

October 21, 2019

2020 GENERAL RATE APPLICATION  
Undertaking #22 Transcript Page 1319

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**Undertaking #22**

MPI to provide an update to MPI number 58, based on the current year update as shown in MPI Exhibit 42.

**RESPONSE:**

Please see Appendix 1 for the revised ProFormas that now include 2019-20 projected year end.

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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%	0.00%	75.3%	64.9%
2	50/50	2.64%	-0.91%	0.00%	75.3%	66.8%	57.0%	100.6%	98.7%	100.6%	98.7%
3	SIRF	2.78%	-1.24%	-0.40%	75.7%	69.5%	58.6%	103.8%	102.6%	102.7%	100.0%
4	Naive**	2.50%	1.48%	-1.62%	75.3%	67.6%	65.9%	100.7%	110.7%	98.0%	100.0%
5	-50 bps	2.04%	0.66%	0.00%	67.1%	59.4%	58.9%	88.5%	97.4%	88.5%	97.4%
6	+50 bps	2.97%	-1.72%	0.43%	86.4%	65.1%	49.7%	100.2%	97.6%	101.4%	100.0%
7	-25 bps	2.27%	0.06%	0.00%	69.1%	63.4%	58.3%	95.8%	98.4%	95.8%	98.4%
8	+25 bps	2.74%	-1.14%	0.17%	80.7%	64.4%	52.7%	98.5%	99.0%	99.0%	100.0%

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

\*Based on October 4, 2019 submission using a static forecast in 2020/21 and onward

\*\*With Capital Maintenance Provision

**2020 GENERAL RATE APPLICATION  
Undertaking #22 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%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 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	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%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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%



**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-1 Statement of Operations  
2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-0.56% (without CMP) - October 4, 2019 Submission*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,101,066	1,144,765	1,190,689	1,238,609
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,158,913</b>	<b>1,204,153</b>	<b>1,251,621</b>	<b>1,300,738</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,084,045	1,124,535	1,169,429	1,216,425
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,140,880</b>	<b>1,183,003</b>	<b>1,229,437</b>	<b>1,277,802</b>
12	Service Fees & Other Revenues	24,568	26,511	28,211	30,203	32,395	34,804
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,169,091</b>	<b>1,213,206</b>	<b>1,261,832</b>	<b>1,312,606</b>
14	Claims Incurred	864,389	822,574	927,907	965,979	1,009,297	1,055,926
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(17,630)	(3,040)	3,120	3,701	6,235
16	(a) Claims Incurred - Interest Rate Impact	40,852	61,401	15,825	18,834	16,134	15,131
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>866,345</b>	<b>940,692</b>	<b>987,933</b>	<b>1,029,132</b>	<b>1,077,292</b>
18	Claims Expense	126,871	134,257	139,351	139,484	138,957	148,737
19	Road Safety/Loss Prevention	11,538	12,329	13,462	13,420	13,712	13,946
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,012,931</b>	<b>1,093,505</b>	<b>1,140,837</b>	<b>1,181,801</b>	<b>1,239,975</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,157	75,472	76,989	82,235
23	Commissions	40,233	42,454	44,384	45,977	47,740	49,571
24	Premium Taxes	31,183	33,085	34,659	35,932	37,334	38,794
25	Regulatory/Appeal	4,315	4,671	5,326	5,335	5,423	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,526</b>	<b>162,716</b>	<b>167,486</b>	<b>176,116</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(50,215)</b>	<b>(82,940)</b>	<b>(90,347)</b>	<b>(87,455)</b>	<b>(103,485)</b>
28	<b>Investment Income</b>	194,333	78,170	72,953	72,957	72,428	75,054
29	(b) Investment Income - Interest Rate Impact	14,178	80,437	(95)	(153)	(239)	(62)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>158,607</b>	<b>72,858</b>	<b>72,804</b>	<b>72,189</b>	<b>74,992</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>108,392</b>	<b>(10,082)</b>	<b>(17,543)</b>	<b>(15,266)</b>	<b>(28,493)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	19,036	(15,920)	(18,987)	(16,373)	(15,193)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-2 Statement of Financial Position  
2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission**

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

*2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,871,883	3,017,830	3,153,412	3,305,640	3,470,076
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	381,078	394,944	409,283	424,127
9	Deferred policy acquisition costs	6,063	20,388	27,968	24,777	21,309	8,751
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	64,378	81,286	88,413	81,436
13		<b>3,203,606</b>	<b>3,506,981</b>	<b>3,691,936</b>	<b>3,856,051</b>	<b>4,029,145</b>	<b>4,193,745</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	569,867	591,419	616,366	642,661	670,049
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	415,381	429,187	442,909	456,639	470,796
21	Provision for unpaid claims	1,975,925	2,067,728	2,178,864	2,274,489	2,366,505	2,457,362
22		<b>2,953,914</b>	<b>3,116,893</b>	<b>3,264,298</b>	<b>3,399,579</b>	<b>3,532,436</b>	<b>3,668,149</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	493,337	525,756	552,696	586,368	606,319
25	Accumulated Other Comprehensive Income	(60,120)	(103,247)	(98,117)	(96,224)	(89,659)	(80,724)
26	<b>Total Equity</b>	<b>249,692</b>	<b>390,090</b>	<b>427,639</b>	<b>456,472</b>	<b>496,709</b>	<b>525,595</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,506,983</b>	<b>3,691,937</b>	<b>3,856,051</b>	<b>4,029,145</b>	<b>4,193,744</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission**

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

*2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-0.56% (without CMP) - October 4, 2019 Submission*

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

		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	493,337	525,756	552,696	586,368
6	Net Income (Loss) from annual operations	78,837	108,392	(10,082)	(17,542)	(15,265)	(28,493)
7	Transfer from Extension Retained Earnings	60,000	75,133	42,501	44,482	48,937	48,444
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>493,337</b>	<b>525,756</b>	<b>552,696</b>	<b>586,368</b>	<b>606,319</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(103,247)	(98,117)	(96,224)	(89,659)
11	Other Comprehensive Income for the Year	(99,990)	(43,127)	9,800	10,482	12,492	11,990
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(103,247)</b>	<b>(98,117)</b>	<b>(96,224)</b>	<b>(89,659)</b>	<b>(80,724)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>390,090</b>	<b>427,639</b>	<b>456,471</b>	<b>496,709</b>	<b>525,595</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	390,090	427,639	456,471	496,709	525,595
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,378	81,286	88,413	81,436
17	Capital Available	203,766	342,698	363,261	375,185	408,296	444,159
18	Minimum Capital Required (100% MCT)	395,393	355,481	367,965	379,243	428,711	428,943
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>96.4%</b>	<b>98.7%</b>	<b>98.9%</b>	<b>95.2%</b>	<b>103.6%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-1 Extension Statement of Operations  
2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-0.56% (without CMP) - October 4, 2019 Submission*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,669	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,634</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	12,847	13,487	14,179	14,929
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,481</b>	<b>175,904</b>	<b>181,183</b>	<b>186,764</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,330	71,040	72,412	73,727
13	(a) Claims Incurred - Interest Rate Impact	-	142	6	-	-	-
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,801</b>	<b>69,336</b>	<b>71,040</b>	<b>72,412</b>	<b>73,727</b>
15	Claims Expense	10,491	11,288	10,770	10,651	10,208	10,910
16	Road Safety/Loss Prevention	908	1,038	1,037	1,020	999	1,004
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,127</b>	<b>81,143</b>	<b>82,711</b>	<b>83,619</b>	<b>85,641</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,151	9,301	9,296	9,743
20	Commissions	35,256	34,959	34,842	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	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>49,056</b>	<b>48,794</b>	<b>50,159</b>	<b>51,311</b>	<b>52,977</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,434</b>	<b>40,544</b>	<b>43,034</b>	<b>46,253</b>	<b>48,146</b>
25	<b>Investment Income</b>	11,349	5,326	4,684	4,576	4,708	4,682
26	(b) Investment Income - Interest Rate Impact	828	2,946	(47)	(51)	(56)	(56)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,272</b>	<b>4,637</b>	<b>4,525</b>	<b>4,652</b>	<b>4,626</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>55,706</b>	<b>45,181</b>	<b>47,559</b>	<b>50,905</b>	<b>52,772</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,804	(53)	(51)	(56)	(56)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -0.56% (without CMP) - October 4, 2019 Submission**

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

*2020 GRA Base with September 2019 Naïve interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-0.56% (without CMP) - October 4, 2019 Submission*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</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	79,787	82,468	85,546	87,514
6	Net Income (Loss) from annual operations	56,721	55,707	45,182	47,560	50,905	52,771
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(75,133)	(42,501)	(44,482)	(48,937)	(48,444)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>79,787</b>	<b>82,468</b>	<b>85,546</b>	<b>87,514</b>	<b>91,841</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(9,679)	(8,967)	(8,147)	(7,183)
11	Other Comprehensive Income	(5,608)	(1,866)	804	880	1,027	1,342
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,377)</b>	<b>(8,875)</b>	<b>(8,087)</b>	<b>(7,120)</b>	<b>(5,841)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>70,108</b>	<b>73,501</b>	<b>77,399</b>	<b>80,332</b>	<b>85,914</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-1 Statement of Operations  
2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections -  
2020/21 Basic AAP break even rate change -0.91% (without CMP)**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.91% (without CMP)*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,097,148	1,140,693	1,186,455	1,234,205
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,154,995</b>	<b>1,200,081</b>	<b>1,247,387</b>	<b>1,296,334</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,081,930	1,120,534	1,165,269	1,212,099
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,138,765</b>	<b>1,179,002</b>	<b>1,225,277</b>	<b>1,273,476</b>
12	Service Fees & Other Revenues	24,568	26,511	28,157	30,173	32,393	34,838
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,166,922</b>	<b>1,209,175</b>	<b>1,257,670</b>	<b>1,308,314</b>
14	Claims Incurred	864,389	822,574	929,537	966,576	1,008,330	1,052,324
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(17,681)	(6,415)	2,999	3,010	12,384
16	(a) Claims Incurred - Interest Rate Impact	40,852	58,098	(21,375)	(8,896)	(13,800)	(7,509)
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>862,991</b>	<b>901,747</b>	<b>960,679</b>	<b>997,540</b>	<b>1,057,199</b>
18	Claims Expense	126,871	134,257	139,417	139,381	138,799	148,479
19	Road Safety/Loss Prevention	11,538	12,329	13,470	13,409	13,695	13,918
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,009,577</b>	<b>1,054,634</b>	<b>1,113,469</b>	<b>1,150,034</b>	<b>1,219,596</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,190	75,425	76,914	82,111
23	Commissions	40,233	42,454	44,211	45,847	47,604	49,431
24	Premium Taxes	31,183	33,085	34,596	35,812	37,209	38,664
25	Regulatory/Appeal	4,315	4,671	5,327	5,335	5,423	5,515
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,324</b>	<b>162,419</b>	<b>167,150</b>	<b>175,721</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(46,861)</b>	<b>(46,036)</b>	<b>(66,713)</b>	<b>(59,514)</b>	<b>(87,003)</b>
28	<b>Investment Income</b>	194,333	78,219	71,381	76,343	75,578	78,224
29	(b) Investment Income - Interest Rate Impact	14,178	77,076	(34,912)	(23,262)	(26,226)	(18,098)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>155,295</b>	<b>36,469</b>	<b>53,081</b>	<b>49,352</b>	<b>60,126</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>108,434</b>	<b>(9,567)</b>	<b>(13,632)</b>	<b>(10,162)</b>	<b>(26,877)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	18,978	(13,537)	(14,366)	(12,426)	(10,589)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-2 Statement of Financial Position  
2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections -  
2020/21 Basic AAP break even rate change -0.91% (without CMP)**

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

<i>2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.91% (without CMP)</i>							
Line No.	<i>(C\$ 000s, rounding may affect totals)</i>	<i>For the Years Ended February,</i>					
1		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,868,297	2,960,761	3,047,651	3,135,251	3,231,698
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	381,783	395,677	410,045	424,919
9	Deferred policy acquisition costs	6,063	20,439	27,807	26,071	24,388	13,389
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	64,377	81,295	88,432	81,462
13		<b>3,203,606</b>	<b>3,503,446</b>	<b>3,635,410</b>	<b>3,752,326</b>	<b>3,862,616</b>	<b>3,960,823</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	569,867	589,717	614,713	641,060	668,502
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	414,226	411,987	415,363	417,927	424,767
21	Provision for unpaid claims	1,975,925	2,064,425	2,138,258	2,204,977	2,265,169	2,330,764
22		<b>2,953,914</b>	<b>3,112,435</b>	<b>3,204,790</b>	<b>3,300,868</b>	<b>3,390,787</b>	<b>3,493,975</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	493,520	525,138	554,068	589,605	606,400
25	Accumulated Other Comprehensive Income	(60,120)	(102,509)	(94,518)	(102,611)	(117,776)	(139,552)
26	<b>Total Equity</b>	<b>249,692</b>	<b>391,011</b>	<b>430,620</b>	<b>451,457</b>	<b>471,829</b>	<b>466,848</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,503,446</b>	<b>3,635,410</b>	<b>3,752,325</b>	<b>3,862,616</b>	<b>3,960,823</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections -  
2020/21 Basic AAP break even rate change -0.91% (without CMP)**

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

*2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.91% (without CMP)*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	493,520	525,138	554,068	589,605
6	Net Income (Loss) from annual operations	78,837	108,434	(9,566)	(13,631)	(10,162)	(26,878)
7	Transfer from Extension Retained Earnings	60,000	75,274	41,184	42,561	45,699	43,673
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>493,520</b>	<b>525,138</b>	<b>554,068</b>	<b>589,605</b>	<b>606,400</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(102,509)	(94,518)	(102,611)	(117,776)
11	Other Comprehensive Income for the Year	(99,990)	(42,389)	7,990	(8,093)	(15,164)	(21,776)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(102,509)</b>	<b>(94,518)</b>	<b>(102,611)</b>	<b>(117,776)</b>	<b>(139,552)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>391,012</b>	<b>430,620</b>	<b>451,457</b>	<b>471,829</b>	<b>466,848</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	391,012	430,620	451,457	471,829	466,848
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,377	81,295	88,432	81,462
17	Capital Available	<b>203,766</b>	<b>343,620</b>	<b>366,243</b>	<b>370,162</b>	<b>383,397</b>	<b>385,386</b>
18	Minimum Capital Required (100% MCT)	395,393	356,497	364,053	375,243	396,999	414,550
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>96.4%</b>	<b>100.6%</b>	<b>98.7%</b>	<b>96.6%</b>	<b>93.0%</b>



**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-1 Extension Statement of Operations  
2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections -  
2020/21 Basic AAP break even rate change -0.91% (without CMP)**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.91% (without CMP)*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	12,937	13,608	14,310	15,076
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,182</b>	<b>176,025</b>	<b>181,314</b>	<b>186,911</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,789	71,223	72,439	73,750
13	(a) Claims Incurred - Interest Rate Impact	-	142	(49)	(31)	(33)	(21)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,801</b>	<b>69,740</b>	<b>71,192</b>	<b>72,406</b>	<b>73,729</b>
15	Claims Expense	10,491	11,288	10,752	10,742	10,354	11,118
16	Road Safety/Loss Prevention	908	1,038	1,036	1,029	1,014	1,026
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,127</b>	<b>81,528</b>	<b>82,963</b>	<b>83,774</b>	<b>85,873</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,144	9,341	9,364	9,839
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,678</b>	<b>50,199</b>	<b>51,379</b>	<b>53,073</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,434</b>	<b>39,976</b>	<b>42,863</b>	<b>46,161</b>	<b>47,965</b>
25	<b>Investment Income</b>	11,349	5,339	3,160	3,697	3,817	3,925
26	(b) Investment Income - Interest Rate Impact	828	2,857	(183)	(161)	(172)	(124)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,196</b>	<b>2,977</b>	<b>3,536</b>	<b>3,645</b>	<b>3,801</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>55,630</b>	<b>42,953</b>	<b>46,399</b>	<b>49,806</b>	<b>51,766</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,715	(134)	(130)	(139)	(103)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections -  
2020/21 Basic AAP break even rate change -0.91% (without CMP)**

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

*2020 GRA Base with September 2019 50/50 interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change -0.91% (without CMP)*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>EXTENSION</b>						
3	<b>Total Equity</b>						
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	79,569	81,339	85,178	89,284
6	Net Income (Loss) from annual operations	56,721	55,630	42,954	46,400	49,806	51,765
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(75,274)	(41,184)	(42,561)	(45,699)	(43,673)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>79,569</b>	<b>81,339</b>	<b>85,178</b>	<b>89,285</b>	<b>97,376</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(9,588)	(8,452)	(8,600)	(9,561)
11	Other Comprehensive Income	(5,608)	(5,077)	1,136	(149)	(960)	(1,725)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(9,588)</b>	<b>(8,452)</b>	<b>(8,601)</b>	<b>(9,560)</b>	<b>(11,286)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>69,981</b>	<b>72,888</b>	<b>76,578</b>	<b>79,724</b>	<b>86,090</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-1 Statement of Operations  
2020 GRA Base with September 2019 SIFR interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -1.24% (without CMP) & Capital Release -0.40%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 SIFR interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-1.24% (without CMP) & Capital Release Provision -0.40%*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,089,025	1,132,251	1,177,676	1,225,074
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,146,872</b>	<b>1,191,639</b>	<b>1,238,608</b>	<b>1,287,203</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,077,546	1,112,240	1,156,647	1,203,131
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,134,381</b>	<b>1,170,708</b>	<b>1,216,655</b>	<b>1,264,508</b>
12	Service Fees & Other Revenues	24,568	26,511	28,014	30,046	32,286	34,757
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,162,395</b>	<b>1,200,754</b>	<b>1,248,941</b>	<b>1,299,265</b>
14	Claims Incurred	864,389	822,574	929,431	965,409	1,006,545	1,049,895
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(17,750)	(4,432)	1,770	1,536	11,147
16	(a) Claims Incurred - Interest Rate Impact	40,852	54,742	(58,121)	(32,712)	(39,809)	(26,118)
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>859,566</b>	<b>866,878</b>	<b>934,467</b>	<b>968,272</b>	<b>1,034,924</b>
18	Claims Expense	126,871	134,257	139,402	139,217	138,539	148,109
19	Road Safety/Loss Prevention	11,538	12,329	13,468	13,391	13,665	13,875
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,006,152</b>	<b>1,019,748</b>	<b>1,087,075</b>	<b>1,120,476</b>	<b>1,196,908</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,183	75,345	76,785	81,926
23	Commissions	40,233	42,454	44,098	45,578	47,324	49,139
24	Premium Taxes	31,183	33,085	34,464	35,563	36,950	38,395
25	Regulatory/Appeal	4,315	4,671	5,327	5,335	5,423	5,514
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,072</b>	<b>161,821</b>	<b>166,482</b>	<b>174,974</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(43,436)</b>	<b>(15,425)</b>	<b>(48,142)</b>	<b>(38,017)</b>	<b>(72,617)</b>
28	<b>Investment Income</b>	194,333	78,208	71,333	78,163	79,203	83,264
29	(b) Investment Income - Interest Rate Impact	14,178	74,076	(68,207)	(43,596)	(49,021)	(32,695)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>152,284</b>	<b>3,126</b>	<b>34,567</b>	<b>30,182</b>	<b>50,569</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>108,848</b>	<b>(12,299)</b>	<b>(13,575)</b>	<b>(7,835)</b>	<b>(22,048)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	19,334	(10,086)	(10,884)	(9,212)	(6,577)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-2 Statement of Financial Position  
2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -1.24% (without CMP) & Capital Release -0.40%**

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

*2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-1.24% (without CMP) & Capital Release Provision -0.40%*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	51,385
5	Investments	2,426,047	2,864,974	2,906,413	2,942,240	2,965,122	3,055,644
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	379,629	393,438	407,717	422,497
9	Deferred policy acquisition costs	6,063	20,508	25,659	25,143	24,923	15,150
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	64,379	81,307	88,454	81,491
13		<b>3,203,606</b>	<b>3,500,192</b>	<b>3,576,762</b>	<b>3,643,760</b>	<b>3,690,716</b>	<b>3,735,522</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	569,867	585,979	610,827	637,018	664,296
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	413,089	394,934	388,781	381,564	382,377
21	Provision for unpaid claims	1,975,925	2,061,069	2,098,050	2,139,786	2,172,183	2,216,740
22		<b>2,953,914</b>	<b>3,107,942</b>	<b>3,143,791</b>	<b>3,205,209</b>	<b>3,257,396</b>	<b>3,333,355</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	494,021	523,772	551,691	587,316	605,606
25	Accumulated Other Comprehensive Income	(60,120)	(101,769)	(90,801)	(113,141)	(153,995)	(203,439)
26	<b>Total Equity</b>	<b>249,692</b>	<b>392,252</b>	<b>432,971</b>	<b>438,550</b>	<b>433,321</b>	<b>402,167</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,500,194</b>	<b>3,576,762</b>	<b>3,643,759</b>	<b>3,690,717</b>	<b>3,735,522</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -1.24% (without CMP) & Capital Release -0.40%**

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

*2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
-1.24% (without CMP) & Capital Release Provision -0.40%*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	494,021	523,772	551,691	587,316
6	Net Income (Loss) from annual operations	78,837	108,849	(12,299)	(13,574)	(7,836)	(22,049)
7	Transfer from Extension Retained Earnings	60,000	75,361	42,049	41,494	43,460	40,339
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>494,021</b>	<b>523,772</b>	<b>551,691</b>	<b>587,316</b>	<b>605,606</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(101,769)	(90,801)	(113,141)	(153,995)
11	Other Comprehensive Income for the Year	(99,990)	(41,649)	10,968	(22,340)	(40,854)	(49,443)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(101,769)</b>	<b>(90,801)</b>	<b>(113,141)</b>	<b>(153,995)</b>	<b>(203,439)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>392,252</b>	<b>432,971</b>	<b>438,550</b>	<b>433,321</b>	<b>402,167</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	392,252	432,971	438,550	433,321	402,167
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,379	81,307	88,454	81,491
17	Capital Available	203,766	344,860	368,592	357,243	344,867	320,676
18	Minimum Capital Required (100% MCT)	395,393	356,125	359,054	356,524	403,546	417,214
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>96.8%</b>	<b>102.7%</b>	<b>100.2%</b>	<b>85.5%</b>	<b>76.9%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-1 Extension Statement of Operations  
2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -1.24% (without CMP) & Capital Release -0.40%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change*

*-1.24% (without CMP) & Capital Release Provision -0.40%*

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

		<i>For the Years Ended February,</i>					
		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	13,024	13,726	14,446	15,229
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,269</b>	<b>176,143</b>	<b>181,450</b>	<b>187,064</b>
12	<b>Net Claims Incurred</b>	65,685	60,658	69,788	71,223	72,439	73,750
13	(a) Claims Incurred - Interest Rate Impact	-	138	(97)	(61)	(65)	(42)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,796</b>	<b>69,691</b>	<b>71,162</b>	<b>72,374</b>	<b>73,708</b>
15	Claims Expense	10,491	11,288	10,767	10,834	10,504	11,328
16	Road Safety/Loss Prevention	908	1,038	1,037	1,038	1,030	1,049
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,122</b>	<b>81,495</b>	<b>83,034</b>	<b>83,908</b>	<b>86,085</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,151	9,382	9,432	9,935
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,685</b>	<b>50,240</b>	<b>51,448</b>	<b>53,170</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,439</b>	<b>40,089</b>	<b>42,869</b>	<b>46,094</b>	<b>47,809</b>
25	<b>Investment Income</b>	11,349	5,346	3,045	3,567	3,741	3,968
26	(b) Investment Income - Interest Rate Impact	828	2,768	(322)	(266)	(278)	(183)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,114</b>	<b>2,723</b>	<b>3,301</b>	<b>3,463</b>	<b>3,785</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>55,553</b>	<b>42,812</b>	<b>46,170</b>	<b>49,557</b>	<b>51,594</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,630	(225)	(205)	(213)	(141)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections -  
Basic AAP break even rate change -1.24% (without CMP) & Capital Release -0.40%**

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

*2020 GRA Base with September 2019 SIRF interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change*

Line No. *-1.24% (without CMP) & Capital Release Provision -0.40%*

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

*For the Years Ended February,*

	2019A	2020P	2021F	2022F	2023F	2024F
1						
2	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>EXTENSION</b>					
3	<b>Total Equity</b>					
4	<b>Retained Earnings</b>					
5	Beginning Balance	102,492	99,213	79,405	80,169	84,847
6	Net Income (Loss) from annual operations	56,721	55,553	42,813	46,172	49,557
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(75,361)	(42,049)	(41,494)	(43,460)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>79,405</b>	<b>80,169</b>	<b>84,847</b>	<b>90,944</b>
9	<b>Total Accumulated Other Comprehensive Income</b>					
10	Beginning Balance	1,097	(4,511)	(9,478)	(7,901)	(9,013)
11	Other Comprehensive Income	(5,608)	(4,967)	1,577	(1,111)	(2,876)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(9,478)</b>	<b>(7,901)</b>	<b>(9,012)</b>	<b>(11,889)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>69,927</b>	<b>72,268</b>	<b>75,835</b>	<b>79,055</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-1 Statement of Operations  
2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections -  
Basic AAP break even rate change +1.48% (without CMP) & Capital Release -1.62%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change  
+1.48% (without CMP) & Capital Release Provision -1.62%*

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,105,791	1,149,677	1,195,796	1,243,922
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,163,638</b>	<b>1,209,065</b>	<b>1,256,728</b>	<b>1,306,051</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,086,595	1,129,360	1,174,445	1,221,642
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,143,430</b>	<b>1,187,828</b>	<b>1,234,453</b>	<b>1,283,019</b>
12	Service Fees & Other Revenues	24,568	26,511	28,307	30,308	32,510	34,931
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,171,737</b>	<b>1,218,136</b>	<b>1,266,963</b>	<b>1,317,950</b>
14	Claims Incurred	864,389	822,574	929,642	967,766	1,010,239	1,054,953
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(17,610)	(8,577)	4,430	4,683	13,892
16	(a) Claims Incurred - Interest Rate Impact	40,852	61,473	16,256	18,973	15,735	15,589
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>866,437</b>	<b>937,321</b>	<b>991,169</b>	<b>1,030,657</b>	<b>1,084,434</b>
18	Claims Expense	126,871	134,257	139,429	139,547	139,072	148,865
19	Road Safety/Loss Prevention	11,538	12,329	13,471	13,427	13,725	13,962
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,013,023</b>	<b>1,090,221</b>	<b>1,144,143</b>	<b>1,183,454</b>	<b>1,247,261</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,197	75,506	77,050	82,304
23	Commissions	40,233	42,454	44,330	46,134	47,903	49,741
24	Premium Taxes	31,183	33,085	34,736	36,077	37,484	38,950
25	Regulatory/Appeal	4,315	4,671	5,327	5,335	5,424	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,590</b>	<b>163,052</b>	<b>167,861</b>	<b>176,511</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(50,307)</b>	<b>(77,074)</b>	<b>(89,059)</b>	<b>(84,352)</b>	<b>(105,822)</b>
28	<b>Investment Income</b>	194,333	78,228	71,422	76,481	71,842	74,337
29	(b) Investment Income - Interest Rate Impact	14,178	80,377	(93)	(126)	(165)	(116)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>158,605</b>	<b>71,329</b>	<b>76,355</b>	<b>71,677</b>	<b>74,221</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>108,298</b>	<b>(5,745)</b>	<b>(12,704)</b>	<b>(12,675)</b>	<b>(31,601)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	18,904	(16,349)	(19,099)	(15,900)	(15,705)



**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-2 Statement of Financial Position  
2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections -  
Basic AAP break even rate change +1.48% (without CMP) & Capital Release -1.62%**

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

*2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change +1.48% (without CMP) & Capital Release Provision -1.62%*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,871,937	3,017,924	3,158,812	3,313,711	3,475,765
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	384,076	398,059	412,523	427,496
9	Deferred policy acquisition costs	6,063	20,368	30,147	26,990	23,644	11,148
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	64,376	81,283	88,409	81,433
13		<b>3,203,606</b>	<b>3,507,015</b>	<b>3,697,205</b>	<b>3,866,776</b>	<b>4,042,787</b>	<b>4,205,197</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	569,867	593,696	618,849	645,361	672,977
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	415,381	429,194	442,926	456,665	470,833
21	Provision for unpaid claims	1,975,925	2,067,800	2,179,370	2,275,147	2,366,782	2,458,105
22		<b>2,953,914</b>	<b>3,116,965</b>	<b>3,267,088</b>	<b>3,402,737</b>	<b>3,535,439</b>	<b>3,671,857</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	493,298	527,885	558,817	593,925	609,733
25	Accumulated Other Comprehensive Income	(60,120)	(103,248)	(97,766)	(94,780)	(86,576)	(76,393)
26	<b>Total Equity</b>	<b>249,692</b>	<b>390,050</b>	<b>430,119</b>	<b>464,037</b>	<b>507,349</b>	<b>533,340</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,507,015</b>	<b>3,697,207</b>	<b>3,866,774</b>	<b>4,042,788</b>	<b>4,205,197</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-3 Statement of Changes in Equity  
2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections -  
Basic AAP break even rate change +1.48% (without CMP) & Capital Release -1.62%**

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

*2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change*

Line *+1.48% (without CMP) & Capital Release Provision -1.62%*

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

		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	493,298	527,885	558,817	593,925
6	Net Income (Loss) from annual operations	78,837	108,298	(5,744)	(12,702)	(12,673)	(31,602)
7	Transfer from Extension Retained Earnings	60,000	75,188	40,331	43,634	47,780	47,410
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>493,298</b>	<b>527,885</b>	<b>558,817</b>	<b>593,925</b>	<b>609,733</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(103,248)	(97,766)	(94,780)	(86,576)
11	Other Comprehensive Income for the Year	(99,990)	(43,127)	5,481	2,987	8,203	10,184
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(103,248)</b>	<b>(97,766)</b>	<b>(94,780)</b>	<b>(86,576)</b>	<b>(76,393)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>390,051</b>	<b>430,118</b>	<b>464,038</b>	<b>507,348</b>	<b>533,340</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	390,051	430,118	464,038	507,348	533,340
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,376	81,283	88,409	81,433
17	Capital Available	<b>203,766</b>	<b>342,659</b>	<b>365,742</b>	<b>382,755</b>	<b>418,939</b>	<b>451,907</b>
18	Minimum Capital Required (100% MCT)	395,393	356,865	373,106	382,844	413,548	430,788
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>96.0%</b>	<b>98.0%</b>	<b>100.0%</b>	<b>101.3%</b>	<b>104.9%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-1 Extension Statement of Operations  
2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections -  
Basic AAP break even rate change +1.48% (without CMP) & Capital Release -1.62%**

**Multi-year - Statement of Operations**

*2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change*

Line *+1.48% (without CMP) & Capital Release Provision -1.62%*

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

		<i>For the Years Ended February,</i>					
		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	12,847	13,486	14,179	14,929
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,092</b>	<b>175,903</b>	<b>181,183</b>	<b>186,764</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,788	71,222	72,438	73,750
13	(a) Claims Incurred - Interest Rate Impact	-	146	-	-	1	(1)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,805</b>	<b>69,788</b>	<b>71,222</b>	<b>72,439</b>	<b>73,749</b>
15	Claims Expense	10,491	11,288	10,740	10,636	10,191	10,893
16	Road Safety/Loss Prevention	908	1,038	1,034	1,018	997	1,003
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,131</b>	<b>81,562</b>	<b>82,876</b>	<b>83,627</b>	<b>85,645</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,137	9,294	9,290	9,736
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,671</b>	<b>50,152</b>	<b>51,305</b>	<b>52,970</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,430</b>	<b>39,859</b>	<b>42,875</b>	<b>46,251</b>	<b>48,149</b>
25	<b>Investment Income</b>	11,349	5,331	3,278	3,831	3,893	3,901
26	(b) Investment Income - Interest Rate Impact	828	2,955	(45)	(50)	(55)	(55)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>8,286</b>	<b>3,233</b>	<b>3,781</b>	<b>3,838</b>	<b>3,846</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>55,716</b>	<b>43,092</b>	<b>46,656</b>	<b>50,089</b>	<b>51,995</b>
30	Total net Impact due to interest rate change (b) - (a)	828	2,809	(45)	(50)	(56)	(54)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
EPF-3 Extension Statement of Changes in Equity  
2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections -  
Basic AAP break even rate change +1.48% (without CMP) & Capital Release -1.62%**

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

*2020 GRA Base with September 2019 Naive interest Rates and 2019/20 Projections - 2020/21 Basic AAP break even rate change*

Line **+1.48% (without CMP) & Capital Release Provision -1.62%**

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

		<i>For the Years Ended February,</i>					
		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</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	79,741	82,502	85,523	87,832
6	Net Income (Loss) from annual operations	56,721	55,716	43,092	46,656	50,089	51,996
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(75,188)	(40,331)	(43,634)	(47,780)	(47,410)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>79,741</b>	<b>82,502</b>	<b>85,524</b>	<b>87,832</b>	<b>92,418</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(9,698)	(8,984)	(8,163)	(7,188)
11	Other Comprehensive Income	(5,608)	(5,187)	714	820	976	1,268
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(9,698)</b>	<b>(8,984)</b>	<b>(8,164)</b>	<b>(7,187)</b>	<b>(5,920)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>70,043</b>	<b>73,518</b>	<b>77,360</b>	<b>80,645</b>	<b>86,498</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**2020 GENERAL RATE APPLICATION**  
**Undertaking #22 Appendix 1**

**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)					
		<i>(C\$ 000s, rounding may affect totals)</i>					
		For the Years Ended February,					
1		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,114,724	1,158,962	1,205,451	1,253,964
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,172,571</b>	<b>1,218,350</b>	<b>1,266,383</b>	<b>1,316,093</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,091,417	1,138,482	1,183,929	1,231,505
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,148,252</b>	<b>1,196,950</b>	<b>1,243,937</b>	<b>1,292,882</b>
12	Service Fees & Other Revenues	24,568	26,511	28,368	30,285	32,384	34,681
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,176,620</b>	<b>1,227,235</b>	<b>1,276,321</b>	<b>1,327,563</b>
14	Claims Incurred	864,389	822,574	932,329	970,478	1,012,659	1,057,003
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(12,797)	(12,143)	4,896	5,005	14,347
16	(a) Claims Incurred - Interest Rate Impact	40,852	147,845	21,546	11,745	3,339	3,270
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>957,622</b>	<b>941,732</b>	<b>987,119</b>	<b>1,021,003</b>	<b>1,074,620</b>
18	Claims Expense	126,871	134,257	139,804	139,931	139,400	149,154
19	Road Safety/Loss Prevention	11,538	12,329	13,512	13,470	13,763	13,995
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,104,208</b>	<b>1,095,048</b>	<b>1,140,520</b>	<b>1,174,166</b>	<b>1,237,769</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,378	75,693	77,212	82,448
23	Commissions	40,233	42,454	44,454	46,430	48,211	50,061
24	Premium Taxes	31,183	33,085	34,881	36,350	37,769	39,246
25	Regulatory/Appeal	4,315	4,671	5,327	5,336	5,424	5,517
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>159,040</b>	<b>163,809</b>	<b>168,616</b>	<b>177,272</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(141,492)</b>	<b>(77,468)</b>	<b>(77,094)</b>	<b>(66,461)</b>	<b>(87,478)</b>
28	<b>Investment Income</b>	194,333	78,115	68,697	68,832	66,663	66,791
29	(b) Investment Income - Interest Rate Impact	14,178	170,483	(134)	(69)	(95)	(130)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>248,598</b>	<b>68,563</b>	<b>68,763</b>	<b>66,568</b>	<b>66,661</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>107,106</b>	<b>(8,905)</b>	<b>(8,331)</b>	<b>107</b>	<b>(20,817)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	22,638	(21,680)	(11,814)	(3,434)	(3,400)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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**

<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>					
Line No.	<i>(C\$ 000s, rounding may affect totals)</i>	<u>2019A</u>	<u>2020P</u>	<u>2021F</u>	<u>2022F</u>	<u>2023F</u>	<u>2024F</u>
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	98,215	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,973,796	3,139,169	3,304,927	3,484,324	3,667,763
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	386,445	400,522	415,084	430,160
9	Deferred policy acquisition costs	6,063	15,555	29,159	25,545	21,888	8,948
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	64,340	81,221	88,335	81,353
13		<b>3,203,606</b>	<b>3,602,276</b>	<b>3,819,795</b>	<b>4,013,847</b>	<b>4,214,131</b>	<b>4,397,579</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	569,867	597,807	623,124	649,807	677,602
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	446,233	459,712	473,440	487,216	501,430
21	Provision for unpaid claims	1,975,925	2,154,172	2,273,719	2,364,980	2,446,640	2,527,693
22		<b>2,953,914</b>	<b>3,234,189</b>	<b>3,396,066</b>	<b>3,527,359</b>	<b>3,650,294</b>	<b>3,776,667</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	490,707	523,688	563,362	615,478	646,086
25	Accumulated Other Comprehensive Income	(60,120)	(122,619)	(99,959)	(76,874)	(51,641)	(25,174)
26	<b>Total Equity</b>	<b>249,692</b>	<b>368,088</b>	<b>423,729</b>	<b>486,488</b>	<b>563,837</b>	<b>620,912</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,602,277</b>	<b>3,819,795</b>	<b>4,013,847</b>	<b>4,214,131</b>	<b>4,397,579</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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		<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>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	490,707	523,688	563,362	615,478
6	Net Income (Loss) from annual operations	78,837	107,106	(8,903)	(8,331)	108	(20,818)
7	Transfer from Extension Retained Earnings	60,000	73,789	41,884	48,005	52,009	51,426
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>490,707</b>	<b>523,688</b>	<b>563,362</b>	<b>615,478</b>	<b>646,086</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(122,619)	(99,959)	(76,874)	(51,641)
11	Other Comprehensive Income for the Year	(99,990)	(62,499)	22,661	23,084	25,233	26,468
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(122,619)</b>	<b>(99,959)</b>	<b>(76,874)</b>	<b>(51,641)</b>	<b>(25,174)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>368,088</b>	<b>423,729</b>	<b>486,487</b>	<b>563,836</b>	<b>620,912</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	368,088	423,729	486,487	563,836	620,912
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,340	81,221	88,335	81,353
17	Capital Available	203,766	320,696	359,389	405,266	475,501	539,559
18	Minimum Capital Required (100% MCT)	395,393	368,219	405,981	416,012	432,191	447,589
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>87.1%</b>	<b>88.5%</b>	<b>97.4%</b>	<b>110.0%</b>	<b>120.6%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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	2020P	2021F	2022F	2023F	2024F
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	12,514	13,113	13,761	14,460
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>169,759</b>	<b>175,530</b>	<b>180,765</b>	<b>186,295</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,786	71,222	72,438	73,749
13	(a) Claims Incurred - Interest Rate Impact	-	264	-	-	(1)	(2)
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,923</b>	<b>69,786</b>	<b>71,222</b>	<b>72,437</b>	<b>73,747</b>
15	Claims Expense	10,491	11,288	10,510	10,410	9,997	10,715
16	Road Safety/Loss Prevention	908	1,038	1,011	995	977	984
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,249</b>	<b>81,307</b>	<b>82,627</b>	<b>83,411</b>	<b>85,446</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,037	9,194	9,201	9,654
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,571</b>	<b>50,051</b>	<b>51,216</b>	<b>52,887</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,312</b>	<b>39,881</b>	<b>42,852</b>	<b>46,138</b>	<b>47,962</b>
25	<b>Investment Income</b>	11,349	5,003	3,367	3,912	3,782	3,590
26	(b) Investment Income - Interest Rate Impact	828	4,265	(48)	(52)	(56)	(54)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>9,268</b>	<b>3,319</b>	<b>3,860</b>	<b>3,726</b>	<b>3,536</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>56,580</b>	<b>43,200</b>	<b>46,712</b>	<b>49,864</b>	<b>51,498</b>
30	Total net Impact due to interest rate change (b) - (a)	828	4,001	(48)	(52)	(55)	(52)



**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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>						
No.	<i>(C\$ 000s, rounding may affect totals)</i>						
	<i>For the Years Ended February,</i>						
1	<u>2019A</u>	<u>2020P</u>	<u>2021F</u>	<u>2022F</u>	<u>2023F</u>	<u>2024F</u>	
2	<b>EXTENSION</b>						
3	<b>Total Equity</b>	<u>2018/19A</u>	<u>2019/20P</u>	<u>2020/21F</u>	<u>2021/22F</u>	<u>2022/23F</u>	<u>2023/24F</u>
4	<b>Retained Earnings</b>						
5	Beginning Balance	102,492	99,213	82,005	83,320	82,028	79,883
6	Net Income (Loss) from annual operations	56,721	56,580	43,200	46,713	49,863	51,498
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(73,789)	(41,884)	(48,005)	(52,009)	(51,426)
8	<b>Total Retained Earnings</b>	<u>99,213</u>	<u>82,004</u>	<u>83,321</u>	<u>82,028</u>	<u>79,882</u>	<u>79,955</u>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(10,553)	(6,146)	(1,703)	2,880
11	Other Comprehensive Income	(5,608)	(6,042)	4,407	4,443	4,583	4,870
12	<b>Total Accumulated Other Comprehensive Income</b>	<u>(4,511)</u>	<u>(10,553)</u>	<u>(6,146)</u>	<u>(1,703)</u>	<u>2,880</u>	<u>7,750</u>
13	<b>Total Equity Balance</b>	<u>94,702</u>	<u>71,451</u>	<u>77,174</u>	<u>80,326</u>	<u>82,763</u>	<u>87,704</u>
14	<b>MCT Ratio (%)</b>	317%	200%	200%	200%	200%	200%

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-1 Statement of Operations  
2020 GRA Base with September 2019 Naive interest Rate Shock +50bps  
break even rate change -1.72% (without CMP) & Capital Build 0.43%**

**Multi-year - 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 0.43%*

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

Line No.		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,092,875	1,136,252	1,181,837	1,229,401
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,150,722</b>	<b>1,195,640</b>	<b>1,242,769</b>	<b>1,291,530</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,079,624	1,116,170	1,160,733	1,207,381
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,136,459</b>	<b>1,174,638</b>	<b>1,220,741</b>	<b>1,268,758</b>
12	Service Fees & Other Revenues	24,568	26,511	28,145	30,219	32,511	35,045
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,164,604</b>	<b>1,204,857</b>	<b>1,253,252</b>	<b>1,303,803</b>
14	Claims Incurred	864,389	822,575	926,930	965,220	1,007,671	1,052,354
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(22,355)	(2,959)	4,090	4,527	13,595
16	(a) Claims Incurred - Interest Rate Impact	40,852	(24,849)	17,497	15,017	12,127	12,035
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>775,371</b>	<b>941,468</b>	<b>984,327</b>	<b>1,024,325</b>	<b>1,077,984</b>
18	Claims Expense	126,871	134,257	139,052	139,175	138,702	148,482
19	Road Safety/Loss Prevention	11,538	12,329	13,430	13,386	13,684	13,918
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>921,957</b>	<b>1,093,950</b>	<b>1,136,888</b>	<b>1,176,711</b>	<b>1,240,384</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,016	75,325	76,867	82,111
23	Commissions	40,233	42,454	44,152	45,705	47,457	49,277
24	Premium Taxes	31,183	33,085	34,527	35,681	37,073	38,522
25	Regulatory/Appeal	4,315	4,671	5,326	5,335	5,423	5,515
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,021</b>	<b>162,046</b>	<b>166,820</b>	<b>175,425</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>40,759</b>	<b>(87,367)</b>	<b>(94,077)</b>	<b>(90,279)</b>	<b>(112,006)</b>
28	<b>Investment Income</b>	194,333	78,074	73,905	82,282	77,870	81,667
29	(b) Investment Income - Interest Rate Impact	14,178	1,662	(96)	(91)	(309)	(71)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>79,736</b>	<b>73,809</b>	<b>82,191</b>	<b>77,561</b>	<b>81,596</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>120,495</b>	<b>(13,558)</b>	<b>(11,886)</b>	<b>(12,718)</b>	<b>(30,410)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	26,511	(17,593)	(15,108)	(12,436)	(12,106)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**Appendix 1:  
PF-2 Statement of Financial Position  
2020 GRA Base with September 2019 Naive interest Rate Shock +50bps  
break even rate change -1.72% (without CMP) & Capital Build 0.43%**

**Multi-year - 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 0.43%*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,785,098	2,901,275	3,010,390	3,134,832	3,271,581
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	380,650	394,499	408,820	423,645
9	Deferred policy acquisition costs	6,063	25,113	28,902	26,070	22,865	10,649
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	64,413	81,345	88,485	81,516
13		<b>3,203,606</b>	<b>3,424,921</b>	<b>3,575,922</b>	<b>3,713,936</b>	<b>3,859,502</b>	<b>3,996,746</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	569,867	587,751	612,669	638,933	666,289
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	384,749	398,634	412,577	426,602	441,121
21	Provision for unpaid claims	1,975,925	1,981,479	2,091,577	2,180,853	2,266,312	2,351,481
22		<b>2,953,914</b>	<b>3,000,012</b>	<b>3,142,790</b>	<b>3,271,914</b>	<b>3,398,478</b>	<b>3,528,833</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	507,944	536,147	569,456	606,262	624,747
25	Accumulated Other Comprehensive Income	(60,120)	(83,033)	(103,014)	(127,434)	(145,237)	(156,835)
26	<b>Total Equity</b>	<b>249,692</b>	<b>424,911</b>	<b>433,133</b>	<b>442,022</b>	<b>461,025</b>	<b>467,912</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,424,923</b>	<b>3,575,923</b>	<b>3,713,936</b>	<b>3,859,503</b>	<b>3,996,745</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.43%**

**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  
-1.72% (without CMP) & Capital Build 0.43%*

Line No.	(C\$ 000s, rounding may affect totals)	For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	507,944	536,147	569,456	606,262
6	Net Income (Loss) from annual operations	78,837	120,495	(13,558)	(11,885)	(12,716)	(30,413)
7	Transfer from Extension Retained Earnings	60,000	77,636	41,761	45,194	49,522	48,898
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>507,944</b>	<b>536,147</b>	<b>569,456</b>	<b>606,262</b>	<b>624,747</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(83,033)	(103,014)	(127,434)	(145,237)
11	Other Comprehensive Income for the Year	(99,990)	(22,913)	(19,981)	(24,420)	(17,804)	(11,598)
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(83,033)</b>	<b>(103,014)</b>	<b>(127,434)</b>	<b>(145,237)</b>	<b>(156,835)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>424,911</b>	<b>433,133</b>	<b>442,022</b>	<b>461,025</b>	<b>467,912</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	424,911	433,133	442,022	461,025	467,912
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,413	81,345	88,485	81,516
17	Capital Available	203,766	377,519	368,720	360,677	372,540	386,396
18	Minimum Capital Required (100% MCT)	395,393	347,041	363,588	360,673	423,213	438,788
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>108.8%</b>	<b>101.4%</b>	<b>100.0%</b>	<b>88.0%</b>	<b>88.1%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.43%**

**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 -1.72% (without CMP) &amp; Capital Build 0.43%</i>		<i>For the Years Ended February,</i>					
Line No.	<i>(C\$ 000s, rounding may affect totals)</i>	2019A	2020P	2021F	2022F	2023F	2024F
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	13,174	13,853	14,591	15,392
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,419</b>	<b>176,270</b>	<b>181,595</b>	<b>187,227</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,790	71,223	72,439	73,750
13	(a) Claims Incurred - Interest Rate Impact	-	30	-	-	-	-
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,689</b>	<b>69,790</b>	<b>71,223</b>	<b>72,439</b>	<b>73,750</b>
15	Claims Expense	10,491	11,288	10,997	10,863	10,415	11,103
16	Road Safety/Loss Prevention	908	1,038	1,060	1,041	1,020	1,025
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,015</b>	<b>81,847</b>	<b>83,127</b>	<b>83,874</b>	<b>85,878</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,251	9,395	9,391	9,832
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,785</b>	<b>50,253</b>	<b>51,406</b>	<b>53,066</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,546</b>	<b>39,787</b>	<b>42,890</b>	<b>46,315</b>	<b>48,283</b>
25	<b>Investment Income</b>	11,349	5,506	3,194	3,723	3,751	3,691
26	(b) Investment Income - Interest Rate Impact	828	592	(47)	(52)	(57)	(56)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>6,098</b>	<b>3,147</b>	<b>3,671</b>	<b>3,694</b>	<b>3,635</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>53,644</b>	<b>42,934</b>	<b>46,561</b>	<b>50,009</b>	<b>51,918</b>
30	Total net Impact due to interest rate change (b) - (a)	828	562	(47)	(52)	(57)	(56)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.43%**

**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 0.43%*

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

	<i>For the Years Ended February,</i>					
	<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
1						
2	<b>EXTENSION</b>					
3	<b>Total Equity</b>					
4	<b>Retained Earnings</b>					
5	Beginning Balance	102,492	99,213	75,221	76,394	77,762
6	Net Income (Loss) from annual operations	56,721	53,644	42,934	46,562	50,010
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(77,636)	(41,761)	(45,194)	(49,522)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>75,221</b>	<b>76,394</b>	<b>77,762</b>	<b>78,250</b>
9	<b>Total Accumulated Other Comprehensive Income</b>					
10	Beginning Balance	1,097	(4,511)	(6,734)	(4,686)	(2,517)
11	Other Comprehensive Income	(5,608)	(2,223)	2,048	2,169	2,330
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(6,734)</b>	<b>(4,686)</b>	<b>(2,517)</b>	<b>(187)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>68,487</b>	<b>71,709</b>	<b>75,245</b>	<b>78,063</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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)**

**Multi-year - Statement of Operations**

12.75		<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)</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
2		<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	<b>BASIC</b>						
3	Motor Vehicles	1,003,570	1,057,941	1,108,007	1,151,980	1,198,191	1,246,413
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,165,854</b>	<b>1,211,368</b>	<b>1,259,123</b>	<b>1,308,542</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,087,791	1,131,623	1,176,798	1,224,089
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,144,626</b>	<b>1,190,091</b>	<b>1,236,806</b>	<b>1,285,466</b>
12	Service Fees & Other Revenues	24,568	26,511	28,304	30,259	32,407	34,761
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,172,930</b>	<b>1,220,350</b>	<b>1,269,213</b>	<b>1,320,227</b>
14	Claims Incurred	864,389	822,574	931,096	969,147	1,011,594	1,056,349
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(15,053)	(9,493)	4,589	4,910	14,099
16	(a) Claims Incurred - Interest Rate Impact	40,852	108,110	16,103	19,743	18,615	16,624
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>915,631</b>	<b>937,706</b>	<b>993,479</b>	<b>1,035,119</b>	<b>1,087,072</b>
18	Claims Expense	126,871	134,257	139,639	139,753	139,262	149,071
19	Road Safety/Loss Prevention	11,538	12,329	13,494	13,450	13,747	13,985
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>1,062,217</b>	<b>1,090,839</b>	<b>1,146,682</b>	<b>1,188,128</b>	<b>1,250,128</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,297	75,606	77,145	82,407
23	Commissions	40,233	42,454	44,361	46,208	47,979	49,820
24	Premium Taxes	31,183	33,085	34,772	36,144	37,555	39,023
25	Regulatory/Appeal	4,315	4,671	5,327	5,335	5,424	5,517
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,757</b>	<b>163,293</b>	<b>168,103</b>	<b>176,767</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(99,501)</b>	<b>(76,666)</b>	<b>(89,625)</b>	<b>(87,018)</b>	<b>(106,668)</b>
28	<b>Investment Income</b>	194,333	78,305	70,148	72,936	69,518	69,932
29	(b) Investment Income - Interest Rate Impact	14,178	121,973	(88)	(141)	(122)	(105)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>200,278</b>	<b>70,060</b>	<b>72,795</b>	<b>69,396</b>	<b>69,827</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>100,777</b>	<b>(6,606)</b>	<b>(16,830)</b>	<b>(17,622)</b>	<b>(36,841)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	13,863	(16,191)	(19,884)	(18,737)	(16,729)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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)**

**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  
0.06% (without CMP)*

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

		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	99,507	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,917,977	3,076,625	3,228,407	3,395,419	3,568,393
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	384,663	398,670	413,158	428,157
9	Deferred policy acquisition costs	6,063	17,811	28,570	25,257	21,686	8,985
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	64,355	81,248	88,368	81,388
13		<b>3,203,606</b>	<b>3,550,005</b>	<b>3,754,895</b>	<b>3,935,214</b>	<b>4,123,131</b>	<b>4,296,278</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	569,867	594,716	619,910	646,464	674,124
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	430,783	444,554	458,170	471,755	485,761
21	Provision for unpaid claims	1,975,925	2,114,437	2,227,308	2,325,237	2,421,107	2,514,860
22		<b>2,953,914</b>	<b>3,179,004</b>	<b>3,331,406</b>	<b>3,469,132</b>	<b>3,605,957</b>	<b>3,744,687</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	484,161	517,926	544,345	574,154	583,975
25	Accumulated Other Comprehensive Income	(60,120)	(113,160)	(94,436)	(78,262)	(56,980)	(32,383)
26	<b>Total Equity</b>	<b>249,692</b>	<b>371,001</b>	<b>423,490</b>	<b>466,083</b>	<b>517,174</b>	<b>551,592</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,550,005</b>	<b>3,754,896</b>	<b>3,935,215</b>	<b>4,123,131</b>	<b>4,296,279</b>



**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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)**

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

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)*

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

		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	484,161	517,926	544,345	574,154
6	Net Income (Loss) from annual operations	78,837	100,777	(6,606)	(16,829)	(17,621)	(36,843)
7	Transfer from Extension Retained Earnings	60,000	73,572	40,370	43,248	47,430	46,664
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>484,161</b>	<b>517,926</b>	<b>544,345</b>	<b>574,154</b>	<b>583,975</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(113,160)	(94,436)	(78,262)	(56,980)
11	Other Comprehensive Income for the Year	(99,990)	(53,040)	18,724	16,174	21,281	24,597
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(113,160)</b>	<b>(94,436)</b>	<b>(78,262)</b>	<b>(56,980)</b>	<b>(32,383)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>371,001</b>	<b>423,490</b>	<b>466,083</b>	<b>517,174</b>	<b>551,591</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	371,001	423,490	466,083	517,174	551,591
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,355	81,248	88,368	81,388
17	Capital Available	<b>203,766</b>	<b>323,609</b>	<b>359,135</b>	<b>384,835</b>	<b>428,806</b>	<b>470,203</b>
18	Minimum Capital Required (100% MCT)	395,393	362,127	374,706	390,985	417,749	438,696
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>89.4%</b>	<b>95.8%</b>	<b>98.4%</b>	<b>102.7%</b>	<b>107.2%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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)**

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

		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	12,684	13,304	13,974	14,698
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>169,929</b>	<b>175,721</b>	<b>180,978</b>	<b>186,533</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,787	71,222	72,438	73,749
13	(a) Claims Incurred - Interest Rate Impact	-	205	-	-	-	-
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,864</b>	<b>69,787</b>	<b>71,222</b>	<b>72,438</b>	<b>73,749</b>
15	Claims Expense	10,491	11,288	10,615	10,516	10,087	10,773
16	Road Safety/Loss Prevention	908	1,038	1,022	1,006	986	990
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,190</b>	<b>81,424</b>	<b>82,744</b>	<b>83,511</b>	<b>85,512</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,084	9,241	9,242	9,681
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	4,935	5,074	5,220
22	Regulatory/Appeal	8	12	11	11	16	21
23	<b>Total Expenses</b>	<b>49,520</b>	<b>49,056</b>	<b>48,618</b>	<b>50,099</b>	<b>51,257</b>	<b>52,914</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,371</b>	<b>39,887</b>	<b>42,878</b>	<b>46,210</b>	<b>48,107</b>
25	<b>Investment Income</b>	11,349	5,228	3,347	3,892	3,960	3,972
26	(b) Investment Income - Interest Rate Impact	828	4,112	(45)	(50)	(55)	(54)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>9,340</b>	<b>3,302</b>	<b>3,842</b>	<b>3,905</b>	<b>3,918</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>56,711</b>	<b>43,189</b>	<b>46,720</b>	<b>50,115</b>	<b>52,025</b>
30	Total net Impact due to interest rate change (b) - (a)	828	3,907	(45)	(50)	(55)	(54)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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)**

**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)</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</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	82,353	85,173	88,646	91,331
6	Net Income (Loss) from annual operations	56,721	56,712	43,190	46,721	50,115	52,024
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(73,572)	(40,370)	(43,248)	(47,430)	(46,664)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>82,353</b>	<b>85,173</b>	<b>88,646</b>	<b>91,331</b>	<b>96,691</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(11,095)	(10,735)	(10,274)	(9,666)
11	Other Comprehensive Income	(5,608)	(6,584)	361	460	608	906
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(11,095)</b>	<b>(10,734)</b>	<b>(10,275)</b>	<b>(9,666)</b>	<b>(8,760)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>71,258</b>	<b>74,438</b>	<b>78,372</b>	<b>81,665</b>	<b>87,931</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>

2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1

**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 0.17%**

**Multi-year - Statement of Operations**

12.75		<i>2020 GRA Base with September 2019 Naive interest Rate Shock +25bps - 2020/21 Basic AAP break even rate change</i>					
Line No.		<i>-1.14% (without CMP) &amp; Capital Build 0.17%</i>					
1		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	1,003,570	1,057,941	1,096,521	1,140,042	1,185,778	1,233,501
4	Drivers	66,959	70,267	72,280	74,110	75,948	77,445
5	Reinsurance Ceded	(12,502)	(14,888)	(14,433)	(14,722)	(15,016)	(15,316)
6	<b>Total Net Premiums Written</b>	<b>1,058,027</b>	<b>1,113,320</b>	<b>1,154,368</b>	<b>1,199,430</b>	<b>1,246,710</b>	<b>1,295,630</b>
7	<b>Net Premiums Earned</b>						
8	Motor Vehicles	980,770	1,034,264	1,081,592	1,119,894	1,164,605	1,211,407
9	Drivers	58,667	68,568	71,268	73,190	75,024	76,693
10	Reinsurance Ceded	(12,502)	(14,217)	(14,433)	(14,722)	(15,016)	(15,316)
11	<b>Total Net Premiums Earned</b>	<b>1,026,935</b>	<b>1,088,615</b>	<b>1,138,427</b>	<b>1,178,362</b>	<b>1,224,613</b>	<b>1,272,784</b>
12	Service Fees & Other Revenues	24,568	26,511	28,170	30,203	32,444	34,914
13	<b>Total Earned Revenues</b>	<b>1,051,503</b>	<b>1,115,126</b>	<b>1,166,597</b>	<b>1,208,565</b>	<b>1,257,057</b>	<b>1,307,698</b>
14	Claims Incurred	864,389	822,574	928,254	966,464	1,008,926	1,053,638
15	DPAC \ Premium Deficiency Adjustment	(12,983)	(20,041)	(4,530)	4,275	4,683	13,758
16	(a) Claims Incurred - Interest Rate Impact	40,852	17,202	16,903	16,957	14,412	13,091
17	<b>Total Claims Incurred</b>	<b>892,258</b>	<b>819,735</b>	<b>940,627</b>	<b>987,696</b>	<b>1,028,021</b>	<b>1,080,487</b>
18	Claims Expense	126,871	134,257	139,234	139,369	138,894	148,673
19	Road Safety/Loss Prevention	11,538	12,329	13,450	13,408	13,705	13,940
20	<b>Total Claims Costs</b>	<b>1,030,667</b>	<b>966,321</b>	<b>1,093,311</b>	<b>1,140,473</b>	<b>1,180,620</b>	<b>1,243,100</b>
21	<b>Expenses</b>						
22	Operating	76,124	72,200	74,103	75,418	76,962	82,208
23	Commissions	40,233	42,454	44,202	45,826	47,583	49,408
24	Premium Taxes	31,183	33,085	34,586	35,793	37,189	38,643
25	Regulatory/Appeal	4,315	4,671	5,326	5,335	5,423	5,516
26	<b>Total Expenses</b>	<b>151,855</b>	<b>152,410</b>	<b>158,217</b>	<b>162,372</b>	<b>167,157</b>	<b>175,775</b>
27	<b>Underwriting Income (Loss)</b>	<b>(131,019)</b>	<b>(3,605)</b>	<b>(84,931)</b>	<b>(94,280)</b>	<b>(90,720)</b>	<b>(111,177)</b>
28	<b>Investment Income</b>	194,333	78,151	72,649	80,012	75,658	77,619
29	(b) Investment Income - Interest Rate Impact	14,178	40,273	(95)	(89)	(302)	(65)
30	<b>Net Investment Income</b>	<b>208,511</b>	<b>118,424</b>	<b>72,554</b>	<b>79,923</b>	<b>75,356</b>	<b>77,554</b>
31	<b>Gain (Loss) on Sale of Property</b>	<b>1,345</b>					
32	<b>Net Income (Loss)</b>	<b>78,837</b>	<b>114,819</b>	<b>(12,377)</b>	<b>(14,357)</b>	<b>(15,364)</b>	<b>(33,623)</b>
33	Total net Impact due to interest rate change (b) - (a)	(26,674)	23,071	(16,998)	(17,046)	(14,714)	(13,156)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.17%**

**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  
-1.14% (without CMP) & Capital Build 0.17%*

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

		For the Years Ended February,					
		2019A	2020P	2021F	2022F	2023F	2024F
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	100,000	100,000	100,000	100,000	100,000
5	Investments	2,426,047	2,827,665	2,956,362	3,077,815	3,213,532	3,361,642
6	Investment property	41,892	5,521	5,174	5,038	5,681	6,560
7	Due from other insurance companies	1,495	-	-	-	-	-
8	Accounts receivable	422,793	368,893	381,617	395,504	409,866	424,733
9	Deferred policy acquisition costs	6,063	22,799	28,264	25,251	21,894	9,520
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	64,395	81,314	88,447	81,474
13		<b>3,203,606</b>	<b>3,465,174</b>	<b>3,631,320</b>	<b>3,781,516</b>	<b>3,938,239</b>	<b>4,086,724</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	569,867	589,429	614,414	640,748	668,177
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	400,037	413,884	427,719	441,594	455,950
21	Provision for unpaid claims	1,975,925	2,023,529	2,134,358	2,226,818	2,315,817	2,403,326
22		<b>2,953,914</b>	<b>3,057,350</b>	<b>3,202,499</b>	<b>3,334,766</b>	<b>3,464,790</b>	<b>3,597,395</b>
23	<b>Equity</b>						
24	Retained Earnings	309,812	501,030	529,539	559,503	592,798	607,172
25	Accumulated Other Comprehensive Income	(60,120)	(93,205)	(100,716)	(112,754)	(119,349)	(117,846)
26	<b>Total Equity</b>	<b>249,692</b>	<b>407,825</b>	<b>428,823</b>	<b>446,749</b>	<b>473,449</b>	<b>489,326</b>
27	<b>Total Liabilities &amp; Equity</b>	<b>3,203,606</b>	<b>3,465,175</b>	<b>3,631,322</b>	<b>3,781,515</b>	<b>3,938,239</b>	<b>4,086,721</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.17%**

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

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 0.17%*

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

		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>BASIC</b>	<b>2018/19A</b>	<b>2019/20P</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	309,812	501,030	529,539	559,503	592,798
6	Net Income (Loss) from annual operations	78,837	114,819	(12,377)	(14,358)	(15,364)	(33,623)
7	Transfer from Extension Retained Earnings	60,000	76,399	40,885	44,322	48,659	47,997
8	<b>Total Retained Earnings</b>	<b>309,812</b>	<b>501,030</b>	<b>529,539</b>	<b>559,503</b>	<b>592,798</b>	<b>607,172</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	39,870	(60,120)	(93,205)	(100,716)	(112,754)	(119,349)
11	Other Comprehensive Income for the Year	(99,990)	(33,085)	(7,511)	(12,038)	(6,595)	1,504
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(60,120)</b>	<b>(93,205)</b>	<b>(100,716)</b>	<b>(112,754)</b>	<b>(119,349)</b>	<b>(117,846)</b>
13	<b>Total Equity Balance</b>	<b>249,692</b>	<b>407,825</b>	<b>428,823</b>	<b>446,749</b>	<b>473,449</b>	<b>489,327</b>
14	<b>MINIMUM CAPITAL TEST (C\$ 000s)</b>						
15	Total Equity Balance	249,692	407,825	428,823	446,749	473,449	489,327
16	Less: Assets Requiring 100% Capital	45,926	47,392	64,395	81,314	88,447	81,474
17	Capital Available	<b>203,766</b>	<b>360,433</b>	<b>364,428</b>	<b>365,435</b>	<b>385,002</b>	<b>407,853</b>
18	Minimum Capital Required (100% MCT)	395,393	351,843	368,133	365,481	425,643	445,687
19	<b>MCT Ratio % (Line 17) / (Line 18)</b>	<b>51.5%</b>	<b>102.4%</b>	<b>99.0%</b>	<b>100.0%</b>	<b>90.5%</b>	<b>91.5%</b>

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.17%**

**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 0.17%*

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

		<i>For the Years Ended February,</i>					
		2019A	2020P	2021F	2022F	2023F	2024F
1							
2	<b>EXTENSION</b>	<b>2018/19A</b>	<b>2019/20P</b>	<b>2020/21F</b>	<b>2021/22F</b>	<b>2022/23F</b>	<b>2023/24F</b>
3	Motor Vehicles	162,861	156,127	162,147	166,626	171,389	176,363
4	Reinsurance Ceded	(1,567)	(2,029)	(2,035)	(2,076)	(2,117)	(2,159)
5	<b>Total Net Premiums Written</b>	<b>161,294</b>	<b>154,098</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	159,360	159,280	164,493	169,121	173,994
8	Reinsurance Ceded	(1,567)	(1,911)	(2,035)	(2,076)	(2,117)	(2,159)
9	<b>Total Net Premiums Earned</b>	<b>159,281</b>	<b>157,449</b>	<b>157,245</b>	<b>162,417</b>	<b>167,004</b>	<b>171,835</b>
10	Service Fees & Other Revenues	11,752	12,168	13,011	13,670	14,386	15,161
11	<b>Total Earned Revenues</b>	<b>171,033</b>	<b>169,617</b>	<b>170,256</b>	<b>176,087</b>	<b>181,390</b>	<b>186,996</b>
12	<b>Net Claims Incurred</b>	65,685	60,659	69,789	71,222	72,439	73,750
13	(a) Claims Incurred - Interest Rate Impact	-	88	(1)	-	-	-
14	<b>Total Claims Incurred</b>	<b>65,685</b>	<b>60,747</b>	<b>69,788</b>	<b>71,222</b>	<b>72,439</b>	<b>73,750</b>
15	Claims Expense	10,491	11,288	10,875	10,754	10,296	10,998
16	Road Safety/Loss Prevention	908	1,038	1,048	1,030	1,008	1,014
17	<b>Total Claims Costs</b>	<b>77,083</b>	<b>73,073</b>	<b>81,711</b>	<b>83,006</b>	<b>83,743</b>	<b>85,762</b>
18	<b>Expenses</b>						
19	Operating	9,431	9,304	9,197	9,348	9,337	9,784
20	Commissions	35,256	34,959	34,745	35,912	36,925	37,992
21	Premium Taxes	4,825	4,781	4,778	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>49,056</b>	<b>48,731</b>	<b>50,206</b>	<b>51,352</b>	<b>53,018</b>
24	<b>Underwriting Income (Loss)</b>	<b>44,431</b>	<b>47,488</b>	<b>39,814</b>	<b>42,875</b>	<b>46,295</b>	<b>48,216</b>
25	<b>Investment Income</b>	11,349	5,421	3,238	3,789	3,843	3,823
26	(b) Investment Income - Interest Rate Impact	828	1,780	(46)	(51)	(56)	(56)
27	<b>Net Investment Income</b>	<b>12,177</b>	<b>7,201</b>	<b>3,192</b>	<b>3,738</b>	<b>3,787</b>	<b>3,767</b>
28	<b>Gain (Loss) on Sale of Property</b>	<b>115</b>					
29	<b>Net Income (Loss) from Operations</b>	<b>56,721</b>	<b>54,689</b>	<b>43,006</b>	<b>46,613</b>	<b>50,082</b>	<b>51,983</b>
30	Total net Impact due to interest rate change (b) - (a)	828	1,692	(45)	(51)	(56)	(56)

**2020 GENERAL RATE APPLICATION  
Undertaking #22 Appendix 1**

**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 0.17%**

**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 0.17%</i>					
No.		<i>(C\$ 000s, rounding may affect totals)</i>					
		<i>For the Years Ended February,</i>					
1		<b>2019A</b>	<b>2020P</b>	<b>2021F</b>	<b>2022F</b>	<b>2023F</b>	<b>2024F</b>
2		<b>2018/19A</b>	<b>2019/20P</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	77,504	79,625	81,916	83,339
6	Net Income (Loss) from annual operations	56,721	54,690	43,006	46,612	50,082	51,982
7	Transfer (to) / from Basic Retained Earnings	(60,000)	(76,399)	(40,885)	(44,322)	(48,659)	(47,997)
8	<b>Total Retained Earnings</b>	<b>99,213</b>	<b>77,504</b>	<b>79,625</b>	<b>81,915</b>	<b>83,339</b>	<b>87,324</b>
9	<b>Total Accumulated Other Comprehensive Income</b>						
10	Beginning Balance	1,097	(4,511)	(8,241)	(6,957)	(5,560)	(4,007)
11	Other Comprehensive Income	(5,608)	(3,730)	1,283	1,397	1,553	1,858
12	<b>Total Accumulated Other Comprehensive Income</b>	<b>(4,511)</b>	<b>(8,241)</b>	<b>(6,958)</b>	<b>(5,560)</b>	<b>(4,007)</b>	<b>(2,149)</b>
13	<b>Total Equity Balance</b>	<b>94,702</b>	<b>69,263</b>	<b>72,668</b>	<b>76,356</b>	<b>79,332</b>	<b>85,175</b>
14	<b>MCT Ratio (%)</b>	<b>317%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>	<b>200%</b>