



October 11, 2019

**Via E-Mail**

The Public Utilities Board  
400 – 330 Portage Avenue  
Winnipeg, MB R3C 0C4

**Attention: Mr. Darren Christle**  
**Board Secretary and Executive Director**

Dear Mr. Christle:

**RE: Manitoba Public Insurance 2020 General Rate Application Provisional Rate Indication**

Further to MPI's letter dated October 4, 2019; please find enclosed Appendix 1, which includes the proposed interest rate scenarios for the provisional rate indication update.

For each of the following scenarios, MPI has provided Figure RM-12 and a set of ProFormas and Extension ProFormas:

1. September 30<sup>th</sup> Government of Canada 10-year bond rate, -50 basis points (bps)
2. September 30<sup>th</sup> Government of Canada 10-year bond rate, -25 basis points (bps)
3. September 30<sup>th</sup> Government of Canada 10-year bond rate, +25 basis points (bps)
4. September 30<sup>th</sup> Government of Canada 10-year bond rate, +50 basis points (bps)
5. Standard Interest Rate Forecast current to September 30<sup>th</sup>, 2019
6. 50/50 Interest Rate Forecast current to September 30<sup>th</sup>, 2019

Yours truly,

Michael Triggs  
General Counsel and Corporate Secretary

MT/st

Encl.

**Appendix 1:**  
**Figure INV-13 Rate Indication Table and MCT % before and after Capital Management Plan**

Line No.	Scenario	New Money Yield	AAP Breakeven Rate Indication	Capital Build / (Release) Provision	MCT % After AAP Breakeven Rate Indication			MCT % After AAP Breakeven Rate Indication and Transfer from Extension		MCT % After AAP Breakeven Rate Indication and Transfer from Extension and Capital Build / Release	
					19/20	20/21	21/22	20/21	21/22	20/21	21/22
					1	Naive*	2.50%	-0.56%	1.19%	56.4%	49.4%
2	50/50	2.64%	-0.91%	1.15%	56.7%	51.7%	43.2%	77.8%	78.0%	80.5%	83.5%
3	SIRF	2.78%	-1.24%	1.18%	57.0%	54.0%	44.5%	79.9%	78.1%	82.8%	83.8%
4	Naive**	2.50%	1.48%	0.00%	56.4%	54.5%	52.2%	80.6%	87.3%	80.6%	87.3%
5	-50 bps	2.04%	0.66%	0.00%	47.1%	46.3%	46.8%	73.3%	84.2%	73.3%	84.2%
6	+50 bps	2.97%	-1.72%	2.47%	65.3%	54.0%	42.6%	79.6%	76.9%	85.6%	89.0%
7	-25 bps	2.27%	0.06%	0.53%	51.8%	47.1%	41.3%	73.7%	78.1%	75.0%	80.6%
8	+25 bps	2.74%	-1.14%	1.83%	60.8%	51.7%	42.1%	77.6%	77.4%	81.9%	86.1%

Note: Scenarios are without Capital Maintenance Provision (CMP) unless otherwise noted.

\*Scenario provided with Capital Build Provision for illustrative / comparative purposes

\*\*With Capital Maintenance Provision

**2020 GENERAL RATE APPLICATION**  
**Provisional Rate Indication Update Appendix 1**

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes -**  
**Breakeven Rates (+25bps)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	730.33	962.07	660.49	1,778.48	694.54	54.25	5.78
3	Claims Expense	115.95	152.74	104.86	282.35	110.27	8.61	0.92
4	Road Safety	11.09	14.68	14.68	14.68	14.68	0.00	0.00
5	Operating Expense	62.32	82.45	82.45	82.45	82.45	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.31	39.86	27.70	72.47	27.99	2.58	0.23
8	Prem Tax: Vehicle	28.06	36.91	25.65	67.10	25.92	2.39	0.21
9	Comm & Prem Tax: Driver	3.78	5.00	5.00	5.00	5.00	0.00	0.00
10	Commission Flat Fee	6.09	8.06	8.06	8.06	8.06	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.12	19.06	19.06	19.06	0.00	0.00	0.00
14	Anti-Theft Discount	1.75	2.53	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.55	80.11	80.11	80.11	80.11	0.00	0.00
16	Service Fees	24.25	32.08	32.08	32.08	32.08	0.00	0.00
17	Req Rate (Raw)	935.46	1,230.31	854.90	2,236.60	863.96	79.75	7.14
18	Req Rate (Bal)	922.87	1,213.76	843.39	2,206.51	852.33	78.68	7.04
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate Without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
22	Full Cred Req Change	-1.1%	-1.6%	0.1%	15.1%	5.1%	-5.5%	-12.7%
23	Applied for Change	-1.1%	-1.6%	0.1%	15.1%	5.1%	-5.5%	-12.7%
24	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
25	Cred Wtd Change		-1.6%	-0.1%	10.0%	3.6%	-5.4%	-11.8%
26	Cred Wtd Req Rate		1,213.85	842.31	2,109.14	839.77	78.78	7.11
27	Cred Wtd Req Rate (Bal)	922.91	1,215.50	843.45	2,111.99	840.91	78.89	7.12
28	Cred Wtd Change (Bal)		-1.4%	0.1%	10.2%	3.7%	-5.3%	-11.7%

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes -**  
**Breakeven Rates (-25bps)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	737.26	970.88	668.39	1,797.36	715.14	54.33	5.86
3	Claims Expense	117.40	154.60	106.43	286.21	113.88	8.65	0.93
4	Road Safety	11.13	14.72	14.72	14.72	14.72	0.00	0.00
5	Operating Expense	62.37	82.52	82.52	82.52	82.52	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.61	40.24	28.04	73.26	28.84	2.59	0.23
8	Prem Tax: Vehicle	28.34	37.26	25.96	67.84	26.70	2.40	0.22
9	Comm & Prem Tax: Driver	3.77	4.99	4.99	4.99	4.99	0.00	0.00
10	Commission Flat Fee	6.08	8.04	8.04	8.04	8.04	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.15	19.10	19.10	19.10	0.00	0.00	0.00
14	Anti-Theft Discount	1.74	2.53	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.41	79.92	79.92	79.92	79.92	0.00	0.00
16	Service Fees	24.25	32.08	32.08	32.08	32.08	0.00	0.00
17	Req Rate (Raw)	944.65	1,242.03	865.34	2,261.19	890.07	79.88	7.24
18	Req Rate (Bal)	934.09	1,228.14	855.66	2,235.91	880.12	78.98	7.16
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate Without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
22	Full Cred Req Change	0.1%	-0.4%	1.5%	16.7%	8.5%	-5.2%	-11.3%
23	Applied for Change	0.1%	-0.4%	1.5%	16.7%	8.6%	-5.2%	-11.3%
24	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
25	Cred Wtd Change		-0.4%	1.4%	11.5%	6.4%	-5.0%	-10.4%
26	Cred Wtd Req Rate		1,228.22	854.33	2,136.52	863.08	79.10	7.23
27	Cred Wtd Req Rate (Bal)	934.12	1,229.99	855.56	2,139.59	864.32	79.22	7.24
28	Cred Wtd Change (Bal)		-0.3%	1.5%	11.6%	6.6%	-4.9%	-10.3%

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes**  
**- Breakeven Rates (+50bps)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	727.19	958.07	656.90	1,769.91	685.24	54.22	5.74
3	Claims Expense	115.10	151.65	103.98	280.15	108.46	8.58	0.91
4	Road Safety	11.08	14.65	14.65	14.65	14.65	0.00	0.00
5	Operating Expense	62.29	82.41	82.41	82.41	82.41	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.17	39.68	27.54	72.09	27.60	2.58	0.23
8	Prem Tax: Vehicle	27.93	36.74	25.50	66.75	25.56	2.39	0.21
9	Comm & Prem Tax: Driver	3.78	5.00	5.00	5.00	5.00	0.00	0.00
10	Commission Flat Fee	6.10	8.07	8.07	8.07	8.07	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.10	19.04	19.04	19.04	0.00	0.00	0.00
14	Anti-Theft Discount	1.75	2.54	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.62	80.20	80.20	80.20	80.20	0.00	0.00
16	Service Fees	24.25	32.08	32.08	32.08	32.08	0.00	0.00
17	Req Rate (Raw)	931.08	1,224.72	849.97	2,224.95	851.96	79.68	7.09
18	Req Rate (Bal)	917.52	1,206.89	837.59	2,192.55	839.56	78.52	6.99
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate							
22	without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
23	Full Cred Req Change	-1.7%	-2.1%	-0.6%	14.4%	3.5%	-5.7%	-13.4%
24	Applied for Change	-1.7%	-2.1%	-0.6%	14.4%	3.5%	-5.7%	-13.4%
25	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
26	Cred Wtd Change		-2.1%	-0.8%	9.4%	2.2%	-5.6%	-12.5%
27	Cred Wtd Req Rate		1,206.90	836.56	2,095.97	828.96	78.61	7.06
28	Cred Wtd Req Rate (Bal)	917.50	1,208.48	837.66	2,098.72	830.05	78.71	7.07
29	Cred Wtd Change (Bal)		-2.0%	-0.6%	9.5%	2.4%	-5.5%	-12.4%

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes**  
**- Breakeven Rates (-50bps)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	740.92	975.53	672.57	1,807.34	726.08	54.37	5.89
3	Claims Expense	117.98	155.34	107.10	287.80	115.62	8.66	0.94
4	Road Safety	11.14	14.74	14.74	14.74	14.74	0.00	0.00
5	Operating Expense	62.40	82.55	82.55	82.55	82.55	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.76	40.43	28.21	73.67	29.28	2.59	0.24
8	Prem Tax: Vehicle	28.48	37.44	26.12	68.21	27.11	2.40	0.22
9	Comm & Prem Tax: Driver	3.77	4.98	4.98	4.98	4.98	0.00	0.00
10	Commission Flat Fee	6.07	8.03	8.03	8.03	8.03	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.17	19.12	19.12	19.12	0.00	0.00	0.00
14	Anti-Theft Discount	1.74	2.52	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.34	79.83	79.83	79.83	79.83	0.00	0.00
16	Service Fees	24.25	32.08	32.08	32.08	32.08	0.00	0.00
17	Req Rate (Raw)	949.29	1,247.94	870.67	2,273.69	903.73	79.92	7.29
18	Req Rate (Bal)	939.74	1,235.38	861.91	2,250.81	894.63	79.12	7.21
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate							
22	without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
23	Full Cred Req Change	0.7%	0.2%	2.2%	17.4%	10.3%	-5.0%	-10.6%
24	Applied for Change	0.7%	0.2%	2.2%	17.4%	10.3%	-5.0%	-10.6%
25	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
26	Cred Wtd Change		0.2%	2.1%	12.2%	7.9%	-4.9%	-9.8%
27	Cred Wtd Req Rate		1,235.40	860.40	2,150.28	875.16	79.24	7.28
28	Cred Wtd Req Rate (Bal)	939.72	1,237.23	861.67	2,153.46	876.46	79.36	7.29
29	Cred Wtd Change (Bal)		0.3%	2.2%	12.4%	8.1%	-4.7%	-9.6%

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes**  
**- Breakeven Rates (SIRF)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	729.77	961.36	659.85	1,776.96	692.89	54.25	5.77
3	Claims Expense	115.86	152.63	104.76	282.11	110.00	8.61	0.92
4	Road Safety	11.09	14.67	14.67	14.67	14.67	0.00	0.00
5	Operating Expense	62.32	82.45	82.45	82.45	82.45	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.28	39.83	27.67	72.40	27.92	2.58	0.23
8	Prem Tax: Vehicle	28.04	36.88	25.62	67.04	25.85	2.39	0.21
9	Comm & Prem Tax: Driver	3.78	5.00	5.00	5.00	5.00	0.00	0.00
10	Commission Flat Fee	6.09	8.06	8.06	8.06	8.06	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.12	19.06	19.06	19.06	0.00	0.00	0.00
14	Anti-Theft Discount	1.75	2.53	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.56	80.12	80.12	80.12	80.12	0.00	0.00
16	Service Fees	24.31	32.17	32.17	32.17	32.17	0.00	0.00
17	Req Rate (Raw)	934.69	1,229.33	854.01	2,234.61	861.81	79.75	7.13
18	Req Rate (Bal)	921.94	1,212.56	842.35	2,204.12	850.05	78.66	7.03
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate							
22	without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
23	Full Cred Req Change	-1.2%	-1.7%	-0.1%	15.0%	4.8%	-5.6%	-12.8%
24	Applied for Change	-1.2%	-1.7%	-0.1%	15.0%	4.8%	-5.6%	-12.8%
25	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
26	Cred Wtd Change		-1.7%	-0.2%	9.9%	3.3%	-5.5%	-12.0%
27	Cred Wtd Req Rate		1,212.66	841.29	2,106.90	837.86	78.76	7.10
28	Cred Wtd Req Rate (Bal)	921.98	1,214.29	842.42	2,109.74	838.99	78.86	7.11
29	Cred Wtd Change (Bal)		-1.5%	-0.1%	10.1%	3.5%	-5.3%	-11.8%

**Appendix 1:**  
**Figure RM-12 Rating Year 2020/21 Major Classification Required Rate Changes**  
**- Breakeven Rates (50/50)**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	20/21 Units	1,210,000	835,300	47,900	13,200	18,200	219,200	76,200
2	Claims	731.75	963.87	662.10	1,782.34	698.74	54.27	5.79
3	Claims Expense	116.17	153.03	105.12	282.97	110.93	8.62	0.92
4	Road Safety	11.10	14.69	14.69	14.69	14.69	0.00	0.00
5	Operating Expense	62.33	82.47	82.47	82.47	82.47	0.00	0.00
6	Regulatory/Appeal	4.41	5.83	5.83	5.83	5.83	0.00	0.00
7	Commission: Vehicle	30.37	39.94	27.76	72.62	28.16	2.58	0.23
8	Prem Tax: Vehicle	28.12	36.98	25.71	67.24	26.08	2.39	0.21
9	Comm & Prem Tax: Driver	3.78	5.00	5.00	5.00	5.00	0.00	0.00
10	Commission Flat Fee	6.09	8.06	8.06	8.06	8.06	0.00	0.00
11	Reins: Casualty	1.07	1.41	1.41	1.41	1.41	0.00	0.00
12	Reins: Catastrophe	10.98	11.91	11.91	11.91	0.00	11.91	0.00
13	Fleet Rebates	14.13	19.07	19.07	19.07	0.00	0.00	0.00
14	Anti-Theft Discount	1.75	2.53	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	60.52	80.07	80.07	80.07	80.07	0.00	0.00
16	Service Fees	24.28	32.13	32.13	32.13	32.13	0.00	0.00
17	Req Rate (Raw)	937.23	1,232.57	856.92	2,241.40	869.17	79.77	7.16
18	Req Rate (Bal)	925.08	1,216.59	845.81	2,212.33	857.90	78.74	7.07
19	19/20 Average Rate	887.37	1,160.49	805.36	1,918.04	805.72	79.79	8.07
20	Major Class Drift	5.2%	6.3%	4.7%	-0.1%	0.6%	4.4%	0.0%
21	20/21 Average Rate							
22	without Rate Change	933.56	1,233.34	842.95	1,916.56	810.80	83.30	8.07
23	Full Cred Req Change	-0.9%	-1.4%	0.3%	15.4%	5.8%	-5.5%	-12.4%
24	Applied for Change	-0.9%	-1.4%	0.3%	15.4%	5.8%	-5.5%	-12.4%
25	Credibility		99.3%	88.9%	68.8%	75.2%	97.3%	92.7%
26	Cred Wtd Change		-1.4%	0.2%	10.3%	4.1%	-5.4%	-11.6%
27	Cred Wtd Req Rate		1,216.60	844.62	2,114.43	844.38	78.84	7.14
28	Cred Wtd Req Rate (Bal)	925.06	1,218.27	845.78	2,117.33	845.54	78.95	7.14
29	Cred Wtd Change (Bal)		-1.2%	0.3%	10.5%	4.3%	-5.2%	-11.4%



## Appendix 1:

## PF-1 Statement of Operations

2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP  
break even rate change -0.56% (without CMP) & Capital Build Provision +1.19%

## Multi-year - Statement of Operations

<i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change -0.56% (without CMP) &amp; Capital Build Provision +1.19%</i>		<i>For the Years Ended February,</i>					
Line No.	<i>(C\$ 000s, rounding may affect totals)</i>	2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,114,499	1,158,728	1,205,208	1,253,711
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,172,346</b>	<b>1,218,116</b>	<b>1,266,140</b>	<b>1,315,840</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,091,260	1,138,253	1,183,691	1,231,257
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,148,095</b>	<b>1,196,721</b>	<b>1,243,699</b>	<b>1,292,634</b>
12	Service Fees & Other Revenues	24,568	26,513	28,482	30,501	32,721	35,163
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,609</b>	<b>1,176,577</b>	<b>1,227,222</b>	<b>1,276,420</b>	<b>1,327,797</b>
14	Claims Incurred	864,389	888,941	926,004	967,421	1,009,845	1,054,454
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(8,844)	(8,960)	2,996	3,439	5,959
16	(a) Claims Incurred - Interest Rate Impact	40,852	73,367	18,196	16,970	16,032	16,167
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>953,464</b>	<b>935,240</b>	<b>987,387</b>	<b>1,029,316</b>	<b>1,076,580</b>
18	Claims Expense	126,871	136,851	139,351	139,469	138,931	148,710
19	Road Safety/Loss Prevention	11,538	13,977	13,462	13,418	13,708	13,943
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,104,292</b>	<b>1,088,053</b>	<b>1,140,274</b>	<b>1,181,955</b>	<b>1,239,233</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,157	75,465	76,975	82,221
23	Commissions	40,233	42,542	44,571	46,423	48,203	50,053
24	Premium Taxes	31,183	33,187	34,876	36,343	37,761	39,238
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,423	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>158,930</b>	<b>163,566</b>	<b>168,362</b>	<b>177,028</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(140,112)</b>	<b>(70,406)</b>	<b>(76,618)</b>	<b>(73,897)</b>	<b>(88,464)</b>
28	Investment Income	194,333	68,553	73,074	72,531	73,002	74,483
29	(b) Investment Income - Interest Rate Impact	14,178	87,543	(134)	(157)	(189)	(224)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>156,096</b>	<b>72,940</b>	<b>72,374</b>	<b>72,813</b>	<b>74,259</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>15,984</b>	<b>2,534</b>	<b>(4,244)</b>	<b>(1,084)</b>	<b>(14,205)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	14,176	(18,330)	(17,127)	(16,221)	(16,391)

## Appendix 1:

## PF-2 Statement of Financial Position

2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP  
break even rate change -0.56% (without CMP) & Capital Build Provision +1.19%

## Multi-year - Statement of Financial Position

*2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP break even rate change*Line No. *-0.56% (without CMP) & Capital Build Provision +1.19%**(C\$ 000s, rounding may affect totals)**For the Years Ended February,*

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>BASIC</b>					
3	<b>Assets</b>					
4	Cash and cash equivalents	161,944	53,904	39,354	25,138	11,143
5	Investments	2,426,047	2,843,433	3,004,155	3,176,282	3,364,815
6	Investment property	41,892	20,571	20,224	20,088	20,730
7	Due from other insurance companies	1,495	-	-	-	-
8	Accounts receivable	422,793	369,902	385,714	399,789	414,348
9	Deferred policy acquisition costs	6,063	11,786	22,202	20,488	18,397
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819
12	Deferred development costs	45,926	47,392	64,383	81,294	88,426
13		<b>3,203,606</b>	<b>3,439,892</b>	<b>3,631,540</b>	<b>3,819,673</b>	<b>4,016,678</b>
14	<b>Liabilities</b>					
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518
18	Unearned premiums and fees	543,416	572,810	600,683	625,994	652,673
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911
20	Provision for employee future benefits	342,046	386,990	401,931	416,927	432,057
21	Provision for unpaid claims	1,975,925	2,098,877	2,191,406	2,285,773	2,379,107
22		<b>2,953,914</b>	<b>3,122,594</b>	<b>3,258,848</b>	<b>3,394,509</b>	<b>3,530,468</b>
23	<b>Equity</b>					
24	Retained Earnings	309,812	387,032	432,629	473,588	521,728
25	Accumulated Other Comprehensive Income	(60,120)	(69,735)	(59,935)	(48,424)	(35,518)
26	<b>Total Equity</b>	<b>249,692</b>	<b>317,297</b>	<b>372,694</b>	<b>425,164</b>	<b>486,210</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,439,891</b>	<b>3,631,542</b>	<b>3,819,673</b>	<b>4,016,678</b>

**Appendix 1:**  
**PF-3 Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP**  
**break even rate change -0.56% (without CMP) & Capital Build Provision +1.19%**

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

<i>2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP break even rate change</i>							
<i>-0.56% (without CMP) &amp; Capital Build Provision +1.19%</i>							
<i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>						
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	387,032	432,629	473,588	521,728
6	Net Income (Loss) from annual operations	78,837	15,984	2,536	(4,244)	(1,085)	(14,207)
7	Transfer from Extension Retained Earnings	60,000	61,236	43,060	45,204	49,225	40,000
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>387,032</b>	<b>432,629</b>	<b>473,588</b>	<b>521,728</b>	<b>547,521</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(69,735)	(59,935)	(48,424)	(35,518)
11	Other Comprehensive Income for the Year	(99,990)	(9,616)	9,800	11,511	12,905	14,476
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(69,735)</b>	<b>(59,935)</b>	<b>(48,424)</b>	<b>(35,518)</b>	<b>(21,043)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>317,298</b>	<b>372,694</b>	<b>425,164</b>	<b>486,210</b>	<b>526,479</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	317,298	372,694	425,164	486,210	526,479
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,383	81,294	88,426	81,452
17	<b>Capital Available</b>	<b>203,766</b>	<b>269,906</b>	<b>308,311</b>	<b>343,870</b>	<b>397,784</b>	<b>445,027</b>
18	Minimum Capital Required (100% MCT)	395,393	373,405	392,791	412,468	434,020	458,957
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>72.3%</b>	<b>78.5%</b>	<b>83.4%</b>	<b>91.7%</b>	<b>97.0%</b>

## Appendix 1:

## EPF-1 Extension Statement of Operations

**2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP  
break even rate change -0.56% (without CMP) & Capital Build Provision +1.19%**

## Multi-year - Statement of Operations

*2020 GRA Base with September 2019 Naïve interest Rates - 2020/21 Basic AAP break even rate change*

Line No. *-0.56% (without CMP) & Capital Build Provision +1.19%*

*(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,262	12,845	13,486	14,179	14,930
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,054</b>	<b>170,479</b>	<b>175,903</b>	<b>181,183</b>	<b>186,765</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,332	71,040	72,414	73,730
13	(a) Claims Incurred - Interest Rate Impact	-	147	(3)	(1)	(2)	(129)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,372</b>	<b>69,329</b>	<b>71,039</b>	<b>72,412</b>	<b>73,601</b>
15	Claims Expense	10,491	11,387	10,770	10,654	10,223	10,925
16	Road Safety/Loss Prevention	908	1,163	1,037	1,020	1,000	1,006
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,922</b>	<b>81,136</b>	<b>82,713</b>	<b>83,635</b>	<b>85,532</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,151	9,301	9,303	9,750
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	22
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,794</b>	<b>50,159</b>	<b>51,318</b>	<b>52,984</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>39,982</b>	<b>40,549</b>	<b>43,031</b>	<b>46,230</b>	<b>48,249</b>
25	<b>Investment Income</b>	11,349	6,157	4,680	4,552	4,676	3,404
26	(b) Investment Income - Interest Rate Impact	828	2,874	(47)	(54)	(58)	(49)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>9,031</b>	<b>4,633</b>	<b>4,498</b>	<b>4,618</b>	<b>3,355</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>49,013</b>	<b>45,182</b>	<b>47,529</b>	<b>50,848</b>	<b>51,604</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,727	(44)	(53)	(56)	80

**Appendix 1:**  
**EPF-3 Extension Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change -0.56% (without CMP) & Capital Build Provision +1.19%**

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

*2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change*

Line *-0.56% (without CMP) & Capital Build Provision +1.19%*

No. *(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Total Equity</b>					
4	<b>Retained Earnings</b>					
5	Beginning Balance	102,492	99,213	86,992	89,115	91,440
6	Net Income (Loss) from annual operations	56,721	49,015	45,183	47,530	50,849
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(61,236)	(43,060)	(45,204)	(49,225)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>86,992</b>	<b>89,115</b>	<b>91,440</b>	<b>93,064</b>
9	<b>Total Accumulated Other Comprehensive Income</b>					
10	Beginning Balance	1,097	(4,511)	(6,377)	(5,588)	(4,725)
11	Other Comprehensive Income	(5,608)	(1,866)	789	864	1,014
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,377)</b>	<b>(5,588)</b>	<b>(4,725)</b>	<b>(3,711)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>80,614</b>	<b>83,526</b>	<b>86,716</b>	<b>89,354</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**Appendix 1:**  
**PF-1 Statement of Operations**  
**2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP**  
**break even rate change -0.91% (without CMP) & Capital Build Provision +1.15%**

**Multi-year - Statement of Operations**

<i>2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP break even rate change</i>							
<i>-0.91% (without CMP) &amp; Capital Build Provision +1.15%</i>							
<i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,110,065	1,154,119	1,200,416	1,248,726
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,167,912</b>	<b>1,213,507</b>	<b>1,261,348</b>	<b>1,310,855</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,088,879	1,133,725	1,178,983	1,226,362
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,145,714</b>	<b>1,192,193</b>	<b>1,238,991</b>	<b>1,287,739</b>
12	Service Fees & Other Revenues	24,568	26,515	28,416	30,458	32,707	35,183
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,611</b>	<b>1,174,130</b>	<b>1,222,651</b>	<b>1,271,698</b>	<b>1,322,922</b>
14	Claims Incurred	864,389	888,941	925,896	966,190	1,007,924	1,051,781
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(8,921)	(8,744)	1,549	1,587	4,456
16	(a) Claims Incurred - Interest Rate Impact	40,852	69,884	(20,532)	(9,858)	(14,758)	(6,403)
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>949,904</b>	<b>896,620</b>	<b>957,881</b>	<b>994,753</b>	<b>1,049,834</b>
18	Claims Expense	126,871	136,851	139,339	139,291	138,670	148,324
19	Road Safety/Loss Prevention	11,538	13,977	13,461	13,399	13,679	13,899
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,100,732</b>	<b>1,049,420</b>	<b>1,110,571</b>	<b>1,147,102</b>	<b>1,212,057</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,150	75,378	76,846	82,029
23	Commissions	40,233	42,542	44,509	46,276	48,050	49,894
24	Premium Taxes	31,183	33,187	34,804	36,207	37,620	39,092
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,423	5,515
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>158,789</b>	<b>163,196</b>	<b>167,939</b>	<b>176,530</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(136,550)</b>	<b>(34,079)</b>	<b>(51,116)</b>	<b>(43,343)</b>	<b>(65,665)</b>
28	<b>Investment Income</b>	<b>194,333</b>	<b>68,611</b>	<b>72,906</b>	<b>73,660</b>	<b>75,998</b>	<b>80,101</b>
29	(b) Investment Income - Interest Rate Impact	14,178	84,154	(35,541)	(23,899)	(26,876)	(18,768)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>152,765</b>	<b>37,365</b>	<b>49,761</b>	<b>49,122</b>	<b>61,333</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>16,215</b>	<b>3,286</b>	<b>(1,355)</b>	<b>5,779</b>	<b>(4,332)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	14,270	(15,009)	(14,041)	(12,118)	(12,365)

**Appendix 1:**  
**PF-2 Statement of Financial Position**  
**2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP**  
**break even rate change -0.91% (without CMP) & Capital Build Provision +1.15%**

**Multi-year - Statement of Financial Position**

*2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP break even rate change*

Line *-0.91% (without CMP) & Capital Build Provision +1.15%*

No. *(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

1	2019A	2020FB	2021F	2022F	2023F	2024F
2 <b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3 <b>Assets</b>						
4 Cash and cash equivalents	161,944	53,951	31,896	360	-	-
5 Investments	2,426,047	2,839,992	2,961,691	3,105,743	3,221,578	3,342,154
6 Investment property	41,892	20,571	20,224	20,088	20,730	21,607
7 Due from other insurance companies	1,495	-	-	-	-	-
8 Accounts receivable	422,793	369,902	384,538	398,567	413,077	428,100
9 Deferred policy acquisition costs	6,063	11,864	21,935	21,663	21,419	18,364
10 Reinsurers' share of unpaid claims	8,463	-	-	-	-	-
11 Property and equipment	88,983	92,904	95,508	96,594	98,819	102,795
12 Deferred development costs	45,926	47,392	64,384	81,307	88,449	81,482
13	<b>3,203,606</b>	<b>3,436,576</b>	<b>3,580,176</b>	<b>3,724,322</b>	<b>3,864,072</b>	<b>3,994,502</b>
14 <b>Liabilities</b>						
15 Due to other insurance companies	2,066	1,991	1,991	1,991	1,991	1,991
16 Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211	44,902
17 Financing lease obligation	3,081	2,843	2,743	2,634	2,518	2,401
18 Unearned premiums and fees	543,416	572,810	598,630	623,861	650,454	678,155
19 Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911	20,648
20 Provision for employee future benefits	342,046	385,972	389,570	397,791	405,611	416,618
21 Provision for unpaid claims	1,975,925	2,095,394	2,149,087	2,215,395	2,276,019	2,344,126
22	<b>2,953,914</b>	<b>3,118,093</b>	<b>3,202,115</b>	<b>3,302,862</b>	<b>3,398,715</b>	<b>3,508,841</b>
23 <b>Equity</b>						
24 Retained Earnings	309,812	387,417	433,902	476,192	528,064	566,880
25 Accumulated Other Comprehensive Income	(60,120)	(68,934)	(55,841)	(54,732)	(62,707)	(81,219)
26 <b>Total Equity</b>	<b>249,692</b>	<b>318,483</b>	<b>378,061</b>	<b>421,460</b>	<b>465,357</b>	<b>485,661</b>
27 <b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,436,576</b>	<b>3,580,176</b>	<b>3,724,322</b>	<b>3,864,072</b>	<b>3,994,502</b>

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP  
break even rate change -0.91% (without CMP) & Capital Build Provision + 1.15%**

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

*2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP break even rate change*

Line *-0.91% (without CMP) & Capital Build Provision + 1.15%*

No. *(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	387,417	433,902	476,192	528,064
6	Net Income (Loss) from annual operations	78,837	16,215	3,285	(1,354)	5,779	(4,334)
7	Transfer from Extension Retained Earnings	60,000	61,389	43,200	43,644	46,093	43,150
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>387,417</b>	<b>433,902</b>	<b>476,192</b>	<b>528,064</b>	<b>566,880</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(68,934)	(55,841)	(54,732)	(62,707)
11	Other Comprehensive Income for the Year	(99,990)	(8,814)	13,092	1,109	(7,975)	(18,513)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(68,934)</b>	<b>(55,841)</b>	<b>(54,732)</b>	<b>(62,707)</b>	<b>(81,219)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>318,484</b>	<b>378,061</b>	<b>421,460</b>	<b>465,357</b>	<b>485,661</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	318,484	378,061	421,460	465,357	485,661
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,384	81,307	88,449	81,482
17	Capital Available	<b>203,766</b>	<b>271,092</b>	<b>313,677</b>	<b>340,153</b>	<b>376,908</b>	<b>404,179</b>
18	Minimum Capital Required (100% MCT)	<b>395,393</b>	<b>373,142</b>	<b>389,458</b>	<b>407,380</b>	<b>427,107</b>	<b>452,105</b>
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>72.7%</b>	<b>80.5%</b>	<b>83.5%</b>	<b>88.3%</b>	<b>89.4%</b>



**Appendix 1:**  
**EPF-1 Extension Statement of Operations**  
**2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP**  
**break even rate change -0.91% (without CMP) & Capital Build Provision + 1.15%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP break even rate change*

*-0.91% (without CMP) & Capital Build Provision + 1.15%*

*(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,270	12,934	13,607	14,310	15,077
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,062</b>	<b>170,568</b>	<b>176,024</b>	<b>181,314</b>	<b>186,912</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,333	71,041	72,414	73,730
13	(a) Claims Incurred - Interest Rate Impact	-	146	(59)	(29)	(33)	(22)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,371</b>	<b>69,274</b>	<b>71,012</b>	<b>72,381</b>	<b>73,708</b>
15	Claims Expense	10,491	11,387	10,782	10,760	10,386	11,150
16	Road Safety/Loss Prevention	908	1,163	1,039	1,030	1,017	1,030
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,921</b>	<b>81,095</b>	<b>82,802</b>	<b>83,784</b>	<b>85,888</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,157	9,348	9,378	9,853
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	22
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,800</b>	<b>50,206</b>	<b>51,393</b>	<b>53,087</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>39,991</b>	<b>40,673</b>	<b>43,016</b>	<b>46,137</b>	<b>47,937</b>
25	<b>Investment Income</b>	11,349	6,160	4,320	4,437	4,594	4,726
26	(b) Investment Income - Interest Rate Impact	828	2,787	(183)	(169)	(174)	(123)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,947</b>	<b>4,137</b>	<b>4,268</b>	<b>4,420</b>	<b>4,603</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>48,938</b>	<b>44,810</b>	<b>47,284</b>	<b>50,557</b>	<b>52,540</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,641	(125)	(140)	(141)	(101)

**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP  
break even rate change -0.91% (without CMP) & Capital Build Provision +1.15%**

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

*2020 GRA Base with September 2019 50/50 interest Rates - 2020/21 Basic AAP break even rate change*

Line No. *-0.91% (without CMP) & Capital Build Provision +1.15%*

*(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Total Equity</b>					
4	<b>Retained Earnings</b>					
5	Beginning Balance	102,492	99,213	86,764	88,375	92,015
6	Net Income (Loss) from annual operations	56,721	48,940	44,810	47,285	50,558
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(61,389)	(43,200)	(43,644)	(46,093)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>86,764</b>	<b>88,375</b>	<b>92,015</b>	<b>96,480</b>
9	<b>Total Accumulated Other Comprehensive Income</b>					
10	Beginning Balance	1,097	(4,511)	(6,281)	(5,128)	(5,188)
11	Other Comprehensive Income	(5,608)	(1,770)	1,152	(60)	(861)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,281)</b>	<b>(5,128)</b>	<b>(5,188)</b>	<b>(6,050)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>80,483</b>	<b>83,246</b>	<b>86,827</b>	<b>90,430</b>
14	MCT Ratio (%)	317%	200%	200%	200%	200%

## Appendix 1:

## PF-1 Statement of Operations

2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP  
break even rate change -1.24% (without CMP) & Capital Build Provision +1.18%

## Multi-year - Statement of Operations

2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP break even rate change -1.24% (without CMP) & Capital Build Provision +1.18% (C\$ 000s, rounding may affect totals)		For the Years Ended February,					
		2019A	2020FB	2021F	2022F	2023F	2024F
Line No.							
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,106,670	1,150,590	1,196,746	1,244,909
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,164,517</b>	<b>1,209,978</b>	<b>1,257,678</b>	<b>1,307,038</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,087,055	1,130,258	1,175,379	1,222,613
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,143,890</b>	<b>1,188,726</b>	<b>1,235,387</b>	<b>1,283,990</b>
12	Service Fees & Other Revenues	24,568	26,517	28,371	30,437	32,718	35,233
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,613</b>	<b>1,172,261</b>	<b>1,219,163</b>	<b>1,268,105</b>	<b>1,319,223</b>
14	Claims Incurred	864,389	888,941	925,791	965,007	1,006,119	1,049,324
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(8,994)	(8,896)	253	(34)	3,168
16	(a) Claims Incurred - Interest Rate Impact	40,852	66,506	(57,542)	(33,786)	(41,177)	(25,374)
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>946,453</b>	<b>859,353</b>	<b>931,474</b>	<b>964,908</b>	<b>1,027,118</b>
18	Claims Expense	126,871	136,851	139,324	139,127	138,410	147,954
19	Road Safety/Loss Prevention	11,538	13,977	13,459	13,380	13,650	13,856
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,097,281</b>	<b>1,012,136</b>	<b>1,083,981</b>	<b>1,116,968</b>	<b>1,188,928</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,143	75,298	76,718	81,843
23	Commissions	40,233	42,542	44,462	46,163	47,933	49,772
24	Premium Taxes	31,183	33,187	34,750	36,103	37,512	38,979
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,422	5,514
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>158,681</b>	<b>162,899</b>	<b>167,585</b>	<b>176,108</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(133,097)</b>	<b>1,444</b>	<b>(27,717)</b>	<b>(16,448)</b>	<b>(45,813)</b>
28	<b>Investment Income</b>	194,333	68,649	72,736	74,829	79,093	85,926
29	(b) Investment Income - Interest Rate Impact	14,178	81,081	(69,501)	(45,339)	(49,882)	(34,187)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>149,730</b>	<b>3,235</b>	<b>29,490</b>	<b>29,211</b>	<b>51,739</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>16,633</b>	<b>4,679</b>	<b>1,773</b>	<b>12,763</b>	<b>5,926</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	14,575	(11,959)	(11,553)	(8,705)	(8,813)

## Appendix 1:

## PF-2 Statement of Financial Position

2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP  
break even rate change -1.24% (without CMP) & Capital Build Provision +1.18%

## Multi-year - Statement of Financial Position

2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP break even rate change

Line -1.24% (without CMP) & Capital Build Provision +1.18%

No. (C\$ 000s, rounding may affect totals)

For the Years Ended February,

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Assets</b>					
4	Cash and cash equivalents	161,944	53,969	24,465	-	-
5	Investments	2,426,047	2,836,825	2,921,837	3,017,464	3,080,277
6	Investment property	41,892	20,571	20,224	20,088	20,730
7	Due from other insurance companies	1,495	-	-	-	-
8	Accounts receivable	422,793	369,902	383,638	397,631	412,104
9	Deferred policy acquisition costs	6,063	11,936	22,061	23,081	24,453
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819
12	Deferred development costs	45,926	47,392	64,386	81,319	88,471
13		<b>3,203,606</b>	<b>3,433,499</b>	<b>3,532,119</b>	<b>3,636,177</b>	<b>3,724,854</b>
14	<b>Liabilities</b>					
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518
18	Unearned premiums and fees	543,416	572,810	597,058	622,227	648,755
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911
20	Provision for employee future benefits	342,046	384,972	377,342	379,411	380,948
21	Provision for unpaid claims	1,975,925	2,092,015	2,108,595	2,149,791	2,182,191
22		<b>2,953,914</b>	<b>3,113,714</b>	<b>3,147,823</b>	<b>3,217,244</b>	<b>3,278,525</b>
23	<b>Equity</b>					
24	Retained Earnings	309,812	387,912	435,912	479,779	535,562
25	Accumulated Other Comprehensive Income	(60,120)	(68,127)	(51,615)	(60,847)	(89,234)
26	<b>Total Equity</b>	<b>249,692</b>	<b>319,785</b>	<b>384,297</b>	<b>418,932</b>	<b>446,328</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,433,499</b>	<b>3,532,120</b>	<b>3,636,176</b>	<b>3,724,853</b>

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP  
break even rate change -1.24% (without CMP) & Capital Build Provision +1.18%**

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

*2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP break even rate change*

Line *-1.24% (without CMP) & Capital Build Provision +1.18%*

No. *(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	387,912	435,912	479,779	535,562
6	Net Income (Loss) from annual operations	78,837	16,633	4,679	1,773	12,762	5,924
7	Transfer from Extension Retained Earnings	60,000	61,467	43,320	42,095	43,020	38,555
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>387,912</b>	<b>435,912</b>	<b>479,779</b>	<b>535,562</b>	<b>580,041</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(68,127)	(51,615)	(60,847)	(89,234)
11	Other Comprehensive Income for the Year	(99,990)	(8,008)	16,512	(9,232)	(28,387)	(50,158)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(68,127)</b>	<b>(51,615)</b>	<b>(60,847)</b>	<b>(89,234)</b>	<b>(139,391)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>319,785</b>	<b>384,297</b>	<b>418,933</b>	<b>446,328</b>	<b>440,650</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	319,785	384,297	418,933	446,328	440,650
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,386	81,319	88,471	81,511
17	Capital Available	<b>203,766</b>	<b>272,393</b>	<b>319,911</b>	<b>337,614</b>	<b>357,857</b>	<b>359,139</b>
18	Minimum Capital Required (100% MCT)	<b>395,393</b>	<b>372,918</b>	<b>386,449</b>	<b>402,876</b>	<b>421,128</b>	<b>446,084</b>
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>73.0%</b>	<b>82.8%</b>	<b>83.8%</b>	<b>85.0%</b>	<b>80.5%</b>

**Appendix 1:**  
**EPF-1 Extension Statement of Operations**  
**2020 GRA Base with September 2019 SIFR interest Rates - 2020/21 Basic AAP**  
**break even rate change -1.24% (without CMP) & Capital Build Provision +1.18%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 SIFR interest Rates - 2020/21 Basic AAP break even rate change*

Line No. *-1.24% (without CMP) & Capital Build Provision +1.18%*

*(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,278	13,022	13,725	14,446	15,231
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,070</b>	<b>170,656</b>	<b>176,142</b>	<b>181,450</b>	<b>187,066</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,333	71,041	72,414	73,730
13	(a) Claims Incurred - Interest Rate Impact	-	141	(105)	(57)	(64)	(42)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,366</b>	<b>69,228</b>	<b>70,984</b>	<b>72,350</b>	<b>73,688</b>
15	Claims Expense	10,491	11,387	10,785	10,863	10,536	11,360
16	Road Safety/Loss Prevention	908	1,163	1,039	1,041	1,033	1,052
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,916</b>	<b>81,052</b>	<b>82,888</b>	<b>83,919</b>	<b>86,100</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,157	9,395	9,445	9,949
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	17	23
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,800</b>	<b>50,253</b>	<b>51,461</b>	<b>53,184</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>40,004</b>	<b>40,804</b>	<b>43,001</b>	<b>46,070</b>	<b>47,782</b>
25	<b>Investment Income</b>	11,349	6,157	3,994	4,316	4,502	4,795
26	(b) Investment Income - Interest Rate Impact	828	2,709	(317)	(277)	(278)	(181)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,866</b>	<b>3,677</b>	<b>4,039</b>	<b>4,224</b>	<b>4,614</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>48,870</b>	<b>44,481</b>	<b>47,040</b>	<b>50,294</b>	<b>52,396</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,568	(213)	(220)	(214)	(139)

**Appendix 1:**  
**EPF-3 Extension Statement of Changes in Equity**  
**2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP**  
**break even rate change -1.24% (without CMP) & Capital Build Provision +1.18%**

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

*2020 GRA Base with September 2019 SIRF interest Rates - 2020/21 Basic AAP break even rate change*

Line No. *-1.24% (without CMP) & Capital Build Provision +1.18%*

*(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Total Equity</b>					
4	<b>Retained Earnings</b>					
5	Beginning Balance	102,492	99,213	86,618	87,780	92,725
6	Net Income (Loss) from annual operations	56,721	48,872	44,481	47,040	50,296
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(61,467)	(43,320)	(42,095)	(43,020)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>86,618</b>	<b>87,780</b>	<b>92,725</b>	<b>100,001</b>
9	<b>Total Accumulated Other Comprehensive Income</b>					
10	Beginning Balance	1,097	(4,511)	(6,179)	(4,665)	(5,665)
11	Other Comprehensive Income	(5,608)	(1,668)	1,514	(1,000)	(2,776)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,179)</b>	<b>(4,665)</b>	<b>(5,665)</b>	<b>(8,441)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>80,440</b>	<b>83,115</b>	<b>87,060</b>	<b>91,559</b>
14	MCT Ratio (%)	317%	200%	200%	200%	200%

**Appendix 1:**  
**PF-1 Statement of Operations**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change +1.48% (with CMP)**

**Multi-year - Statement of Operations**

Line No.	<i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change +1.48% (with CMP)</i> <i>(C\$ 000s, rounding may affect totals)</i>	<i>For the Years Ended February,</i>					
1		2019A	2020FB	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,124,039	1,168,643	1,215,518	1,264,435
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,181,886</b>	<b>1,228,031</b>	<b>1,276,450</b>	<b>1,326,564</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,096,383	1,147,994	1,193,818	1,241,789
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,153,218</b>	<b>1,206,462</b>	<b>1,253,826</b>	<b>1,303,166</b>
12	Service Fees & Other Revenues	24,568	26,513	28,674	30,712	32,954	35,419
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,609</b>	<b>1,181,892</b>	<b>1,237,174</b>	<b>1,286,780</b>	<b>1,338,585</b>
14	Claims Incurred	864,389	888,941	926,004	967,431	1,009,863	1,054,476
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(8,844)	(13,162)	2,935	3,251	5,754
16	(a) Claims Incurred - Interest Rate Impact	40,852	73,367	18,556	17,264	16,257	15,603
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>953,464</b>	<b>931,398</b>	<b>987,630</b>	<b>1,029,371</b>	<b>1,075,833</b>
18	Claims Expense	126,871	136,851	139,351	139,443	138,918	148,697
19	Road Safety/Loss Prevention	11,538	13,977	13,462	13,415	13,707	13,941
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,104,292</b>	<b>1,084,211</b>	<b>1,140,488</b>	<b>1,181,996</b>	<b>1,238,471</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,157	75,452	76,968	82,214
23	Commissions	40,233	42,542	44,703	46,739	48,532	50,395
24	Premium Taxes	31,183	33,187	35,030	36,636	38,065	39,554
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,423	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>159,216</b>	<b>164,162</b>	<b>168,988</b>	<b>177,679</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(140,112)</b>	<b>(61,535)</b>	<b>(67,476)</b>	<b>(64,204)</b>	<b>(77,565)</b>
28	<b>Investment Income</b>	<b>194,333</b>	<b>68,553</b>	<b>73,133</b>	<b>72,767</b>	<b>73,439</b>	<b>75,151</b>
29	(b) Investment Income - Interest Rate Impact	14,178	87,543	(134)	(157)	(189)	(229)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>156,096</b>	<b>72,999</b>	<b>72,610</b>	<b>73,250</b>	<b>74,922</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>15,984</b>	<b>11,464</b>	<b>5,134</b>	<b>9,046</b>	<b>(2,643)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	14,176	(18,690)	(17,421)	(16,446)	(15,832)



**Appendix 1:**  
**PF-2 Statement of Financial Position**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change +1.48% (with CMP)**

**Multi-year - Statement of Financial Position**

Line No.	<i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change +1.48% (with CMP)</i> <i>(C\$ 000s, rounding may affect totals)</i>	<i>For the Years Ended February,</i>					
1		2019A	2020FB	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Assets</b>						
4	Cash and cash equivalents	161,944	53,904	39,388	25,227	11,292	-
5	Investments	2,426,047	2,843,497	3,011,317	3,192,825	3,391,728	3,593,747
6	Investment property	41,892	20,571	20,224	20,088	20,730	21,607
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	369,902	388,245	402,419	417,083	432,266
9	Deferred policy acquisition costs	6,063	11,786	26,680	25,038	23,146	18,811
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819	102,795
12	Deferred development costs	45,926	47,392	64,383	81,296	88,428	81,455
13		<b>3,203,606</b>	<b>3,439,956</b>	<b>3,645,745</b>	<b>3,843,487</b>	<b>4,051,226</b>	<b>4,250,681</b>
14	<b>Liabilities</b>						
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211	44,902
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518	2,401
18	Unearned premiums and fees	543,416	572,810	605,099	630,584	657,446	685,427
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911	20,648
20	Provision for employee future benefits	342,046	386,990	401,931	416,927	432,057	447,716
21	Provision for unpaid claims	1,975,925	2,098,877	2,191,767	2,286,438	2,380,016	2,472,825
22		<b>2,953,914</b>	<b>3,122,594</b>	<b>3,263,625</b>	<b>3,399,764</b>	<b>3,536,150</b>	<b>3,675,910</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	387,097	442,056	492,148	550,595	595,491
25	Accumulated Other Comprehensive Income	(60,120)	(69,735)	(59,935)	(48,425)	(35,519)	(20,720)
26	<b>Total Equity</b>	<b>249,692</b>	<b>317,362</b>	<b>382,121</b>	<b>443,723</b>	<b>515,076</b>	<b>574,771</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,439,956</b>	<b>3,645,746</b>	<b>3,843,487</b>	<b>4,051,226</b>	<b>4,250,681</b>

**Appendix 1:**  
**PF-3 Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change +1.48% (with CMP)**

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

Line No.		<i>For the Years Ended February,</i>					
<i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change +1.48% (with CMP)</i>		2019A	2020FB	2021F	2022F	2023F	2024F
<i>(C\$ 000s, rounding may affect totals)</i>		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
1							
2	<b>BASIC</b>						
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	387,097	442,056	492,148	550,595
6	Net Income (Loss) from annual operations	78,837	15,984	11,465	5,134	9,045	(2,644)
7	Transfer from Extension Retained Earnings	60,000	61,300	43,494	44,958	49,402	47,540
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>387,097</b>	<b>442,056</b>	<b>492,148</b>	<b>550,595</b>	<b>595,491</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(69,735)	(59,935)	(48,425)	(35,519)
11	Other Comprehensive Income for the Year	(99,990)	(9,616)	9,800	11,510	12,906	14,799
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(69,735)</b>	<b>(59,935)</b>	<b>(48,425)</b>	<b>(35,519)</b>	<b>(20,720)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>317,362</b>	<b>382,121</b>	<b>443,723</b>	<b>515,077</b>	<b>574,772</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	317,362	382,121	443,723	515,077	574,772
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,383	81,296	88,428	81,455
17	<b>Capital Available</b>	<b>203,766</b>	<b>269,970</b>	<b>317,738</b>	<b>362,427</b>	<b>426,649</b>	<b>493,317</b>
18	Minimum Capital Required (100% MCT)	395,393	373,409	394,428	414,948	437,423	468,287
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>72.3%</b>	<b>80.6%</b>	<b>87.3%</b>	<b>97.5%</b>	<b>105.4%</b>

**Appendix 1:**  
**EPF-1 Extension Statement of Operations**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change +1.48% (with CMP)**

**Multi-year - Statement of Operations**

Line No. <i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change +1.48% (with CMP)</i> <i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,262	12,844	13,485	14,180	14,931
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,054</b>	<b>170,478</b>	<b>175,902</b>	<b>181,184</b>	<b>186,766</b>
12	<b>Net Claims Incurred</b>	65,685	68,224	69,333	71,041	72,413	73,730
13	(a) Claims Incurred - Interest Rate Impact	-	151	(7)	(7)	8	(2)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,375</b>	<b>69,326</b>	<b>71,034</b>	<b>72,421</b>	<b>73,728</b>
15	Claims Expense	10,491	11,387	10,770	10,669	10,235	10,925
16	Road Safety/Loss Prevention	908	1,163	1,037	1,021	1,002	1,006
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,925</b>	<b>81,133</b>	<b>82,724</b>	<b>83,658</b>	<b>85,659</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,151	9,308	9,310	9,750
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	22
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,794</b>	<b>50,166</b>	<b>51,325</b>	<b>52,984</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>39,979</b>	<b>40,551</b>	<b>43,012</b>	<b>46,201</b>	<b>48,123</b>
25	<b>Investment Income</b>	11,349	6,163	4,648	4,487	4,670	4,575
26	(b) Investment Income - Interest Rate Impact	828	2,874	(48)	(54)	(57)	(56)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>9,037</b>	<b>4,600</b>	<b>4,433</b>	<b>4,613</b>	<b>4,519</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>49,016</b>	<b>45,151</b>	<b>47,445</b>	<b>50,814</b>	<b>52,642</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,724	(41)	(47)	(65)	(54)

**Appendix 1:**  
**EPF-3 Extension Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP**  
**break even rate change + 1.48% (with CMP)**

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

Line No.	<i>2020 GRA Base with September 2019 Naive interest Rates - 2020/21 Basic AAP break even rate change + 1.48% (with CMP)</i>	<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	86,930	88,587	91,076	92,488
6	Net Income (Loss) from annual operations	56,721	49,017	45,152	47,447	50,814	52,643
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(61,300)	(43,494)	(44,958)	(49,402)	(47,540)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>86,930</b>	<b>88,587</b>	<b>91,076</b>	<b>92,488</b>	<b>97,591</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(6,383)	(5,590)	(4,710)	(3,713)
11	Other Comprehensive Income	(5,608)	(1,872)	793	880	997	1,327
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,383)</b>	<b>(5,590)</b>	<b>(4,710)</b>	<b>(3,713)</b>	<b>(2,386)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>80,547</b>	<b>82,997</b>	<b>86,367</b>	<b>88,775</b>	<b>95,205</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

## Appendix 1:

## PF-1 Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP  
break even rate change +0.66% (without CMP)

## Multi-year - Statement of Operations

Line No.		2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP break even rate change +0.66% (without CMP)					
		For the Years Ended February,					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,114,805	1,159,045	1,205,538	1,254,054
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,172,652</b>	<b>1,218,433</b>	<b>1,266,470</b>	<b>1,316,183</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,091,424	1,138,564	1,184,014	1,231,594
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,148,259</b>	<b>1,197,032</b>	<b>1,244,022</b>	<b>1,292,971</b>
12	Service Fees & Other Revenues	24,568	26,514	28,490	30,509	32,731	35,172
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,610</b>	<b>1,176,749</b>	<b>1,227,541</b>	<b>1,276,753</b>	<b>1,328,143</b>
14	Claims Incurred	864,389	888,941	928,793	970,034	1,012,000	1,056,240
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(3,720)	(8,762)	3,467	3,954	6,532
16	(a) Claims Incurred - Interest Rate Impact	40,852	163,983	15,311	3,442	3,426	3,474
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>1,049,204</b>	<b>935,342</b>	<b>976,943</b>	<b>1,019,380</b>	<b>1,066,246</b>
18	Claims Expense	126,871	136,851	139,741	139,841	139,244	148,972
19	Road Safety/Loss Prevention	11,538	13,977	13,505	13,459	13,744	13,973
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,200,032</b>	<b>1,088,588</b>	<b>1,130,243</b>	<b>1,172,368</b>	<b>1,229,191</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,344	75,646	77,131	82,352
23	Commissions	40,233	42,542	44,575	46,433	48,213	50,064
24	Premium Taxes	31,183	33,187	34,881	36,353	37,771	39,249
25	Regulatory/Appeal	4,315	5,315	5,327	5,335	5,424	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>159,127</b>	<b>163,767</b>	<b>168,539</b>	<b>177,181</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(235,851)</b>	<b>(70,966)</b>	<b>(66,469)</b>	<b>(64,154)</b>	<b>(78,229)</b>
28	Investment Income	194,333	65,348	70,502	67,991	66,905	67,028
29	(b) Investment Income - Interest Rate Impact	14,178	175,543	(133)	(158)	(192)	(229)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>240,891</b>	<b>70,369</b>	<b>67,833</b>	<b>66,713</b>	<b>66,799</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>5,040</b>	<b>(597)</b>	<b>1,364</b>	<b>2,559</b>	<b>(11,430)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	11,560	(15,444)	(3,600)	(3,618)	(3,703)

**Appendix 1:**  
**PF-2 Statement of Financial Position**  
**2020 GRA Base with September 2019 Naive interest Rate Shock -50bps -**  
**2020/21 Basic AAP break even rate change +0.66% (without CMP)**

**Multi-year - Statement of Financial Position**

*2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP*

Line *break even rate change +0.66% (without CMP)*

No. *(C\$ 000s, rounding may affect totals)*

*For the Years Ended February,*

1	2019A	2020FB	2021F	2022F	2023F	2024F
2 <b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3 <b>Assets</b>						
4 Cash and cash equivalents	161,944	53,267	51,468	50,271	49,426	48,780
5 Investments	2,426,047	2,937,773	3,102,131	3,275,207	3,462,615	3,653,688
6 Investment property	41,892	20,571	20,224	20,088	20,730	21,607
7 Due from other insurance companies	1,495	-	-	-	-	-
8 Accounts receivable	422,793	369,902	385,795	399,873	414,436	429,513
9 Deferred policy acquisition costs	6,063	6,662	16,888	14,704	12,098	6,973
10 Reinsurers' share of unpaid claims	8,463	-	-	-	-	-
11 Property and equipment	88,983	92,904	95,508	96,594	98,819	102,795
12 Deferred development costs	45,926	47,392	64,345	81,231	88,351	81,373
13	<b>3,203,606</b>	<b>3,528,471</b>	<b>3,736,359</b>	<b>3,937,968</b>	<b>4,146,475</b>	<b>4,344,729</b>
14 <b>Liabilities</b>						
15 Due to other insurance companies	2,066	1,991	1,991	1,991	1,991	1,991
16 Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211	44,902
17 Financing lease obligation	3,081	2,843	2,743	2,634	2,518	2,401
18 Unearned premiums and fees	543,416	572,810	600,824	626,141	652,825	680,622
19 Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911	20,648
20 Provision for employee future benefits	342,046	416,559	431,357	446,113	460,950	476,273
21 Provision for unpaid claims	1,975,925	2,189,492	2,281,927	2,365,378	2,448,262	2,530,705
22	<b>2,953,914</b>	<b>3,242,778</b>	<b>3,378,936</b>	<b>3,503,447</b>	<b>3,628,668</b>	<b>3,757,542</b>
23 <b>Equity</b>						
24 Retained Earnings	309,812	375,372	423,948	476,192	533,233	574,788
25 Accumulated Other Comprehensive Income	(60,120)	(89,678)	(66,523)	(41,671)	(15,426)	12,399
26 <b>Total Equity</b>	<b>249,692</b>	<b>285,694</b>	<b>357,425</b>	<b>434,521</b>	<b>517,807</b>	<b>587,187</b>
27 <b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,528,472</b>	<b>3,736,361</b>	<b>3,937,968</b>	<b>4,146,475</b>	<b>4,344,729</b>

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 Naive interest Rate Shock -50bps  
- 2020/21 Basic AAP break even rate change +0.66% (without CMP)**

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

Line No.		<i>For the Years Ended February,</i>					
<i>2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP break even rate change +0.66% (without CMP)</i>		2019A	2020FB	2021F	2022F	2023F	2024F
<i>(C\$ 000s, rounding may affect totals)</i>		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
1							
2	<b>BASIC</b>						
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	375,372	423,948	476,192	533,233
6	Net Income (Loss) from annual operations	78,837	5,040	(597)	1,365	2,559	(11,431)
7	Transfer from Extension Retained Earnings	60,000	60,519	49,172	50,879	54,482	52,986
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>375,372</b>	<b>423,948</b>	<b>476,192</b>	<b>533,233</b>	<b>574,788</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(89,678)	(66,523)	(41,671)	(15,426)
11	Other Comprehensive Income for the Year	(99,990)	(29,559)	23,155	24,852	26,246	27,825
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(89,678)</b>	<b>(66,523)</b>	<b>(41,671)</b>	<b>(15,426)</b>	<b>12,399</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>285,694</b>	<b>357,424</b>	<b>434,520</b>	<b>517,808</b>	<b>587,188</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	285,694	357,424	434,520	517,808	587,188
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,345	81,231	88,351	81,373
17	<b>Capital Available</b>	<b>203,766</b>	<b>238,302</b>	<b>293,079</b>	<b>353,289</b>	<b>429,457</b>	<b>505,815</b>
18	Minimum Capital Required (100% MCT)	395,393	380,295	399,755	419,451	440,883	472,523
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>62.7%</b>	<b>73.3%</b>	<b>84.2%</b>	<b>97.4%</b>	<b>107.1%</b>

**Appendix 1:**  
**EPF-1 Extension Statement of Operations**  
**2020 GRA Base with September 2019 Naive interest Rate Shock -50bps**  
**- 2020/21 Basic AAP break even rate change +0.66% (without CMP)**

**Multi-year - Statement of Operations**

Line No.		<i>2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP break even rate change +0.66% (without CMP)</i>					
<i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,261	12,844	13,485	14,179	14,931
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,053</b>	<b>170,478</b>	<b>175,902</b>	<b>181,183</b>	<b>186,766</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,328	71,040	72,414	73,729
13	(a) Claims Incurred - Interest Rate Impact	-	268	(7)	5	(1)	(0)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,493</b>	<b>69,321</b>	<b>71,045</b>	<b>72,413</b>	<b>73,729</b>
15	Claims Expense	10,491	11,387	10,538	10,427	10,043	10,761
16	Road Safety/Loss Prevention	908	1,163	1,015	997	982	989
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>81,043</b>	<b>80,874</b>	<b>82,469</b>	<b>83,438</b>	<b>85,479</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,050	9,201	9,222	9,674
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	10	16	21
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,693</b>	<b>50,058</b>	<b>51,237</b>	<b>52,907</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>39,860</b>	<b>40,911</b>	<b>43,375</b>	<b>46,508</b>	<b>48,380</b>
25	<b>Investment Income</b>	11,349	5,815	4,837	4,478	4,343	4,080
26	(b) Investment Income - Interest Rate Impact	828	4,383	(52)	(58)	(60)	(57)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>10,198</b>	<b>4,785</b>	<b>4,420</b>	<b>4,283</b>	<b>4,023</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>50,058</b>	<b>45,696</b>	<b>47,795</b>	<b>50,791</b>	<b>52,403</b>
30	Total net Impact due to interest rate change (b) - (a)	828	4,114	(44)	(62)	(59)	(57)



**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 Naive interest Rate Shock -50bps  
- 2020/21 Basic AAP break even rate change +0.66% (without CMP)**

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

Line <i>2020 GRA Base with September 2019 Naive interest Rate Shock -50bps - 2020/21 Basic AAP break even rate change +0.66% (without CMP)</i>		<i>For the Years Ended February,</i>					
No. <i>(C\$ 000s, rounding may affect totals)</i>		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	88,753	85,280	82,197	78,508
6	Net Income (Loss) from annual operations	56,721	50,059	45,699	47,796	50,793	52,402
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(60,519)	(49,172)	(50,879)	(54,482)	(52,986)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>88,753</b>	<b>85,280</b>	<b>82,197</b>	<b>78,508</b>	<b>77,924</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(7,142)	(2,667)	1,824	6,459
11	Other Comprehensive Income	(5,608)	(2,631)	4,476	4,490	4,635	4,943
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(7,142)</b>	<b>(2,667)</b>	<b>1,824</b>	<b>6,459</b>	<b>11,401</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>81,611</b>	<b>82,614</b>	<b>84,021</b>	<b>84,967</b>	<b>89,325</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**Appendix 1:**  
**PF-1 Statement of Operations**  
**2020 GRA Base with September 2019 Naive interest Rate Shock +50bps**  
**- 2020/21 Basic AAP break even rate change -1.72% (without CMP) & Capital Build 2.47%**

**Multi-year - Statement of Operations**

<i>2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change</i>							
<i>-1.72% (without CMP) &amp; Capital Build 2.47%</i>							
<i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,115,829	1,160,109	1,206,644	1,255,205
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,173,676</b>	<b>1,219,497</b>	<b>1,267,576</b>	<b>1,317,334</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,091,974	1,139,610	1,185,102	1,232,725
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,148,809</b>	<b>1,198,078</b>	<b>1,245,110</b>	<b>1,294,102</b>
12	Service Fees & Other Revenues	24,568	26,511	28,507	30,527	32,752	35,198
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,607</b>	<b>1,177,316</b>	<b>1,228,605</b>	<b>1,277,862</b>	<b>1,329,300</b>
14	Claims Incurred	864,389	888,941	923,441	964,845	1,007,262	1,051,848
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(13,522)	(9,850)	2,572	2,995	5,438
16	(a) Claims Incurred - Interest Rate Impact	40,852	(9,129)	14,916	13,413	12,534	11,875
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>866,290</b>	<b>928,507</b>	<b>980,830</b>	<b>1,022,791</b>	<b>1,069,161</b>
18	Claims Expense	126,871	136,851	139,000	139,085	138,561	148,324
19	Road Safety/Loss Prevention	11,538	13,977	13,424	13,376	13,667	13,899
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,017,118</b>	<b>1,080,931</b>	<b>1,133,291</b>	<b>1,175,019</b>	<b>1,231,384</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	73,989	75,278	76,792	82,029
23	Commissions	40,233	42,542	44,589	46,467	48,249	50,101
24	Premium Taxes	31,183	33,187	34,897	36,384	37,804	39,283
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,423	5,515
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>158,801</b>	<b>163,464</b>	<b>168,268</b>	<b>176,928</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(52,940)</b>	<b>(62,416)</b>	<b>(68,150)</b>	<b>(65,425)</b>	<b>(79,012)</b>
28	<b>Investment Income</b>	194,333	71,480	75,704	77,216	79,320	82,201
29	(b) Investment Income - Interest Rate Impact	14,178	5,906	(135)	(156)	(186)	(227)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>77,386</b>	<b>75,569</b>	<b>77,060</b>	<b>79,134</b>	<b>81,974</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>24,446</b>	<b>13,153</b>	<b>8,910</b>	<b>13,709</b>	<b>2,962</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	15,035	(15,051)	(13,569)	(12,720)	(12,102)

**Appendix 1:**  
**PF-2 Statement of Financial Position**  
**2020 GRA Base with September 2019 Naive interest Rate Shock +50bps**  
**- 2020/21 Basic AAP break even rate change -1.72% (without CMP) & Capital Build 2.47%**

**Multi-year - Statement of Financial Position**

<i>2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change</i>							
<i>-1.72% (without CMP) &amp; Capital Build 2.47%</i>							
<i>(C\$ 000s, rounding may affect totals)</i>		<i>For the Years Ended February,</i>					
Line No.		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Assets</b>						
4	Cash and cash equivalents	161,944	54,485	28,196	1,974	-	-
5	Investments	2,426,047	2,756,115	2,915,031	3,088,409	3,256,199	3,429,033
6	Investment property	41,892	20,571	20,224	20,088	20,730	21,607
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	369,902	386,067	400,156	414,729	429,818
9	Deferred policy acquisition costs	6,063	16,464	27,808	26,520	24,874	20,844
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819	102,795
12	Deferred development costs	45,926	47,392	64,418	81,354	88,500	81,533
13		<b>3,203,606</b>	<b>3,357,833</b>	<b>3,537,252</b>	<b>3,715,095</b>	<b>3,903,851</b>	<b>4,085,630</b>
14	<b>Liabilities</b>						
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211	44,902
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518	2,401
18	Unearned premiums and fees	543,416	572,810	601,298	626,634	653,338	681,154
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911	20,648
20	Provision for employee future benefits	342,046	357,702	372,789	388,024	403,455	419,453
21	Provision for unpaid claims	1,975,925	2,016,381	2,103,068	2,191,301	2,278,555	2,365,007
22		<b>2,953,914</b>	<b>3,010,810</b>	<b>3,141,983</b>	<b>3,271,774</b>	<b>3,401,979</b>	<b>3,535,556</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	396,318	447,127	496,015	554,010	599,586
25	Accumulated Other Comprehensive Income	(60,120)	(49,295)	(51,857)	(52,695)	(52,136)	(49,510)
26	<b>Total Equity</b>	<b>249,692</b>	<b>347,023</b>	<b>395,270</b>	<b>443,320</b>	<b>501,874</b>	<b>550,076</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,357,833</b>	<b>3,537,253</b>	<b>3,715,094</b>	<b>3,903,853</b>	<b>4,085,632</b>

Appendix 1:

PF-3 Statement of Changes in Equity

2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change -1.72% (without CMP) & Capital Build 2.47%

Multi-year - Statement of Changes in Equity

2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change

Line -1.72% (without CMP) & Capital Build 2.47%

No. (C\$ 000s, rounding may affect totals)

		For the Years Ended February,					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	396,318	447,127	496,015	554,010
6	Net Income (Loss) from annual operations	78,837	24,446	13,152	8,912	13,709	2,963
7	Transfer from Extension Retained Earnings	60,000	62,060	37,657	39,977	44,285	42,613
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>396,318</b>	<b>447,127</b>	<b>496,015</b>	<b>554,010</b>	<b>599,586</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(49,295)	(51,857)	(52,695)	(52,136)
11	Other Comprehensive Income for the Year	(99,990)	10,824	(2,562)	(838)	559	2,626
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(49,295)</b>	<b>(51,857)</b>	<b>(52,695)</b>	<b>(52,136)</b>	<b>(49,510)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>347,023</b>	<b>395,270</b>	<b>443,321</b>	<b>501,874</b>	<b>550,076</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	347,023	395,270	443,321	501,874	550,076
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,418	81,354	88,500	81,533
17	<b>Capital Available</b>	<b>203,766</b>	<b>299,631</b>	<b>330,852</b>	<b>361,967</b>	<b>413,374</b>	<b>468,543</b>
18	Minimum Capital Required (100% MCT)	395,393	366,981	386,657	406,735	428,826	457,286
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>81.7%</b>	<b>85.6%</b>	<b>89.0%</b>	<b>96.4%</b>	<b>102.5%</b>

## Appendix 1:

## EPF-1 Extension Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP  
break even rate change -1.72% (without CMP) & Capital Build 2.47%

## Multi-year - Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change

Line No. -1.72% (without CMP) &amp; Capital Build 2.47%

(C\$ 000s, rounding may affect totals)

For the Years Ended February,

1		2019A	2020FB	2021F	2022F	2023F	2024F
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>	<b>174,204</b>
6	<b>Net Premiums Earned</b>						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,263	12,846	13,486	14,180	14,930
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,055</b>	<b>170,480</b>	<b>175,903</b>	<b>181,184</b>	<b>186,765</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,338	71,041	72,414	73,730
13	(a) Claims Incurred - Interest Rate Impact	-	26	(14)	(0)	3	(5)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,251</b>	<b>69,324</b>	<b>71,041</b>	<b>72,417</b>	<b>73,725</b>
15	Claims Expense	10,491	11,387	11,000	10,893	10,446	11,150
16	Road Safety/Loss Prevention	908	1,163	1,060	1,044	1,023	1,030
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,801</b>	<b>81,384</b>	<b>82,978</b>	<b>83,886</b>	<b>85,905</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,307	9,251	9,408	9,405	9,853
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	22
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,894</b>	<b>50,266</b>	<b>51,420</b>	<b>53,087</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>40,104</b>	<b>40,202</b>	<b>42,659</b>	<b>45,878</b>	<b>47,773</b>
25	<b>Investment Income</b>	11,349	6,467	4,506	4,671	5,026	5,173
26	(b) Investment Income - Interest Rate Impact	828	1,440	(43)	(50)	(55)	(54)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>7,907</b>	<b>4,463</b>	<b>4,621</b>	<b>4,971</b>	<b>5,119</b>
28	Gain (Loss) on Sale of Property	115					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>48,011</b>	<b>44,665</b>	<b>47,280</b>	<b>50,849</b>	<b>52,892</b>
30	Total net Impact due to interest rate change (b) - (a)	828	1,414	(29)	(50)	(58)	(49)

**Appendix 1:**  
**EPF-3 Extension Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP**  
**break even rate change -1.72% (without CMP) & Capital Build 2.47%**

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

*2020 GRA Base with September 2019 Naive interest Rate Shock +50bps - 2020/21 Basic AAP break even rate change*

Line *-1.72% (without CMP) & Capital Build 2.47%*

No. *(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	85,166	92,175	99,480	106,044
6	Net Income (Loss) from annual operations	56,721	48,012	44,666	47,281	50,849	52,893
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(62,060)	(37,657)	(39,977)	(44,285)	(42,613)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>85,166</b>	<b>92,175</b>	<b>99,480</b>	<b>106,044</b>	<b>116,324</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(5,495)	(8,141)	(10,681)	(13,067)
11	Other Comprehensive Income	(5,608)	(984)	(2,646)	(2,540)	(2,387)	(2,038)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(5,495)</b>	<b>(8,141)</b>	<b>(10,681)</b>	<b>(13,067)</b>	<b>(15,105)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>79,671</b>	<b>84,035</b>	<b>88,799</b>	<b>92,977</b>	<b>101,219</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**Appendix 1:**  
**PF-1 Statement of Operations**  
**2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP**  
**break even rate change 0.06% (without CMP) & Capital Build 0.53%**

**Multi-year - Statement of Operations**

12.75

*2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP break even rate change*

Line *0.06% (without CMP) & Capital Build 0.53%*

No. *(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,113,966	1,158,173	1,204,631	1,253,111
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,171,813</b>	<b>1,217,561</b>	<b>1,265,563</b>	<b>1,315,240</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,090,973	1,137,708	1,183,124	1,230,668
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,147,808</b>	<b>1,196,176</b>	<b>1,243,132</b>	<b>1,292,045</b>
12	Service Fees & Other Revenues	24,568	26,513	28,472	30,489	32,709	35,147
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,609</b>	<b>1,176,280</b>	<b>1,226,665</b>	<b>1,275,841</b>	<b>1,327,192</b>
14	Claims Incurred	864,389	888,942	927,369	968,791	1,011,216	1,055,861
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(6,341)	(8,563)	3,220	3,722	6,210
16	(a) Claims Incurred - Interest Rate Impact	40,852	117,596	19,919	18,795	18,862	8,194
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>1,000,197</b>	<b>938,725</b>	<b>990,806</b>	<b>1,033,800</b>	<b>1,070,265</b>
18	Claims Expense	126,871	136,851	139,546	139,663	139,135	148,918
19	Road Safety/Loss Prevention	11,538	13,977	13,483	13,440	13,732	13,966
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,151,025</b>	<b>1,091,754</b>	<b>1,143,909</b>	<b>1,186,667</b>	<b>1,233,149</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,250	75,559	77,077	82,324
23	Commissions	40,233	42,542	44,563	46,405	48,184	50,034
24	Premium Taxes	31,183	33,187	34,867	36,327	37,744	39,221
25	Regulatory/Appeal	4,315	5,315	5,327	5,335	5,424	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>159,007</b>	<b>163,626</b>	<b>168,429</b>	<b>177,095</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(186,845)</b>	<b>(74,481)</b>	<b>(80,870)</b>	<b>(79,255)</b>	<b>(83,052)</b>
28	<b>Investment Income</b>	194,333	66,985	71,779	70,235	71,279	70,689
29	(b) Investment Income - Interest Rate Impact	14,178	130,746	(133)	(158)	(185)	(219)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>197,731</b>	<b>71,646</b>	<b>70,077</b>	<b>71,094</b>	<b>70,470</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>10,886</b>	<b>(2,835)</b>	<b>(10,793)</b>	<b>(8,161)</b>	<b>(12,582)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	13,150	(20,052)	(18,953)	(19,047)	(8,413)

## Appendix 1:

## PF-2 Statement of Financial Position

2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP  
break even rate change 0.06% (without CMP) & Capital Build 0.53%

## Multi-year - Statement of Financial Position

12.8

*2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP break even rate change*Line *0.06% (without CMP) & Capital Build 0.53%*No. *(C\$ 000s, rounding may affect totals)**For the Years Ended February,*

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Assets</b>					
4	Cash and cash equivalents	161,944	53,593	45,289	37,455	30,052
5	Investments	2,426,047	2,889,796	3,051,563	3,223,275	3,410,233
6	Investment property	41,892	20,571	20,224	20,088	20,730
7	Due from other insurance companies	1,495	-	-	-	-
8	Accounts receivable	422,793	369,902	385,573	399,642	414,195
9	Deferred policy acquisition costs	6,063	9,284	19,286	17,349	14,974
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819
12	Deferred development costs	45,926	47,392	64,364	81,262	88,386
13		<b>3,203,606</b>	<b>3,483,442</b>	<b>3,681,807</b>	<b>3,875,665</b>	<b>4,077,389</b>
14	<b>Liabilities</b>					
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518
18	Unearned premiums and fees	543,416	572,810	600,435	625,738	652,406
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911
20	Provision for employee future benefits	342,046	401,739	416,610	431,486	446,466
21	Provision for unpaid claims	1,975,925	2,143,106	2,238,724	2,336,285	2,433,821
22		<b>2,953,914</b>	<b>3,181,572</b>	<b>3,320,597</b>	<b>3,459,324</b>	<b>3,599,324</b>
23	<b>Equity</b>					
24	Retained Earnings	309,812	381,638	424,627	461,700	505,717
25	Accumulated Other Comprehensive Income	(60,120)	(79,769)	(63,416)	(45,358)	(27,651)
26	<b>Total Equity</b>	<b>249,692</b>	<b>301,869</b>	<b>361,211</b>	<b>416,342</b>	<b>478,066</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,483,441</b>	<b>3,681,808</b>	<b>3,875,666</b>	<b>4,077,390</b>



## Appendix 1:

## PF-3 Statement of Changes in Equity

2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP  
break even rate change 0.06% (without CMP) & Capital Build 0.53%

## Multi-year - Statement of Changes in Equity

12.8		<i>2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP break even rate change</i>					
Line		<i>0.06% (without CMP) &amp; Capital Build 0.53%</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		2019A	2020FB	2021F	2022F	2023F	2024F
2		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	381,638	424,627	461,700	505,717
6	Net Income (Loss) from annual operations	78,837	10,888	(2,835)	(10,793)	(8,162)	(12,584)
7	Transfer from Extension Retained Earnings	60,000	60,938	45,825	47,866	52,179	50,413
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>381,638</b>	<b>424,627</b>	<b>461,700</b>	<b>505,717</b>	<b>543,546</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(79,769)	(63,416)	(45,358)	(27,651)
11	Other Comprehensive Income for the Year	(99,990)	(19,649)	16,353	18,058	17,707	20,491
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(79,769)</b>	<b>(63,416)</b>	<b>(45,358)</b>	<b>(27,651)</b>	<b>(7,159)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>301,869</b>	<b>361,211</b>	<b>416,342</b>	<b>478,066</b>	<b>536,387</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	301,869	361,211	416,342	478,066	536,387
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,364	81,262	88,386	81,409
17	<b>Capital Available</b>	<b>203,766</b>	<b>254,477</b>	<b>296,847</b>	<b>335,080</b>	<b>389,680</b>	<b>454,978</b>
18	Minimum Capital Required (100% MCT)	395,393	376,797	396,041	415,514	435,215	466,031
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>67.5%</b>	<b>75.0%</b>	<b>80.6%</b>	<b>89.5%</b>	<b>97.6%</b>

## Appendix 1:

## EPF-1 Extension Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP  
break even rate change 0.06% (without CMP) & Capital Build 0.53%

## Multi-year - Statement of Operations

12.75

2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP break even rate change

Line 0.06% (without CMP) &amp; Capital Build 0.53%

No. (C\$ 000s, rounding may affect totals)

		For the Years Ended February,					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	EXTENSION	2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
5	Total Net Premiums Written	161,294	154,949	160,112	164,550	169,272	174,204
6	Net Premiums Earned						
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)	(2,159)
9	Total Net Premiums Earned	159,281	157,792	157,634	162,417	167,004	171,835
10	Service Fees & Other Revenues	11,752	12,261	12,845	13,485	14,179	14,929
11	Total Earned Revenues	171,033	170,053	170,479	175,902	181,183	186,764
12	Net Claims Incurred	65,685	68,225	69,330	71,041	72,413	73,729
13	(a) Claims Incurred - Interest Rate Impact	-	211	(14)	(7)	11	(1)
14	Total Claims Incurred	65,685	68,436	69,316	71,034	72,424	73,728
15	Claims Expense	10,491	11,387	10,660	10,533	10,104	10,803
16	Road Safety/Loss Prevention	908	1,163	1,027	1,007	988	993
17	Total Claims Costs	77,083	80,986	81,003	82,574	83,516	85,524
18	Expenses						
19	Operating	9,431	9,307	9,104	9,248	9,249	9,695
20	Commissions	35,256	35,037	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	21
23	Total Expenses	49,520	49,150	48,747	50,106	51,264	52,928
24	Underwriting Income (Loss)	44,431	39,917	40,729	43,222	46,403	48,312
25	Investment Income	11,349	5,995	4,724	4,517	4,588	4,380
26	(b) Investment Income - Interest Rate Impact	828	3,619	(49)	(56)	(59)	(57)
27	Net Investment Income	12,177	9,614	4,675	4,461	4,529	4,323
28	Gain (Loss) on Sale of Property	115					
29	Net Income (Loss) from Operations	56,721	49,531	45,404	47,683	50,932	52,635
30	Total net Impact due to interest rate change (b) - (a)	828	3,408	(35)	(49)	(69)	(55)

**Appendix 1:**  
**EPF-3 Extension Statement of Changes in Equity**  
**2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP**  
**break even rate change 0.06% (without CMP) & Capital Build 0.53%**

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

12.8		<i>For the Years Ended February,</i>					
Line		2019A	2020FB	2021F	2022F	2023F	2024F
No.		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
2020 GRA Base with September 2019 Naive interest Rate Shock -25bps - 2020/21 Basic AAP break even rate change							
0.06% (without CMP) & Capital Build 0.53%							
(C\$ 000s, rounding may affect totals)							
1							
2	<b>EXTENSION</b>						
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	87,809	87,389	87,207	85,960
6	Net Income (Loss) from annual operations	56,721	49,533	45,405	47,684	50,932	52,634
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(60,938)	(45,825)	(47,866)	(52,179)	(50,413)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>87,809</b>	<b>87,389</b>	<b>87,207</b>	<b>85,960</b>	<b>88,182</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(6,780)	(4,157)	(1,481)	1,295
11	Other Comprehensive Income	(5,608)	(2,269)	2,623	2,676	2,777	3,099
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,780)</b>	<b>(4,157)</b>	<b>(1,481)</b>	<b>1,295</b>	<b>4,394</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>81,030</b>	<b>83,232</b>	<b>85,726</b>	<b>87,256</b>	<b>92,576</b>
14	<b>MCT Ratio (%)</b>	317%	200%	200%	200%	200%	200%

## Appendix 1:

## PF-1 Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP  
break even rate change -1.14% (without CMP) & Capital Build 1.83%

## Multi-year - Statement of Operations

12.75

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change

Line -1.14% (without CMP) &amp; Capital Build +1.83%

No. (C\$ 000s, rounding may affect totals)

		For the Years Ended February,					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,064,300	1,115,142	1,159,396	1,205,903	1,254,434
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,120,417</b>	<b>1,172,989</b>	<b>1,218,784</b>	<b>1,266,835</b>	<b>1,316,563</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,037,678	1,091,605	1,138,909	1,184,373	1,231,967
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,150)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,092,096</b>	<b>1,148,440</b>	<b>1,197,377</b>	<b>1,244,381</b>	<b>1,293,344</b>
12	Service Fees & Other Revenues	24,568	26,512	28,495	30,514	32,737	35,181
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,118,608</b>	<b>1,176,935</b>	<b>1,227,891</b>	<b>1,277,118</b>	<b>1,328,525</b>
14	Claims Incurred	864,389	888,941	924,695	966,106	1,008,529	1,053,127
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(11,236)	(9,398)	2,783	3,214	5,714
16	(a) Claims Incurred - Interest Rate Impact	40,852	31,135	16,544	15,225	14,286	14,409
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>908,840</b>	<b>931,841</b>	<b>984,114</b>	<b>1,026,029</b>	<b>1,073,250</b>
18	Claims Expense	126,871	136,851	139,171	139,276	138,741	148,518
19	Road Safety/Loss Prevention	11,538	13,977	13,442	13,397	13,687	13,921
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,059,668</b>	<b>1,084,454</b>	<b>1,136,787</b>	<b>1,178,457</b>	<b>1,235,689</b>
21	<b>Expenses</b>						
22	Operating	76,124	73,385	74,070	75,371	76,880	82,125
23	Commissions	40,233	42,542	44,579	46,444	48,225	50,076
24	Premium Taxes	31,183	33,187	34,886	36,363	37,782	39,260
25	Regulatory/Appeal	4,315	5,315	5,326	5,335	5,423	5,515
26	<b>Total Expenses</b>	<b>151,855</b>	<b>154,429</b>	<b>158,861</b>	<b>163,513</b>	<b>168,310</b>	<b>176,976</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(95,489)</b>	<b>(66,380)</b>	<b>(72,409)</b>	<b>(69,649)</b>	<b>(84,140)</b>
28	<b>Investment Income</b>	194,333	70,051	74,383	74,852	76,128	78,307
29	(b) Investment Income - Interest Rate Impact	14,178	45,931	(135)	(156)	(187)	(221)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>115,982</b>	<b>74,248</b>	<b>74,696</b>	<b>75,941</b>	<b>78,086</b>
31	Gain (Loss) on Sale of Property	1,345					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>20,493</b>	<b>7,868</b>	<b>2,287</b>	<b>6,292</b>	<b>(6,054)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	14,796	(16,679)	(15,381)	(14,473)	(14,630)

**Appendix 1:**  
**PF-2 Statement of Financial Position**  
**2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP**  
**break even rate change -1.14% (without CMP) & Capital Build 1.83%**

**Multi-year - Statement of Financial Position**

12.8

*2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change*

Line *-1.14% (without CMP) & Capital Build +1.83%*

No. *(C\$ 000s, rounding may affect totals)*

		<i>For the Years Ended February,</i>					
		2019A	2020FB	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20FB</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>Assets</b>						
4	Cash and cash equivalents	161,944	54,201	33,658	13,312	-	-
5	Investments	2,426,047	2,798,858	2,958,278	3,131,082	3,314,220	3,490,256
6	Investment property	41,892	20,571	20,224	20,088	20,730	21,607
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	369,902	385,885	399,966	414,532	429,614
9	Deferred policy acquisition costs	6,063	14,179	25,051	23,551	21,685	17,378
10	Reinsurers' share of unpaid claims	8,463	-	-	-	-	-
11	Property and equipment	88,983	92,904	95,508	96,594	98,819	102,795
12	Deferred development costs	45,926	47,392	64,401	81,325	88,464	81,493
13		<b>3,203,606</b>	<b>3,398,007</b>	<b>3,583,005</b>	<b>3,765,918</b>	<b>3,958,450</b>	<b>4,143,143</b>
14	<b>Liabilities</b>						
15	Due to other insurance companies	2,066	1,991	1,991	1,991	1,991	1,991
16	Accounts payable and accrued liabilities	70,282	41,259	41,594	42,006	42,211	44,902
17	Financing lease obligation	3,081	2,843	2,743	2,634	2,518	2,401
18	Unearned premiums and fees	543,416	572,810	600,980	626,304	652,994	680,797
19	Provision for employee current benefits	17,098	17,824	18,500	19,184	19,911	20,648
20	Provision for employee future benefits	342,046	372,311	387,325	402,440	417,720	433,545
21	Provision for unpaid claims	1,975,925	2,056,645	2,146,214	2,237,520	2,327,793	2,418,058
22		<b>2,953,914</b>	<b>3,065,683</b>	<b>3,199,347</b>	<b>3,332,079</b>	<b>3,465,138</b>	<b>3,602,342</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	391,902	439,740	484,708	537,573	576,887
25	Accumulated Other Comprehensive Income	(60,120)	(59,577)	(56,082)	(50,868)	(44,261)	(36,086)
26	<b>Total Equity</b>	<b>249,692</b>	<b>332,325</b>	<b>383,658</b>	<b>433,840</b>	<b>493,312</b>	<b>540,801</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,398,008</b>	<b>3,583,005</b>	<b>3,765,919</b>	<b>3,958,450</b>	<b>4,143,143</b>

## Appendix 1:

## PF-3 Statement of Changes in Equity

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP  
break even rate change -1.14% (without CMP) & Capital Build 1.83%

## Multi-year - Statement of Changes in Equity

12.8		<i>2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change</i>					
Line		<i>-1.14% (without CMP) &amp; Capital Build +1.83%</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		2019A	2020FB	2021F	2022F	2023F	2024F
2		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	170,975	309,813	391,902	439,740	484,708	537,573
6	Net Income (Loss) from annual operations	78,837	20,493	7,868	2,287	6,292	(6,055)
7	Transfer from Extension Retained Earnings	60,000	61,596	39,970	42,681	46,573	45,369
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>391,902</b>	<b>439,740</b>	<b>484,708</b>	<b>537,573</b>	<b>576,887</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,119)	(59,577)	(56,082)	(50,868)	(44,261)
11	Other Comprehensive Income for the Year	(99,990)	542	3,495	5,214	6,608	8,174
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(59,577)</b>	<b>(56,082)</b>	<b>(50,868)</b>	<b>(44,261)</b>	<b>(36,086)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>332,325</b>	<b>383,658</b>	<b>433,840</b>	<b>493,312</b>	<b>540,801</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	332,325	383,658	433,840	493,312	540,801
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,401	81,325	88,464	81,493
17	<b>Capital Available</b>	<b>203,766</b>	<b>284,933</b>	<b>319,257</b>	<b>352,515</b>	<b>404,848</b>	<b>459,308</b>
18	Minimum Capital Required (100% MCT)	395,393	370,133	389,650	409,535	431,356	457,638
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>77.0%</b>	<b>81.9%</b>	<b>86.1%</b>	<b>93.9%</b>	<b>100.4%</b>

## Appendix 1:

## EPF-1 Extension Statement of Operations

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP  
break even rate change -1.14% (without CMP) & Capital Build 1.83%

## Multi-year - Statement of Operations

12.75

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change

Line -1.14% (without CMP) & Capital Build +1.83%

No. (C\$ 000s, rounding may affect totals)

For the Years Ended February,

	2019A	2020FB	2021F	2022F	2023F	2024F
1						
2	<b>EXTENSION</b>					
3	Motor Vehicles	162,861	156,944	162,147	166,626	171,389
4	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,949</b>	<b>160,112</b>	<b>164,550</b>	<b>169,272</b>
6	<b>Net Premiums Earned</b>					
7	Motor Vehicles	160,848	159,787	159,669	164,493	169,121
8	Reinsurance Ceded	(1,567)	(1,995)	(2,035)	(2,076)	(2,117)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,792</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>
10	Service Fees & Other Revenues	11,752	12,262	12,846	13,486	14,180
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>170,054</b>	<b>170,480</b>	<b>175,903</b>	<b>181,184</b>
12	<b>Net Claims Incurred</b>	65,685	68,225	69,335	71,040	72,413
13	(a) Claims Incurred - Interest Rate Impact	-	85	(4)	4	(3)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>68,310</b>	<b>69,331</b>	<b>71,044</b>	<b>72,410</b>
15	Claims Expense	10,491	11,387	10,890	10,775	10,339
16	Road Safety/Loss Prevention	908	1,163	1,050	1,032	1,012
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>80,860</b>	<b>81,271</b>	<b>82,851</b>	<b>83,761</b>
18	<b>Expenses</b>					
19	Operating	9,431	9,307	9,204	9,355	9,357
20	Commissions	35,256	35,037	34,842	35,912	36,925
21	Premium Taxes	4,825	4,794	4,790	4,935	5,074
22	Regulatory/Appeal	8	12	11	11	16
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,150</b>	<b>48,847</b>	<b>50,213</b>	<b>51,372</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>40,044</b>	<b>40,362</b>	<b>42,839</b>	<b>46,051</b>
25	<b>Investment Income</b>	11,349	6,313	4,587	4,632	4,827
26	(b) Investment Income - Interest Rate Impact	828	2,148	(45)	(53)	(57)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,461</b>	<b>4,542</b>	<b>4,579</b>	<b>4,770</b>
28	<b>Gain (Loss) on Sale of Property</b>	115				
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>48,505</b>	<b>44,904</b>	<b>47,418</b>	<b>50,821</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,063	(41)	(56)	(53)

Appendix 1:

EPF-3 Extension Statement of Changes in Equity

2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change -1.14% (without CMP) & Capital Build 1.83%

Multi-year - Statement of Changes in Equity

12.8		<i>2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change</i>					
Line		<i>-1.14% (without CMP) &amp; Capital Build +1.83%</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		2019A	2020FB	2021F	2022F	2023F	2024F
2		2018/19A	2019/20FB	2020/21F	2021/22F	2022/23F	2023/24F
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	102,492	99,213	86,124	91,059	95,798	100,044
6	Net Income (Loss) from annual operations	56,721	48,507	44,905	47,419	50,819	52,837
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(61,596)	(39,970)	(42,681)	(46,573)	(45,369)
8	Total Retained Earnings	99,213	86,124	91,059	95,798	100,044	107,512
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	1,097	(4,511)	(5,948)	(6,892)	(7,766)	(8,466)
11	Other Comprehensive Income	(5,608)	(1,437)	(944)	(874)	(700)	(400)
12	Total Accumulated Other Comprehensive Income	(4,511)	(5,948)	(6,892)	(7,766)	(8,466)	(8,866)
13	Total Equity Balance	94,702	80,176	84,167	88,032	91,578	98,646
14	MCT Ratio (%)	317%	200%	200%	200%	200%	200%