/	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	235,712	144,448	93,957	87,096	71,637
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	235,712	144,448	93,957	87,096	71,637
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,192	111,946
12	Unpaid claims	22	191,221	207,950	220,845	229,390	237,950
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,582	349,896
16	Market Risk:						
17	Interest rate risk	30	7,246	11,446	12,532	22,296	25,042
18	Foreign exchange risk	32	15,909	17,049	16,431	16,413	17,391
19	Equity risk	34	70,659	77,155	72,683	71,256	76,079
20	Real estate risk	36	26,282	27,216	27,936	28,890	30,416
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	120,096	132,866	129,582	138,855	148,928
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,393	59,215	62,040	64,009	65,741
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,393	59,215	62,040	64,009	65,741
28	Operational risk margin	50	64,781	70,241	72,784	75,926	79,360
29	Less: Diversification credit	52	54,525	63,026	64,167	67,440	70,984
30	Total Capital (Margin) Required at Target	59	455,625	505,822	523,749	546,932	572,941
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,750	337,215	349,166	364,621	381,961
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	303,750	337,215	349,166	364,621	381,961
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,038)	(192,767)	(255,209)	(277,525)	(310,324
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.60%	42.84%	26.91%	23.89%	18.76%

# Appendix 50I Adverse Scenario #16 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,390	231,659
7	Total -	726,240	759,725	946,811	952,787	946,353	992,621
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,998	6,983
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.386	1.069.302

### Appendix 50m

### Adverse Scenario #16 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					A a a i	dont Voor						
2		2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%	Ulluisc	DISC
5	Trend/Rate Adjustment for Fiscal Year	00.0770	72.770	01.7770	01.0170	71.0770	70.2070	77.0070	70.0170	70.0170	70.0070		
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9710	0.9817	1.0151	1.0233	1.0147				
10	2021					0.9909	1.0241	1.0317	1.0224	1.0155			
11	2022						1.0289	1.0370	1.0282	1.0217	1.0150		
12	Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95%
16	2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.15%
17	2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.72%
18	2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.92%
19 20	B. Actual Data Other Than Losses					Eic	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
25	Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
00	0. Not Uncorned Drawium					4/0 /12	FO/ 102	F22 //1	544,918	F// F01	E00 210		
28	8. Net Unearned Premium					468,613	506,193	523,661		566,581	589,219		
29	Additional Expected Cost of Non-Proportional Reinsuran     Superstant Claims (Institution Fort Add Functional (ICC))					5,598	5,710	5,824	5,941	6,059	6,059		
30	<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	) X (3)]				383,468	390,881	424,368	442,747	458,061	483,538		
31	11. Reinsurance PFAD					10	14.000	14.012	14.000	15 510	1/ 100		
32	12. Maintenance Expense [a]					13,837	14,989	14,913	14,903	15,518	16,120		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,084	81,466	84,283	88,971		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nnancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	(3,478)	(4,089)	(1,290)	(9,420)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	31,785	33,082	34,440		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	30,518	31,785	33,082	34,440		
38	Change					2,363	(21,308)	19,771	1,267	1,297	1,358		
39	18. Premium Deficiency [c]					8,845	- (0.045)	3,478	4,089	1,290	9,420		
40	Change					2,001	(8,845)	3,478	611	(2,799)	8,130		

### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 50n Adverse Scenario #16 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
e No.  Interest Income During Period		'	orcoustou		
Cash/Short Term Investments	255	99	0	(0)	(1)
Marketable Bonds	44,245	53,747	57,643	61,272	64,643
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,207	79,708	81,123	82,336
Dividend and other Income					
Canadian Equities	9,657	5,706	4,484	4,612	5,061
Global	4,218	5,760	4,717	4,850	5,300
Global LV	-	2,887	2,836	2,901	3,168
Private Debt	_	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,375	25,777	26,126	27,235
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	6,411	28,038	(2,069)	2,318
Marketable Bonds Realized Gains/(Loss)	11,782	34,657	13,534	7,292	95
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,302)	(4,694)	84	0
Global Equities Realized Gains	66,318	(602)	(6,635)	106	0
Global LV Realized Gains	· •	(99)	(4,068)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	48,116	36,658	16,577	14,152
Other					
Investment Fees Paid	(5,204)	(4,720)	(4,549)	(4,702)	(4,864)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(211)	(1,210)	(1,816
Investment Write-Down	-	-	-	-	(1,010,
Total	(25,105)	(15,610)	(19,073)	(20,669)	(21,887)
Total Corporate Investment Income	191,037	132,089	127,796	103,689	102,078
Total Basic Investment Income	163,817	117,836	115,879	87,521	85,429
% - Basic to Total Investment Income	85.75%	89%	91%	84%	84%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,837)	4,879	5,648
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,801)	7,238	7,910
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,272)	3,961	4,325
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,639)	12,118	13,558
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	_	_	_	_	_
Canadian Fixed Income	1,751.6	1,688.5	1,872.5	2,037.3	2,166.1
MUSH	569.3	522.8	477.0	432.3	386.3
Canadian Equities	123.3	139.0	138.7	145.1	161.0
Global Equities	166.7	175.9	175.8	184.5	203.4
Global LV Equities	96.6	110.2	110.0	114.3	126.1
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,198.8	3,350.6	3,496.4
Total Basic Assets	2,537.6	2,646.2	2,752.7	2,852.0	2,950.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.5%	60.8%	62.0%
MUSH	19.5%	17.2%	14.9%	12.9%	11.0%
Canadian Equities	4.2%	4.6%	4.3%	4.3%	4.6%
US Equities	5.7%	5.8%	5.5%	5.5%	5.8%
Global LV	3.3%	3.6%	3.4%	3.4%	3.6%
Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

# Appendix 51a Updated Base Scenario #17 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	· ·			
DAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,719	27,572	29,576	31,778
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,133,038	1,186,066	1,234,910	1,285,515
Net Claims Incurred	742,604	869,023	783,040	823,258	893,550	936,942	994,904	1,050,847
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,684)	643	11,004	9,108
Total Claims Incurred	666,404	860,035	767,239	778,719	874,866	937,585	1,005,908	1,059,955
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,932	144,009	146,487
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
Total Claims Costs	798,045	993,537	923,722	929,493	1,022,801	1,089,307	1,162,887	1,219,691
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,759
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,976
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,025
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,230)	(63,994)	(95,683)	(108,201)
Investment Income	48,476	101,645	111,731	192,131	87,069	92,756	97,119	100,477
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,536)	(7,429)	4,485	2,067
Net Investment Income	(4,038)	82,897	116,320	163,818	62,532	85,328	101,604	102,544
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	18,302	21,333	5,921	(5,657)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,853)	(8,072)	(6,519)	(7,041)

# Appendix 51b Updated Base Scenario #17 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Endo	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	335,269	356,602	362,523
2	3 3								
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	18,302	21,333	5,921	(5,657)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,967	335,269	356,602	362,523	356,867
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,699)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,286	11,686
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
11	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,967	335,269	356,602	362,523	356,867
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854
17	Detained Fernings in excess of Data Stabilization Decome								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	2/4 05/	201.005	- 221 /17	227 024	242.054
18	Total Equity Balance	231,002	181,000	210,845	264,856	291,095	321,617	337,824	343,854

# Appendix 51c Updated Base Scenario #17 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	).	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	58,910	64,447	64,445	50,937
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,318	2,651,130	2,775,056	2,898,494
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	23,189	29,371	26,461	19,965
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,185	61,207	63,242
14		2,683,473	2,805,484	2,916,137	3,029,946	3,152,669	3,293,954	3,431,609	3,556,221
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,983
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,996	1,934,094	2,010,642	2,083,755
23	·	2,452,472	2,624,484	2,705,292	2,765,090	2,861,574	2,972,338	3,093,785	3,212,367
24	Equity								
25	Retained earnings	194,499	99,251	170,975	316.967	335.269	356,602	362.523	356,867
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,699)	(13,013)
27	Total Equity	231,003	181,000	210,845	264,856	291,095	321,617	337,824	343,854
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,152,669	3,293,954	3,431,609	3,556,221

# Appendix 51d Updated Base Scenario #17 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	221,201	243,975	262,432	276,617	280,612
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	243,975	262,432	276,617	280,612
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,965
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,044
16	Market Risk:						
17	Interest rate risk	30	6,468	21,932	26,165	29,932	34,203
18	Foreign exchange risk	32	15,640	15,260	16,262	17,953	20,895
19	Equity risk	34	69,313	67,256	71,783	80,213	88,365
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,347	141,809	156,631	173,500
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,398	63,645	65,227	66,439
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,398	63,645	65,227	66,439
28	Operational risk margin	50	64,552	69,943	73,161	76,798	80,623
29	Less: Diversification credit	52	53,910	62,394	65,858	70,094	74,586
30	Total Capital (Margin) Required at Target	59	453,309	496,935	520,928	549,225	579,020
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,290	347,285	366,150	386,013
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	331,290	347,285	366,150	386,013
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(87,315)	(84,853)	(89,533)	(105,401
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.64%	75.57%	75.55%	72.70%

# Appendix 51e Updated Base Scenario #17 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damag€	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,277	212,114	223,270	224,355
7	Total	726,240	759,725	821,980	882,021	937,240	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,536	6,902	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,879
13	Total Net Claims Incurred	767.240	778.719	874.866	937.585	1.005.909	1.059.954

### Appendix 51f

### Updated Base Scenario #17 Deferred Policy Acquisition Expenses and Premium Deficiency

	· <u> </u>												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.34%	72.80%	73.72%	74.72%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9260	0.9353	0.9491	0.9851	1.0062					
9	2020				0.9359	0.9501	0.9865	1.0080	1.0115				
10	2021					0.9599	0.9950	1.0151	1.0169	1.0132			
11	2022						1.0012	1.0208	1.0222	1.0179	1.0134		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.71%	76.08%	70.80%	72.16%	72.80%				73.56%	77.69%
16	2020				76.13%	70.87%	72.27%	72.92%	73.64%			72.94%	77.03%
17	2021					71.60%	72.89%	73.43%	74.04%	74.69%		73.45%	77.67%
18	2022						73.34%	73.85%	74.42%	75.05%	75.72%	74.44%	78.77%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
22 23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.11%	8.12%	8.08%		
	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>					8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.11% 2.70%	8.12% 2.71%	8.08% 2.69%		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22% 2.74% 2.87%	8.11%	8.12%	8.08%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.11% 2.70%	8.12% 2.71%	8.08% 2.69%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.11% 2.70% 2.72%	8.12% 2.71% 2.71%	8.08% 2.69% 2.70%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.11% 2.70% 2.72%	8.12% 2.71% 2.71%	8.08% 2.69% 2.70%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.11% 2.70% 2.72% 18.40%	8.12% 2.71% 2.71% 18.40%	8.08% 2.69% 2.70% 18.40%		
23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.11% 2.70% 2.72% 18.40%	8.12% 2.71% 2.71% 18.40%	8.08% 2.69% 2.70% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.22% 2.74% 2.87% 18.40% 532,647 5,824	8.11% 2.70% 2.72% 18.40% 554,274 5,941	8.12% 2.71% 2.71% 18.40% 576,316 6,059	8.08% 2.69% 2.70% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5,824	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6,059	8.08% 2.69% 2.70% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5,824 409,275	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,919	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurand 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,919 - 15,429 81,497	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuranc 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En	11.06% 3.69%	11.14%	10.26%	9.94%	8,99% 3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3,950	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3,950	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919 - 15,429 81,497 3,950	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364 - 16,017 85,995 3,950		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3,950 23,189	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919 - 15,429 81,497 3,950 26,461	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364 - 16,017 85,995 3,950 19,965		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3.950 19,193 29,489 10,295	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3.950 23,189 31,080 7,892	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370 3,000	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919 - 15,429 81,497 3,950 26,461 33,691 7,230	8.08% 2.69% 2.70% 18.40% 599,350 6.059 467,364 - 16.017 85,995 3,950 19,965 35,074 15,109		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15.103 75,307 3,950 23,189 31,080	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919 - 15,429 81,497 3,950 26,461 33,691	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,364 - 16,017 85,995 3,950 19,965 35,074		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852 3.950 19,193 29,489 10,295	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3.950 23,189 31,080 7,892	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370 3,000	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,919 - 15,429 81,497 3,950 26,461 33,691 7,230	8.08% 2.69% 2.70% 18.40% 599,350 6.059 467,364 - 16.017 85,995 3,950 19,965 35,074 15,109		

### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 51g Updated Base Scenario #17 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	125	0	0	0
Marketable Bonds	259 44,245	135 55,595	0 64,011	0 70,511	0 76,775
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,092	86,075	90,362	94,468
Dividend and other Income					
Dividend and other Income Canadian Equities	9,657	5,689	4,604	5,457	6,047
Global	4,218	5,975	4,928	5,748	6,334
Global LV	-	2,896	3,260	3,820	4,241
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
nfrastructure  Total	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,494	26,825	29,048	30,560
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,165)	(7,848)	2,722	591
Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(35)	2,044	1,566
MUSH Canadian Equities Realized Gains	-	-	-	-	-
	69,223	2,638	0	0	757
Global Equities Realized Gains Global LV Realized Gains	66,319	3,740 459	U	U	1,012 905
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,887)	2,599	15,860	16,569
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,580)	(4,899)	(5,141)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,806	7,676	7,767	7,491
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(12,779)	(11,217)	(11,889)	(12,857)
Total Corporate Investment Income	191,042	78,858	103,342	123,896	128,975
Total Basic Investment Income	163,818	62,532	85,328	101,604	102,544
% - Basic to Total Investment Income	85.75%	79%	83%	82%	80%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,740	4,871	5,774	6,748
US Equities Unrealized Gains/(Losses)	7,538	9,315	7,354	8,579	9,452
Global LV Unrealized Gains/(Losses)	-	4,214	4,451	5,216	5,790
Total Corporate Unrealized Gains/(Losses)	19,652	16,055	12,225	14,353	16,200
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	<u>-</u>	-
Canadian Fixed Income MUSH	1,751.6	1,711.0	1,863.7	2,016.0	2,176.4
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	129.6 168.9	150.3 193.4	178.2 225.8	201.5 253.0
Global LV Equities	96.6	115.7	132.8	155.8	172.4
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,056.7	3,235.3	3,438.4	3,636.4
Total Basic Assets	2,522.7	2,618.8	2,729.1	2,853.3	2,964.7
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.6%	59.9%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities US Equities	4.2%	4.2%	4.6%	5.2%	5.5%
US Equities	5.7%	5.5%	6.0%	6.6%	7.0%
Global LV Private Debt	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.5% 5.4%	4.7% 5.2%
Private Debt Real Estate	4.6%	4.5%	4.4%	5.4% 4.4%	5.2% 4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	100.0%	100.0%	100.0%		270

# Appendix 52a Modified Base Scenario #17 Statement of Operations

1.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC		201771	2010/1	20171	20201	20211	LULLI	20201
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
	Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,719	27,572	29,576	31,778
	Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,133,038	1,186,066	1,234,910	1,285,51
	Net Claims Incurred	742,604	869,023	783,040	823,258	893,550	936,941	994,907	1,050,843
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,684)	643	11,044	8,98
	Total Claims Incurred	666,404	860,035	767,239	778,719	874,866	937,584	1,005,951	1,059,83
	Claims Expense	118,614	120,972	143,337	137,168	135,259	138,919	144,009	146,48
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,788	12,970	13,249
	Total Claims Costs	798,045	993,537	923,722	929,493	1,022,801	1,089,291	1,162,930	1,219,56
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,167	79,838	82,75
	Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
	Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,97
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,467	160,747	167,706	174,02
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,230)	(63,972)	(95,726)	(108,07
	Investment Income	48,476	101,645	111,731	192,131	87,613	93,326	97,729	101,13
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,579)	(7,442)	4,498	2,050
	Net Investment Income	(4,038)	82,897	116,320	163,818	63,033	85,884	102,227	103,18
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	18,803	21,912	6,501	(4,88

# Appendix 52b Modified Base Scenario #17 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
	Determined Fermines								
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,753	350,008	365,165	371,433
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	18,803	21,912	6,501	(4,888)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,786	(547)	(6,755)	(233)	10,533
6	Total Retained Earnings	194,498	99,251	170,975	331,753	350,008	365,165	371,433	377,078
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(43,987)	(34,588)	(24,075)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,124	9,400	10,512	11,932
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,987)	(34,588)	(24,075)	(12,144)
11	Total Equity Balance	231,002	181,000	210,845	279,642	306,021	330,578	347,358	364,934
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	331,753	350,008	365,165	371,433	377,078
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,987)	(34,588)	(24,075)	(12,144)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,642	306,021	330,578	347,358	364,934
17	Detained Fernings in august of Data Stabilization Description								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	- 270 / 42	- 207 021	- 220 570	- 247.250	2/4 024
18	Total Equity Balance	231,002	181,000	210,845	279,642	306,021	330,578	347,358	364,934

# Appendix 52c Modified Base Scenario #17 Balance Sheet

(C\$ 000s, except where	e noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC									
Assets									
Cash and invest	ments	29,114	61,606	72,998	28,914	58,415	57,231	56,997	54,030
Equity investmen	nts	2,083,349	2,189,534	2,272,545	2,494,646	2,561,739	2,667,306	2,792,079	2,916,399
Investment prop	erty	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other i	nsurance companies	25	16	2	-	-	-	-	
Accounts receive	able	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
Prepaid expense	es	-	-	-	-	-	-	-	
Deferred policy a	acquisition costs	4,782	-	-	19,193	23,189	29,371	26,460	19,969
Reinsurers' shar	e of unearned premiums	-	-	-	-	-	-	-	
1 Reinsurers' shar	e of unearned claims	998	611	1,269	-	-	-	-	
2 Property and eq	uipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3 Deferred develo	pment costs	65,414	72,866	55,423	43,654	47,120	59,186	61,207	63,242
4		2,683,473	2,805,484	2,916,137	3,044,731	3,167,595	3,302,915	3,441,183	3,577,225
5 Liabilities									
6 Due to other ins	urance companies	152	147	141	144	144	144	144	144
7 Accounts payab	le and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8 Financing lease	obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9 Unearned premi	ums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
o Provision for em	ployee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1 Provision for em	ployee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,984
2 Provision for unp	paid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,996	1,934,094	2,010,682	2,083,677
3		2,452,472	2,624,484	2,705,292	2,765,090	2,861,574	2,972,338	3,093,826	3,212,291
4 Equity									
5 Retained earning	gs	194,499	99,251	170,975	331,753	350,008	365,165	371,433	377,078
	her Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,987)	(34,588)	(24,075)	(12,144
7 Total Equity	•	231,003	181,000	210,845	279,642	306,021	330,578	347,358	364,934
8 Total Liabilities & E	quity	2,683,475	2,805,484	2,916,137	3,044,731	3,167,595	3,302,915	3,441,183	3,577,225

### Appendix 52d Modified Base Scenario #17 Minimum Capital Test

	(All figures in \$000s)	·	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	235,987	258,901	271,392	286,151	301,692
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	235,987	258,901	271,392	286,151	301,692
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,896	220,958
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,667	333,037
16	Market Risk:						
17	Interest rate risk	30	7,237	22,764	27,027	30,826	35,154
18	Foreign exchange risk	32	15,906	15,539	16,559	18,270	21,255
19	Equity risk	34	70,644	68,647	73,269	81,800	90,058
20	Real estate risk	36	26,279	27,212	27,932	28,886	30,411
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	120,066	134,162	144,787	159,782	176,878
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,438	61,881	64,129	65,717	66,934
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,438	61,881	64,129	65,717	66,934
28	Operational risk margin	50	64,783	70,223	73,455	77,108	80,951
29	Less: Diversification credit	52	54,529	63,053	66,535	70,785	75,295
30	Total Capital (Margin) Required at Target	59	455,638	499,854	524,007	552,489	582,505
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,759	333,236	349,338	368,326	388,337
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	303,759	333,236	349,338	368,326	388,337
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(67,772)	(74,335)	(77,946)	(82,175)	(86,645)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.69%	77.69%	77.69%	77.69%	77.69%

# Appendix 52e Modified Base Scenario #17 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,750
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,776
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,277	212,114	223,305	224,255
7	Total	726,240	759,725	821,980	882,021	937,275	985,184
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,536	6,908	6,563
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,893)	4,232	7,874
13	Total Net Claims Incurred	767.240	778.719	874.866	937.584	1.005.951	1.059.831

### Appendix 52f

### Modified Base Scenario #17 Deferred Policy Acquisition Expenses and Premium Deficiency

	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.34%	72.80%	73.72%	74.72%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9260	0.9353	0.9491	0.9851	1.0062					
9	2020				0.9359	0.9501	0.9865	1.0080	1.0115				
10	2021					0.9599	0.9950	1.0151	1.0169	1.0132			
11	2022						1.0012	1.0208	1.0222	1.0179	1.0134		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.71%	76.08%	70.80%	72.16%	72.80%				73.56%	77.69%
16	2020				76.13%	70.87%	72.27%	72.92%	73.64%			72.94%	77.03%
17	2021					71.60%	72.89%	73.43%	74.04%	74.69%		73.45%	77.67%
18	2022						73.34%	73.85%	74.42%	75.05%	75.72%	74.44%	78.77%
19	B. Actual Data Other Than Losses												
20							cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.11%	8.12%	8.08%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>					8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.11% 2.70%	8.12% 2.71%	8.08% 2.69%		
23	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.11% 2.70% 2.72%	8.12% 2.71% 2.71%	8.08% 2.69% 2.70%		
23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	11.06%	11.14%	10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.11% 2.70%	8.12% 2.71%	8.08% 2.69%		
23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.11% 2.70% 2.72%	8.12% 2.71% 2.71%	8.08% 2.69% 2.70%		
23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	11.06%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.11% 2.70% 2.72%	8.12% 2.71% 2.71%	8.08% 2.69% 2.70%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.11% 2.70% 2.72% 18.40%	8.12% 2.71% 2.71% 18.40%	8.08% 2.69% 2.70% 18.40%		
23 24 25 26 27	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected      C. Equity in Unearned Premium      Net Unearned Premium	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.11% 2.70% 2.72% 18.40%	8.12% 2.71% 2.71% 18.40%	8.08% 2.69% 2.70% 18.40%		
23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.22% 2.74% 2.87% 18.40% 532,647 5,824	8.11% 2.70% 2.72% 18.40% 554,274 5,941	8.12% 2.71% 2.71% 18.40% 576,316 6,059	8.08% 2.69% 2.70% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5,824	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6,059	8.08% 2.69% 2.70% 18.40% 599,350 6,059		
23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5,824 409,275	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,921	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361		
23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,921	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361		
23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 - 14,989 71,852	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,921 - 15,429 81,497	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361		
23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5.710 390,499 	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3,950	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,921 - 15,429 81,497 3,950	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361 - 16,017 85,994 3,950		
23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3,950 23,189	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,921 - 15,429 81,497 3,950 26,460	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361 - 16,017 85,994 3,950 19,969		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390.499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3.950 23,189 31,080 7,892	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370 2,999	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,921 - 15,429 81,497 3,950 26,460 33,691 7,231	8.08% 2.69% 2.70% 18.40% 599,350 6.059 467,361 - 16.017 85,994 3,950 19,969 35,074 15,105		
23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,499 14,989 71,852 3,950 19,193 29,489	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15.103 75,307 3,950 23,189 31,080	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370	8.12% 2.71% 2.71% 18.40% 576,316 6,059 442,921 - 15,429 81,497 3,950 26,460 33,691	8.08% 2.69% 2.70% 18.40% 599,350 6,059 467,361 - 16,017 85,994 3,950 19,969 35,074		
23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	11.06% 3.69%	11.14%	10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390.499 - 14,989 71,852 3,950 19,193 29,489 10,295	8.22% 2.74% 2.87% 18.40% 532,647 5.824 409,275 - 15,103 75,307 3.950 23,189 31,080 7,892	8.11% 2.70% 2.72% 18.40% 554,274 5,941 422,371 - 14,925 77,716 3,950 29,371 32,370 2,999	8.12% 2.71% 2.71% 18.40% 576,316 6.059 442,921 - 15,429 81,497 3,950 26,460 33,691 7,231	8.08% 2.69% 2.70% 18.40% 599,350 6.059 467,361 - 16.017 85,994 3,950 19,969 35,074 15,105		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 52g Modified Base Scenario #17 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	141	(0)	0	0
Marketable Bonds	44,245	141 55,605	(0) 64,013	70,518	0 76,699
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,108	86,078	90,370	94,393
Dividend and other Income					
Canadian Equities	9,657	5,671	4,603	5,454	6,117
Global	4,218	5,970	4,927	5,746	6,354
Global LV	-	2,896	3,259	3,818	4,220
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,472	26,822	29,040	30,630
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(52,441)	(7,848)	2,722	588
6 Marketable Bonds Realized Gains/(Loss)	11,781	26,662	(35)	2,045	1,607
7 MUSH 8 Canadian Equities Realized Gains	- (0.222	- 2 /10	-	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223 66,319	2,619 3,735	0	0 701	731 0
Global LV Realized Gains	00,319	3,735 459	-	701	776
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	(8,914)	2,599	16,561	15,442
Other					
Investment Fees Paid	(5,204)	(4,710)	(4,581)	(4,899)	(5,139
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,807	7,677	7,769	7,495
Investment Write-Down		-	-	-	-
Total	(25,105)	(12,775)	(11,217)	(11,887)	(12,851)
Total Corporate Investment Income	191,042	78,829	103,340	124,597	127,849
Total Basic Investment Income	163,818	63,033	85,884	102,227	103,189
% - Basic to Total Investment Income	85.75%	80%	83%	82%	81%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,720	4,870	5,771	6,827
US Equities Unrealized Gains/(Losses)	7,538	9,308	7,352	8,574	9,482
Global LV Unrealized Gains/(Losses)	-	4,214	4,450	5,213	5,762
Total Corporate Unrealized Gains/(Losses)	19,652	16,027	12,222	14,345	16,310
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	
Canadian Fixed Income MUSH	1,751.6	1,711.0	1,863.9	2,027.6	2,139.7
Canadian Equities	569.3 123.3	522.8 129.6	477.0 150.2	432.3 178.1	386.3 225.1
Global Equities	166.7	168.9	193.3	214.4	266.2
Global LV Equities	96.6	115.7	132.7	155.6	172.6
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,056.6	3,235.3	3,438.3	3,636.7
Total Basic Assets	2,537.5	2,633.7	2,738.1	2,862.8	2,985.7
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	59.0%	58.8%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities US Equities	4.2%	4.2%	4.6%	5.2%	6.2%
· · · · · ·	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.2% 4.5%	7.3% 4.7%
Global LV Private Debt	0.0%	6.1%	5.8%	5.4%	5.2%
Real Estate	4.6%	4.5%	4.4%	4.4%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

# Appendix 53a Adverse Scenario #17 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,403	29,296	31,367
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,185,898	1,234,630	1,285,103
Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,326	1,011,071	1,004,605	1,063,056
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,283	1,023,461	1,008,829	1,069,090
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,040	147,443
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,076	13,349
Total Claims Costs	798,045	993,537	923,722	929,944	1,178,218	1,175,958	1,166,945	1,229,882
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,353	83,247
Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,976
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,467	161,101	168,222	174,512
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,721)	(151,161)	(100,537)	(119,291)
Investment Income	48,476	101,645	111,731	192,129	79,306	76,185	82,607	83,339
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,545	39,784	5,013	2,300
Net Investment Income	(4,038)	82,897	116,320	163,817	117,851	115,969	87,620	85,639
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(81,871)	(35,192)	(12,916)	(33,652)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,587	27,394	789	(3,734

# Appendix 53b Adverse Scenario #17 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Detained Formings								
1	Retained Earnings	177.010	104 400	00.054	470.075	224 222	040.074	00/ 000	100 774
2	Beginning Balance	177,818	194,498	99,251	170,975	331,288	248,871	206,923	193,774
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(81,871)	(35,192)	(12,916)	(33,652)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,786	(547)	(6,755)	(233)	10,533
6	Total Retained Earnings	194,498	99,251	170,975	331,288	248,871	206,923	193,774	170,654
									<u></u>
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,687)	(51,918)	(43,149)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,576)	3,768	8,769	9,531
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619)
11	Total Equity Balance	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036
	-								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	331,288	248,871	206,923	193,774	170,654
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036
17	Datained Farnings in excess of Data Stabilization Decor-								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	- 270 177	102 104	1EE 00E	150 (24	127.02/
18	Total Equity Balance	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036

# Appendix 53c Adverse Scenario #17 Balance Sheet

				or the Years End	cu i coi uui j			
e No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Assets								
Cash and investments	29,114	61,606	72,998	28,914	29,352	9,666	2,167	
Equity investments	2,083,349	2,189,534	2,272,545	2,494,632	2,599,543	2,725,891	2,832,555	2,931,160
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,24
Due from other insurance companies	25	16	2	-	-	-	-	
Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,11
Prepaid expenses	-	-	-	-	-	-	-	
Deferred policy acquisition costs	4,782	-	-	18,742	5,682	5,260	8,506	769
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,13
	2,683,473	2,805,484	2,916,137	3,044,267	3,158,830	3,289,773	3,408,784	3,518,64
Liabilities								
Due to other insurance companies	152	147	141	144	144	144	144	14
Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,18
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,51
Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,73
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,04
Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,065	2,095,293	2,174,448	2,252,87
	2,452,472	2,624,484	2,705,292	2,765,089	2,965,647	3,134,768	3,258,160	3,381,613
Equity								
Retained earnings	194,499	99,251	170,975	331,288	248,871	206,923	193,774	170,65
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619
Total Equity	231,003	181,000	210,845	279,177	193,184	155,005	150,624	137,03

### Appendix 53d Adverse Scenario #17 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Yea
ne o.			(01)	Forecast Year (02)	(03)	(04)	(05)
U.	Capital Available:		(01)	(02)	(03)	(04)	(03)
	Capital available (from page 30.62 - capital available)	01	235,523	146,063	95,870	89,508	73,90
	Phase-in of capital available	03	0	0	0	0	
	Total Capital Available	09	235,523	146,063	95,870	89,508	73,90
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	
	Phase-in of net assets available	13	0	0	0	0	
	Total Net Assets Available	19	0	0	0	0	
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
ı	Premium liabilities	20	94,659	99,606	103,650	107,771	112,0
2	Unpaid claims	22	191,221	207,950	220,832	229,364	237,9
3	Catastrophes	24	0	0	0	0	
1	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
5	Subtotal: Insurance risk margin	29	285,880	307,556	324,482	337,135	350,0
5	Market Risk:						
7	Interest rate risk	30	7,237	12,042	13,180	22,744	26,8
3	Foreign exchange risk	32	15,906	17,052	16,546	16,613	17,6
9	Equity risk	34	70,642	77,172	73,353	72,408	77,3
)	Real estate risk	36	26,278	27,212	27,932	28,885	30,4
ı	Other market risk exposures	38	0	0	0	0	
2	Subtotal: Market risk margin	39	120,063	133,478	131,011	140,650	152,1
3	Credit Risk:						
1	Counterparty default risk for balance sheet assets	40	39,393	60,050	62,851	65,170	66,1
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
5	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	39,393	60,050	62,851	65,170	66,1
3	Operational risk margin	50	64,779	70,937	73,562	76,835	80,2
)	Less: Diversification credit	52	54,518	63,403	64,719	68,180	71,7
)	Total Capital (Margin) Required at Target	59	455,597	508,618	527,187	551,610	576,8
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,731	339,079	351,458	367,740	384,5
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	303,731	339,079	351,458	367,740	384,5
ļ	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,208)	(193,016)	(255,588)	(278,232)	(310,6
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.54%	43.08%	27.28%	24.34%	19.2

# Appendix 53e Adverse Scenario #17 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489.508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117.917	124,976
4	Property Damage	48.647	46,838	49,741	49,423	51,957	53.785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,762	278,143	232,277	231,793
	_						
7	Total _	726,240	759,725	946,809	952,678	946,239	992,756
0	Linallocated Loca Adjustment Evnences	42,252	50,135	52,371	54.921	57.537	60,210
8 9	Unallocated Loss Adjustment Expenses Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,149	6,978	7,005
9 10	Change in Reinsurance Ceded Provision	(2,219)	(557)	10,432	14,149	0,970	7,005
		, ,	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	(20.152)	14.751	1 710	(1.00F)	0.110
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	1,713	(1,925)	9,119
13	Total Net Claims Incurred	767.240	779.170	1.030.283	1.023.461	1.008.829	1.069.091

### Appendix 53f

### Adverse Scenario #17

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2							dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	74.51%	73.72%	74.72%		
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
9	2020				0.9544	0.9649	0.9977	1.0153	1.0146				
10	2021					0.9739	1.0065	1.0236	1.0224	1.0155			
11	2022						1.0112	1.0289	1.0282	1.0217	1.0150		
12	<ol><li>Adjusted Loss Ratio for Fiscal Year [(1) x (2)]</li></ol>												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.49%
16	2020				77.63%	71.97%	73.09%	79.83%	75.61%			75.44%	80.74%
17	2021					72.64%	73.73%	80.49%	76.18%	74.87%		74.93%	80.32%
18	2022						74.07%	80.90%	76.61%	75.32%	75.84%	75.93%	81.49%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	4. Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
	Net Earned Premium     Operating Expenses as % of Earned Premium				907,145 9.94%	960,142 8.99%	1,039,407 8.98%	1,107,319 8.22%	1,158,495 8.15%	1,205,334 8.18%	1,253,736 8.12%		
22		764,671	803,881	861,065									
22 23	5. Operating Expenses as % of Earned Premium	764,671 11.06%	803,881 11.14%	861,065 10.26%	9.94%	8.99%	8.98%	8.22%	8.15%	8.18%	8.12%		
22 23 24	<ul><li>5. Operating Expenses as % of Earned Premium</li><li>6. Maintenance Expense Rate [(5) x 1/3]</li></ul>	764,671 11.06%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00%	8.98% 2.99%	8.22% 2.74%	8.15% 2.72%	8.18% 2.73%	8.12% 2.71%		
22 23 24 25	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected	764,671 11.06%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.15% 2.72% 2.73%	8.18% 2.73% 2.72%	8.12% 2.71% 2.72%		
22 23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected	764,671 11.06%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16%	8.98% 2.99% 2.99%	8.22% 2.74% 2.87%	8.15% 2.72% 2.73%	8.18% 2.73% 2.72%	8.12% 2.71% 2.72%		
22 23 24 25 26	Operating Expenses as % of Earned Premium     Maintenance Expense Rate [(5) x 1/3]     Selected     ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40%	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.15% 2.72% 2.73% 18.40%	8.18% 2.73% 2.72% 18.40%	8.12% 2.71% 2.72% 18.40%		
22 23 24 25 26 27	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613	8.98% 2.99% 2.99% 18.40%	8.22% 2.74% 2.87% 18.40%	8.15% 2.72% 2.73% 18.40%	8.18% 2.73% 2.72% 18.40%	8.12% 2.71% 2.72% 18.40%		
22 23 24 25 26 27 28 29	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598	8.98% 2.99% 2.99% 18.40% 506,193 5,710	8.22% 2.74% 2.87% 18.40% 532,647 5.824	8.15% 2.72% 2.73% 18.40% 554,274 5,941	8.18% 2.73% 2.72% 18.40% 576,316 6,059	8.12% 2.71% 2.72% 18.40% 599,350 6,059		
22 23 24 25 26 27 28 29 30	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059	8.12% 2.71% 2.72% 18.40% 599,350 6,059		
22 23 24 25 26 27 28 29 30 31	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5,824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494		
22 23 24 25 26 27 28 29 30 31 32	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837	8.98% 2.99% 2.99% 18.40% 506.193 5,710 390,881	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494		
22 23 24 25 26 27 28 29 30 31 32 33	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 - 14,958 81,458	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014 - 15,513 84,275	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 		
22 23 24 25 26 27 28 29 30 31 32 33 34	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8,99% 3,00% 3,16% 18,40% 468,613 5,598 383,468 10 13,837 70,595	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014 - 15,513 84,275 3,950	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 - 16,115 88,963 3,950		
22 23 24 25 26 27 28 29 30 31 32 33 34 35	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950 5,682	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014 - 15,513 84,275 3,950 8,506	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 		
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3.950 18,742 29,489 10,747	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3.950 5.682 31,080 25,398	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,506 33,691 25,186	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 		
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3,950 5,682 31,080	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6,059 458,014 - 15,513 84,275 3,950 8,506 33,691	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 		
22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38	5. Operating Expenses as % of Earned Premium 6. Maintenance Expense Rate [(5) x 1/3] Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	764,671 11.06% 3.69%	803,881 11.14%	861,065 10.26%	9.94%	8.99% 3.00% 3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	8.98% 2.99% 2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747 (21,308)	8.22% 2.74% 2.87% 18.40% 532,647 5.824 424,060 - 15,103 78,027 3.950 5.682 31,080 25,398	8.15% 2.72% 2.73% 18.40% 554,274 5,941 442,707 	8.18% 2.73% 2.72% 18.40% 576,316 6.059 458,014 - 15,513 84,275 3,950 8,506 33,691 25,186	8.12% 2.71% 2.72% 18.40% 599,350 6,059 483,494 		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

# Appendix 53g Adverse Scenario #17 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	99	0	0	
Marketable Bonds	44,245	53,814	57,834	61,648	65,3
MUSH	26,759	24,361	22,065	19,852	17,6
Total	71,259	78,274	79,899	81,500	83,0
Dividend and other Income					
Canadian Equities	9,657	5,721	4,604	4,868	5,4
Global	4,218	5,979	4,825	5,079	5,5
Global LV	-	2,903	2,920	3,076	3,4
Private Debt	-	3,761	10,045	10,061	10,0
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,3
Infrastructure	1,472	1,136	1,183	1,249	1,3
Total	20,287	21,425	26,089	26,786	28,1
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	6,538	28,898	(1,607)	2,3
Marketable Bonds Realized Gains/(Loss)	11,782	34,530			2,3
MUSH	11,/02	34,330	12,779 -	6,846	
Canadian Equities Realized Gains	69,223	(2,302)	(4,740)	- 78	
Global Equities Realized Gains	66,318	(596)	(6,681)	99	
Global LV Realized Gains	-	(99)	(4,100)	67	
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,
Infrastructure	5,765	4,449	4,636	4,895	5,
Total	124,596	48,122	36,638	16,576	15,
Other					
Investment Fees Paid	(5,204)	(4,725)	(4,580)	(4,764)	(4,
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(242)	(1,287)	(1,
Investment Write-Down	- (05 405)	- (45.45)	- (40.405)	- (22.222)	(00
Total	(25,105)	(15,615)	(19,135)	(20,808)	(22,
Total Corporate Investment Income	191,037	132,206	128,217	104,586	104,
Total Basic Investment Income	163,817	117,851	115,969	87,620	85,6
% - Basic to Total Investment Income	85.75%	89%	90%	84%	
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,884)	5,151	6,
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,841)	7,580	8,3
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,305)	4,200	4,0
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,724)	12,731	14,
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	<u>=</u>	÷	-	
Canadian Fixed Income	1,751.6	1,694.9	1,886.4	2,060.1	2,22
MUSH	569.3	522.8	477.0	432.3	38
Canadian Equities	123.3	140.7	144.5	155.2	16
Global Equities	166.7	177.7	182.1	195.5	20
Global LV Equities	96.6	111.8	115.0	122.9	13
Private Debt	-	188.8	193.5	194.0	19
Real Estate	133.6	138.1	143.9	150.8	16
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	ç
Total Ending Asset Values	2,919.4	3,057.6	3,229.8	3,403.1	3,57
Total Basic Assets	2,537.5	2,642.4	2,749.1	2,848.5	2,94
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.
Canadian Fixed Income	60.0%	55.4%	58.4%	60.5%	62
MUSH	19.5%	17.1%	14.8%	12.7%	10.
Canadian Equities	4.2%	4.6%	4.5%	4.6%	4.
US Equities	5.7%	5.8%	5.6%	5.7%	5.
Global LV	3.3%	3.7%	3.6%	3.6%	3.
Private Debt	0.0%	6.2%	6.0%	5.7%	5.4
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7
Total	100.0%	100.0%	100.0%	100.0%	10

# Appendix 53h Adverse Scenario #17 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,645	27,403	29,296	31,367
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,132,964	1,185,898	1,234,630	1,285,103
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,189,326	1,011,071	1,004,605	1,063,056
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,030,283	1,023,461	1,008,829	1,069,090
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,040	147,443
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,076	13,349
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,178,218	1,175,958	1,166,945	1,229,882
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,353	83,247
21	Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,056
22	Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,976
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	154,467	161,101	168,222	174,512
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(199,721)	(151,161)	(100,537)	(119,291)
	Investment Income	40.47/	101 / 45	111 721	102 120	70.20/	7/ 105	02 / 07	02 220
26	Investment Income	48,476 (52,515)	101,645	111,731	192,129	79,306	76,185	82,607 5,013	83,339
27 28	(b) Investment Income - Interest Rate Impact Net Investment Income	(52,515) (4,038)	(18,748) <b>82,897</b>	4,589 <b>116,320</b>	(28,313) <b>163,817</b>	38,545 <b>117,851</b>	39,784 <b>115,969</b>	87,620	2,300 <b>85,639</b>
	N	(5/ 042)	(400.074)	04.407	445.500	(04.075)	(05.400)	(40.04.0)	(00.450)
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(81,871)	(35,192)	(12,916)	(33,652)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,587	27,394	789	(3,734)

# Appendix 53i Adverse Scenario #17 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,288	248,871	206,923	193,774
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(81,871)	(35,192)	(12,916)	(33,652)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,786	(547)	(6,755)	(233)	10,533
6	Total Retained Earnings	194,498	99,251	170,975	331,288	248,871	206,923	193,774	170,654
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,687)	(51,918)	(43,149)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,576)	3,768	8,769	9,531
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619)
11	Total Equity Balance	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	331,288	248,871	206,923	193,774	170,654
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	279,177	193,184	155,005	150,624	137,036

### Appendix 53j Adverse Scenario #17 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	29,352	9,666	2,167	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,494,632	2,599,543	2,725,891	2,832,555	2,931,160
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	5,682	5,260	8,506	769
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
14		2,683,473	2,805,484	2,916,137	3,044,267	3,158,830	3,289,773	3,408,784	3,518,648
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,065	2,095,293	2,174,448	2,252,871
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,965,647	3,134,768	3,258,160	3,381,613
24	Equity								
25	Retained earnings	194,499	99,251	170,975	331,288	248.871	206.923	193,774	170,654
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,687)	(51,918)	(43,149)	(33,619)
27	Total Equity	231.003	181,000	210,845	279,177	193,184	155,005	150,624	137,036
£1	rotar Equity	231,003	101,000	210,040	217,111	173,104	133,003	130,024	137,030
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,044,267	3,158,830	3,289,773	3,408,784	3,518,648

# Appendix 53k Adverse Scenario #17 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0. 7.14. 7.11	,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:		005 500	44,0,0	05.070	00.500	70.000
2	Capital available (from page 30.62 - capital available)	01	235,523	146,063	95,870	89,508	73,900
3	Phase-in of capital available	03	0	0	0	0	
4	Total Capital Available	09	235,523	146,063	95,870	89,508	73,900
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	C
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	207,950	220,832	229,364	237,939
13	Catastrophes	24	0	0	0	0	(
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
15	Subtotal: Insurance risk margin	29	285,880	307,556	324,482	337,135	350,018
16	Market Risk:						
17	Interest rate risk	30	7,237	12,042	13,180	22,744	26,853
18	Foreign exchange risk	32	15,906	17,052	16,546	16,613	17,620
19	Equity risk	34	70,642	77,172	73,353	72,408	77,314
20	Real estate risk	36	26,278	27,212	27,932	28,885	30,411
21	Other market risk exposures	38	0	0	0	0	C
22	Subtotal: Market risk margin	39	120,063	133,478	131,011	140,650	152,198
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,393	60,050	62,851	65,170	66,169
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	C
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
27	Subtotal: Credit risk margin	49	39,393	60,050	62,851	65,170	66,169
28	Operational risk margin	50	64,779	70,937	73,562	76,835	80,232
29	Less: Diversification credit	52	54,518	63,403	64,719	68,180	71,76
30	Total Capital (Margin) Required at Target	59	455,597	508,618	527,187	551,610	576,850
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,731	339,079	351,458	367,740	384,56
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	303,731	339,079	351,458	367,740	384,56
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,208)	(193,016)	(255,588)	(278,232)	(310,66
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.54%	43.08%	27.28%	24.34%	19.229

# Appendix 53I Adverse Scenario #17 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
•							
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,976
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,762	278,143	232,277	231,793
7	Total	726,240	759,725	946,809	952,678	946,239	992,756
0	Unallocated Lace Adjustment Evnences	42.252	EO 12E	E2 271	E / 021	57.537	40 210
8	Unallocated Loss Adjustment Expenses Change in Internal Loss Adjustment Expense Provision	42,252	50,135	52,371	54,921		60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,149	6,978	7,005
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	14,651	1,713	(1,925)	9,119
13	Total Net Claims Incurred	767.240	779.170	1.030.283	1.023.461	1.008.829	1.069.091

### Appendix 53m

### Adverse Scenario #17 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					0.1.1.1	
2		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.63%	74.51%	73.72%	74.72%	Ondisc	Disc
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
3	2019			0.9425	0.9485	0.9589	0.9916	1.0091					
9	2020				0.9544	0.9649	0.9977	1.0153	1.0146				
0	2021					0.9739	1.0065	1.0236	1.0224	1.0155			
1	2022						1.0112	1.0289	1.0282	1.0217	1.0150		
2	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
4	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			77.07%	77.15%	71.53%	72.64%	79.34%				75.62%	80.49%
6	2020				77.63%	71.97%	73.09%	79.83%	75.61%			75.44%	80.74%
17	2021					72.64%	73.73%	80.49%	76.18%	74.87%		74.93%	80.329
18	2022						74.07%	80.90%	76.61%	75.32%	75.84%	75.93%	81.49%
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.15%	8.18%	8.12%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.72%	2.72%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	532,647	554,274	576,316	599,350		
9	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
80	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,060	442,707	458,014	483,494		
31	11. Reinsurance PFAD					10	-	-	-	-			
2	12. Maintenance Expense [a]					13,837	14,989	15,103	14,958	15,513	16,115		
3	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,027	81,458	84,275	88,963		
4	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
85	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	5,682	5,260	8,506	769		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,080	32,370	33,691	35,074		
	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	25,398	27,110	25,186	34,305		
37						0.010	(21 200)	14,651	1,713	(1,925)	9,119		
	Change					2,363	(21,308)	14,001	1,713	(1,723)	7,117		
37 38 39	Change 18. Premium Deficiency [c]					2,363 8,845	(21,308)	14,001	1,713	-	-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 53n Adverse Scenario #17 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
e No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	99	0	0	(1
Marketable Bonds	44,245	53,814	57,834	61,648	65,339
MUSH Total	26,759 <b>71,259</b>	24,361 <b>78,274</b>	22,065 <b>79,899</b>	19,852 <b>81,500</b>	17,693 <b>83,03</b> 1
10tai	/ 1,239	18,214	19,899	81,300	83,03
Dividend and other Income					
Canadian Equities	9,657	5,721	4,604	4,868	5,45
Global	4,218	5,979	4,825	5,079	5,579
Global LV Private Debt	-	2,903	2,920	3,076	3,43
Private Debt Investment Properties (Cityplace)	- 4,940	3,761 1,926	10,045 2,512	10,061 2,452	10,07 2,31
Infrastructure	4,940 1,472	1,926	2,512 1,183	2,452 1,249	1,31
Total	20,287	21,425	26,089	26,786	28,16
	• • • • • • • • • • • • • • • • • • • •	,	-,		
Gains During Period - Profit & Loss  Marketable Bonds Unrealized Gains/(Loss)	(44.700)	/ 520	20.000	(1 (07)	2.24
Marketable Bonds Unrealized Gains/(Loss)  Marketable Bonds Realized Gains/(Loss)	(44,799) 11,782	6,538 34,530	28,898 12,779	(1,607) 6,846	2,34 7
MUSH	11,702	34,330	12,779	0,040	
Canadian Equities Realized Gains	69,223	(2,302)	(4,740)	- 78	- 56
Canadian Equities Realized Gains Global Equities Realized Gains	66,318	(596)	(6,681)	99	51
Global LV Realized Gains	=	(99)	(4,100)	67	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,56
Infrastructure	5,765	4,449	4,636	4,895	5,16
Total	124,596	48,122	36,638	16,576	15,23
Other					
Investment Fees Paid	(5,204)	(4,725)	(4,580)	(4,764)	(4,95
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,20
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(242)	(1,287)	(1,96
Investment Write-Down	<u> </u>	-	<u> </u>	-	
Total	(25,105)	(15,615)	(19,135)	(20,808)	(22,134
Total Corporate Investment Income	191,037	132,206	128,217	104,586	104,540
Total Basic Investment Income	163,817	117,851	115,969	87,620	85,639
% - Basic to Total Investment Income	85.75%	89%	90%	84%	829
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,884)	5,151	6,08
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,841)	7,580	8,32
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,305)	4,200	4,68
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,724)	12,731	14,411
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,694.9	1,886.4	2,060.1	2,221.
MUSH	569.3	522.8	477.0	432.3	386.
Canadian Equities	123.3	140.7	144.5	155.2	164.
Global Equities Global LV Equities	166.7 96.6	177.7	182.1	195.5	208.
Private Debt	90.0	111.8 188.8	115.0 193.5	122.9 194.0	138. 194.
Real Estate	133.6	138.1	143.9	150.8	161.
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.
Total Ending Asset Values	2,919.4	3,057.6	3,229.8	3,403.1	3,572.
Total Basic Assets	2,537.5	2,642.4	2,749.1	2,848.5	2,946.
Ending Rebalanced Allocations (%)					
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.4%	60.5%	62.2%
MUSH	19.5%	17.1%	14.8%	12.7%	10.89
Canadian Equities	4.2%	4.6%	4.5%	4.6%	4.69
US Equities	5.7%	5.8%	5.6%	5.7%	5.89
Global LV	3.3%	3.7%	3.6%	3.6%	3.9%
					E 40
Private Debt	0.0%	6.2%	6.0%	5.7%	5.4%
	0.0% 4.6% 2.7%	6.2% 4.5% 2.7%	6.0% 4.5% 2.7%	5.7% 4.4% 2.7%	4.5% 2.7%

## Appendix 54a Updated Base Scenario #18 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	· ·			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,680	27,529	29,531	31,728
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,131,839	1,183,817	1,232,568	1,283,075
Net Claims Incurred	742,604	869,023	783,040	823,258	894,503	936,961	994,953	1,050,889
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,687)	640	11,049	9,107
Total Claims Incurred	666,404	860,035	767,239	778,719	875,816	937,601	1,006,001	1,059,996
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,487
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
Total Claims Costs	798,045	993,537	923,722	929,493	1,023,751	1,089,325	1,162,980	1,219,732
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,759
Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,979
Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,904
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,403	160,616	167,562	173,876
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,314)	(66,123)	(97,974)	(110,532)
Investment Income	48,476	101,645	111,731	192,131	87,066	92,743	97,098	100,449
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,535)	(7,428)	4,483	2,065
Net Investment Income	(4,038)	82,897	116,320	163,818	62,531	85,314	101,581	102,514
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,018)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,848)	(8,068)	(6,565)	(7,042)

# Appendix 54b Updated Base Scenario #18 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	333,183	352,374	355,981
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	16,216	19,191	3,607	(8,018)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,708)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,937	9,188	10,277	11,667
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
11	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
12	Total Equity								
	Rate Stabilization Reserve								
13		104 400	00.054	170.075	04/0/7	000 400	050.074	255 004	0.47.07.0
14	Retained Earnings	194,498	99,251	170,975	316,967	333,183	352,374	355,981	347,963
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	264,856	289,009	317,389	331,273	334,921

## Appendix 54c Updated Base Scenario #18 Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line N	D	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	57,602	61,325	59,442	43,968
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,546,126	2,650,611	2,774,171	2,897,219
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,373	18,832
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
14		2,683,473	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,281	405,982
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,993	1,934,087	2,010,680	2,083,793
23		2,452,472	2,624,484	2,705,292	2,765,090	2,860,572	2,971,291	3,092,740	3,211,278
24	Equity								
25	Retained earnings	194,499	99.251	170,975	316.967	333.183	352,374	355.981	347.963
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,708)	(13,042)
27	Total Equity	231,003	181,000	210,845	264,856	289,009	317,389	331,273	334,921
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,149,581	3,288,680	3,424,012	3,546,200

# Appendix 54d Updated Base Scenario #18 Minimum Capital Test

Line No.	(All figures in \$000s)	•	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(0.)	(02)	(00)	(0.)	(00)
2	Capital available (from page 30.62 - capital available)	01	221,201	241,889	258,204	270,067	271,680
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	221,201	241,889	258,204	270,067	271,680
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,896	220,969
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,465	332,838
16	Market Risk:						
17	Interest rate risk	30	6,468	21,908	26,102	29,860	34,120
18	Foreign exchange risk	32	15,640	15,260	16,262	17,940	20,872
19	Equity risk	34	69,313	67,256	71,783	80,140	88,240
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,323	141,746	156,473	173,269
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	61,266	63,507	65,082	66,286
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	61,266	63,507	65,082	66,286
28	Operational risk margin	50	64,552	69,860	73,071	76,698	80,511
29	Less: Diversification credit	52	53,910	62,347	65,802	70,019	74,497
30	Total Capital (Margin) Required at Target	59	453,309	496,555	520,497	548,699	578,407
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	331,037	346,998	365,799	385,605
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	331,037	346,998	365,799	385,605
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(89,148)	(88,794)	(95,732)	(113,925
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	73.07%	74.41%	73.83%	70.46%

# Appendix 54e Updated Base Scenario #18 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,540	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,274	212,112	223,308	224,355
7	Total _	726,240	759,725	821,977	882,018	937,278	985,286
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,908	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,278	7,921
13	Total Net Claims Incurred	767,240	778.719	875.816	937.601	1.006.001	1.059.996

### Appendix 54f

### Updated Base Scenario #18 Deferred Policy Acquisition Expenses and Premium Deficiency

Line	·												
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.42%	72.94%	73.87%	74.86%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9278	0.9372	0.9510	0.9871	1.0072					
9	2020				0.9377	0.9519	0.9884	1.0089	1.0115				
10	2021					0.9617	0.9969	1.0159	1.0169	1.0132			
11	2022						1.0031	1.0217	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.86%	76.23%	70.94%	72.31%	72.94%				73.70%	77.84%
16	2020				76.27%	71.00%	72.40%	73.06%	73.78%			73.08%	77.18%
17	2021					71.73%	73.03%	73.57%	74.18%	74.84%		73.59%	77.82%
18	2022						73.48%	73.99%	74.56%	75.19%	75.87%	74.58%	78.93%
	<del></del>												
19	B. Actual Data Other Than Losses												
20	B. Alstada Batta B					Fis	cal Year						
21	•	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.13%	8.14%	8.09%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.71%	2.71%	2.70%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.71%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
	, ,												
28	, ,					468 613	506 193	531 648	553 234	575 235	598 225		
28	Net Unearned Premium	re				468,613 5 598	506,193 5 710	531,648 5.824	553,234 5 941	575,235 6.059	598,225 6.059		
29	Net Unearned Premium     Additional Expected Cost of Non-Proportional Reinsuran					5,598	5,710	5,824	5,941	6,059	6,059		
29 30	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))					5,598 383,468	5,710 390,499	5,824 409,308	5,941 422,374	6,059 442,924			
29 30 31	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD					5,598 383,468 10	5,710 390,499	5,824 409,308	5,941 422,374	6,059 442,924	6,059 467,369		
29 30 31 32	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a]					5,598 383,468 10 13,837	5,710 390,499 - 14,989	5,824 409,308 - 15,082	5,941 422,374 - 14,919	6,059 442,924 - 15,429	6,059 467,369 - 16,017		
29 30 31 32 33	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	x (3)]				5,598 383,468 10 13,837 70,595	5,710 390,499 - 14,989 71,852	5,824 409,308 - 15,082 75,313	5,941 422,374 - 14,919 77,717	6,059 442,924 - 15,429 81,498	6,059 467,369 - 16,017 85,996		
29 30 31 32 33 34	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	x (3)]				5,598 383,468 10 13,837 70,595 3,950	5,710 390,499 14,989 71,852 3,950	5,824 409,308 15,082 75,313 3,950	5,941 422,374 - 14,919 77,717 3,950	6,059 442,924 15,429 81,498 3,950	6,059 467,369 - 16,017 85,996 3,950		
29 30 31 32 33 34 35	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845)	5,710 390,499 14,989 71,852 3,950 19,193	5,824 409,308 15,082 75,313 3,950 22,173	5,941 422,374 14,919 77,717 3,950 28,333	6,059 442,924 15,429 81,498 3,950 25,373	6,059 467,369 16,017 85,996 3,950 18,832		
29 30 31 32 33 34 35 36	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	5,710 390,499 14,989 71,852 3,950 19,193 29,489	5,824 409,308 15,082 75,313 3,950 22,173 31,018	5,941 422,374 14,919 77,717 3,950 28,333 32,305	6,059 442,924 15,429 81,498 3,950 25,373 33,624	6,059 467,369 - 16,017 85,996 3,950 18,832 35,003		
29 30 31 32 33 34 35 36 37	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295	5,824 409,308 15,082 75,313 3,950 22,173 31,018 8,845	5,941 422,374 14,919 77,717 3,950 28,333 32,305 3,972	6,059 442,924 15,429 81,498 3,950 25,373 33,624 8,250	6,059 467,369 16,017 85,996 3,950 18,832 35,003 16,171		
29 30 31 32 33 34 35 36 37 38	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	5,710 390,499 14,989 71,852 3,950 19,193 29,489	5,824 409,308 15,082 75,313 3,950 22,173 31,018	5,941 422,374 14,919 77,717 3,950 28,333 32,305	6,059 442,924 15,429 81,498 3,950 25,373 33,624	6,059 467,369 - 16,017 85,996 3,950 18,832 35,003		
29 30 31 32 33 34 35 36 37 38 39	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change 18. Premium Deficiency [c]	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363 8,845	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295 (21,760)	5,824 409,308 15,082 75,313 3,950 22,173 31,018 8,845	5,941 422,374 14,919 77,717 3,950 28,333 32,305 3,972	6,059 442,924 15,429 81,498 3,950 25,373 33,624 8,250	6,059 467,369 16,017 85,996 3,950 18,832 35,003 16,171		
29 30 31 32 33 34 35 36 37 38	8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsuran 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Er 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b] Change	x (3)]				5,598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	5,710 390,499 14,989 71,852 3,950 19,193 29,489 10,295	5,824 409,308 15,082 75,313 3,950 22,173 31,018 8,845	5,941 422,374 14,919 77,717 3,950 28,333 32,305 3,972	6,059 442,924 15,429 81,498 3,950 25,373 33,624 8,250	6,059 467,369 16,017 85,996 3,950 18,832 35,003 16,171		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 54g Updated Base Scenario #18 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022
No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	259	135	0	0	
Marketable Bonds	44,245	55,586	63,975	70,448	76,5
MUSH	26,759 <b>71,264</b>	24,361 <b>80,083</b>	22,065 <b>86,040</b>	19,852 <b>90,300</b>	17,6 <b>94,2</b>
Total	/ 1,204	80,083	80,040	90,300	94,2
Dividend and other Income					
Canadian Equities	9,657	5,687	4,593	5,432	6,0
Global	4,218	5,973	4,918	5,725	6,3
Global LV	-	2,894	3,253	3,803	4,2
Private Debt	-	3,873	10,338	10,321	10,3
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,3
Infrastructure	1,472	1,136	1,183	1,249	1,3
Total	20,288	21,489	26,798	28,982	30,5
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,162)	(7,846)	2,721	į
Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(36)	2,042	1,5
MUSH	-	-	-	-	
Canadian Equities Realized Gains	69,223	2,640	0	0	
Global Equities Realized Gains	66,319	3,743	0	0	
Global LV Realized Gains	-	459	-	-	
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,
Infrastructure	5,765	4,449	4,636	4,895	5,
Total	124,596	(8,879)	2,602	15,856	16,
Other					
Investment Fees Paid	(5,204)	(4,713)	(4,577)	(4,894)	(5,
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,805	7,671	7,758	7,
Investment Write-Down	-	=	· ·	-	,
Total	(25,105)	(12,780)	(11,219)	(11,893)	(12,
Total Corporate Investment Income	191,042	78,850	103,278	123,759	128,8
Total Basic Investment Income	163,818	62,531	85,314	101,581	102,
% - Basic to Total Investment Income	85.75%	79%	83%	82%	
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,739	4,860	5,747	6,
US Equities Unrealized Gains/(Losses)	7,538	9,312	7,340	8,544	9,
Global LV Unrealized Gains/(Losses)	-	4,212	4,441	5,192	5,
Total Corporate Unrealized Gains/(Losses)	19,652	16,051	12,200	14,291	16,
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	
Canadian Fixed Income	1,751.6	1,710.3	1,861.8	2,013.2	2,17
MUSH	569.3	522.8	477.0	432.3	38
Canadian Equities	123.3	129.4	149.7	177.2	19
Global Equities	166.7	168.7	192.8	224.6	25
Global LV Equities	96.6	115.6	132.3	154.9	17
Private Debt	-	187.7	186.8	187.3	18
Real Estate	133.6	138.1	144.0	150.8	16
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	9
Total Ending Asset Values	2,919.5	3,055.4	3,231.8	3,432.5	3,62
Total Basic Assets	2,522.7	2,617.3	2,725.5	2,847.4	2,95
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.
Canadian Fixed Income	60.0%	56.0%	57.6%	58.7%	59.
MUSH	19.5%	17.1%	14.8%	12.6%	10.
Canadian Equities	4.2%	4.2%	4.6%	5.2%	5.
US Equities	5.7%	5.5%	6.0%	6.5%	6.
Global LV	3.3%	3.8%	4.1%	4.5%	4.
Private Debt	0.0%	6.1%	5.8%	5.5%	5.
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.5% 2.7%	4.5% 2.7%	4.4% 2.7%	4.! 2.

## Appendix 55a Modified Base Scenario #18 Statement of Operations

r Vehicles rs surance Ceded et Premiums Written emiums Earned r Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues lims Incurred laims Incurred laims Incurred	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,845 1,063,252	1,072,131 70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680 1,131,839	2021P  1,116,638 72,885 (11,648) 1,177,874  1,096,049 71,887 (11,648) 1,156,288 27,529 1,183,817	2022P  1,162,196 74,723 (11,881)  1,225,038  1,141,121 73,798 (11,881) 1,203,038 29,531	1,209,891 76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347 31,728
rs surance Ceded let Premiums Written emiums Earned r Vehicles rs surance Ceded let Premiums Earned ce Fees & Other Revenues arned Revenues lims Incurred laims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
surance Ceded  et Premiums Written  emiums Earned  r Vehicles  rs surance Ceded  et Premiums Earned  ce Fees & Other Revenues arned Revenues  ims Incurred  laims Incurred - Interest Rate Impact	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	70,903 (11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	72,885 (11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	74,723 (11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	76,565 (12,119 1,274,337 1,187,828 75,638 (12,119 1,251,347
et Premiums Written emiums Earned r Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,845	(11,420) 1,131,614 1,047,683 69,896 (11,420) 1,106,159 25,680	(11,648) 1,177,874 1,096,049 71,887 (11,648) 1,156,288 27,529	(11,881) 1,225,038 1,141,121 73,798 (11,881) 1,203,038	1,274,337 1,187,828 75,638 (12,119 1,251,347
emiums Earned r Vehicles rs surance Ceded let Premiums Earned ce Fees & Other Revenues arned Revenues lims Incurred	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200)	871,173 47,606 (11,635) 907,144 20,749 927,893	922,617 48,819 (11,294) 960,142 22,849 982,992	991,058 59,546 (11,196) 1,039,407 23,845	1,047,683 69,896 (11,420) 1,106,159 25,680	1,096,049 71,887 (11,648) <b>1,156,288</b> 27,529	1,141,121 73,798 (11,881) 1,203,038	1,187,828 75,638 (12,119 <b>1,251,34</b> 7
r Vehicles rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred laims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	47,606 (11,635) <b>907,144</b> 20,749 <b>927,893</b> 869,023	48,819 (11,294) 960,142 22,849 982,992	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,347</b>
rs surance Ceded et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred laims Incurred - Interest Rate Impact	45,787 (12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	47,606 (11,635) <b>907,144</b> 20,749 <b>927,893</b> 869,023	48,819 (11,294) 960,142 22,849 982,992	59,546 (11,196) 1,039,407 23,845	69,896 (11,420) 1,106,159 25,680	71,887 (11,648) 1,156,288 27,529	73,798 (11,881) 1,203,038	75,638 (12,119 <b>1,251,347</b>
surance Ceded  et Premiums Earned ce Fees & Other Revenues arned Revenues  ims Incurred laims Incurred - Interest Rate Impact	(12,423) <b>861,066</b> 20,351 <b>881,417</b> 742,604 (76,200)	(11,635) 907,144 20,749 927,893 869,023	(11,294) 960,142 22,849 982,992	(11,196) 1,039,407 23,845	(11,420) 1,106,159 25,680	(11,648) 1,156,288 27,529	(11,881) 1,203,038	(12,119 1,251,347
et Premiums Earned ce Fees & Other Revenues arned Revenues ims Incurred laims Incurred - Interest Rate Impact	861,066 20,351 881,417 742,604 (76,200)	907,144 20,749 927,893 869,023	960,142 22,849 982,992	1,039,407 23,845	<b>1,106,159</b> 25,680	1,156,288 27,529	1,203,038	1,251,347
ce Fees & Other Revenues arned Revenues ims Incurred laims Incurred - Interest Rate Impact	20,351 881,417 742,604 (76,200)	20,749 <b>927,893</b> 869,023	22,849 <b>982,992</b>	23,845	25,680	27,529		
arned Revenues  ims Incurred laims Incurred - Interest Rate Impact	742,604 (76,200)	<b>927,893</b> 869,023	982,992				29,531	31 729
ims Incurred laims Incurred - Interest Rate Impact	742,604 (76,200)	869,023		1,063,252	1,131,839	1,183,817		31,720
laims Incurred - Interest Rate Impact	(76,200)		783 040				1,232,568	1,283,07
· -	,	(9.099)	700,010	823,258	894,503	936,961	994,953	1,050,88
laims Incurred	666 404	(0,700)	(15,801)	(44,539)	(18,687)	640	11,049	9,11
	000,101	860,035	767,239	778,719	875,816	937,601	1,006,001	1,060,000
ns Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,48
Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,24
laims Costs	798,045	993,537	923,722	929,493	1,023,751	1,089,325	1,162,980	1,219,73
ses								
ating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
missions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,979
ium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
llatory/Appeal _	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
xpenses _	135,383	140,323	141,165	151,585	154,403	160,616	167,562	173,87
vriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(46,314)	(66,123)	(97,974)	(110,53
nent Income	48,476	101,645	111,731	192,131	87,598	93,301	97,693	101,07
vestment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,578)	(7,441)	4,496	2,065
estment Income	(4,038)	82,897	116,320	163,818	63,020	85,860	102,190	103,14
ome (Loss)	(56,049)	(123,071)	34,424	145,992	16,706	19,737	4,215	(7,39
	vriting Income (Loss)  ment Income  vvestment Income - Interest Rate Impact vestment Income  come (Loss)	viriting Income (Loss) (52,011)  ment Income 48,476  evestment Income (52,515) estment Income (4,038)	viriting Income (Loss)  (52,011) (205,968)  ment Income 48,476 101,645  evestment Income (52,515) (18,748)  estment Income (4,038) 82,897  come (Loss) (56,049) (123,071)	writing Income (Loss)  (52,011) (205,968) (81,896)  ment Income 48,476 101,645 111,731  westment Income - Interest Rate Impact (52,515) (18,748) 4,589  restment Income (4,038) 82,897 116,320  mome (Loss) (56,049) (123,071) 34,424	viriting Income (Loss) (52,011) (205,968) (81,896) (17,826)  ment Income 48,476 101,645 111,731 192,131  evestment Income (52,515) (18,748) 4,589 (28,313)  estment Income (4,038) 82,897 116,320 163,818	viriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (46,314)  ment Income 48,476 101,645 111,731 192,131 87,598  evestment Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,578)  estment Income (4,038) 82,897 116,320 163,818 63,020  ome (Loss) (56,049) (123,071) 34,424 145,992 16,706	viriting Income (Loss) (52,011) (205,968) (81,896) (17,826) (46,314) (66,123)  ment Income 48,476 101,645 111,731 192,131 87,598 93,301  avestment Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,578) (7,441)  avestment Income (4,038) 82,897 116,320 163,818 63,020 85,860  avenue (Loss) (56,049) (123,071) 34,424 145,992 16,706 19,737	viriting Income (Loss)  (52,011) (205,968) (81,896) (17,826) (46,314) (66,123) (97,974)  ment Income  48,476 101,645 111,731 192,131 87,598 93,301 97,693  evestment Income - Interest Rate Impact (52,515) (18,748) 4,589 (28,313) (24,578) (7,441) 4,496  evestment Income  (4,038) 82,897 116,320 163,818 63,020 85,860 102,190  come (Loss)  (56,049) (123,071) 34,424 145,992 16,706 19,737 4,215

# Appendix 55b Modified Base Scenario #18 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	331,449	349,473	364,618	370,809
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	16,706	19,737	4,215	(7,393)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,482	1,317	(4,591)	1,975	13,016
6	Total Retained Earnings	194,498	99,251	170,975	331,449	349,473	364,618	370,809	376,431
7	Total Accumulated Other Comprehensive Income								
7	·	25.272	27.504	01.740	20.070	(FO 111)	(42.001)	(24 507)	(24.000)
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(43,991)	(34,596)	(24,098)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	8,120	9,395	10,498	11,908
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,991)	(34,596)	(24,098)	(12,190)
11	Total Equity Balance	231,002	181,000	210,845	279,338	305,481	330,022	346,711	364,241
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	331,449	349,473	364,618	370,809	376,431
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,991)	(34,596)	(24,098)	(12,190)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	279,338	305,481	330,022	346,711	364,241
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	_
18	Total Equity Balance	231,002	181,000	210,845	279,338	305,481	330,022	346,711	364,241
10	Total Equity Balance	231,002	101,000	210,043	217,330	303,401	330,022	J-10,/11	307,241

## Appendix 55c Modified Base Scenario #18 Balance Sheet

	For the Years Ended February,									
e No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023		
BASIC										
Assets										
Cash and investments	29,114	61,606	72,998	28,914	58,970	58,116	58,210	55,762		
Equity investments	2,083,349	2,189,534	2,272,545	2,494,342	2,561,230	2,666,454	2,790,843	2,914,75		
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,24		
Due from other insurance companies	25	16	2	-	-	-	-			
Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,46		
Prepaid expenses	-	-	-	-	-	-	-			
Deferred policy acquisition costs	4,782	-	-	19,193	22,173	28,333	25,373	18,832		
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-			
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-			
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22		
Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,24		
	2,683,473	2,805,484	2,916,137	3,044,428	3,166,053	3,301,314	3,439,452	3,575,52		
Liabilities										
Due to other insurance companies	152	147	141	144	144	144	144	14		
Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,18		
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518		
Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,61		
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,04		
Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,680	389,283	405,984		
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,993	1,934,087	2,010,680	2,083,79		
	2,452,472	2,624,484	2,705,292	2,765,090	2,860,572	2,971,291	3,092,741	3,211,28		
Equity										
Retained earnings	194,499	99,251	170,975	331,449	349,473	364,618	370,809	376,43		
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(43,991)	(34,596)	(24,098)	(12,190		
Total Equity	231,003	181,000	210,845	279,338	305,481	330,022	346,711	364,24		

### Appendix 55d Modified Base Scenario #18 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	Capital Available:		(01)	(02)	(03)	(04)	(05)
1	Capital Available.  Capital available (from page 30.62 - capital available)	01	235,683	258,361	270,838	285,505	301,000
3	Phase-in of capital available	03	233,003	230,301	270,030	205,505	0 301,000
4	Total Capital Available	09	235,683	258,361	270,838	285,505	301,000
5	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
6	, , ,					0	
7 8	Phase-in of net assets available  Total Net Assets Available	13	0	0	0	0	0
O	Total Net Assets Available	17	0	0	<u> </u>	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,869
12	Unpaid claims	22	191,221	197,034	204,520	212,896	220,969
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,453	307,975	320,465	332,838
16	Market Risk:						
17	Interest rate risk	30	7,221	22,723	26,947	30,745	35,026
18	Foreign exchange risk	32	15,901	15,533	16,553	18,251	21,225
19	Equity risk	34	70,616	68,618	73,238	81,695	89,903
20	Real estate risk	36	26,272	27,206	27,925	28,879	30,403
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	120,010	134,080	144,663	159,570	176,557
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,437	61,739	63,981	65,561	66,770
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,437	61,739	63,981	65,561	66,770
28	Operational risk margin	50	64,778	70,134	73,360	77,002	80,832
29	Less: Diversification credit	52	54,516	62,993	66,466	70,698	75,188
30	Total Capital (Margin) Required at Target	59	455,589	499,413	523,513	551,900	581,809
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,726	332,942	349,009	367,933	387,873
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	303,726	332,942	349,009	367,933	387,873
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,043)	(74,581)	(78,171)	(82,428)	(86,873)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.60%	77.60%	77.60%	77.60%	77.60%

# Appendix 55e Modified Base Scenario #18 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502.881	538,540	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,995
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,274	212,112	223,308	224,358
	_						
7	Total	726,240	759,725	821,977	882,018	937,278	985,289
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,918	5,535	6,908	6,580
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(1,450)	(4,873)	4,278	7,921
13	Total Net Claims Incurred	767.240	778.719	875.816	937.601	1.006.001	1.060.000

### Appendix 55f

### Modified Base Scenario #18 Deferred Policy Acquisition Expenses and Premium Deficiency

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 55g Modified Base Scenario #18 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	250	141	0	0	0
Marketable Bonds	259 44,245	141 55,596	0 63,977	0 70,455	0 76,592
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,099	86,042	90,307	94,285
Dividend and other Income					
Dividend and other income  Canadian Equities	9,657	5,670	4,592	5,428	6,080
Global	4,218	5,969	4,917	5,722	6,322
Global LV	-	2,894	3,252	3,800	4,195
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,288	21,467	26,794	28,973	30,537
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(52,412)	(7,846)	2,721	600
Marketable Bonds Realized Gains/(Loss)	11,781	26,636	(36)	2,043	1,594
7 MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,622	0	0	722
Global Equities Realized Gains Global LV Realized Gains	66,319	3,737	0	691	0
Global LV Realized Gains Real Estate (Pooled Fund)	- 16,307	459 5,603	- 5,847	- 6,198	767 6,570
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,906)	2,602	16,548	15,422
		(5)155)			,
4 Other 5 Investment Fees Paid	(5.00.1)	(4.740)	(4.57.0)	(4.000)	/5.407
Investment Fees Paid Pension Expense	(5,204)	(4,710)	(4,576)	(4,893)	(5,127
Amortization on Marketable Bonds (Prem) / Discount	(13,441) (6,461)	(13,872) 5,806	(14,313) 7,671	(14,757) 7,759	(15,207) 7,482
Investment Write-Down	(0,401)	-	-	-	7,402
7 Total	(25,105)	(12,776)	(11,218)	(11,891)	(12,852)
Total Corporate Investment Income	191,042	78,822	103,278	124,451	127,627
Total Basic Investment Income	163,818	63,020	85,860	102,190	103,143
% - Basic to Total Investment Income	85.75%	80%	83%	82%	81%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,718	4,859	5,744	6,786
US Equities Unrealized Gains/(Losses)	7,538	9,305	7,338	8,540	9,435
Global LV Unrealized Gains/(Losses)	-	4,211	4,440	5,189	5,728
7 Total Corporate Unrealized Gains/(Losses)	19,652	16,023	12,197	14,284	16,221
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,710.3	1,862.0	2,024.5	2,171.6
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	129.4 168.7	149.7 192.7	177.0 213.5	199.5 252.5
Global LV Equities	96.6	115.5	132.3	154.7	171.4
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,055.3	3,231.8	3,432.4	3,628.1
Total Basic Assets	2,537.2	2,633.7	2,738.1	2,862.8	2,985.8
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	59.0%	59.9%
MUSH	19.5%	17.1%	14.8%	12.6%	10.6%
Canadian Equities	4.2%	4.2%	4.6%	5.2%	5.5%
US Equities	5.7% 3.3%	5.5%	6.0%	6.2% 4.5%	7.0%
Global LV Private Debt	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.5% 5.5%	4.7% 5.2%
Private Debt Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 56a Adverse Scenario #18 Statement of Operations

).	•	2016A		2018A	2019P	2020P	2021P	2022P	2023
	BASIC		2017A	2010/1	20171	20201	LULII	LULLI	20201
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,34
	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,606	27,360	29,248	31,31
	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,131,765	1,183,648	1,232,286	1,282,66
	Net Claims Incurred	742,604	869,023	783,040	787,372	1,190,276	1,011,085	1,004,651	1,063,092
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
	Total Claims Incurred	666,404	860,035	767,239	779,170	1,031,234	1,023,475	1,008,876	1,069,12
	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,349
	Total Claims Costs	798,045	993,537	923,722	929,944	1,179,169	1,175,972	1,167,005	1,229,91
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,24
	Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,97
	Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,90
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,403	160,963	168,085	174,36
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,807)	(153,288)	(102,804)	(121,62
	Investment Income	48,476	101,645	111,731	192,129	79,294	76,169	82,578	83,29
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,543	39,779	5,013	2,30
	Net Investment Income	(4,038)	82,897	116,320	163,817	117,836	115,948	87,591	85,60
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(83,970)	(37,340)	(15,214)	(36,02

# Appendix 56b Adverse Scenario #18 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
									_
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	330,985	248,332	206,401	193,163
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(83,970)	(37,340)	(15,214)	(36,021)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,482	1,317	(4,591)	1,975	13,016
6	Total Retained Earnings	194,498	99,251	170,975	330,985	248,332	206,401	193,163	170,158
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,685)	(51,918)	(43,166)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,574)	3,766	8,752	9,512
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654)
11	Total Equity Balance	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	330,985	248,332	206,401	193,163	170,158
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
17	Retained Earnings in excess of Rate Stabilization Reserve				_	_	_		
18	Total Equity Balance	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
10	Total Equity Balance	231,002	101,000	210,043	210,014	172,047	104,403	147,777	130,304

### Appendix 56c Adverse Scenario #18 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,914	29,906	10,575	3,378	
	Equity investments	2,083,349	2,189,534	2,272,545	2,494,328	2,599,039	2,725,046	2,831,335	2,931,267
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
	Prepaid expenses	-	-	-	-	-	-	-	
	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	4,223	7,419	
	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
		2,683,473	2,805,484	2,916,137	3,043,963	3,157,291	3,288,204	3,407,067	3,517,341
	Liabilities								
	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,061	2,095,286	2,174,440	2,253,221
		2,452,472	2,624,484	2,705,292	2,765,089	2,964,644	3,133,721	3,257,071	3,380,837
	Equity								
	Retained earnings	194,499	99,251	170,975	330,985	248,332	206,401	193,163	170,158
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654
	Total Equity	231,003	181,000	210,845	278,874	192,647	154,483	149,997	136,504
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,043,963	3,157,291	3,288,204	3,407,067	3,517,341

### Appendix 56d Adverse Scenario #18 Minimum Capital Test

ne	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Yea
٥.			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	235,219	145,527	95,348	88,881	73,36
	Phase-in of capital available	03	0	0	0	0	
	Total Capital Available	09	235,219	145,527	95,348	88,881	73,30
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	
	Phase-in of net assets available	13	0	0	0	0	
	Total Net Assets Available	19	0	0	0	0	
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	99,419	103,455	107,569	111,9
!	Unpaid claims	22	191,221	207,949	220,831	229,363	237,9
3	Catastrophes	24	0	0	0	0	
	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
j	Subtotal: Insurance risk margin	29	285,880	307,368	324,286	336,932	349,8
6	Market Risk:						
7	Interest rate risk	30	7,221	12,005	13,118	22,664	26,6
3	Foreign exchange risk	32	15,900	17,045	16,534	16,593	17,5
)	Equity risk	34	70,615	77,137	73,292	72,302	77,2
)	Real estate risk	36	26,272	27,206	27,925	28,878	30,4
l	Other market risk exposures	38	0	0	0	0	
2	Subtotal: Market risk margin	39	120,008	133,393	130,869	140,437	151,8
3	Credit Risk:						
	Counterparty default risk for balance sheet assets	40	39,391	59,908	62,703	65,014	66,0
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
)	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
,	Subtotal: Credit risk margin	49	39,391	59,908	62,703	65,014	66,0
	Operational risk margin	50	64,774	70,848	73,465	76,729	80,1
	Less: Diversification credit	52	54,505	63,342	64,643	68,087	71,6
	Total Capital (Margin) Required at Target	59	455,548	508,175	526,680	551,025	576,2
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,699	338,783	351,120	367,350	384,1
!	Phase-in of Capital (Margin) Required	62	0	0	0	0	
	Total Minimum Capital (Margin) Required	69	303,699	338,783	351,120	367,350	384,1
	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,480)	(193,256)	(255,772)	(278,469)	(310,8
,	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.45%	42.96%	27.16%	24.20%	19.1

# Appendix 56e Adverse Scenario #18 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,976
4	Property Damag∈	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,758	278,141	232,277	231,789
7	Total	726,240	759,725	946,805	952,676	946,239	992,752
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,148	6,978	7,005
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	1,730	(1,878)	9,161
13	Total Net Claims Incurred	767.240	779.170	1.031.234	1.023.475	1.008.876	1.069.127

### Appendix 56f

### Adverse Scenario #18 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	74.66%	73.87%	74.86%	Ondiso	Dio
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9444	0.9504	0.9608	0.9936	1.0100					
9	2020				0.9562	0.9667	0.9996	1.0162	1.0146				
10	2021					0.9758	1.0084	1.0245	1.0224	1.0155			
11	2022						1.0131	1.0298	1.0282	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.109
15	2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80.659
16	2020				77.78%	72.11%	73.23%	79.99%	75.75%			75.58%	80.899
17	2021					72.78%	73.87%	80.64%	76.33%	75.01%		75.07%	80.479
18	2022						74.22%	81.06%	76.76%	75.47%	75.99%	76.07%	81.659
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.73%	2.72%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,094	442,710	458,018	483,498		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,082	14,952	15,513	16,116		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,033	81,459	84,275	88,964		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	4,665	4,223	7,419	(362)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,018	32,305	33,624	35,003		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	26,353	28,083	26,205	35,003		
	Change					2,363	(21,308)	15,606	1,730	(1,878)	8,799		
	Change												
38 39	18. Premium Deficiency [c]					8,845			-	-	362		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 56g Adverse Scenario #18 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.			orecasted		
Interest Income During Period  Cash/Short Term Investments	٥٢٢	00	0	(0)	(1)
Marketable Bonds	255 44,245	99 53,807	0 57,806	(0) 61,597	(1) 65,255
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,266	79,871	81,448	82,948
Dividend and other Income					
Dividend and other Income  Canadian Equities	9,657	5,720	4,592	4,843	5,413
Global	4,218	5,720	4,814	5,056	5,546
Global LV	-	2,901	2,912	3,058	3,404
o Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,287	21,420	26,058	26,720	28,068
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(44,799)	6,554	28,857	(1,651)	2,338
6 Marketable Bonds Realized Gains/(Loss)	11,782	34,514	12,809	6,888	73
7 MUSH	-	-	-	-	-
Clobal Equities Realized Gains	69,223	(2,303)	(4,734)	79	549
Global Equities Realized Gains Global LV Realized Gains	66,318	(597) (99)	(6,676) (4,097)	99 67	495
Real Estate (Pooled Fund)	16,307	5,602	(4,097) 5,847	6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	48,121	36,642	16,575	15,193
Other	·	·	·	·	•
4 Other 5 Investment Fees Paid	(F 204)	/4.70E)	(4.574)	(4.7/1)	(4.040)
Pension Expense	(5,204) (13,441)	(4,725) (13,872)	(4,576) (14,313)	(4,761) (14,757)	(4,949) (15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(239)	(1,280)	(1,953)
Investment Write-Down	-	-	-	-	-
7 Total	(25,105)	(15,615)	(19,128)	(20,798)	(22,109)
Total Corporate Investment Income	191,037	132,192	128,170	104,478	104,344
Total Basic Investment Income	163,817	117,836	115,948	87,591	85,600
% - Basic to Total Investment Income	85.75%	89%	90%	84%	82%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,878)	5,124	6,040
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,836)	7,546	8,276
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,301)	4,176	4,648
7 Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,715)	12,670	14,316
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,694.2	1,884.6	2,057.3	2,216.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	140.5 177.5	143.9 181.4	154.2 194.4	163.3 207.2
Global LV Equities	96.6	111.7	114.5	122.0	136.9
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,056.3	3,226.4	3,397.3	3,563.6
Total Basic Assets	2,537.1	2,642.5	2,749.2	2,848.5	2,946.5
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.4%	60.6%	62.2%
MUSH	19.5%	17.1%	14.8%	12.7%	10.8%
Canadian Equities	4.2%	4.6%	4.5%	4.5%	4.6%
US Equities Global LV	5.7% 3.3%	5.8% 3.7%	5.6% 3.5%	5.7% 3.6%	5.8% 3.8%
Global LV Private Debt	3.3% 0.0%	3.7% 6.2%	3.5% 6.0%	3.6% 5.7%	3.8% 5.5%
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
		100.0%			=

## Appendix 56h Adverse Scenario #18 with Management Action Statement of Operations

(C\$ 000s, except where noted)			Fo	r the Years End	ed February,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,072,131	1,116,638	1,162,196	1,209,891
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,131,614	1,177,874	1,225,038	1,274,337
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,047,683	1,096,049	1,141,121	1,187,828
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,606	27,360	29,248	31,314
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,131,765	1,183,648	1,232,286	1,282,661
Net Claims Incurred	742,604	869,023	783,040	787,372	1,190,276	1,011,085	1,004,651	1,063,092
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,031,234	1,023,475	1,008,876	1,069,127
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,637	145,052	147,443
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,860	13,077	13,349
Total Claims Costs	798,045	993,537	923,722	929,944	1,179,169	1,175,972	1,167,005	1,229,919
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,521	80,360	83,247
Commissions	33,862	35,086	37,378	40,338	42,511	44,406	46,163	47,979
Premium Taxes	26,205	27,563	29,143	31,518	33,527	35,038	36,448	37,904
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,403	160,963	168,085	174,363
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(201,807)	(153,288)	(102,804)	(121,621)
Investment Income	48,476	101,645	111,731	192,129	79,294	76,169	82,578	83,299
(b) Investment Income - Interest Rate Imp	pact (52,515)	(18,748)	4,589	(28,313)	38,543	39,779	5,013	2,301
Net Investment Income	(4,038)	82,897	116,320	163,817	117,836	115,948	87,591	85,600
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(83,970)	(37,340)	(15,214)	(36,021
Total net Impact due to interest rate chanc	ge (b) - (a) 23,685	(9,760)	20,390	(20,110)	197,585	27,389	788	(3,734

# Appendix 56i Adverse Scenario #18 with Management Action Statement of Changes in Equity

Line	e (C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	-	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	330,985	248,332	206,401	193,163
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(83,970)	(37,340)	(15,214)	(36,021)
4	Premium Rebate	-	-	· -	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	14,482	1,317	(4,591)	1,975	13,016
6	Total Retained Earnings	194,498	99,251	170,975	330,985	248,332	206,401	193,163	170,158
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35.262	36,504	81,748	39,870	(52,111)	(55,685)	(51,918)	(43,166)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,574)	3,766	8,752	9,512
10	Total Accumulated Other Comprehensive Income	36.504	81.749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654)
11	Total Equity Balance	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99.251	170,975	330,985	248,332	206,401	193,163	170,158
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
17	Retained Earnings in excess of Rate Stabilization Reserve			_	_		_	_	
18	Total Equity Balance	231,002	181,000	210,845	278,874	192,647	154,483	149,997	136,504
10	. o.a. =qay zaianoo	201,002	101,000	210,010	270,077	172,017	101,100	117,777	100,001

### Appendix 56j Adverse Scenario #18 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	29,906	10,575	3,378	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,494,328	2,599,039	2,725,046	2,831,335	2,931,267
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	371,962	386,677	401,725	417,465
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	4,665	4,223	7,419	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,135	61,116	63,136
14		2,683,473	2,805,484	2,916,137	3,043,963	3,157,291	3,288,204	3,407,067	3,517,341
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	576,135	601,377	627,336	654,613
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,969,061	2,095,286	2,174,440	2,253,221
23		2,452,472	2,624,484	2,705,292	2,765,089	2,964,644	3,133,721	3,257,071	3,380,837
24	Equity								
25	Retained earnings	194.499	99,251	170,975	330,985	248,332	206.401	193,163	170,158
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,685)	(51,918)	(43,166)	(33,654)
27	Total Equity	231,003	181,000	210,845	278,874	192,647	154,483	149,997	136,504
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,043,963	3,157,291	3,288,204	3,407,067	3,517,341

# Appendix 56k Adverse Scenario #18 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	235,219	145,527	95,348	88,881	73,368
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	235,219	145,527	95,348	88,881	73,368
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,419	103,455	107,569	111,936
12	Unpaid claims	22	191,221	207,949	220,831	229,363	237,938
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	307,368	324,286	336,932	349,874
16	Market Risk:						
17	Interest rate risk	30	7,221	12,005	13,118	22,664	26,678
18	Foreign exchange risk	32	15,900	17,045	16,534	16,593	17,598
19	Equity risk	34	70,615	77,137	73,292	72,302	77,201
20	Real estate risk	36	26,272	27,206	27,925	28,878	30,403
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	120,008	133,393	130,869	140,437	151,880
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,391	59,908	62,703	65,014	66,040
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,391	59,908	62,703	65,014	66,040
28	Operational risk margin	50	64,774	70,848	73,465	76,729	80,121
29	Less: Diversification credit	52	54,505	63,342	64,643	68,087	71,664
30	Total Capital (Margin) Required at Target	59	455,548	508,175	526,680	551,025	576,251
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	303,699	338,783	351,120	367,350	384,168
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	303,699	338,783	351,120	367,350	384,168
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(68,480)	(193,256)	(255,772)	(278,469)	(310,800
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	77.45%	42.96%	27.16%	24.20%	19.10%

# Appendix 56I Adverse Scenario #18 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,508	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,976
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,966	5,343	5,395
6	PIPP	187,022	169,153	273,758	278,141	232,277	231,789
7	Total	726,240	759,725	946,805	952,676	946,239	992,752
8	Unallocated Loss Adjustment Expenses	42.252	50.135	52.371	54.921	57.537	60.210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,452	14,148	6,978	7,005
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	15,606	1,730	(1,878)	9,161
13	Total Net Claims Incurred	767.240	779.170	1.031.234	1.023.475	1.008.876	1.069.127

### Appendix 56m

### Adverse Scenario #18 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	78.71%	74.66%	73.87%	74.86%	Ondiso	Dio
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9444	0.9504	0.9608	0.9936	1.0100					
9	2020				0.9562	0.9667	0.9996	1.0162	1.0146				
10	2021					0.9758	1.0084	1.0245	1.0224	1.0155			
11	2022						1.0131	1.0298	1.0282	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.109
15	2019			77.22%	77.30%	71.67%	72.78%	79.50%				75.77%	80.659
16	2020				77.78%	72.11%	73.23%	79.99%	75.75%			75.58%	80.899
17	2021					72.78%	73.87%	80.64%	76.33%	75.01%		75.07%	80.479
18	2022						74.22%	81.06%	76.76%	75.47%	75.99%	76.07%	81.659
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,106,159	1,156,288	1,203,038	1,251,347		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.23%	8.16%	8.19%	8.14%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.72%	2.73%	2.71%		
25	Selected					3.16%	2.99%	2.87%	2.73%	2.73%	2.72%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	531,648	553,234	575,235	598,225		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,881	424,094	442,710	458,018	483,498		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	15,082	14,952	15,513	16,116		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,033	81,459	84,275	88,964		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	4,665	4,223	7,419	(362)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,018	32,305	33,624	35,003		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,747	26,353	28,083	26,205	35,003		
	Change					2,363	(21,308)	15,606	1,730	(1,878)	8,799		
	Change												
38 39	18. Premium Deficiency [c]					8,845			-	-	362		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 56n Adverse Scenario #18 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	99	0	(0)	(1
Marketable Bonds	44,245	53,807	57,806	61,597	65,255
MUSH Total	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,266	79,871	81,448	82,948
Dividend and other Income					
Canadian Equities	9,657	5,720	4,592	4,843	5,413
Global	4,218	5,977	4,814	5,056	5,546
Global LV	-	2,901	2,912	3,058	3,404
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,420	26,058	26,720	28,068
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	6,554	28,857	(1,651)	2,338
Marketable Bonds Realized Gains/(Loss)	11,782	34,514	12,809	6,888	73
MUSH	-	-	=	-	-
Canadian Equities Realized Gains	69,223	(2,303)	(4,734)	79	549
Global Equities Realized Gains	66,318	(597)	(6,676)	99	495
Global LV Realized Gains	=	(99)	(4,097)	67	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure  Total	5,765	4,449	4,636	4,895	5,169
- Total	124,596	48,121	36,642	16,575	15,193
Other					
Investment Fees Paid	(5,204)	(4,725)	(4,576)	(4,761)	(4,949
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(239)	(1,280)	(1,953
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(15,615)	(19,128)	(20,798)	(22,109
Total Corporate Investment Income	191,037	132,192	128,170	104,478	104,344
Total Basic Investment Income	163,817	117,836	115,948	87,591	85,600
% - Basic to Total Investment Income	85.75%	89%	90%	84%	829
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,878)	5,124	6,040
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,836)	7,546	8,276
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,301)	4,176	4,648
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,715)	12,670	14,316
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,694.2	1,884.6	2,057.3	2,216.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.3	140.5	143.9	154.2	163.3
Global LV Equities	166.7 96.6	177.5	181.4	194.4	207.2
Global LV Equities Private Debt	90.0	111.7 188.8	114.5 193.5	122.0 194.0	136.9 194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,056.3	3,226.4	3,397.3	3,563.6
Total Basic Assets	2,537.1	2,642.5	2,749.2	2,848.5	2,946.5
Ending Rebalanced Allocations (%)	• •	• • • •	•		
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Cash/Short Term Investments Canadian Fixed Income	60.0%	55.4%	58.4%	60.6%	62.2%
MUSH	19.5%	17.1%	14.8%	12.7%	10.8%
MUSH Canadian Equities	4.2%	4.6%	4.5%	4.5%	4.6%
US Equities	5.7%	5.8%	5.6%	5.7%	5.8%
Global LV	3.3%	3.7%	3.5%	3.6%	3.8%
	0.00/	6.2%	6.0%	5.7%	5.5%
	0.0%				
Real Estate	4.6%	4.5%	4.5%	4.4%	4.5%
					4.5% 2.7% <b>100.0</b> %

## Appendix 57a Updated Base Scenario #19 Statement of Operations

Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Written  t Premiums Earned Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues t Claims Incurred a) Claims Incurred Claims Incurred Claims Expense	854,170 46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	886,998 48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988) 860,035	955,941 49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801) 767,239	2019P  1,019,281 68,902 (11,196) 1,076,987  991,058 59,546 (11,196) 1,039,407 23,832 1,063,240  824,140 (34,905) 789,235	1,058,533 70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255 909,703	2021P  1,102,480 72,885 (11,648)  1,163,716  1,082,150 71,887 (11,648)  1,142,389 27,091 1,169,480  938,637 10,117 948,754	1,147,465 74,723 (11,881) 1,210,307  1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525  996,190 8,829 1,005,019	1,172,774 75,638 (12,119 1,259,005  1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285
Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Written  It Premiums Earned Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues  It Claims Incurred a) Claims Incurred Claims Incurred  Claims Expense	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
Reinsurance Ceded  tal Net Premiums Written  t Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  tal Net Premiums Earned  Service Fees & Other Revenues  tal Earned Revenues  t Claims Incurred  a) Claims Incurred  Claims Incurred  Claims Expense	46,619 (12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	48,426 (11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	49,946 (11,294) 994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	68,902 (11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	70,903 (11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	72,885 (11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	74,723 (11,881) 1,210,307 1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	76,565 (12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
tal Net Premiums Written  t Premiums Earned  Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues  t Claims Incurred a) Claims Incurred Claims Incurred  Claims Expense	(12,423) 888,366 827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	(11,635) 923,789 871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	994,593 922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	(11,196) 1,076,987 991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	(11,420) 1,118,016 1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	(11,648) 1,163,716 1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	(11,881) 1,210,307  1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525  996,190 8,829	(12,119 1,259,005 1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
t Premiums Earned  Motor Vehicles  Drivers  Reinsurance Ceded  tal Net Premiums Earned  Service Fees & Other Revenues  tal Earned Revenues  t Claims Incurred  a) Claims Incurred  Claims Incurred  Claims Expense	827,703 45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	871,173 47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	922,617 48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	991,058 59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	1,040,375 69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	1,082,150 71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	1,126,655 73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	1,172,774 75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
Motor Vehicles Drivers Reinsurance Ceded tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues t Claims Incurred a) Claims Incurred - Interest Rate Impact tal Claims Incurred - Claims Expense	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
Orivers Reinsurance Ceded tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues  t Claims Incurred a) Claims Incurred Claims Incurred  Claims Expense	45,787 (12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	47,606 (11,635) 907,144 20,749 927,893 869,023 (8,988)	48,819 (11,294) 960,142 22,849 982,992 783,040 (15,801)	59,546 (11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	69,896 (11,420) 1,098,851 25,362 1,124,213 902,449 7,255	71,887 (11,648) 1,142,389 27,091 1,169,480 938,637 10,117	73,798 (11,881) 1,188,572 28,953 1,217,525 996,190 8,829	75,638 (12,119 1,236,293 30,993 1,267,285 1,052,284 8,877
Reinsurance Ceded  tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues  t Claims Incurred a) Claims Incurred  tal Claims Incurred  Claims Expense	(12,423) 861,066 20,351 881,417 742,604 (76,200) 666,404	(11,635) 907,144 20,749 927,893 869,023 (8,988)	(11,294) 960,142 22,849 982,992 783,040 (15,801)	(11,196) 1,039,407 23,832 1,063,240 824,140 (34,905)	(11,420) 1,098,851 25,362 1,124,213 902,449 7,255	(11,648) 1,142,389 27,091 1,169,480 938,637 10,117	(11,881) 1,188,572 28,953 1,217,525 996,190 8,829	1,236,293 30,993 1,267,285 1,052,284 8,877
tal Net Premiums Earned Service Fees & Other Revenues tal Earned Revenues  t Claims Incurred a) Claims Incurred - Interest Rate Impact tal Claims Incurred  Claims Expense	861,066 20,351 881,417 742,604 (76,200) 666,404	907,144 20,749 927,893 869,023 (8,988)	960,142 22,849 982,992 783,040 (15,801)	1,039,407 23,832 1,063,240 824,140 (34,905)	1,098,851 25,362 1,124,213 902,449 7,255	1,142,389 27,091 1,169,480 938,637 10,117	1,188,572 28,953 1,217,525 996,190 8,829	1,236,293 30,993 1,267,285 1,052,284 8,877
Service Fees & Other Revenues  tal Earned Revenues  t Claims Incurred  a) Claims Incurred - Interest Rate Impact tal Claims Incurred  Claims Expense	20,351 881,417 742,604 (76,200) 666,404	20,749 <b>927,893</b> 869,023 (8,988)	22,849 <b>982,992</b> 783,040 (15,801)	23,832 1,063,240 824,140 (34,905)	25,362 1,124,213 902,449 7,255	27,091 1,169,480 938,637 10,117	28,953 1,217,525 996,190 8,829	30,993 1,267,285 1,052,284 8,877
tal Earned Revenues  t Claims Incurred a) Claims Incurred - Interest Rate Impact tal Claims Incurred  Claims Expense	881,417 742,604 (76,200) 666,404	927,893 869,023 (8,988)	982,992 783,040 (15,801)	1,063,240 824,140 (34,905)	1,124,213 902,449 7,255	938,637 10,117	1,217,525 996,190 8,829	1,267,285 1,052,284 8,877
t Claims Incurred a) Claims Incurred - Interest Rate Impact tal Claims Incurred  Claims Expense	742,604 (76,200) <b>666,404</b>	869,023 (8,988)	783,040 (15,801)	824,140 (34,905)	902,449 7,255	938,637 10,117	996,190 8,829	1,052,284 8,87
a) Claims Incurred - Interest Rate Impact tal Claims Incurred Claims Expense	(76,200) <b>666,404</b>	(8,988)	(15,801)	(34,905)	7,255	10,117	8,829	8,87
tal Claims Incurred  Claims Expense	666,404	,		,				
Claims Expense	•	860,035	767,239	789,235	909,703	948,754	1.005.019	1 0/1 1/
'	118 614					·	.,,	1,061,16
Dood Cofety/Lees Drayantian	,	120,972	143,337	137,168	135,301	139,131	144,246	146,709
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,272
tal Claims Costs	798,045	993,537	923,722	940,009	1,057,684	1,100,694	1,162,259	1,221,143
penses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,87
Commissions		35,086	37,378	40,338	42,323	43,956	45,695	47,49
								37,45
_								5,233
tal Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,04
derwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,487)	(91,060)	(111,512)	(126,90
restment Income	48,476	101,645	111,731	192,209	80,536	83,879	86,975	89,84
b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	2	2	:
t Investment Income	(4,038)	82,897	116,320	171,428	80,547	83,881	86,977	89,85
t Income (Loss)	(56,049)	(123,071)	34,424	143,074	(6,941)	(7,179)	(24,535)	(37,05
֡֡֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜֜	Commissions Premium Taxes Regulatory/Appeal lal Expenses  derwriting Income (Loss)  estment Income b) Investment Income - Interest Rate Impact I Investment Income	Commissions         33,862           Premium Taxes         26,205           Regulatory/Appeal         3,675           Ial Expenses         135,383           derwriting Income (Loss)         (52,011)           estment Income         48,476           b) Investment Income - Interest Rate Impact         (52,515)           t Investment Income         (4,038)	Commissions     33,862     35,086       Premium Taxes     26,205     27,563       Regulatory/Appeal     3,675     4,889       Ial Expenses     135,383     140,323       Iderwriting Income (Loss)     (52,011)     (205,968)       estment Income     48,476     101,645       b) Investment Income     (52,515)     (18,748)       It Investment Income     (4,038)     82,897	Commissions         33,862         35,086         37,378           Premium Taxes         26,205         27,563         29,143           Regulatory/Appeal         3,675         4,889         4,443           tal Expenses         135,383         140,323         141,165           derwriting Income (Loss)         (52,011)         (205,968)         (81,896)           estment Income         48,476         101,645         111,731           b) Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589           t Investment Income         (4,038)         82,897         116,320	Commissions         33,862         35,086         37,378         40,338           Premium Taxes         26,205         27,563         29,143         31,518           Regulatory/Appeal         3,675         4,889         4,443         4,669           tal Expenses         135,383         140,323         141,165         151,585           derwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)           estment Income         48,476         101,645         111,731         192,209           b) Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)           t Investment Income         (4,038)         82,897         116,320         171,428	Commissions         33,862         35,086         37,378         40,338         42,323           Premium Taxes         26,205         27,563         29,143         31,518         33,308           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839           Ial Expenses         135,383         140,323         141,165         151,585         154,016           Independent Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (87,487)           Independent Income         48,476         101,645         111,731         192,209         80,536           Independent Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)         10           It Investment Income         (4,038)         82,897         116,320         171,428         80,547	Commissions         33,862         35,086         37,378         40,338         42,323         43,956           Premium Taxes         26,205         27,563         29,143         31,518         33,308         34,621           Regulatory/Appeal         3,675         4,889         4,443         4,669         4,839         4,998           tal Expenses         135,383         140,323         141,165         151,585         154,016         159,846           derwriting Income (Loss)         (52,011)         (205,968)         (81,896)         (28,355)         (87,487)         (91,060)           estment Income         48,476         101,645         111,731         192,209         80,536         83,879           b) Investment Income - Interest Rate Impact         (52,515)         (18,748)         4,589         (20,781)         10         2           t Investment Income         (4,038)         82,897         116,320         171,428         80,547         83,881	Commissions 33,862 35,086 37,378 40,338 42,323 43,956 45,695 Premium Taxes 26,205 27,563 29,143 31,518 33,308 34,621 36,014 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,998 5,114 tal Expenses 135,383 140,323 141,165 151,585 154,016 159,846 166,778  derwriting Income (Loss) (52,011) (205,968) (81,896) (28,355) (87,487) (91,060) (111,512)  estment Income 48,476 101,645 111,731 192,209 80,536 83,879 86,975 b) Investment Income - Interest Rate Impact (52,515) (18,748) 4,589 (20,781) 10 2 2  t Investment Income (4,038) 82,897 116,320 171,428 80,547 83,881 86,977

# Appendix 57b Updated Base Scenario #19 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	198,591	204,387	214,455	213,942
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(6,941)	(7,179)	(24,535)	(37,056)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(115,458)	12,737	17,246	24,022	36,358
6	Total Retained Earnings	194,498	99,251	170,975	198,591	204,387	214,455	213,942	213,244
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,635)	(38,099)	(30,040)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,476	7,536	8,059	8,750
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,635)	(38,099)	(30,040)	(21,290)
11	Total Equity Balance	231,002	181,000	210,845	146,480	158,752	176,356	183,902	191,954
12	Total Equity								
13	Rate Stabilization Reserve								
		104 400	00.251	170.075	100 F01	204 207	214 455	212.042	212 244
14	Retained Earnings	194,498	99,251	170,975	198,591	204,387	214,455	213,942	213,244
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,635)	(38,099)	(30,040)	(21,290)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	146,480	158,752	176,356	183,902	191,954
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	_	_	-
18	Total Equity Balance	231,002	181,000	210,845	146,480	158,752	176,356	183,902	191,954

## Appendix 57c Updated Base Scenario #19 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	60,969	69,559	79,288	87,207
	Equity investments	2,083,349	2,189,534	2,272,545	2,372,168	2,455,761	2,556,074	2,660,105	2,764,936
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,211
4		2,683,473	2,805,484	2,916,137	2,921,203	3,050,023	3,188,890	3,315,971	3,442,711
5	Liabilities								
5	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
0	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	358,131	374,218	390,313	406,717
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,842	1,980,340	2,055,792	2,129,629
3		2,452,472	2,624,484	2,705,292	2,774,723	2,891,271	3,012,534	3,132,069	3,250,757
4	Equity								
5	Retained earnings	194.499	99,251	170,975	198,591	204,387	214.455	213.942	213,244
5	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,635)	(38,099)	(30,040)	(21,290)
7	Total Equity	231,003	181,000	210,845	146,480	158,752	176,356	183,902	191,954
3	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,921,203	3,050,023	3,188,890	3,315,971	3,442,711

# Appendix 57d Updated Base Scenario #19 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.	0.714.714	•	(01)	(02)	(03)	(04)	(05)
1	Capital Available:	0.1	100.005	444 (05	447.400	100 700	100 740
2	Capital available (from page 30.62 - capital available)	01	102,825	111,635	117,189	122,722	128,743
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	102,825	111,635	117,189	122,722	128,743
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,632	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,875	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	1,194	13,946	17,629	21,852	26,002
18	Foreign exchange risk	32	13,528	13,082	13,938	14,851	17,500
19	Equity risk	34	58,753	56,378	60,161	64,201	68,554
20	Real estate risk	36	23,636	24,409	24,960	25,736	27,072
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	97,111	107,815	116,688	126,640	139,128
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,932	56,777	59,038	60,475	61,546
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,932	56,777	59,038	60,475	61,546
28	Operational risk margin	50	62,871	67,346	70,498	73,679	77,102
29	Less: Diversification credit	52	48,975	56,516	59,843	63,197	67,009
30	Total Capital (Margin) Required at Target	59	436,785	474,297	497,774	521,315	546,879
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	291,190	316,198	331,850	347,543	364,586
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	291,190	316,198	331,850	347,543	364,586
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(188,365)	(204,563)	(214,661)	(224,821)	(235,843
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	35.31%	35.31%	35.31%	35.31%	35.31%

### Appendix 57e

### Updated Base Scenario #19 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damag∈	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,506	220,928	222,334	224,960
7	Total	726,240	767,976	844,426	890,927	936,300	985,905
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,030	6,745	6,685
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767.240	789.235	909.703	948.754	1.005.018	1.061.162

### Appendix 57f

### Updated Base Scenario #19 Deferred Policy Acquisition Expenses and Premium Deficiency

2013   2014   2015   2016   2017   2018   2019   2020   2021   2022   2022	0.85% 3.17% 9.24% 3.61% 9.22%
Selection   Sele	0.85% 3.17% 9.24% 3.61% 9.22%
2013   2014   2015   2016   2017   2018   2019   2020   2021   2022   Undisc	0.85% 3.17% 9.24% 3.61% 9.22%
1. Ultimate Loss Ratio - Total All Coverage   83.09%   72.79%   81.77%   81.34%   74.59%   73.25%   72.90%   73.83%   74.76%   75.78%	0.85% 3.17% 9.24% 3.61% 9.22%
2. Trend/Rate Adjustment for Fiscal Year  2. Description  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  4. Description  4. Descr	3.17% 9.24% 3.61% 9.22%
6 2017 0.9142 0.9259 0.9555 0.9697 0.9888 7 2018 0.9151 0.9384 0.9464 0.9589 0.9937 8 2019 0.9395 0.9490 0.9630 0.9995 1.0131 9 2020 0.9491 0.9635 1.0004 1.0144 1.0115 10 2021 0.9734 1.0091 1.0215 1.0169 1.0132 11 2022 1.0180 1.0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 73.86% 75.75% 74.68% 75.10 74.63% 79.10 75.96% 76.82% 77.19% 71.83% 73.22% 73.86% 73.95% 74.68% 73.97% 78.10 74.63% 79.10 75.96% 75.96% 75.75% 74.49% 75.10 75.96% 75.75% 74.49% 75.10 75.96% 75.75% 74.49% 75.10 75.96% 75.75% 75.49%	3.17% 9.24% 3.61% 9.22%
7 2018 0.9151 0.9384 0.9464 0.9589 0.9937 8 2019 0.9395 0.9490 0.9630 0.9995 1.0131 9 2020 0.9491 0.9635 1.0004 1.0144 1.0115 10 2021 0.9734 1.0091 1.0215 1.0169 1.0132 11 2022 1.0180 1.0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 71.83% 73.22% 73.86% 73.66% 78.12% 73.68% 78.12% 75.95% 80.12% 77.20% 71.87% 73.28% 73.95% 74.68% 75.75% 74.63% 79.12% 75.95% 80.12% 77.20% 71.87% 73.28% 73.95% 74.68% 75.75% 74.49% 75.12% 75.95% 80.12% 77.20% 71.87% 73.28% 73.95% 74.68% 75.75% 74.49% 75.12% 75.49% 80.12% 75.12% 75.20% 74.47% 75.08% 75.75% 74.49% 75.12% 75.49% 80.12% 75.12% 74.39% 75.47% 76.11% 76.79% 75.49% 80.12% 75.12%	3.17% 9.24% 3.61% 9.22%
8 2019 0,9395 0,9490 0,9630 0,9995 1,0131 9 2020 0,9491 0,9635 1,0004 1,0144 1,0115 10 2021 0,9734 1,0091 1,0215 1,0169 1,0132 11 2022 1,0180 1,0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75,96% 67,39% 78,12% 78,88% 73,76% 73,26% 72,79% 71,279% 72,279% 71,279% 71,279% 71,279% 71,279% 71,279% 71,279% 71,279% 72,279% 71,279% 72,279% 71,279% 72,279% 71,279% 72,279% 71,279% 72	3.17% 9.24% 3.61% 9.22%
9 2020 0.9491 0.9635 1.0004 1.0144 1.0115 10 2021 0.9734 1.0091 1.0215 1.0169 1.0132 11 2022 1.0180 1.0134 12 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 13 2017 75.96% 67.39% 78.12% 78.88% 73.76% 73.76% 72.79% 71.52% 72.79% 71.83% 73.22% 73.86% 75.75% 73.68% 78.12% 74.63% 79.16 2019 76.82% 77.19% 71.83% 73.22% 73.86% 73.97% 74.68% 73.97% 78.12% 74.63% 79.16 2020 77.201 72.61% 73.92% 74.47% 75.08% 75.75% 74.68% 73.97% 78.18% 79.18% 79.201 72.61% 73.92% 74.47% 75.08% 75.75% 76.91% 75.49% 80.19% 75.49%	3.17% 9.24% 3.61% 9.22%
10	3.17% 9.24% 3.61% 9.22%
11 2022 1.0180 1.0134 1.0273 1.0222 1.0180 1.0134 1	3.17% 9.24% 3.61% 9.22%
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]  13	3.17% 9.24% 3.61% 9.22%
13	3.17% 9.24% 3.61% 9.22%
14 2018 66.61% 76.73% 76.98% 71.52% 72.79% 71.80% 78.86% 78.2019 76.82% 77.19% 71.83% 73.22% 73.86% 78.20% 73.86% 78.20% 77.19% 71.83% 73.22% 73.86% 78.20% 74.63% 79.20% 71.87% 73.28% 73.95% 74.68% 73.97% 78.20% 73.97% 78.20% 74.47% 75.08% 75.75% 74.49% 79.20% 74.47% 75.08% 75.75% 74.49% 79.20% 74.47% 75.08% 75.47% 76.11% 76.79% 75.49% 80.20% 74.20% 74.20% 75.20% 74.20% 75.20% 74.20% 75.20%	3.17% 9.24% 3.61% 9.22%
15 2019 76.82% 77.19% 71.83% 73.22% 73.86% 73.96% 74.63% 75. 16 2020 77.20% 71.87% 73.28% 73.95% 74.68% 73.97% 78. 17 2021 72.61% 73.92% 74.47% 75.08% 75.75% 74.49% 75. 18 2022 74.47% 74.89% 75.47% 76.11% 76.79% 75.49% 80. 19 B. Actual Data Other Than Losses 20 Fiscal Year 21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	9.24% 3.61% 9.22%
16 2020 77.20% 71.87% 73.28% 73.95% 74.68% 73.97% 78.  17 2021 72.61% 73.92% 74.47% 75.08% 75.75% 74.49% 79.  18 2022 74.37% 74.89% 75.47% 76.11% 76.79% 75.49% 80.  19 B. Actual Data Other Than Losses  20 Fiscal Year  21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	3.61% 9.22%
17 2021 72.61% 73.92% 74.47% 75.08% 75.75% 74.49% 75.  18 2022 74.37% 74.89% 75.47% 76.11% 76.79% 75.49% 80.  19 B. Actual Data Other Than Losses  20 Fiscal Year  21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	9.22%
17 2021 72.61% 73.92% 74.47% 75.08% 75.75% 74.49% 75.  18 2022 74.37% 74.89% 75.47% 76.11% 76.79% 75.49% 80.  19 B. Actual Data Other Than Losses  20 Fiscal Year  21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	9.22%
18 2022 74.37% 74.89% 75.47% 76.11% 76.79% 75.49% 80  19 B. Actual Data Other Than Losses  20 Fiscal Year  21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	
19 B. Actual Data Other Than Losses 20 Fiscal Year 21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	).35%
20 Fiscal Year 21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	
20 Fiscal Year 21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	
21 2013 2014 2015 2016 2017 2018 2019 2020 2021 2022	
22 4. Net Earned Premium 764,671 803,881 861,065 907,145 960,142 1,039,407 1,098,851 1,142,389 1,188,572 1,236,293	
23 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 10.26% 9.94% 8.99% 8.99% 8.29% 8.24% 8.25% 8.20%	
24 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% 3.42% 3.31% 3.00% 2.99% 2.76% 2.75% 2.75% 2.73%	
25 Selected 3.16% 2.99% 2.88% 2.75% 2.75% 2.74%	
26 7. ILAE Ratio to Losses - Selected 18.40% 18.40% 18.40% 18.40% 18.40% 18.40% 18.40%	
27 C. Equity in Unearned Premium	
28 8. Net Unearned Premium 468.613 506.193 525,358 546.685 568.420 591,132	
29 9. Additional Expected Cost of Non-Proportional Reinsurance 5.598 5.710 5.824 5.941 6.059 6.059	
30 10. Expected Claims (Including Ext Adj Expenses) [(8) - (9)) x (3)] 383,468 391,245 411,663 425,072 445,502 470,099	
31 11. Reinsurance PFAD 10	
32 12. Maintenance Expense [a] 13,837 14,989 14,951 14,890 15,451 16,041	
3 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 70.595 71,989 75,746 78,213 81,972 86,498	
33 13. Internal Loss Adjustment Expense (Sileet 1, Now 11) 70,343 71,404 70,213 61,772 60,446  34 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 3,950 3,950 3,950 3,950 3,950	
34 14. Expected challis (including Ext Au) Expenses) - PIPP Elihahcement 5,750	
37 17. Write Down Deferred Policy Acquisition Expenses [b] 32,055 11,179 17,401 13,277 17,712 26,075	
38 Change 2,363 (20,876) 6,222 (4,124) 4,436 8,363	
39 18. Premium Deficiency [c] 8,845	

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

## Appendix 57g Updated Base Scenario #19 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	60	(0)	0	(2)
Marketable Bonds	44,259	55,007	61,800	67,206	72,404
MUSH	26,759 <b>71,273</b>	24,361 <b>79,429</b>	22,065 <b>83,865</b>	19,852	17,693
Total	11,213	19,429	83,865	87,058	90,095
Dividend and other Income					
Canadian Equities	9,657	5,820	4,553	5,189	5,838
Global	4,218	6,006	4,886	5,512	6,043
Global LV	-	2,887	3,221	3,636	4,055
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace) Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312
Total	20,287	21,597	26,540	28,217	1,318 <b>29,739</b>
	20,207	21,377	20,340	20,217	27,137
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	(19,747)	(746)	(757)	(756)
Marketable Bonds Realized Gains/(Loss)	13,969	19,747	746	757	756
MUSH Consider Equities Peoplized Coins	-	-	-	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	2,803	0	0	1 542
Global LV Realized Gains	66,318	3,801 457	U	U	1,562 0
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	17,106	10,475	11,085	13,293
011		•		,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	
Other Investment Fees Paid	(5.000)	(4.700)	(4.500)	(4.050)	/5.0.17
Pension Expense	(5,203)	(4,732)	(4,588)	(4,852)	(5,067
Amortization on Marketable Bonds (Prem) / Discount	(13,441) (6,386)	(13,872) 4,436	(14,313) 4,576	(14,757) 4,650	(15,207 4,643
Investment Write-Down	(0,300)	4,430	4,370	4,030	4,043
Total	(25,030)	(14,168)	(14,325)	(14,959)	(15,631)
Total Corporate Investment Income	199,910	103,963	106,555	111,401	117,496
Total Basic Investment Income	171 420	00 547	02 001	0/ 077	00.050
% - Basic to Total Investment Income	171,428 85.75%	80,547 77%	83,881 79%	86,977 78%	89,850 76%
	03.7370	7170	7770	7070	707
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,896	4,817	5,490	6,515
US Equities Unrealized Gains/(Losses) Global LV Unrealized Gains/(Losses)	7,537	9,363	7,291	8,226	9,018
Total Corporate Unrealized Gains/(Losses)	19,651	4,202 <b>16,259</b>	4,397 12,108	4,965 13,715	5,537 <b>15,534</b>
	17,001	10,239	12,100	13,713	10,034
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	=	=	-	<u>-</u>	<del>-</del>
Canadian Fixed Income MUSH	1,760.8	1,738.6	1,884.6	2,031.2	2,188.2
Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2 166.6	128.9 168.3	147.4 190.4	167.0 213.7	186.3 220.8
Global LV Equities	96.5	114.9	130.2	146.2	161.6
Private Debt	-	188.7	188.7	188.7	188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.8	3,249.5	3,422.0	3,591.0
Total Basic Assets	2,414.8	2,530.3	2,639.2	2,753.2	2,867.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.9%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Canadian Equities	4.2%	4.2%	4.5%	4.9%	5.2%
US Equities	5.7%	5.5%	5.9%	6.2%	6.1%
Global LV	3.3%	3.7%	4.0%	4.3%	4.5%
		/ 40/			
Private Debt	0.0%	6.1%	5.8%	5.5%	5.3%
		6.1% 4.5% 2.7%	5.8% 4.4% 2.7%	5.5% 4.4% 2.7%	5.3% 4.5% 2.7%

## Appendix 58a Adverse Scenario #19 Statement of Operations

BASIC	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,99
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,29
Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,125,146	995,898	1,056,33
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,137,536	1,000,123	1,062,36
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,93
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,40
Total Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,290,203	1,158,885	1,223,69
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,49
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,67
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,822)	(130,07
Investment Income	48,476	101,645	111,731	192,209	67,988	64,475	61,511	59,45
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,621	103,847	(49)	(1
Net Investment Income	(4,038)	82,897	116,320	171,428	195,608	168,322	61,462	59,43
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(44,346)	(112,571)	(47,360)	(70,64

# Appendix 58b Adverse Scenario #19 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	269,702	157,132	109,771
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(44,346)	(112,571)	(47,360)	(70,645)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	314,049	269,702	157,132	109,771	39,127
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,360)	(51,871)	(43,713)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(249)	489	8,158	8,893
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
11	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
	T. 15 .								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	269,702	157,132	109,771	39,127
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_			_	_	_
18	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
18	Total Equity Datance	231,002	101,000	210,040	201,930	211,342	103,200	00,000	4,300

### Appendix 58c Adverse Scenario #19 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	42,285	-	-	
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,684,864	2,866,857	2,920,233	2,963,915
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,351	2,421,048
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,167	3,541,572
24	Equity								
25	Retained earnings	194.499	99,251	170,975	314,049	269,702	157.132	109.771	39.127
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820
27	Total Equity	231,003	181,000	210,845	261,938	217,342	105,260	66,058	4,306
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878

### Appendix 58d Adverse Scenario #19 Minimum Capital Test

	(All figures in \$000s)	,	2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.		,	(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	218,283	170,225	46,140	4,979	(58,784
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	170,225	46,140	4,979	(58,784
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	C
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	C
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,731
16	Market Risk:						
17	Interest rate risk	30	4,798	4,820	2,259	17,730	16,086
18	Foreign exchange risk	32	15,606	17,830	18,444	15,980	16,881
19	Equity risk	34	69,145	80,956	83,457	67,847	72,429
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,465	131,717	130,046	135,386
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,104	62,863	64,961	66,441
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,104	62,863	64,961	66,441
28	Operational risk margin	50	64,469	70,759	74,711	76,819	79,802
29	Less: Diversification credit	52	53,525	63,194	66,085	66,874	69,317
30	Total Capital (Margin) Required at Target	59	452,643	511,187	545,303	557,716	579,043
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	340,791	363,535	371,811	386,029
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
33	Total Minimum Capital (Margin) Required	69	301,762	340,791	363,535	371,811	386,029
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(170,566)	(317,395)	(366,832)	(444,813
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	49.95%	12.69%	1.34%	-15.23%

# Appendix 58e Adverse Scenario #19 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,484	223,698
7	Total	726,240	767,976	966,494	1,042,341	936,155	984,826
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,437	6,771
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(7)	10,561
13	Total Net Claims Incurred	767.240	789.235	1.062.170	1.137.536	1.000.123	1.062.369

### Appendix 58f

### Adverse Scenario #19

### **Deferred Policy Acquisition Expenses and Premium Deficiency**

A. Claims (Including External Adjustment Expense) Data												
A. Claims (Including External Adjustment Expense) Data												
					Anal	dont Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Ulluisc	DISC
· · · · · · · · · · · · · · · · · · ·			*******									
•	0.9142	0.9259	0.9555	0.9697	0.9888							
						0.9937						
							1.0138					
								1.0139				
									1.0150			
										1.0148		
,	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
						72.79%						78.17%
							75.36%					80.86%
								78.93%				82.74%
									75.88%			82.52%
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83%
B. Actual Data Other Than Losses												
					Fis							
	3.69%	3.71%	3.42%	3.31%								
ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,430	464,051	490,480		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	14,951	14,921	15,549	16,168		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,327	85,385	90,248		
14. Expected Claims (Including Ext Adj Expenses) - PIPP En	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	(7,884)	(6,575)	(15,774)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	31,896	33,197	34,560		
Change					2,363	(20,876)	16,204	4,514	1,301	1,362		
18. Premium Deficiency [c]					8,845	-	-	7,884	6,575	15,774		
Change					2,001	(8,845)		7,884	(1,309)	9,199		
	A. Net Earned Premium  5. Operating Expenses as % of Earned Premium  6. Maintenance Expense Rate [(5) x 1/3] Selected  7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurant  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP En  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b] Change	2017 0.9142 2018 2019 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75.96% 2018 2019 2020 2021 2020 2021 2022  B. Actual Data Other Than Losses  2013 4. Net Earned Premium 764.671 5. Operating Expenses as % of Earned Premium 11.06% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) · (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium ((8) - Sum((9) to (14))) 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18.	2017 0.9142 0.9259 2018 0.9151 2019 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75.96% 67.39% 2018 66.61% 2019 2020 2021 2022  B. Actual Data Other Than Losses  2013 2014 764,671 803,881 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18.	2017 0,9142 0,9259 0,9555 2018 0,9151 0,9384 2019 0,9434 2020 2020 2021 2022 3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)] 2017 75,96% 67,39% 78.12% 2018 66.61% 76,73% 2019 77.14% 2020 2021 2020 2021 2022  B. Actual Data Other Than Losses  2013 2014 2015 76,4,671 803,881 861,065 5. Operating Expenses as % of Earned Premium 11.06% 11.14% 10.26% 6. Maintenance Expense Rate [(5) x 1/3] 3.69% 3.71% 3.42% Selected 7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium 9. Additional Expected Cost of Non-Proportional Reinsurance 10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) x (3)] 11. Reinsurance PFAD 12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enhancement 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses 18. Postar Deferred Policy Acquisition Expenses 18. Weith Down Deferred Policy Acquisition Expenses 19. Write Down Deferred Policy Acquisition Expenses	2017   0.9142   0.9259   0.9555   0.9697	2017		Part   Part	2017	2017		Part   Part

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 58g Adverse Scenario #19 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	117	(0)	0	(1)
Marketable Bonds MUSH	44,259	50,757	51,234	51,392	52,799
Total	26,759 <b>71,273</b>	24,361 <b>75,235</b>	22,065 <b>73,299</b>	19,852 <b>71,243</b>	17,693 <b>70,491</b>
	71,273	75,235	13,277	71,243	70,471
Dividend and other Income					
Canadian Equities	9,657	6,370	5,023	4,837	4,986
Global	4,218	6,693	5,458	5,325	5,476
Global LV Private Debt	-	3,326	3,352	3,298	3,230
Investment Properties (Cityplace)	- 4,940	3,558 1,926	9,533 2,512	9,583 2,452	9,626
Infrastructure	1,472	1,135	1,182	2,432 1,249	2,312 1,318
Total	20,287	23,008	27,060	26,744	26,949
	==,==:	,			==,:::
Gains During Period - Profit & Loss	(00,000)	00.440	07.440	(4.4.005)	0.050
Marketable Bonds Unrealized Gains/(Loss) Marketable Bonds Realized Gains/(Loss)	(38,202)	88,660	87,440	(14,235)	2,352
MUSH	13,969	47,268	21,556	14,235	(2,352)
Canadian Equities Realized Gains	69,223	- (157)	(1,368)	433	- 0
Global Equities Realized Gains	66,318	185	(1,306)	526	510
Global LV Realized Gains	-	49	13	575	-
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,049	117,989	12,619	12,241
Other					
Investment Fees Paid	(5,203)	(4,884)	(4,783)	(4,874)	(4,955)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,335)	(12,574)	(14,728)	(14,361)
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,091)	(31,670)	(34,359)	(34,523)
Total Corporate Investment Income	199,910	223,200	197,719	76,247	75,158
Total Basic Investment Income	171,428	195,608	168,322	61,462	59,434
% - Basic to Total Investment Income	85.75%	88%	85%	81%	79%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,118	5,565
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,947	8,172
Global LV Unrealized Gains/(Losses)	-	147	66	4,503	4,410
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,065	13,737
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,783.9	1,986.4	2,214.0	2,326.4
MUSH Connection Equations	569.3	522.8	477.0	432.3	386.3
Canadian Equities Global Equities	123.2	150.5	165.8	142.5	159.3
Global LV Equities	166.6	197.2	214.7	192.1	205.2
Private Debt	96.5 -	125.8 188.7	138.6 199.7	116.3 199.7	129.0 199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.4	3,539.8	3,665.1
Total Basic Assets	2,530.3	2,740.7	2,880.4	2,934.0	2,979.2
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.2%	62.5%	63.5%
	19.4%	16.4%	14.0%	12.2%	10.5%
MUSH		4.7%	4.9%	4.0%	4.3%
MUSH Canadian Equities	4.2%				E (0)
	5.7%	6.2%	6.3%	5.4%	5.6%
Canadian Equities US Equities Global LV	5.7% 3.3%	6.2% 3.9%	4.1%	3.3%	5.6% 3.5%
Canadian Equities US Equities Global LV Private Debt	5.7% 3.3% 0.0%	6.2% 3.9% 5.9%	4.1% 5.9%	3.3% 5.6%	3.5% 5.4%
Canadian Equities US Equities Global LV	5.7% 3.3%	6.2% 3.9%	4.1%	3.3%	3.5%

### Appendix 58h Adverse Scenario #19 with Management Action Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,124,894	1,170,787	1,218,832
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,186,131	1,233,629	1,283,278
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,094,196	1,149,558	1,196,607
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,514	29,420	31,504
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,181,949	1,240,894	1,291,629
Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,115,229	995,630	1,055,880
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,127,619	999,854	1,061,914
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,584	147,904
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,131	13,397
Total Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,280,286	1,158,569	1,223,215
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,625	83,480
Commissions	33,862	35,086	37,378	40,338	42,323	44,265	46,437	48,263
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,983	36,701	38,167
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	154,016	160,843	168,877	175,144
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(259,180)	(86,552)	(106,730)
Investment Income	48,476	101,645	111,731	192,209	67,988	64,517	61,491	59,621
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,621	103,820	(32)	(47)
Net Investment Income	(4,038)	82,897	116,320	171,428	195,608	168,338	61,460	59,574
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(44,346)	(90,842)	(25,092)	(47,155
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	286,663	91,430	(4,256)	(6,082

# Appendix 58i Adverse Scenario #19 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	269,702	178,861	153,768
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(44,346)	(90,842)	(25,092)	(47,155)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	_
6	Total Retained Earnings	194,498	99,251	170,975	314,049	269,702	178,861	153,768	106,613
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,360)	(51,871)	(43,490)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(249)	489	8,381	9,134
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,490)	(34,355)
11	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	126,989	110,279	72,258
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	269,702	178,861	153,768	106,613
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,490)	(34,355)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	217,342	126,989	110,279	72,258
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	126,989	110,279	72,258

### Appendix 58j Adverse Scenario #19 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	42,285	6,688	2,051	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,684,864	2,875,756	2,956,143	3,025,312
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	388,867	404,004	419,837
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	2,696	4,218	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,080	63,093
14		2,683,473	2,805,484	2,916,137	3,036,661	3,250,461	3,435,677	3,529,591	3,613,715
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	605,196	631,310	658,749
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,266,433	2,332,708	2,409,705
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,308,687	3,419,312	3,541,457
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314.049	269.702	178.861	153.768	106,613
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,490)	(34,355)
27	Total Equity	231,003	181,000	210,845	261,938	217,342	126,989	110,279	72,258
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,250,461	3,435,677	3,529,591	3,613,715

# Appendix 58k Adverse Scenario #19 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	(/	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	218,283	170,225	67,869	49,198	9,165
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	170,225	67,869	49,198	9,165
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	104,170	108,313	113,479
12	Unpaid claims	22	192,187	214,810	238,394	245,232	253,234
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,564	353,545	366,713
16	Market Risk:						
17	Interest rate risk	30	4,798	4,820	3,514	18,454	17,932
18	Foreign exchange risk	32	15,606	17,830	18,455	16,206	16,557
19	Equity risk	34	69,145	80,956	83,521	69,153	73,829
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,465	133,047	132,302	138,308
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,104	63,445	65,702	66,805
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,104	63,445	65,702	66,805
28	Operational risk margin	50	64,469	70,759	75,473	77,723	80,687
29	Less: Diversification credit	52	53,525	63,194	66,541	67,604	70,062
30	Total Capital (Margin) Required at Target	59	452,643	511,187	547,988	561,668	582,451
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	340,791	365,326	374,445	388,301
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	340,791	365,326	374,445	388,301
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(170,566)	(297,457)	(325,247)	(379,136
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	49.95%	18.58%	13.14%	2.36%

# Appendix 58I Adverse Scenario #19 with Management Action Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
1	Claims Incurred before Financial Provisions						
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damag∈	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,681	222,442	223,711
7	Total	726,240	767,976	966,494	1,042,349	936,110	984,840
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,883	6,401	6,782
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	2,466	(194)	10,083
13	Total Net Claims Incurred	767.240	789.235	1.062.170	1.127.619	999.854	1.061.914

### Appendix 58m

### Adverse Scenario #19 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-			·						
1 2	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.04%	73.35%	74.34%	Ondiso	2.0.
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9434	0.9521	0.9653	1.0011	1.0138					
9	2020				0.9446	0.9559	0.9894	1.0001	1.0045				
10	2021					0.9659	0.9989	1.0088	1.0125	1.0150			
11	2022						1.0047	1.0148	1.0186	1.0212	1.0148		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.869
16	2020				76.83%	71.30%	72.47%	74.34%	77.39%			74.55%	81.129
17	2021					72.05%	73.17%	74.99%	78.00%	74.45%		74.20%	80.969
18	2022						73.60%	75.43%	78.46%	74.91%	75.44%	75.26%	82.249
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.18%	8.16%	8.10%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.73%	2.72%	2.70%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.72%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	525,358	557,054	579,209	602,361		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,077	463,994	490,425		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,951	15,128	15,613	16,164		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,262	85,375	90,238		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	2,696	4,218	(4,475)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	32,544	33,872	35,262		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	29,848	29,654	35,262		
	Change					2,363	(20,876)	16,204	2,466	(194)	5,608		
38 39	18. Premium Deficiency [c]					8,845	-	-	-	-	4,475		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 58n Adverse Scenario #19 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ne No.		Г	orecasted		
Interest Income During Period  Cash/Short Term Investments	٥٢٢	117	(0)	0	(1
Marketable Bonds	255 44,259	117 50,757	(0) 51,359	0 51,643	53,002
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,235	73,423	71,495	70,694
Dividend and other Income					
Canadian Equities	9,657	6,370	5,022	5,012	5,444
Global	4,218	6,693	5,458	5,480	5,802
Global LV	-	3,326	3,351	3,329	3,593
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312 1,318
Total	20,287	23,008	27,058	27,105	28,096
Gains During Period - Profit & Loss	-,	-,,	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,	,	
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,660	87,483	(13,250)	2,359
Marketable Bonds Realized Gains/(Loss)	13,969	47,268	21,513	13,250	(2,359
MUSH	-	-		-	-
Canadian Equities Realized Gains	69,223	(157)	(1,368)	266	668
Global Equities Realized Gains	66,318	185	(126)	335	1,112
Global LV Realized Gains	-	49	13	258	-
Real Estate (Pooled Fund) Infrastructure	16,307 5,765	5,598	5,842	6,192	6,564
Total	133,380	4,447 146,049	4,633 117,989	4,893 11,945	5,167 13,51
	100,000	140,047	117,707	11,743	10,011
Other Investment Fees Paid	(F. 202)	(4.004)	(4.70()	(4.000)	/F 0F
Pension Expense	(5,203) (13,441)	(4,884) (13,872)	(4,786)	(4,923)	(5,054 (15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,386)	(2,335)	(14,313) (12,634)	(14,757) (14,845)	(14,40
Investment Write-Down	-	-	-	-	-
Total	(25,030)	(21,091)	(31,733)	(34,525)	(34,668
Total Corporate Investment Income	199,910	223,200	197,778	76,019	77,633
Total Basic Investment Income	171,428	195,608	168,338	61,460	59,574
% - Basic to Total Investment Income	85.75%	88%	85%	81%	779
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,302	6,076
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,179	8,659
Global LV Unrealized Gains/(Losses)		147	66	4,545	4,906
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,481	14,734
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	-	-	-	-	-
MUSH	1,760.8 569.3	1,783.9 522.8	2,003.5 477.0	2,213.1 432.3	2,362.5 386.3
Canadian Equities	123.2	150.5	164.4	452.5 154.5	163.1
Global Equities	166.6	197.2	213.3	205.0	210.9
Global LV Equities	96.5	125.8	137.4	128.4	145.1
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,426.6	3,576.0	3,726.8
Total Basic Assets	2,530.3	2,740.7	2,896.0	2,972.0	3,040.6
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.5%	61.9%	63.4%
MUSH Consider Equities	19.4%	16.4%	13.9%	12.1%	10.4%
Canadian Equities US Equities	4.2% 5.7%	4.7% 6.2%	4.8% 6.2%	4.3% 5.7%	4.4% 5.7%
Global LV	3.3%	3.9%	4.0%	3.6%	3.7%
Private Debt	0.0%	5.9%	5.8%	5.6%	5.4%
Real Estate	4.6%	4.3%	4.2%	4.2%	4.3%
Infrastructure & Venture Capital	2.7%	2.6%	2.5%	2.6%	2.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Appendix 580

Adverse Scenario #19 with Management Action - Minimum Total Equity

Statement of Operations

Line	(C\$ 000s, except where noted)	For the Years Ended February,										
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F			
1	BASIC											
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,124,894	1,170,787	1,218,832			
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565			
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)			
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,186,131	1,233,629	1,283,278			
6	Net Premiums Earned											
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,094,196	1,149,558	1,196,607			
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638			
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)			
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126			
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,514	29,420	31,504			
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,181,949	1,240,894	1,291,629			
13	Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,214	1,115,217	995,630	1,055,899			
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035			
15	Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,172	1,127,607	999,854	1,061,934			
16	Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,584	147,904			
17	Road Safety/Loss Prevention	13,027	120,972	13,146	13,606	12,680	12,875	13,131	13,397			
18	Total Claims Costs	798,045	993,537	923,722	940,009	1,210,153	1,280,274	1,158,569	1,223,235			
	F											
19	Expenses	74 / 44	70 705	70.004	75.070	70.545	7/ 507	00.405	00.400			
20	Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,625	83,480			
21	Commissions	33,862	35,086	37,378	40,338	42,323	44,265	46,437	48,263			
22	Premium Taxes	26,205 3,675	27,563 4,889	29,143	31,518	33,308	34,983 4,999	36,701	38,167			
23	Regulatory/Appeal Total Expenses	135,383	140,323	4,443 141,165	4,669 151,585	4,839 <b>154,016</b>	160,843	5,114 <b>168,877</b>	5,233 <b>175,144</b>			
24	Total Expenses	133,303	140,323	141,103	131,303	134,010	100,043	100,011	175,144			
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,956)	(259,168)	(86,552)	(106,749)			
26	Investment Income	48,476	101,645	111,731	192,209	64,312	60,121	57,888	57,407			
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	125,445	102,558	(72)	18			
28	Net Investment Income	(4,038)	82,897	116,320	171,428	189,758	162,680	57,816	57,425			
29	Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(50,198)	(96,488)	(28,736)	(49,324)			
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(12,578)	284,488	90,168	(4,297)	(6,017)			

# Appendix 58p Adverse Scenario #19 with Management Action - Minimum Total Equity Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177.818	194,498	99.251	170.975	198,580	148.382	51.894	23.158
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(50,198)	(96,488)	(28,736)	(49,324)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(115,469)	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	198,580	148,382	51,894	23,158	(26,167)
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35.262	36,504	81,748	39,870	(52,111)	(52,237)	(51,894)	(45,472)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(126)	344	6,421	5,790
10	Total Accumulated Other Comprehensive Income	36.504	81.749	39,870	(52,111)	(52,237)	(51,894)	(45,472)	(39,683)
11	Total Equity Balance	231,002	181,000	210,845	146,469	96,145	0	(22,315)	(65,849)
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194.498	99.251	170,975	198,580	148,382	51.894	23,158	(26,167)
15	Accumululated Other Comprehensive Income	36.504	81,749	39,870	(52,111)	(52,237)	(51,894)	(45,472)	(39,683)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	146,469	96,145	0	(22,315)	(65,849)
	-								
17	Retained Earnings in excess of Rate Stabilization Reserve		-	- 040.045	- 447.470	- 0/ 445	-	- (00.045)	- (/5.046)
18	Total Equity Balance	231,002	181,000	210,845	146,469	96,145	0	(22,315)	(65,849)

### Appendix 58q Adverse Scenario #19 with Management Action - Minimum Total Equity Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
	BASIC								
	Assets								
	Cash and investments	29,114	61,606	72,998	28,746	41,911	8,297	3,672	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,372,157	2,564,041	2,747,147	2,821,919	2,888,720
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
	Accounts receivable	375,262	355,389	389,900	354,564	368,356	388,867	404,004	419,837
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	2,699	4,220	-
	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,080	63,093
		2,683,473	2,805,484	2,916,137	2,921,192	3,129,265	3,308,679	3,396,990	3,477,123
	Liabilities								
	Due to other insurance companies	152	147	141	144	144	144	144	144
	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	605,196	631,310	658,749
	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,828	2,266,425	2,332,700	2,409,714
		2,452,472	2,624,484	2,705,292	2,774,723	3,033,120	3,308,679	3,419,305	3,541,466
	Equity								
	Retained earnings	194,499	99,251	170,975	198,580	148,382	51,894	23,158	(26,167)
	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,237)	(51,894)	(45,472)	(39,683)
	Total Equity	231,003	181,000	210,845	146,469	96,145	0	(22,315)	(65,849)
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,921,192	3,129,265	3,308,679	3,396,990	3,475,617

# Appendix 58r Adverse Scenario #19 with Management Action - Minimum Total Equity Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(00)	(01)	(00)
2	Capital available (from page 30.62 - capital available)	01	102,815	49,028	(59,121)	(83,395)	(128,942)
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	102,815	49,028	(59,121)	(83,395)	(128,942)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	104,170	108,313	113,479
12	Unpaid claims	22	192,187	214,811	238,393	245,231	253,235
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,054	342,563	353,544	366,714
16	Market Risk:						
17	Interest rate risk	30	1,195	2,133	3,697	8,999	11,500
18	Foreign exchange risk	32	13,528	15,649	15,935	14,331	14,491
19	Equity risk	34	58,753	70,064	70,766	60,233	56,994
20	Real estate risk	36	23,636	24,409	24,960	25,736	27,072
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	97,112	112,255	115,358	109,299	110,057
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,932	56,298	59,645	61,687	63,182
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,932	56,298	59,645	61,687	63,182
28	Operational risk margin	50	62,871	68,888	73,646	75,426	77,978
29	Less: Diversification credit	52	48,975	58,312	61,578	61,194	62,439
30	Total Capital (Margin) Required at Target	59	436,786	492,183	529,634	538,762	555,492
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	291,191	328,122	353,089	359,175	370,328
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	291,191	328,122	353,089	359,175	370,328
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(188,376)	(279,094)	(412,210)	(442,570)	(499,270)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	35.31%	14.94%	-16.74%	-23.22%	-34.82%

# Appendix 58s Adverse Scenario #19 with Management Action - Minimum Total Equity Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
_	O-Western	415.007	420.027	471 170	F40.1F0	F20,020	F7/ 02F
2	Collision	415,906	438,827	471,179	549,150	538,020	576,825
3	Comprehensive	69,497	99,943	103,860	99,957	118,338	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,941	334,676	222,442	223,718
7	Total	726,240	767,976	966,495	1,042,344	936,110	984,847
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,879	6,401	6.788
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	2,463	(194)	10,088
13	Total Net Claims Incurred	767.240	789.235	1.062.171	1.127.607	999.854	1.061.933

### Appendix 58t

### Adverse Scenario #19 with Management Action - Minimum Total Equity Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Calantari	Calanta
2		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.04%	73.35%	74.34%	Ondisc	Dis
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9434	0.9521	0.9653	1.0011	1.0138					
9	2020				0.9446	0.9559	0.9894	1.0001	1.0045				
10	2021					0.9659	0.9989	1.0088	1.0125	1.0150			
11	2022						1.0047	1.0148	1.0186	1.0212	1.0148		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.859
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.179
15	2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.869
16	2020				76.83%	71.30%	72.47%	74.34%	77.39%			74.55%	81.129
17	2021					72.05%	73.17%	74.99%	78.00%	74.45%		74.20%	80.959
18	2022						73.60%	75.43%	78.46%	74.91%	75.44%	75.26%	82.249
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,154,435	1,211,474	1,260,126		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.18%	8.16%	8.10%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.73%	2.72%	2.70%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.72%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	525,358	557,054	579,209	602,361		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,075	463,992	490,426		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,951	15,128	15,613	16,164		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,262	85,374	90,238		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	2,699	4,220	(4,477)		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	32,544	33,872	35,262		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	29,845	29,652	35,262		
	Change					2,363	(20,876)	16,204	2,463	(194)	5,610		
38 39	18. Premium Deficiency [c]					8,845	-	-	-	-	4,477		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

Appendix 58u

Adverse Scenario #19 with Management Action - Minimum Total Equity

Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/2
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	86	0	0	(10
Marketable Bonds	44,259	50,688	51,264	51,293	53,046
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,135	73,329	71,144	70,729
Dividend and other Income					
Canadian Equities	9,657	6,507	5,058	5,151	5,336
Global	4,218	6,727	5,490	5,605	5,757
Global LV	-	3,327	3,378	3,421	3,477
Private Debt	=	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940	1,926	2,512	2,452	2,312
	1,472 20,287	1,135 23,181	1,182 27,154	1,249 <b>27,462</b>	1,318
Total	20,287	23,181	27,134	21,402	27,826
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	96,194	88,277	(13,657)	2,379
Marketable Bonds Realized Gains/(Loss)	13,969	39,734	20,711	13,657	(2,379
MUSH Consider Fruities Realized Cains	-		- (4.050)	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(273)	(1,253)	266	1,445
Global LV Realized Gains	66,318	160 49	(94)	888	1,077
Real Estate (Pooled Fund)	16,307	5,598	12 5,842	255 6,192	924 6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	145,908	118,128	12,494	15,177
	100/000	. 10/700	110/120	12/171	.0/.//
4 Other					
Investment Fees Paid	(5,203)	(4,896)	(4,788)	(4,933)	(5,046
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Investment Write-Down	(6,386)	(2,317)	(12,593)	(14,716)	(14,526
Total	(25,030)	(21,085)	(31,694)	(34,406)	(34,779
Total Corporate Investment Income	199,910	223,139	197,957	76,694	78,954
Total Basic Investment Income  % - Basic to Total Investment Income	171,428 85.75%	189,758 85%	162,680 82%	57,816 75%	57,425 739
	03.7376	0370	02 /0	7370	737
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(975)	5,451	5,955
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	8,365	8,591
Global LV Unrealized Gains/(Losses) Total Corporate Unrealized Gains/(Losses)	- 10 / 51	147	66	4,671	4,748
	19,651	(464)	(1,068)	13,816	14,546
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	=	<u>-</u>	-	-	(1.5
Canadian Fixed Income	1,760.8	1,783.7	1,990.2	2,198.4	2,377.9
MUSH Canadian Equities	569.3 123.2	522.8	477.0	432.3	386.3 157.7
Global Equities	123.2 166.6	150.6 197.3	168.4 217.5	166.6 202.7	211.3
Global LV Equities	96.5	126.0	140.7	132.2	130.7
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.7	3,424.8	3,574.7	3,721.3
Total Basic Assets	2,414.8	2,619.5	2,769.0	2,839.3	2,904.0
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.1%	61.5%	63.9%
MUSH	19.4%	16.4%	13.9%	12.1%	10.4%
Canadian Equities	4.2%	4.7%	4.9%	4.7%	4.2%
US Equities	5.7%	6.2%	6.4%	5.7%	5.7%
Global LV	3.3%	3.9%	4.1%	3.7%	3.5%
Private Debt Real Estate	0.0% 4.6%	5.9% 4.3%	5.8% 4.2%	5.6% 4.2%	5.4% 4.3%
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.3% 2.6%	4.2% 2.6%	4.2% 2.6%	4.3% 2.6%
minastructure a venture capital	100.0%	100.0%	100.0%	100.0%	100.09

## Appendix 59a Updated Base Scenario #20 Statement of Operations

).			2017A	2018A	2019P	2020P	2021P	2022P	2023
	BASIC	2016A	201771	2010/1	20171	20201	20211	LULLI	20201
	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,074,290	1,118,885	1,164,535	1,212,324
	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,133,773	1,180,122	1,227,376	1,276,770
	Net Premiums Earned								
	Motor Vehicles	827,703	871,173	922,617	991,058	1,048,843	1,098,256	1,143,418	1,190,217
	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736
	Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,719	27,572	29,576	31,778
	Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,133,038	1,186,066	1,234,910	1,285,51
	Net Claims Incurred	742,604	869,023	783,040	823,258	893,550	936,942	994,905	1,050,85
	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,683)	642	11,004	9,19
	Total Claims Incurred	666,404	860,035	767,239	778,719	874,867	937,584	1,005,908	1,060,04
	Claims Expense	118,614	120,972	143,337	137,168	135,259	138,934	144,009	146,48
	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,790	12,970	13,249
	Total Claims Costs	798,045	993,537	923,722	929,493	1,022,802	1,089,308	1,162,887	1,219,778
	Expenses								
	Operating	71,641	72,785	70,201	75,060	73,525	76,174	79,838	82,75
	Commissions	33,862	35,086	37,378	40,338	42,541	44,477	46,238	48,05
	Premium Taxes	26,205	27,563	29,143	31,518	33,562	35,104	36,516	37,97
	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
	Total Expenses	135,383	140,323	141,165	151,585	154,467	160,754	167,706	174,02
	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(44,231)	(63,995)	(95,683)	(108,28
	Investment Income	48,476	101,645	111,731	192,131	81,815	87,256	91,197	94,37
	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,121)	(7,302)	4,405	2,03
	Net Investment Income	(4,038)	82,897	116,320	163,818	57,693	79,953	95,602	96,40
	Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	13,462	15,958	(81)	(11,88

# Appendix 59b Updated Base Scenario #20 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	174,496	178,437	187,442	186,162
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	13,462	15,958	(81)	(11,882)
4	Premium Rebate	=	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(142,471)	(9,522)	(6,953)	(1,199)	9,635
6	Total Retained Earnings	194,498	99,251	170,975	174,496	178,437	187,442	186,162	183,915
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(45,970)	(38,818)	(30,709)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	6,141	7,151	8,109	9,317
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,393)
11	Total Equity Balance	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
12	Total Equity								
	Rate Stabilization Reserve								
13		104 400	00.054	470.075	174.407	470 407	107 110	40/4/0	100.015
14	Retained Earnings	194,498	99,251	170,975	174,496	178,437	187,442	186,162	183,915
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,393)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	122,385	132,467	148,623	155,452	162,522
	=								

### Appendix 59c Updated Base Scenario #20 Balance Sheet

(C\$ 000s, except where noted)				F	or the Years End	ed February,			
ne No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC									
Assets									
Cash and investments		29,114	61,606	72,998	28,914	48,883	47,337	46,120	42,238
Equity investments		2,083,349	2,189,534	2,272,545	2,337,389	2,397,722	2,495,252	2,611,014	2,725,965
Investment property		35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance	ce companies	25	16	2	-	-	-	-	
Accounts receivable		375,262	355,389	389,900	354,564	372,535	387,273	402,346	418,111
Prepaid expenses		-	-	-	-	-	-	-	
Deferred policy acquisit	ion costs	4,782	-	-	19,193	23,188	29,371	26,461	19,961
Reinsurers' share of un	earned premiums	-	-	-	-	-	-	-	
Reinsurers' share of un	earned claims	998	611	1,269	-	-	-	-	
Property and equipmen	t	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred development of	costs	65,414	72,866	55,423	43,654	47,120	59,184	61,206	63,241
1		2,683,473	2,805,484	2,916,137	2,887,475	2,994,046	3,120,966	3,249,242	3,374,989
Liabilities									
Due to other insurance	companies	152	147	141	144	144	144	144	144
Accounts payable and a	accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligati	on	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums an	d fees	453,389	472,041	508,089	547,303	577,134	602,416	628,418	655,739
Provision for employee	current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee	future benefits	281,209	301,245	331,910	341,796	356,995	372,684	389,288	406,000
Provision for unpaid cla	ims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,997	1,934,094	2,010,642	2,083,838
3		2,452,472	2,624,484	2,705,292	2,765,090	2,861,579	2,972,342	3,093,790	3,212,467
Equity									
Retained earnings		194,499	99,251	170,975	174,496	178,437	187,442	186,162	183,915
Accumulated Other Cor	mprehensive Income	36,504	81,749	39,870	(52,111)	(45,970)	(38,818)	(30,709)	(21,393
Total Equity		231,003	181,000	210,845	122,385	132,467	148,623	155,452	162,522
Total Liabilities & Equity		2,683,475	2,805,484	2,916,137	2,887,475	2,994,046	3,120,966	3,249,242	3,374,989

# Appendix 59d Updated Base Scenario #20 Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
Line			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
No.			(01)	(02)	(03)	(04)	(05)
1	Capital Available:						
2	Capital available (from page 30.62 - capital available)	01	78,731	85,347	89,439	94,246	99,281
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	78,731	85,347	89,439	94,246	99,281
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	99,606	103,650	107,771	112,079
12	Unpaid claims	22	191,221	197,035	204,521	212,892	220,974
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	296,641	308,171	320,663	333,053
16	Market Risk:						
17	Interest rate risk	30	941	13,906	17,853	21,226	25,095
18	Foreign exchange risk	32	13,075	12,576	13,398	14,898	17,418
19	Equity risk	34	56,490	53,852	57,463	64,913	72,007
20	Real estate risk	36	23,133	23,875	24,395	25,136	26,437
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	93,639	104,209	113,109	126,173	140,957
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,856	56,750	58,979	60,509	61,674
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,856	56,750	58,979	60,509	61,674
28	Operational risk margin	50	62,487	67,241	70,325	73,808	77,452
29	Less: Diversification credit	52	48,024	55,542	58,814	62,894	67,207
30	Total Capital (Margin) Required at Target	59	432,838	469,299	491,770	518,259	545,929
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	288,559	312,866	327,847	345,506	363,953
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	288,559	312,866	327,847	345,506	363,953
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(209,828)	(227,519)	(238,408)	(251,260)	(264,672)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	27.28%	27.28%	27.28%	27.28%	27.28%

# Appendix 59e Updated Base Scenario #20 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,624	502,881	538,539	576,751
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,341	5,408
6	PIPP	187,022	169,153	193,278	212,114	223,270	224,426
7	Total _	726,240	759,725	821,981	882,020	937,240	985,357
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,919	5,535	6,902	6,592
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	(2,404)	(4,892)	4,230	7,883
13	Total Net Claims Incurred	767.240	778.719	874.867	937.584	1.005.908	1.060.042

### Appendix 59f

### Updated Base Scenario #20 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Calantari	Calanta
2		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	72.34%	72.80%	73.72%	74.72%	Ondisc	Disc
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9260	0.9353	0.9491	0.9851	1.0062					
9	2020				0.9359	0.9501	0.9865	1.0080	1.0115				
10	2021					0.9599	0.9950	1.0151	1.0169	1.0132			
11	2022						1.0012	1.0208	1.0222	1.0179	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			75.71%	76.08%	70.80%	72.16%	72.80%				73.56%	77.69%
16	2020				76.13%	70.87%	72.27%	72.92%	73.64%			72.94%	77.03%
17	2021					71.60%	72.89%	73.43%	74.04%	74.69%		73.45%	77.679
18	2022						73.34%	73.85%	74.42%	75.05%	75.72%	74.44%	78.78%
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,107,319	1,158,495	1,205,334	1,253,736		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.22%	8.11%	8.12%	8.08%		
24	<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.74%	2.70%	2.71%	2.69%		
25	Selected					3.16%	2.99%	2.87%	2.72%	2.71%	2.70%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	532,647	554,274	576,316	599,350		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	390,499	409,275	422,371	442,919	467,367		
31	11. Reinsurance PFAD					10							
32	12. Maintenance Expense [a]					13,837	14,989	15,103	14,925	15,429	16,017		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,307	77,716	81,497	85,996		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	23,188	29,371	26,461	19,961		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	31,080	32,370	33,691	35,074		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	7,892	3,000	7,230	15,113		
,,	Oh					2,363	(21,760)	(2,404)	(4,892)	4,230	7,883		
	Change												
38 39	Change  18. Premium Deficiency [c]					8,845	-	-					

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 59g Updated Base Scenario #20 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	78	0	0	(2)
Marketable Bonds	44,245	78 55,497	0 63,990	70,442	(3) 76,068
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	79,936	86,055	90,293	93,758
Dividend and other Income					
Canadian Equities	9,657	5,855	4,615	5,488	6,415
Global	4,218	6,021	4,938	5,776	6,531
Global LV	-	2,898	3,271	3,845	4,447
Private Debt	-	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
Infrastructure	1,472 20,288	1,136 <b>21,709</b>	1,183 26,857	1,249 <b>29,132</b>	1,319 <b>31,331</b>
Total	20,288	21,709	20,837	29,132	31,331
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(38,868)	(7,848)	2,721	611
Marketable Bonds Realized Gains/(Loss)  MUSH	11,781	13,118	(36)	2,042	1,565
	- 69,223	- 2,825	- 0	- 0	1,636
Canadian Equities Realized Gains Global Equities Realized Gains	66,319	3,806	0	0	1,030
Global LV Realized Gains	-	459	-	-	0
Real Estate (Pooled Fund)	16,307	5,603	5,847	6,198	6,570
Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	(8,608)	2,599	15,857	17,346
Other					
Investment Fees Paid	(5,204)	(4,733)	(4,586)	(4,905)	(5,176
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	5,793	7,673	7,757	7,409
Investment Write-Down	-		-	-	-
Total	(25,105)	(12,812)	(11,226)	(11,905)	(12,974)
Total Corporate Investment Income	191,042	79,163	103,344	123,890	129,696
Total Basic Investment Income	163,818	57,693	79,953	95,602	96,406
% - Basic to Total Investment Income	85.75%	73%	77%	77%	74%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	6,937	4,883	5,807	7,159
US Equities Unrealized Gains/(Losses)	7,538	9,386	7,369	8,620	9,746
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 40 / 50	4,217	4,467	5,250	6,071
Total Corporate Unrealized Gains/(Losses)	19,652	16,323	12,252	14,427	16,905
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	-	-	-	-	-
Canadian Fixed Income MUSH	1,751.6 569.3	1,710.9 522.8	1,861.9	2,012.5	2,197.9 386.3
Canadian Equities	123.3	129.7	477.0 151.0	432.3 179.5	300.3 187.8
Global Equities	166.7	169.1	194.1	227.2	239.9
Global LV Equities	96.6	116.0	133.5	157.0	179.3
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,057.1	3,235.7	3,438.9	3,638.0
Total Basic Assets	2,380.2	2,460.2	2,556.1	2,670.9	2,783.4
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.5%	58.5%	60.4%
MUSH	19.5%	17.1%	14.7%	12.6%	10.6%
Canadian Equities	4.2%	4.2%	4.7%	5.2%	5.2%
US Equities Global LV	5.7% 3.3%	5.5% 3.8%	6.0% 4.1%	6.6% 4.6%	6.6%
	3.3% 0.0%	3.8% 6.1%	4.1% 5.8%	4.6% 5.4%	4.9% 5.2%
Private Debt Real Estate	4.6%	4.5%	4.4%	4.4%	4.4%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%

## Appendix 60a Adverse Scenario #20 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	,			
	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,141
Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,162	1,063,268
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,386	1,069,302
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,548	1,230,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,191
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(120,955)	(140,192)
Investment Income	48,476	101,645	111,731	192,129	78,818	75,780	81,957	82,551
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,456	39,687	5,012	2,312
Net Investment Income	(4,038)	82,897	116,320	163,817	117,273	115,467	86,969	84,864
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,498	27,297	788	(3,722)

# Appendix 60b Adverse Scenario #20 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,503	215,245	160,194	126,208
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,585)	(51,918)	(43,575)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,474)	3,667	8,343	9,067
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
11	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
10	Total Equity								
12	, ,								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
10		201,002	.0.,000	2.5,010	20.,072	.07,000	.00,270	32,000	55,672

### Appendix 60c Adverse Scenario #20 Balance Sheet

Line No. 1 2 3 4 5	BASIC Assets Cash and investments	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
2 3 4 5	Assets Cash and investments							LULLI	20231
3 4 5	Cash and investments								
4									
-	E. S. C. C. L. C.	29,114	61,606	72,998	28,914	18,075	-	-	-
-	Equity investments	2,083,349	2,189,534	2,272,545	2,479,846	2,582,625	2,694,317	2,772,641	2,836,474
6	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
14		2,683,473	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,001	2,262,398
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,249,978	3,381,008
24	Equity								
25	Retained earnings	194.499	99,251	170,975	316,503	215,245	160.194	126,208	70,880
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
27	Total Equity	231,003	181,000	210,845	264,392	159,660	108,276	82,633	36,372
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380

### Appendix 60d Adverse Scenario #20 Minimum Capital Test

ne	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Year
٥.			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	220,737	112,539	49,143	21,521	(26,75
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	220,737	112,539	49,143	21,521	(26,75
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	98,576	102,665	106,192	111,94
2	Unpaid claims	22	191,221	207,950	220,845	229,390	237,95
3	Catastrophes	24	0	0	0	0	
ļ	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
j	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,582	349,89
ò	Market Risk:						
7	Interest rate risk	30	6,468	10,645	11,673	21,389	24,09
3	Foreign exchange risk	32	15,640	16,724	16,100	16,060	16,98
)	Equity risk	34	69,312	75,625	71,135	69,600	74,31
)	Real estate risk	36	25,983	26,898	27,599	28,533	30,03
	Other market risk exposures	38	0	0	0	0	
2	Subtotal: Market risk margin	39	117,403	129,892	126,507	135,582	145,43
3	Credit Risk:						
ļ	Counterparty default risk for balance sheet assets	40	39,338	58,730	61,540	63,505	65,23
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
6	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	39,338	58,730	61,540	63,505	65,23
3	Operational risk margin	50	64,548	69,947	72,480	75,605	79,02
)	Less: Diversification credit	52	53,900	62,304	63,388	66,629	70,13
)	Total Capital (Margin) Required at Target	59	453,269	502,791	520,649	543,645	569,4
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,179	335,194	347,100	362,430	379,63
	Phase-in of Capital (Margin) Required	62	0	0	0	0	
	Total Minimum Capital (Margin) Required	69	302,179	335,194	347,100	362,430	379,6
	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,442)	(222,655)	(297,957)	(340,909)	(406,39
;	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.05%	33.57%	14.16%	5.94%	-7.05

# Appendix 60e Adverse Scenario #20 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,390	231,659
7	Total	726,240	759,725	946,811	952,787	946,353	992,621
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,998	6,983
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.386	1.069.302

### Appendix 60f

### Adverse Scenario #20

### **Deferred Policy Acquisition Expenses and Premium Deficiency**

Line													
No.													
1	A. Claims (Including External Adjustment Expense) Data												
2						Acci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%		
5	<ol><li>Trend/Rate Adjustment for Fiscal Year</li></ol>												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9710	0.9817	1.0151	1.0233	1.0147				
10	2021					0.9909	1.0241	1.0317	1.0224	1.0155			
11	2022						1.0289	1.0370	1.0282	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95%
16	2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.15%
17	2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.72%
18	2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.92%
	<del></del>												
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
24	Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
25	Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
	Selected 7. ILAE Ratio to Losses - Selected							2.88% 18.40%	2.77% 18.40%	2.77% 18.40%	2.76% 18.40%		
25						3.16%	2.99%						
25						3.16%	2.99%						
25 26	7. ILAE Ratio to Losses - Selected					3.16%	2.99%						
25 26 27	ILAE Ratio to Losses - Selected     C. Equity in Unearned Premium	се				3.16% 18.40%	2.99% 18.40%	18.40%	18.40%	18.40%	18.40%		
25 26 27 28	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium					3.16% 18.40% 468,613	2.99% 18.40% 506,193	18.40% 523,661	18.40% 544,918	18.40% 566,581	18.40% 589,219		
25 26 27 28 29	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran					3.16% 18.40% 468,613 5,598	2.99% 18.40% 506,193 5,710	18.40% 523,661 5,824	18.40% 544,918 5,941	18.40% 566,581 6,059	18.40% 589,219 6,059		
25 26 27 28 29 30	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]					3.16% 18.40% 468,613 5,598 383,468	2.99% 18.40% 506,193 5,710	18.40% 523,661 5,824	18.40% 544,918 5,941	18.40% 566,581 6,059	18.40% 589,219 6,059		
25 26 27 28 29 30 31	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]					3.16% 18.40% 468,613 5,598 383,468 10	2.99% 18.40% 506,193 5,710 390,881	18.40% 523,661 5,824 424,368	18.40% 544,918 5,941 442,747 - 14,903	18.40% 566,581 6,059 458,061 - 15,518	18.40% 589,219 6,059 483,538 - 16,120		
25 26 27 28 29 30 31 32	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	) x (3)]				3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922	18.40% 523,661 5,824 424,368 - 14,913 78,084	18.40% 544,918 5,941 442,747 - 14,903 81,466	18.40% 566,581 6,059 458,061 - 15,518 84,283	18.40% 589,219 6,059 483,538 - 16,120 88,971		
25 26 27 28 29 30 31 32 33	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Expenses)	) x (3)]				3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950	2.99% 18.40% 506,193 5,710 390,881	18.40% 523,661 5,824 424,368	544,918 5,941 442,747 - 14,903 81,466 3,950	18.40% 566,581 6,059 458,061 - 15,518	589,219 6,059 483,538 - 16,120 88,971 3,950		
25 26 27 28 29 30 31 32 33 34 35	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))]  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]	) x (3)]				3.16% 18.40% 468,613 5,598 383,468 10 13,837 70,595 3,950 (8,845)	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478)	544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089)	566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290)	18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420)		
25 26 27 28 29 30 31 32 33 34 35 36	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses	) x (3)]				3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478) 30,518	18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785	18.40% 566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290) 33,082	18.40% 589,219 6,059 483,538 16,120 88,971 3,950 (9,420) 34,440		
25 26 27 28 29 30 31 32 33 34 35 36 37	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]	) x (3)]				3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478) 30,518 30,518	18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785 31,785	18.40% 566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290) 33,082 33,082	18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420) 34,440 34,440		
25 26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	) x (3)]				3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478) 30,518 30,518 19,771	18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785 31,785 1,267	18.40% 566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290) 33,082 33,082 1,297	18.40% 589,219 6,059 483,538 16,120 88,971 3,950 (9,420) 34,440 34,440 1,358		
25 26 27 28 29 30 31 32 33 34 35 36 37 38 39	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change  18. Premium Deficiency [c]	) x (3)]				3.16% 18.40% 468,613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 2,363 8,845	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747 (21,308)	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478) 30,518 19,771 3,478	18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785 31,785 1,267 4,089	18.40% 566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290) 33,082 33,082 1,297 1,290	18.40% 589,219 6,059 483,538 - 16,120 88,971 3,950 (9,420) 34,440 34,440 1,358 9,420		
25 26 27 28 29 30 31 32 33 34 35 36 37 38	7. ILAE Ratio to Losses - Selected  C. Equity in Unearned Premium  8. Net Unearned Premium  9. Additional Expected Cost of Non-Proportional Reinsuran  10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))  11. Reinsurance PFAD  12. Maintenance Expense [a]  13. Internal Loss Adjustment Expense [Sheet 1, Row 11]  14. Expected Claims (Including Ext Adj Expenses) - PIPP Er  15. Equity in Unearned Premium [(8) - Sum((9) to (14))]  16. Carried Deferred Policy Acquisition Expenses  17. Write Down Deferred Policy Acquisition Expenses [b]  Change	) x (3)]				3.16% 18.40% 468.613 5.598 383,468 10 13,837 70,595 3,950 (8,845) 32,055 32,055 2,363	2.99% 18.40% 506,193 5,710 390,881 - 14,989 71,922 3,950 18,742 29,489 10,747	523,661 5,824 424,368 - 14,913 78,084 3,950 (3,478) 30,518 30,518 19,771	18.40% 544,918 5,941 442,747 - 14,903 81,466 3,950 (4,089) 31,785 31,785 1,267	18.40% 566,581 6,059 458,061 - 15,518 84,283 3,950 (1,290) 33,082 33,082 1,297	18.40% 589,219 6,059 483,538 16,120 88,971 3,950 (9,420) 34,440 34,440 1,358		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 60g Adverse Scenario #20 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
e No.		'	orecasted		
Interest Income During Period  Cash/Short Term Investments	255	95	0	0	/1
Marketable Bonds	44,245	53,738	57,653	61,277	64,645 64,645
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,194	79,717	81,128	82,337
Dividend and other Income					
Canadian Equities	9,657	5,723	4,485	4,615	5,066
Global	4,218	5,964	4,706	4,840	5,291
Global LV	-	2,887	2,837	2,904	3,172
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace) Infrastructure	4,940	1,926	2,512	2,452	2,312
Total	1,472 20,287	1,136 <b>21,397</b>	1,183 25,767	1,249 26,120	1,319 27,235
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	7,796	28,029	(2,082)	2,319
Marketable Bonds Realized Gains/(Loss)	11,782	33,272	13,550	7,305	95
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,337)	(4,659)	84	0
Global Equities Realized Gains	66,318	(605)	(6,622)	106	0
Global LV Realized Gains	-	(99)	(4,068)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
Infrastructure Total	5,765 <b>124,596</b>	4,449 48,078	4,636 36,711	4,895 <b>16,577</b>	5,169 14,152
	124,390	40,070	30,/11	10,377	14,132
Other					
Investment Fees Paid	(5,204)	(4,722)	(4,548)	(4,699)	(4,865
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Investment Write-Down	(6,461)	2,982	(212)	(1,211)	(1,817
Total	(25,105)	(15,612)	(19,073)	(20,667)	(21,889
Total Corporate Investment Income	191,037	132,056	127,849	103,691	102,078
Total Basic Investment Income	163,817	117,273	115,467	86,969	84,864
% - Basic to Total Investment Income	85.75%	89%	90%	84%	83%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	4,882	5,654
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,792)	7,223	7,896
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	3,965	4,330
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,629)	12,105	13,549
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,751.6	1,688.9	1,872.7	2,037.4	2,166.0
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.3 166.7	139.0 175.5	138.8 175.4	145.2 184.2	161.2 203.1
Global LV Equities	96.6	110.3	110.1	114.4	126.3
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,198.9	3,350.6	3,496.4
Total Basic Assets	2,522.7	2,614.2	2,707.9	2,786.4	2,851.7
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.5%	60.8%	62.0%
MUSH	19.5%	17.2%	14.9%	12.9%	11.0%
Canadian Equities US Equities	4.2% 5.7%	4.6% 5.8%	4.3% 5.5%	4.3% 5.5%	4.6% 5.8%
Global LV	3.3%	3.6%	3.4%	3.4%	3.6%
Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 60h Adverse Scenario #20 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Fo	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,120,997	1,166,733	1,214,612
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,182,234	1,229,574	1,279,058
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,090,405	1,145,576	1,192,463
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,440	29,337	31,414
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,178,084	1,236,830	1,287,396
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,001,467	1,004,772	1,062,908
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,013,857	1,008,997	1,068,943
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,040	147,443
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,076	13,349
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,166,398	1,167,113	1,229,735
19	Expenses								
20	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,353	83,247
21	Commissions	33,862	35,086	37,378	40,338	42,273	44,142	46,308	48,129
22	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,869	36,581	38,043
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	153,886	160,551	168,356	174,652
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(148,866)	(98,640)	(116,990)
0/	Investment Income	48,476	101,645	111,731	192,129	78,818	75,806	81,995	82,726
26 27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,456	39,686	5,008	2,300
28	Net Investment Income	(4,038)	82,897	116,320	163,817	117,273	115,492	87,002	85,026
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,258)	(33,374)	(11,637)	(31,964)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,498	27,296	783	(3,734)

## Appendix 60i Adverse Scenario #20 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,503	215,245	181,871	170,234
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(101,258)	(33,374)	(11,637)	(31,964)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,503	215,245	181,871	170,234	138,269
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,585)	(51,918)	(43,432)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,474)	3,667	8,486	9,223
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,432)	(34,210)
11	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	129,953	126,801	104,060
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,503	215,245	181,871	170,234	138,269
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,432)	(34,210)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,392	159,660	129,953	126,801	104,060
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	129,953	126,801	104,060

#### Appendix 60j Adverse Scenario #20 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	18,075	2,362	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,846	2,582,625	2,707,498	2,810,437	2,897,589
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	387,833	402,929	418,718
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	6,456	9,455	1,831
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,114	63,133
14		2,683,473	2,805,484	2,916,137	3,029,481	3,119,801	3,265,831	3,386,030	3,486,745
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	603,394	629,434	656,797
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,095,426	2,174,499	2,252,885
23	·	2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,135,878	3,259,228	3,382,685
24	Equity								
25	Retained earnings	194,499	99,251	170,975	316,503	215,245	181.871	170,234	138,269
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,432)	(34,210)
27	Total Equity	231.003	181,000	210,845	264,392	159,660	129,953	126,801	104,060
21	rotal Equity	231,003	101,000	210,043	204,372	137,000	127,733	120,001	104,000
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,481	3,119,801	3,265,831	3,386,030	3,486,745

## Appendix 60k Adverse Scenario #20 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ne			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Yea
Э.			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	220,737	112,539	70,820	65,688	40,92
	Phase-in of capital available	03	0	0	0	0	
	Total Capital Available	09	220,737	112,539	70,820	65,688	40,92
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	
	Phase-in of net assets available	13	0	0	0	0	
	Total Net Assets Available	19	0	0	0	0	
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
	Premium liabilities	20	94,659	98,576	103,833	107,962	112,2
2	Unpaid claims	22	191,221	207,950	220,845	229,369	237,9
	Catastrophes	24	0	0	0	0	
ļ	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
j	Subtotal: Insurance risk margin	29	285,880	306,526	324,678	337,331	350,2
ò	Market Risk:						
7	Interest rate risk	30	6,468	10,645	12,384	21,737	25,85
3	Foreign exchange risk	32	15,640	16,724	16,110	16,206	17,15
)	Equity risk	34	69,312	75,625	71,193	70,441	75,2
)	Real estate risk	36	25,983	26,898	27,599	28,533	30,0
	Other market risk exposures	38	0	0	0	0	
2	Subtotal: Market risk margin	39	117,403	129,892	127,286	136,917	148,2
3	Credit Risk:						
ļ	Counterparty default risk for balance sheet assets	40	39,338	58,730	62,499	64,783	65,7
ō	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	
ò	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	39,338	58,730	62,499	64,783	65,7
	Operational risk margin	50	64,548	69,947	73,285	76,557	79,9
)	Less: Diversification credit	52	53,900	62,304	63,849	67,316	70,8
	Total Capital (Margin) Required at Target	59	453,269	502,791	523,899	548,272	573,3
	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,179	335,194	349,266	365,515	382,2
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	302,179	335,194	349,266	365,515	382,2
ļ	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,442)	(222,655)	(278,446)	(299,827)	(341,2
;	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.05%	33.57%	20.28%	17.97%	10.7

# Appendix 60I Adverse Scenario #20 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,916	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,342	5,395
6	PIPP	187,022	169,153	273,764	278,254	232,208	231,761
7	Total -	726,240	759,725	946,811	952,790	946,170	992,724
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,967	7,000
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	(8,021)	(1,676)	9,010
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.013.857	1.008.997	1.068.943

#### Appendix 60m

#### Adverse Scenario #20 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.													
1 2	A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Calantari	Calantari
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Selected Undisc	Selected Disc
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.02%	73.59%	74.59%	Ondisc	Disc
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9596	0.9657	0.9763	1.0095	1.0176					
9	2020				0.9520	0.9625	0.9953	1.0032	1.0053				
10	2021					0.9722	1.0047	1.0122	1.0136	1.0155			
11	2022						1.0094	1.0174	1.0194	1.0217	1.0150		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10%
15	2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95%
16	2020				77.44%	71.79%	72.91%	79.63%	75.42%			75.25%	80.54%
17	2021					72.51%	73.60%	80.34%	76.05%	74.73%		74.79%	80.17%
18	2022						73.94%	80.76%	76.47%	75.19%	75.71%	75.79%	81.35%
19	B. Actual Data Other Than Losses												
20						Fis	scal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982		
23	<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.20%	8.16%	8.11%		
24	<ol><li>Maintenance Expense Rate [(5) x 1/3]</li></ol>	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.73%	2.72%	2.70%		
25	Selected					3.16%	2.99%	2.88%	2.75%	2.73%	2.71%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	Net Unearned Premium					468,613	506,193	523,661	555,251	577,333	600,409		
29	9. Additional Expected Cost of Non-Proportional Reinsuran	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	) x (3)]				383,468	390,881	424,368	442,394	458,012	483,491		
31	11. Reinsurance PFAD					10		-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,913	15,110	15,581	16,115		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,922	78,084	81,401	84,274	88,962		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	nhancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,742	(3,478)	6,456	9,455	1,831		
٠,	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	32,432	33,755	35,140		
36	17 Male David Defended Belley Association Frances [h]					32,055	10,747	30,518	25,975	24,299	33,309		
	<ol> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> </ol>												
37	Change					2,363	(21,308)	19,771	(4,543)	(1,676)	9,010		
36 37 38 39						2,363 8,845	(21,308)	19,771 3,478	(4,543)	(1,6/6)	9,010		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 60n Adverse Scenario #20 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	95	0	(0)	(1)
Marketable Bonds	44,245	53,738	57,717	61,473	65,117
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,194	79,782	81,325	82,810
Dividend and other Income					
Canadian Equities	9,657	5,723	4,513	4,764	5,359
Global	4,218	5,964	4,731	4,974	5,552
Global LV	-	2,887	2,856	3,003	3,364
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,397	25,840	26,503	27,981
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	7,796	28,099	(1,250)	2,335
Marketable Bonds Realized Gains/(Loss)	11,782	33,272	13,480	6,482	79
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,337)	(4,659)	74	0
Global Equities Realized Gains	66,318	(605)	(6,622)	93	599
Global LV Realized Gains	-	(99)	(4,068)	63	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
Total	124,596	48,078	36,711	16,553	14,751
Other					
Investment Fees Paid	(5,204)	(4,722)	(4,553)	(4,736)	(4,944
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(219)	(1,254)	(1,917
Investment Write-Down	-	-	-	-	-
Total	(25,105)	(15,612)	(19,085)	(20,747)	(22,068)
Total Corporate Investment Income	191,037	132,056	127,974	104,167	103,716
Total Basic Investment Income	163,817	117,273	115,492	87,002	85,026
% - Basic to Total Investment Income	85.75%	89%	90%	84%	82%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	5,041	5,980
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,792)	7,422	8,285
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	4,100	4,594
Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,629)	12,463	14,266
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	_
Canadian Fixed Income	1,751.6	1,688.9	1,879.6	2,052.8	2,204.7
n MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities	123.3	139.0	140.9	152.3	172.6
Global Equities	166.7	175.5	177.8	191.9	204.5
Global LV Equities	96.6	110.3	111.9	120.4	135.7
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital  Total Ending Asset Values	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,212.1	3,386.7	3,557.3
Total Basic Assets	2,522.7	2,614.2	2,723.4	2,824.2	2,912.8
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.5%	60.6%	62.0%
MUSH Canadian Equities	19.5%	17.2%	14.8%	12.8%	10.9%
Canadian Equities	4.2%	4.6%	4.4%	4.5%	4.9%
US Equities Global LV	5.7% 3.3%	5.8%	5.5% 3.5%	5.7%	5.7% 3.8%
	3.3% 0.0%	3.6% 6.2%	3.5% 6.0%	3.6% 5.7%	3.8% 5.5%
Private Debt Real Estate	4.6%	4.5%	4.5%	4.5%	5.5% 4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 600 Adverse Scenario #20 with Management Action - Minimum Total Equity Statement of Operations

Net Premiums Ea Motor Vehicles Privers Reinsurance Ce Total Net Premiu Service Fees & Total Earned Rev Net Claims Incur (a) Claims Incur Claims Expenses Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Incur Investment Incor	s, except where noted)			Fo	r the Years End	led February,			
Motor Vehicles Drivers Reinsurance Co Total Net Premiums Ea Motor Vehicles Privers Reinsurance Co Total Net Premiums Ea Motor Vehicles Trotal Net Premiu Service Fees & Total Earned Rev Road Safety/Lo Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor Inves		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
Drivers Reinsurance Ce Total Net Premiums Ea Motor Vehicles Privers Reinsurance Ce Total Net Premiums Ea Motor Vehicles Total Net Premiu Service Fees & Total Earned Rev Road Safety/Lo Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor Inve									
Reinsurance Co Total Net Premium  Net Premiums Ea Motor Vehicles Privers Reinsurance Co Total Net Premiu Service Fees & Total Earned Rev  Net Claims Incur A Claims Incur Claims Expense Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Incur Incur Regulatory/App Total Expenses Incur Road Safety/Lo Road Safety/Lo Regulatory/App Total Expenses Incur Road Safety/Lo Regulatory/App Total Expenses Investment Incor Regulatory/App Investment Incor Regulatory/Regulatory/Regulatory Regulatory/App Regulatory/App Total Expenses	otor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,120,997	1,166,733	1,214,612
Net Premium Ea Motor Vehicles Privers Reinsurance Ce Total Net Premiu Service Fees & Total Earned Rev Net Claims Incur (a) Claims Incur Claims Expenses Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor In	ivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Met Premiums Ea Motor Vehicles Privers Reinsurance Ce Reinsurance Ce Total Net Premiu Service Fees & Total Earned Rev Met Claims Incur (a) Claims Incur Claims Expense Road Safety/Lo Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Incur Inc	einsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Motor Vehicles Drivers Reinsurance Ce Reinsurance Ce Total Net Premiu Service Fees & Total Earned Rev  Net Claims Incur (a) Claims Incur Claims Expense Road Safety/Lo Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Incur Investment Incor Investment Incor Investment Incor	ll Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,182,234	1,229,574	1,279,058
8 Drivers 9 Reinsurance Ce 10 Total Net Premiu 11 Service Fees & 12 Total Earned Rev 13 Net Claims Incur 14 (a) Claims Incur 15 Total Claims Incu 16 Claims Expense 17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Incur 26 Investment Incor 27 (b) Investment Incor	Premiums Earned								
9 Reinsurance Co 10 Total Net Premiu 11 Service Fees & 12 Total Earned Rev 13 Net Claims Incur 14 (a) Claims Incur 15 Total Claims Incu 16 Claims Expense 17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Incu 26 Investment Incor 27 (b) Investment Incor	otor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,090,405	1,145,576	1,192,463
Total Net Premiu Service Fees & Total Earned Rev  Net Claims Incur (a) Claims Incur Total Claims Incur Claims Expense Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor	ivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Total Earned Rev  Net Claims Incur (a) Claims Incur Total Claims Incur Claims Expense Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Incur Investment Incor	einsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
12 Total Earned Rev. 13 Net Claims Incur 14 (a) Claims Incur 15 Total Claims Incur 16 Claims Expenses 17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Incur 26 Investment Incor 27 (b) Investment Incor	Il Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982
Net Claims Incur (a) Claims Incur Total Claims Incur Road Safety/Lo Road Safety/Lo Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor	ervice Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,440	29,337	31,414
14 (a) Claims Incur 15 Total Claims Incur 16 Claims Expenser 17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Incur 26 Investment Incor 27 (b) Investment Incor	l Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,178,084	1,236,830	1,287,396
Total Claims Incu  Claims Expenses Road Safety/Lo  Expenses Operating Commissions Premium Taxes Regulatory/App Total Expenses Underwriting Inc  Investment Incor	Claims Incurred	742,604	869,023	783,040	787,372	1,197,928	1,001,467	1,004,727	1,062,864
Claims Expenses Road Safety/Lo Road	) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	Il Claims Incurred	666,404	860,035	767,239	779,170	1,038,885	1,013,857	1,008,952	1,068,898
17 Road Safety/Lo 18 Total Claims Cos 19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	aims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,040	147,443
19 Expenses 20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	pad Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,076	13,349
20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	Il Claims Costs	798,045	993,537	923,722	929,944	1,186,820	1,166,398	1,167,068	1,229,690
20 Operating 21 Commissions 22 Premium Taxes 23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	enses								
Premium Taxes Regulatory/App Total Expenses Underwriting Inc Investment Incor Investment Incor		71,641	72,785	70,201	75,060	73,525	76,541	80,353	83,247
23 Regulatory/App 24 Total Expenses 25 Underwriting Inc 26 Investment Incor 27 (b) Investment I	mmissions	33,862	35,086	37,378	40,338	42,273	44,142	46,308	48,129
Total Expenses  Underwriting Inc  Investment Incor  Univestment Incor	emium Taxes	26,205	27,563	29,143	31,518	33,249	34,869	36,581	38,043
Underwriting Inc  Investment Incor  Underwriting Inc  Investment Incor	egulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
26 Investment Incor 27 (b) Investment I	I Expenses	135,383	140,323	141,165	151,585	153,886	160,551	168,356	174,652
27 (b) Investment I	erwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,532)	(148,866)	(98,595)	(116,946)
27 (b) Investment I	stment Income	48,476	101,645	111,731	192,129	74,960	72,973	77,602	78,227
• •	) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	37,731	39,183	4,937	2,272
	Investment Income	(4,038)	82,897	116,320	163,817	112,690	112,156	82,539	80,499
29 Net Income (Loss	Income (Loss)	(56,049)	(123,071)	34,424	145,528	(105,842)	(36,710)	(16,056)	(36,447)
	net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	196,773	26,793	712	(3,763)

## Appendix 60p Adverse Scenario #20 with Management Action - Minimum Total Equity Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
1	Beginning Balance	177,818	194,498	99,251	170,975	194,469	88,628	51,918	35,863
2	3 3								
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(105,842)	(36,710)	(16,056)	(36,447)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	(122,033)	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	194,469	88,628	51,918	35,863	(584)
	T.								
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(54,750)	(51,918)	(44,918)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(2,639)	2,831	7,000	7,609
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,750)	(51,918)	(44,918)	(37,309)
11	Total Equity Balance	231,002	181,000	210,845	142,358	33,878	0	(9,055)	(37,893)
	T.115. 9								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	194,469	88,628	51,918	35,863	(584)
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,750)	(51,918)	(44,918)	(37,309)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	142,358	33,878	0	(9,055)	(37,893)
17	Retained Earnings in excess of Rate Stabilization Reserve		_	_	_	_	_	_	
18	Total Equity Balance	231,002	181,000	210,845	142,358	33,878	0	(9,055)	(37,893)
10	Total Equity Dalance	231,002	101,000	210,043	142,330	33,010	U	(7,000)	(31,073)

### Appendix 60q Adverse Scenario #20 with Management Action - Minimum Total Equity Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No	l.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	17,660	-	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,357,813	2,457,259	2,579,909	2,674,536	2,755,548
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	387,833	402,929	418,718
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	6,456	9,458	1,835
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,114	63,133
14		2,683,473	2,805,484	2,916,137	2,907,448	2,994,020	3,135,879	3,250,130	3,344,707
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	603,394	629,434	656,797
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,547	2,095,427	2,174,457	2,252,800
23		2,452,472	2,624,484	2,705,292	2,765,089	2,960,142	3,135,879	3,259,186	3,382,600
24	Equity								
25	Retained earnings	194.499	99,251	170,975	194,469	88,628	51.918	35,863	(584)
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(54,750)	(51,918)	(44,918)	(37,309)
27	Total Equity	231,003	181,000	210,845	142,358	33,878	0	(9,055)	(37,893)
	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	2,907,448	2,994,020	3,135,879	3,250,130	3,344,707

#### Appendix 60r Adverse Scenario #20 with Management Action - Minimum Total Equity Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(01)	(02)	(03)	(04)	(03)
2	Capital available (from page 30.62 - capital available)	01	98,704	(13,242)	(59,132)	(70,169)	(101,026)
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	98,704	(13,242)	(59,132)	(70,169)	(101,026)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	103,833	107,962	112,277
12	Unpaid claims	22	191,221	207,950	220,845	229,365	237,932
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	306,526	324,678	337,327	350,209
16	Market Risk:						
17	Interest rate risk	30	122	4,114	4,607	13,539	17,333
18	Foreign exchange risk	32	13,443	14,076	13,710	13,646	14,244
19	Equity risk	34	58,328	63,169	60,595	59,122	63,115
20	Real estate risk	36	23,542	24,309	24,854	25,623	26,953
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	95,435	105,668	103,766	111,930	121,645
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	38,886	54,777	58,071	60,314	61,289
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	38,886	54,777	58,071	60,314	61,289
28	Operational risk margin	50	62,642	67,552	70,910	74,053	77,293
29	Less: Diversification credit	52	48,490	56,019	57,386	60,617	63,913
30	Total Capital (Margin) Required at Target	59	434,353	478,504	500,039	523,007	546,523
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	289,569	319,003	333,359	348,671	364,348
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	289,569	319,003	333,359	348,671	364,348
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(190,865)	(332,245)	(392,491)	(418,840)	(465,374)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	34.09%	-4.15%	-17.74%	-20.12%	-27.73%

# Appendix 60s Adverse Scenario #20 with Management Action - Minimum Total Equity Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,745	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,916	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,342	5,395
6	PIPP	187,022	169,153	273,765	278,254	232,171	231,725
7	Total -	726,240	759,725	946,812	952,790	946,132	992,687
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,960	6,994
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	(8,021)	(1,678)	9,007
13	Total Net Claims Incurred	767.240	779.170	1.038.886	1.013.857	1.008.952	1.068.898

#### Appendix 60t

#### Adverse Scenario #20 with Management Action - Minimum Total Equity Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A a a !	dout Voor						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.02%	73.59%	74.59%	Ondisc	DIS
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9596	0.9657	0.9763	1.0095	1.0176					
2020				0.9520	0.9625	0.9953	1.0032	1.0053				
2021					0.9722	1.0047	1.0122	1.0136	1.0155			
2022						1.0094	1.0174	1.0194	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.10
2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.95
2020				77.44%	71.79%	72.91%	79.63%	75.42%			75.25%	80.54
2021					72.51%	73.60%	80.34%	76.05%	74.73%		74.79%	80.17
2022						73.94%	80.76%	76.47%	75.19%	75.71%	75.79%	81.35
B. Actual Data Other Than Losses												
<u>.</u>						cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,150,643	1,207,492	1,255,982		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.20%	8.16%	8.11%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.73%	2.72%	2.70%		
Selected					3.16%	2.99%	2.88%	2.75%	2.73%	2.71%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	555,251	577,333	600,409		
Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,368	442,394	458,011	483,487		
					10		-		-			
11. Reinsurance PFAD					13,837	14,989	14,913	15,110	15,581	16,115		
					70,595	71,922	78,084	81,401	84,274	88,962		
12. Maintenance Expense [a]					10,373							
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP En     Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement				3,950 (8,845)		3,950 (3,478)	3,950 6,456	3,950 9,458	3,950 1,835		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses	hancement				3,950 (8,845) 32,055	3,950 18,742 29,489		6,456 32,432		1,835 35,140		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP En 15. Equity in Unearned Premium [(8) - Sum((9) to (14)))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	hancement				3,950 (8,845) 32,055 32,055	3,950 18,742 29,489 10,747	(3,478) 30,518 30,518	6,456 32,432 25,975	9,458 33,755 24,297	1,835 35,140 33,305		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				3,950 (8,845) 32,055 32,055 2,363	3,950 18,742 29,489	(3,478) 30,518 30,518 19,771	6,456 32,432	9,458 33,755	1,835 35,140		
<ol> <li>Reinsurance PFAD</li> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b] Change</li> <li>Premium Deficiency [c]</li> </ol>	hancement				3,950 (8,845) 32,055 32,055	3,950 18,742 29,489 10,747	(3,478) 30,518 30,518	6,456 32,432 25,975	9,458 33,755 24,297	1,835 35,140 33,305		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>[</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 60u Adverse Scenario #20 with Management Action - Minimum Total Equity Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	64	3	(0)	(3
Marketable Bonds	44,245	53,661	57,731	61,293	64,902
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,086	79,799	81,145	82,593
Dividend and other Income					
Canadian Equities	9,657	5,862	4,553	4,919	5,540
Global	4,218	5,998	4,656	4,972	5,564
Global LV	-	2,889	2,886	3,109	3,488
o Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)     Infrastructure	4,940	1,926	2,512	2,452	2,312
	1,472 20,287	1,136	1,183	1,249	1,319
3 Total	20,287	21,571	25,835	26,763	28,299
4 Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(44,799)	17,732	28,414	(571)	2,331
6 Marketable Bonds Realized Gains/(Loss)	11,782	23,335	13,212	5,791	78
7 MUSH	-	-	- (4.070)		-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(2,626)	(4,372)	74	0
Global Equities Realized Gains Global LV Realized Gains	66,318	(632)	(6,517)	93	0
Real Estate (Pooled Fund)	16,307	(99) 5,602	(4,073) 5,847	63 6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	47,762	37,146	16,543	14,147
	12 1/070	17/102	0.71.10	10/010	,
4 Other					
5 Investment Fees Paid	(5,204)	(4,740)	(4,543)	(4,734)	(4,942
6 Pension Expense 7 Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
8 Investment Write-Down	(6,461)	2,983	(225)	(1,257)	(1,919)
9 Total	(25,105)	(15,629)	(19,081)	(20,748)	(22,068)
Total Corporate Investment Income	191,037	131,791	128,425	104,236	103,213
1 Total Basic Investment Income 2 % - Basic to Total Investment Income	163,817 85.75%	112,690 86%	112,156 87%	82,539 79%	80,499 78%
	03.7376	0070	0770	1770	707
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,840)	5,205	6,183
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,713)	7,420	8,304
6 Global LV Unrealized Gains/(Losses) 7 Total Corporate Unrealized Gains/(Losses)	- 10 / 51	(1,895)	(2,277)	4,245	4,762
	19,651	(6,594)	(7,553)	12,625	14,487
8 Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,751.6	1,692.4	1,875.1	2,046.8	2,186.3
1 MUSH 2 Canadian Equities	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.3	139.1	145.3 177.6	157.4	178.5
4 Global LV Equities	166.7 96.6	171.8 110.5	177.6	192.2 124.7	216.1 140.8
5 Private Debt	70.0	188.8	193.5	194.0	194.3
6 Real Estate	133.6	138.1	143.9	150.8	161.8
7 Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
8 Total Ending Asset Values	2,919.4	3,046.2	3,215.5	3,390.5	3,561.6
9 Total Basic Assets	2,400.6	2,488.5	2,593.5	2,688.3	2,770.8
Ending Rebalanced Allocations (%)				•	·
1 Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	55.6%	58.3%	60.4%	61.4%
3 MUSH	19.5%	17.2%	14.8%	12.7%	10.8%
4 Canadian Equities	4.2%	4.6%	4.5%	4.6%	5.0%
5 US Equities	5.7%	5.6%	5.5%	5.7%	6.1%
Global LV	3.3%	3.6%	3.6%	3.7%	4.0%
7 Private Debt	0.0%	6.2%	6.0%	5.7%	5.5%
		4 EO/	4.5%	4.4%	4.5%
	4.6%	4.5%			
Real Estate Infrastructure & Venture Capital Total	4.6% 2.7% 100.0%	2.7% 100.0%	2.7%	2.7%	2.7%

### Appendix 61a Updated Base Scenario #21 Statement of Operations

BASIC  Motor Vehicles	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,77
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,63
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,29
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,091	28,953	30,99
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,480	1,217,525	1,267,28
Net Claims Incurred	742,604	869,023	783,040	824,140	902,449	938,637	996,190	1,052,28
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(34,905)	7,253	10,119	8,829	8,87
Total Claims Incurred	666,404	860,035	767,239	789,235	909,702	948,756	1,005,019	1,061,16
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,131	144,246	146,70
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,809	12,994	13,27
Total Claims Costs	798,045	993,537	923,722	940,009	1,057,683	1,100,696	1,162,259	1,221,14
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,271	79,956	82,87
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,016	159,846	166,778	173,04
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(87,486)	(91,062)	(111,512)	(126,90
Investment Income	48,476	101,645	111,731	192,209	84,813	88,268	91,549	94,61
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	10	3	2	
Net Investment Income	(4,038)	82,897	116,320	171,428	84,823	88,271	91,551	94,61
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,28

## Appendix 61b Updated Base Scenario #21 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
1	Beginning Balance	177,818	194,498	99,251	170,975	314,049	311,386	308,594	288,633
2	3 3								
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(2,663)	(2,791)	(19,961)	(32,285)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,177)	(34,986)	(25,159)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	7,934	9,191	9,828	10,675
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
11	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	311,386	308,594	288,633	256,348
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,484)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865
17	Detained Farnings in aveces of Data Stabilization Decome								
17	Retained Earnings in excess of Rate Stabilization Reserve	- 221 002	101.000	- 210.045	- 2/1 020	2/7 200	- 272 (00	- 2/2 47E	241.0/5
18	Total Equity Balance	231,002	181,000	210,845	261,938	267,209	273,608	263,475	241,865

### Appendix 61c Updated Base Scenario #21 Balance Sheet

	For the Years Ended February,								
e No.	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023	
BASIC									
Assets									
Cash and investments	29,114	61,606	72,998	28,746	48,628	40,072	25,785		
Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,576,553	2,682,810	2,793,177	2,902,04	
Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,24	
Due from other insurance companies	25	16	2	-	-	-	-		
Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399	
Prepaid expenses	-	-	-	-	-	-	-		
Deferred policy acquisition costs	4,782	-	-	18,310	13,224	18,619	15,485	8,485	
Reinsurers' share of unearned premiums	-	-	-	-	-	-	-		
Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-		
Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,22	
Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,167	61,179	63,21	
	2,683,473	2,805,484	2,916,137	3,036,661	3,158,475	3,286,139	3,395,539	3,492,610	
Liabilities									
Due to other insurance companies	152	147	141	144	144	144	144	14	
Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182	
Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518	
Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,52	
Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,04	
Provision for employee future benefits	281,209	301,245	331,910	341,796	358,128	374,215	390,308	406,70	
Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	1,901,840	1,980,340	2,055,792	2,129,62	
	2,452,472	2,624,484	2,705,292	2,774,723	2,891,266	3,012,531	3,132,065	3,250,745	
Equity									
Retained earnings	194,499	99,251	170,975	314,049	311,386	308,594	288,633	256,34	
Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,177)	(34,986)	(25,159)	(14,48	
Total Equity	231,003	181,000	210,845	261,938	267,209	273,608	263,475	241,86	

# Appendix 61d Updated Base Scenario #21 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(-)	(-)	(**)	(* ')	()
2	Capital available (from page 30.62 - capital available)	01	218,283	220,092	214,441	202,295	178,654
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	220,092	214,441	202,295	178,654
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	102,231	106,294	110,542
12	Unpaid claims	22	192,187	200,631	209,162	217,424	225,570
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	298,874	311,393	323,718	336,112
16	Market Risk:						
17	Interest rate risk	30	4,798	20,574	24,537	29,049	33,491
18	Foreign exchange risk	32	15,606	15,262	16,264	17,332	20,324
19	Equity risk	34	69,145	67,268	71,795	76,632	81,846
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	129,963	140,153	151,502	165,651
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,566	62,857	64,325	65,427
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,566	62,857	64,325	65,427
28	Operational risk margin	50	64,469	69,550	72,817	76,119	79,686
29	Less: Diversification credit	52	53,525	62,120	65,633	69,182	73,190
30	Total Capital (Margin) Required at Target	59	452,643	496,833	521,587	546,482	573,686
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	331,222	347,724	364,321	382,457
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	331,222	347,724	364,321	382,457
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(111,130)	(133,283)	(162,026)	(203,803
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	66.45%	61.67%	55.53%	46.719

# Appendix 61e Updated Base Scenario #21 Net Claims Incurred Summary

Line No.	(C\$ 000s, except where noted)  Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
'	Ciains incurred before i manetari rovisions						
2	Collision	415,906	438,827	469,723	502,927	538,542	576,761
3	Comprehensive	69,497	99,943	105,490	111,621	118,147	124,998
4	Property Damage	48,647	46,846	48,497	50,183	51,941	53,777
5	Public Liability - BI	4,680	5,032	5,210	5,268	5,337	5,408
6	PIPP	187,022	177,326	215,504	220,930	222,334	224,958
7	Total	726,240	767,976	844,425	890,928	936,300	985,903
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	6,684	7,031	6,745	6,684
10	Change in Reinsurance Ceded Provision	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	6,222	(4,124)	4,436	8,363
13	Total Net Claims Incurred	767.240	789.235	909.702	948.756	1.005.018	1.061.159

#### Appendix 61f

#### Updated Base Scenario #21 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data												
- ·						dent Year					Selected	Sele
1 Ultimate Less Datis Total All Coverage	2013	2014	2015 81.77%	2016	2017 74.59%	2018	2019 72.90%	2020	2021	2022 75.78%	Undisc	
Ultimate Loss Ratio - Total All Coverage     Trans/Date Adjustment for Figure Vege	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	12.90%	73.83%	74.76%	75.78%		
Trend/Rate Adjustment for Fiscal Year     2017	0.9142	0.9259	0.9555	0.0407	0.9888							
2017	0.9142	0.9259	0.9384	0.9697 0.9464	0.9888	0.9937						
		0.9151	0.9384				1 0121					
2019			0.9395	0.9490	0.9630	0.9995	1.0131	1 0115				
2020				0.9491	0.9635	1.0004	1.0144	1.0115	1.0122			
2021					0.9734	1.0091	1.0215	1.0169	1.0132	1.0124		
2022						1.0153	1.0273	1.0222	1.0180	1.0134		
Adjusted Loss Ratio for Fiscal Year [(1) x (2)]	75.0707	(7.000/	70.400/	70.000/	70 7/0/						75.050/	
2017	75.96%	67.39%	78.12%	78.88%	73.76%	70 700/					75.95%	80
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78
2019			76.82%	77.19%	71.83%	73.22%	73.86%				74.63%	79
2020				77.20%	71.87%	73.28%	73.95%	74.68%			73.97%	78
2021					72.61%	73.92%	74.47%	75.08%	75.75%		74.49%	79
2022						74.37%	74.89%	75.47%	76.11%	76.79%	75.49%	80
B. Actual Data Other Than Losses												
_					Fis	cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
<ol><li>Operating Expenses as % of Earned Premium</li></ol>	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.24%	8.25%	8.20%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.75%	2.75%	2.73%		
Selected					3.16%	2.99%	2.88%	2.75%	2.75%	2.74%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance	е				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9)) :	x (3)]				383,468	391,245	411,663	425,072	445,502	470,099		
11. Reinsurance PFAD					10							
12. Maintenance Expense [a]					13,837	14,989	14,951	14,890	15,451	16,041		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	75,746	78,213	81,972	86,498		
14. Expected Claims (Including Ext Adj Expenses) - PIPP Ent	nancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	13,224	18,619	15,485	8,485		
15. Equity in Orieanieu Fremium ((6) - Sum((7) to (14)))					32,055	29,489	30,624	31,896	33,197	34,560		
					32,055	11,179	17,401	13,277	17,712	26,075		
16. Carried Deferred Policy Acquisition Expenses					32,000	,						
16. Carried Deferred Policy Acquisition Expenses					2,363	(20,876)	6,222	(4,124)	4,436	8,363		
Carried Deferred Policy Acquisition Expenses     Write Down Deferred Policy Acquisition Expenses [b]												

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 61g Updated Base Scenario #21 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		·	orecasted		
Interest Income During Period  Cash/Short Term Investments	255	92	(0)	0	(0)
Marketable Bonds	255 44,259	55,084	(0) 61,815	67,258	(0) 72,896
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	79,537	83,880	87,109	90,589
Dividend and other Income					
Canadian Equities	9,657	5,685	4,544	5,164	5,608
Global	4,218	5,969	4,878	5,490	5,877
Global LV	-	2,886	3,212	3,617	3,885
Private Debt	-	3,822	10,187	10,180	10,173
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 <b>Total</b>	1,472 20,287	1,135 21,423	1,182 26,514	1,249 28,151	1,318 <b>29,174</b>
	20,207	21,423	20,514	20,131	27,174
4 Gains During Period - Profit & Loss Marketable Rands Unrealized Cains/(Loss)	(20, 200)	(00.744)	(744)	(750)	(7.15)
5 Marketable Bonds Unrealized Gains/(Loss) 6 Marketable Bonds Realized Gains/(Loss)	(38,202)	(29,711)	(746)	(758)	(765)
7 MUSH	13,969	29,711	746	758	765
Canadian Equities Realized Gains	69,223	2,651	0	0	- 787
Global Equities Realized Gains	66,318	3,747	0	0	934
Global LV Realized Gains	-	457	-		817
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
2 Infrastructure	5,765	4,447	4,633	4,893	5,167
3 Total	133,380	16,900	10,475	11,085	14,268
4 Other					
5 Investment Fees Paid	(5,203)	(4,720)	(4,586)	(4,851)	(5,035)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,386)	4,441	4,577	4,653	4,672
Investment Write-Down  Total	(25,030)	(14,151)	(14,322)	(14,955)	(15,570)
Total Corporate Investment Income	199,910	103,709	106,547	111,390	118,461
1 Total Basic Investment Income	•	•		·	
% - Basic to Total Investment Income	171,428 85.75%	84,823 82%	88,271 83%	91,551 82%	94,619 80%
Equity Unrealized Gains/(Losses)					
Equity Unrealized Gains/(Losses) Canadian Equities Unrealized Gains/(Losses)	12,114	6,736	4,808	5,464	6,259
US Equities Unrealized Gains/(Losses)	7,537	9,306	4,006 7,279	8,193	8,770
6 Global LV Unrealized Gains/(Losses)	-	4,199	4,385	4,938	5,305
7 Total Corporate Unrealized Gains/(Losses)	19,651	16,042	12,087	13,657	15,030
8 Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,760.8	1,738.7	1,886.0	2,034.0	2,186.5
1 MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.2	128.7	146.9	165.9	181.2
Global Equities Global LV Equities	166.6 96.5	168.1	189.8	212.6	231.8
5 Private Debt	90.5	114.7 188.7	129.6 188.7	145.2 188.7	156.2 188.7
Real Estate	133.5	138.0	143.9	150.7	161.7
7 Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,082.5	3,249.2	3,421.5	3,589.7
Total Basic Assets	2,530.3	2,638.7	2,736.4	2,832.7	2,917.3
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.1%	56.4%	58.0%	59.4%	60.9%
MUSH	19.4%	17.0%	14.7%	12.6%	10.8%
Canadian Equities	4.2%	4.2%	4.5%	4.8%	5.0%
US Equities	5.7%	5.5%	5.8%	6.2%	6.5%
Global LV Private Debt	3.3% 0.0%	3.7% 6.1%	4.0% 5.8%	4.2% 5.5%	4.4% 5.3%
7 Private Debt 8 Real Estate	4.6%	4.5%	4.4%	5.5% 4.4%	4.5%
9 Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
	100.0%	100.0%	100.0%	100.0%	100.0%

### Appendix 62a Adverse Scenario #21 Statement of Operations

BASIC	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,058,533	1,102,480	1,147,465	1,194,559
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,118,016	1,163,716	1,210,307	1,259,005
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,040,375	1,082,150	1,126,655	1,172,774
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,362	27,094	28,959	30,99
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,124,213	1,169,483	1,217,531	1,267,29
Net Claims Incurred	742,604	869,023	783,040	797,438	1,221,213	1,125,146	995,898	1,056,33
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,03
Total Claims Incurred	666,404	860,035	767,239	789,235	1,062,171	1,137,536	1,000,123	1,062,36
Claims Expense	118,614	120,972	143,337	137,168	135,301	139,792	145,626	147,93
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,680	12,875	13,136	13,40
Total Claims Costs	798,045	993,537	923,722	940,009	1,210,152	1,290,203	1,158,885	1,223,69
Expenses								
Operating	71,641	72,785	70,201	75,060	73,545	76,597	80,646	83,49
Commissions	33,862	35,086	37,378	40,338	42,323	43,956	45,695	47,49
Premium Taxes	26,205	27,563	29,143	31,518	33,308	34,621	36,014	37,45
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,23
Total Expenses	135,383	140,323	141,165	151,585	154,016	160,173	167,469	173,67
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(28,355)	(239,955)	(280,893)	(108,822)	(130,07
Investment Income	48,476	101,645	111,731	192,209	67,988	64,475	61,511	59,45
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(20,781)	127,621	103,847	(49)	(1
Net Investment Income	(4,038)	82,897	116,320	171,428	195,608	168,322	61,462	59,43
Net Income (Loss)	(56,049)	(123,071)	34,424	143,074	(44,346)	(112,571)	(47,360)	(70,64

## Appendix 62b Adverse Scenario #21 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Endo	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Detained Formings								
1	Retained Earnings	177 010	104 400	00.051	170.075	214.040	240.702	157 100	100 771
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	269,702	157,132	109,771
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(44,346)	(112,571)	(47,360)	(70,645)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	269,702	157,132	109,771	39,127
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,360)	(51,871)	(43,713)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(249)	489	8,158	8,893
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
11	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
									_
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	314,049	269,702	157,132	109,771	39,127
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
17	Retained Earnings in excess of Rate Stabilization Reserve								
	Total Equity Balance	221 002	181,000	210,845	241 020	217,342	105,260		4,306
18	Total Equity Baldlice	231,002	101,000	210,040	261,938	217,342	103,200	66,058	4,300

### Appendix 62c Adverse Scenario #21 Balance Sheet

	(C\$ 000s, except where noted)			Fo	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	42,285	-	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,684,864	2,866,857	2,920,233	2,963,915
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,351	2,421,048
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,167	3,541,572
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	269.702	157.132	109.771	39,127
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
27	Total Equity	231.003	181,000	210,845	261,938	217,342	105,260	66,058	4,306
21	rotal Equity	231,003	101,000	210,040	201,730	211,342	103,200	00,030	4,300
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878

#### Appendix 62d Adverse Scenario #21 Minimum Capital Test

ne	(All figures in \$000s)		2018 - 2019 Current Year	2019 - 2020 Forecast Year	2020 - 2021 Forecast Year	2021 - 2022 Forecast Year	2022 - 2023 Forecast Year
0.			(01)	(02)	(03)	(04)	(05)
	Capital Available:		<u> </u>	, ,	· ·	, ,	· · ·
	Capital available (from page 30.62 - capital available)	01	218,283	170,225	46,140	4,979	(58,784
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	218,283	170,225	46,140	4,979	(58,784
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	_ 13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
0	Insurance Risk:						
1	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
2	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
3	Catastrophes	24	0	0	0	0	(
4	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	(
5	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,73
6	Market Risk:						
7	Interest rate risk	30	4,798	4,820	2,259	17,730	16,086
8	Foreign exchange risk	32	15,606	17,830	18,444	15,980	16,88
9	Equity risk	34	69,145	80,956	83,457	67,847	72,429
0	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
1	Other market risk exposures	38	0	0	0	0	(
2	Subtotal: Market risk margin	39	115,494	130,465	131,717	130,046	135,38
3	Credit Risk:						
4	Counterparty default risk for balance sheet assets	40	39,359	60,104	62,863	64,961	66,44
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
6	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	(
7	Subtotal: Credit risk margin	49	39,359	60,104	62,863	64,961	66,44
8	Operational risk margin	50	64,469	70,759	74,711	76,819	79,80
9	Less: Diversification credit	52	53,525	63,194	66,085	66,874	69,31
0	Total Capital (Margin) Required at Target	59	452,643	511,187	545,303	557,716	579,04
1	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	340,791	363,535	371,811	386,02
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	(
3	Total Minimum Capital (Margin) Required	69	301,762	340,791	363,535	371,811	386,02
4	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(170,566)	(317,395)	(366,832)	(444,81
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	49.95%	12.69%	1.34%	-15.239

# Appendix 62e Adverse Scenario #21 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,827	471,179	549,150	538,022	576,824
3	Comprehensive	69,497	99,943	103,860	99,957	118,339	125,048
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,484	223,698
7	Total _	726,240	767,976	966,494	1,042,341	936,155	984,826
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,437	6,771
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(7)	10,561
13	Total Net Claims Incurred	767,240	789.236	1.062.170	1.137.536	1.000.123	1.062.369

#### Appendix 62f

#### Adverse Scenario #21 Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A - *	dont Vo						
-	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Select D
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Ulluisc	D
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9434	0.9521	0.9653	1.0011	1.0138					
2020				0.9634	0.9750	1.0092	1.0200	1.0139				
2021					0.9845	1.0181	1.0282	1.0212	1.0150			
2022						1.0241	1.0344	1.0274	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.
2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.
2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.
2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.
B. Actual Data Other Than Losses												
_					Fis	cal Year						
<u>-</u>	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
10. Expected Claims (Including Ext Adj Expenses) [((8) - (9))	x (3)]				383,468	391,245	420,094	447,430	464,051	490,480		
11. Reinsurance PFAD					10	-	-	-		-		
12. Maintenance Expense [a]					13,837	14,989	14,951	14,921	15,549	16,168		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,989	77,297	82,327	85,385	90,248		
14. Expected Claims (Including Ext Adj Expenses) - PIPP En	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	18,310	3,242	(7,884)	(6,575)	(15,774)		
16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,624	31,896	33,197	34,560		
17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	11,179	27,382	31,896	33,197	34,560		
17. Write Down Deterred Folicy Regulation Expenses [b]					2,363	(20,876)	16,204	4,514	1,301	1,362		
Change					2,505	(==/=:=/			.,	.,		
* * * * * * * * * * * * * * * * * * * *					8,845	-	-	7,884	6,575	15,774		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 62g Adverse Scenario #21 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
No.		ŀ	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	117	(0)	0	(1)
Marketable Bonds MUSH	44,259	50,757	51,234	51,392	52,799
Total	26,759 <b>71,273</b>	24,361 <b>75,235</b>	22,065 <b>73,299</b>	19,852 <b>71,243</b>	17,693 <b>70,491</b>
	11,213	75,235	13,277	71,243	70,471
Dividend and other Income					
Canadian Equities	9,657	6,370	5,023	4,837	4,986
Global	4,218	6,693	5,458	5,325	5,476
Global LV Private Debt	-	3,326	3,352	3,298	3,230
Investment Properties (Cityplace)	-	3,558	9,533	9,583	9,626
Infrastructure	4,940 1,472	1,926 1,135	2,512 1,182	2,452 1,249	2,312 1,318
Total	20,287	23,008	27,060	26,744	26,949
	20/207	20/000	27/000	20// 11	20////
Gains During Period - Profit & Loss	()			(	
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,660	87,440	(14,235)	2,352
Marketable Bonds Realized Gains/(Loss) MUSH	13,969	47,268	21,556	14,235	(2,352)
Canadian Equities Realized Gains	- 40 222	- /1E7\	- (1 240)	422	- 0
Global Equities Realized Gains	69,223 66,318	(157) 185	(1,368) (126)	433 526	0 510
Global LV Realized Gains	-	49	13	575	510
Real Estate (Pooled Fund)	16,307	5,598	5,842	6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,049	117,989	12,619	12,241
Others					
Other Investment Fees Paid	/F 000\	(4.004)	(4.700)	(4.074)	(4.055
Pension Expense	(5,203)	(4,884)	(4,783)	(4,874)	(4,955
Amortization on Marketable Bonds (Prem) / Discount	(13,441) (6,386)	(13,872) (2,335)	(14,313) (12,574)	(14,757) (14,728)	(15,207 (14,361
Investment Write-Down	(0,300)	(2,333)	(12,374)	(14,720)	(14,301)
Total	(25,030)	(21,091)	(31,670)	(34,359)	(34,523)
Total Corporate Investment Income	199,910	223,200	197,719	76,247	75,158
Total Basic Investment Income	171,428	195,608	168,322	61,462	59,434
% - Basic to Total Investment Income	85.75%	88%	85%	81%	79%
Facility Universities of Colins //June 20					
Equity Unrealized Gains/(Losses) Canadian Equities Unrealized Gains/(Losses)	10.114	(554)	(07.1)	F 110	F F / F
US Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,118	5,565
Global LV Unrealized Gains/(Losses)	7,537	88 147	(94) 66	7,947 4,503	8,172 4,410
Total Corporate Unrealized Gains/(Losses)	19,651	(464)	(1,068)	13,065	13,737
	17,001	(101)	(1,000)	10,000	10,707
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	17/00	1 700 0	1.007.4	2.214.0	- 227.4
MUSH	1,760.8 569.3	1,783.9 522.8	1,986.4 477.0	2,214.0 432.3	2,326.4 386.3
Canadian Equities	123.2	150.5	165.8	142.5	159.3
Global Equities	166.6	197.2	214.7	192.1	205.2
Global LV Equities	96.5	125.8	138.6	116.3	129.0
Private Debt	-	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.4	3,539.8	3,665.1
Total Basic Assets	2,530.3	2,740.7	2,880.4	2,934.0	2,979.2
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.1%	55.9%	58.2%	62.5%	63.5%
MUSH	19.4%	16.4%	14.0%	12.2%	10.5%
Canadian Equities	4.2%	4.7%	4.9%	4.0%	4.3%
US Equities	5.7%	6.2%	6.3%	5.4%	5.6%
Global LV	3.3%	3.9%	4.1%	3.3%	3.5%
Private Debt	0.0%	5.9%	5.9%	5.6%	5.4%
		4.30/	4 207	4 20/	4 407
Real Estate Infrastructure & Venture Capital	4.6% 2.7%	4.3% 2.6%	4.2% 2.6%	4.3% 2.6%	4.4% 2.7%

#### Appendix 62h Adverse Scenario #21 with Management Action

**Statement of Operations** 

#### For the Years Ended February, Line (C\$ 000s, except where noted) 2021P 2022P 2023P 2016A 2017A 2018A 2019P 2020P No **BASIC** 886,998 1,019,281 1,102,480 1,194,559 Motor Vehicles 854,170 955,941 1,058,533 1,147,465 Drivers 46,619 48,426 49.946 68,902 70,903 72.885 74,723 76,565 Reinsurance Ceded (12,423)(11,635)(11,294)(11, 196)(11,420)(11,648)(11,881)(12,119)888,366 923,789 994,593 1,076,987 1,118,016 1,163,716 1,210,307 1,259,005 **Total Net Premiums Written** Net Premiums Earned 871,173 991,058 1,172,774 Motor Vehicles 827,703 922,617 1,040,375 1,082,150 1,126,655 Drivers 45,787 47,606 48.819 59.546 69,896 71.887 73,798 75,638 Reinsurance Ceded (12,423)(11,635)(11,294)(11, 196)(11,420)(11,648)(11,881)(12,119)907,144 960,142 1,039,407 1,098,851 1,142,389 1,188,572 1,236,293 **Total Net Premiums Earned** 861,066 10 Service Fees & Other Revenues 20,351 20,749 22,849 23,832 25,362 27,094 28,959 30,999 11 1,124,213 **Total Earned Revenues** 881,417 927,893 982,992 1,063,240 1,169,483 1,217,531 1,267,291 12 797,438 995,898 13 Net Claims Incurred 742,604 869.023 783.040 1.221.213 1.125.146 1.056.334 (a) Claims Incurred - Interest Rate Impact (76,200)(8,988)(15,801)(8,203)(159,043)12,390 4,224 6,035 14 860,035 1,137,536 1,000,123 1,062,368 **Total Claims Incurred** 666,404 767,239 789,235 1,062,171 15 118,614 120,972 143,337 137,168 139,792 145,626 147,931 Claims Expense 135.301 16 13,027 12,530 13,146 13,606 12,680 12,875 13,136 13,400 17 Road Safety/Loss Prevention 798,045 993,537 923,722 940,009 1,210,152 1,290,203 1,158,885 1,223,699 **Total Claims Costs** 18 Expenses 19 Operating 71,641 72,785 70,201 75,060 73,545 76,597 80,646 83,494 20 47,491 Commissions 33.862 35.086 37.378 40.338 42.323 43.956 45.695 21 22 Premium Taxes 26,205 27,563 29,143 31,518 33,308 34,621 36,014 37,452 23 Regulatory/Appeal 3,675 4,889 4,443 4,669 4,839 4,999 5,114 5,233 **Total Expenses** 135,383 140,323 141,165 151,585 154,016 160,173 167,469 173,671 24 Underwriting Income (Loss) (52,011) (205,968) (81,896) (28,355)(239,955) (280,893) (108,822)(130,079)25 59,451 26 Investment Income 48,476 101,645 111,731 192,209 67,988 64,475 61,511 (52,515)(b) Investment Income - Interest Rate Impact (18,748)4.589 (20,781)127,621 103,847 (49)(17) 27 Net Investment Income (4,038)82,897 116,320 171,428 195,608 168,322 61,462 59,434 28 Net Income (Loss) (56,049) (123,071)34,424 143,074 (44,346)(112,571)(47,360) (70,645) 29

23.685

(9,760)

20.390

(12,578)

286,663

91,457

(4,273)

(6,051)

Total net Impact due to interest rate change (b) - (a)

30

## Appendix 62i Adverse Scenario #21 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Ende	ed February,			
No.	_	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	314,049	269,702	157,132	109,771
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	143,074	(44,346)	(112,571)	(47,360)	(70,645)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	314,049	269,702	157,132	109,771	39,127
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(52,360)	(51,871)	(43,713)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(249)	489	8,158	8,893
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
11	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
12	Total Equity								
13	Rate Stabilization Reserve								
		194.498	99,251	170.975	314.049	2/0 702	157.132	100 771	20 127
14	Retained Earnings		,	.,		269,702		109,771	39,127
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	261,938	217,342	105,260	66,058	4,306
	' ´		,,,,,,						

#### Appendix 62j Adverse Scenario #21 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,746	42,285	-	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,487,626	2,684,864	2,866,857	2,920,233	2,963,915
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	368,356	382,922	397,818	413,399
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,310	3,242	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,117	59,121	61,079	63,091
14		2,683,473	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	569,845	594,828	620,521	647,521
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,824,404	2,043,827	2,274,302	2,339,351	2,421,048
23	·	2,452,472	2,624,484	2,705,292	2,774,723	3,033,119	3,306,188	3,415,167	3,541,572
24	Equity								
25	Retained earnings	194,499	99,251	170,975	314,049	269.702	157.132	109.771	39,127
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(52,360)	(51,871)	(43,713)	(34,820)
27	Total Equity	231,003	181,000	210,845	261,938	217,342	105,260	66,058	4,306
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,036,661	3,250,461	3,411,448	3,481,225	3,545,878

## Appendix 62k Adverse Scenario #21 with Management Action Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	(==)	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	218,283	170,225	46,140	4,979	(58,784)
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	218,283	170,225	46,140	4,979	(58,784)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	_ 13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,243	103,705	107,525	113,493
12	Unpaid claims	22	192,187	214,810	238,392	245,239	253,238
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	286,846	313,053	342,097	352,764	366,731
16	Market Risk:						
17	Interest rate risk	30	4,798	4,820	2,259	17,730	16,086
18	Foreign exchange risk	32	15,606	17,830	18,444	15,980	16,881
19	Equity risk	34	69,145	80,956	83,457	67,847	72,429
20	Real estate risk	36	25,945	26,859	27,557	28,489	29,990
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	115,494	130,465	131,717	130,046	135,386
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,359	60,104	62,863	64,961	66,441
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,359	60,104	62,863	64,961	66,441
28	Operational risk margin	50	64,469	70,759	74,711	76,819	79,802
29	Less: Diversification credit	52	53,525	63,194	66,085	66,874	69,317
30	Total Capital (Margin) Required at Target	59	452,643	511,187	545,303	557,716	579,043
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	301,762	340,791	363,535	371,811	386,029
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	301,762	340,791	363,535	371,811	386,029
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(83,479)	(170,566)	(317,395)	(366,832)	(444,813)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	72.34%	49.95%	12.69%	1.34%	-15.23%

# Appendix 62I Adverse Scenario #21 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
0	Collision	41E 004	420.027	471 170	E40 1E0	E20 022	E74 004
2	Comprehensive	415,906 69,497	438,827 99,943	471,179 103,860	549,150 99,957	538,022 118.339	576,824 125,048
3	•					-,	
4	Property Damage	48,647	46,846	46,704	53,972	51,916	53,784
5	Public Liability - BI	4,680	5,032	2,810	4,588	5,394	5,472
6	PIPP	187,022	177,326	341,940	334,674	222,484	223,698
7	Total	726,240	767,976	966,494	1,042,341	936,155	984,826
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54.921	57.537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	846	27,102	27,876	6,437	6.771
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(29,722)	16,204	12,397	(7)	10,561
13	Total Net Claims Incurred	767.240	789.236	1.062.170	1.137.536	1.000.123	1.062.369

#### Appendix 62m

#### Adverse Scenario #21 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					Anal	dout Voor						
-	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	74.33%	77.85%	74.76%	75.78%	Olidisc	DIS
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9434	0.9521	0.9653	1.0011	1.0138					
2020				0.9634	0.9750	1.0092	1.0200	1.0139				
2021					0.9845	1.0181	1.0282	1.0212	1.0150			
2022						1.0241	1.0344	1.0274	1.0212	1.0148		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.17
2019			77.14%	77.44%	72.00%	73.33%	75.36%				75.27%	80.86
2020				78.37%	72.72%	73.92%	75.82%	78.93%			76.04%	82.74
2021					73.43%	74.58%	76.43%	79.50%	75.88%		75.63%	82.52
2022						75.02%	76.89%	79.98%	76.35%	76.90%	76.71%	83.83
3. Actual Data Other Than Losses												
					Fis	cal Year						
- -	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,098,851	1,142,389	1,188,572	1,236,293		
Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.29%	8.27%	8.32%	8.26%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.76%	2.76%	2.77%	2.75%		
Selected					3.16%	2.99%	2.88%	2.76%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	525,358	546,685	568,420	591,132		
9. Additional Expected Cost of Non-Proportional Reinsurance	ce				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	391,245	420,094	447,430	464,051	490,480		
<ol> <li>Reinsurance PFAD</li> </ol>					10	-	-	-	-	-		
1. Remodrance i i rib					13,837	14,989	14,951	14,921	15,549	16,168		
					70,595	71,989	77,297	82,327	85,385	90,248		
2. Maintenance Expense [a]					0.050	3,950	3,950	3,950	3,950	3,950		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]	hancement				3,950	3,730						
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP Enl	hancement				3,950 (8,845)	18,310	3,242	(7,884)	(6,575)	(15,774)		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP Enl     Equity in Unearned Premium [(8) - Sum((9) to (14))]	hancement							(7,884) 31,896	(6,575) 33,197	(15,774) 34,560		
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP Enl     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses	hancement				(8,845)	18,310	3,242		,			
Maintenance Expense [a]     Internal Loss Adjustment Expense [Sheet 1, Row 11]     Expected Claims (Including Ext Adj Expenses) - PIPP Enl     Equity in Unearned Premium [(8) - Sum((9) to (14))]     Carried Deferred Policy Acquisition Expenses	hancement				(8,845) 32,055	18,310 29,489	3,242 30,624	31,896	33,197	34,560		
12. Maintenance Expense [a] 13. Internal Loss Adjustment Expense [Sheet 1, Row 11] 14. Expected Claims (Including Ext Adj Expenses) - PIPP Enl 15. Equity in Unearned Premium [(8) - Sum((9) to (14))] 16. Carried Deferred Policy Acquisition Expenses 17. Write Down Deferred Policy Acquisition Expenses [b]	hancement				(8,845) 32,055 32,055	18,310 29,489 11,179	3,242 30,624 27,382	31,896 31,896	33,197 33,197	34,560 34,560		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 62n Adverse Scenario #21 with Management Action Summary of Corporate Investment Income

<u>—</u>	2018/19	2019/20	2020/21	2021/22	2022/23
ne No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	117	(0)	0	(1
Marketable Bonds	44,259	50,757	51,234	51,392	52,799
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,273	75,235	73,299	71,243	70,491
Dividend and other Income					
Canadian Equities	9,657	6,370	5,023	4,837	4,986
Global	4,218	6,693	5,458	5,325	5,476
Global LV	-	3,326	3,352	3,298	3,230
Private Debt	-	3,558	9,533	9,583	9,626
Investment Properties (Cityplace) Infrastructure	4,940	1,926	2,512	2,452	2,312
	1,472	1,135	1,182	1,249 <b>26,744</b>	1,318
Total	20,287	23,008	27,060	20,744	26,949
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(38,202)	88,660	87,440	(14,235)	2,352
Marketable Bonds Realized Gains/(Loss)	13,969	47,268	21,556	14,235	(2,352
MUSH Canadian Equities Realized Gains	-	-	- (4.0.0)	-	-
Canadian Equities Realized Gains Global Equities Realized Gains	69,223	(157)	(1,368)	433	( F1/
Global Equities Realized Gains Global LV Realized Gains	66,318	185 49	(126) 13	526	510
Real Estate (Pooled Fund)	16,307	5,598	5,842	575 6,192	6,564
Infrastructure	5,765	4,447	4,633	4,893	5,167
Total	133,380	146,049	117,989	12,619	12,241
	100/000	. 10/017	,	.2/017	,
Other Investment Fees Paid					
	(5,203)	(4,884)	(4,783)	(4,874)	(4,955
Pension Expense Amortization on Marketable Bonds (Prem) / Discount	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Investment Write-Down	(6,386)	(2,335)	(12,574) -	(14,728)	(14,361
Total	(25,030)	(21,091)	(31,670)	(34,359)	(34,523
Total Corporate Investment Income	199,910	223,200	197,719	76,247	75,158
Total Basic Investment Income			•		
% - Basic to Total Investment Income	171,428 85.75%	195,608 88%	168,322 85%	61,462 81%	59,434 79%
	03.7376	0070	0370	0170	177
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(551)	(974)	5,118	5,565
US Equities Unrealized Gains/(Losses)	7,537	88	(94)	7,947	8,172
Global LV Unrealized Gains/(Losses)  Total Corporate Unrealized Gains/(Losses)	- 10 / 51	147	66	4,503	4,410
• • • • • • • • • • • • • • • • • • • •	19,651	(464)	(1,068)	13,065	13,737
Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments	-	-	-	-	-
Canadian Fixed Income	1,760.8	1,783.9	1,986.4	2,214.0	2,326.4
MUSH Canadian Equities	569.3	522.8	477.0	432.3	386.3
Global Equities	123.2	150.5	165.8 214.7	142.5	159.3 205.2
Global Equities Global LV Equities	166.6 96.5	197.2 125.8	138.6	192.1 116.3	129.0
Private Debt	70.5	188.7	199.7	199.7	199.7
Real Estate	133.5	138.0	143.9	150.7	161.7
Infrastructure & Venture Capital	78.3	82.7	87.4	92.3	97.4
Total Ending Asset Values	2,928.3	3,189.6	3,413.4	3,539.8	3,665.1
Total Basic Assets	2,530.3	2,740.7	2,880.4	2,934.0	2,979.2
Ending Rebalanced Allocations (%)					
Ending Rebalanced Allocations (%)  Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
	60.1%	55.9%	58.2%	62.5%	63.5%
Canadian Fixed Income				12.2%	10.5%
	19.4%	16.4%	14.0%	12.270	10.070
MUSH	19.4% 4.2%	16.4% 4.7%	4.9%	4.0%	
MUSH Canadian Equities US Equities	19.4% 4.2% 5.7%	4.7% 6.2%	4.9% 6.3%	4.0% 5.4%	4.3% 5.6%
MUSH Canadian Equities US Equities Global LV	19.4% 4.2% 5.7% 3.3%	4.7% 6.2% 3.9%	4.9% 6.3% 4.1%	4.0% 5.4% 3.3%	4.3% 5.6% 3.5%
MUSH Canadian Equities US Equities Global LV Private Debt	19.4% 4.2% 5.7% 3.3% 0.0%	4.7% 6.2% 3.9% 5.9%	4.9% 6.3% 4.1% 5.9%	4.0% 5.4% 3.3% 5.6%	4.3% 5.6% 3.5% 5.4%
MUSH Canadian Equities US Equities Global LV	19.4% 4.2% 5.7% 3.3%	4.7% 6.2% 3.9%	4.9% 6.3% 4.1%	4.0% 5.4% 3.3%	4.3% 5.6% 3.5% 5.4% 4.4% 2.7%

### Appendix 63a Updated Base Scenario #22 Statement of Operations

(C\$ 000s, except where noted)				r the Years End	· · ·			
DAGIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	20231
BASIC								
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,845	25,370	27,187	29,154	31,315
Total Earned Revenues	881,417	927,893	982,992	1,063,252	1,122,250	1,165,826	1,213,822	1,263,546
Net Claims Incurred	742,604	869,023	783,040	823,258	902,134	937,111	995,327	1,051,242
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(44,539)	(18,716)	655	11,121	9,453
Total Claims Incurred	666,404	860,035	767,239	778,719	883,417	937,766	1,006,448	1,060,695
Claims Expense	118,614	120,972	143,337	137,168	135,259	138,974	144,051	146,529
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,794	12,974	13,253
Total Claims Costs	798,045	993,537	923,722	929,493	1,031,352	1,089,534	1,163,473	1,220,477
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,195	79,859	82,781
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,998	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,536	166,437	172,704
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(17,826)	(62,989)	(83,244)	(116,087)	(129,635)
Investment Income	48,476	101,645	111,731	192,131	87,044	92,631	96,915	100,373
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	(24,528)	(7,424)	4,473	2,029
Net Investment Income	(4,038)	82,897	116,320	163,818	62,515	85,206	101,387	102,402
Net Income (Loss)	(56,049)	(123,071)	34,424	145,992	(474)	1,963	(14,700)	(27,233)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	16,226	(5,812)	(8,079)	(6,648)	(7,424)

## Appendix 63b Updated Base Scenario #22 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years Endo	ed February,			
No.	· · · · · · · · · · · · · · · · · · ·	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,967	316,493	318,456	303,756
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,992	(474)	1.963	(14,700)	(27,233)
	, ,	(30,049)	(123,071)	34,424	143,992	(474)	1,903	(14,700)	(21,233)
4	Premium Rebate	-	- 07.004		-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(44,174)	(34,986)	(24,784)
9	Other Comprehensive Income for the Year	1.242	45,245	(41,878)	(91,981)	7,937	9,188	10,202	11,214
10	Total Accumulated Other Comprehensive Income	36.504	81.749	39.870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
11	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,967	316,493	318,456	303,756	276,523
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
17	Retained Earnings in excess of Rate Stabilization Reserve	_	_	_	_	_	_	_	-
18	Total Equity Balance	231,002	181,000	210,845	264,856	272,319	283,470	278,972	262,953
	1. 9		. 1000	.,	. ,,	,		-7	. ,

### Appendix 63c Updated Base Scenario #22 Balance Sheet

(C	\$ 000s, except where noted)			F	or the Years End	ed February,			
ine No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BA	ASIC								
As	ssets								
	Cash and investments	29,114	61,606	72,998	28,914	47,134	36,299	19,279	-
	Equity investments	2,083,349	2,189,534	2,272,545	2,479,860	2,544,598	2,646,458	2,767,091	2,874,836
	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
	Due from other insurance companies	25	16	2	-	-	-	-	
	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
	Prepaid expenses	-	-	-	-	-	-	-	-
	Deferred policy acquisition costs	4,782	-	-	19,193	14,042	20,031	16,675	9,761
0	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
1	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
2	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
3	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,182	61,202	63,236
4		2,683,473	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609
5 Lia	abilities								
6	Due to other insurance companies	152	147	141	144	144	144	144	144
7	Accounts payable and accrued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
8	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
9	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
10	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
1	Provision for employee future benefits	281,209	301,245	331,910	341,796	356,990	372,677	389,271	405,961
2	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,771	1,865,964	1,934,073	2,010,737	2,084,197
3	·	2,452,472	2,624,484	2,705,292	2,765,090	2,852,555	2,962,957	3,084,134	3,202,656
4 <b>E</b> a	uity								
5	Retained earnings	194.499	99,251	170,975	316.967	316,493	318.456	303,756	276,523
6	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(44,174)	(34,986)	(24,784)	(13,570)
	tal Equity	231,003	181,000	210,845	264,856	272,319	283,470	278,972	262,953
8 To	otal Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,946	3,124,874	3,246,428	3,363,106	3,465,609

# Appendix 63d Updated Base Scenario #22 Minimum Capital Test

Line No.	(All figures in \$000s)		2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:		(5.7)	(=-)	()	(5.7)	(/
2	Capital available (from page 30.62 - capital available)	01	221,201	225,199	224,288	217,770	199,717
3	Phase-in of capital available	03	0	0	0	0	. 0
4	Total Capital Available	09	221,201	225,199	224,288	217,770	199,717
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	97,925	101,900	105,951	110,185
12	Unpaid claims	22	191,221	197,031	204,518	212,902	221,010
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	294,956	306,418	318,853	331,195
16	Market Risk:						
17	Interest rate risk	30	6,468	21,726	25,600	29,355	34,758
18	Foreign exchange risk	32	15,640	15,260	16,262	17,838	20,919
19	Equity risk	34	69,313	67,256	71,783	79,552	84,976
20	Real estate risk	36	25,983	26,899	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,404	131,141	141,244	155,278	170,690
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,383	60,210	62,400	63,916	65,125
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,383	60,210	62,400	63,916	65,125
28	Operational risk margin	50	64,552	69,195	72,353	75,892	79,568
29	Less: Diversification credit	52	53,910	61,979	65,356	69,428	73,655
30	Total Capital (Margin) Required at Target	59	453,309	493,523	517,059	544,511	572,923
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,206	329,016	344,706	363,008	381,949
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,206	329,016	344,706	363,008	381,949
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,005)	(103,817)	(120,418)	(145,238)	(182,232
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.20%	68.45%	65.07%	59.99%	52.29%

# Appendix 63e Updated Base Scenario #22 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	469,623	502.881	538,540	576,752
3	Comprehensive	69,497	99,932	105,457	111,606	118,147	124,996
4	Property Damage	48,647	46,838	48,474	50,174	51,942	53,777
5	Public Liability - BI	4,680	5,009	5,148	5,245	5,342	5,409
6	PIPP	187,022	169,153	193,250	212,124	223,369	224,650
	_						
7	Total _	726,240	759,725	821,952	882,030	937,339	985,583
	Limelle cotted Lace Adjustment Function	42.252	FO 12F	FO 071	F4 001	F7 F27	(0.010
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	2,914	5,537	6,918	6,630
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,605)	6,180	(4,722)	4,653	8,272
13	Total Net Claims Incurred	767.240	778.719	883.418	937.767	1.006.447	1.060.694

#### Appendix 63f

### Updated Base Scenario #22 Deferred Policy Acquisition Expenses and Premium Deficiency

Line													
No.				-									
1 2	A. Claims (Including External Adjustment Expense) Data					Δcci	dent Year					Selected	Selected
3		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	Selected
4	Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	73.03%	74.07%	75.01%	76.03%	Ondiso	2.00
5	Trend/Rate Adjustment for Fiscal Year												
6	2017	0.9142	0.9259	0.9555	0.9697	0.9888							
7	2018		0.9151	0.9384	0.9464	0.9589	0.9937						
8	2019			0.9427	0.9522	0.9663	1.0030	1.0148					
9	2020				0.9522	0.9667	1.0037	1.0159	1.0115				
10	2021					0.9766	1.0124	1.0230	1.0169	1.0132			
11	2022						1.0186	1.0289	1.0222	1.0180	1.0134		
12	3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
13	2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.85%
14	2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.02%
15	2019			77.08%	77.46%	72.08%	73.47%	74.11%				74.89%	79.09%
16	2020				77.45%	72.10%	73.53%	74.20%	74.93%			74.22%	78.37%
17	2021					72.84%	74.16%	74.72%	75.33%	76.00%		74.73%	79.03%
18	2022						74.62%	75.14%	75.72%	76.36%	77.05%	75.74%	80.15%
19	B. Actual Data Other Than Losses												
20						Fis	cal Year						
21		2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
22	Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
23	5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.25%	8.27%	8.22%		
24	6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.75%	2.76%	2.74%		
25	Selected					3.16%	2.99%	2.88%	2.76%	2.75%	2.75%		
26	7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
27	C. Equity in Unearned Premium												
28	8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
29	<ol><li>Additional Expected Cost of Non-Proportional Reinsuran</li></ol>	ce				5,598	5,710	5,824	5,941	6,059	6,059		
30	<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,499	409,571	422,404	442,958	467,420		
31	11. Reinsurance PFAD					10	-	-	-	-	-		
32	12. Maintenance Expense [a]					13,837	14,989	14,913	14,870	15,434	16,023		
33	13. Internal Loss Adjustment Expense [Sheet 1, Row 11]					70,595	71,852	75,361	77,722	81,504	86,005		
34	14. Expected Claims (Including Ext Adj Expenses) - PIPP Er	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
35	15. Equity in Unearned Premium [(8) - Sum((9) to (14))]					(8,845)	19,193	14,042	20,031	16,675	9,761		
36	16. Carried Deferred Policy Acquisition Expenses					32,055	29,489	30,518	31,785	33,082	34,440		
37	17. Write Down Deferred Policy Acquisition Expenses [b]					32,055	10,295	16,476	11,754	16,407	24,679		
31	Change					2,363	(21,760)	6,180	(4,722)	4,653	8,272		
	Change												
38 39	18. Premium Deficiency [c]					8,845	-	-	-		-		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 63g Updated Base Scenario #22 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 orecasted	2021/22	2022/23
ine No.		'	orecasted		
Interest Income During Period  Cash/Short Term Investments	259	125	0	0	0
Marketable Bonds	44,245	135 55,517	0 63,687	69,947	76,032
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,264	80,013	85,752	89,798	93,725
Dividend and other Income					
Canadian Equities	9,657	5,675	4,509	5,224	5,711
Global	4,218	5,958	4,843	5,540	5,968
Global LV	-	2,881	3,193	3,661	4,018
Private Debt	=	3,873	10,338	10,321	10,308
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
Total	20,288	21,449	26,578	28,448	29,637
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,800)	(51,139)	(7,824)	2,711	578
6 Marketable Bonds Realized Gains/(Loss)	11,781	25,389	(40)	2,026	1,546
MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	2,659	0	0	747
Global Equities Realized Gains	66,319	3,761	0	0	889
Global LV Realized Gains Real Estate (Pooled Fund)	-	459	-	- ( 100	908
Real Estate (Pooled Fund) Infrastructure	16,307	5,603	5,847	6,198	6,570
Total	5,765 124,596	4,449 (8,818)	4,636 <b>2.619</b>	4,895 15,831	5,169 <b>16,407</b>
	124,370	(0,010)	2,017	13,031	10,407
Other					
Investment Fees Paid	(5,204)	(4,706)	(4,555)	(4,835)	(5,034
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount Investment Write-Down	(6,461)	5,796	7,626	7,682	7,391
Investment Write-Down  Total	(25,105)	(12,782)	(11,242)	(11,910)	(12,850)
Total Corporate Investment Income	191,042	78,800	102,766	122,681	127,153
Total Basic Investment Income	·		·		
1 Total Basic Investment Income 2 % - Basic to Total Investment Income	163,818 85.75%	62,515 79%	85,206 83%	101,387 83%	102,402 81%
Fauity Unrealized Coine//Leases					
Equity Unrealized Gains/(Losses) Canadian Equities Unrealized Gains/(Losses)	10.114	( 704	4 771	E E20	/ 272
US Equities Unrealized Gains/(Losses)	12,114 7,538	6,724 9,289	4,771 7,228	5,528 8,268	6,373 8,906
Global LV Unrealized Gains/(Losses)	7,330	4,193	4,359	6,206 4,999	5,487
Total Corporate Unrealized Gains/(Losses)	19,652	16,013	11,999	13,796	15,280
Ending Asset Values for Corporate (\$Millions)	,				,
9 Cash/Short Term Investments	_	_	_	_	_
Canadian Fixed Income	1,751.6	1,704.4	1,846.5	1,990.6	2,149.3
n MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities	123.3	127.9	145.4	168.7	184.2
Global Equities	166.7	167.1	188.1	215.5	234.8
Global LV Equities	96.6	114.2	128.6	147.7	158.1
Private Debt	-	187.7	186.8	187.3	187.5
Real Estate	133.6	138.1	144.0	150.8	161.8
Infrastructure & Venture Capital Total Ending Asset Values	78.3	82.8 2.04F.1	87.4	92.3	97.5
Total Ending Asset Values	2,919.5	3,045.1	3,203.9	3,385.2	3,559.5
Total Basic Assets	2,522.7	2,605.3	2,696.3	2,800.1	2,890.1
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	56.0%	57.6%	58.8%	60.4%
MUSH	19.5%	17.2%	14.9%	12.8%	10.9%
Canadian Equities	4.2%	4.2%	4.5%	5.0%	5.2%
US Equities Global LV	5.7% 3.3%	5.5% 3.8%	5.9% 4.0%	6.4% 4.4%	6.6% 4.4%
	0.0%	6.2%	5.8%	5.5%	5.3%
Private Debt Real Estate	4.6%	4.5%	4.5%	4.5%	4.5%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.7%	2.7%
actactactactactactactactactactactactacta	/ / / /		E-1770	-1770	2.170

## Appendix 64a Adverse Scenario #22 Statement of Operations

(C\$ 000s, except where noted)				r the Years End				
DACIO	2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
BASIC	054470	00/000	055.044	4 040 004	4.054.040	4 000 (50	4 4 4 0 4 0 0	4 400 400
Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
Net Premiums Earned								
Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,141
Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,162	1,063,268
(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,386	1,069,302
Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,548	1,230,141
Expenses								
Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,191
Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(120,955)	(140,192)
Investment Income	48,476	101,645	111,731	192,129	78,818	75,780	81,957	82,551
(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,456	39,687	5,012	2,312
Net Investment Income	(4,038)	82.897	116,320	163,817	117,273	115,467	86,969	84,864
Not investment income	(1,000)	02,077	110,020	100,017	117,270	110,107	00,707	01,001
Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328)
Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,498	27,297	788	(3,722)

# Appendix 64b Adverse Scenario #22 Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,503	215,245	160,194	126,208
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	
6	Total Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,585)	(51,918)	(43,575)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,474)	3,667	8,343	9,067
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
11	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
	_								
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
17	Retained Earnings in excess of Rate Stabilization Reserve					_			
17	Total Equity Balance	231,002	101 000	210,845	264,392		108,276	02 422	24 272
18	Total Equity Balance	231,002	181,000	210,843	204,392	159,660	108,270	82,633	36,372

### Appendix 64c Adverse Scenario #22 Balance Sheet

(C\$ 000s, except where noted)				Fo	or the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023
BASIC									
Assets									
Cash and investments		29,114	61,606	72,998	28,914	18,075	-	-	
Equity investments		2,083,349	2,189,534	2,272,545	2,479,846	2,582,625	2,694,317	2,772,641	2,836,474
Investment property		35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
Due from other insurance	companies	25	16	2	-	-	-	-	
Accounts receivable		375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
Prepaid expenses		-	-	-	-	-	-	-	
Deferred policy acquisition	costs	4,782	-	-	18,742	-	-	-	
Reinsurers' share of unear		-	-	-	-	-	-	-	
Reinsurers' share of unear		998	611	1,269	-	-	-	-	
Property and equipment		88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
Deferred development cos	ts	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
		2,683,473	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380
Liabilities									
Due to other insurance con	mpanies	152	147	141	144	144	144	144	144
Accounts payable and acc	rued liabilites	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
Financing lease obligation		3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
Unearned premiums and f	ees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
Provision for employee cu	rrent benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
Provision for employee fut	ure benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
Provision for unpaid claims	5	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,001	2,262,398
·		2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,249,978	3,381,008
Equity									
Retained earnings		194.499	99.251	170,975	316,503	215,245	160.194	126,208	70,880
Accumulated Other Comp	rehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508
Total Equity		231,003	181,000	210,845	264,392	159,660	108,276	82,633	36,372
Total Liabilities & Equity		2,683,475	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380

#### Appendix 64d Adverse Scenario #22 Minimum Capital Test

Line No.	(All figures in \$000s)	·	2018 - 2019 Current Year (01)	2019 - 2020 Forecast Year (02)	2020 - 2021 Forecast Year (03)	2021 - 2022 Forecast Year (04)	2022 - 2023 Forecast Year (05)
1	Capital Available:	•	(= -)	(=-)	()	(5.7)	(==)
2	Capital available (from page 30.62 - capital available)	01	220,737	112,539	49,143	21,521	(26,759)
3	Phase-in of capital available	03	0	0	0	0	0
4	Total Capital Available	09	220,737	112,539	49,143	21,521	(26,759)
5	Assets Available:						
6	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	0
7	Phase-in of net assets available	13	0	0	0	0	0
8	Total Net Assets Available	19	0	0	0	0	0
9	Capital (Margin) Required at Target:						
10	Insurance Risk:						
11	Premium liabilities	20	94,659	98,576	102,665	106,192	111,946
12	Unpaid claims	22	191,221	207,950	220,845	229,390	237,950
13	Catastrophes	24	0	0	0	0	0
14	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	0
15	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,582	349,896
16	Market Risk:						
17	Interest rate risk	30	6,468	10,645	11,673	21,389	24,099
18	Foreign exchange risk	32	15,640	16,724	16,100	16,060	16,989
19	Equity risk	34	69,312	75,625	71,135	69,600	74,310
20	Real estate risk	36	25,983	26,898	27,599	28,533	30,037
21	Other market risk exposures	38	0	0	0	0	0
22	Subtotal: Market risk margin	39	117,403	129,892	126,507	135,582	145,435
23	Credit Risk:						
24	Counterparty default risk for balance sheet assets	40	39,338	58,730	61,540	63,505	65,232
25	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	0
26	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	0
27	Subtotal: Credit risk margin	49	39,338	58,730	61,540	63,505	65,232
28	Operational risk margin	50	64,548	69,947	72,480	75,605	79,020
29	Less: Diversification credit	52	53,900	62,304	63,388	66,629	70,135
30	Total Capital (Margin) Required at Target	59	453,269	502,791	520,649	543,645	569,448
31	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,179	335,194	347,100	362,430	379,632
32	Phase-in of Capital (Margin) Required	62	0	0	0	0	0
33	Total Minimum Capital (Margin) Required	69	302,179	335,194	347,100	362,430	379,632
34	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,442)	(222,655)	(297,957)	(340,909)	(406,391)
35	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.05%	33.57%	14.16%	5.94%	-7.05%

# Appendix 64e Adverse Scenario #22 Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,390	231,659
7	Total	726,240	759,725	946,811	952,787	946,353	992,621
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,998	6,983
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.386	1.069.302

#### Appendix 64f

#### Adverse Scenario #22

#### **Deferred Policy Acquisition Expenses and Premium Deficiency**

A. Claims (Including External Adjustment Expense) Data					Acci	dent Year					Selected	Selecte
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Undisc	D
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%		
2. Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9596	0.9657	0.9763	1.0095	1.0176					
2020				0.9710	0.9817	1.0151	1.0233	1.0147				
2021					0.9909	1.0241	1.0317	1.0224	1.0155			
2022						1.0289	1.0370	1.0282	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.9
2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.1
2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.7
2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.9
B. Actual Data Other Than Losses												
<u>.</u>						cal Year						
-	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
4. Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
Additional Expected Cost of Non-Proportional Reinsurance	e				5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,368	442,747	458,061	483,538		
11. Reinsurance PFAD					10		-	-	-			
12. Maintenance Expense [a]					13,837	14,989	14,913	14,903	15,518	16,120		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> </ol>					70,595	71,922	78,084	81,466	84,283	88,971		
<ol><li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li></ol>	hancement				3,950	3,950	3,950	3,950	3,950	3,950		
<ol><li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li></ol>					(8,845)	18,742	(3,478)	(4,089)	(1,290)	(9,420)		
<ol><li>Carried Deferred Policy Acquisition Expenses</li></ol>					32,055	29,489	30,518	31,785	33,082	34,440		
					32,055	10,747	30,518	31,785	33,082	34,440		
17. Write Down Deferred Policy Acquisition Expenses [b]												
<ol> <li>Write Down Deferred Policy Acquisition Expenses [b] Change</li> </ol>					2,363	(21,308)	19,771	1,267	1,297	1,358		
Write Down Deferred Policy Acquisition Expenses [b]     Change     Premium Deficiency [c]					2,363 8,845	(21,308)	19,771 3,478	1,267 4,089	1,297 1,290	1,358 9,420		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 64g Adverse Scenario #22 Summary of Corporate Investment Income

	2018/19	2019/20	2020/21 Forecasted	2021/22	2022/23
ine No.		Г	rorecasteu		
Interest Income During Period Cash/Short Term Investments	٥٢٢	0.5	0	0	(1)
Marketable Bonds	255 44,245	95 53,738	0 57,653	0 61,277	(1) 64,645
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,194	79,717	81,128	82,337
Dividend and other Income					
Canadian Equities	9,657	5,723	4,485	4,615	5,066
Global	4,218	5,964	4,706	4,840	5,291
Global LV	-	2,887	2,837	2,904	3,172
Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure 3 <b>Total</b>	1,472	1,136	1,183	1,249	1,319
Total	20,287	21,397	25,767	26,120	27,235
Gains During Period - Profit & Loss					
Marketable Bonds Unrealized Gains/(Loss)	(44,799)	7,796	28,029	(2,082)	2,319
Marketable Bonds Realized Gains/(Loss)	11,782	33,272	13,550	7,305	95
MUSH  Canadian Equities Realized Gains	- (0.222	- (2.227)	- (4 (50)	- 04	-
Global Equities Realized Gains	69,223 66,318	(2,337) (605)	(4,659) (6,622)	84 106	0
Global LV Realized Gains	-	(99)	(4,068)	72	-
Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
2 Infrastructure	5,765	4,449	4,636	4,895	5,169
3 Total	124,596	48,078	36,711	16,577	14,152
4 Other					
5 Investment Fees Paid	(5,204)	(4,722)	(4,548)	(4,699)	(4,865)
Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207)
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(212)	(1,211)	(1,817)
Investment Write-Down  Total	- (05.405)	- (45.40)	- (40.070)	- (00.4.7)	- (04.000)
	(25,105)	(15,612)	(19,073)	(20,667)	(21,889)
Total Corporate Investment Income	191,037	132,056	127,849	103,691	102,078
Total Basic Investment Income	163,817	117,273	115,467	86,969	84,864
% - Basic to Total Investment Income	85.75%	89%	90%	84%	83%
Equity Unrealized Gains/(Losses)					
Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	4,882	5,654
US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,792)	7,223	7,896
6 Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	3,965	4,330
7 Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,629)	12,105	13,549
8 Ending Asset Values for Corporate (\$Millions)					
Cash/Short Term Investments Canadian Fixed Income	- 1 751 /	- 1 (00.0	- 1 070 7	2.027.4	21//0
1 MUSH	1,751.6 569.3	1,688.9 522.8	1,872.7 477.0	2,037.4 432.3	2,166.0 386.3
2 Canadian Equities	123.3	139.0	138.8	145.2	161.2
Global Equities	166.7	175.5	175.4	184.2	203.1
Global LV Equities	96.6	110.3	110.1	114.4	126.3
Private Debt	-	188.8	193.5	194.0	194.3
Real Estate	133.6	138.1	143.9	150.8	161.8
Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
Total Ending Asset Values	2,919.4	3,046.1	3,198.9	3,350.6	3,496.4
Total Basic Assets	2,522.7	2,614.2	2,707.9	2,786.4	2,851.7
Ending Rebalanced Allocations (%)					
Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
2 Canadian Fixed Income	60.0%	55.4%	58.5%	60.8%	62.0%
MUSH Consider Faultice	19.5%	17.2%	14.9%	12.9%	11.0%
Canadian Equities US Equities	4.2% 5.7%	4.6% 5.8%	4.3% 5.5%	4.3% 5.5%	4.6% 5.8%
	3.3%	3.6%	3.4%	3.4%	3.6%
Global LV Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%
o Total	100.0%	100.0%	100.0%	100.0%	100.0%

## Appendix 64h Adverse Scenario #22 with Management Action Statement of Operations

Line	(C\$ 000s, except where noted)			Foi	r the Years End	led February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023F
1	BASIC								
2	Motor Vehicles	854,170	886,998	955,941	1,019,281	1,054,863	1,098,659	1,143,490	1,190,422
3	Drivers	46,619	48,426	49,946	68,902	70,903	72,885	74,723	76,565
4	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
5	Total Net Premiums Written	888,366	923,789	994,593	1,076,987	1,114,346	1,159,896	1,206,332	1,254,868
6	Net Premiums Earned								
7	Motor Vehicles	827,703	871,173	922,617	991,058	1,038,403	1,078,400	1,122,752	1,168,712
8	Drivers	45,787	47,606	48,819	59,546	69,896	71,887	73,798	75,638
9	Reinsurance Ceded	(12,423)	(11,635)	(11,294)	(11,196)	(11,420)	(11,648)	(11,881)	(12,119)
10	Total Net Premiums Earned	861,066	907,144	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231
11	Service Fees & Other Revenues	20,351	20,749	22,849	23,832	25,296	27,020	28,878	30,910
12	Total Earned Revenues	881,417	927,893	982,992	1,063,240	1,122,175	1,165,659	1,213,546	1,263,141
13	Net Claims Incurred	742,604	869,023	783,040	787,372	1,197,927	1,011,363	1,005,162	1,063,268
14	(a) Claims Incurred - Interest Rate Impact	(76,200)	(8,988)	(15,801)	(8,203)	(159,043)	12,390	4,224	6,035
15	Total Claims Incurred	666,404	860,035	767,239	779,170	1,038,884	1,023,753	1,009,386	1,069,302
16	Claims Expense	118,614	120,972	143,337	137,168	135,259	139,677	145,082	147,485
17	Road Safety/Loss Prevention	13,027	12,530	13,146	13,606	12,676	12,864	13,080	13,354
18	Total Claims Costs	798,045	993,537	923,722	929,944	1,186,819	1,176,294	1,167,548	1,230,141
10	Expenses								
19 20	Operating	71,641	72,785	70,201	75,060	73,525	76,541	80,374	83,268
21	Commissions	33,862	35,086	37,378	40,338	42,273	43,834	45,568	47,360
22	Premium Taxes	26,205	27,563	29,143	31,518	33,249	34,509	35,896	37,330
23	Regulatory/Appeal	3,675	4,889	4,443	4,669	4,839	4,999	5,114	5,233
24	Total Expenses	135,383	140,323	141,165	151,585	153,886	159,883	166,953	173,191
25	Underwriting Income (Loss)	(52,011)	(205,968)	(81,896)	(18,289)	(218,531)	(170,518)	(120,955)	(140,192)
23	Chief whiling moonie (2003)	(02,011)	(200,700)	(01,070)	(10,207)	(210,001)	(170,010)	(120,700)	(110,172)
26	Investment Income	48,476	101,645	111,731	192,129	78,818	75,780	81,957	82,551
27	(b) Investment Income - Interest Rate Impact	(52,515)	(18,748)	4,589	(28,313)	38,456	39,687	5,012	2,312
28	Net Investment Income	(4,038)	82,897	116,320	163,817	117,273	115,467	86,969	84,864
29	Net Income (Loss)	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328)
30	Total net Impact due to interest rate change (b) - (a)	23,685	(9,760)	20,390	(20,110)	197,498	27,297	788	(3,722)

# Appendix 64i Adverse Scenario #22 with Management Action Statement of Changes in Equity

Line	(C\$ 000s, except where noted)			For	the Years End	ed February,			
No.		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	Retained Earnings								
2	Beginning Balance	177,818	194,498	99,251	170,975	316,503	215,245	160,194	126,208
3	Net Income (Loss) from annual operations	(56,049)	(123,071)	34,424	145,528	(101,258)	(55,051)	(33,986)	(55,328)
4	Premium Rebate	-	-	-	-	-	-	-	-
5	Transfer (to) / from Non-Basic Retained Earnings	72,729	27,824	37,300	-	-	-	-	-
6	Total Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
7	Total Accumulated Other Comprehensive Income								
8	Beginning Balance	35,262	36,504	81,748	39,870	(52,111)	(55,585)	(51,918)	(43,575)
9	Other Comprehensive Income for the Year	1,242	45,245	(41,878)	(91,981)	(3,474)	3,667	8,343	9,067
10	Total Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
11	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
12	Total Equity								
13	Rate Stabilization Reserve								
14	Retained Earnings	194,498	99,251	170,975	316,503	215,245	160,194	126,208	70,880
15	Accumululated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
16	Total Rate Stabilization Reserve	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372
17	Retained Earnings in excess of Rate Stabilization Reserve	-	-	-	-	-	-	-	-
18	Total Equity Balance	231,002	181,000	210,845	264,392	159,660	108,276	82,633	36,372

### Appendix 64j Adverse Scenario #22 with Management Action Balance Sheet

	(C\$ 000s, except where noted)			F	or the Years End	ed February,			
Line No		2016A	2017A	2018A	2019P	2020P	2021P	2022P	2023P
1	BASIC								
2	Assets								
3	Cash and investments	29,114	61,606	72,998	28,914	18,075	-	-	-
4	Equity investments	2,083,349	2,189,534	2,272,545	2,479,846	2,582,625	2,694,317	2,772,641	2,836,474
5	Investment property	35,789	35,615	34,720	13,906	13,548	13,553	13,760	15,246
6	Due from other insurance companies	25	16	2	-	-	-	-	-
7	Accounts receivable	375,262	355,389	389,900	354,564	367,382	381,909	396,764	412,302
8	Prepaid expenses	-	-	-	-	-	-	-	-
9	Deferred policy acquisition costs	4,782	-	-	18,742	-	-	-	-
10	Reinsurers' share of unearned premiums	-	-	-	-	-	-	-	-
11	Reinsurers' share of unearned claims	998	611	1,269	-	-	-	-	-
12	Property and equipment	88,740	89,847	89,280	89,855	91,050	88,996	88,335	90,227
13	Deferred development costs	65,414	72,866	55,423	43,654	47,120	59,132	61,112	63,131
14		2,683,473	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380
15	Liabilities								
16	Due to other insurance companies	152	147	141	144	144	144	144	144
17	Accounts payable and accrued liabilities	38,860	40,443	39,327	40,996	40,602	41,678	43,356	44,182
18	Financing lease obligation	3,278	3,239	3,125	2,925	2,843	2,743	2,634	2,518
19	Unearned premiums and fees	453,389	472,041	508,089	547,303	568,147	593,060	618,683	645,607
20	Provision for employee current benefits	16,871	16,919	16,633	17,155	17,865	18,583	19,310	20,046
21	Provision for employee future benefits	281,209	301,245	331,910	341,796	357,994	373,911	389,852	406,113
22	Provision for unpaid claims	1,658,713	1,790,450	1,806,067	1,814,770	1,972,546	2,099,512	2,176,001	2,262,398
23		2,452,472	2,624,484	2,705,292	2,765,089	2,960,141	3,129,631	3,249,978	3,381,008
24	Equity								
25	Retained earnings	194,499	99,251	170,975	316,503	215,245	160.194	126,208	70,880
26	Accumulated Other Comprehensive Income	36,504	81,749	39,870	(52,111)	(55,585)	(51,918)	(43,575)	(34,508)
27	Total Equity	231,003	181,000	210,845	264,392	159,660	108,276	82,633	36,372
	T. 1111 1991 - 6 F. 9	0./00.477	0.005.407	0.047.407	2 200 405	0.440.006	2.007.007	0.000 /46	0.447.000
28	Total Liabilities & Equity	2,683,475	2,805,484	2,916,137	3,029,481	3,119,801	3,237,906	3,332,611	3,417,380

# Appendix 64k Adverse Scenario #22 with Management Action Minimum Capital Test

	(All figures in \$000s)		2018 - 2019	2019 - 2020	2020 - 2021	2021 - 2022	2022 - 2023
ne			Current Year	Forecast Year	Forecast Year	Forecast Year	Forecast Year
0.			(01)	(02)	(03)	(04)	(05)
	Capital Available:						
	Capital available (from page 30.62 - capital available)	01	220,737	112,539	49,143	21,521	(26,759
	Phase-in of capital available	03	0	0	0	0	(
	Total Capital Available	09	220,737	112,539	49,143	21,521	(26,759
	Assets Available:						
	Net Assets Available (from page 30.92 - net assets available)	11	0	0	0	0	(
	Phase-in of net assets available	13	0	0	0	0	(
	Total Net Assets Available	19	0	0	0	0	(
	Capital (Margin) Required at Target:						
)	Insurance Risk:						
ı	Premium liabilities	20	94,659	98,576	102,665	106,192	111,94
2	Unpaid claims	22	191,221	207,950	220,845	229,390	237,95
3	Catastrophes	24	0	0	0	0	
1	Margin required for reinsurance ceded to unregistered insurers	26	0	0	0	0	
5	Subtotal: Insurance risk margin	29	285,880	306,526	323,510	335,582	349,89
ó	Market Risk:						
7	Interest rate risk	30	6,468	10,645	11,673	21,389	24,09
3	Foreign exchange risk	32	15,640	16,724	16,100	16,060	16,98
9	Equity risk	34	69,312	75,625	71,135	69,600	74,31
)	Real estate risk	36	25,983	26,898	27,599	28,533	30,03
I	Other market risk exposures	38	0	0	0	0	(
2	Subtotal: Market risk margin	39	117,403	129,892	126,507	135,582	145,43
3	Credit Risk:						
1	Counterparty default risk for balance sheet assets	40	39,338	58,730	61,540	63,505	65,23
5	Counterparty default risk for off-balance sheet exposures	42	0	0	0	0	(
5	Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0	0	0	0	
7	Subtotal: Credit risk margin	49	39,338	58,730	61,540	63,505	65,23
3	Operational risk margin	50	64,548	69,947	72,480	75,605	79,02
9	Less: Diversification credit	52	53,900	62,304	63,388	66,629	70,13
)	Total Capital (Margin) Required at Target	59	453,269	502,791	520,649	543,645	569,44
ı	Minimum Capital (Margin) Required (line 59 / 1.5)	60	302,179	335,194	347,100	362,430	379,63
2	Phase-in of Capital (Margin) Required	62	0	0	0	0	
3	Total Minimum Capital (Margin) Required	69	302,179	335,194	347,100	362,430	379,63
1	Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	(81,442)	(222,655)	(297,957)	(340,909)	(406,39
5	MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	73.05%	33.57%	14.16%	5.94%	-7.05

# Appendix 64I Adverse Scenario #22 with Management Action Net Claims Incurred Summary

Line No. 1	(C\$ 000s, except where noted) Claims Incurred before Financial Provisions	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23
2	Collision	415,906	438,793	502,291	489,509	538,746	576,808
3	Comprehensive	69,497	99,932	112,591	131,638	117,917	124,975
4	Property Damage	48,647	46,838	49,741	49,423	51,957	53,785
5	Public Liability - BI	4,680	5,009	8,424	3,967	5,343	5,394
6	PIPP	187,022	169,153	273,764	278,251	232,390	231,659
7	Total -	726,240	759,725	946,811	952,787	946,353	992,621
8	Unallocated Loss Adjustment Expenses	42,252	50,135	52,371	54,921	57,537	60,210
9	Change in Internal Loss Adjustment Expense Provision	(2,219)	(537)	16,453	14,167	6,998	6,983
10	Change in Reinsurance Ceded Provisior	(676)	0	0	0	0	0
11	Other Financial Adjustments	(2,722)	0	0	0	0	0
12	Change in DPAC / Premium Deficiency Provision	4,364	(30,153)	23,249	1,878	(1,502)	9,488
13	Total Net Claims Incurred	767.240	779.170	1.038.885	1.023.753	1.009.386	1.069.302

#### Appendix 64m

### Adverse Scenario #22 with Management Action Deferred Policy Acquisition Expenses and Premium Deficiency

A. Claims (Including External Adjustment Expense) Data					A!	d4 W						
	2013	2014	2015	2016	2017	dent Year 2018	2019	2020	2021	2022	Selected Undisc	Selecte Dis
Ultimate Loss Ratio - Total All Coverage	83.09%	72.79%	81.77%	81.34%	74.59%	73.25%	79.38%	75.81%	75.01%	76.03%	Olidisc	Di
Trend/Rate Adjustment for Fiscal Year												
2017	0.9142	0.9259	0.9555	0.9697	0.9888							
2018		0.9151	0.9384	0.9464	0.9589	0.9937						
2019			0.9596	0.9657	0.9763	1.0095	1.0176					
2020				0.9710	0.9817	1.0151	1.0233	1.0147				
2021					0.9909	1.0241	1.0317	1.0224	1.0155			
2022						1.0289	1.0370	1.0282	1.0217	1.0150		
3. Adjusted Loss Ratio for Fiscal Year [(1) x (2)]												
2017	75.96%	67.39%	78.12%	78.88%	73.76%						75.95%	80.8
2018		66.61%	76.73%	76.98%	71.52%	72.79%					73.68%	78.1
2019			78.46%	78.55%	72.82%	73.95%	80.78%				76.99%	81.9
2020				78.98%	73.23%	74.36%	81.23%	76.92%			76.76%	82.1
2021					73.91%	75.02%	81.89%	77.51%	76.17%		76.23%	81.7
2022						75.37%	82.32%	77.95%	76.64%	77.17%	77.25%	82.9
B. Actual Data Other Than Losses												
						cal Year						
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022		
Net Earned Premium	764,671	803,881	861,065	907,145	960,142	1,039,407	1,096,879	1,138,639	1,184,668	1,232,231		
5. Operating Expenses as % of Earned Premium	11.06%	11.14%	10.26%	9.94%	8.99%	8.98%	8.30%	8.29%	8.32%	8.27%		
6. Maintenance Expense Rate [(5) x 1/3]	3.69%	3.71%	3.42%	3.31%	3.00%	2.99%	2.77%	2.76%	2.77%	2.76%		
Selected					3.16%	2.99%	2.88%	2.77%	2.77%	2.76%		
7. ILAE Ratio to Losses - Selected					18.40%	18.40%	18.40%	18.40%	18.40%	18.40%		
C. Equity in Unearned Premium												
8. Net Unearned Premium					468,613	506,193	523,661	544,918	566,581	589,219		
Additional Expected Cost of Non-Proportional Reinsurance					5,598	5,710	5,824	5,941	6,059	6,059		
<ol> <li>Expected Claims (Including Ext Adj Expenses) [((8) - (9))</li> </ol>	x (3)]				383,468	390,881	424,368	442,747	458,061	483,538		
11. Reinsurance PFAD					10	-	-	-	-	-		
12 Maintananaa Euranaa [a]					13,837	14,989	14,913	14,903	15,518	16,120		
12. Maintenance Expense [a]					70,595	71,922	78,084	81,466	84,283	88,971		
					3,950	3,950	3,950	3,950	3,950	3,950		
13. Internal Loss Adjustment Expense [Sheet 1, Row 11]	hancement					40.740	(3,478)	(4,089)	(1,290)	(9,420)		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> </ol>	hancement				(8,845)	18,742	(3,470)	(1,007)	(1,270)	,		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> </ol>	hancement				(8,845) 32,055	18,742 29,489	30,518	31,785	33,082	34,440		
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> </ol>	hancement				,				,			
<ol> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b]</li> <li>Change</li> </ol>	hancement				32,055	29,489	30,518 30,518 19,771	31,785	33,082	34,440 34,440 1,358		
<ol> <li>Maintenance Expense [a]</li> <li>Internal Loss Adjustment Expense [Sheet 1, Row 11]</li> <li>Expected Claims (Including Ext Adj Expenses) - PIPP En</li> <li>Equity in Unearned Premium [(8) - Sum((9) to (14))]</li> <li>Carried Deferred Policy Acquisition Expenses</li> <li>Write Down Deferred Policy Acquisition Expenses [b] Change</li> <li>Premium Deficiency [c]</li> </ol>	hancement				32,055 32,055	29,489 10,747	30,518 30,518	31,785 31,785	33,082 33,082	34,440 34,440		

#### 41 Notes:

<sup>42 [</sup>a] ((8) - (9)) x (6) x Discount to Valuation Date Without Margin

<sup>43 [</sup>b] Min((16) - (15), (16)) if greater than 0, otherwise 0

<sup>44 [</sup>c] Negative of (15) if greater than 0, otherwise 0

### Appendix 64n Adverse Scenario #22 with Management Action Summary of Corporate Investment Income

	2018/19	2019/20	2020/21	2021/22	2022/23
ine No.		F	orecasted		
Interest Income During Period					
Cash/Short Term Investments	255	95	0	0	(1)
Marketable Bonds	44,245	53,738	57,653	61,277	64,645
MUSH	26,759	24,361	22,065	19,852	17,693
Total	71,259	78,194	79,717	81,128	82,337
Dividend and other Income					
Canadian Equities	9,657	5,723	4,485	4,615	5,066
Global	4,218	5,964	4,706	4,840	5,291
Global LV	-	2,887	2,837	2,904	3,172
o Private Debt	-	3,761	10,045	10,061	10,075
Investment Properties (Cityplace)	4,940	1,926	2,512	2,452	2,312
2 Infrastructure	1,472	1,136	1,183	1,249	1,319
3 Total	20,287	21,397	25,767	26,120	27,235
Gains During Period - Profit & Loss					
5 Marketable Bonds Unrealized Gains/(Loss)	(44,799)	7,796	28,029	(2,082)	2,319
Marketable Bonds Realized Gains/(Loss)	11,782	33,272	13,550	7,305	95
7 MUSH	-	-	-	-	-
Canadian Equities Realized Gains	69,223	(2,337)	(4,659)	84	0
Global Equities Realized Gains	66,318	(605)	(6,622)	106	0
o Global LV Realized Gains	=	(99)	(4,068)	72	-
1 Real Estate (Pooled Fund)	16,307	5,602	5,847	6,198	6,569
2 Infrastructure 3 <b>Total</b>	5,765	4,449	4,636	4,895	5,169
	124,596	48,078	36,711	16,577	14,152
4 Other					
5 Investment Fees Paid	(5,204)	(4,722)	(4,548)	(4,699)	(4,865
6 Pension Expense	(13,441)	(13,872)	(14,313)	(14,757)	(15,207
Amortization on Marketable Bonds (Prem) / Discount	(6,461)	2,982	(212)	(1,211)	(1,817)
8 Investment Write-Down	-	-	-	-	-
9 Total	(25,105)	(15,612)	(19,073)	(20,667)	(21,889)
Total Corporate Investment Income	191,037	132,056	127,849	103,691	102,078
1 Total Basic Investment Income	163,817	117,273	115,467	86,969	84,864
% - Basic to Total Investment Income	85.75%	89%	90%	84%	83%
Equity Unrealized Gains/(Losses)					
4 Canadian Equities Unrealized Gains/(Losses)	12,114	(3,158)	(3,838)	4,882	5,654
5 US Equities Unrealized Gains/(Losses)	7,537	(3,436)	(3,792)	7,223	7,896
Global LV Unrealized Gains/(Losses)	-	(1,895)	(2,273)	3,965	4,330
7 Total Corporate Unrealized Gains/(Losses)	19,651	(6,594)	(7,629)	12,105	13,549
8 Ending Asset Values for Corporate (\$Millions)					
9 Cash/Short Term Investments	-	-	-	-	-
o Canadian Fixed Income	1,751.6	1,688.9	1,872.7	2,037.4	2,166.0
1 MUSH	569.3	522.8	477.0	432.3	386.3
2 Canadian Equities 3 Global Equities	123.3	139.0	138.8	145.2	161.2
Global Equities Global LV Equities	166.7 96.6	175.5	175.4	184.2	203.1
5 Private Debt	90.0	110.3 188.8	110.1 193.5	114.4 194.0	126.3 194.3
6 Real Estate	133.6	138.1	143.9	150.8	194.3
7 Infrastructure & Venture Capital	78.3	82.8	87.4	92.3	97.5
8 Total Ending Asset Values	2,919.4	3,046.1	3,198.9	3,350.6	3,496.4
Total Basic Assets	2,522.7	2,614.2	2,707.9	2,786.4	2,851.7
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Cash/Short Term Investments	0.0%	0.0%	0.0%	0.0%	0.0%
Canadian Fixed Income	60.0%	55.4%	58.5%	60.8%	62.0%
MUSH	19.5%	17.2%	14.9%	12.9%	11.0%
Canadian Equities	4.2%	4.6%	4.3%	4.3%	4.6%
US Equities	5.7%	5.8%	5.5%	5.5%	5.8%
Global LV	3.3%	3.6%	3.4%	3.4%	3.6%
Private Debt	0.0%	6.2%	6.0%	5.8%	5.6%
Real Estate	4.6%	4.5%	4.5%	4.5%	4.6%
Infrastructure & Venture Capital	2.7%	2.7%	2.7%	2.8%	2.8%
Infrastructure & Venture Capital Total	100.0%	100.0%	100.0%	100.0%	100.09