

Saskatchewan Auto Fund Rate Change Proposal Minimum Filing Requirements

1. Certificate of the Officer
2. Certificate of the Actuary
3. Latest annual report
4. Current organization structure(s)
5. CONFIDENTIAL
6. Details of indicated and requested rates supported by rate setting methodology details, actuarial and other support documents, including claim liabilities valuation used in the analysis
7. CONFIDENTIAL
8. Detailed explanation of all rate rebalancing measures proposed, including implementation schedules, anticipated future plans for and impacts of rebalancing
9. Changes to CLEAR-rated vehicle categories
10. Changes to conventionally-rated vehicle categories
11. Details and narrative related to any changes to vehicle classifications systems
12. Most recent parameters of all incentive programs, including SDR and BR
13. Details of any changes in the basis for setting the provisions for adverse deviations (e.g., changes in margins, methods of estimation, etc.)
14. Descriptions of traffic safety programs, including specific cost/benefit analyses justifying new programs implemented or proposed, and quantified benefits flowing from prior and current initiatives
15. The current Capital Management Policy together with the relevant history of MCT ratios, and any recent changes in Capital Management Policy
16. CONFIDENTIAL
17. Statement of Investment Policies and Goals
18. CONFIDENTIAL
19. Past, current and proposed future staff levels by Division for SAF and support staffing from other SGI entities
20. Taxes and Grants-in-lieu of taxes, as applicable
21. CONFIDENTIAL
22. Any new SAF programs introduced or eliminated, by type
23. Details of specific internal productivity or efficiency improvement goals or targets, the efficiencies gained and cost control measures implemented, by improvement type, including measurement parameters used
24. Capital improvements spending plans, as well as impact on indicated and requested rates
25. CONFIDENTIAL
26. Report on implementation of previous Panel recommendations
27. CONFIDENTIAL

Note - Confidential material should be clearly identified. The Applicant may provide such additional information as deemed appropriate to assist the efficiency of the review process.

1. Certificate of the Officer

CERTIFICATE OF THE OFFICER

I, Jeff Stepan, Executive Vice President & Chief Financial Officer, of Saskatchewan Government Insurance certify that:

1. The rate application has been prepared for the Saskatchewan Auto Fund to be effective as of January 21, 2022 for new and renewal business.
2. I have knowledge of the matters that are the subject of this certificate.
3. The information and each document contained in the rate application accompanying this certificate are complete and accurate in all material respects.
4. I have satisfied myself that the proposed rates are just and reasonable, do not impair the solvency of the Insurer, and are not excessive in relation to the financial circumstances of the Insurer.
5. If the rate application is approved, all premiums (including all fees, discounts, surcharges and other components comprising such premiums) quoted and charged by the Insurer will at all times and in all material respects accurately reflect and conform to the rate application as approved, whether such premiums are calculated manually or otherwise.
6. I have informed myself as to the Insurer's business systems and processes and confirm that any system or process changes that may be required to enable the Insurer to comply with paragraph 5 above will be adequately tested in advance and fully communicated to staff and intermediaries and implemented by the Insurer in a timely manner.



Signature of Officer

May28, 2021, Regina, Saskatchewan
Date, Location

2. Certificate of the Actuary

CERTIFICATE OF THE ACTUARY

I, Christopher McCulloch, a Fellow of the Canadian Institute of Actuaries, have been authorized to prepare a rate filing on behalf of Saskatchewan Government Insurance, and hereby certify that:

1. This filing is in respect of all classes/categories of automobile insurance, to be effective as of January 21, 2022 for both new and renewal business.
2. I have reviewed the data underlying this rate application for reasonableness and consistency, and I believe the data is reliable and sufficient for the determination of the indicated rate changes.
3. I have derived the indicated rate(s) in accordance with Accepted Actuarial Practice in Canada.

In my opinion, the indicated risk classification system is just and reasonable, reasonably predictive of risk and distinguishes fairly between the classes.



Signature of Actuary

May 27, 2021, Winnipeg

Date, Location

3. 2019/2020 Annual Report

SASKATCHEWAN AUTO FUND

ANNUAL REPORT

2019-2020



Mission

Transforming the insurance experience to promote peace of mind and safer communities.

Vision

Auto Fund

We are Saskatchewan's insurance company: providing exception value and traffic safety leadership.

SGI CANADA

We are Saskatchewan's insurance company: providing exception value and traffic safety leadership.

Values

Integrity: We do the right thing by being accountable, honest, trustworthy and fair.

Caring: We make an impact through empathy, respect and staying true to our roots.

Innovation: We transform our business through creativity, collaboration and continuous improvement.

Passion: We are energized, engaged and inspired in the work we do.

About the Saskatchewan Auto Fund

The Saskatchewan Auto Fund is the province's compulsory auto insurance program, operating the driver's licensing and vehicle registration system. The Auto Fund is designed to be financially self-sustaining over time. It does not receive money from, nor pay dividends to, the Government of Saskatchewan. Saskatchewan Government Insurance (SGI) is the administrator of the Auto Fund.

Contents

Letter of Transmittal	1
Minister's Message	2
President's and Chair's Message	4
Management's Discussion and Analysis	6
Responsibility for Financial Statements	30
Annual Statement of Management Responsibility	31
Actuary's Report	32
Independent Auditor's Report	33
Statement of Financial Position	36
Statement of Operations and Change in Rate Stabilization Reserve	37
Statement of Cash Flows	38
Notes to the Financial Statements	39
Glossary of Terms	71
Governance	73
In Memoriam	74

Letter of Transmittal

Regina, Saskatchewan
July 9, 2020

The Honourable Russ Mirasty, S.O.M., M.S.M.
Lieutenant Governor of Saskatchewan

Your Honour,

I am pleased to submit herewith the annual report of the Saskatchewan Auto Fund for the 12-month period ended March 31, 2020, including the financial statements in the form required by the Treasury Board and in accordance with *The Automobile Accident Insurance Act*.

Respectfully submitted,



Joe Hargrave
Minister Responsible for Saskatchewan Government Insurance

Minister's Message

As Minister Responsible for Saskatchewan Government Insurance (SGI), I'm proud to report 2019-20 marked another year of providing affordable rates to Saskatchewan people and continued commitment to making Saskatchewan roads safer.

Saskatchewan people have responded to the work we've undertaken in the past number of years on the traffic safety front, resulting in a significant shift – the province has exceeded the five-year target of a 30% reduction in injuries and fatalities on Saskatchewan roads by 2020-21. In the 2019 calendar year, compared to the baseline established in 2015, injuries dropped by 45% to 3,850 and fatalities dropped 56% to 71. Although even one fatality is too many and there's more work to do, this is the lowest number of traffic deaths in Saskatchewan since the province began tracking this data in 1951. I'm grateful there are fewer people getting hurt or killed in collisions on our roads and highways.

These results would not have been possible without significant efforts from a number of traffic safety partners, including law enforcement, community associations and many others. It's also due to awareness efforts and – most importantly – Saskatchewan people and communities deciding to make more responsible driving choices. Behaviours are changing, and that's great to see. A lot of the work has focused on impaired driving – still the factor most contributing to traffic fatalities in this province. Advertising campaigns like *Be a Good Wingman* remind us to always look out for friends and family and never let them drive impaired. *Wingman* has grown in reach and recognition through partnerships with First Nations, and through hockey and curling rinks across the province sharing the message or making it their own. SGI provided \$500,000 to sponsor the Mothers Against Drunk Driving (MADD) *SmartWheels* bus, a mobile classroom that travelled around the province educating students about the harmful risks associated with alcohol and drug use, and impaired driving. SGI's Safe Ride app also got a revamp and expanded its transportation sources to include rideshare services. SGI continued to work with the Northern Alcohol Strategy group in 2019 to support their goal of reducing alcohol-related harms for Saskatchewan residents.

SGI also reminded people of other forms of driving impairment, including edible cannabis, which was legalized in Fall 2019, through ads and point-of-sale materials emphasizing driver impacts and penalties. It continued to offer free rides on New Year's Eve in a number of Saskatchewan communities – and more people stepped onto the buses and up to the decision not to drive impaired.

Distracted driving also remains a top factor in fatal collisions. It is the number one contributing factor in collisions overall. That's why in 2019-20 our government passed new legislation, bringing in some of the toughest distracted driving laws in Canada. The cost of a first-time ticket more than doubled to \$580, with repeat offenders paying even more – \$1,400 on a second offence within one year of being convicted of the first, and \$2,100 on a third offence, along with a seven-day vehicle impoundment each time for those with more than one offence.

Calming traffic was another strategy to make roads safer, especially in high-volume areas. SGI added another photo speed enforcement (PSE) location near Wakaw to help address the high number of speed-related collisions in the area. A portion of the fines from PSE go into the Provincial Traffic Safety Fund Grant program and I'm proud that funding in 2019-20 enabled 48 communities across the province to complete traffic safety initiatives and improvements that included crosswalks, speed bumps, portable speed signs and more.

Commercial truck safety continued to be a focus over the past year. The work to provide comprehensive training has led to a project to develop an online version of the classroom training to make it more accessible and affordable. Transport Canada is supporting this project and looking into expanding online training for national use.

SGI also had a little fun this past year introducing Bucklebot to Saskatchewan youth. Bucklebot is an interactive robot that teaches children (and their parents and caregivers) the importance of being safe and secure with car seats. SGI also continued to provide car seat clinics and installation checks to 3,399 families to help make sure our smallest residents are riding safely.

Even though the last month of the 2019-20 fiscal year brought about an unexpected loss in investment earnings due to economic impacts of the COVID-19 pandemic, the Auto Fund is still in a strong capital position, consistently providing Saskatchewan residents among the lowest auto insurance rates in Canada, with comprehensive and affordable auto insurance and injury benefits.

I'm thankful for the hard work of everyone at SGI, from the employees to the Board of Directors to the motor licence issuers. Your dedication is why the Auto Fund is so strong, with achievements in traffic safety and excellent customer service.

I am pleased to present the 2019-20 Saskatchewan Auto Fund Annual Report.



Joe Hargrave
Minister Responsible for Saskatchewan Government Insurance

President's and Chair's Message

The Saskatchewan Auto Fund (Auto Fund) continued on a strong and consistent path in 2019-20, staying focused on what it does best – ensuring programs and services are well run, that it is financially strong and offering, on average, the lowest personal auto insurance rates in Canada – all while providing comprehensive injury benefits for customers who need them. At the same time, the province made a historic gain in making sure everyone using Saskatchewan highways and roads gets home safely. Traffic safety initiatives and awareness efforts are making an impact, and people are making better choices when they drive; something we should all be proud of.

SGI is in a healthy capital position which will carry it through the significant investment losses that came in March 2020, a result of the global COVID-19 pandemic and its impact on financial markets. Up until that point, the Auto Fund's well-diversified and well-managed investment portfolio was providing good earnings, but the pandemic impacts ultimately resulted in a \$46.7 million decrease to the Rate Stabilization Reserve during the year. The underwriting loss totalled \$134.6 million. We are confident investment earnings will return to profitability when markets stabilize. Despite challenges, the Auto Fund is still in strong fiscal shape overall, providing stability to the people of Saskatchewan.

This stability carries through to auto insurance rates. While rates often fluctuate in other jurisdictions, the Auto Fund has not increased rates since 2014, contributing to increased customer satisfaction. In fact, SGI ranks number one when compared to Canada's largest insurers when it comes to delivering a great customer experience. SGI's customer score was unchanged from 2018-19 and positions it within the "excellent" range. We're proud to say the Auto Fund always puts customers first in any work it does, and it shows.

Demonstrating its dedication to providing a great customer experience, in 2019-20 the Auto Fund gave people interacting with the customer service centre, claims area, fair practices office and accredited repair firms the ability to provide real-time feedback through a quick, online survey. Now, SGI can take immediate action to address concerns and improve customer service. We're pleased to see that customer feedback ratings have been very positive.

Weather wasn't as much of a factor for the Auto Fund in 2019-20 as it has been other years, with catastrophe claims totalling \$29.3 million. We're happy to see the progress made in reducing collisions on Saskatchewan's roads has also resulted in a modest decrease in injury claim costs. However, damage claims were higher – not as a result of an increased number of claims, but due to the increased cost of collisions. Vehicles with more advanced technology are more costly to repair or replace.

To ensure safe, quality vehicle repairs for customers, SGI held town halls with repair firms across the province to consult about upcoming changes to accreditation requirements. The Auto Fund has been recognized for its leadership in setting standards to ensure safe repairs and other jurisdictions, including in the United States, are looking to our work as a model.

In 2019-20, the Auto Fund brought consistency to the injury claim process, enabling more employees to process claims regardless of location, spreading the case load province-wide for faster, more consistent service. SGI also built a new Yorkton Claims Centre, replacing a very old building. The new building is conveniently located beside the salvage centre and driver exam office, and is better-configured for improved employee collaboration and customer interactions.

For a number of years, SGI has been building relationships with Indigenous people and communities across the province, in part through traffic safety partnerships but also in dedicated work day-to-day. In January 2020, SGI signed the Saskatchewan Chamber of Commerce Indigenous Engagement Charter along with 38 other organizations. The charter is a three-year commitment to bring the Truth and Reconciliation Commission's Calls to Action into business decisions and practices, and SGI is proud to undertake this work to be even more reflective of the customers it serves.

Some of the best news of the year is that Saskatchewan's roads are getting significantly safer. In 2019, unfortunately 71 people were killed on Saskatchewan roads. However, compared to the baseline established in 2015, this is 56% fewer deaths, a historic low. Injuries are also down significantly. Years of work on high-profile awareness campaigns, coverage in the news media, social media posts, tougher legislation and partnerships with law enforcement and other organizations have helped bring about this success. We give heartfelt thanks to all our employees and others who have taken up this work alongside us, and we especially thank everyone in Saskatchewan who decided to adopt safer driving habits.

We are also grateful for the continued guidance and support from our Board of Directors, which added a new member – Ms. Chris Guérette – to the ranks over the past year.

Overall, 2019-20 was a stable year for the Auto Fund. While the COVID-19 pandemic added challenges as the fiscal year wound down, SGI's good financial standing means it will recover. Most of all, we were proud of the company's ability to respond and shift the majority of its staff to working from home, while continuing to provide services and transactions remotely for customers.

We are grateful to our employees, along with motor licence issuers, for their contributions to another solid year for the Auto Fund and Saskatchewan people.



Andrew R. Cartmell
President and Chief Executive Officer
Saskatchewan Government Insurance
as Administrator of the Saskatchewan Auto Fund



Arlene Wiks
Chair, SGI Board of Directors

Management's Discussion and Analysis

The following management's discussion and analysis (MD&A) is the responsibility of Saskatchewan Government Insurance (SGI) as the administrator of the Saskatchewan Auto Fund and reflects events known to SGI to May 27, 2020. The Board of Directors carries out its responsibility for review of this disclosure principally through its Audit, Finance and Conduct Review Committee, comprised exclusively of independent directors. The Audit, Finance and Conduct Review Committee's mandate can be found on SGI's website at www.sgi.sk.ca. The Board of Directors approved this MD&A at its meeting on May 28, 2020, after a recommendation to approve was put forth by the Audit, Finance and Conduct Review Committee.

Overview

The MD&A is structured to provide users of the Saskatchewan Auto Fund (the Auto Fund) financial statements with insight into the Auto Fund and the environment in which it operates. This section outlines strategies and the capability to execute the strategies, key performance drivers, capital and liquidity, financial results, risk management and an outlook for the coming year. Information contained in the MD&A should be read in conjunction with the financial statements and notes to the financial statements, along with other sections in this annual report. All dollar amounts are in Canadian dollars.

Caution Regarding Forward-Looking Statements

Forward-looking statements include, among others, statements regarding the Auto Fund's objectives, strategies and capabilities to achieve them. Forward-looking statements are based on estimates and assumptions made by SGI, as the administrator of the Auto Fund, in light of its experience and perception of historical trends, current conditions and expected future developments, as well as other factors that are believed to be appropriate in the circumstances. SGI, as the administrator of the Auto Fund, deems that the assumptions built into the forward-looking statements are plausible. However, all factors should be considered carefully when making decisions with respect to the Auto Fund. Undue reliance should not be placed on the Auto Fund's forward-looking statements, which apply only as of the date of this MD&A document. The Auto Fund does not undertake to update any of the forward-looking statements that may be made from time to time by or on the Auto Fund's or the administrator's behalf.

The Saskatchewan Auto Fund

In 1944, the Government of Saskatchewan passed *The Saskatchewan Government Insurance Act*, creating the provincial Crown corporation that is known today as SGI. SGI was created to rectify problems in the Saskatchewan insurance industry. At that point in time, poor economic conditions had driven many insurers out of the province. Less than 10% of licensed Saskatchewan vehicles carried any insurance and there was a need for a compensation plan for persons injured in collisions.

In 1946, the government established basic compulsory automobile coverage for Saskatchewan residents under *The Automobile Accident Insurance Act* (AAIA). The Auto Fund was established effective January 1, 1984, by an amendment to the AAIA, which separated the property and casualty insurance operations of SGI and the compulsory Auto Fund. The administrator of the Auto Fund is SGI. The role of SGI, as the administrator, is to oversee the operations of the Auto Fund for the Province of Saskatchewan based on the legislative requirements contained in the AAIA.

The Auto Fund, as the compulsory automobile insurance program for Saskatchewan residents, provides vehicle registrations, driver's licences, basic minimum liability insurance required to operate a vehicle and coverage for damage to or loss of an insured's vehicle, subject to a deductible. Liability insurance provides for a specific amount to cover property damage and/or injuries caused to another person. The compulsory insurance package also includes injury coverage that provides an option to choose between No Fault Coverage and Tort Coverage. This basic insurance package allows a currently registered vehicle to operate legally anywhere in Canada or the United States of America.

The Auto Fund is governed by legislation contained in the AAIA, *The Traffic Safety Act*, *The All Terrain Vehicles Act* and *The Snowmobile Act* (the Acts) along with related regulations created by these Acts. The Auto Fund is also subject to legislation contained in *The Crown Corporations Act, 1993* and Part IX of the *Insurance Companies Act* (Canada) regarding the investments of the Auto Fund. It is subject to provincial privacy and access to information legislation contained in *The Freedom of Information and Protection of Privacy Act* and *The Health Information Protection Act*. It also has administrative, enforcement and other related duties under other provincial acts and regulations, and under the federal Criminal Code.

The Auto Fund does not receive money from, nor pay dividends to, the Province of Saskatchewan, SGI or Crown Investments Corporation of Saskatchewan (CIC). CIC is SGI's parent corporation. The Auto Fund is operated on a self-sustaining basis viewed over a long-term time frame. Any annual financial excess or deficiencies of the Auto Fund are recorded in its Rate Stabilization Reserve (RSR). The RSR is held on behalf of Saskatchewan's motoring public and cannot be used for any other purpose by the government or the administrator.

Financial results for the Auto Fund are not included in the consolidated financial statements of SGI nor CIC's consolidated financial statements, as the Auto Fund is a fund of the Province of Saskatchewan. Financial results for the Auto Fund are included in the Province of Saskatchewan's summary financial statements using the modified equity accounting method as required by the Public Sector Accounting Board of the Chartered Professional Accountants of Canada.

The Auto Fund operates 20 claims centres and six salvage centres in 13 communities across the province. The Auto Fund's business operation is restricted to the Province of Saskatchewan and is operated from SGI's head office located in Regina, Saskatchewan.

The Auto Fund's quarterly and annual reports are available on SGI's website at www.sgi.sk.ca. Navigate to About Us and then click on "Financial Statements."

The Environment the Auto Fund Operates In

The Auto Fund's customers are Saskatchewan residents. It provides all residents with automobile injury coverage and a choice between a no-fault or tort product. As the sole provider of vehicle and driver's licensing in Saskatchewan, the Auto Fund operates based on legislative powers granted in the Acts. The Auto Fund is required to submit vehicle insurance rate changes to the Saskatchewan Rate Review Panel (SRRP), whose mandate is to evaluate the rate change and to provide an opinion on the fairness and reasonableness of the requested change. The SRRP does not have the authority to implement any of its recommendations; the final decision to approve, change or reject rate changes is at the discretion of the provincial government.

The Auto Fund provides vehicle registrations, driver's licences and related services to approximately 0.8 million drivers and approximately 1.2 million vehicles and trailers in Saskatchewan. Business partners include independent motor licence issuers, autobody repairers, law enforcement agencies and healthcare providers. These business partners are involved in different aspects of the Auto Fund's operations from licensing, road safety and repair of damaged vehicles, to provision of medical care and rehabilitative services for those injured in motor vehicle collisions.

The Auto Fund's philosophy is that all drivers are treated equally unless their driving record shows they are a greater risk for causing a collision. It does not use a driver's age, gender or where they live to determine a vehicle insurance premium or the fee for a driver's licence. It has successfully maintained this philosophy while offering Saskatchewan customers low rates, proving its merit.

While it has been successful at offering Saskatchewan residents low rates, the Auto Fund does face challenges. Claim costs represented 81.6% of the Auto Fund's costs in 2019-20. Over the last 10 years, auto damage claim costs have increased at an average annual rate of 5.7%, while personal injury costs have grown at 0.8% annually.

New and advanced technology means that newer vehicles are more expensive to repair than older ones, as they have more expensive parts. As a result, the average cost of a damage claim continues to climb as repair costs outpace inflation. Despite the continued increase in the average cost of a damage claim, total damage claim costs remained steady this year as the number of claims dropped.

The severity of injury claims stabilized this year after having grown for a number of years. In recent years, the frequency of severe injury claims has been declining, while the frequency of minor injury claims has increased. Overall injury costs have stabilized; however, it is too early to know if this trend will continue. Injury claim costs are significant to the Auto Fund and continue to be monitored closely.

The Auto Fund continues to offer Safe Driver Recognition (SDR) and Business Recognition (BR) programs. These programs have been in place since 2002 and 2004 respectively. The SDR program places all drivers on a safety rating scale based on their driving history. Changes were made to the SDR program in October 2016. The maximum discount increased by 1% over five years to a maximum of 25% on Jan 1, 2020. The BR program rewards businesses that maintain good loss experience with discounts on their vehicle insurance. The BR maximum discount available is 15% and BR maximum surcharge is 25%. These discounts represented \$151.5 million of savings to customers (2019 – \$149.1 million).

Strategic Direction

In 2019-20, SGI's 2016 to 2020-21 strategic plan came to a close, with most of the long-term goals being achieved a year early. A new direction for 2020-21 to 2022-23 took shape, including a new vision, mission and supporting long-term goals to guide the Auto Fund's future, as well as subtle changes to the value statements. The vision, mission and values under which the Auto Fund operated during 2019-20 were:

Vision

Achieve the safest roads in Canada while caring for customers

Mission

We're your insurance company, protecting you, your family and your community

Values

Integrity	Doing the right thing (by being accountable, honest, trustworthy and fair)
Caring	Understanding that empathy, courtesy and respect make an impact
Innovation	Transforming how we do things today for an even more successful tomorrow

Corporate Goals and Measures

The Auto Fund had three key goals in 2019-20:

- Prevent deaths, injuries and property damage caused by traffic collisions;
- Promote a culture that places customers at the centre of business decisions and drives high-performance; and,
- Address gaps and deficiencies in SGI's systems and implement new technology solutions to support customer centricity.

The Auto Fund uses a balanced scorecard approach to monitor performance towards these corporate goals and provide a balanced evaluation of key financial and operational results. The Auto Fund's balanced scorecard uses four perspectives: financial, customer, internal processes and organizational capacity. The balanced scorecard is reviewed annually to ensure continued alignment with the Auto Fund's corporate strategies.

The emergence of COVID-19 has had a material impact on the Auto Fund's expected 2020-21 performance. As a result, the targets for the coming year, normally contained within the corporate goals and metrics, have been removed as they do not accurately represent management's expectation for the year.

Financial

The Auto Fund measures financial results through rate adequacy:

Measure	2019-20 Target	2019-20 Result
Auto Fund rates adequate for package of coverage and services		
Rate adequate vehicles	28%	● 28%

Legend: ● achieved ○ not achieved

Auto Fund rates adequate for package of coverage and services

To achieve fairness in rating, the Auto Fund has committed to eliminate cross-subsidization between vehicle classes. This means each vehicle class would pay sufficient premiums to cover its claim costs. To accomplish this, an annual analysis is performed to determine if a vehicle class is rate adequate, or if an increase or decrease is required. The percentage of rate adequate vehicles is a measure of the number of vehicle types that are within 5% of the adequate rate.

The Auto Fund's long-term goal is to achieve rate adequacy for 98% of the vehicles it insures. Progress toward this goal was negatively impacted in 2015 by changes to the national vehicle rate groups that are set and maintained by the Insurance Bureau of Canada. As well, the Auto Fund did not proceed with a full program to rebalance rates in 2019-20. The proportion of vehicles within 5% of the adequate rate is currently 28%.

Rate adequacy has been removed from the balanced scorecard for 2020-21; however, it will continue to be monitored through the Auto Fund's annual rate analysis with a goal of achieving 98% rate adequacy. In 2020-21, the Auto Fund will assess its financial success by its ability to maintain low, stable rates for the people of Saskatchewan. This is measured using average personal auto rates across Canada and the Minimum Capital Test.

Customer

The Auto Fund evaluates success with customers by its ability to provide them with a positive experience and improve traffic safety throughout the province:

Measure	2019-20 Target	2019-20 Result
Customer experience		
Customer experience index score compared to the Canadian P&C industry average	4 points above	● 8 points above
Maintain Auto Fund rates that are among the lowest personal auto insurance rates in Canada	Among the lowest two	● The lowest
Traffic safety		
Reduction in injuries over baseline of 6,949	38% reduction 4,282 injuries	● 45% reduction 3,850 injuries
Reduction in fatalities over baseline of 160	26% reduction 118 fatalities	● 56% reduction 71 fatalities

Legend: ● achieved ○ not achieved

Injuries and fatalities are based on calendar year. The stated results are for the 2019 calendar year based on the injuries and fatalities reported as of April 30, 2020.

Customer experience

The Auto Fund used two measures to evaluate customer experience: the customer experience index and maintaining among the lowest personal auto rates in Canada.

With a focus on enhancing the overall experience being provided to customers, the company uses a customer experience index to assess what customers think of their interactions and relationship with the company. A combined Auto Fund and SGI CANADA score is used, as Saskatchewan customers do not differentiate between the two companies. A score of 76% exceeded the target of being four points above the Canadian P&C industry average, which is currently 68%.

As a public auto insurer, maintaining low and stable insurance rates is critical to providing a positive customer experience and remaining relevant. Public insurance companies exist to provide affordable coverage to residents. The Auto Fund completes regular cross-Canada rate comparisons to determine how much a vehicle owner would pay for auto insurance in other Canadian provinces (specifically British Columbia, Alberta, Manitoba, Ontario and Quebec) given their current vehicle, driving record and claim history. The Auto Fund aims to maintain among the lowest auto insurance rates in Canada, without compromising other important targets, such as the Minimum Capital Test. The Auto Fund achieved this in 2019-20 with the lowest personal auto rates in Canada.

Traffic safety

Customers value the Auto Fund's role in promoting traffic safety in the province. Over the years, SGI has evolved into a national leader in the area of road safety programs. The Auto Fund's traffic safety goals are simple and clear – prevent deaths and injuries due to traffic collisions by addressing driver, vehicle and road safety issues. As fewer collisions result in lower claim costs, work in this area also supports the goal of maintaining low rates.

The Auto Fund would ultimately like Saskatchewan's roads to be the safest in Canada. In 2016, the Auto Fund set out to reduce injuries and fatalities on Saskatchewan roads by 30% by 2020-21 to 4,864 and 112, respectively. This reduction is over the baseline set using the January 2010 to December 2013 averages. The 2019-20 targets were a 38% reduction in injuries and a 26% reduction in fatalities. The Auto Fund, and the people of Saskatchewan, exceeded these targets with 45% fewer injuries and 56% fewer fatalities. This translates into 3,099 fewer injuries than the baseline, and 89 fewer fatalities.

Internal processes

Efficiency and productivity are key to assessing the success of the Auto Fund's internal processes:

Measure	2019-20 Target	2019-20 Result
Efficiency and productivity		
Administrative expense ratio	6.4%	○ 7.4%

Legend: ● achieved ○ not achieved

Efficiency and productivity

Efficiency and productivity are measured based on the Auto Fund's administrative expense ratio. The ratio is total administrative expenses expressed as a percentage of net premiums earned. Administrative expenses are largely related to salaries and benefits, information technology and facilities costs. The Auto Fund missed its target, realizing a 7.4% administrative expense ratio, which is higher than the target of 6.4%. Analysis of administrative expenses is provided in more detail in the Financial Results section.

Organizational Capacity

The Auto Fund's ability to deliver on its corporate strategy is dependent on employees and maintaining an adequate level of capital. As such, organizational capacity is measured based on employee engagement and capital adequacy.

Measure	2019-20 Target	2019-20 Result
Employee engagement		
Engagement score compared to the Canadian public sector norm	1-point improvement	○ Unchanged
Capital adequacy		
Minimum Capital Test	153%	● 156%

Legend: ● achieved ○ not achieved

Employee engagement

A positive employee experience is essential to achieving the Auto Fund's corporate objectives. One way to measure this is through employee engagement, using an annual employee survey. The survey includes employees performing work for both the Auto Fund and SGI CANADA. An employee engagement score, derived from SGI's employee survey, is used to measure an employee's emotional and intellectual commitment to the Corporation. SGI's employee engagement score was 58%—a six-point increase from 2018-19. While SGI's score improved significantly, so too did the Canadian public sector norm—resulting in SGI's position in relation to the norm remaining unchanged.

Capital adequacy

Capital adequacy speaks to the Auto Fund's ability to honour its financial obligations. An adequate balance in the Rate Stabilization Reserve (RSR) gives the Auto Fund a financial resource to draw on when adverse events increase the cost of claims, thereby protecting customers against unpredictable premium increases for their auto insurance. The Auto Fund uses a common property and casualty industry measurement called the Minimum Capital Test (MCT) to monitor the adequacy of the RSR. The MCT is a capital adequacy formula that assesses risks to assets, policy liabilities and off-balance sheet exposures by applying various factors to determine a ratio of capital available over capital required. The Auto Fund's 12-month rolling average MCT score of 156% was above the 2019-20 target of 153% and the long-term goal of 140%. At March 31, 2020, the actual MCT was 145%.

Capability to Execute Strategies

Fundamental to the capability to execute corporate strategies, manage key performance drivers and deliver results are employees, motor licence issuers, technology and systems, and capital and liquidity. They are discussed further below:

Employees

The Corporation continues to develop the capabilities of the workforce through customized and targeted training and development, and is in the process of significant cultural transformation. An extensive leadership development program was delivered at all levels of the organization and supported through a comprehensive change management approach. A reinforcement plan has been developed to maintain momentum and ensure the new cultural behaviours become common practice.

SGI is moving to a new human resources management system that will enable the delivery of more robust talent management programming. The new tool will better support the development and maintenance of career and talent profiles, as well as purposeful learning and development plans. The ability to consolidate and streamline this data will strengthen SGI's succession planning process, which focuses on: (i) outlining options for filling executive or management positions in the event the incumbent is no longer available, to ensure leadership continuity; (ii) identifying high-performing managers and senior staff who have the potential for a higher level role within management and to create a talent pool of candidates to be considered for executive, senior management or management roles; (iii) providing significant leadership development for existing EVPs, Chief Officers and VPs to develop our desired leadership culture; (iv) working with existing EVPs, Chief Officers and VPs to develop SGI's leadership team; (v) working with divisions on workforce planning to identify and develop strategies to eliminate gaps in knowledge transfer and to create workforce plans at the branch, department, and division levels; and (vi) providing enhanced leadership development for existing managers and senior staff to develop strong mid-level leadership bench strength.

SGI and the Canadian Office and Professional Employees' Union, Local 397 (COPE 397), are within a five-year Collective Bargaining Agreement, running from January 1, 2018, to December 22, 2022.

Motor licence issuers

The Auto Fund provides accessibility for customers by distributing products through a network of 365 independent motor licence issuers in 271 communities across Saskatchewan, and seven SGI branch offices throughout the province. The majority of motor licence issuers' interests are represented by the Insurance Brokers' Association of Saskatchewan. The relationship between the Auto Fund and motor licence issuers is governed by an Issuer Accord. The accord is intended to enhance the working relationship resulting in improved service to customers. Included in the accord are 15 agreed-upon principles, such as fostering better communication between both groups, recognizing the value of each other's roles to provide service to Saskatchewan people and partnering on traffic safety programs.

Technology and systems

The Auto Fund relies on technology and information systems to deliver products and services to the motoring public. The Auto Fund operates using a sophisticated information system that gives it the flexibility to respond to customer needs and industry changes. Auto Fund products are widely accessible to customers through an online system in issuing offices throughout the province, and customers can perform many transactions through MySGI online services.

Corporately, SGI has implemented cloud-based productivity technology which better supports collaboration and provides efficiencies. This technology enables employees to work effectively and securely from the office, their home or wherever else they may be, and it allows employees to virtually interact with customers, business partners and each other with ease. These technologies have and will continue to afford the Corporation flexibility in how it operates and how it responds to business challenges, such as COVID-19.

Capital and liquidity

As the Auto Fund belongs to the Province of Saskatchewan, legislation restricts how it can raise capital and mandates the benefits available to policyholders. The Auto Fund does not pay dividends to nor receive money from the province or SGI, the administrator of the Auto Fund. The Auto Fund cannot go to public capital markets to issue debt or common shares. Since these traditional avenues for capital are not available to sustain the Auto Fund, it uses premiums and fees from operations, along with income generated from its investment portfolio, to fund operations. If premiums, fees and investment income are not sufficient to sustain operations, it must increase rates. The SRRP reviews rate changes and then passes on recommendations to the provincial government, which has the final authority to approve, modify or reject rate changes.

A key operating principle for the Auto Fund is ensuring consistency and stability in rates so that customers are not subject to ongoing price fluctuations or large rate increases. An adequate balance in the RSR gives the Auto Fund a financial resource to draw on when adverse events increase the cost of claims or a decrease in capital markets occurs, thereby protecting customers against unpredictable premium increases for their auto insurance. The Auto Fund uses the MCT to establish a target for the RSR.

The Auto Fund maintains a Capital Management Policy that applies a factor to move towards its MCT operating target of 140% in small increments with each rate program. The policy determines the amount of capital adjustment needed with each rate program by applying a factor to either recover one-fifth of the capital below 140% MCT or release one-fifth of the capital above 140% MCT into the basic insurance rate every year. As such, the rate always includes a portion designed to move the RSR towards an adequate level, and avoids the volatility a surcharge might create, assuming rate programs are annual or close to annual. This method is consistent with private insurers that build cost of capital requirements into each regulatory rate filing.

The policy also considers whether overall capital needs have changed. As claim liabilities and investment assets grow, the need for capital to support the business also increases. With each rate program, SGI analyzes actual results and brings forward recommendations for adjustments required to maintain adequate capital. SGI anticipates that, with this policy in place, only minor adjustments will be needed to address capital needs in subsequent rate programs.

At March 31, 2020, the MCT ratio was 145%, and the 12-month rolling average MCT ratio was 156%.

2019-20 Financial Results

For the year ended March 31, 2020

Overview

The Auto Fund had a decrease in the RSR of \$46.7 million. Operating results were negatively affected by the recent decline in investment returns related to COVID-19.

The Auto Fund generated investment earnings of \$2.5 million in the 12 months ended March 31, 2020. Increased volatility generated significant negative results in the last three months pushing overall results down for the year. Higher investment earnings in recent years have helped the Auto Fund maintain its capital base near target levels.

With the \$46.7 million decrease, the RSR dropped to \$806.7 million and the MCT to 145%.

Statement of Operations

Premium revenue

	(thousands of \$)		
	2020	2019	Change
Gross premiums written	962,705	956,472	6,233
Premiums ceded to reinsurers	(10,549)	(14,682)	4,133
Change in unearned premiums	3,454	(6,503)	9,957
Net premiums earned	955,610	935,287	20,323

Gross premiums written totalled \$962.7 million, representing a slight increase of 0.7% over the prior year. The increase is the result of customers moving to vehicles with higher premiums as the exposures decreased overall during the year with the vehicle insured years decreasing slightly.

The Safe Driver Recognition (SDR) and Business Recognition (BR) programs continue to provide savings to Auto Fund customers each year. These programs returned \$151.5 million to customers through safe driving discounts (2019 - \$149.1 million). Expressed as a percentage of vehicle premiums, this equates to an average discount of 13.6% (2019 - 13.5%). Maximum discounts increased to 25% on January 1, 2020 for the SDR program, while remaining at 15% for the BR program.

Claims incurred

The following table details claim costs by categories:

	(thousands of \$)		
	2020	2019	Change
Current year			
Damage claims, excluding catastrophe claims	566,327	561,978	4,349
Catastrophe claims ¹	29,333	26,190	3,143
Total damage claims	595,660	588,168	7,492
Injury claims	270,060	270,945	(885)
	865,720	859,113	6,607
Prior year deficiency (redundancy)			
Damage claims	10,638	6,178	4,460
Injury claims	(103,828)	(19,861)	(83,967)
	(93,190)	(13,683)	(79,507)
Change in discounting	116,771	49,452	67,319
Total claims incurred	889,301	894,882	(5,581)
Current year loss ratio*	90.6%	91.9%	-1.3%
Total loss ratio	93.1%	95.7%	-2.6%

* before prior year deficiency (redundancy) and change in discounting

¹Catastrophe claims, also referred to as storm claims, represent claims occurring from a single event, limited to a period between 96 and 168 hours, with an estimated cost greater than \$2.5 million. Catastrophic events for the Auto Fund generally relate to summer wind, rain and hail storms, forest fires and winter ice storms.

Current year claims

Current year damage claims, excluding catastrophe claims are 0.8% higher than the prior year due to increased claim severity. Catastrophe claims are 12.0% higher than 2019 due to increased claim severity. Overall, damage claim frequency has decreased from 124.9 damage claims per 1,000 insured years in 2019 to 121.9 in 2020.

Current year injury claims are 0.3% lower than the prior year due to decreased claim severity in 2020. Injury claim frequency remains consistent with the prior year at 4.8 injury claims per 1,000 insured years.

Development on prior year claims

With the assistance of its actuary, the Auto Fund makes provisions for future payments on existing claims and an estimate for claims that have occurred but have not yet been reported. At the end of each year, the actuary recalculates the estimate of the ultimate costs for prior years (along with an estimate for the current year). If the actuary reduces the estimate for prior years, a redundancy exists, resulting in a reduction in claim costs for the year. If the reverse is true and the actuary increases the estimate for prior years, a deficiency exists, resulting in an increase in claim costs for the year.

The prior year redundancy of \$93.2 million includes a \$10.6 million deficiency in damage claims due to worse than expected loss emergence on prior year claims, and a \$103.8 million redundancy in injury claims due to adjustments to indexing of long-term benefits.

Impact of discounting

The change in discounting at March 31, 2020 resulted in a \$116.8 million increase to claims incurred. The discount rate, comprised of bond and long-term equity yields, decreased compared to the prior year. This is largely due to the economic impact of the COVID-19 pandemic.

Expenses excluding claims incurred

	(thousands of \$)		
	2020	2019	Change
Other expenses	200,906	182,225	18,681

Other expenses, excluding claims incurred, increased \$18.7 million compared to the same period in 2019. The increase was primarily due to increases in administrative expenses, including systems enhancements and payroll related costs, and increases in spending on traffic safety programs.

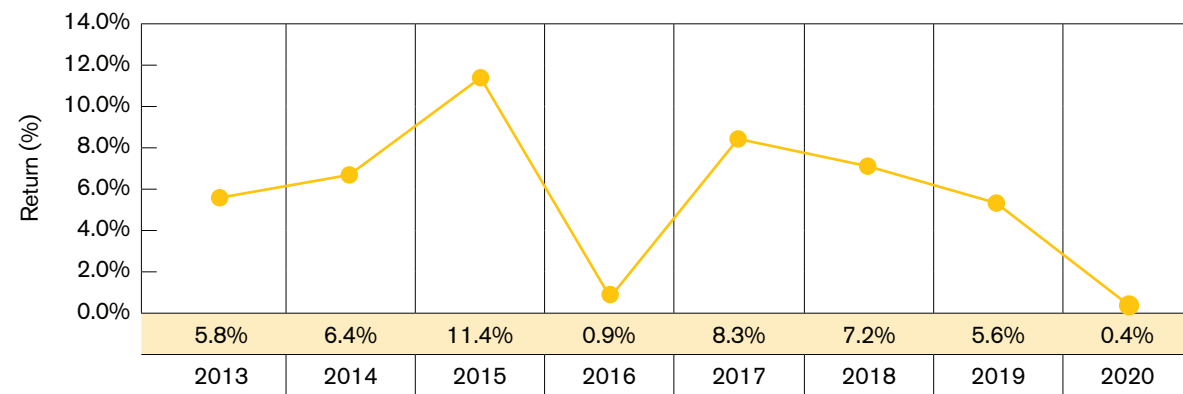
Investment earnings and other income

	(thousands of \$)		
	2020	2019	Change
Net investment earnings	2,450	135,849	(133,399)
Other income	85,441	83,429	2,012

Investment earnings

In 2020, investment earnings were \$2.5 million, a significant decrease from the \$135.8 million earned in 2019. The components of investment earnings are disclosed in note 13 to the financial statements, and include interest, dividends, investment fund and limited partnership distributions, realized gains and losses on sales of investments, and unrealized gains and losses on change in market value of investments. For purposes of portfolio management, market-based returns are calculated based on the Auto Fund's investment earnings. In 2020, the total portfolio's market-based return was 0.4%, compared to a 5.6% return in 2019. The poor performance this year primarily related to negative equity returns in February and March resulting from the impact COVID-19 had on the investment markets.

Annual Market Based Returns to March 31



The Auto Fund investment assets are managed as two distinct portfolios – the Matching Portfolio and the Return Seeking Portfolio. More information regarding the Auto Fund's Matching and Return Seeking Portfolios is provided within the Statement of Financial Position section of this report.

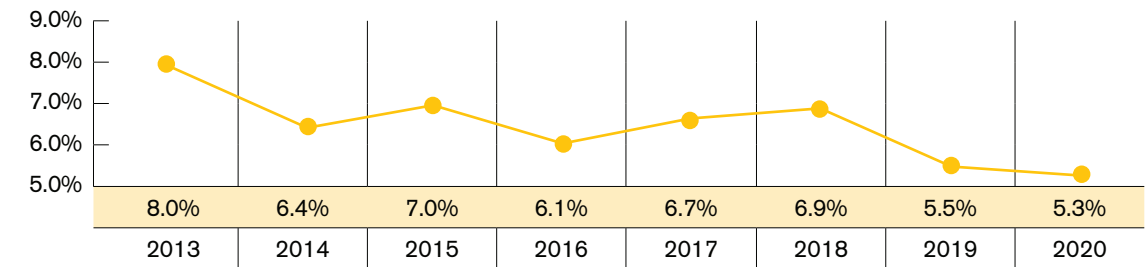
The Matching Portfolio trailed its benchmark for the year due to underperformance in corporate bonds but, importantly, remained well matched to the associated claim liabilities. The Return Seeking Portfolio returns were slightly under policy benchmarks for the year, with underperformance from Canadian and global small cap equities detracting from outperformance by global equities and real estate.

The following table illustrates the investment portfolio's actual performance by asset class for 2020 compared to the index and 2019 actual returns.

Asset Class	Benchmark Index	Annual Returns to March 31 (%)		
		Actual 2020	Index 2020	Actual 2019
Matching Bonds	Custom Bond Index	4.7	7.7	5.5
Mortgages	FTSE TMX Short & Mid-term Bonds	4.0	4.6	5.4
Canadian Equities	S&P/TSX Composite	-18.4	-14.2	1.4
Global Equities	MSCI ACWI (\$C)	-1.8	-5.4	10.7
Global Small Cap Equities	MSCI ACWSCI (\$C)	-18.3	-18.0	-4.2
Real Estate	Investment Property Databank	9.0	8.4	7.7
Infrastructure	Canadian CPI + 5%	14.0	5.9	6.9

While the Auto Fund monitors investment returns compared to benchmark returns on a monthly basis, the performance measures are expected to be met over four years, a long enough period to capture a full market cycle. This long-term measure is appropriate as it recognizes that the effectiveness of investment management styles varies depending on the market environment. As illustrated in the following graph, over rolling four-year periods investment performance remains satisfactory:

Four-Year Market Based Returns to March 31



Other income

Other income consists of fees charged to customers for using the AutoPay and short-term payment option programs, SDR program assessment fees and salvage operations income. Drivers in the SDR penalty zone (safety rating less than zero) are assessed a financial penalty each time an applicable incident occurs.

Other income increased \$2.0 million over 2019. The increase was the result of increases of \$1.9 million in SDR program fees to \$28.6 million and \$1.3 million in fees for payment option plans to \$35.7 million. This was offset by a \$1.2 million decrease in net earnings on salvage sales.

Statement of Cash Flows

	(thousands of \$)		
	2020	2019	Change
Total operating activities	64,325	82,798	(18,473)
Investing activities	(48,198)	(86,507)	38,309
Net cash flow	16,127	(3,709)	19,836

Cash flows generated from operating activities of \$64.3 million for the 12 months ended March 31, 2020 were offset by the use of \$48.2 million in investing activities which resulted in an overall increase in cash and cash equivalents of \$16.1 million.

Statement of Financial Position

	(thousands of \$)		
	March 31 2020	March 31 2019	Change
TOTAL ASSETS	\$ 3,056,704	\$ 3,040,596	\$ 16,108
Key asset account changes:			
Investments	2,646,556	2,665,024	(18,468)

Investments

The carrying value of investments decreased by \$18.5 million during the year, as positive operating cash flows were offset by negative returns from equities.

The investment portfolio is held to pay future claims, while income earned on these investments helps keep insurance rates low for vehicle owners. The portfolio's asset mix strategy is set by the Board of Directors annually through a detailed assessment of the Auto Fund's risk tolerance. In summary, the Auto Fund's positive cash flows and the presence of the RSR, which serves to buffer the fund from short-term unfavourable investment performance, permits the Auto Fund to maintain a long-term investment horizon. The asset mix strategy takes into consideration the current and expected conditions of capital markets and the historic return and risk profile of various asset classes. In order to achieve long-term investment goals, the Auto Fund must invest in asset classes that provide an attractive risk-return profile over the medium to long-term. Over shorter periods, however, performance of these asset classes can be volatile. The Auto Fund investment portfolio continues to hold a diversified asset mix with a longer-term focus, balancing the need for capital preservation in the short term with the need for portfolio growth over the longer term.

The asset mix strategy is formally documented in the Statement of Investment Policies and Goals. In addition to capturing the asset mix strategy, this document provides guidance on permissible investments, quality and quantity guidelines, conflicts of interest, related party transactions and investment performance expectations, among others. Management monitors and enforces compliance with the investment policy. No material compliance deviations were noted in the 12-month period ended March 31, 2020.

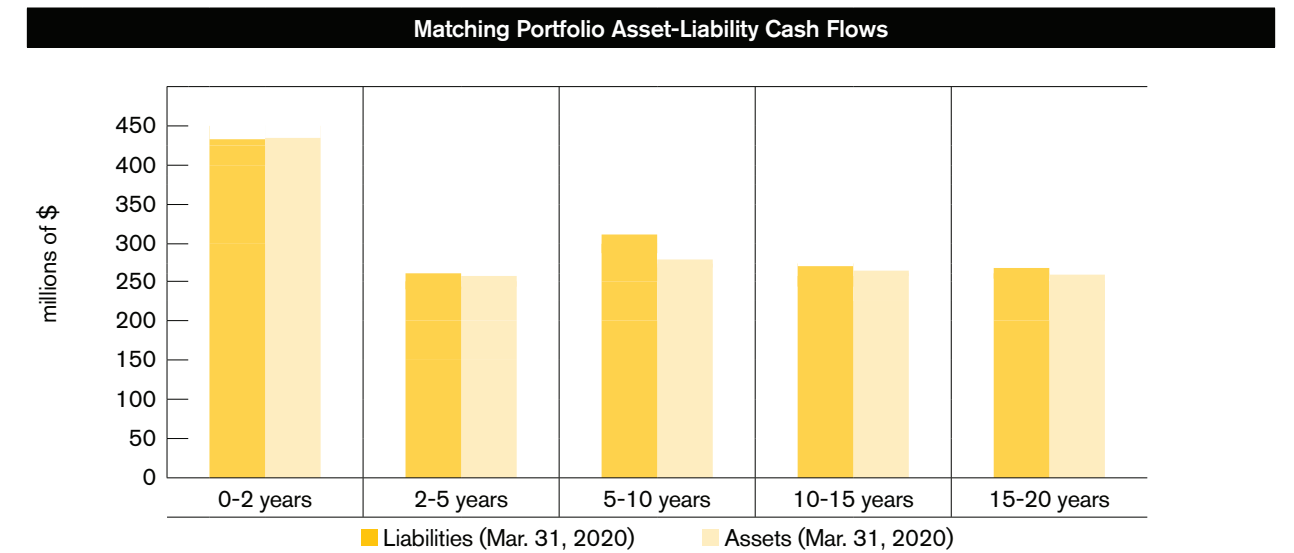
The Auto Fund's investment portfolio is managed by external investment managers. The portfolio is comprised of short-term investments, bonds and debentures, equities, mortgages, real estate and infrastructure. Equities include investments in Canadian common shares as well as investments in two global equity investment funds and a global small capitalization equity investment fund. The Auto Fund's investments in real estate and mortgages are through investment funds as well. The four infrastructure investments are held in limited liability partnerships that are investment vehicles with similarities to an investment fund. More detail on the investment portfolio categories is provided in note 6 to the financial statements.

The Auto Fund investment portfolio operates as two distinct portfolios – the Matching Portfolio and the Return Seeking Portfolio. The Matching Portfolio holds the fixed income investments including mortgage securities, while the Return Seeking Portfolio is comprised of equities, real estate and infrastructure. The investment strategy relies on the Matching Portfolio to cover expected liability payments out to 20 years with remaining long-tail liabilities covered by the Return Seeking Portfolio.

The objective of the Matching Portfolio is to group claim payments into five buckets based on the expected payment date, and then match these outflows with anticipated cash inflows from coupon and principal payments from fixed income assets in each bucket. At initiation, the expected future liability stream and asset stream will demonstrate a close match. However, as bonds mature and actual claim payments vary from projection, the asset liability match will change. In conjunction with the Auto Fund's actuarial valuations, asset cash flows are realigned to revised liability cash flows to ensure a close match is maintained. From time to time, the allocation between the Matching and Return Seeking Portfolios may also require rebalancing to maintain the overall risk-return objectives of the combined portfolio.

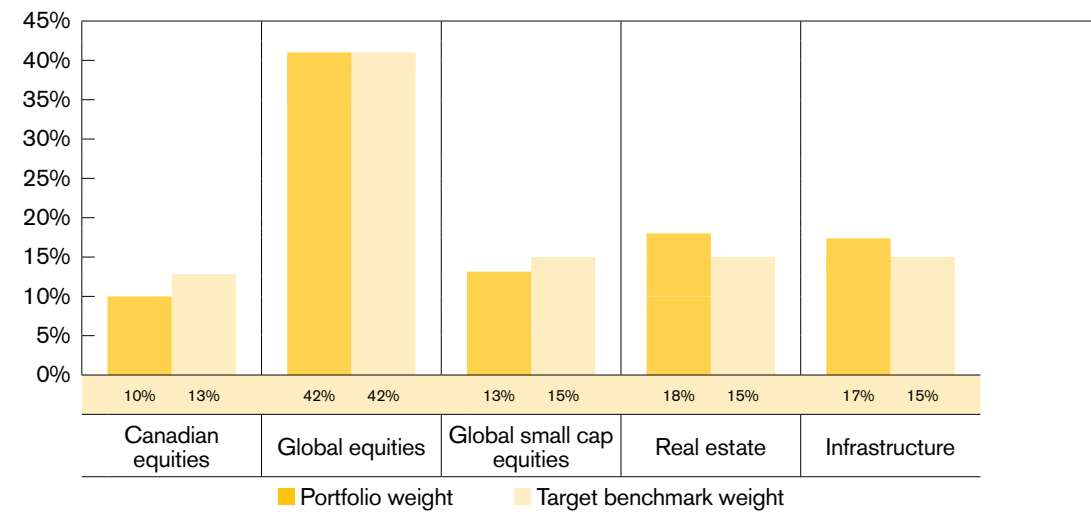
The Matching Portfolio is rebalanced quarterly and continues to meet the objectives established by the investment policy.

Expected liability cash flows and matching portfolio asset cash flows as of March 31, 2020, are as follows:



There were no significant changes to the investment policy during the annual review. The portfolio asset mix and benchmark weights at March 31, 2020, are as follows:

Return Seeking Portfolio Asset Mix as at March 31, 2020



	(thousands of \$)		
	March 31 2020	March 31 2019	Change
TOTAL LIABILITIES	\$ 2,249,957	\$ 2,187,143	\$ 62,814
Key liability account changes:			
Provision for unpaid claims	1,781,398	1,712,209	69,189

Provision for unpaid claims

The provision for unpaid claims reflects the estimated ultimate cost of claims reported but not settled, along with claims incurred but not reported. The process for determining the provision requires management judgment and estimation as discussed in the following section, Critical Accounting Estimates.

The provision for unpaid claims grew by \$69.2 million during the year to \$1,781.4 million (2019 – \$1,712.2 million). This represents an increase of 4.0%. Key components of the change in the provision for unpaid claims are discussed in the preceding section, Claims Incurred.

Quarterly Financial Highlights

The following table highlights quarter-over-quarter results for the Auto Fund:

	(thousands of \$)									
	2019-20				2020	2018-19				2019
	Q4	Q3	Q2	Q1		Q4	Q3	Q2	Q1	
Net premiums written	195,152	216,358	247,177	293,469	952,156	197,688	213,541	237,920	292,641	941,790
Net premiums earned	228,514	237,994	249,185	239,917	955,610	222,931	234,284	243,215	234,857	935,287
Net claims incurred	251,467	182,155	221,857	233,822	889,301	223,695	241,821	216,434	212,932	894,882
Increase (decrease) to RSR	(217,712)	100,013	29,510	41,483	(46,706)	128,220	(112,073)	16,884	44,427	77,458
Cash flow from (used in) operations	(71,166)	42,978	39,046	53,467	64,325	(77,532)	61,725	32,976	65,629	82,798
Investments	2,646,556	2,872,555	2,793,366	2,701,457		2,665,024	2,525,160	2,604,025	2,545,022	
Provision for unpaid claims	1,781,398	1,757,181	1,778,299	1,755,303		1,712,209	1,704,607	1,689,610	1,652,297	
Rate Stabilization Reserve	806,747	1,024,459	924,446	894,936		853,453	725,233	837,306	820,422	

* Starting with the third quarter of 2019-20, the presentation format of the cash flow statement was updated. The update does have an effect on cash flow from operations balance. Prior quarter figures have not been updated.

The following points are intended to assist the reader in analyzing trends in the quarterly financial highlights:

- Premium earnings generally rise in the spring and summer months, largely a factor of increased premiums related to seasonal vehicles.
- With the exception of the period January to March, the Auto Fund generates positive cash flows from operations. Cash is typically low in this period as the Auto Fund pays annual premium taxes to the province in March and there are higher claim outflows from the winter driving season. Operating cash flows are generally strong throughout the remaining nine months of the year and during these months excess cash generated is directed to investments.

Related Party Transactions

The Auto Fund is related in terms of common ownership to all Government of Saskatchewan ministries, agencies, boards, commissions, Crown corporations, and jointly controlled and significantly influenced corporations and enterprises. Routine operating transactions with related parties were conducted in the normal course of business and recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. Details of significant related party transactions are disclosed in the financial statements that follow.

SGL is the administrator of the Auto Fund on behalf of the Province of Saskatchewan. Administrative and loss adjustment expenses incurred by SGL are allocated to the Auto Fund directly or on the basis of specific allocations. Amounts incurred by SGL and charged to the Auto Fund were \$172.3 million (2019 – \$148.9 million).

Certain Board members are partners in organizations that provided \$0.3 million (2019 – \$0.2 million) of professional services to the Auto Fund. The above noted transactions are routine operating transactions in the normal course of business.

Off Balance Sheet Arrangements

The Auto Fund, in its normal course of operations, enters into certain transactions that are not required to be recorded on its statement of financial position – commonly referred to as the balance sheet. These items include litigation, structured settlements and rehabilitation funding commitments. These items are discussed below and in the notes to the financial statements.

The Auto Fund, as is common to other entities that operate in the insurance industry, is subject to litigation arising in the normal course of insurance operations. The Auto Fund is of the opinion that current litigation will not have a material impact on operations, the financial position or cash flows of the Auto Fund.

In the normal course of settling claims, the Auto Fund settles some long-term disability claims by purchasing structured settlements (annuities) from various financial institutions for claimants. This is a common practice in the property and casualty insurance industry. The net present value of the scheduled payments at March 31, 2020 was \$25.4 million (March 31, 2019 – \$24.3 million). The Auto Fund has no recourse to these funds. The Auto Fund provides a financial guarantee to the claimant in the event of default by the financial institution on the payment schedule to the claimant. No default has occurred in the past on these payment schedules and the likelihood of such default is considered extremely remote.

Critical Accounting Estimates

This discussion and analysis of financial condition and results of operations is based upon financial statements as presented in this annual report. These financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board and interpretations of the International Financial Reporting Interpretations Committee. Significant accounting policies are described in note 3 to the financial statements. Some of these policies involve critical accounting estimates because they require SGI, as the administrator, to make particularly subjective or complex judgments about matters that are inherently uncertain, and because of the likelihood that materially different amounts could be reported under different conditions or using different assumptions. The development, selection and application of key accounting policies, and the critical accounting estimates and assumptions they involve, have been discussed with the Audit, Finance and Conduct Review Committee of the Board of Directors, and the Audit, Finance and Conduct Review Committee has reviewed the disclosures described in this section. The most significant critical accounting estimates involve the provision for unpaid claims and unpaid claims recoverable from reinsurers.

Provision for unpaid claims

A provision for unpaid claims is maintained to cover the estimated ultimate liability for losses and loss adjustment expenses for reported claims and claims incurred but not yet reported at the end of each accounting period. The initial provision is determined on the reported facts filed with the claim, and then revised regularly as more information on the claim becomes known. The provision does not represent the exact calculation of the liability owing to claimants, but is an estimate developed using Canadian accepted actuarial practices and Canadian insurance regulatory requirements. The estimate reflects an expectation of the ultimate cost of settlement and administration of claims. It involves an assessment based on the facts and circumstances of the events reported in the claim, experience with similar claims, historical trends involving claim payments, claim severity, the effect of inflation on reported and future claims, court decisions and the time frame anticipated to settle and pay the claim.

This provision is refined on a continual basis as prior fiscal year claims are settled and additional claims are reported and settled. There may be significant time delays from the occurrence of the insured event and when it is reported. If this occurs near the year-end date, estimates are made as to the value of these claims based on information known at that time. As well, uncertainty exists for reported claims that are not settled, as all necessary information may not be available. Thus, with the level of uncertainty involved in the claim process, until the final settlement occurs, current reserves may not be sufficient. The provision for unpaid claims has been calculated including the impact of discounting. Any adjustments to these estimates, both positive (a redundancy or excess) and negative (a deficiency) are included in the provision for unpaid claims and are reflected as claims incurred in the current year's Statement of Operations.

Unpaid claims recoverable from reinsurers

Unpaid claims recoverable from reinsurers include amounts for expected recoveries related to unpaid claim liabilities. Amounts recoverable from reinsurers are estimated in a manner consistent with claim and claim adjustment expense reserves, and are reported in the Statement of Financial Position. The ceding of insurance does not discharge the Auto Fund's primary liability to its insureds. An allowance for doubtful accounts is estimated on the basis of periodic evaluations of balances due from reinsurers, reinsurer solvency, management's experience and current economic conditions.

Risk Management

Risk management is a process for recognizing and addressing risks that could affect the achievement of corporate objectives. On an annual basis, management reviews the key risks faced by SGI, the administrator of the Auto Fund, by identifying specific risk events and their potential impact on both SGI's and the Auto Fund's operations, finances and reputation. Each risk event is rated based on the likelihood of the event occurring and severity of the consequences if it did occur, both before and after the application of current mitigations.

The above process results in a risk profile for SGI and the Auto Fund, which is reviewed by the Risk Committee of the Board of Directors annually. SGI's Audit Services department also uses the risk profile in developing its annual work plan, which provides an assurance component to SGI's risk management process.

The following risks represent the most serious threats to the Auto Fund. Failure to manage any of these risks could lead to significant operational, financial or reputational damage. The nature of these risks, along with efforts to mitigate them, is summarized below.

Corporate Transformation

Risk: SGI fails to change its people, process and technology to become a digital insurer.

Mitigation: Digital insurance transformation uses technology and data to improve business processes and procedures, customer experience, and partner relations. SGI intends to use technology to empower its employees and business partners to add value with each customer interaction, and to this end has committed significant business and IT resources to imagine future states of its people, processes and technologies using a disciplined framework. SGI has also stopped all non-critical business enhancements to its current systems.

Acquisition and Development of Expertise

Risk: SGI's business strategy involves significant corporate transformation efforts. Evolving to be a digital, customer-centric insurer is required for SGI to meet customer demands and maintain strong public support in Saskatchewan. SGI must acquire and develop employees who have the knowledge, skills, and the willingness to continue learning for the new roles and responsibilities required to deliver the work the way it will be designed.

Mitigation: SGI has initiated programs including expanded competency-based recruitment, movement towards modernized recruitment/staffing processes, expanded knowledge management solutions, succession planning, and monitoring engagement and enablement through employee surveys. A corporate learning strategy focused on growing talent and leaders at all levels has been developed and SGI continues to devote additional resources to training and development. SGI's succession planning process focuses on ensuring current senior management positions have succession plans to focus on targeted development to ensure readiness for potential opportunities and identifying high performing staff who have potential for more senior roles plus ensuring high-potential staff and the leadership team have ongoing development and support. The corporate leadership strategy will include a tiered leadership framework with an objective to develop individual abilities in areas such as strategic leadership, business acumen and leading a culture of change.

Employee Change Agility

Risk: SGI's business strategy involves significant corporate transformation efforts. Evolving to be a digital, customer centric insurer is required for SGI to meet customer demands and compete with other insurers across the country. SGI requires employees who have the willingness to embrace and adapt within a rapidly changing environment. This is a climate where SGI expects disruption to established processes and roles and where ambiguity and managing through disruptive change will be the norm.

Mitigation: SGI has a large number of initiatives dedicated to assisting employees in understanding and adapting to change, including significant efforts in Leadership Culture Development (LCD). The goal of developing a "growth mindset" can be observed in many initiatives – including the introduction of standardized education levels within career streams, expectations incorporated into new job descriptions/evaluations and the introduction of a tiered leadership framework that offers structured learning at all levels.

System Availability and Recovery

Risk: Systems are not available when the business needs them or cannot be recovered in a timely manner when an incident occurs.

Mitigation: In order to better meet the availability and system recovery needs for the business, SGI has initiated several major initiatives that are focused on developing new skills for staff, leveraging modern technology and adopting new processes. The systems transformation initiative will result in the modernization of the SGI's core systems along with the migration of other core corporate systems to Software as a Service (SaaS) platforms. Progress on some of these initiatives has been made over the past 12 months, along with significant improvements to the IT service management practices, which will result in an overall improvement in both the availability of systems as well as the improved time to recover from system failures.

Responsiveness to Business Needs

Risk: SGI is unable to meet the speed-to-market targets for products and services due to its complex internal system architecture. Increased business expectations and limited information technology resources have contributed to less responsiveness to business needs.

Mitigation: To better meet its current and future business needs, including speed to market, SGI is implementing a digital transformation strategy which includes building a modern technology platform and acquiring and adopting modern technology skills and practices. Under this strategy, SGI will move to a cloud-based platform, accelerate software development and simplify integration with partners and service providers. To ensure quality and accelerate the delivery of these technologies, the Corporation has established a unit of IT specialists to lead the adoption of best practices for software development and is creating an in-depth education and training program to reskill IT employees on the new tools and techniques.

System Security

Risk: The potential harm to SGI from threats (e.g., system breach, unauthorized access) that can have adverse effects on organizational operations, and result in significant financial and reputational damage.

Mitigation: There is an industry-wide shift in security methodology from perimeter-based security to identity-based protections. SGI has embarked on a transition from traditional perimeter-based security to a more holistic approach that includes identity protection.

SGI continues to maintain a security policy that includes corporate standards for user access (including remote and external vendor access), passwords, physical security, mobile devices, wireless networks and acceptable use of SGI systems. SGI has implemented many mechanisms (such as firewalls, intrusion prevention, anti-virus, etc.) to protect its data environment and continually monitors systems for potential threat activity. Should an event occur, SGI has developed incident response procedures to decrease the severity of the breach.

SGI has started on a corporate transformation journey and the cyber security strategy and cyber security governance must also transform. This will include shifting the cyber security culture, leveraging modern technology, developing new skills in the workforce and adopting new practices.

Market Value Changes

Risk: Market value changes within the Auto Fund investment portfolio impact the ability of the Auto Fund to deliver stable financial performance.

Mitigation: The Auto Fund investment assets are managed as two distinct portfolios – the Matching Portfolio and the Return Seeking Portfolio. The Matching Portfolio is structured to match the fixed income investment assets to the associated liabilities, thus reducing the impact of changes in interest rates. The Return Seeking Portfolio invests in equity, real estate and infrastructure assets to increase the long-term return. As a whole, the Auto Fund maintains a diversified asset mix with a longer-term focus, balancing the need for capital preservation in the short term with the need for portfolio growth over the longer term.

The structure and management of the Auto Fund's investment portfolios are governed by the Statement of Investment Policies and Goals. The policy is reviewed by the Board of Directors annually and captures the asset mix strategy, guidance on permissible investments, quality and quantity guidelines, conflicts of interest, related party transactions and investment performance expectations. This information is regularly reported to the Investment Committee of the Board and includes a compliance review and performance review by independent external consultants.

Outlook for 2020-21

The Auto Fund continues to be efficient and well-run – maintaining administrative expense ratios below other Canadian public insurers and providing among the lowest auto insurance rates in Canada.

The Auto Fund achieved the primary objectives of the 2016 to 2020-21 corporate strategy (30% reduction in injury and fatalities on Saskatchewan roads, a Customer Experience Index that exceeds the property and casualty insurance industry average, and among the lowest personal auto insurance rates in Canada). As a result, the Auto Fund is ending the five-year plan a year early and introducing a new corporate strategy aimed at addressing the two most pressing needs of the organization, reducing the technology deficit and corporate transformation. To achieve this, the Auto Fund will focus on four key areas in 2020-21:

- empower employees;
- engage customers;
- optimize operations; and,
- transform products.

Empower employees - this is about promoting continuous learning and working effectively together to improve the experience of both employees and customers. In 2020-21, the Auto Fund will continue to focus on developing our leadership culture and maintaining a disciplined approach to change management.

Engage customers - this is about providing customers with personalized experiences and delivery options, enabling them to make more informed decisions and positively influencing their behavior. In 2020-2021, the Auto Fund will focus on refreshing the corporate brand strategy, continuing to apply user-centered design principles, developing an enhanced claim handling strategy and continuing to improve traffic safety in Saskatchewan.

Optimize operations – this is about optimizing our business processes and improving our responsiveness through automation and digitization. In 2020-21, the Auto Fund will focus on maintaining low stable rates, improving long-term efficiency through process redesign and modern technology implementations.

Transform products – this is about using data, analytics and artificial intelligence to develop innovative products that deliver a tangible advantage. In 2020-21, the Auto Fund will focus on establishing a framework for data governance and developing processes to leverage corporate innovation.

Impact of COVID-19

In the fourth quarter of 2019-20, the COVID-19 virus became prevalent in Canada. In response, governments at all levels introduced unprecedented physical distancing measures in an effort to slow the growth in the number of cases (“flatten the curve”) and prevent the health care system from being overwhelmed. These measures resulted in the closure of non-essential businesses throughout Canada. Along with business closures, companies deemed to be essential services have shifted a significant percentage of their employees to some form of work from home arrangement in order to maintain social distancing. All of this has slowed economic activity and resulted in significant job losses to many sectors.

The insurance industry, although deemed essential, is not isolated from the shockwaves affecting the Canadian economic landscape. The following situations are being monitored by SGI and actions have been introduced as needed:

- The health of SGI's employees is of utmost importance. More than 90% of employees have been working from home since late March. In cases where employees are unable to work from home or are required on-site, appropriate measures have been put in place, including physical distancing and additional cleaning.

- Continuing to serve customers is extremely important during the pandemic. Customers are encouraged to contact either SGI or their issuer by phone, email and online through MySGI.ca to complete many of the transactions offered by SGI.
- Customers are looking for ways reduce their day-to-day expenses and defer payments. Most insurers, including the Auto Fund, have reacted to this by working with customers to change payment plans and allowing customers to change to short-term registrations to defer payments and waiving returned payment fees.
- With fewer vehicles on the roads, insurance companies are expecting to see fewer auto claims and several have introduced a variety of COVID-19 discounts to reduce the financial burden to customers. For the Auto Fund, favourable claim experience will be reflected in future rate adjustments as the RSR is moved to target levels.
- Investment markets are beginning the long climb back to pre-COVID-19 levels; however, this path will likely be volatile. Insurance companies have large investment portfolios and this volatility will impact the strength of the company's balance sheet and, in the Auto Fund's case, the RSR. The Auto Fund has temporarily suspended the securities lending program and has increased the amount of cash on hand to provide flexibility in response to market volatility.

Overall, the impact of COVID-19 on the insurance industry and the Auto Fund continues to be a significant unknown; however, management is maintaining focus on the above items and developing an understanding of the range of possible outcomes.

Responsibility for Financial Statements

The financial statements are the responsibility of Management and have been prepared in conformity with International Financial Reporting Standards. In the opinion of Management, the financial statements fairly reflect the financial position, results of operations and cash flows of the Saskatchewan Auto Fund (the Auto Fund) within reasonable limits of materiality.

Preparation of financial information is an integral part of Management's broader responsibilities for the ongoing operations of the Auto Fund. Management maintains an extensive system of internal accounting controls to ensure that transactions are accurately recorded on a timely basis, are properly approved and result in reliable financial statements. The adequacy and operation of the control systems are monitored on an ongoing basis by an internal audit department.

An actuary has been appointed by the Auto Fund to carry out a valuation of the policy liabilities in accordance with accepted actuarial practice and common Canadian insurance regulatory requirements. The policy liabilities consist of a provision for unpaid claim and adjustment expenses on the earned portion of policies and of future obligations on the unearned portion of policies. In performing this valuation, the actuary makes assumptions as to future rates of claim frequency and severity, inflation, reinsurance recoveries, expenses and other contingencies, taking into consideration the circumstances of the Auto Fund and the nature of the insurance policies. The actuary also makes use of Management information provided by the Auto Fund and the work of the external auditors in verifying the data used in the valuation.

The financial statements have been examined and approved by the Board of Directors of Saskatchewan Government Insurance, administrator of the Auto Fund. An Audit, Finance and Conduct Review Committee, composed of members of the Board of Directors, meets periodically with financial officers of Saskatchewan Government Insurance and the external auditors. These external auditors have free access to this Committee, without Management present, to discuss the results of their audit work and their opinion on the adequacy of internal financial controls and the quality of financial reporting.

As appointed by the Lieutenant Governor in Council and approved by Crown Investments Corporation of Saskatchewan, KPMG LLP have been appointed external auditors. Their responsibility is to report to the Members of the Legislative Assembly regarding the fairness of presentation of the Auto Fund's financial position and results of operations as shown in the financial statements. In carrying out their audit, the external auditors also make use of the work of the actuary and her report on the policy liabilities. The Auditor's Report outlines the scope of their examination and their opinion.



Andrew R. Cartmell
President and Chief Executive Officer
Saskatchewan Government Insurance
as Administrator of the Saskatchewan Auto Fund



Jeff Stepan
Chief Financial Officer
Saskatchewan Government Insurance
as Administrator of the Saskatchewan Auto Fund

May 28, 2020

Annual Statement of Management Responsibility

I, Andrew Cartmell, President and Chief Executive Officer, and I, Jeff Stepan, Chief Financial Officer, certify the following:

- a. That we have reviewed the financial statements included herein. Based on our knowledge, having exercised reasonable diligence, the financial statements fairly present, in all material respects, the financial condition, results of operations and cash flows, as of March 31, 2020.
- b. That based on our knowledge, having exercised reasonable diligence, the financial statements do not contain any untrue statements of material fact, or omit to state a material fact that is either required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made.
- c. That Saskatchewan Auto Fund (the Auto Fund) is responsible for establishing and maintaining effective internal controls over financial reporting, which includes safeguarding of assets and compliance with applicable legislative authorities; and, the Auto Fund has designed internal controls over financial reporting that are appropriate to its circumstances.
- d. That the Auto Fund conducted its assessment of the effectiveness of its internal controls over financial reporting and, based on the results of this assessment, it can provide reasonable assurance that internal controls over financial reporting as of March 31, 2020, were operating effectively and no material weaknesses were found in the design or operation of the internal controls over financial reporting.



Andrew R. Cartmell
President and Chief Executive Officer
Saskatchewan Government Insurance
as Administrator of the Saskatchewan Auto Fund



Jeff Stepan
Chief Financial Officer
Saskatchewan Government Insurance
as Administrator of the Saskatchewan Auto Fund

May 28, 2020

Actuary's Report

To the Board of Directors of Saskatchewan Government Insurance

I have valued the policy liabilities and reinsurance recoverables of the Saskatchewan Auto Fund for its statement of financial position at March 31, 2020 and their changes in the statement of operations for the year then ended in accordance with accepted actuarial practice in Canada including selection of appropriate assumptions and methods.

In my opinion, the amount of policy liabilities net of reinsurance recoverables makes appropriate provision for all policy obligations and the financial statements fairly present the results of the valuation.



Chris McCulloch
Fellow, Canadian Institute of Actuaries
Fellow, Casualty Actuarial Society

May 28, 2020
Winnipeg, Manitoba

Independent Auditor's Report

To the Members of the Legislative Assembly, Province of Saskatchewan

Opinion

We have audited the financial statements of Saskatchewan Auto Fund (the "Entity"), which comprise:

- the statement of financial position as at March 31, 2020
- the statement of operations and change in rate stabilization reserve for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at March 31, 2020, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "Auditors' Responsibilities for the Audit of the Financial Statements" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. Other information comprises:

- the information, other than the financial statements and the auditors' report thereon, included in the Annual Report

Our opinion on the financial statements does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit and remain alert for indications that the other information appears to be materially misstated.

We obtained the information, other than the financial statements and the auditors' report thereon, included in the Annual Report as at the date of this auditors' report. If, based on the work we have performed on this other information, we conclude that there is a material misstatement of this other information, we are required to report that fact in the auditors' report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or have no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants

May 28, 2020
Regina, Canada

Statement of Financial Position

	(thousands of \$)	
	March 31 2020	March 31 2019
Assets		
Cash and cash equivalents (note 4)	\$ 35,807	\$ 19,680
Accounts receivable (note 5)	248,866	245,444
Investments under securities lending program (note 6)	–	427,089
Investments (note 6)	2,646,556	2,237,935
Unpaid claims recoverable from reinsurers (note 9)	5,067	12,425
Reinsurers' share of unearned premiums (note 12)	7,929	7,947
Deferred policy acquisition costs (note 7)	30,217	30,695
Property and equipment (note 10)	59,285	52,300
Intangible assets (note 11)	11,895	–
Other assets (note 8)	11,082	7,081
	\$ 3,056,704	\$ 3,040,596
Liabilities		
Accounts payable and accrued liabilities	\$ 57,125	\$ 57,088
Premium taxes payable	10,284	10,414
Amounts due to reinsurers	9,742	12,552
Unearned premiums (note 12)	391,408	394,880
Provision for unpaid claims (note 9)	1,781,398	1,712,209
	2,249,957	2,187,143
Equity		
Rate Stabilization Reserve	806,747	853,453
	\$ 3,056,704	\$ 3,040,596

Commitments and contingencies (note 19)

The accompanying notes are an integral part of these financial statements.

Approved by the Board of Directors and signed on their behalf on May 28, 2020



Arlene Wiks
Director



Denis Perrault
Director

Statement of Operations and Change in Rate Stabilization Reserve

For the years ended March 31	(thousands of \$)	
	2020	2019
Gross premiums written	\$ 962,705	\$ 956,472
Premiums ceded to reinsurers	(10,549)	(14,682)
Net premiums written	952,156	941,790
Change in net unearned premiums (note 12)	3,454	(6,503)
Net premiums earned	955,610	935,287
Gross claims incurred	889,428	903,128
Ceded claims incurred	(127)	(8,246)
Net claims incurred (note 9)	889,301	894,882
Issuer fees	47,482	47,089
Administrative expenses	71,068	58,244
Premium taxes	48,309	47,424
Traffic safety programs	34,047	29,468
Total claims and expenses	1,090,207	1,077,107
Underwriting loss	(134,597)	(141,820)
Net investment earnings (note 13)	2,450	135,849
Other income (note 14)	85,441	83,429
(Decrease) increase to Rate Stabilization Reserve and Comprehensive Income	(46,706)	77,458
Rate Stabilization Reserve, beginning of the year	853,453	775,995
Rate Stabilization Reserve, end of the year	\$ 806,747	\$ 853,453

The accompanying notes are an integral part of these financial statements.

Statement of Cash Flows

For the years ended March 31	(thousands of \$)	
	2020	2019
Cash provided by (used for):		
Operating activities		
(Decrease) increase to Rate Stabilization Reserve and Comprehensive Income	\$ (46,706)	\$ 77,458
Non-cash items:		
Bond amortization	2,887	1,911
Depreciation	7,756	5,580
Net realized gains on sale of investments	(32,237)	(24,053)
Net unrealized losses (gains) on change in market value of investments	107,069	(28,018)
Interest revenue from investments	(31,621)	(30,468)
Dividend revenue from investments	(6,060)	(7,019)
Loss on disposal of property and equipment	146	71
Change in non-cash operating items (note 17)	63,091	87,336
	64,325	82,798
Investing activities		
Interest received	31,527	30,367
Dividends received	6,308	6,810
Purchases of investments	(875,523)	(957,314)
Proceeds on sale of investments	816,272	850,300
Purchases of property and equipment	(14,887)	(16,670)
Purchase of intangible assets	(11,895)	-
	(48,198)	(86,507)
Increase (decrease) in cash and cash equivalents	16,127	(3,709)
Cash and cash equivalents, beginning of the year	19,680	23,389
Cash and cash equivalents, end of the year	\$ 35,807	\$ 19,680

The accompanying notes are an integral part of these financial statements.

Notes to the Financial Statements

March 31, 2020

1. Status of the Auto Fund

The Saskatchewan Auto Fund (Auto Fund) was established effective January 1, 1984, by an amendment to *The Automobile Accident Insurance Act*. The address of the Auto Fund's registered office is 2260-11th Avenue, Regina, SK, Canada. The Auto Fund is a compulsory vehicle insurance program providing vehicle registrations, driver's licences and related services for Saskatchewan drivers and vehicle owners. In addition to vehicle damage and property liability coverage, the Auto Fund also includes injury coverage that provides a choice between No Fault Coverage or Tort Coverage.

The Auto Fund is a self-sustaining fund, administered by Saskatchewan Government Insurance (SGI). The role of SGI, as administrator, is to oversee the operations of the Auto Fund for the Province of Saskatchewan. Any annual excess or deficiencies of the Auto Fund are recorded in its Rate Stabilization Reserve (RSR). The RSR is held on behalf of Saskatchewan's motoring public and is intended to protect motorists from rate increases made necessary by unexpected events and losses arising from catastrophic events.

Substantially all of the Auto Fund's premium revenue is subject to review by the Saskatchewan Rate Review Panel (SRRP). The Auto Fund is required to submit vehicle insurance rate changes to the SRRP, whose mandate is to evaluate the rate change and provide an opinion on the fairness and reasonableness of the requested change. The SRRP does not have the authority to implement any of its recommendations; the final decision to approve, change or reject rate changes is at the discretion of the government of the Province of Saskatchewan.

Being a fund of the Province of Saskatchewan, the Auto Fund is exempt from federal and provincial income taxes. The financial results of the Auto Fund are included in the Province of Saskatchewan's summary financial statements and not in SGI's financial statements.

2. Basis of Preparation

Statement of compliance

The financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS). References to IFRS are based on Canadian generally accepted accounting principles for publicly accountable enterprises as set out in Part 1 of the CPA Canada handbook. Part 1 of the CPA Canada handbook incorporates IFRS as issued by the International Accounting Standards Board (IASB) and interpretations of the International Financial Reporting Interpretations Committee.

Basis of measurement

The financial statements have been prepared using the historical cost basis, except for financial instruments and the provision for unpaid claims and unpaid claims recoverable from reinsurers. The methods used to measure the values of financial instruments are discussed further in note 3. The provision for unpaid claims and unpaid claims recoverable from reinsurers is measured on a discounted basis in accordance with accepted actuarial practice (which in the absence of an active market provides a reasonable proxy of fair value).

Statement of Financial Position classification

The Statement of Financial Position has been prepared on a non-classified basis broadly in order of liquidity.

Functional and presentation currency

These financial statements are presented in Canadian dollars, which is the Auto Fund's functional and presentation currency.

Use of estimates and judgment

The preparation of financial statements in accordance with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates and changes in estimates are recorded in the accounting period in which they are determined. The most significant estimation processes are related to the actuarial determination of the provision for unpaid claims and unpaid claims recoverable from reinsurers (note 9), the valuation of accounts receivable (note 5) and the valuation of investments classified as Level 3 (note 6).

COVID-19 pandemic

On March 11, 2020, COVID-19 was declared a pandemic by the World Health Organization, followed closely by state of emergency declarations in Saskatchewan.

The pandemic has created significant economic uncertainty around the world which has translated into unprecedented volatility in investment markets and commodities. This additional volatility and economic uncertainty has impacted the valuation of the Auto Fund's investments (note 6), provision for unpaid claims (note 9) and unpaid claims recoverable from reinsurers (note 9). The extent to which the COVID-19 pandemic may impact the Auto Fund's operations will depend on future developments and the effectiveness of actions that will be taken by governments and the central bank in Canada. Consequently, the Auto Fund's financial results will be subject to volatility.

3. Significant Accounting Policies

Adoption of new and amended accounting standards

This is the first set of the Auto Fund's financial statements in which IFRS 16, *Leases*, has been applied. The related changes to significant accounting policies is described in the Leases section below.

Financial assets and liabilities

The measurement basis for financial assets and liabilities depends on whether the financial assets and liabilities have been classified as fair value through profit and loss, available for sale, held to maturity, loans and receivables, or other financial liabilities. Financial assets and liabilities classified as fair value through profit and loss are measured at fair value and changes in fair value are recognized as an increase or decrease to the RSR. Financial assets classified as available for sale are measured at fair value with unrealized changes in fair value recorded in other comprehensive income; however, unrealized losses on investments that show objective evidence of impairment are recognized as a decrease to the RSR. Financial assets designated as held to maturity, or loans and receivables, are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method, less provision for impairment losses, if any. Other financial liabilities are initially recognized at fair value and subsequently measured at amortized cost using the effective interest method. The Auto Fund has no financial assets or liabilities designated as available for sale or held to maturity.

The Auto Fund has designated its cash and cash equivalents and investments as fair value through profit and loss. Accounts receivable are designated as loans and receivables. Accounts payable and accrued liabilities and premium taxes payable are designated as other financial liabilities. Unpaid claims recoverable from reinsurers and the provision for unpaid claims are exempt from the above requirement.

Financial assets and financial liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and liabilities simultaneously. Income and expenses are not offset in the Statement of Operations unless required or permitted by an accounting standard or interpretation, as specifically disclosed in the accounting policies of the Auto Fund. There are no financial assets or financial liabilities reported as offset in these financial statements.

Fair value of financial instruments

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All fair value measurements relate to recurring measurements. Fair value measurements for investments are categorized into levels within a fair value hierarchy based on the nature of the valuation inputs (Level 1, 2 or 3).

The three levels are based on the priority of inputs to the respective valuation technique. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1) and the lowest priority to unobservable inputs (Level 3). An asset's or liability's classification within the fair value hierarchy is based on the lowest level of significant input to its valuation. The input levels are defined as follows:

Level 1: Unadjusted quoted prices in active markets for identical assets or liabilities

The Auto Fund defines active markets based on the frequency of valuation and any restrictions or illiquidity on disposition of the underlying investment and trading volumes. Assets measured at fair value and classified as Level 1 include Canadian common shares and equity investment funds. Fair value is based on market price data for identical assets obtained from the investment custodian, investment managers or dealer markets. The Auto Fund does not adjust the quoted price for such investments.

Level 2: Quoted prices in markets that are not active or inputs that are observable either directly (i.e., as prices) or indirectly (i.e., derived from prices)

Level 2 inputs include observable market information, including quoted prices for assets in markets that are considered less active. Assets measured at fair value and classified as Level 2 include short-term investments and bonds and debentures. Fair value of short-term investments and bonds and debentures is based on, or derived from, market price data for same or similar instruments obtained from the investment custodian, investment managers or dealer markets.

Level 3: Unobservable inputs that are supported by little or no market activity and are significant to the estimated fair value of the assets or liabilities

Level 3 assets and liabilities include financial instruments whose values are determined using internal pricing models, discounted cash flow methodologies, or similar techniques that are not based on observable market data, as well as instruments for which the determination of estimated fair value requires significant management judgment or estimation. Assets classified as Level 3 include the Auto Fund's investment in the mortgage and real estate investment funds and infrastructure limited partnerships. The fair value of these investments is based on the Auto Fund's share of the net asset value of the respective fund or partnership, as determined by its investment manager, and used to value purchases and sales of units in the investments. The primary valuation methods used by the investment managers are as follows:

- The fair value for the mortgage investment fund is determined based on the market values of the underlying mortgage investments, calculated by discounting scheduled cash flows through to the estimated maturity of the mortgages (using spread-based pricing, over Government of Canada bonds with a similar term to maturity), subject to adjustments for liquidity and credit risk.
- The fair value of the real estate investment fund is determined based on the most recent appraisals of the underlying properties. Real estate properties are appraised semi-annually by external, independent professional real estate appraisers who are accredited through the Appraisal Institute of Canada. Real estate appraisals are performed in accordance with generally accepted appraisal standards and procedures and are based primarily on comparable sales, discounted cash flows, and income capitalization methods.
- The fair value of the infrastructure limited partnerships is determined by the investment manager. A number of valuation methodologies are considered in arriving at fair value, including internal or external valuation models, which may include discounted cash flow analysis. The most appropriate methodology to determine fair value is chosen on an investment-by-investment basis. Any control, size, liquidity or other discounts or premiums on the investment are considered by the investment manager in their determination of fair value. During the initial period after an investment has been made, cost may represent the most reasonable estimate of fair value.

The fair value of other financial assets and financial liabilities is considered to be the carrying value when they are of short duration or when the investment's interest rate approximates current observable market rates. Where other financial assets and financial liabilities are of longer duration, then fair value is determined using the discounted cash flow method using discount rates based on adjusted observable market rates. The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued liabilities and premium taxes payable approximate their carrying values due to their short term nature.

Investments

The Auto Fund records investment purchases and sales on a trade-date basis, being the date when the transactions are entered into. Financial assets are derecognized when the rights to receive cash flows from them have expired, or when the Auto Fund has transferred substantially all risks and rewards of ownership.

Investments under securities lending program

Securities lending transactions are entered into on a collateralized basis. The securities lent are not de-recognized on the Statement of Financial Position given that the risks and rewards of ownership are not transferred from the Auto Fund to the counterparties in the course of such transactions. The securities are reported separately on the Statement of Financial Position on the basis that the counterparties may resell or re-pledge the securities during the time that the securities are in their possession.

Securities received from counterparties as collateral are not recorded on the Statement of Financial Position given that the risks and rewards of ownership are not transferred from the counterparties to the Auto Fund in the course of such transactions.

Investment earnings

The Auto Fund recognizes interest revenue as earned, dividends when declared, investment fund revenue when a distribution is declared, realized gains and losses on investments when the investment has been sold and unrealized gains and losses based on changes in market value of the investments held at the year-end date. Realized gains and losses represent the difference between the amounts received through the sale of investments and their respective cost base.

Interest revenue includes amortization of any premium or discount recognized at date of purchase of the security. Amortization is calculated using the effective interest method. Interest is generally receivable on a semi-annual basis.

Direct investment expenses, such as external custodial, investment management and investment consultant expenses, are recorded against investment earnings.

Foreign currency translation

Monetary assets and liabilities denominated in foreign currency are translated at the exchange rate in effect at the year-end date. Revenues and expenses are translated at the exchange rate in effect at the transaction date. Unrealized foreign exchange gains and/or losses arising on monetary and non-monetary investments designated as fair value through profit and loss are recognized in investment earnings. Unrealized gains and/or losses arising on translation are charged to operations in the current year. Translation gains and/or losses related to other financial assets and liabilities are charged to operations in the current year.

Premiums written

The Auto Fund's vehicle registrations have all been classified upon inception as insurance contracts. An insurance contract transfers significant risk and, upon the occurrence of the insured event, causes the insurer to make a benefit payment to the insured party. The sale of vehicle registrations generates premiums written that are taken into income as net premiums earned over the terms of the related policies, no longer than 12 months. The portion of premiums relating to the unexpired term of each policy is recorded as an unearned premium liability on the Statement of Financial Position.

At the end of each reporting period, a liability adequacy test is performed, in accordance with IFRS, to validate the adequacy of unearned premiums and deferred policy acquisition costs (DPAC). A premium deficiency would exist if unearned premiums are deemed insufficient to cover the estimated future costs associated with the unexpired portion of written insurance policies. A premium deficiency would be recognized immediately as a reduction of DPAC to the extent that unearned premiums plus anticipated investment income is not considered adequate to cover all DPAC and related insurance claims and expenses. If the premium deficiency is greater than the unamortized DPAC, a liability is accrued for the excess deficiency.

Provision for unpaid claims

The provision for unpaid claims represents an estimate of the total cost of outstanding claims to the year-end date. The estimate includes the cost of reported claims, claims incurred but not reported, and an estimate of adjusting expenses to be incurred on these claims and a provision for adverse deviation (PFAD) in accordance with Canadian Institute of Actuaries standards. The estimates are subject to uncertainty and are selected from a range of possible outcomes. During the life of the claim, adjustments to the estimates are made as additional information becomes available. The change in outstanding losses plus paid losses is reported as claims incurred in the current year.

Deferred policy acquisition costs

Premium taxes, commissions and certain underwriting and policy issuance costs are deferred, to the extent they are recoverable, and charged to expense over the terms of the insurance policies to which such costs relate, no longer than 12 months.

Reinsurance ceded

The Auto Fund uses various types of reinsurance to limit its maximum insurance risk exposure. Estimates of amounts recoverable from reinsurers in respect of insurance contract liabilities are recorded as reinsurance assets on a gross basis in the Statement of Financial Position. Unpaid claims recoverable from reinsurers are estimated in a manner consistent with the method used for determining the provision for unpaid claims, unearned premiums and DPAC respectively. Reinsurance ceded does not relieve the Auto Fund of its primary obligation to policyholders.

Cash and cash equivalents

Cash and cash equivalents consist of money market investments with a maturity of 90 days or less from the date of acquisition, and are presented net of cash on hand less outstanding cheques.

Property and equipment

All classes of property and equipment are recorded at cost less accumulated depreciation and accumulated impairment, if any. Cost includes expenditures that are directly attributable to the acquisition of the asset.

The Auto Fund has not incurred any borrowing costs attributable to property and equipment, and therefore no borrowing costs have been capitalized. Subsequent costs are included in the asset's carrying value when it is probable that future economic benefits associated with the item will flow to the Auto Fund, and the cost of the item can be reliably measured. Repairs and maintenance are charged to the Statement of Operations in the period in which they have been incurred.

The depreciation method being used, the useful lives of the assets and residual values of the assets are reviewed at each reporting period.

Depreciation is recorded on a straight-line basis, commencing in the year in which the asset is available to be placed in service, over their estimated useful lives as follows:

Buildings and improvements	15-40 years
Building components	15-30 years
Leasehold improvements	lease term
Furniture and equipment	3-5 years

Building components consist of heating and cooling systems, elevators, roofs and parking lots. Land is not subject to amortization and is carried at cost.

Impairment reviews are performed when there are indicators that the carrying value of an asset may exceed its recoverable amount.

Intangible assets

Intangible assets are recorded at cost less accumulated amortization and accumulated impairment, if any. Cost includes expenditures that are directly attributable to the acquisition of the intangible asset.

The Auto Fund has not incurred any borrowing costs attributable to intangible assets, and therefore no borrowing costs have been capitalized. Subsequent costs are included in the intangible asset's carrying value when it is probable that future economic benefits associated with the item will flow to the Auto Fund, and the cost of the item can be reliably measured.

The amortization method being used, the useful lives of the intangible assets and residual values of the intangible assets are reviewed at each reporting period.

The intangible assets have finite useful lives and are being amortized on a straight-line basis, commencing in the year in which the asset is available to be placed in service, over their estimated useful lives of 10 years.

Impairment reviews are performed when there are indicators that the carrying value of an asset may exceed its recoverable amount.

Leases

IFRS 16, *Leases* (IFRS 16) eliminates the operating and finance lease classifications for lessees with a single, on-balance sheet lease accounting model. As a result of this change, the Auto Fund now recognizes all leases to which it is a lessee in the Statement of Financial Position as a lease liability with a corresponding right-of-use asset, subject to recognition exemptions for certain short-term and low value leases. The Auto Fund adopted IFRS 16 using the modified retrospective approach. As at April 1, 2019, the date of initial application, no adjustment to retained earnings was required. The adoption of IFRS 16 has not had an impact on the Auto Fund's Statement of Financial Position as the Auto Fund does not directly hold any agreements that meet the definition of a lease.

Provisions and contingent liabilities

Provisions are recognized when the Auto Fund has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed if there is a possible future obligation as a result of a past event, or if there is a present obligation as a result of a past event but either a payment is not probable or the amount cannot be reasonably estimated.

Structured settlements

In the normal course of claim adjudication, the Auto Fund settles certain long-term claim losses through the purchase of annuities under structured settlement arrangements with life insurance companies. As the Auto Fund does not retain any interest in the related insurance contract and obtains a legal release from the claimant, any gain or loss on the purchase of the annuity is recognized in the Statement of Operations at the date of purchase and the related claim liabilities are de-recognized. However, the Auto Fund remains exposed to the credit risk that the life insurance companies may fail to fulfil their obligations.

Future accounting policy changes

The following future changes to accounting standards will be applicable to the Auto Fund:

IFRS 9 – Financial Instruments

IFRS 9 will replace IAS 39, and requires financial assets to be measured at either fair value or amortized cost, on the basis of the entity's business model for managing the financial asset and the contractual cash flow characteristics of the financial asset. A financial asset that is held by an entity for the purpose of collecting contractual cash flows on specified dates per contractual terms should be measured at amortized cost. All other financial assets should be measured at fair value.

For equity instruments, management has an option on initial recognition to irrevocably designate on an instrument-by-instrument basis to present the changes in their fair value directly in equity. There is no subsequent recycling of fair value gains and losses from equity to the Statement of Operations; however, dividends from such equity investments will continue to be recognized in profit or loss.

The standard includes introduction of a fair value through other comprehensive income measurement category for simple debt instruments. In this measurement category, the Statement of Financial Position will reflect the fair value carrying amount while amortized cost information is presented in the Statement of Operations. The difference between the fair value and amortized cost information will be recognized in other comprehensive income.

The standard introduces a forward-looking impairment model. IFRS 9 replaces the incurred loss model under IAS 39 with an expected credit loss model. This standard is generally effective for annual periods beginning on or after January 1, 2018. However, in September 2016, IFRS 4 was amended to provide an option of a temporary exemption from applying IFRS 9 for entities whose predominant activity is issuing insurance contracts within the scope of IFRS 4. Therefore, qualifying entities will have the option to adopt IFRS 9 upon the adoption of IFRS 17. The Auto Fund qualifies for the temporary exemption as the liabilities were predominately connected with insurance as at December 31, 2015, the prescribed date of assessment. Additionally, the Auto Fund has not previously applied any version of IFRS 9. Therefore, IFRS 9 is effective for annual periods beginning on or after January 1, 2023, which aligns with the effective date of IFRS 17. The Auto Fund is evaluating the impact this standard will have on the financial statements.

IFRS 17 – Insurance Contracts

IFRS 17 was issued in May 2017 and will replace IFRS 4. The intent of the standard is to establish consistent recognition, measurement, presentation and disclosure principles to provide relevant and comparable reporting of insurance contracts across jurisdictions.

The standard requires entities to measure insurance contract liabilities as the risk-adjusted present value of the cash flows plus the contractual service margin, which represents the unearned profit the entity will recognize as future service is provided. This is referred to as the general model. Expedients are specified, provided the insurance contracts meet certain conditions. If, at initial recognition or subsequently, the contractual service margin becomes negative, the contract is considered onerous and the excess is recognized immediately in the Statement of Operations. The standard also includes significant changes to the presentation and disclosure of insurance contracts within entities' financial statements.

IFRS 17 applies to annual periods beginning on or after January 1, 2023, as the IASB voted to approve a deferral of the effective date. The standard is to be applied retrospectively unless impracticable, in which case a modified retrospective approach or fair value approach is to be used for transition. The standard represents a comprehensive IFRS accounting model for insurance contracts and is expected to have a significant impact on financial reporting of insurers. The Auto Fund is evaluating the impact this standard will have on the financial statements.

4. Cash and Cash Equivalents

	(thousands of \$)	
	2020	2019
Money market investments	\$ 21,796	\$ 11,200
Cash, net of outstanding cheques	14,011	8,480
Total cash and cash equivalents	\$ 35,807	\$ 19,680

The average effective interest rate on money market investments is 0.3% (2019 – 1.7%).

5. Accounts Receivable

Accounts receivable is comprised of the following:

	(thousands of \$)	
	2020	2019
Due from insureds	\$ 250,268	\$ 253,401
Accrued investment income	14,911	7,902
Licence issuers	7,612	7,637
Salvage operation	2,200	2,144
Amounts due from reinsurers	1,970	1,737
Amounts due from municipalities and Ministry of Justice	414	567
Other	272	329
Subtotal	277,647	273,717
Less: Allowance for doubtful accounts (note 15)	(28,781)	(28,273)
Total accounts receivable	\$ 248,866	\$ 245,444

Included in due from insureds is \$211.9 million (2019 – \$215.3 million) of financed premiums receivable, which represents the portion of policyholders' monthly premium payments that are not yet due. The majority of policyholders have the option to pay a portion of the premium when the policy is placed in force and the balance in monthly instalments. The policyholder pays an additional charge for this option, reflecting handling costs and the investment income that would have been earned on such premium, had the total amount been collected at the beginning of the policy period (note 14).

6. Investments

The carrying and fair values of the Auto Fund's investments are as follows:

	(thousands of \$)	
	2020	2019
Short-term investments	\$ 8,749	\$ 4,720
Bonds and debentures	1,034,727	635,733
Canadian common shares	141,551	184,890
Infrastructure limited partnerships	232,321	114,942
Investment funds:		
Global equity	582,704	646,809
Global small cap equity	186,282	219,338
Mortgage	212,094	203,926
Real estate	248,128	227,577
	2,646,556	2,237,935
Investments under securities lending program		
Bonds and debentures	–	358,235
Canadian common shares	–	68,854
	–	427,089
Total investments	\$ 2,646,556	\$ 2,665,024

Details of significant terms and conditions are as follows:

Short-term investments

Short-term investments are comprised of money market investments with a maturity of less than one year but greater than 90 days from the date of acquisition. These investments have an average effective interest rate of 1.7% (2019 – 1.7%) and an average remaining term to maturity of 6 days (2019 – 130 days).

Bonds and debentures

The carrying value and average effective interest rates are shown in the following chart by contractual maturity. Actual maturity may differ from contractual maturity because certain borrowers have the right to call or prepay obligations with or without call or prepayment penalties.

Term to maturity (years)	(thousands of \$)			
	2020		2019	
	Carrying Value	Average Effective Rates (%)	Carrying Value	Average Effective Rates (%)
Government of Canada:				
After one through five	\$ 108,228	1.0	\$ 129,960	1.8
After five	6,276	1.1	53,765	1.9
Canadian provincial and municipal:				
After five	555,197	2.3	503,797	2.6
Canadian corporate:				
One or less	199,200	2.1	149,213	1.8
After one through five	87,321	2.3	69,900	2.2
After five	78,505	2.0	87,333	2.4
Total bonds and debentures	\$ 1,034,727		\$ 993,968	

Canadian common shares

Common shares have no fixed maturity dates. The average effective dividend rate is 3.6% (2019 – 2.8%).

Investment funds and limited partnerships

The Auto Fund owns units in equity funds, a mortgage investment fund, a real estate investment fund, and four infrastructure limited partnerships. These investment funds have no fixed distribution rate. Returns are based on the success of the investment managers. Commitments related to these investments are \$27.1 million (2019 – \$119.1 million).

Securities lending program

Through its custodian, the Auto Fund participates in a securities lending program for the purpose of generating fee income. While in the possession of counterparties, the loaned securities may be resold or re-pledged by such counterparties.

At March 31, 2020, the Auto Fund held no collateral (2019 – \$448.4 million) for the loaned securities, as there were no securities on loan.

Fair value hierarchy

Fair value is best evidenced by an independent quoted market price for the same instrument in an active market. An active market is one where quoted prices are readily available, representing regularly occurring transactions. The determination of fair value requires judgment and is based on market information where available and appropriate. Fair value measurements are categorized into levels within a fair value hierarchy based on the nature of the inputs used in the valuation.

	(thousands of \$)			
	2020			
	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 8,749	\$ -	\$ 8,749
Bonds and debentures	-	1,034,727	-	1,034,727
Canadian common shares	141,551	-	-	141,551
Infrastructure limited partnerships	-	-	232,321	232,321
Investment funds:				
Global equity	582,704	-	-	582,704
Global small cap equity	186,282	-	-	186,282
Mortgage	-	-	212,094	212,094
Real estate	-	-	248,128	248,128
	\$ 910,537	\$ 1,043,476	\$ 692,543	\$ 2,646,556

	(thousands of \$)			
	2019			
	Level 1	Level 2	Level 3	Total
Short-term investments	\$ -	\$ 4,720	\$ -	\$ 4,720
Bonds and debentures	-	993,968	-	993,968
Canadian common shares	253,744	-	-	253,744
Infrastructure limited partnerships	-	-	114,942	114,942
Investment funds:				
Global equity	646,809	-	-	646,809
Global small cap equity	219,338	-	-	219,338
Mortgage	-	-	203,926	203,926
Real estate	-	-	227,577	227,577
	\$ 1,119,891	\$ 998,688	\$ 546,445	\$ 2,665,024

The Auto Fund's policy is to recognize transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer.

A reconciliation of Level 3 investments is as follows:

	(thousands of \$)	
	2020	2019
Level 3 investments, beginning of the year	\$ 546,445	\$ 463,204
Add: Additions during the year		
Infrastructure limited partnerships	118,030	52,924
Mortgage investment fund	9,227	8,569
Real estate investment fund	-	1,775
Less: Disposals during the year		
Infrastructure limited partnerships	(14,263)	(889)
Net unrealized gains	33,104	20,862
Level 3 investments, end of the year	\$ 692,543	\$ 546,445

Investment in the infrastructure limited partnerships, the mortgage investment fund and the real estate investment fund are valued using the Auto Fund's share of the net asset value of the respective fund as at March 31, 2020.

During the year ended March 31, 2020, no investments were transferred between levels.

The impact of COVID-19 has been reflected in the valuation of Level 3 investments through adjustments to the discount rate and expected cashflows. These have been completed by the investment managers.

7. Deferred Policy Acquisition Costs (DPAC)

	(thousands of \$)	
	2020	2019
DPAC, beginning of the year	\$ 30,695	\$ 29,993
Acquisition costs deferred during the year	95,310	95,086
Amortization of deferred acquisition costs	(95,788)	(94,384)
DPAC, end of the year	\$ 30,217	\$ 30,695

8. Other Assets

Other assets are comprised of the following:

	(thousands of \$)	
	2020	2019
Prepaid expenses	\$ 6,384	\$ 1,921
Inventories	4,698	5,160
Total	\$ 11,082	\$ 7,081

9. Claims Incurred and Provision for Unpaid Claims

Net claims incurred

	(thousands of \$)					
	2020			2019		
	Current year	Prior years	Total	Current year	Prior years	Total
Gross claims incurred	\$ 982,629	\$ (93,201)	\$ 889,428	\$ 918,356	\$ (15,228)	\$ 903,128
Ceded claims incurred	(138)	11	(127)	(9,791)	1,545	(8,246)
Net claims incurred	\$ 982,491	\$ (93,190)	\$ 889,301	\$ 908,565	\$ (13,683)	\$ 894,882

Current year claims relate to events that occurred in the current financial year. Prior year claims incurred relate to adjustments for the reassessment of the estimated cost for claim events that occurred in all previous financial periods.

Ceded claims incurred represent an estimate of the recoverable costs of those claims transferred to the Auto Fund's various reinsurers pursuant to reinsurance contracts.

Net provision for unpaid claims

	(thousands of \$)	
	2020	2019
Net unpaid claims, beginning of year - discounted	\$ 1,699,784	\$ 1,619,117
PFAD and discount, beginning of the year	709,569	759,020
Net unpaid claims, beginning of year - undiscounted	2,409,353	2,378,137
Payments made during the year relating to:		
Prior year claims	(239,842)	(244,652)
Excess relating to:		
Prior year estimated unpaid claims	(93,190)	(13,683)
Net unpaid claims, prior years - undiscounted	2,076,321	2,119,802
Net unpaid claims, current year	292,808	289,551
Net unpaid claims, end of year - undiscounted	2,369,129	2,409,353
PFAD and discount, end of year	(592,798)	(709,569)
Net unpaid claims, end of year - discounted	\$ 1,776,331	\$ 1,699,784

The net provision for unpaid claims is summarized by type of claim as follows:

	(thousands of \$)					
	Gross Unpaid Claims		Reinsurance Recoverable		Net Unpaid Claims	
	2020	2019	2020	2019	2020	2019
Injury accident benefits	\$ 2,228,723	\$ 2,274,599	\$ -	\$ -	\$ 2,228,723	\$ 2,274,599
Injury liability	92,258	92,816	-	-	92,258	92,816
Damage	53,070	53,681	4,922	11,743	48,148	41,938
PFAD	379,176	359,811	162	815	379,014	358,996
Effect of discounting	(971,829)	(1,068,698)	(17)	(133)	(971,812)	(1,068,565)
Total	\$ 1,781,398	\$ 1,712,209	\$ 5,067	\$ 12,425	\$ 1,776,331	\$ 1,699,784

Management believes that the unpaid claims provision is appropriately established in the aggregate and is adequate to cover the ultimate net cost on a discounted basis. The determination of this provision, which includes unpaid claims, adjustment expenses and expected salvage and subrogation, requires an assessment of future claims development. This assessment takes into account the consistency of the Auto Fund's claim handling procedures, the amount of information available, the characteristics of the line of business from which the claims arise and the delay inherent in claims reporting. This provision is an estimate and as such is subject to variability that may arise from future events, such as the receipt of additional claims information, changes in judicial interpretation of contracts or significant changes in frequency and severity of claims. This estimate is principally based on the Auto Fund's historical experience and may be revised as additional experience becomes available. Any such changes would be reflected in the Statement of Operations for the period in which the change occurred.

Included in the above amount is a PFAD in the amount of \$379.0 million (2019 – \$359.0 million). The incorporation of a PFAD within the provision for unpaid claims is in accordance with accepted actuarial practice and the selected PFAD is within the ranges recommended by the Canadian Institute of Actuaries. The PFAD considers the Auto Fund's assumptions concerning claim development, reinsurance recoveries and future investment earnings.

The provision for unpaid claims and unpaid claims recoverable from reinsurers are carried on a discounted basis to reflect the time value of money. In that respect, the Auto Fund determines the discount rate based upon the expected return of the investments that approximates the cash flow requirements of the unpaid claims. The discount rate applied was 3.8% (2019 – 4.1%). The resulting carrying amount is considered to be an indicator of fair value as there is no ready market for trading insurance contract liabilities.

In relation to COVID-19, the Auto Fund collected data currently available to estimate the potential impact. A set of assumptions were selected and applied to the actuarial methods in the determination of the claims liabilities reserve.

Structured settlements

The Auto Fund settles some long-term disability claims by purchasing annuities for its claimants from various life insurers. The settlements legally release the Auto Fund from its obligations to the claimants. Consequently, neither the annuities purchased nor the claim liabilities are recognized on the Statement of Financial Position. However, as part of the settlement, the Auto Fund provides a financial guarantee to the claimants in the event the life insurers default on the scheduled payments and is thus exposed to credit risk to the extent any of the life insurers fail to fulfil their obligations. As at March 31, 2020, no information has come to the Auto Fund's attention that would suggest any weakness or failure in the life insurers from which it has purchased the annuities. The net present value of the scheduled payments as of the year-end date is \$25.4 million (2019 – \$24.3 million). The net risk to the Auto Fund is the credit risk related to the life insurance companies that the annuities are purchased from. No defaults have occurred, and the Auto Fund considers the possibility of default to be remote.

10. Property and Equipment

The components of the Auto Fund's property and equipment, as well as the related accumulated depreciation, are as follows:

	(thousands of \$)					
	Land	Buildings and Improvements	Building Components	Leasehold Improvements	Furniture & Equipment	Total
Cost:						
Beginning of the year	\$ 6,643	\$ 53,996	\$ 15,406	\$ 2,457	\$ 54,948	\$ 133,450
Additions	–	813	272	2,726	11,076	14,887
Disposals	–	–	–	–	(921)	(921)
At March 31, 2020	6,643	54,809	15,678	5,183	65,103	147,416
Accumulated depreciation:						
Beginning of the year	–	29,481	10,043	1,273	40,353	81,150
Depreciation	–	1,821	643	326	4,966	7,756
Disposals	–	–	–	–	(775)	(775)
At March 31, 2020	–	31,302	10,686	1,599	44,544	88,131
Net book value at March 31, 2020	\$ 6,643	\$ 23,507	\$ 4,992	\$ 3,584	\$ 20,559	\$ 59,285

	(thousands of \$)					
	Land	Buildings and Improvements	Building Components	Leasehold Improvements	Furniture & Equipment	Total
Cost:						
Beginning of the year	\$ 6,643	\$ 48,457	\$ 14,336	\$ 1,358	\$ 47,487	\$ 118,281
Additions	–	5,539	1,070	1,099	8,962	16,670
Disposals	–	–	–	–	(1,501)	(1,501)
At March 31, 2019	6,643	53,996	15,406	2,457	54,948	133,450
Accumulated depreciation:						
Beginning of the year	–	27,850	9,446	1,068	38,636	77,000
Depreciation	–	1,631	597	205	3,147	5,580
Disposals	–	–	–	–	(1,430)	(1,430)
At March 31, 2019	–	29,481	10,043	1,273	40,353	81,150
Net book value at March 31, 2019	\$ 6,643	\$ 24,515	\$ 5,363	\$ 1,184	\$ 14,595	\$ 52,300

Depreciation provided in the year is included in administrative expenses on the Statement of Operations. When an asset has been disposed, its original cost is removed from the financial statements along with any accumulated depreciation related to that asset.

11. Intangible Assets

The Auto Fund's intangible assets consist solely of internally developed software that has been created as part of SGI's digital transformation. The intangible assets, as well as the related accumulated amortization, are as follows:

	(thousands of \$)	
	2020	2019
Cost:		
Beginning of the year	\$ –	\$ –
Additions	11,895	–
Disposals	–	–
End of the year	11,895	–
Accumulated amortization:		
Beginning of the year	–	–
Amortization	–	–
Disposals	–	–
End of the year	–	–
Net book value at end of the year	\$ 11,895	\$ –

12. Unearned Premiums

	(thousands of \$)					
	Gross Unearned Premiums		Reinsurers' Share of Unearned Premiums		Net Unearned Premiums	
	2020	2019	2020	2019	2020	2019
Unearned premiums, beginning of the year	\$ 394,880	\$ 386,884	\$ 7,947	\$ 6,454	\$ 386,933	\$ 380,430
Premiums written	962,705	956,472	10,549	14,682	952,156	941,790
Premiums earned	(966,177)	(948,476)	(10,567)	(13,189)	(955,610)	(935,287)
Change in net unearned premiums	(3,472)	7,996	(18)	1,493	(3,454)	6,503
Unearned premiums, end of the year	\$ 391,408	\$ 394,880	\$ 7,929	\$ 7,947	\$ 383,479	\$ 386,933

13. Net Investment Earnings

Components of investment earnings are as follows:

	(thousands of \$)	
	2020	2019
Investment fund distributions	\$ 47,625	\$ 55,776
Net realized gains on sale of investments	32,549	24,053
Interest and other	28,865	28,932
Dividends	6,060	7,019
Infrastructure limited partnership distributions	4,590	1,979
Net unrealized (losses) gains on change in market value of investments	(107,069)	28,018
Total investment earnings	12,620	145,777
Investment expenses	(10,170)	(9,928)
Net investment earnings	\$ 2,450	\$ 135,849

Details of the net unrealized (losses) gains on change in market value of investments are as follows:

	(thousands of \$)	
	2020	2019
Bonds and debentures	\$ 4,463	\$ 20,960
Canadian common shares	(36,990)	(16,983)
Infrastructure limited partnerships	13,612	2,851
Investment funds:		
Global equity	(52,420)	27,950
Global small cap equity	(55,226)	(24,771)
Mortgage	(1,059)	1,848
Real estate	20,551	16,163
	\$ (107,069)	\$ 28,018

14. Other Income

The components of other income are as follows:

	(thousands of \$)	
	2020	2019
Payment option fees	\$ 35,710	\$ 34,404
Safe Driver Recognition program penalties	28,606	26,678
Net earnings on salvage sales	21,125	22,347
Total other income	\$ 85,441	\$ 83,429

The Auto Fund offers a Short-Term Vehicle Registration and Insurance Plan that allows customers to choose the number of months they wish to insure and register their vehicle. Another payment option, AutoPay, allows customers to have equal monthly withdrawals made from their bank accounts for their vehicle registration and insurance.

The Auto Fund maintains a Safe Driver Recognition program based on a safety rating scale. Drivers lose safety rating points for certain driving incidents. Drivers in the penalty zone (safety rating less than zero) are assessed a financial penalty for each incident they are responsible for. The further the incident moves them in the penalty zone, the higher the penalty they have to pay.

The Auto Fund administers a salvage operation in order to maximize the derived economic value of salvageable vehicles, vehicle parts and materials available through the claim settlement process.

Net earnings on salvage sales is comprised of:

	(thousands of \$)	
	2020	2019
Salvage sales	\$ 60,848	\$ 61,661
Cost of sales	(35,427)	(34,923)
Gross profit	25,421	26,738
Administrative expenses	(4,664)	(4,796)
Other income	368	405
Net earnings on salvage sales	\$ 21,125	\$ 22,347

15. Insurance and Financial Risk Management

The Auto Fund, through its administrator SGI, has established an enterprise risk management policy. The Board of Directors approved this policy, and management is responsible for ensuring it is properly maintained and implemented. The Board of Directors receives confirmation that the risks are being appropriately managed through regular reporting from management.

Insurance risk arises with respect to the adequacy of the Auto Fund's policy premium rates and provision for unpaid claims (consisting of underwriting and actuarial risks). The nature of insurance operations also results in significant financial risks, as the Statement of Financial Position consists primarily of financial instruments. Financial risks that arise are credit risk, market risk (consisting of interest rate risk, foreign exchange risk and equity price risk) and liquidity risk.

Insurance Risk

Underwriting risk

The Auto Fund manages insurance risk through underwriting and reinsurance strategies within an overall strategic planning process. Pricing is based on assumptions with regards to past experiences and trends.

Reinsurance

The Auto Fund also seeks to reduce losses that may arise from catastrophes or other events that cause unfavourable underwriting results by reinsuring certain levels of risk with other insurers. The policy of underwriting and reinsuring contracts of insurance limits the liability of the Auto Fund to a maximum amount on any one loss on a calendar year as follows:

	(thousands of \$)	
	2020	2019
Automobile physical damage catastrophe	\$ 17,500	\$ 17,500
(subject to filling an annual aggregate deductible of)	17,500	17,500

While the Auto Fund utilizes reinsurance, it is still exposed to reinsurance risk. Reinsurance risk is the risk of financial loss due to inadequacies in reinsurance coverage or the default of a reinsurer. The Auto Fund evaluates and monitors financial condition of its reinsurers to minimize exposure to significant losses from reinsurer insolvency.

Actuarial risk

Establishment of the provision for unpaid claims is based on known facts and interpretation of circumstances, and is therefore a complex process influenced by a variety of factors. Measurement of the provision is uncertain due to claims that are not reported to the Auto Fund at the year-end date and therefore estimates are made as to the value of these claims. As well, uncertainty exists regarding the cost of reported claims that have not been settled, as all the necessary information may not be available at the year-end date.

The significant assumptions used to estimate the provision include: the Auto Fund's experience with similar cases, historical claim payment trends and claim development patterns, the characteristics of each class of business, claim severity and frequency, the effect of inflation on future claim settlement costs, court decisions and economic conditions. Time is also a critical factor in determining the provision, since the longer it takes to settle and pay a claim, the more variable the ultimate settlement amount will be. Accordingly, short-tail claims such as physical damage or collision claims tend to be more reasonably predictable than long-tail claims such as liability claims.

As a result, the establishment of the provision for unpaid claims relies on a number of factors, which necessarily involves risk that actual results may differ materially from the estimates.

The following table shows the development of the estimated net provision for unpaid claims for the 10 most recent accident years as estimated at each reporting date. The Auto Fund changed its year end from December 31 to March 31, effective March 31, 2016. As a result, historical net ultimate loss estimates for the March 31, 2016 and prior accident years are not available.

Net provision for unpaid claims										
(thousands of \$)										
Accident year	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
Net Ultimate Loss										
At end of accident year	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ 716,484	\$ 711,865	\$ 759,830	\$ 762,075
One year later	n/a	n/a	n/a	n/a	n/a	645,389	738,267	723,379	763,849	
Two years later	n/a	n/a	n/a	n/a	628,662	641,301	742,971	727,244		
Three years later	n/a	n/a	n/a	636,975	629,226	645,201	742,089			
Four years later	n/a	n/a	629,886	635,498	634,045	646,230				
Five years later	n/a	591,338	627,545	636,834	636,167					
Six years later	618,621	588,439	629,550	639,210						
Seven years later	617,488	592,199	630,411							
Eight years later	618,989	594,528								
Nine years later	622,544									
Cumulative loss development	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ n/a	\$ 25,605	\$ 15,379	\$ 4,019	n/a
Cumulative loss development as a % of original ultimate loss	n/a	n/a	n/a	n/a	n/a	n/a	3.6%	2.2%	0.5%	n/a

Net ultimate loss											
(thousands of \$)											
Accident year	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	Total
Current estimate of net ultimate loss	\$ 622,544	\$ 594,528	\$ 630,411	\$ 639,210	\$ 636,167	\$ 646,230	\$ 742,089	\$ 727,244	\$ 763,849	\$ 762,075	\$ 6,764,347
Cumulative paid	(556,172)	(532,541)	(569,362)	(572,504)	(569,466)	(573,497)	(663,813)	(632,330)	(652,480)	(518,061)	(5,840,226)
Net provision for unpaid claims	\$ 66,372	\$ 61,987	\$ 61,049	\$ 66,706	\$ 66,701	\$ 72,733	\$ 78,276	\$ 94,914	\$ 111,369	\$ 244,014	\$ 924,121
Net discounted claims outstanding for accident years 2009-2010 and prior											722,344
Loss adjusting expense reserve											125,892
Other reconciling items											3,974
Net provision for unpaid claims											\$ 1,776,331

The Auto Fund's estimated sensitivity of its provision for unpaid claims to changes in best estimate assumptions in its unpaid claims liabilities is as follows:

Assumption	Sensitivity	(thousands of \$)	
		Change to Net Provision for Unpaid Claims	
		2020	2019
Discount rate	+ 100 bps	\$ (100,658)	\$ (92,961)
Discount rate	- 100 bps	103,555	105,897

The net provision for unpaid claims refers to the provision for unpaid claims net of unpaid claims recoverable from reinsurers. The method used for deriving this sensitivity information did not change from the prior period.

Financial risk

The nature of the Auto Fund's operations results in a Statement of Financial Position that consists primarily of financial instruments. The risks that arise are credit risk, market risk and liquidity risk.

Significant financial risks are related to the Auto Fund's investments. These financial risks are managed by having a Statement of Investment Policies and Goals (SIP&G), which is approved annually by SGI's Board of Directors. The SIP&G provides guidelines for the Auto Fund's investment managers for the asset mix of the portfolio regarding quality and quantity of fixed income, real estate and equity investments using a prudent person approach. The asset mix helps to reduce the impact of market value fluctuations by requiring investments in different asset classes and in domestic and foreign markets. SGI receives regular reporting from the investment managers and custodian regarding compliance with the SIP&G. The investment managers' performance is evaluated based on the goals stated in the SIP&G.

The Auto Fund investment portfolio operates as two distinct portfolios – the Matching Portfolio and the Return Seeking Portfolio. The Matching Portfolio consists of short-term investments, bonds and debentures, and the mortgage investment fund, while the Return Seeking Portfolio holds Canadian common shares, the global equity, global small cap equity and real estate investment funds, and the infrastructure limited partnerships. The investment strategy relies on the Matching Portfolio to cover expected liability payments out to 20 years, with the remaining long-tail liabilities covered by the Return Seeking Portfolio.

Credit risk

The Auto Fund's credit risk arises primarily from two distinct sources: accounts receivable and certain investments. The maximum credit risk to which the Auto Fund is exposed is limited to the carrying value of those financial assets summarized as follows:

	(thousands of \$)	
	2020	2019
Cash and cash equivalents	\$ 35,807	\$ 19,680
Accounts receivable	248,866	245,444
Fixed income investments ¹	1,255,570	1,202,614
Unpaid claims recoverable from reinsurers	5,067	12,425

¹ Includes short-term investments, bonds and debentures, and the mortgage investment fund

In addition, the Auto Fund is exposed to credit risk associated with its structured settlements as described separately in the notes to the financial statements.

Cash and cash equivalents include money market investments of \$21.8 million (2019 – \$11.2 million) that mature within 90 days from the date of acquisition. All short term investments have a credit rating of R-1.

Accounts receivable relate primarily to financed premiums receivable and amounts recoverable on paid claims. Balances are outstanding from customers, along with motor licence issuers, within Saskatchewan. Accounts receivable consist of balances outstanding for one year or less.

	(thousands of \$)	
	2020	2019
Current	\$ 243,207	\$ 240,034
30 - 59 days	3,004	3,013
60 - 90 days	2,566	2,311
Greater than 90 days	28,870	28,359
Subtotal	277,647	273,717
Allowance for doubtful accounts	(28,781)	(28,273)
Total	\$ 248,866	\$ 245,444

Provisions for credit losses are maintained in an allowance account and are regularly reviewed by the Auto Fund. Amounts are written off once reasonable collection efforts have been exhausted. An Auto Fund customer cannot complete a driver's licence or vehicle transaction without making arrangements for payment of outstanding balances, including balances previously written off.

Details of the allowance account are as follows:

	(thousands of \$)	
	2020	2019
Allowance for doubtful accounts, beginning of the year	\$ 28,273	\$ 23,853
Accounts written off	(8,675)	(5,943)
Current period provision	9,183	10,363
Allowance for doubtful accounts, end of the year	\$ 28,781	\$ 28,273

Concentrations of credit risk for insurance contracts can arise from reinsurance ceded contracts as insurance ceded does not relieve the Auto Fund of its primary obligation to the policyholder. Reinsurers are typically required to have a minimum financial strength rating of A- at the inception of the treaty; rating agencies used are A.M. Best and Standard & Poor's. Guidelines are also in place to establish the maximum amount of business that can be placed with a single reinsurer.

Credit risk within investments is related primarily to short-term investments, bonds and debentures, and the mortgage investment fund. It is managed through an investment policy that limits debt instruments to those of high credit quality (minimum rating for bonds and debentures is BBB, and for short-term investments is R-1) along with limits to the maximum notional amount of exposure with respect to any one issuer.

Credit ratings for bonds and debenture investments are as follows:

Credit Rating	2020		2019	
	Fair Value (thousands of \$)	Makeup of Portfolio (%)	Fair Value (thousands of \$)	Makeup of Portfolio (%)
AAA	\$ 297,473	28.7	\$ 387,757	39.0
AA	510,107	49.3	422,860	42.5
A	196,522	19.0	150,857	15.2
BBB	30,625	3.0	32,494	3.3
Total	\$ 1,034,727	100.0	\$ 993,968	100.0

Within bonds and debentures, there are no holdings from one issuer, other than the Government of Canada or a Canadian province, over 10% of the market value of the combined bond and short-term investment portfolios. No one holding of a province is over 20% of the market value of the bond portfolio.

The Auto Fund's investment in a mortgage investment fund is subject to credit risk as its value is impacted by the credit risk of the underlying mortgages. This risk is limited by restrictions within its investment policy, which include single loan limits, and diversification by property type and geographic regions within Canada. Each underlying mortgage is secured by real estate and related contracts.

Market risk

Market risk represents the potential for loss from changes in the value of financial instruments. Value can be affected by changes in interest rates, foreign exchange rates and equity prices. Market risk impacts the value of the Auto Fund's investments.

Interest rate risk

The Auto Fund is exposed to changes in interest rates in its fixed income investments, including short-term investments, bonds and debentures, and the mortgage investment fund. Changes in interest rates also impact the amount of discounting included in the provision for unpaid claims. The impact that a change in interest rates has on investment income will be partially offset by the impact the change in interest rates has on claims incurred.

It is estimated that a 100-basis point increase/decrease in interest rates would have the following impacts:

	(thousands of \$)			
	100 basis point increase		100 basis point decrease	
	2020	2019	2020	2019
Net investment earnings	\$ (76,089)	\$ (75,721)	\$ 85,815	\$ 85,064
Net claims incurred	(100,658)	(92,953)	103,555	105,890
Net increase (decrease) to RSR	24,569	17,232	(17,740)	(20,825)

Foreign exchange risk

The investment policy defines maximum limits to exchange rate sensitive assets within the investment portfolio. The following table indicates the exposure in the Return Seeking Portfolio to exchange rate sensitive assets and provides the sensitivity to a 10% appreciation/depreciation in the Canadian dollar and the corresponding decrease/increase in the RSR:

Asset Class	2020		
	Maximum Exposure (%)	Current Exposure (%)	10% change in exchange rates (thousands of \$)
Global equities	52.0	41.9	\$ 58,270
Global small cap equities	20.0	13.4	18,628
Infrastructure limited partnerships	20.0	16.7	23,232

Asset Class	2019		
	Maximum Exposure (%)	Current Exposure (%)	10% change in exchange rates (thousands of \$)
Global equities	52.0	44.2	\$ 64,681
Global small cap equities	20.0	15.0	21,934
Infrastructure limited partnerships	20.0	7.9	11,494

As the global equity funds and the infrastructure limited partnerships are classified as fair value through profit and loss, unrealized changes due to foreign currency are recorded in the Statement of Operations. There is no exposure to foreign exchange risk within the Auto Fund's bond and debenture portfolio. As well, no more than 10% of the market value of the bond and debenture portfolio shall be invested in bonds or debentures of foreign issuers. The Auto Fund's exposure to exchange rate risk resulting from the purchase of goods and services is not considered material to the operations of the Auto Fund.

Equity prices

The Auto Fund is exposed to changes in equity prices in Canadian and global markets. At March 31, 2020, equities comprise 34.4% (2019 – 42.0%) of the carrying value of the Auto Fund's total investments. Individual stock holdings are diversified by geography, industry type and corporate entity. No one investee or related group of investees represents greater than 10% of the market value of the Auto Fund's equity portfolio. As well, no one holding represents more than 10% of the voting shares of any corporation.

The Auto Fund's equity price risk is assessed using Value at Risk, a statistical technique that measures the potential change in value of an asset class. It is calculated over a four-year period, using a 95% confidence level. It is expected that the annual change in the portfolio market value will fall within the range outlined in the following table 95% of the time (19 times out of 20 years).

Asset Class	(thousands of \$)			
	2020		2019	
Global equities	\$ +/-	118,289	\$ +/-	149,413
Canadian equities	+/-	27,178	+/-	49,226
Global small cap equities	+/-	44,112	+/-	53,080

The Auto Fund's equity investments are classified as fair value through profit and loss and any unrealized changes in their fair value are recorded in the Statement of Operations.

No derivative financial instruments have been used to alter the effects of market changes and fluctuations.

Liquidity risk

Liquidity risk is the risk that the Auto Fund is unable to meet its financial obligations as they fall due. Cash resources of the Auto Fund are managed on a daily basis based on anticipated cash flows. The majority of financial liabilities, excluding certain unpaid claim liabilities, are short-term in nature, due within one year. The Auto Fund generally maintains positive overall cash flow through cash generated from operations as well as cash generated from investing activities.

The following tables summarize the estimated contractual timing of cash flows on an undiscounted basis arising from the Auto Fund's financial assets and liabilities.

(thousands of \$)								
March 31, 2020								
	Carrying amount	Total	No stated maturity	0 - 1 years	1 - 2 years	3 - 5 years	5 - 10 years	More than 10 years
Financial assets								
Cash and cash equivalents	\$ 35,807	\$ 35,807	\$ -	\$ 35,807	\$ -	\$ -	\$ -	\$ -
Accounts receivable	248,866	248,866	-	248,866	-	-	-	-
Investments	2,646,556	2,646,556	1,603,080	207,949	60,471	135,078	126,215	513,763
Unpaid claims recoverable from reinsurers	5,067	4,922	-	5,465	(550)	7	-	-
	\$ 2,936,296	\$ 2,936,151	\$ 1,603,080	\$ 498,087	\$ 59,921	\$ 135,085	\$ 126,215	\$ 513,763
Financial liabilities								
Accounts payable and accrued liabilities	\$ 57,125	\$ 57,125	\$ 22,682	\$ 34,443	\$ -	\$ -	\$ -	\$ -
Premium taxes payable	10,284	10,284	-	10,284	-	-	-	-
Amounts due to reinsurers	9,742	9,742	1,583	8,159	-	-	-	-
Provision for unpaid claims	1,781,398	2,374,051	-	246,269	202,217	154,154	301,649	1,469,762
	\$ 1,858,549	\$ 2,451,202	\$ 24,265	\$ 299,155	\$ 202,217	\$ 154,154	\$ 301,649	\$ 1,469,762

(thousands of \$)								
March 31, 2019								
	Carrying amount	Total	No stated maturity	0 - 1 years	1 - 2 years	3 - 5 years	5 - 10 years	More than 10 years
Financial assets								
Cash and cash equivalents	\$ 19,680	\$ 19,680	\$ -	\$ 19,680	\$ -	\$ -	\$ -	\$ -
Accounts receivable	245,444	245,444	-	245,444	-	-	-	-
Investments	2,665,024	2,665,024	1,666,336	153,933	81,357	118,503	157,539	487,356
Unpaid claims recoverable from reinsurers	12,425	11,743	-	9,204	2,512	27	-	-
	\$ 2,942,573	\$ 2,941,891	\$ 1,666,336	\$ 428,261	\$ 83,869	\$ 118,530	\$ 157,539	\$ 487,356
Financial liabilities								
Accounts payable and accrued liabilities	\$ 57,088	\$ 57,088	\$ 19,441	\$ 37,647	\$ -	\$ -	\$ -	\$ -
Premium taxes payable	10,414	10,414	-	10,414	-	-	-	-
Amounts due to reinsurers	12,552	12,552	4,419	8,133	-	-	-	-
Provision for unpaid claims	1,712,209	2,421,096	-	243,698	195,290	146,355	288,283	1,547,470
	\$ 1,792,263	\$ 2,501,150	\$ 23,860	\$ 299,892	\$ 195,290	\$ 146,355	\$ 288,283	\$ 1,547,470

The estimated contractual maturities related to the unpaid claims recoverable from reinsurers excludes the net effect of discounting and PFAD of \$0.1 million (2019 – \$0.7 million) (note 9). The estimated contractual maturities related to the provision for unpaid claims excludes the net effect of discounting and PFAD of \$592.7 million (2019 – \$708.9 million) (note 9).

16. Capital Management

The Auto Fund has a capital management policy, approved by SGI's Board of Directors. The primary objective of capital management for the Auto Fund is to maintain a level of capital in the RSR sufficient to cushion the Auto Fund from the volatility inherent in investment and underwriting operations, and ensure a positive RSR without the need for excessive rate increases for Auto Fund customers.

The Auto Fund's legislation restricts how it can raise capital and mandates the benefits it is to provide to policyholders. The Auto Fund does not receive money from the province nor from SGI, the administrator of the Auto Fund, and it does not pay dividends to the province or its administrator. The Auto Fund cannot go to public capital markets to issue debt or common shares. It uses premiums and fees from operations, along with income generated from its investment portfolio, to fund future operations.

The Auto Fund manages capital in accordance with its capital management policy using a common industry measurement called the Minimum Capital Test (MCT) to establish a target for the RSR. The MCT is a risk-based capital adequacy formula that assesses risks to assets, policy liabilities and off balance sheet exposures by applying various factors to determine a ratio of capital available over capital required. The Auto Fund's MCT as at March 31, 2020 was 145% relative to its internal target MCT of 90%.

17. Change in Non-Cash Operating Items

The change in non-cash operating items is comprised of the following:

	(thousands of \$)	
	2020	2019
Accounts receivable	\$ (3,576)	\$ (7,293)
Unpaid claims recoverable from reinsurers	7,358	(800)
Reinsurers' share of unearned premiums	18	(1,493)
Deferred policy acquisition costs	478	(702)
Other assets	(4,001)	(536)
Accounts payable and accrued liabilities	37	4,499
Premium taxes payable	(130)	355
Amounts due to reinsurers	(2,810)	3,843
Unearned premiums	(3,472)	7,996
Provision for unpaid claims	69,189	81,467
	\$ 63,091	\$ 87,336

18. Related Party Transactions

Included in these financial statements are transactions with various Saskatchewan Crown corporations, ministries, agencies, boards and commissions related to the Auto Fund by virtue of common control by the Government of Saskatchewan and non-Crown corporations and enterprises subject to joint control and significant influence by the Government of Saskatchewan (collectively referred to as "related parties"). Routine operating transactions with related parties were conducted in the normal course of business and recorded at the exchange amount, which is the amount of consideration established and agreed to by the related parties. The Auto Fund has elected to take a partial exemption under IAS 24, *Related Party Disclosures*, which allows government-related entities to limit the extent of disclosures about related party transactions with government or other government-related entities.

SGL acts as administrator of the Auto Fund. Administrative and loss adjustment expenses incurred by SGL are allocated to the Auto Fund directly or on the basis of a cost allocation formula. These are operating transactions incurred in the normal course of operations. Amounts incurred by SGL and charged to the Auto Fund were \$172.3 million (2019 – \$148.9 million) and accounts payable were \$4.2 million (2019 – \$8.5 million).

Certain Board members are partners in organizations that provided \$0.3 million (2019 – \$0.2 million) of professional services to the Auto Fund. These services were recorded in claims incurred and administrative expenses in the Statement of Operations. Other related party transactions are described separately in the notes.

19. Commitments and Contingencies

The Auto Fund has commitments to provide funding to STARS Air Ambulance, to provide funding to Saskatchewan health organizations for costs associated with rehabilitation for those involved in automobile collisions and for systems contracts as follows:

	(thousands of \$)					
	2020-21	2021-22	2022-23	2023-24	2024-25	Thereafter
Commitments						
STARS air ambulance	\$ 400	\$ 400	\$ –	\$ –	\$ –	\$ –
Medical funding	39,606	39,864	40,906	42,467	32,620	–
Systems contracts	6,754	2,559	971	845	607	559
	\$ 46,760	\$ 42,823	\$ 41,877	\$ 43,312	\$ 33,227	\$ 559

In common with the insurance industry in general, the Auto Fund is subject to litigation arising in the normal course of conducting its insurance business. The Auto Fund is of the opinion that litigation will not have a significant effect on its financial position or results of operation.

20. Comparative Information

Certain comparative figures have been reclassified to conform to the current year's presentation.

Glossary of Terms

Catastrophe reinsurance	A policy purchased by a ceding company that indemnifies that company for the amount of loss in excess of a specified retention amount subject to a maximum specific limit from a covered catastrophic event.
Claims incurred	The total for all claims paid and related claim expenses during a specific accounting period(s) plus the changes in the provision for unpaid claims for the same period of time.
Combined ratio	A measure of total expenses (claims and administration) in relation to net premiums earned as determined in accordance with GAAP. If this ratio is below 100% there was a profit from underwriting activities, while over 100% represents a loss from underwriting.
GAAP	Generally accepted accounting principles. These are defined in the handbook prepared by the Canadian Institute of Chartered Accountants.
Gross premiums written (GPW)	Total premiums, net of cancellations, on insurance underwritten during a specified period of time before deduction of reinsurance premiums ceded.
IBNR reserve	Abbreviation for 'incurred but not reported'. A reserve that estimates claims that have been incurred by a policyholder but not reported to the insurance company. It also includes unknown future developments on claims that have been reported.
IFRS	International Financial Reporting Standards. These are global accounting standards issued by the International Accounting Standards Board (IASB), including interpretations of the International Financial Reporting Interpretations Committee (IFRIC).
Loss ratio (Claims ratio)	Claims incurred net of reinsurance expressed as a percentage of net premiums earned for a specified period of time.
Motor licence issuer	A person who negotiates driver's licences and vehicle licence/insurance on behalf of the Auto Fund and who receives a fee from the Auto Fund for licences placed and other services rendered.
Net premiums earned (NPE)	The portion of net premiums written that is recognized for accounting purposes as revenue during a period.
Net premiums written (NPW)	Gross premiums written for a given period of time less premiums ceded to reinsurers during such period.

Premium	The dollars that a policyholder pays today to insure a specific set of risk(s). In theory, this reflects the current value of the claims that a pool of policyholders can be expected to make in the future, as well as the costs of administering those potential claims.
Premium tax	A tax collected from policyholders and paid to the province. It is calculated as a percentage of gross premiums written.
Redundancy & deficiency	Claim reserves are constantly re-evaluated. An increase in a reserve from the original estimate is a deficiency while a decrease to the original reserve is called a redundancy.
Underwriting profit/loss	The difference between net premiums earned and the sum of net claims incurred, commissions, premium taxes and all general and administrative expenses.
Unearned premiums	The difference between net premiums written and net premiums earned. It reflects the net premiums written for that portion of the term of its insurance policies that are deferred to subsequent accounting periods.

Governance

Please visit the SGI website at www.sgi.sk.ca for information on governance for the Saskatchewan Auto Fund, including:

- governance guidelines
- Board of Directors' photos and bios, committee members, frequency of meetings and terms of reference
- SGI executives' photos and bios

In Memoriam

Paul Canniff, a Customer Experience Architect in Brand and Visual Communications, was passionate about his work in web content technology, business analysis and information management. Always learning new skills in his field, he encouraged and facilitated others to do the same. He was kind, helpful, a bringer of cakes and an enthusiastic supporter of the Chelsea soccer team. Paul was fond of popular culture, able to quote from Star Trek and The Simpsons effortlessly.

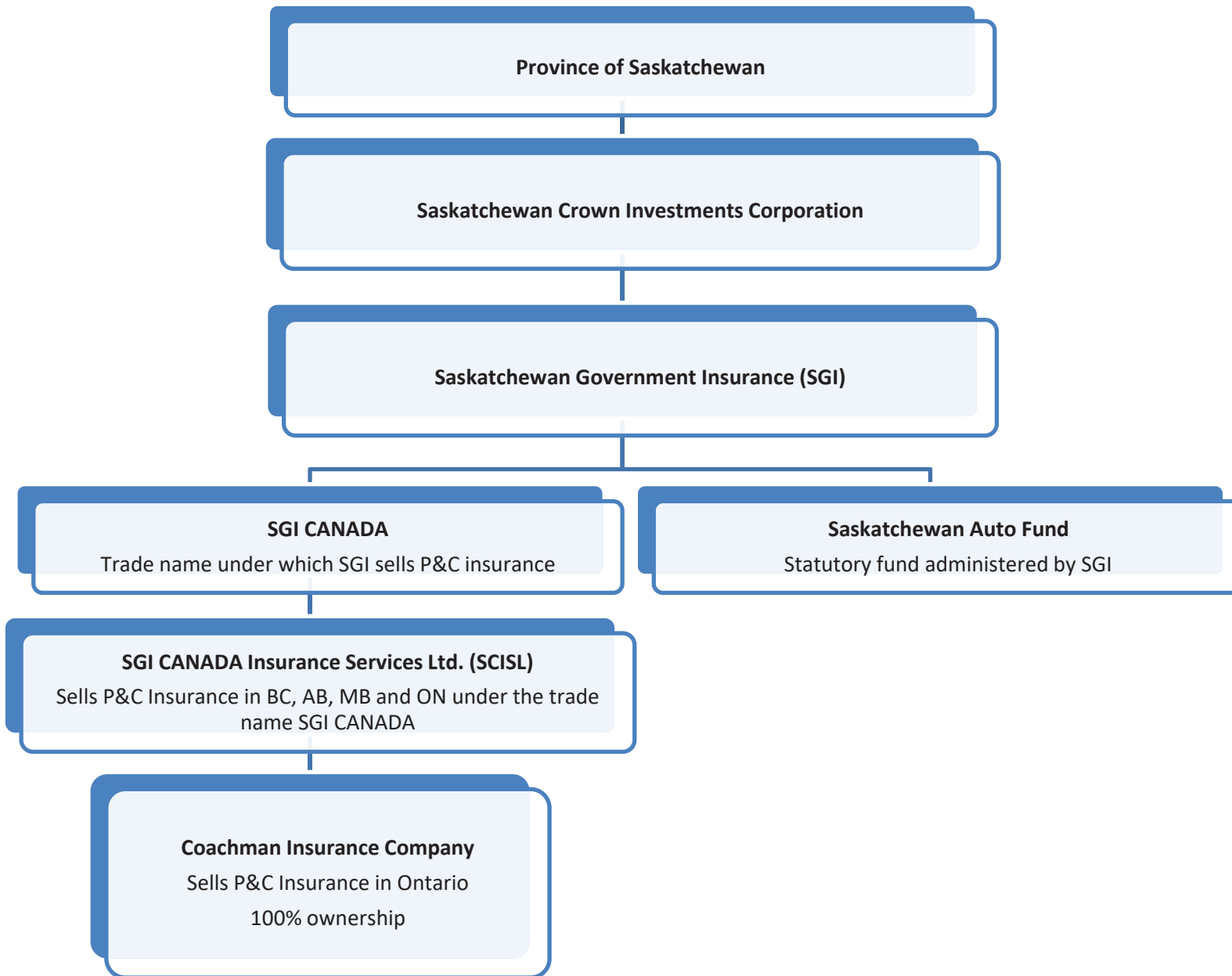
Lisa Johnson, a Driver Education Assessment Coordinator, worked out of Prince Albert and travelled all over the province in her role. She was great at developing relationships with all the driver educators she worked with and was an enthusiastic promoter of traffic safety. There was genuine care and a great sense of humour in her approach to life and work. Lisa and her life partner loved raising huskies, quad trips, camping, fishing and spending time at the cabin they built themselves.

Brian Lepine, an Appraiser at the Lloydminster Claims Centre, was a reliable force on the appraisal team with a deep knowledge of autobody repairs, particularly for the oilfield and farming industries in his local area. He was always ready to help his co-workers and would drop what he was doing to lend a hand. He had a great sense of humour, loved fishing, golfing, the outdoors and camping. Brian and his wife were avid gardeners, eager to share their harvest.

Leslie Nichols, a Product Representative II at the Saskatoon Claims Centre, had a positive, kind spirit and gentle heart. Les always had a smile on his face and was interested in learning more about everything and everybody. He had a quick wit that was always at the ready, and was known as a joker, especially in his home community of Indian Head. He loved family events, camping and clog dancing and touched a lot of hearts.

4. Current Organizational Structure

Organizational Structure



6. Indicated and Requested Rates

There are four parts to this section:

1. The 2021 Auto Fund rate proposal
2. Actuarial support documents
3. Indication exhibits
4. Valuation of policy liabilities

Parts 3 and 4 have been provided only to the Saskatchewan Rate Review Panel (SRRP) consultants.

6. Indicated and Requested RatesPart 1 - Saskatchewan Auto Fund 2021 Rate Proposal



Saskatchewan Auto Fund 2021 Rate Proposal

Table of Contents

1. Synopsis and Overall Summary	1
Why the Auto Fund requires a rate change	1
Fairness in rating	1
Adequate capital	2
The difference between the rate change and the capital amount	2
Customer impact	2
Reducing rate shock	2
2. Background	4
2.1 Auto Fund overview	4
2.1.1 Adequate premium rates to break even	4
2.1.2 Fairness in rating	5
2.1.3 Maintaining adequate capital	5
2.2 Historical rate changes	5
History of Rate Adjustments in Comparison to SK CPI	6
2.3 Cross-Canada rate comparison	7
SGI's Cross-Canada Automobile Insurance Comparison, 2020-21	7
3. Overview of Ratemaking Methodology	8
Classification	8
Premiums	8
Claims	8
Expenses	8
Indicated rate change	9
Relativities within rate groups	9
4. Actuarial Analysis	10
4.1 Pure premium calculation	10
4.1.1 Pure premium adjustment factors	10
4.1.2 Annual discount factor	11
4.2 Adequate gross premium calculation	11
4.2.1 Loss adjusting expenses	11
4.2.2 Administrative expenses	11
4.2.3 Credit for salvage	11
4.2.4 Reinsurance	11
4.2.5 Medical funding	12
4.2.6 Appeal commission costs	12
4.2.7 Credit for Safe Driver Recognition malus	12
4.2.8 Variable expenses	12
4.2.9 Break even margin	13
4.3 Indicated rate change	13
4.3.1 Projected on-level average premium	13
4.3.2 Class specific experience required premium	13
4.3.3 Credibility	13
4.3.4 Complement of credibility required premium	14
4.3.5 Indicated required premium	14
4.4 Base rates and relativities	14
4.5 Vehicle rating classes	16

5. Significant Changes	18
5.1 Safe Driver Recognition program	18
Penalty Per Incident	19
Vehicle Insurance Discount	19
5.2 Business Recognition program	20
5.3 Injury coverage	21
5.4 Motorcycle Reduced No Fault Coverage	21
5.5 Insurance Bureau of Canada (IBC) CLEAR table	22
5.6 Motorcycle Graduated Driver Licensing program	22
5.7 Permit indication	22
5.8 Ridesharing	23
5.9 Large loss policy	23
5.10 Coronavirus pandemic	24
6. Rate Indications by Class	25
CLEAR-rated vehicles	25
Conventionally-rated vehicles	26
6.1 Ambulances	26
Class A – Provincial, interprovincial and international commercial vehicles	26
6.2 Class A – Heavy trucks and heavy vans – IRP \$2,500 deductible	27
6.3 Class A – Heavy trucks and heavy vans – IRP \$15,000 deductible	30
6.4 Class A – Heavy trucks and heavy vans – non-IRP	33
6.5 Class A – Power units – IRP \$2,500 deductible	35
6.6 Class A – Power units – IRP \$15,000 deductible	38
6.7 Class A – Power units – non-IRP	40
Classes C and D – Commercial vehicles	42
6.8 Classes C and D – Heavy trucks and heavy vans	42
6.9 Classes C and D – Power units	45
6.10 Class F – Farm Heavy Trucks and Heavy Vans	48
6.11 Class F – Farm light trucks with model years 1993 and older	50
6.12 Class F – Farm power units	51
6.13 Hearses	52
6.14 Class L – Automobile and motorcycle dealers	52
6.15 Class L – Snowmobile dealers	52
6.16 Class LV – Antiques	52
6.17 Class LV – Buses	53
6.18 Class LV – Restricted buses	53
6.19 Class LV – Motorcycle	54
6.20 Motorhomes	67
6.21 Class MT – Snowmobiles	68
6.22 Class PB – Passenger inter-city buses	68
6.23 Class PC – Passenger city buses	71
6.24 Class PS – Passenger school buses	74
6.25 Class PT – Urban taxis	76
6.26 Transportation Network Companies (TNCs)	76
Trailers	76
6.27 Class F – Farm trailers	76
6.28 Class LT – Trailer dealers and movers	77
6.29 Class T – Personal trailers	77
6.30 Class T – Utility trailers	81
6.31 Class TS – Commercial trailers	81

Miscellaneous classes.....	82
6.32 Class A – Heavy trucks, heavy vans and power units non-IRP excess value.....	82
6.33 Class C and D – Heavy trucks, heavy vans and power units excess value.....	82
6.34 Class C and D – Non-resident.....	82
6.35 Industrial tracked vehicles.....	82
6.36 Class LV – Motorized bicycle.....	82
6.37 Permits.....	83
Private Vehicle (PV) class.....	84
6.38 Class PV – Converted vehicles.....	84
6.39 Class PV – Heavy trucks and heavy vans.....	87
6.40 Class PV – Power units.....	90
6.41 Class TS – Excess value.....	92
7. Proposed Timelines.....	93
8. Summary and Conclusion.....	93
Appendix A – Summary of Indicated and Proposed Rate Changes.....	94
By Class Indicated and Proposed Rate Changes with Dollar Impact.....	94
Appendix A – Summary of Indicated and Proposed Rate Changes.....	97
By Class Per Cent Impact and Number of Vehicles Changing.....	97
Appendix B – Glossary of Terms and Abbreviations.....	100
Rating Terminology.....	100
Acronyms.....	101

1. Synopsis and Overall Summary

SGL requests that the Saskatchewan Rate Review Panel (SRRP) recommend an overall 0% rate change for Saskatchewan Auto Fund rates, effective Jan. 21, 2022 including:

- an overall 1.7% rate increase, with rate rebalancing for all vehicles; and,
- a 1.6% decrease to the Capital Margin for all vehicles.

The Saskatchewan Auto Fund, administered by SGL, provides basic, universal auto insurance coverage to Saskatchewan residents. It operates on a self-sustaining basis and neither receives money from, nor pays dividends to, the Government of Saskatchewan.

The Auto Fund provides services to ensure that drivers and vehicles are properly licensed, and also invests in traffic safety activities to reduce the human, social and economic costs of vehicle collisions.

Why the Auto Fund requires a rate change

The Auto Fund aims to receive enough premium revenue to cover all claim obligations and operating expenses for the proposed rating year (Jan. 21, 2022 to Jan. 20, 2023). The primary factors impacting the proposed rate change are improving injury claim experience, offset by increasing damage claim costs and recent increases to administrative and other expenses. The net result is a need for a 1.7% increase to the overall premium collected to match the expected claims and expenses in the rating year. However, the added adjustment to decrease the Capital Margin results in a net 0% change overall.

The injury frequency and severity loss trends selected for the current rate program are lower than those used in the 2014 rate program, reflecting the improving injury loss experience of the past few years. Due to a mix of both decreasing frequency of injury claims and decreasing severity, the projected future average injury trend is now -2.4%, compared to 3.3% in the 2014 rate program.

Increasing damage claim costs have offset the reduced injury costs. Rising repair costs due to increased complexity of technology, procedures and materials used in newer vehicles have mitigated what would have otherwise been a rate decrease.

Fairness in rating

SGL is committed to fairness in vehicle rating. Rate rebalancing takes into account collision frequency and severity, including damage, injury and liability costs, for each class of vehicle.

Although SGL's proposal is for a net increase of 1.7% excluding the capital margin, that percentage simply represents the change in revenue that SGL requires overall. Each customer's rate change depends on the type of vehicle they own, the actual risk each vehicle represents of being involved in a claim, and the actual costs of paying that claim. Some customers will see rate decreases, some customers will see rate increases and some will not see any change to their rates. Overall, the net result of all the increases and decreases excluding the capital margin will be a 1.7% increase for SGL. To reduce rate shock for customers, increases and decreases will be capped at a reasonable level.

Adequate capital

In addition to collecting sufficient premium to cover anticipated claim costs, the Auto Fund needs to maintain an appropriate level of capital in the Rate Stabilization Reserve (RSR). The RSR is like a savings account to cover emergencies. It ensures customers are protected in the event of higher-than-expected claim costs or lower-than-expected investment income in any one year. Analysis indicates that a capital margin of 0.6%, applied to all vehicles, will help to release capital to move the RSR toward the target level over the next five years. This is a 1.6% decrease from the capital margin reflected in current rates.

The difference between the rate change and the capital amount

For the rating-year period (Jan. 21, 2022 to Jan. 20, 2023) the total amount of premium collected is expected to fall short of projected claim costs and other expenses so a 1.7% rate increase is required and is not intended to modify the balance of the RSR. Because of rate rebalancing, the increase is not applied to every vehicle rate equally across the board.

The capital margin is needed to maintain the balance in the RSR. The RSR acts as a cushion to protect customers in case of unexpected events. SGI uses a common industry measure called the Minimum Capital Test (MCT) to measure the level of capital in the RSR. SGI's target for the RSR is to have a 12-month rolling average MCT of 140%. As of March 31, 2020, the 12-month rolling average was 145% and it is expected to be 154% by March 31, 2021. SGI is seeking to decrease the current capital margin from 2.23% to 0.6% so that the projected RSR moves toward the target 140% MCT. See section 2.1.3 for more details.

Customer impact

If SGI receives approval for the increase with rebalancing as well as reduction in the capital amount, it would mean:

- rate increases for about 48% of Saskatchewan vehicles with an average annual increase of \$96;
- rate decreases for about 52% of Saskatchewan vehicles with an average annual reduction of \$102; and,
- no rate change for the remaining vehicles.

Reducing rate shock

While rebalancing is important to ensure fairness, all rate changes will be capped to reduce rate shock. The same capping structure used in the 2014 rate program will again be applied but will be based on a 15% cap. If the annual premium is less than or equal to \$1,000, a dollar cap will be used. If the annual premium is more than \$1,000, a percentage cap is applied. The table below outlines the ranges and caps that are proposed in this rate program:

Current Annual Rate	Maximum Cap	Maximum Monthly Cap
\$1 – 50	\$25	\$3
\$51 – 100	\$50	\$5
\$101 – 250	\$75	\$7
\$251 – 500	\$100	\$9
\$501 – 750	\$125	\$11
\$751 – 1,000	\$150	\$13
\$1,001 or greater	15%	15%

Proposed average rate change for each vehicle class:

CLEAR - Rated Vehicles	Proposed Rate Change
LV – Private Passenger Vehicles (PPV)	-1.0%
A – Commercial Light Trucks	17.1%
F – Farm Light Truck – 1994-2003	-19.2%
F – Farm Light Truck – 2004 & Newer	2.3%
LV – PPV - Farm Cars, SUVs and Vans	5.3%
LV – Police Cars	-12.2%
LV – Police Trucks, Vans and SUVs	20.5%
LV – U-Drives	3.9%
PT – Taxis (Rural)	-0.7%
Conventionally Rated Vehicles	Proposed Rate Change
Ambulances	13.2%
A – Commercial Vehicles:	
Heavy Trucks and Vans IRP	5.4%
Heavy Trucks and Vans IRP \$15K Ded.	7.0%
Heavy Trucks and Vans Non-IRP	8.5%
Power Units IRP	13.1%
Power Units IRP \$15K Ded.	13.1%
Power Units Non-IRP	7.1%
C & D – Commercial Vehicles:	
Heavy Trucks and Vans	-8.0%
Power Units	-9.7%
F – Farm Vehicles:	
Heavy Trucks and Vans	-2.0%
Light Trucks - 1993 & Older	-15.9%
Power Units	10.3%
Hearses	4.3%
L – Dealer Plates	4.1%
L – Snowmobile Dealers	-1.6%
LV – Antiques	9.4%
LV – Buses	1.1%
LV – Buses (Restricted)	10.3%
LV – Motorcycles	10.1%
LV – Motorhomes	19.9%
MT – Snowmobiles	-8.9%
PB – Passenger Inter-City Buses	9.3%
PC – Passenger City Buses	3.0%
PS – Passenger School Buses	11.4%
PT – Taxis	13.1%

Trailers	Proposed Rate Change
F – Trailers	13.4%
LT – Trailer Dealers/Movers	-0.5%
T – Personal Trailers	27.5%
T – Utility	-10.0%
TS – Commercial Trailers	-0.2%

Miscellaneous Classes	Proposed Rate Change
A – Excess Value	0.0%
C&D – Non-Resident	-2.6%
C&D – Excess Value	0.0%
Industrial Tracked Vehicles	-1.4%
LV – Motorized Bicycle	-1.6%
PV – Converted Vehicles	-3.0%
PV – Heavy Trucks and Vans	-8.6%
PV – Power Units	-6.1%
TS – Excess Value	0.0%

Permits	Proposed Rate Change
24-Hour	120.0%
8-Day	104.2%
In-transit	76.5%
TIC	145.5%

Total	Proposed Rate Change
All Vehicles Including Trailers	0.0%
All Vehicles Excluding Trailers & Misc.	-0.3%

2. Background

2.1 Auto Fund overview

The Saskatchewan Auto Fund provides basic, universal insurance coverage to Saskatchewan residents. It operates on a self-sustaining basis with the goal of maintaining an adequate balance in the Rate Stabilization Reserve (RSR) to pay future claims and to protect customers against rate shock for years in which claim costs are higher than average. The Auto Fund neither receives money from, nor pays dividends to, the Government of Saskatchewan.

The Auto Fund also provides services to ensure that drivers and vehicles are properly licensed. These services include licensing for around 800,000 drivers, registration services for more than one million vehicles, driver examinations, driver and vehicle safety fitness programs, and safety and audit programs for carriers who transport goods or passengers. These services are provided through nearly 375 independent motor licence issuer offices throughout Saskatchewan. The Auto Fund also invests in traffic safety initiatives to reduce the human, social and economic costs of vehicle collisions.

The coverage provided by the Auto Fund is legislated in *The Automobile Accident Insurance Act (AAIA)*, and can be divided into three components:

- Personal injury coverage provides Saskatchewan residents with benefits if they are injured or killed in an automobile collision. All Saskatchewan residents have a choice between No Fault Coverage and Tort Coverage. Motorcycle owners also have a third option of Reduced No Fault Coverage (see section 5.4 for details).
- Third-party liability coverage provides vehicle owners with up to \$200,000 to pay the cost of damages their vehicle causes to others in a motor vehicle collision, including the damage to the other driver's vehicle, damage to any property and costs resulting from injuries caused to others.
- Physical damage coverage (collision and comprehensive) pays for damages to the insured's vehicle due to a collision or other occurrence such as hail, fire or theft. Claims for damages to a vehicle are subject to a deductible (which is \$700 for most vehicles).

The major operating philosophies of the Auto Fund are to:

- Provide basic automobile insurance coverage that is universal and fair.
- Fairly rate insurance premiums for vehicle classes based on their claim loss experience and cost of repair.
- Keep rates as low as possible.

In determining premium rates for the Auto Fund there are three components to consider:

1. Adequate premium rates to break even
2. Fairness in rating
3. Maintaining adequate capital

2.1.1 Adequate premium rates to break even

The first step in analyzing the Auto Fund's rates is to perform an actuarial analysis on the rating year to determine if expected premiums at current rates will be sufficient to cover expected claims and expenses. For the rating year being considered (Jan. 21, 2022 to Jan. 20, 2023), the Auto Fund anticipates claim and expense growth will exceed premium and investment income growth, resulting in an overall 1.7% increase in revenue required.

The rate-making process involves a very detailed and complex actuarial procedure which determines the expected revenue and expenses for the rating period. A great deal of time and effort goes into this part of the rate program; however, it's still an estimate of the amount of required premium. Three components in this rate program create the most uncertainty in the estimate – premium revenue, claim costs and the impact of investment income. While each component alone is difficult to forecast for the next year, it is even more challenging to forecast these revenues and expenses, sometimes years into the future from the time the process is started. Actuaries use historical trends to help predict these components, along with other relevant information available that may have a future impact.

See Section 3 – Overview of Ratemaking Methodology for further details.

2.1.2 Fairness in rating

A key component of the Auto Fund's strategy to meet and exceed customer expectations is promoting fairness in rating by ensuring each class of vehicle is paying sufficient premium to cover its claim costs. To achieve that goal, rates must be rebalanced regularly.

Over the past 15 years, the Auto Fund has rebalanced rates in all classes five times (2007, 2009, 2012, 2013 and 2014). Light vehicle classes were also rebalanced in 2017, 2018 and 2019. The 2020 light vehicle rebalance was cancelled to ensure customers would not face additional financial pressures as a result of their vehicle being subject to a rate increase during the COVID-19 pandemic. To reduce significant rate shock for affected customers, rate changes are capped to a reasonable level for all vehicle groups.

Appendix A provides details of proposed rate changes by vehicle class.

2.1.3 Maintaining adequate capital

A key operating principle for the Auto Fund is ensuring consistency and stability in rates so that customers are not subject to ongoing price fluctuations or large rate increases. In order to provide this stability, an adequate balance in the RSR is required to provide a financial resource to draw on when adverse financial events occur, such as higher-than-expected claim costs or material decreases in capital markets for investments. To measure the adequacy of the RSR, the Auto Fund uses a common industry measurement called the Minimum Capital Test (MCT).

The current policy applies an amount to move towards a target MCT of 140% in small increments with each rate program, rather than applying more significant one-time surcharges or rebates. This approach reduces the likelihood of rate swings for customers, if a significant financial event occurs impacting the balance in the RSR. The target capital level of the MCT is set at 140% as a result of evaluating the Auto Fund's risks through Financial Condition Testing, as well as guidance from the Office of the Superintendent of Financial Institutions.

The policy determines the amount of capital adjustment needed with each rate program by applying an amount to either recover 1/5 of the capital below 140% MCT or release 1/5 of the capital above 140% MCT into the basic insurance rate every year. As such, the rate always includes a portion designed to move the RSR towards an adequate level and avoids the volatility a surcharge might create, assuming rate programs are annual or close to annual. A similar method is followed by private insurers that build cost of capital requirements into each rate filing.

The policy also considers whether overall capital needs have changed. As claim liabilities and investment assets grow, the need for capital to support the business also increases. With each rate program, SGI analyzes actual and projected results and updates the amount expected to be required to support the new assets and liabilities.

2.2 Historical rate changes

In 1997, the Auto Fund presented customers with options for a three-year rate program and introduced the one that most customers supported. In addition to rate increases (no rebalancing) of 5% in 1998, 2% in 1999 and 2% in 2000, the basic deductible was increased from \$500 to \$700.

The Auto Fund implemented the Safe Driver Recognition (SDR) program in 2002, which originally rewarded safe drivers with discounts as high as 20% (increased to 21% in 2016 and grew by 1% each year until it reached the maximum discount of 25% in 2020) off their base insurance premium based on driving history. In the 2019-20 fiscal year (April 1, 2019 to March 31, 2020), the SDR program provided discounts totaling \$133 million which is equivalent to a 13% reduction in rates.

In 2004, the Auto Fund introduced the Business Recognition (BR) program, which rewarded businesses that maintained a good loss experience with discounts of up to 10% (increased to 15% in 2017) on their base vehicle insurance. In 2019-20, the BR program provided discounts net of surcharges totaling \$17.4 million to businesses operating in Saskatchewan.

Even with the introduction of the SDR and BR programs, the Auto Fund was still collecting more premiums than required to pay claims and expenses, and was carrying excess capital in the RSR. To return premiums to customers, in 2006 the Auto Fund provided a \$44 million rebate on 2005 insurance premiums to 520,000 customers who received an average rebate of \$84.

In 2007, the Auto Fund provided a \$100 million rebate on 2006 insurance premiums to 540,000 customers who received an average rebate of \$185. In addition to the rebate, the Auto Fund implemented a 7.1% general rate decrease effective July 1, 2007 to reduce premium revenue collected from customers on a go-forward basis, coupled with rate rebalancing to address the Auto Fund's objective of increasing fairness in rates.

In the 2009 rate program, overall rates were increased by an average of 4.2%, with rebalancing. The 2012 rate program rebalanced customers' rates while implementing an overall rate increase of 1.6%. In 2013, in addition to the 1.03% rate increase and rebalancing, customers' rates also increased by 1.23% due to a Rate Stabilization Reserve (RSR) surcharge. The net effect was an overall average rate increase of 2.27%. In 2014, the rate program had an overall 4.4% rate increase with rebalancing, consisting of a 3.4% increase on the basic rates and a further 1.0% increase to the RSR surcharge. The surcharge was also converted to a capital margin.

In 2017, 2018 and 2019, no rate program occurred, but rates for light vehicles were rebalanced according to updated Canadian Loss Experience Automobile Rating (CLEAR) tables published by the Insurance Bureau of Canada (IBC). The 2020 CLEAR update was cancelled to ensure customers would not face additional financial pressures as a result of their vehicle being subject to a rate increase during the COVID-19 pandemic. See sections 4.5 and 5.5 for more details.

In 2021, the Auto Fund provided a \$285 million rebate on 2018 to 2020 insurance premiums due to higher-than-anticipated investment returns and – to a smaller degree – fewer collision claims due to the COVID-19 pandemic. An average rebate of \$380 was given to 750,000 customers.

The following table highlights compounded rate adjustments in comparison to the Saskatchewan Consumer Price Index (CPI) in the last 19 years.

Year	Annual Rate Adjustments	CPI year-over-year percentage change
2001	-	3.00%
2002	-	2.90%
2003	-	2.30%
2004	-	2.20%
2005	-	2.20%
2006	-	2.10%
2007	-7.10%	2.80%
2008	-	3.30%
2009	4.20%	1.00%
2010	-	1.40%
2011	-	2.80%
2012	1.60%	1.60%
2013	2.27%	1.50%
2014	4.42%	2.40%
2015	-	1.60%
2016	-	1.10%
2017	-	1.70%
2018	-	2.30%
2019	-	1.90%
Compound Change	5.03%	48.65%

2.3 Cross-Canada rate comparison

The purpose of the cross-Canada rate comparison is to determine how much a driver would pay for auto insurance in each Canadian jurisdiction, given their current vehicle, driving record and claim history. The comparison obtains rates for 34 vehicle and driver profiles in 18 cities across Canada. Vehicle makes and models used in the comparison are those with the highest number of registrations in Saskatchewan for the previous year. For the 2020 comparison, the most popular makes and models of vehicles registered in 2019 were used.

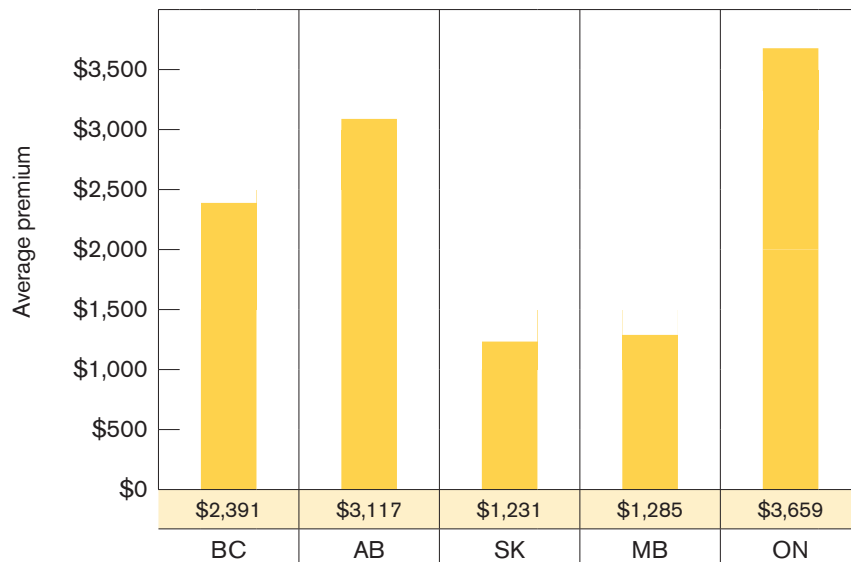
Most cities used were selected in 2005 by the utility Crowns and Crown Investments Corporation (CIC) with only minor revisions since then. Cities were chosen to represent major centres, rural communities and northern communities in order to obtain a geographic representation within each province. Access to comparison data from Atlantic provinces was lost in 2015, and access to Quebec data was lost in 2019. As a result, New Brunswick, Prince Edward Island, Nova Scotia, Newfoundland & Labrador and Quebec can no longer be included in the comparison.

Comparing auto insurance rates across different jurisdictions is always a challenge due to differing populations, road infrastructure, vehicle mix, insurance coverage and weather. As such, reviews like this one will have inherent accuracy limitations. The Auto Fund has attempted to minimize these variables by standardizing the vehicles, profiles and coverage levels used for liability and physical damage coverage; however, the jurisdictions are still fundamentally different in some ways. For example, companies in provinces with competitive insurance are not required to insure all drivers or may not have limitations on the rates that can be quoted.

Based on the survey, Saskatchewan has the lowest average personal auto insurance rates in Canada. Insurance is provided by competitive insurers in all provinces except Manitoba and British Columbia, where Crown-owned insurers offer basic, compulsory programs which can be supplemented by competitive optional coverage, similar to Saskatchewan's program. Consistent with previous years, Manitoba continues to be Saskatchewan's closest competition for the lowest average personal auto insurance rates in Canada.

The following graph illustrates the results of the comparison for the fiscal year ending March 31, 2021.

SGI's Cross-Canada Automobile Insurance Comparison, 2020-21



3. Overview of Ratemaking Methodology

The following describes, at a high level, the process used in determining the premium rates that should be charged for the upcoming rating year.

Classification

The Auto Fund assigns vehicles into classes based on characteristics and exposure to risk based on their use. The largest class is private passenger vehicles, which make up 65% of all vehicles (80% of all non-trailer vehicles). Examples of other classes are farm vehicles, heavy trucks, motorcycles, taxis and ambulances.

To determine the required rate for each class of vehicle, the estimated premium, claim costs and expenses are grouped together with all vehicles within the class to determine if the premium is sufficient to cover costs – the underlying idea being each vehicle class should pay its portion of the costs. The following sections describe how these three components are allocated to each class.

Premiums

The major factors in forecasting premiums are drift and volume, both of which relate to attempting to predict the number and types of vehicles that the Auto Fund will be insuring during the rating period.

- Drift estimates the change in premium as motorists upgrade from older vehicles with lower premiums to newer vehicles with higher premiums.
- Volume looks at the overall number of vehicles that will be insured in the rating period.

Claims

In completing the actuarial analysis, the largest and most difficult cost to predict is claims, which represents approximately 80% to 85% of total costs annually for the Auto Fund. Damage claims represent about 65% to 70% of total claim costs, while injury and liability costs represent the remaining 30% to 35%. For the actuarial rate analysis, claims are assigned to vehicle classes based on vehicle collision responsibility (fault). If a vehicle was involved in a collision (single or multi-vehicle) and there is no at-fault vehicle, then all claim costs remain with the vehicle for rating purposes. This includes wildlife collisions.

The major factors impacting claims are summer storms and winter driving conditions, both of which are largely unpredictable for any given year. Other factors impacting claim costs include the labour rate paid to auto repair shops, parts costs and the average wage of people injured in vehicle collisions. Also impacting the costs for injury claims are factors such as re-occurrence rates, medical innovations and rehabilitation programs, which are difficult to anticipate.

Expenses

There are two types of expenses that are charged to vehicles: variable and fixed. Variable expenses include expenses and credits that are dependent upon premiums written. These include premium taxes paid to the General Revenue Fund, traffic safety program costs, issuer commissions, and credits for short-term registrations and AutoPay programs. Fixed expenses include administrative costs and some expenses associated with adjusting losses.

Indicated rate change

Once all the premium, claims and expenses are grouped in the appropriate vehicle class, an overall rate indication for the class is done by comparing total projected premiums to total projected claim and expense costs for the class. If the premium is not enough to cover costs, then a rate increase is required; if the premium is in excess of costs then a decrease is required. The average of five years of damage and liability claim data, seven years of catastrophe claim data, and 10 years of injury claim data is used to smooth the effect that one or two years of extreme loss experience would have on the rate indication for a class.

Relativities within rate groups

The rates for individual vehicles within a rate group will vary depending on attributes specific to the vehicle. The process used to determine the amount of this variance is called a relativity analysis. In short, relativities are used to differentiate vehicle rates based on factors such as use, seating capacity, value and model year. As an example, motorhomes of different values have different rates; the more expensive the motorhome, the higher the premium.

4. Actuarial Analysis

4.1 Pure premium calculation

Pure premium is the average loss amount per unit of exposure. For the Auto Fund rate indication, non-catastrophe damage and liability data from accident years 2015/16 (April 1, 2015 to March 31, 2016) to March 31, 2020, catastrophe data from accident years 2013/14 to March 31, 2020, and injury data from accident years 2010/11 to March 31, 2020 are used to calculate average pure premium per coverage. Loss development factors calculated using the ultimate claim costs from the March 31, 2020 actuarial valuation are used to bring the yearly incurred losses by coverage to their ultimate value. These ultimate losses are then divided by the number of exposures to get the ultimate pure premium.

Trend factors are chosen by coverage and class based on a comparison of several exponential regressions. Trends for claim frequency (the number of claims per vehicle exposure) and severity (the average cost of a claim) were selected for both the past and future trend periods. The past trend selected should be representative of what has happened to claims historically; the future trend should be reflective of what is expected going forward. Where data for a class was too thin to produce credible frequency and/or severity trends on its own, it was grouped with the data from other similar classes before selecting the trends. The selected trend factors, along with a development factor and a loss adjustment factor, are used to bring the pure premium values forward to a complete and appropriate level for the rating period.

In this rate program, loss adjustment factors were applied to historical claims that do not reflect the current landscape. Adjustments were made for the following:

- Injury coverage – new benefit levels effective Jan. 1, 2017
- Increased provincial sales tax (PST) effective March 23, 2017
- New PST regulation change on used vehicles effective April 11, 2018
- Vehicle diagnostic scanning policy changes that began on Oct. 1, 2018

The April 11, 2018 PST changes impact total loss claims where the PST is paid by SGI on the replacement vehicle. The diagnostic scan adjustment reflects new autobody shop requirements that increase the cost of vehicle repairs for newer model year light vehicles.

Two coverage lines, income replacement and care benefits, have their losses adjusted for inflation prior to trend selection. On the anniversary date of a claim, the amount of payment increases by an indexed rate taken from the Saskatchewan Consumer Price Index table. The purpose of this index rate is to ensure that the payments are increased to compensate for inflation. Since benefits for these coverages fluctuate with the level of inflation, claim amounts from the different loss years need to be adjusted to bring them all to the current level of inflation.

Once income replacement and care benefit ultimate losses have been adjusted for inflation, past and future severity trends can be selected. The selected severity and frequency trend factors, as well as a future index rate of 2.5% that accounts for inflation before and during the rating year, are used to bring the pure premium values for these lines forward to the rating period level.

The final projected pure premium for each coverage line is based on a weighted average of estimates from historical loss years using the trended pure premiums described above.

4.1.1 Pure premium adjustment factors

Loss experience incurred in the past is not always on the same basis as losses incurred now or even a year later from the loss date. Prior and current loss experience needs to be adjusted to account for changing benefit coverage that will be in effect during the rating year (Jan. 21, 2022 to Jan. 20, 2023). In this rate program adjustments were made for the injury coverage benefit level changes effective May 1, 2021 (see section 5.3 for details).

With the 2021 rate program a large loss policy was implemented to aid in smoothing over any rate volatility caused by outlier claims. This policy limits the impact on the rate indication of any major claim. Losses from claims identified by the policy are capped at thresholds applied by coverage type. Further adjustment is required to spread the risk caused by unusually large losses from one indication to the next and across rate classes. Rate classes are grouped based on similar

risk distribution to determine the large loss thresholds. Large loss loading factors are applied to all injury pure premiums and differ by these groups. The loading factor is intended to cover large losses removed from the rate program so that there is a net zero impact on rate over a long period of time.

4.1.2 Annual discount factor

Because the projected losses will be paid over time, the current value of these losses is less than their nominal value. In the time between when an insurance company receives the premium on a policy, and the time it actually pays out the full value of a claim on that policy, the company earns investment income on the premium collected. The amount that a policyholder pays should be reduced by the expected amount of this investment income. As such, the expected losses from a policyholder are reduced by a discount factor to account for the investment income.

The rate of return used to determine the investment income comes from the expected yields on the investment assets that will be supporting those claim payments. These assets are a mix of cash, short-term investments, bonds, commercial mortgages, real estate, infrastructure and equities. The overall rate used to discount the expected losses in this rate application is 2.98%.

Expected future claim payment patterns for different coverages were determined in the March 31, 2020 actuarial valuation using historical experience. The annual discount factor is applied to the weighted-average pure premiums.

4.2 Adequate gross premium calculation

The discounted pure premiums have to be adjusted for loss adjusting expenses, administrative expenses, salvage amounts, reinsurance costs, medical funding, appeal commission costs, the Safe Driver Recognition (SDR) program malus amounts (financial penalties collected under SDR), variable expenses and a break even margin. These are discussed in turn below.

4.2.1 Loss adjusting expenses

Loss adjusting expenses (LAE) are expenses associated with settling claims that are not claim-specific such as internal legal fees, adjuster salaries and operating costs of claim branches. These expenses are assigned to vehicle classes based on expected claim counts by coverage. The total assigned LAE amount for the class is then divided by the forecasted number of vehicles within that class for the rating period to determine the average LAE per vehicle. Each vehicle within the class will pay the same amount.

To recognize the level of investment required by autobody repair shops to meet the new minimum training and tooling requirements, and to advance repair safety, SGI implemented procedural allowances and shop incentives which are factored into rating through LAE. These initiatives from the Safe and Quality Auto Repair Project took effect Oct. 1, 2019.

4.2.2 Administrative expenses

Administrative expenses, including staff salaries, building maintenance and supplies, are charged as a fixed amount to every vehicle exposure. Due to the reduced coverage provided and consequently small annual premium for certain vehicle classes, a reduced amount is charged.

For the 2021 rate program, the amount of administrative expense charged to antique vehicles, snowmobiles, farm, commercial and utility trailers is \$23.18 per exposure. A charge of \$46.35 is applied for non-utility and licensed trailer dealers, and \$92.70 per exposure for all other vehicle classes.

4.2.3 Credit for salvage

The Auto Fund generates profits from the sale of salvaged light passenger vehicles and their parts. These profits are applied as discounts to the damage and damage liability portions of the pure premium for passenger vehicles. The credit applied to light passenger vehicles is \$22.03 per exposure.

4.2.4 Reinsurance

Previously, the Auto Fund maintained two reinsurance programs designed to mitigate adverse effects on the RSR as a result of 1) catastrophic losses caused by either a severe weather event or 2) an automobile collision resulting in multiple serious injuries. As of April 2014, it was determined that the injury reinsurance program was no longer needed.

The Auto Fund has maintained only a damage reinsurance program since then. Due to recent catastrophic weather losses both in Saskatchewan and in the Canadian industry in general, the cost to purchase reinsurance has increased and is expected to continue on an upward trajectory in the future.

The cost of the reinsurance program is applied as a fixed amount to each applicable class of vehicle. The reinsurance damage coverage cost per exposure is \$2.41 for antique vehicles and utility trailers, \$4.82 for non-utility trailers, and all other vehicle classes are charged \$9.65 per exposure.

4.2.5 Medical funding

To offset costs incurred by the provincial health care system as a result of bodily injuries sustained while either operating a motor vehicle or as a result of a motor vehicle collision, the Auto Fund reimburses the Ministry of Health for a portion of the costs. This reimbursement, in addition to several other smaller funding contracts, amounts to about \$40 million per year. The health levy was increased in 2018 from 2% to 3% of direct premiums written in the prior year.

Medical funding costs are allocated to vehicle classes based on the expected present value of medical expenses in the rating year. The total assigned medical funding cost is then divided by the expected number of vehicles for the rating period within that class to determine the average medical funding cost per vehicle. Each vehicle within the class will pay the same amount.

4.2.6 Appeal commission costs

Appeal commission costs for the operation of the Automobile Injury Appeal Commission amount to about \$1.5 million per year. This includes such things as Board salaries, administrative expenses and legal fees. Appeal commission costs are allocated to vehicle classes based on the expected appeal claim costs in the rating year. The total assigned appeal commission cost is then divided by the expected number of vehicles for the rating period within that class to determine the average appeal commission cost per vehicle. Each vehicle within the class will pay the same amount.

4.2.7 Credit for Safe Driver Recognition malus

The Safe Driver Recognition (SDR) program provides credits to vehicle insurance premiums for drivers in the safety zone for those classes of vehicles that qualify, and financial penalties (malus) for drivers who are in the penalty zone. The financial penalties collected cannot be attributed to a specific vehicle class since they are based on the driver. For rating purposes, the credit for the SDR malus is applied to only those vehicle classes that qualify for discounts under the SDR program. The expected SDR malus amount, approximately \$33 million, is divided by the total number of expected vehicles for the rating period from those classes with eligible vehicles. Every vehicle within these classes will receive the same credit for SDR malus. However, similar to the application of administrative expenses above, antique vehicles receive half of the credit for SDR malus as other vehicles. The expected SDR malus amount is larger than in the past as a result of changes being made to the SDR program. See section 5.1 for details.

4.2.8 Variable expenses

Variable expenses include premium taxes paid to the General Revenue Fund, traffic safety program costs, issuer commissions and credits for short-term registrations and AutoPay programs. The variable expenses and their percentage of premiums are as follows:

Variable Expense	% of Premium
Premium Taxes	5.00%
Traffic Safety Programs	4.04%
Issuer Commissions	4.95%
Short Term Registrations	-1.55%
Auto Pay	-1.97%
Total Variable Expenses	10.47%

4.2.9 Break even margin

A break-even margin of -5.1% is loaded into the rates. This is required to offset an expected surplus in premium caused by commercial permit premiums, cancellation retention amounts and the investment income on the forecasted RSR net of the increase in risk provisions required when setting reserves. Without the break-even margin, even if rates were set at required levels, the Auto Fund would gain money since the growth in risk provision, retention amounts and RSR investment income are not accounted for elsewhere in the rating.

Previously, the RSR investment income was a separate item in the calculation of adequate gross premium; however, since it is simply a source of additional income not considered elsewhere in the rate application, it is appropriate to include it in the break-even margin calculation instead.

4.3 Indicated rate change

The indicated rate change is the indicated required premium divided by the projected on-level average premium, excluding the capital margin, minus one.

4.3.1 Projected on-level average premium

The projected on-level average premium is calculated for each class using exposure and premium information on a policy year basis. Historical written premiums are brought up to the current rate level (on-levelled). In order to do this, past rate changes, including capital amounts, are applied to premiums that were written prior to the rate change being implemented. For example, if rates for the class changed effective Jan. 1, 2020, all premiums written prior to this date would have the rate change applied.

Once premiums are on-levelled, the average on-level written premium is calculated by dividing the on-level written premium by the number of written exposures in that policy year. Applying exponential trend regression against the average on-level written premium produces multi-year trends. From these trends, a past trend and a future growth trend are selected. The past trend selected should be representative of what has happened to the premium historically; the future trend should be reflective of what is expected going forward.

Once selected, the rating year average premium then needs to be reduced by the expected SDR discount, Business Recognition (BR) and/or International Registration Plan (IRP) discount/surcharge amounts so that the projected average amount of premium that will actually be collected per exposure can be determined. In this rate program, premium adjustment factors were applied to historical data which did not reflect the current state of the SDR, BR and IRP programs. Adjustments were made for the expected changes to each program which are outlined below in sections 5.1 and 5.2.

This on-levelled average premium is then reduced by the amount of the capital margin that is currently in effect, as this margin is present to adjust the Rate Stabilization Reserve (RSR) balance toward the target level and should not impact basic rates. The calculation is simply the on-levelled average premium divided by one plus the current 2.23% capital margin.

4.3.2 Class specific experience required premium

The direct required premium, or adequate gross premium, is calculated by dividing the sum of the discounted pure premium including loss adjusting expenses, administrative expenses, the credit for salvage, reinsurance, medical funding, appeal commission costs and SDR financial penalty credit by one minus the variable expenses and break-even margin percentages.

4.3.3 Credibility

Since the 2014 rate program, credibility weighting has been applied to the indicated overall rate change calculation for each vehicle class. Credibility is a way to measure if there is enough past experience to use in predicting the rating year. The weight assigned to a forecast using past experience is commonly denoted by Z (a number between 0 and 1). The balance of the weight, 1 - Z, will be assigned to what is called the complement of credibility. This complement will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume "no change" in the forecast variable. Together, the components develop a weighted average for the forecast, which becomes the indicated required premium. Credibility provides an objective and reliable measure of the sufficiency of the past data in the overall rate indication of each class.

Due to the higher risk and volatility in the volume and size of claims, the credibility of a forecast is measured using the number of past claim counts included in the forecast. All weight is assigned to the past experience (i.e., $Z = 1$), if it's deemed fully credible. This is the case if there are at least as many past claim counts used in the forecast as the Standard of Full Credibility. If the past claim counts used in the forecast are less than the Standard of Full Credibility, the credibility is calculated as:

$$Z = \sqrt{\text{Claim Counts} / \text{Standard of Full Credibility}}$$

If the claim data is more volatile, then more past claims are needed to accurately determine the emerging patterns. This generally means that the Standard of Full Credibility should be larger whenever the claim data is more volatile. The Herfindahl–Hirschman Index (HHI) is used to measure how much of a class' past claim dollars come from a few large-dollar claims. The HHI is a number that ranges from 0 to 1, where a larger number denotes that a few large claims dominate the total claim dollars assigned to the class. Having a small number of large claims could be because the class is expected to have severe claims in the future, or it may have been unlucky in the past. The uncertainty around which of these scenarios is correct means that the class' indication should have less credibility. The Standard of Full Credibility for the purpose of the overall rate indication for a class and for the CLEAR class surcharges/discounts is measured as:

- 1,082 claims; plus,
- an additional 1,082 claims if either the HHI for injury is greater than 0.2, or the HHI for damage is greater than 0.2, or the number of injury claims is less than 50; and,
- an additional 1,082 claims if either the HHI for injury is greater than 0.4, or the HHI for damage is greater than 0.4.

4.3.4 Complement of credibility required premium

As mentioned above, the complement of credibility will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume “no change” in the forecast variable. For the 2021 rate program, the complement of credibility for all classes is simply the projected on-level average premium, excluding the capital margin.

4.3.5 Indicated required premium

Once the class credibility and complement of credibility required premium have been determined, the indicated required premium can be calculated. If the credibility for the class is less than one, then the class specific experience required premium is credibility weighted against the complement of credibility required premium.

Indicated required premium = $Z \times \text{Class specific experience required premium} + (1-Z) \times \text{Complement of credibility required premium}$

4.4 Base rates and relativities

The base rate is the rate that is applicable to the base group for a class of vehicle. The base group is typically chosen to be the group with the largest number of vehicles because the larger the numbers, the more credible the data. For example, motorhomes with declared value of \$10,001 to \$20,000 is the base rate group for the motorhome class.

For the Auto Fund, there are typically four base rates: damage, injury, liability and flat fee, which includes expenses and credits applied to the pure premium. When these four components are added together they comprise the base premium for any given class of vehicle. If a vehicle class is not eligible for all coverages, then the base rate for each eligible coverage is combined with the flat fee to produce the base premium.

If rates within a vehicle class vary by rating attribute(s) or rate group, such as number of seats, declared value or model year, then the base premium needs to be adjusted by a factor that reflects the variance in loss experience for each of the attributes relative to the base premium. This adjustment factor is known as the relativity factor. Following the motorhome example, the premium for a motorhome with a declared value between \$30,001 and \$50,000 is determined by multiplying the base premium (rate group \$10,001 to 20,000) by the relativity factor for the rate group \$30,001 to \$50,000.

Typically, as the loss experience deteriorates, the corresponding relativity factor and consequent premium increases. For motorhomes, as the amount of declared value increases, the chance of a higher value claim also increases and the premium that is charged needs to reflect this.

The calculation of indicated adequate premiums varies by class. For private passenger vehicles, motorcycles and urban taxis, the premium charged to a vehicle is calculated as:

$$\text{Premium} = \text{Damage Base Rate} \times \text{Damage Relativity} + \text{Injury Base Rate} \times \text{Injury Relativity} + \text{Liability Base Rate} + \text{Flat Fee Amount}$$

For all other existing classes of vehicle that have rating groups the premium formula is:

$$\text{Premium} = \text{Damage Base Rate} \times \text{Damage Relativity} + \text{Injury Base Rate} + \text{Liability Base Rate} + \text{Flat Fee Amount}$$

For classes where there are no rate groups the premium is:

$$\text{Premium} = \text{Damage Base Rate} + \text{Injury Base Rate} + \text{Liability Base Rate} + \text{Flat Fee Amount}$$

Once indicated adequate rates have been determined, dollar and percentage caps are applied to limit the amount that a vehicle's rate may change in a rate program. This is to ensure fair and reasonable rate changes and reduce rate shock for vehicle owners. A dollar cap will be applied when the annual premium is less than or equal to \$1,000, and a percentage cap will be applied when it is more than \$1,000. The table below outlines the ranges and caps that will be applied:

Current Annual Rate	Maximum Cap	Maximum Monthly Cap
\$1 – 50	\$25	\$3
\$51 – 100	\$50	\$5
\$101 – 250	\$75	\$7
\$251 – 500	\$100	\$9
\$501 – 750	\$125	\$11
\$751 – 1,000	\$150	\$13
\$1,001 or greater	15%	15%

For some classes of vehicles, the annual rate is calculated using the base rate of the same private passenger vehicle plus a surcharge or discount based on the experience of that particular class of vehicle. For these types of vehicles, the private passenger vehicle rate will receive the caps identified above, then any changes to the discount/surcharge amount for that class is applied on top of the capped private passenger vehicle rate. The change in discount/surcharge is capped at 15% but the resulting effect of the private passenger vehicle rate change plus the discount/surcharge change may be greater than 15% in either direction. In this rate program, the effect of changes in discount/surcharge and the capital margin reduction causes 99,000 vehicles to decrease below the minimum dollar and percent caps. There are 3,000 vehicles that are expected to increase by more than 15% over the current rates among the light vehicle classes.

Due to the practice of capping individual vehicle rate changes, not all classes within the Auto Fund have accurate current relativity factors. For the relativity analysis within this rate program, the current vehicle distribution by class was used to derive the weighted average current rate group relativity factors. These derived current relativities were used in the analysis that produced the proposed relativities which were then used in the premium calculations shown above. Once the premiums were calculated, an individual vehicle's current premium was compared to the calculated proposed premium. If the change in premium was outside of the set cap amounts, then the vehicle's proposed premium was capped and therefore the proposed relativity factor is no longer being used.

Once rate change capping is completed, any capital amounts are applied. Every vehicle within the Auto Fund will have its base premium adjusted for the capital amount by the capital margin using the following formula:

$$\text{Total Premium} = \text{Proposed Premium} \times (1 + \text{Capital Margin})$$

4.5 Vehicle rating classes

Vehicles in the Auto Fund fall into two major rating groups:

i) CLEAR-rated vehicles

Within the Auto Fund, only light passenger vehicles are rated using the Canadian Loss Experience Automobile Rating (CLEAR) system. The classes of vehicle that are rated using CLEAR are:

- Private passenger vehicles
- Farm cars, sport utility vehicles (SUVs) and vans
- Farm light trucks with model years 1994 to 2003
- Farm light trucks with model years 2004 and newer
- International and inter-provincial commercial light trucks
- Police cars, trucks, SUVs and vans
- U-Drive (rental) vehicles
- Rural taxis

CLEAR is produced by the Insurance Bureau of Canada (IBC), which captures Canada-wide loss experience for light passenger vehicles. CLEAR was designed to provide insurers with a more equitable rating system for vehicles. It is based on the premise that the vehicle-specific portion of insurance rates should be based on only two principal factors, namely, the likelihood of vehicles being involved in claims and the costs involved in settling those claims.

IBC analyzes historical records of collision frequency and repair costs of each vehicle make, model and model year in order to predict future losses. Through statistical analysis, relationships are established between vehicle characteristics and insurance claims. These relationships are then adjusted according to the actual claim history of individual models, in order to predict future losses for each. Factors such as a person's driving record, or where they live, do not affect CLEAR. As part of its analysis, IBC considers several factors, including vehicle construction, loss-prevention features and susceptibility to damage. IBC also works closely with vehicle manufacturers to monitor new developments. CLEAR is used by insurance companies Canada-wide to rate light passenger vehicles.

There are two components to the CLEAR system: rate group assignments and associated relativity factors. Under the CLEAR system, vehicles are assigned to one of 99 damage rate groups. Since rate groups correspond to expected claim costs, the higher the rate group number, the greater the relativity factor and therefore the higher the premium charged. Insurance companies can choose to use CLEAR rate group assignments with company-specific relativity factors rather than using the CLEAR relativity factors.

The Auto Fund uses internal data to produce damage relativities by rate group, which are supplemented with CLEAR relativity factors when the number of vehicles within a rate group is not large enough to produce credible numbers. The proposed rate group relativities are then multiplied by the base damage rate to determine a vehicle's required physical damage premium.

The rate group tables are generally published annually. With each publication year, new model year rate groups are added and existing model year rate groups are updated to reflect vehicle depreciation and additional claims information. When IBC develops a new CLEAR rate group table, it is revenue-neutral given the existing vehicle distribution.

Although CLEAR provides injury rate groups and relativities, previous reviews have shown that the CLEAR assignments are not a good fit for Auto Fund injury results. As a result, injury rates are based solely on Auto Fund injury claim data. Injury rates for CLEAR-rated vehicles vary by vehicle body style. The body style groupings are:

- Two-door cars
- Four-door cars
- Convertible cars
- Station wagons
- Vans
- Sport utility vehicles (SUVs)
- Trucks

The injury rate group relativity analysis for all CLEAR-rated vehicles involves calculating the projected loss per earned exposure using the past 10 years of experience for each body style. The losses included in this calculation are capped by coverage type based on the large loss policy. The large loss thresholds by injury coverage type are consistent with the CLEAR levels displayed in section 5.9.

As mentioned under section 4.3.3 Credibility, the Auto Fund uses credibility analysis when calculating relativities. For CLEAR's damage relativity system, the Standard of Full Credibility is 2,656 and for CLEAR's injury relativity system, it's 4,326. The current relativity factors are credibility weighted to the calculated relativities. These relativity factors are then multiplied to the base injury rate to determine a vehicle's required injury premium based on body style.

ii) Conventionally-rated vehicles

Conventional rating is used for all vehicles that are not rated using CLEAR. This includes, but is not limited to:

- Heavy trucks and power units
- Farm vehicles (excluding light trucks with model years 1994 and newer)
- Urban taxis
- Buses
- Snowmobiles
- Motorcycles
- Vehicle dealers
- Special use vehicles (ambulance, hearse and antique)
- Trailers
- Motorhomes
- Private vehicles (power units, heavy trucks and vans for personal use)
- Permits for short use

The criteria used for conventional vehicle classes are based on the significant rating attributes such as model year, engine size, value, etc. For example, buses are rated by seating capacity and model year. Motorcycles are rated by body style, engine size and model year. Motorhomes and trailers are rated by declared value.

5. Significant Changes

5.1 Safe Driver Recognition program

The Safe Driver Recognition (SDR) program provides discounts to Auto Fund customers (excluding businesses – see 5.2) with safe driving records. Customers' positions on a sliding scale are determined by their driving records. Each customer starts in a neutral position on the scale and gains points for each year of incident-free driving. Points are lost for driving incidents, such as collisions a driver is deemed responsible for causing (at-fault) or for traffic convictions. Each point in the scale's positive Safety Zone earns the customer a 2% discount off their vehicle insurance premium, up to a 20% discount at 10 points. Above 20 points, a customer can earn an additional 1% discount per point up to a maximum of 25% at 25 points. Events that move a customer into the scale's negative Penalty Zone cause the driver to be assessed a financial penalty.

In the past, SGI received input from customers on the program and performed analyses on the loss experience of customers at all positions on the scale. The main theme emerging from the review was that customers wanted higher discounts for good driving behaviour and harsher penalties for riskier driving behaviour.

Given all this information, the government approved SGI's recommendations to amend the SDR program. Starting Oct. 12, 2016, the following changes took effect:

- At-fault collisions where the Auto Fund pays out less than \$700 result in the loss of four points, while at-fault collisions where the Auto Fund pays out \$700 or more result in the loss of six points. Previously, no points were lost if the Auto Fund paid out less than \$305, while six points were lost if the Auto Fund paid out \$305 or more.
- Minor speeding infractions incur a penalty of two points. Previously, safety ratings were only impacted if the insured was going at least 35 km/h over the posted speed limit or was charged with speeding in a high-risk zone such as a school zone or construction zone.
- Financial penalties increased to \$50 per point in the penalty zone, up to a maximum penalty of \$1,000, with the exception of certain Criminal Code conviction penalties. The new penalty is double the previous penalty of \$25 per point, which had been in place since the introduction of the SDR program in 2002.
- The safety rating scale maximum increases by one point per year up to +25, allowing the safest drivers to earn a discount of up to 25%, which is now available.

Analysis of customer loss experience supports these changes:

- Past speeding infractions are predictive of future claims, so losing points for these infractions makes the driver record more accurate.
- Financial penalties for customers with the worst SDR ratings were significantly lower than the additional claims caused by these customers.
- The safest drivers in the Auto Fund have a claim experience that justifies a discount greater than 20.

The following table compares the previous SDR scale to the current scale:

Penalty Per Incident		
Points Assessed	Previous Scale	Current Scale (as of Oct. 12, 2016)
-1	\$25	\$50
-2	\$50	\$100
-3	\$75	\$150
-4	\$100	\$200
-5	\$125	\$250
-6	\$150	\$300
-7	\$175	\$350
-8	\$200	\$400
-9	\$225	\$450
-10	\$250	\$500

0 Points – NEUTRAL ZONE | Base Insurance Premium

Vehicle Insurance Discount		
Points Earned	Previous Scale	Current Scale (as of Oct. 12, 2016)
1	2%	2%
2	4%	4%
3	6%	6%
4	8%	8%
5	10%	10%
6	12%	12%
7	14%	14%
8	16%	16%
9	18%	18%
10	20%	20%
11-20	20%	20%
21	N/A	21%
22	N/A	22%
23	N/A	23%
24	N/A	24%
25	N/A	25%

5.2 Business Recognition program

The Business Recognition (BR) program assesses businesses for adjustments to the basic vehicle insurance rates. Based on its claim history, the business will either be eligible for a discount, be subject to a surcharge or pay the base insurance premium with no discount or surcharge on its basic vehicle insurance. An analysis of the BR program was completed in 2014. Effective May 1, 2016, changes to the BR scale of discounts and surcharges, as well as to the loss ratio calculation, were implemented. The following changes resulted from the analysis:

- Maximum surcharge was reduced from 200% to 25%, so there is no longer such a large disparity between the maximum surcharge and the maximum discount of 10%.
- All customers are eligible to receive the maximum discount since there is no longer a claims-free requirement (0% loss ratio). This was nearly impossible for large fleets in the past.
- The cap on claims to be included in the loss ratio calculation was adjusted to be the lower of three times the business' premium for that year or \$50,000 (to be indexed over time based on inflation). A cap of two times the annual premium was used in the past.
- Implemented pro-rated discounts/surcharges for business with less than five years of past experience.

The above changes did not have a significant impact on the overall rate level of the Auto Fund as very few companies had large surcharges; however, the impacts to some classes of business vehicles was noticeable. The above changes also did not adjust the middle of the BR scale – customers with a loss ratio between 71%-80% continued to receive neither a discount nor a surcharge.

Effective May 1, 2017, SGI implemented additional changes to the BR scale. First, the neutral zone was moved to a loss ratio between 61%-70%, which shifts the discounts/surcharges for adjacent loss ratio ranges as well. This was needed as the actual break-even level for a business customer on this scale is significantly lower than the previous 71%-80% range. Losses included in this loss ratio calculation are capped, exclude non-collision claims and exclude not-at-fault claims. As well, the maximum eligible discount was increased from 10% to 15%. The following table represents the current discounts/surcharges used:

Loss Ratio	Discount / Surcharge
0% - 15%	-15%
16% - 30%	-12%
31% - 40%	-9%
41% - 50%	-6%
51% - 60%	-3%
61% - 70%	0%
71% - 80%	3%
81% - 90%	8%
91% - 100%	10%
101% - 125%	13%
126% - 175%	15%
176% - 200%	20%
201% +	25%

5.3 Injury coverage

In 2016, government introduced legislation for several recommendations put forward by SGI for changes to its auto injury coverage programs.

Changes included improvements to both the Tort and No Fault programs to better meet the needs of customers by providing improved benefits for those most seriously injured, closing gaps in coverage for everyone involved in an auto collision, making changes to help keep coverage affordable, and addressing inconsistencies in coverage.

The changes followed consultation with and input from a variety of stakeholders and groups in 2014 and early 2015, including current and former auto injury customers, representatives from the medical, legal and insurance communities, an injury review panel representing a cross-section of stakeholders, SGI employees who work with the program, and close to 900 public survey respondents.

A full report of the approved recommendations can be found on the SGI website. Some of the recommendations include:

- When an impaired driver causes a collision and is killed, allowing an innocent party or the family impacted to sue for pain and suffering or bereavement damages (No Fault and Tort Coverage).
- Expanding the list of offences that trigger the ability for an innocent party to sue for pain and suffering or bereavement damages to include: criminal negligence causing death or bodily harm, criminal negligence causing bodily injury, flight from a peace officer and dangerous operation while street racing (No Fault and Tort Coverage).
- Ensuring Tort income benefits maintain pace with minimum wage (Tort Coverage).
- Paying pre-judgment interest or interim payments on permanent impairment benefits (No Fault Coverage).
- Additional funding for more than one specialized vehicle for the catastrophically injured (No Fault Coverage).
- Providing a recreation allowance for the catastrophically injured (No Fault Coverage).
- Updating amounts paid for living expenses to reflect current market rates, increasing the overall amount available for assistance to those with cognitive impairment and implementing a process to regularly review the amounts for alignment with market rates (No Fault Coverage).
- Ending the practice of reducing income benefits by the amount a customer receives through Canada Pension Plan (CPP) disability (No Fault Coverage).

Most of the approved recommendations were implemented effective Jan. 1, 2017. However, two of the changes, adjusting the living expense benefit and adjusting income benefits for CPP disability (last two bullets in the above list) were not implemented until May 1, 2021.

The overall indicated rate change is increased by 1.3%, a \$13 million impact, as a result of the injury coverage changes above.

5.4 Motorcycle Reduced No Fault Coverage

Starting in April 2016, SGI introduced a new option for injury coverage for motorcycle owners. Although originally part of the Injury Coverage review, this new option was split out from the other changes so it could be implemented in time for the 2016 riding season.

Reduced No Fault Injury Coverage is a basic package of injury benefits available to motorcycle owners who currently have No Fault Coverage and feel they require fewer injury benefits in the event of a collision. It offers the same level of benefits as the current tort product, but with a very limited ability to sue for additional losses. This option offers a lower rate for motorcyclists, while still ensuring some level of insurance coverage.

The reduced level of coverage applies only when the registrant is operating the motorcycle with reduced coverage and either is responsible for a collision or is involved in a single vehicle collision. Any instance where another motorist is responsible for the collision, the motorcycle rider receives full No Fault injury benefits.

Although the true cost of claims from riders who elect the Reduced No Fault Coverage option will only be known once enough loss experience from these riders has been collected, SGI studied the impact that the lower coverage levels would have had on past claims. The discount in premium from full No Fault Coverage was originally priced based on the

results of this study and has been reviewed in this rate program. The actual experience so far has closely followed the discount selected and no change is proposed in this rate program.

Customers who elect Reduced No Fault Coverage pay a lower premium since there are fewer benefits. Motorcycle owners that select Reduced No Fault Coverage receive the following discount, depending on the engine size of their motorcycle:

- 5% for all motorcycles 100cc and less.
- 20% for all motorcycles 101cc-400cc.
- 30% for all motorcycles 401cc and more.

The discount is applied before the owner's Safe Driver Recognition discount (if applicable).

5.5 Insurance Bureau of Canada (IBC) CLEAR table

Since the 2014 rate program, the IBC has discontinued the 16-year table the Auto Fund previously used to assign rate groups and now will only produce rate group tables on a 21-year basis. As of the 2017 CLEAR update, the Auto Fund has shifted to using the 21-year table.

During this transition, in order to more closely align the Auto Fund's usage of IBC's results with its analysis, a modification was made to the way in which the Auto Fund assigns rate groups to vehicles with model years older than those appearing on IBC's table. The IBC intends a vehicle's 21st model year in the table to be the average damage rate group of the 21st through 30th model years. As such, the Auto Fund has applied the 21st Rate Group at the end of the table to the 10 older model years of the vehicle. Then, for model years past that point (1990 and older in the 2021 rate program), it will resume the previous method of reducing the last rate group by one for each older model year until rate group 0 is reached.

The overall impacts of both of these changes were revenue neutral and more closely aligns the Auto Fund with its commitment to fairness in rating by more accurately accounting for the risk of each vehicle. Although there may still be some dislocation for vehicles, especially those that were not included in the 16-year table but are now in the 21-year table, impacts to individual customers will be tempered by the application of the capping procedure. Much of the dislocation has already occurred with the CLEAR table updates implemented in 2017, 2018 and 2019. The 2020 update to the CLEAR table was cancelled due to the COVID-19 pandemic.

5.6 Motorcycle Graduated Driver Licensing program

The Motorcycle Graduated Driver Licensing (MGDL) program ensures that all new motorcycle riders in the province have the necessary skills and knowledge to protect themselves and other drivers on the road. Riders move through incremental levels of risk as they gain motorcycle riding experience. The program has three stages: Learner, Novice 1 and Novice 2.

Effective June 15, 2016, motorcycle riders entering the MGDL program are subject to a \$500 fee upon entrance to each of the three stages, for a total of \$1,500. This fee is waived if riders successfully complete an SGI-approved training course. In addition to the waived fees, riders who have successfully completed the training course and graduate from the program without any incidents (suspensions, traffic convictions or at-fault collisions) will be awarded a \$450 rebate.

SGI expects to collect fees from stages two and three and pay out rebates (for completing an SGI-approved training program) during the rating year. The impact of these amounts will be applied to all vehicle classes through variable expenses.

5.7 Permit indication

SGI offers permits for light passenger vehicles that allow individuals to drive an unregistered qualifying vehicle for short periods of time. The types of permits available are 24-hour, eight-day, seven-day in-transit permits and seven-day Temporary Insurance Cards (TIC). In-transit and TIC permits differ from the 24-hour and eight-day permits as they are designed for inter-provincial vehicle transportation. In this rate program, rate adequacy of these permits has been measured for the first time, and changes to the permit rates are proposed.

The table below summarizes the current fees for permits.

Permit Type	Registration Fee	Insurance Fee	Total
24-Hour	\$15	\$5	\$20
8-Day	\$24	\$24	\$48
In-transit	\$13	\$17	\$30
TIC	\$0	\$11	\$11

Vehicles with high premiums can make use of the flat-rated 24-hour and eight-day permits instead of paying for short-term registrations, which may have driven up claims for this group. Aside from the low insurance costs, permits are attractive because there is no limit to the number of permits that can be purchased for vehicles that do not require an inspection. Vehicles requiring inspection (such as those with a total loss or other unsafe status) are limited to two eight-day permits and four 24-hour permits.

The following table shows the proposed fees for permits.

Permit Type	Registration Fee	Proposed Insurance Fee	Total
24-Hour	\$15	\$11	\$26
8-Day	\$24	\$49	\$73
In-transit	\$13	\$30	\$43
TIC	\$0	\$27	\$27

Permit fees have not been adjusted in more than 20 years. Applying the proposed insurance fee, as noted in the preceding chart, now makes these rate adequate as the total cost more accurately reflects the claim risk for vehicles using these permits.

5.8 Ridesharing

Regulations allowing ridesharing in Saskatchewan took effect Dec. 14, 2018. Rideshare drivers use their private passenger vehicles to transport passengers for compensation and are not required to purchase additional insurance beyond their basic plate coverage within the light vehicle class. The rideshare company, also known as a transportation network company (TNC), must purchase insurance that covers its affiliated drivers and vehicles while ridesharing.

From the moment a rideshare driver accepts a fare using the TNC's mobile application until the trip is completed or the fare is cancelled, drivers are engaged in ridesharing and the TNC's insurance coverage applies. Otherwise, the driver's basic plate insurance is in effect. The TNC's insurance premium is calculated and charged based on the number of kilometers travelled while drivers are engaged in ridesharing.

An initial rate of 11 cents per kilometer has been established for rideshare vehicles which provides the TNC with basic plate insurance for all its affiliated drivers and vehicles. This rate was based on the insurance costs and kilometers driven of passenger-for-hire vehicles in Saskatchewan and Alberta. As a part of this rate program, no changes are proposed, but the TNC insurance rate will be reviewed and included in future rate programs as data is gathered on the actual experience of rideshare vehicles. One year of TNC premiums and claims have been accounted for within the private passenger vehicle class and a separate TNC indication will be provided once the TNC experience becomes more credible.

In addition to the basic insurance coverage, TNCs must also purchase a minimum of \$1 million in additional third-party liability insurance to cover all its affiliated drivers and vehicles.

5.9 Large loss policy

Large loss smoothing is a part of the ratemaking process to level the volatility caused by unusually large losses from one indication to the next. The process involves identifying a threshold to define large losses and capping claims at that threshold – eliminating the portion that exceeds the predetermined amount. The expected excess amounts are

incorporated back into the analysis through a selected loading factor to increase the projected claims in the rating period. This process also smooths the loss trend frequency and severity curves, reducing the noise created by the excessive claims and providing a better picture of the underlying trends.

The damage and liability coverages were studied but are not impacted by large losses as much as injury due to comparatively lower loss amounts and coverage limits. So, the large loss policy only applies to injury coverages.

The CLEAR-rated light vehicle classes make up about 70% of the Auto Fund and have a stable, sizeable volume of claims which includes many large claims that might otherwise stand out in a smaller class. The motorcycle class has an average injury claim amount of \$90,000 which is about 4.1 times more than the average private passenger vehicle (PPV) injury claim of \$22,000. For these reasons, three sets of thresholds have been selected to identify large losses among the CLEAR-rated classes, motorcycles and all other classes.

Thresholds were selected for each injury coverage with consideration for the stability of the loss experience within each coverage type and protection against the truly extreme claims which we may or may not have seen yet. In order to find the right balance in reducing the volatility caused by the large losses and avoiding the risk of compromising accuracy by trimming out too much, it was important to identify the unusually large losses and percentiles helped to guide the selection of thresholds. The goal was to keep the percentiles high to isolate the abnormally large claims. The unique loss experience of CLEAR and the motorcycle class warranted separate thresholds due to the volume of claims and the average severity noted above. Using percentiles maintains some consistency in the identification of the large losses among the three groups.

Loading factors are selected and applied to each injury pure premium based on the same groups used to define the large loss thresholds. For permits, the weighted average of CLEAR and motorcycle loading factors were applied to reflect the proportion of light vehicles and motorcycles that use 24-hour, eight-day and temporary insurance card permits. The thresholds and loading factors used in this rate analysis are in the following table:

Cover	Large Loss Thresholds			Loading Factor		
	CLEAR	Motorcycles	Other	CLEAR	Motorcycles	Other
Medical	\$2,500,000	\$1,500,000	\$250,000	1.1%	12.0%	8.4%
IRB	\$4,000,000	\$2,000,000	\$1,500,000	0.5%	4.8%	2.7%
Care	\$5,000,000	\$1,500,000	\$1,000,000	5.1%	5.1%	5.1%
Perm Imp	\$400,000	\$300,000	\$300,000	0.5%	1.1%	4.5%
Death	\$1,500,000	\$1,000,000	\$1,000,000	0.4%	2.6%	0.9%
Appeal	\$750,000	\$200,000	\$200,000	3.6%	3.6%	3.6%
Tort-Injury	\$500,000	\$250,000	\$250,000	4.5%	4.5%	4.5%

5.10 Coronavirus pandemic

As cases of the novel coronavirus began to emerge across Canada and the world, Saskatchewan government began to issue public health orders to “flatten the curve.” Beginning mid-March of 2020, the public was told to practice physical distancing, limit the number of people at indoor and outdoor gatherings, and to practice thorough and frequent handwashing. Along with these preventative measures, many businesses and services were ordered to close. Many people were also transitioned to work from home if possible. This resulted in many Saskatchewan residents cancelling or adjusting their vehicle registrations to reflect their current vehicle usage.

While this pandemic has had a significant effect on vehicle usage and claims in 2020, we have assumed that the effect will be largely concluded by the proposed rating year (Jan. 21, 2022 to Jan. 20, 2023). No special adjustments to expected claim counts or losses have been made.

A 5% exposure reduction is assumed for class CD and IRP commercial classes due to expected economic conditions following the pandemic. The number of vehicles insured in these fleets has historically been correlated with the health of the economy. Various economic indicators have been used to aid in predicting the potential drop in exposures in the rating year following the pandemic.

6. Rate Indications by Class

Caps have been applied consistent with the ranges set out in Section 4.4 above. All recommended/proposed rate changes below include the effects of capping.

CLEAR-rated vehicles

The CLEAR-rated vehicle class represents 71% of vehicles insured by the Auto Fund (88% of all non-trailer vehicles). The actuarial analysis indicates that a 0.7% decrease in premium is warranted for CLEAR-rated vehicles.

The indicated rate for these vehicles is based on the loss experience and premiums for the entire group. Rates for the individual classes are then determined based on the loss experience of each class in relation to private passenger vehicles.

All other class rates are either surcharged or discounted from the private passenger vehicle rates. A new discount is proposed for this rate program to split up the existing Farm Light Truck class according to model year. The new discount will help to bridge a large gap in rates between these CLEAR-rated trucks and the conventionally rated Farm Light Truck class for model years 1993 and older. Having the CLEAR Farm Light classes split ensures a smoother rate progression between these three classes and more accurately represents the costs.

Recommendation: As a result of capping of rate changes in other classes, CLEAR-rated vehicle rates are adjusted to offset any shortfall or excess. After accounting for this capping, SGI is recommending a decrease to CLEAR-rated vehicle rates of 0.9%.

Private passenger rates will be increasing by 0.7% (1.0% decrease with the capital margin). The current and proposed discounts and surcharges on private passenger vehicle rates for the remaining CLEAR-rated vehicle classes are as follows:

Vehicle Class	Current Discount/ Surcharge	Proposed Discount/ Surcharge	Overall Rate Change	Rate Change with Capital Margin
Class A – Commercial Light Trucks	70%	80%	19.1%	17.1%
Farm Light Trucks (1994-2003)	-25%	-39%	-17.8%	-19.2%
Farm Light Trucks (2004 & newer)	-25%	-27%	4.0%	2.3%
Farm Cars, SUVs and Vans	-20%	-15%	7.1%	5.3%
Police Cars	80%	53%	-10.8%	-12.2%
Police Trucks, SUVs and Vans	-19%	-7%	22.5%	20.5%
U-Drive (rental) vehicles	25%	25%	5.6%	3.9%
Rural Taxis	50%	50%	0.9%	-0.7%

Totaling the damage, injury, liability and flat fee premiums on a per vehicle basis produces the adequate premium for that vehicle. The adequate premium is then compared to the vehicle's current premium to determine the extent of dislocation. Capping, as described previously, then takes place to minimize rate shock on individual vehicle premiums. As the Auto Fund continues to adjust premiums each rate program, all vehicles will be moved closer to their adequate premiums, which results in fewer vehicles hitting the caps.

The minimum adequate premium that a private passenger vehicle should pay, prior to the capital margin and prior to any recognition program discount, is:

Component	Minimum Premium
Damage	\$32
Injury	\$88
Liability	\$223
Flat Fees	\$178
Total Adequate Premium	\$520

The recommended changes, including capital margin, to CLEAR-rated vehicles based on current exposures result in:

- Premium increases for about 385,000 Saskatchewan vehicles (46%), with an average annual increase of \$98 and maximum increase of \$501/year;
- Premium decreases for about 457,000 Saskatchewan vehicles (54%), with an average annual decrease of \$104 and maximum decrease of \$580/year; and,
- No premium change for about 900 vehicles (less than 1%).

The distribution of CLEAR-rated vehicles within +/-10% of adequate rates before and after the proposed 2021 rate program is as follows:

Difference between Current and Adequate Rates (excluding Capital Margin)	Prior to 2021 Rate Program		After 2021 Rate Program	
	# Vehicles	% Vehicles	# Vehicles	% Vehicles
Less than -10%	189,423	22%	2,563	0%
Between +/- 10%	488,415	58%	834,751	99%
Greater than 10%	165,196	20%	5,720	1%

Conventionally-rated vehicles

6.1 Ambulances

The rate indication shows that a 18.3% increase is required for ambulance rates to be adequate. Currently, damage costs account for around 67% of the total claim costs associated with ambulances, which is to be expected considering the nature of their use as an emergency vehicle.

Ambulances are currently charged a flat rate of \$994, regardless of which class they are registered in (commercial heavy or light vehicle), which is \$1,016 including the current capital amount.

Recommendation: SGI recommends that ambulance rates receive a 15.1% increase and that the flat rate becomes \$1,144. Once the capital margin is applied, the ambulance flat rate becomes \$1,150, for a net rate change of 13.2%.

Class A – Provincial, interprovincial and international commercial vehicles

Within this class of vehicle, there are two types: International Registration Plan (IRP) vehicles and non-IRP vehicles. The IRP is a registration reciprocity agreement among states of the United States and provinces of Canada providing for payment of licence fees on the basis of total distance operated in all jurisdictions. Even though licence fees are paid to the various jurisdictions in which fleet vehicles are operated, only one licence plate and one cab card is issued for each fleet vehicle when registered under IRP. IRP vehicles can operate provincially, interprovincially and internationally.

The regular deductible for both IRP and non-IRP vehicles is \$2,500, with coverage for damage to their own vehicle capped at \$15,000. For damage coverage above the \$15,000 cap, customers have the option to buy excess value insurance either through the Auto Fund (excluding IRP vehicles) or the competitive market.

There is an optional \$15,000 deductible available only to IRP vehicles. If this option is chosen, then the vehicle will have very limited damage coverage through the Auto Fund. However, they will continue to have coverage for damages caused to other people's property (damage liability) to a limit of \$200,000. The injury and liability premiums are the same for IRP vehicles regardless of what deductible option they choose.

Due to the nature of use the Class A – Power units represents, these vehicles have the greatest exposure to large liability claims compared to any other vehicle class within the Auto Fund.

6.2 Class A – Heavy trucks and heavy vans – IRP \$2,500 deductible

An increase of 8.3% is warranted for this vehicle class. Rates are calculated based on gross vehicle weight (GVW) and model year for these vehicles.

Recommendation: SGI recommends an overall average rate increase of 7.1% for this class (5.4% with the capital margin applied). Seventy-one per cent of the current vehicle population will receive an increase of \$72/year on average (\$141/year maximum). Twenty-one per cent of vehicles will have an average decrease of \$32 (\$124/year maximum). The remaining vehicles will experience no change.

The impact on the rates for these vehicles is shown in the tables below.

Current Rates excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$429	\$495	\$536	\$575	\$593	\$620	\$625	\$631
5,001-11,000	\$447	\$530	\$581	\$630	\$653	\$687	\$693	\$700
11,001-13,000	\$454	\$543	\$598	\$651	\$675	\$712	\$719	\$726
13,001-22,000	\$463	\$559	\$619	\$677	\$703	\$742	\$750	\$758
22,001-34,000	\$490	\$606	\$679	\$750	\$782	\$830	\$840	\$850
34,001-40,000	\$583	\$647	\$733	\$815	\$853	\$909	\$920	\$932
40,001-50,000	\$641	\$689	\$786	\$881	\$924	\$988	\$1,001	\$1,013
50,001-63,500	\$770	\$792	\$812	\$907	\$952	\$1,020	\$1,033	\$1,047

Proposed Rates excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$483	\$531	\$574	\$609	\$678	\$699	\$750	\$756
5,001-11,000	\$488	\$540	\$586	\$624	\$700	\$722	\$782	\$825
11,001-13,000	\$492	\$547	\$596	\$637	\$717	\$740	\$804	\$851
13,001-22,000	\$500	\$563	\$619	\$665	\$756	\$783	\$854	\$908
22,001-34,000	\$509	\$579	\$642	\$693	\$795	\$825	\$905	\$1,000
34,001-40,000	\$526	\$610	\$685	\$747	\$869	\$905	\$1,001	\$1,082
40,001-50,000	\$534	\$625	\$707	\$773	\$906	\$945	\$1,050	\$1,164
50,001-63,500	\$620	\$669	\$769	\$851	\$1,013	\$1,061	\$1,187	\$1,204

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	13%	7%	7%	6%	14%	13%	20%	20%
5,001-11,000	9%	2%	1%	-1%	7%	5%	13%	18%
11,001-13,000	8%	1%	0%	-2%	6%	4%	12%	17%
13,001-22,000	8%	1%	0%	-2%	8%	6%	14%	20%
22,001-34,000	4%	-4%	-5%	-8%	2%	-1%	8%	18%
34,001-40,000	-10%	-6%	-7%	-8%	2%	0%	9%	16%
40,001-50,000	-17%	-9%	-10%	-12%	-2%	-4%	5%	15%
50,001-63,500	-19%	-16%	-5%	-6%	6%	4%	15%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$54	\$36	\$38	\$34	\$85	\$79	\$125	\$125
5,001-11,000	\$41	\$10	\$5	-\$6	\$47	\$35	\$89	\$125
11,001-13,000	\$38	\$4	-\$2	-\$14	\$42	\$28	\$85	\$125
13,001-22,000	\$37	\$4	\$0	-\$12	\$53	\$41	\$104	\$150
22,001-34,000	\$19	-\$27	-\$37	-\$57	\$13	-\$5	\$65	\$150
34,001-40,000	-\$57	-\$37	-\$48	-\$68	\$16	-\$4	\$81	\$150
40,001-50,000	-\$107	-\$64	-\$79	-\$108	-\$18	-\$43	\$49	\$151
50,001-63,500	-\$150	-\$123	-\$43	-\$56	\$61	\$41	\$154	\$157

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$439	\$506	\$548	\$588	\$606	\$634	\$639	\$645
5,001-11,000	\$457	\$542	\$594	\$644	\$668	\$702	\$708	\$716
11,001-13,000	\$464	\$555	\$611	\$666	\$690	\$728	\$735	\$742
13,001-22,000	\$473	\$571	\$633	\$692	\$719	\$759	\$767	\$775
22,001-34,000	\$501	\$620	\$694	\$767	\$799	\$849	\$859	\$869
34,001-40,000	\$596	\$661	\$749	\$833	\$872	\$929	\$941	\$953
40,001-50,000	\$655	\$704	\$804	\$901	\$945	\$1,010	\$1,023	\$1,036
50,001-63,500	\$787	\$810	\$830	\$927	\$973	\$1,043	\$1,056	\$1,070

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$486	\$534	\$577	\$612	\$682	\$703	\$754	\$760
5,001-11,000	\$491	\$543	\$589	\$628	\$704	\$726	\$786	\$830
11,001-13,000	\$495	\$550	\$599	\$641	\$721	\$744	\$809	\$856
13,001-22,000	\$503	\$566	\$622	\$669	\$760	\$787	\$859	\$913
22,001-34,000	\$512	\$582	\$646	\$697	\$799	\$830	\$910	\$1,006
34,001-40,000	\$529	\$613	\$689	\$751	\$874	\$910	\$1,007	\$1,088
40,001-50,000	\$537	\$629	\$711	\$777	\$911	\$950	\$1,056	\$1,171
50,001-63,500	\$623	\$673	\$773	\$856	\$1,019	\$1,067	\$1,194	\$1,211

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	11%	6%	5%	4%	13%	11%	18%	18%
5,001-11,000	7%	0%	-1%	-2%	5%	3%	11%	16%
11,001-13,000	7%	-1%	-2%	-4%	4%	2%	10%	15%
13,001-22,000	6%	-1%	-2%	-3%	6%	4%	12%	18%
22,001-34,000	2%	-6%	-7%	-9%	0%	-2%	6%	16%
34,001-40,000	-11%	-7%	-8%	-10%	0%	-2%	7%	14%
40,001-50,000	-18%	-11%	-12%	-14%	-4%	-6%	3%	13%
50,001-63,500	-21%	-17%	-7%	-8%	5%	2%	13%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$47	\$28	\$29	\$24	\$76	\$69	\$115	\$115
5,001-11,000	\$34	\$1	-\$5	-\$16	\$36	\$24	\$78	\$114
11,001-13,000	\$31	-\$5	-\$12	-\$25	\$31	\$16	\$74	\$114
13,001-22,000	\$30	-\$5	-\$11	-\$23	\$41	\$28	\$92	\$138
22,001-34,000	\$11	-\$38	-\$48	-\$70	\$0	-\$19	\$51	\$137
34,001-40,000	-\$67	-\$48	-\$60	-\$82	\$2	-\$19	\$66	\$135
40,001-50,000	-\$118	-\$75	-\$93	-\$124	-\$34	-\$60	\$33	\$135
50,001-63,500	-\$164	-\$137	-\$57	-\$71	\$46	\$24	\$138	\$141

6.3 Class A – Heavy trucks and heavy vans – IRP \$15,000 deductible

Rates for the \$15,000 deductible option are flat-rated based on injury and liability premiums that are the same for both the regular and \$15,000 deductible options. However, due to capping, not all rates are currently at this level. The indicated rate change for this vehicle class with the \$15,000 deductible is an 8.9% rate increase.

Recommendation: SGI recommends applying an overall rate increase, which, after rate capping and injury benefit enhancements, results in an increase of 8.9% for this class (7.0% once the capital margin has been applied). Of the current vehicle population, 73% will receive increases averaging \$62/year (\$66/year maximum), with the remaining vehicles decreasing by \$62/year on average (\$120/year maximum).

The impact on rates for these vehicles is shown below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355
5,001-11,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355
11,001-13,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355
13,001-22,000	\$355	\$355	\$355	\$355	\$355	\$355	\$355	\$355
22,001-34,000	\$355	\$355	\$355	\$355	\$355	\$355	\$362	\$362
34,001-40,000	\$355	\$355	\$355	\$355	\$358	\$392	\$412	\$412
40,001-50,000	\$355	\$355	\$358	\$375	\$393	\$423	\$446	\$446
50,001-63,500	\$422	\$421	\$435	\$456	\$477	\$507	\$537	\$537

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
5,001-11,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
11,001-13,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
13,001-22,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
22,001-34,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
34,001-40,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
40,001-50,000	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427
50,001-63,500	\$427	\$427	\$427	\$427	\$427	\$427	\$427	\$427

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	20%	20%	20%	20%	20%	20%	20%	20%
5,001-11,000	20%	20%	20%	20%	20%	20%	20%	20%
11,001-13,000	20%	20%	20%	20%	20%	20%	20%	20%
13,001-22,000	20%	20%	20%	20%	20%	20%	20%	20%
22,001-34,000	20%	20%	20%	20%	20%	20%	18%	18%
34,001-40,000	20%	20%	20%	20%	19%	9%	4%	4%
40,001-50,000	20%	20%	19%	14%	9%	1%	-4%	-4%
50,001-63,500	1%	1%	-2%	-6%	-10%	-16%	-20%	-20%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
5,001-11,000	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
11,001-13,000	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
13,001-22,000	\$72	\$72	\$72	\$72	\$72	\$72	\$72	\$72
22,001-34,000	\$72	\$72	\$72	\$72	\$72	\$72	\$65	\$65
34,001-40,000	\$72	\$72	\$72	\$72	\$69	\$35	\$15	\$15
40,001-50,000	\$72	\$72	\$69	\$52	\$34	\$4	-\$19	-\$19
50,001-63,500	\$5	\$6	-\$8	-\$29	-\$50	-\$80	-\$110	-\$110

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$363	\$363	\$363	\$363	\$363	\$363	\$363	\$363
5,001-11,000	\$363	\$363	\$363	\$363	\$363	\$363	\$363	\$363
11,001-13,000	\$363	\$363	\$363	\$363	\$363	\$363	\$363	\$363
13,001-22,000	\$363	\$363	\$363	\$363	\$363	\$363	\$363	\$363
22,001-34,000	\$363	\$363	\$363	\$363	\$363	\$363	\$370	\$370
34,001-40,000	\$363	\$363	\$363	\$363	\$366	\$401	\$421	\$421
40,001-50,000	\$363	\$363	\$366	\$383	\$402	\$432	\$456	\$456
50,001-63,500	\$431	\$430	\$445	\$466	\$488	\$518	\$549	\$549

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
5,001-11,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
11,001-13,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
13,001-22,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
22,001-34,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
34,001-40,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
40,001-50,000	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429
50,001-63,500	\$429	\$429	\$429	\$429	\$429	\$429	\$429	\$429

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	18%	18%	18%	18%	18%	18%	18%	18%
5,001-11,000	18%	18%	18%	18%	18%	18%	18%	18%
11,001-13,000	18%	18%	18%	18%	18%	18%	18%	18%
13,001-22,000	18%	18%	18%	18%	18%	18%	18%	18%
22,001-34,000	18%	18%	18%	18%	18%	18%	16%	16%
34,001-40,000	18%	18%	18%	18%	17%	7%	2%	2%
40,001-50,000	18%	18%	17%	12%	7%	-1%	-6%	-6%
50,001-63,500	0%	0%	-4%	-8%	-12%	-17%	-22%	-22%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66
5,001-11,000	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66
11,001-13,000	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66
13,001-22,000	\$66	\$66	\$66	\$66	\$66	\$66	\$66	\$66
22,001-34,000	\$66	\$66	\$66	\$66	\$66	\$66	\$59	\$59
34,001-40,000	\$66	\$66	\$66	\$66	\$63	\$28	\$8	\$8
40,001-50,000	\$66	\$66	\$63	\$46	\$27	-\$3	-\$27	-\$27
50,001-63,500	-\$2	-\$1	-\$16	-\$37	-\$59	-\$89	-\$120	-\$120

6.4 Class A – Heavy trucks and heavy vans – non-IRP

In order for this class to have adequate rates, an increase of 12.0% is required. The rates for non-IRP vehicles are calculated the same as IRP vehicles, based on GVW and model year.

Recommendation: SGI recommends applying the indicated rate increase, which after rate capping, results in an overall average rate increase of 10.4% (8.5% with the capital margin). The majority of vehicles will see an increase, with an average increase of \$91/year (\$164/year maximum), based on the current vehicle population. The remaining vehicles will have an average decrease of \$12 (\$26/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$787	\$818	\$838	\$856	\$865	\$878	\$880	\$883
5,001-11,000	\$787	\$818	\$838	\$857	\$865	\$878	\$881	\$883
11,001-13,000	\$814	\$870	\$905	\$939	\$954	\$977	\$982	\$986
13,001-22,000	\$825	\$891	\$932	\$972	\$990	\$1,017	\$1,022	\$1,027
22,001-34,000	\$840	\$919	\$968	\$1,016	\$1,037	\$1,070	\$1,076	\$1,083
34,001-40,000	\$855	\$947	\$1,004	\$1,059	\$1,084	\$1,122	\$1,129	\$1,137
40,001-50,000	\$861	\$958	\$1,019	\$1,077	\$1,104	\$1,144	\$1,152	\$1,160
50,001-63,500	\$878	\$991	\$1,060	\$1,128	\$1,159	\$1,205	\$1,214	\$1,223

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$864	\$904	\$930	\$960	\$1,003	\$1,019	\$1,030	\$1,033
5,001-11,000	\$867	\$911	\$939	\$971	\$1,015	\$1,028	\$1,031	\$1,033
11,001-13,000	\$870	\$916	\$946	\$980	\$1,030	\$1,048	\$1,100	\$1,136
13,001-22,000	\$874	\$924	\$957	\$994	\$1,047	\$1,067	\$1,124	\$1,181
22,001-34,000	\$878	\$932	\$967	\$1,007	\$1,064	\$1,086	\$1,147	\$1,242
34,001-40,000	\$890	\$958	\$1,001	\$1,051	\$1,122	\$1,148	\$1,224	\$1,307
40,001-50,000	\$896	\$969	\$1,016	\$1,070	\$1,147	\$1,176	\$1,259	\$1,334
50,001-63,500	\$912	\$1,002	\$1,060	\$1,126	\$1,220	\$1,256	\$1,356	\$1,406

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	10%	11%	11%	12%	16%	16%	17%	17%
5,001-11,000	10%	11%	12%	13%	17%	17%	17%	17%
11,001-13,000	7%	5%	5%	4%	8%	7%	12%	15%
13,001-22,000	6%	4%	3%	2%	6%	5%	10%	15%
22,001-34,000	5%	1%	0%	-1%	3%	1%	7%	15%
34,001-40,000	4%	1%	0%	-1%	4%	2%	8%	15%
40,001-50,000	4%	1%	0%	-1%	4%	3%	9%	15%
50,001-63,500	4%	1%	0%	0%	5%	4%	12%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$77	\$86	\$92	\$104	\$138	\$141	\$150	\$150
5,001-11,000	\$80	\$93	\$101	\$114	\$150	\$150	\$150	\$150
11,001-13,000	\$56	\$46	\$41	\$41	\$76	\$71	\$118	\$150
13,001-22,000	\$49	\$33	\$25	\$22	\$57	\$50	\$102	\$154
22,001-34,000	\$38	\$13	-\$1	-\$9	\$27	\$16	\$71	\$159
34,001-40,000	\$35	\$11	-\$3	-\$8	\$38	\$26	\$95	\$170
40,001-50,000	\$35	\$11	-\$3	-\$7	\$43	\$32	\$107	\$174
50,001-63,500	\$34	\$11	\$0	-\$2	\$61	\$51	\$142	\$183

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$805	\$836	\$857	\$875	\$884	\$898	\$900	\$903
5,001-11,000	\$805	\$836	\$857	\$876	\$884	\$898	\$901	\$903
11,001-13,000	\$832	\$889	\$925	\$960	\$975	\$999	\$1,004	\$1,008
13,001-22,000	\$843	\$911	\$953	\$994	\$1,012	\$1,040	\$1,045	\$1,050
22,001-34,000	\$859	\$939	\$990	\$1,039	\$1,060	\$1,094	\$1,100	\$1,107
34,001-40,000	\$874	\$968	\$1,026	\$1,083	\$1,108	\$1,147	\$1,154	\$1,162
40,001-50,000	\$880	\$979	\$1,042	\$1,101	\$1,129	\$1,170	\$1,178	\$1,186
50,001-63,500	\$898	\$1,013	\$1,084	\$1,153	\$1,185	\$1,232	\$1,241	\$1,250

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$869	\$909	\$935	\$965	\$1,009	\$1,025	\$1,036	\$1,039
5,001-11,000	\$872	\$916	\$944	\$976	\$1,021	\$1,034	\$1,037	\$1,039
11,001-13,000	\$875	\$921	\$951	\$986	\$1,036	\$1,054	\$1,106	\$1,142
13,001-22,000	\$879	\$929	\$962	\$1,000	\$1,053	\$1,073	\$1,130	\$1,188
22,001-34,000	\$883	\$937	\$972	\$1,013	\$1,070	\$1,092	\$1,153	\$1,249
34,001-40,000	\$895	\$963	\$1,007	\$1,057	\$1,128	\$1,154	\$1,231	\$1,314
40,001-50,000	\$901	\$974	\$1,022	\$1,076	\$1,153	\$1,183	\$1,266	\$1,341
50,001-63,500	\$917	\$1,008	\$1,066	\$1,132	\$1,227	\$1,263	\$1,364	\$1,414

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	8%	9%	9%	10%	14%	14%	15%	15%
5,001-11,000	8%	10%	10%	11%	15%	15%	15%	15%
11,001-13,000	5%	4%	3%	3%	6%	6%	10%	13%
13,001-22,000	4%	2%	1%	1%	4%	3%	8%	13%
22,001-34,000	3%	0%	-2%	-3%	1%	0%	5%	13%
34,001-40,000	2%	-1%	-2%	-2%	2%	1%	7%	13%
40,001-50,000	2%	-1%	-2%	-2%	2%	1%	7%	13%
50,001-63,500	2%	0%	-2%	-2%	4%	3%	10%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,000 or less	\$64	\$73	\$78	\$90	\$125	\$127	\$136	\$136
5,001-11,000	\$67	\$80	\$87	\$100	\$137	\$136	\$136	\$136
11,001-13,000	\$43	\$32	\$26	\$26	\$61	\$55	\$102	\$134
13,001-22,000	\$36	\$18	\$9	\$6	\$41	\$33	\$85	\$138
22,001-34,000	\$24	-\$2	-\$18	-\$26	\$10	-\$2	\$53	\$142
34,001-40,000	\$21	-\$5	-\$19	-\$26	\$20	\$7	\$77	\$152
40,001-50,000	\$21	-\$5	-\$20	-\$25	\$24	\$13	\$88	\$155
50,001-63,500	\$19	-\$5	-\$18	-\$21	\$42	\$31	\$123	\$164

6.5 Class A – Power units – IRP \$2,500 deductible

The rate indication shows that a 36.6% increase is required for this class to be rate adequate. A relativity analysis was done on GVW and model year.

Recommendation: After capping, SGI is recommending a rate increase of 15.0% (13.1% with the capital margin). Based on the current vehicle population, all vehicles will be receiving an increase averaging \$326/year (\$340/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$931	\$958	\$972	\$1,013	\$1,018	\$1,035	\$1,052	\$1,068
11,001-13,000	\$1,182	\$1,221	\$1,243	\$1,265	\$1,292	\$1,320	\$1,347	\$1,375
13,001-22,000	\$1,330	\$1,400	\$1,430	\$1,460	\$1,496	\$1,535	\$1,574	\$1,614
22,001-34,000	\$1,360	\$1,483	\$1,617	\$1,657	\$1,699	\$1,740	\$1,780	\$1,821
34,001-40,000	\$1,479	\$1,685	\$1,979	\$2,184	\$2,321	\$2,398	\$2,452	\$2,509
40,001-55,000	\$1,484	\$1,693	\$1,992	\$2,200	\$2,339	\$2,417	\$2,472	\$2,531
55,001-63,500	\$1,487	\$1,698	\$2,000	\$2,210	\$2,351	\$2,429	\$2,485	\$2,543

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$1,081	\$1,108	\$1,122	\$1,164	\$1,170	\$1,190	\$1,209	\$1,228
11,001-13,000	\$1,359	\$1,404	\$1,429	\$1,454	\$1,485	\$1,518	\$1,549	\$1,581
13,001-22,000	\$1,529	\$1,610	\$1,644	\$1,679	\$1,720	\$1,765	\$1,810	\$1,856
22,001-34,000	\$1,564	\$1,705	\$1,859	\$1,905	\$1,953	\$2,001	\$2,047	\$2,094
34,001-40,000	\$1,700	\$1,937	\$2,275	\$2,511	\$2,669	\$2,757	\$2,819	\$2,885
40,001-55,000	\$1,706	\$1,946	\$2,290	\$2,530	\$2,689	\$2,779	\$2,842	\$2,910
55,001-63,500	\$1,710	\$1,952	\$2,300	\$2,541	\$2,703	\$2,793	\$2,857	\$2,924

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	16%	16%	15%	15%	15%	15%	15%	15%
11,001-13,000	15%	15%	15%	15%	15%	15%	15%	15%
13,001-22,000	15%	15%	15%	15%	15%	15%	15%	15%
22,001-34,000	15%	15%	15%	15%	15%	15%	15%	15%
34,001-40,000	15%	15%	15%	15%	15%	15%	15%	15%
40,001-55,000	15%	15%	15%	15%	15%	15%	15%	15%
55,001-63,500	15%	15%	15%	15%	15%	15%	15%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$150	\$150	\$150	\$151	\$152	\$155	\$157	\$160
11,001-13,000	\$177	\$183	\$186	\$189	\$193	\$198	\$202	\$206
13,001-22,000	\$199	\$210	\$214	\$219	\$224	\$230	\$236	\$242
22,001-34,000	\$204	\$222	\$242	\$248	\$254	\$261	\$267	\$273
34,001-40,000	\$221	\$252	\$296	\$327	\$348	\$359	\$367	\$376
40,001-55,000	\$222	\$253	\$298	\$330	\$350	\$362	\$370	\$379
55,001-63,500	\$223	\$254	\$300	\$331	\$352	\$364	\$372	\$381

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$952	\$979	\$994	\$1,036	\$1,041	\$1,058	\$1,075	\$1,092
11,001-13,000	\$1,208	\$1,248	\$1,271	\$1,293	\$1,321	\$1,349	\$1,377	\$1,406
13,001-22,000	\$1,360	\$1,431	\$1,462	\$1,493	\$1,529	\$1,569	\$1,609	\$1,650
22,001-34,000	\$1,390	\$1,516	\$1,653	\$1,694	\$1,737	\$1,779	\$1,820	\$1,862
34,001-40,000	\$1,512	\$1,723	\$2,023	\$2,233	\$2,373	\$2,451	\$2,507	\$2,565
40,001-55,000	\$1,517	\$1,731	\$2,036	\$2,249	\$2,391	\$2,471	\$2,527	\$2,587
55,001-63,500	\$1,520	\$1,736	\$2,045	\$2,259	\$2,403	\$2,483	\$2,540	\$2,600

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$1,087	\$1,114	\$1,128	\$1,171	\$1,177	\$1,197	\$1,216	\$1,235
11,001-13,000	\$1,367	\$1,412	\$1,437	\$1,462	\$1,493	\$1,527	\$1,558	\$1,590
13,001-22,000	\$1,538	\$1,619	\$1,653	\$1,688	\$1,730	\$1,775	\$1,820	\$1,866
22,001-34,000	\$1,573	\$1,715	\$1,869	\$1,916	\$1,964	\$2,012	\$2,059	\$2,106
34,001-40,000	\$1,710	\$1,948	\$2,288	\$2,525	\$2,684	\$2,772	\$2,835	\$2,901
40,001-55,000	\$1,716	\$1,957	\$2,303	\$2,544	\$2,704	\$2,795	\$2,858	\$2,926
55,001-63,500	\$1,720	\$1,963	\$2,313	\$2,555	\$2,718	\$2,809	\$2,873	\$2,940

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	14%	14%	13%	13%	13%	13%	13%	13%
11,001-13,000	13%	13%	13%	13%	13%	13%	13%	13%
13,001-22,000	13%	13%	13%	13%	13%	13%	13%	13%
22,001-34,000	13%	13%	13%	13%	13%	13%	13%	13%
34,001-40,000	13%	13%	13%	13%	13%	13%	13%	13%
40,001-55,000	13%	13%	13%	13%	13%	13%	13%	13%
55,001-63,500	13%	13%	13%	13%	13%	13%	13%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$135	\$135	\$134	\$135	\$136	\$139	\$141	\$143
11,001-13,000	\$159	\$164	\$166	\$169	\$172	\$178	\$181	\$184
13,001-22,000	\$178	\$188	\$191	\$195	\$201	\$206	\$211	\$216
22,001-34,000	\$183	\$199	\$216	\$222	\$227	\$233	\$239	\$244
34,001-40,000	\$198	\$225	\$265	\$292	\$311	\$321	\$328	\$336
40,001-55,000	\$199	\$226	\$267	\$295	\$313	\$324	\$331	\$339
55,001-63,500	\$200	\$227	\$268	\$296	\$315	\$326	\$333	\$340

6.6 Class A – Power units – IRP \$15,000 deductible

Rates for the \$15,000 deductible option are flat-rated based on injury and liability premiums that are the same for both the regular and \$15,000 deductible options. However, due to capping not all rates are currently at this level. In addition, starting with this rate program, a pro-rated amount of the regular deductible damage premium is added to the premium. This amount represents expenses incurred in servicing claims (such as towing, firefighting, etc.). The indicated rate change for this class with the \$15,000 deductible is a 73.0% rate increase. The addition of the damage premium caused the rate to increase by approximately 11%.

Recommendation: SGI recommends applying the indicated rate increase, which, after rate capping, results in an overall average rate increase of 15.0% (13.1% including the effects of the capital margin). All vehicles in the current vehicle population will receive an average increase of \$161/year (\$163/year maximum).

The impact on rates for these vehicles is shown below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$607	\$623	\$631	\$641	\$644	\$654	\$664	\$674
11,001-13,000	\$763	\$784	\$796	\$808	\$821	\$851	\$865	\$878
13,001-22,000	\$865	\$889	\$904	\$918	\$935	\$953	\$972	\$992
22,001-34,000	\$954	\$974	\$1,017	\$1,037	\$1,056	\$1,076	\$1,095	\$1,113
34,001-40,000	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181
40,001-55,000	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181
55,001-63,500	\$1,181	\$1,181	\$1,181	\$1,181	\$1,181	\$1,188	\$1,216	\$1,216

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$732	\$748	\$756	\$766	\$769	\$779	\$789	\$799
11,001-13,000	\$913	\$934	\$946	\$958	\$971	\$1,001	\$1,015	\$1,028
13,001-22,000	\$1,015	\$1,039	\$1,054	\$1,068	\$1,085	\$1,103	\$1,122	\$1,142
22,001-34,000	\$1,104	\$1,124	\$1,169	\$1,192	\$1,214	\$1,237	\$1,259	\$1,279
34,001-40,000	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358
40,001-55,000	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358
55,001-63,500	\$1,358	\$1,358	\$1,358	\$1,358	\$1,358	\$1,366	\$1,398	\$1,398

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	21%	20%	20%	20%	19%	19%	19%	19%
11,001-13,000	20%	19%	19%	19%	18%	18%	17%	17%
13,001-22,000	17%	17%	17%	16%	16%	16%	15%	15%
22,001-34,000	16%	15%	15%	15%	15%	15%	15%	15%
34,001-40,000	15%	15%	15%	15%	15%	15%	15%	15%
40,001-55,000	15%	15%	15%	15%	15%	15%	15%	15%
55,001-63,500	15%	15%	15%	15%	15%	15%	15%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$125	\$125	\$125	\$125	\$125	\$125	\$125	\$125
11,001-13,000	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
13,001-22,000	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
22,001-34,000	\$150	\$150	\$152	\$155	\$158	\$161	\$164	\$166
34,001-40,000	\$177	\$177	\$177	\$177	\$177	\$177	\$177	\$177
40,001-55,000	\$177	\$177	\$177	\$177	\$177	\$177	\$177	\$177
55,001-63,500	\$177	\$177	\$177	\$177	\$177	\$178	\$182	\$182

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$621	\$637	\$645	\$655	\$658	\$669	\$679	\$689
11,001-13,000	\$780	\$801	\$814	\$826	\$839	\$870	\$884	\$898
13,001-22,000	\$884	\$909	\$924	\$938	\$956	\$974	\$994	\$1,014
22,001-34,000	\$975	\$996	\$1,040	\$1,060	\$1,080	\$1,100	\$1,119	\$1,138
34,001-40,000	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207
40,001-55,000	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207
55,001-63,500	\$1,207	\$1,207	\$1,207	\$1,207	\$1,207	\$1,214	\$1,243	\$1,243

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$736	\$752	\$760	\$770	\$773	\$783	\$793	\$803
11,001-13,000	\$918	\$939	\$951	\$963	\$976	\$1,007	\$1,021	\$1,034
13,001-22,000	\$1,021	\$1,045	\$1,060	\$1,074	\$1,091	\$1,109	\$1,128	\$1,148
22,001-34,000	\$1,110	\$1,130	\$1,176	\$1,199	\$1,221	\$1,244	\$1,266	\$1,286
34,001-40,000	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366
40,001-55,000	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366
55,001-63,500	\$1,366	\$1,366	\$1,366	\$1,366	\$1,366	\$1,374	\$1,406	\$1,406

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	19%	18%	18%	18%	17%	17%	17%	17%
11,001-13,000	18%	17%	17%	17%	16%	16%	15%	15%
13,001-22,000	15%	15%	15%	14%	14%	14%	13%	13%
22,001-34,000	14%	13%	13%	13%	13%	13%	13%	13%
34,001-40,000	13%	13%	13%	13%	13%	13%	13%	13%
40,001-55,000	13%	13%	13%	13%	13%	13%	13%	13%
55,001-63,500	13%	13%	13%	13%	13%	13%	13%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$115	\$115	\$115	\$115	\$115	\$114	\$114	\$114
11,001-13,000	\$138	\$138	\$137	\$137	\$137	\$137	\$137	\$136
13,001-22,000	\$137	\$136	\$136	\$136	\$135	\$135	\$134	\$134
22,001-34,000	\$135	\$134	\$136	\$139	\$141	\$144	\$147	\$148
34,001-40,000	\$159	\$159	\$159	\$159	\$159	\$159	\$159	\$159
40,001-55,000	\$159	\$159	\$159	\$159	\$159	\$159	\$159	\$159
55,001-63,500	\$159	\$159	\$159	\$159	\$159	\$160	\$163	\$163

6.7 Class A – Power units – non-IRP

The rate indication shows that an increase of 10.6% is warranted for this class. A relativity analysis was done on GVW and model year.

Recommendation: SGI recommends an overall average rate increase of 8.9% for this class (7.1% once the capital margin is applied). Nearly all of the current vehicle population will receive increases averaging \$108/year (\$208/year maximum), with the remaining vehicles receiving an average decrease of \$53/year (\$213/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$794	\$829	\$877	\$911	\$948	\$950	\$956	\$963
11,001-13,000	\$810	\$855	\$920	\$965	\$1,013	\$1,016	\$1,023	\$1,032
13,001-22,000	\$826	\$882	\$962	\$1,018	\$1,079	\$1,081	\$1,091	\$1,101
22,001-34,000	\$842	\$909	\$1,005	\$1,071	\$1,144	\$1,147	\$1,159	\$1,171
34,001-40,000	\$985	\$1,028	\$1,151	\$1,255	\$1,368	\$1,373	\$1,392	\$1,411
40,001-55,000	\$1,164	\$1,215	\$1,244	\$1,337	\$1,468	\$1,474	\$1,496	\$1,518
55,001-63,500	\$1,276	\$1,330	\$1,362	\$1,395	\$1,505	\$1,511	\$1,533	\$1,556

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$944	\$979	\$1,027	\$1,061	\$1,098	\$1,100	\$1,106	\$1,113
11,001-13,000	\$960	\$1,005	\$1,070	\$1,115	\$1,164	\$1,168	\$1,176	\$1,186
13,001-22,000	\$975	\$1,032	\$1,112	\$1,170	\$1,240	\$1,243	\$1,254	\$1,266
22,001-34,000	\$982	\$1,059	\$1,147	\$1,231	\$1,313	\$1,319	\$1,332	\$1,346
34,001-40,000	\$1,013	\$1,131	\$1,238	\$1,372	\$1,465	\$1,541	\$1,563	\$1,622
40,001-55,000	\$1,021	\$1,146	\$1,261	\$1,404	\$1,502	\$1,584	\$1,607	\$1,745
55,001-63,500	\$1,085	\$1,177	\$1,306	\$1,468	\$1,578	\$1,670	\$1,696	\$1,789

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	19%	18%	17%	16%	16%	16%	16%	16%
11,001-13,000	19%	18%	16%	16%	15%	15%	15%	15%
13,001-22,000	18%	17%	16%	15%	15%	15%	15%	15%
22,001-34,000	17%	17%	14%	15%	15%	15%	15%	15%
34,001-40,000	3%	10%	8%	9%	7%	12%	12%	15%
40,001-55,000	-12%	-6%	1%	5%	2%	7%	7%	15%
55,001-63,500	-15%	-12%	-4%	5%	5%	11%	11%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$150	\$150	\$150	\$150	\$150	\$150	\$150	\$150
11,001-13,000	\$150	\$150	\$150	\$150	\$151	\$152	\$153	\$154
13,001-22,000	\$149	\$150	\$150	\$152	\$161	\$162	\$163	\$165
22,001-34,000	\$140	\$150	\$142	\$160	\$169	\$172	\$173	\$175
34,001-40,000	\$28	\$103	\$87	\$117	\$97	\$168	\$171	\$211
40,001-55,000	-\$143	-\$69	\$17	\$67	\$34	\$110	\$111	\$227
55,001-63,500	-\$191	-\$153	-\$56	\$73	\$73	\$159	\$163	\$233

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$812	\$847	\$897	\$931	\$969	\$971	\$977	\$984
11,001-13,000	\$828	\$874	\$941	\$987	\$1,036	\$1,039	\$1,046	\$1,055
13,001-22,000	\$844	\$902	\$983	\$1,041	\$1,103	\$1,105	\$1,115	\$1,126
22,001-34,000	\$861	\$929	\$1,027	\$1,095	\$1,170	\$1,173	\$1,185	\$1,197
34,001-40,000	\$1,007	\$1,051	\$1,177	\$1,283	\$1,399	\$1,404	\$1,423	\$1,442
40,001-55,000	\$1,190	\$1,242	\$1,272	\$1,367	\$1,501	\$1,507	\$1,529	\$1,552
55,001-63,500	\$1,304	\$1,360	\$1,392	\$1,426	\$1,539	\$1,545	\$1,567	\$1,591

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$949	\$985	\$1,033	\$1,067	\$1,104	\$1,106	\$1,112	\$1,119
11,001-13,000	\$965	\$1,011	\$1,076	\$1,121	\$1,171	\$1,175	\$1,183	\$1,193
13,001-22,000	\$980	\$1,038	\$1,118	\$1,177	\$1,247	\$1,250	\$1,261	\$1,273
22,001-34,000	\$988	\$1,065	\$1,153	\$1,238	\$1,320	\$1,326	\$1,339	\$1,354
34,001-40,000	\$1,019	\$1,137	\$1,245	\$1,380	\$1,473	\$1,550	\$1,572	\$1,631
40,001-55,000	\$1,027	\$1,152	\$1,268	\$1,412	\$1,510	\$1,593	\$1,616	\$1,755
55,001-63,500	\$1,091	\$1,184	\$1,313	\$1,476	\$1,587	\$1,679	\$1,706	\$1,799

% Change including Capital Margin	Model Year							
	<1987	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW								
5,001-11,000	17%	16%	15%	15%	14%	14%	14%	14%
11,001-13,000	17%	16%	14%	14%	13%	13%	13%	13%
13,001-22,000	16%	15%	14%	13%	13%	13%	13%	13%
22,001-34,000	15%	15%	12%	13%	13%	13%	13%	13%
34,001-40,000	1%	8%	6%	8%	5%	10%	10%	13%
40,001-55,000	-14%	-7%	0%	3%	1%	6%	6%	13%
55,001-63,500	-16%	-13%	-6%	4%	3%	9%	9%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW								
5,001-11,000	\$137	\$138	\$136	\$136	\$135	\$135	\$135	\$135
11,001-13,000	\$137	\$137	\$135	\$134	\$135	\$136	\$137	\$138
13,001-22,000	\$136	\$136	\$135	\$136	\$144	\$145	\$146	\$147
22,001-34,000	\$127	\$136	\$126	\$143	\$150	\$153	\$154	\$157
34,001-40,000	\$12	\$86	\$68	\$97	\$74	\$146	\$149	\$189
40,001-55,000	-\$163	-\$90	-\$4	\$45	\$9	\$86	\$87	\$203
55,001-63,500	-\$213	-\$176	-\$79	\$50	\$48	\$134	\$139	\$208

Classes C and D – Commercial vehicles

The rates for these classes are currently the same. Because the risk is similar for these two classes, the indication and relativity analyses were done with combined experience. SGI keeps the classes separate for registration purposes.

6.8 Classes C and D – Heavy trucks and heavy vans

The rate indication shows that this class requires a 6.6% decrease. A relativity analysis was performed on both GVW and model year.

Recommendation: SGI recommends an overall average rate decrease of 6.5% excluding the capital margin (8.0% with the capital margin). Nearly all of the current vehicle population will receive decreases averaging \$69/year (\$169/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW								
0-20,000	\$560	\$613	\$646	\$668	\$682	\$714	\$719	\$724
20,001-30,000	\$584	\$659	\$706	\$751	\$771	\$802	\$808	\$814
30,001-40,000	\$595	\$680	\$732	\$783	\$806	\$841	\$848	\$855
40,001-50,000	\$624	\$734	\$803	\$869	\$899	\$944	\$953	\$963
50,001-63,500	\$658	\$799	\$886	\$971	\$1,009	\$1,067	\$1,079	\$1,090

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	\$478	\$521	\$560	\$591	\$643	\$687	\$726	\$779
20,001-30,000	\$483	\$534	\$581	\$608	\$666	\$714	\$757	\$816
30,001-40,000	\$496	\$557	\$611	\$655	\$727	\$788	\$843	\$916
40,001-50,000	\$503	\$609	\$653	\$719	\$762	\$830	\$891	\$974
50,001-63,500	\$533	\$649	\$736	\$821	\$858	\$918	\$992	\$1,092

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	-15%	-15%	-13%	-12%	-6%	-4%	1%	8%
20,001-30,000	-17%	-19%	-18%	-19%	-14%	-11%	-6%	0%
30,001-40,000	-17%	-18%	-17%	-16%	-10%	-6%	-1%	7%
40,001-50,000	-19%	-17%	-19%	-17%	-15%	-12%	-7%	1%
50,001-63,500	-19%	-19%	-17%	-15%	-15%	-14%	-8%	0%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	-\$82	-\$92	-\$86	-\$77	-\$39	-\$27	\$7	\$55
20,001-30,000	-\$101	-\$125	-\$125	-\$143	-\$105	-\$88	-\$51	\$2
30,001-40,000	-\$99	-\$123	-\$121	-\$128	-\$79	-\$53	-\$5	\$61
40,001-50,000	-\$121	-\$125	-\$150	-\$150	-\$137	-\$114	-\$62	\$11
50,001-63,500	-\$125	-\$150	-\$150	-\$150	-\$151	-\$149	-\$87	\$2

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	\$572	\$627	\$660	\$683	\$697	\$730	\$735	\$740
20,001-30,000	\$597	\$674	\$722	\$768	\$788	\$820	\$826	\$832
30,001-40,000	\$608	\$695	\$748	\$800	\$824	\$860	\$867	\$874
40,001-50,000	\$638	\$750	\$821	\$888	\$919	\$965	\$974	\$984
50,001-63,500	\$673	\$817	\$906	\$993	\$1,032	\$1,091	\$1,103	\$1,114

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	\$481	\$524	\$563	\$594	\$647	\$691	\$730	\$783
20,001-30,000	\$486	\$537	\$584	\$611	\$670	\$718	\$761	\$821
30,001-40,000	\$499	\$560	\$614	\$659	\$731	\$792	\$848	\$921
40,001-50,000	\$506	\$612	\$657	\$723	\$766	\$835	\$896	\$979
50,001-63,500	\$536	\$653	\$740	\$826	\$863	\$923	\$998	\$1,098

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	-16%	-16%	-15%	-13%	-7%	-5%	-1%	6%
20,001-30,000	-19%	-20%	-19%	-20%	-15%	-12%	-8%	-1%
30,001-40,000	-18%	-19%	-18%	-18%	-11%	-8%	-2%	5%
40,001-50,000	-21%	-18%	-20%	-19%	-17%	-13%	-8%	-1%
50,001-63,500	-20%	-20%	-18%	-17%	-16%	-15%	-10%	-1%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
0-20,000	-\$91	-\$103	-\$97	-\$89	-\$50	-\$39	-\$5	\$43
20,001-30,000	-\$111	-\$137	-\$138	-\$157	-\$118	-\$102	-\$65	-\$11
30,001-40,000	-\$109	-\$135	-\$134	-\$141	-\$93	-\$68	-\$19	\$47
40,001-50,000	-\$132	-\$138	-\$164	-\$165	-\$153	-\$130	-\$78	-\$5
50,001-63,500	-\$137	-\$164	-\$166	-\$167	-\$169	-\$168	-\$105	-\$16

6.9 Classes C and D – Power units

The rate indication shows that the premium for these vehicles requires an 8.2% decrease. A relativity analysis was performed on both GVW and model year.

Recommendation: SGI recommends applying an overall average rate decrease of 8.1% for this class (9.7% with the capital margin applied). Seventy-six per cent of the current vehicle population will receive a decrease averaging \$200/year (\$270/year maximum). The remaining vehicles will receive an average increase of \$62/year (\$158/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Model Year								
	GVW	<1976	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
5,001-20,000	\$564	\$633	\$667	\$739	\$766	\$778	\$789	\$800	\$811
20,001-30,000	\$564	\$757	\$808	\$879	\$929	\$970	\$986	\$995	\$1,005
30,001-35,000	\$564	\$796	\$873	\$983	\$1,060	\$1,143	\$1,147	\$1,160	\$1,175
35,001-36,000	\$608	\$832	\$933	\$1,078	\$1,179	\$1,289	\$1,294	\$1,311	\$1,330
36,001-40,000	\$629	\$867	\$993	\$1,173	\$1,298	\$1,435	\$1,441	\$1,463	\$1,486
40,001-50,000	\$629	\$908	\$1,062	\$1,282	\$1,435	\$1,602	\$1,609	\$1,636	\$1,665
50,001-63,500	\$629	\$911	\$1,067	\$1,291	\$1,446	\$1,615	\$1,622	\$1,650	\$1,679

Proposed Rate excluding Capital Margin	Model Year								
	GVW	<1976	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
5,001-20,000	\$666	\$666	\$748	\$816	\$894	\$928	\$939	\$950	\$961
20,001-30,000	\$671	\$671	\$758	\$830	\$914	\$1,008	\$1,041	\$1,071	\$1,155
30,001-35,000	\$689	\$697	\$810	\$904	\$1,013	\$1,136	\$1,178	\$1,217	\$1,351
35,001-36,000	\$715	\$715	\$847	\$956	\$1,083	\$1,226	\$1,275	\$1,320	\$1,524
36,001-40,000	\$726	\$726	\$869	\$998	\$1,125	\$1,280	\$1,333	\$1,382	\$1,602
40,001-50,000	\$742	\$758	\$903	\$1,090	\$1,220	\$1,362	\$1,415	\$1,469	\$1,714
50,001-63,500	\$745	\$761	\$907	\$1,098	\$1,230	\$1,373	\$1,432	\$1,488	\$1,738

% Change excluding Capital Margin	Model Year								
	GVW	<1976	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016
5,001-20,000	18%	5%	12%	10%	17%	19%	19%	19%	19%
20,001-30,000	19%	-11%	-6%	-6%	-2%	4%	6%	8%	15%
30,001-35,000	22%	-12%	-7%	-8%	-4%	-1%	3%	5%	15%
35,001-36,000	18%	-14%	-9%	-11%	-8%	-5%	-1%	1%	15%
36,001-40,000	15%	-16%	-12%	-15%	-13%	-11%	-7%	-6%	8%
40,001-50,000	18%	-17%	-15%	-15%	-15%	-15%	-12%	-10%	3%
50,001-63,500	18%	-16%	-15%	-15%	-15%	-15%	-12%	-10%	4%

\$ Change excluding Capital Margin	Model Year								
	<1976	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW									
5,001-20,000	\$102	\$33	\$81	\$77	\$128	\$150	\$150	\$150	\$150
20,001-30,000	\$107	-\$86	-\$50	-\$49	-\$15	\$38	\$55	\$76	\$150
30,001-35,000	\$125	-\$99	-\$63	-\$79	-\$47	-\$7	\$31	\$57	\$176
35,001-36,000	\$107	-\$117	-\$86	-\$122	-\$96	-\$63	-\$19	\$9	\$194
36,001-40,000	\$97	-\$141	-\$124	-\$175	-\$173	-\$155	-\$108	-\$81	\$116
40,001-50,000	\$113	-\$150	-\$159	-\$192	-\$215	-\$240	-\$194	-\$167	\$49
50,001-63,500	\$116	-\$150	-\$160	-\$193	-\$216	-\$242	-\$190	-\$162	\$59

Current Rate including Capital Margin	Model Year								
	<1976	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW									
5,001-20,000	\$577	\$647	\$682	\$755	\$783	\$795	\$807	\$818	\$829
20,001-30,000	\$577	\$774	\$826	\$899	\$950	\$992	\$1,008	\$1,017	\$1,027
30,001-35,000	\$577	\$814	\$892	\$1,005	\$1,084	\$1,168	\$1,173	\$1,186	\$1,201
35,001-36,000	\$622	\$851	\$954	\$1,102	\$1,205	\$1,318	\$1,323	\$1,340	\$1,360
36,001-40,000	\$643	\$886	\$1,015	\$1,199	\$1,327	\$1,467	\$1,473	\$1,496	\$1,519
40,001-50,000	\$643	\$928	\$1,086	\$1,311	\$1,467	\$1,638	\$1,645	\$1,672	\$1,702
50,001-63,500	\$643	\$931	\$1,091	\$1,320	\$1,478	\$1,651	\$1,658	\$1,687	\$1,716

Proposed Rate including Capital Margin	Model Year								
	<1976	1976- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW									
5,001-20,000	\$670	\$670	\$752	\$821	\$899	\$933	\$944	\$955	\$966
20,001-30,000	\$675	\$675	\$762	\$835	\$919	\$1,014	\$1,047	\$1,077	\$1,161
30,001-35,000	\$693	\$701	\$815	\$909	\$1,019	\$1,142	\$1,185	\$1,224	\$1,359
35,001-36,000	\$719	\$719	\$852	\$961	\$1,089	\$1,233	\$1,282	\$1,327	\$1,533
36,001-40,000	\$730	\$730	\$874	\$1,004	\$1,131	\$1,287	\$1,340	\$1,390	\$1,611
40,001-50,000	\$746	\$762	\$908	\$1,096	\$1,227	\$1,370	\$1,423	\$1,477	\$1,724
50,001-63,500	\$749	\$765	\$912	\$1,104	\$1,237	\$1,381	\$1,440	\$1,496	\$1,748

% Change including Capital Margin	Model Year								
	<1976	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW									
5,001-20,000	16%	4%	10%	9%	15%	17%	17%	17%	17%
20,001-30,000	17%	-13%	-8%	-7%	-3%	2%	4%	6%	13%
30,001-35,000	20%	-14%	-9%	-10%	-6%	-2%	1%	3%	13%
35,001-36,000	16%	-16%	-11%	-13%	-10%	-6%	-3%	-1%	13%
36,001-40,000	14%	-18%	-14%	-16%	-15%	-12%	-9%	-7%	6%
40,001-50,000	16%	-18%	-16%	-16%	-16%	-16%	-13%	-12%	1%
50,001-63,500	16%	-18%	-16%	-16%	-16%	-16%	-13%	-11%	2%

\$ Change including Capital Margin	Model Year								
	<1976	1976-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW									
5,001-20,000	\$93	\$23	\$70	\$66	\$116	\$138	\$137	\$137	\$137
20,001-30,000	\$98	-\$99	-\$64	-\$64	-\$31	\$22	\$39	\$60	\$134
30,001-35,000	\$116	-\$113	-\$77	-\$96	-\$65	-\$26	\$12	\$38	\$158
35,001-36,000	\$97	-\$132	-\$102	-\$141	-\$116	-\$85	-\$41	-\$13	\$173
36,001-40,000	\$87	-\$156	-\$141	-\$195	-\$196	-\$180	-\$133	-\$106	\$92
40,001-50,000	\$103	-\$166	-\$178	-\$215	-\$240	-\$268	-\$222	-\$195	\$22
50,001-63,500	\$106	-\$166	-\$179	-\$216	-\$241	-\$270	-\$218	-\$191	\$32

6.10 Class F – Farm Heavy Trucks and Heavy Vans

The rate indication for this class shows a 5.1% required rate decrease. Relativity analysis was performed on the model year of the vehicle.

The number of vehicles within this class continues to decline, while the number of farm power units increases. Over the past three years, the average decrease in number of vehicles for this class has been around 4% per year. The decline is believed to be the result of farmers' preferences shifting from grain trucks to semi-trailers and grain carts for increased hauling capacity.

Recommendation: SGI recommends an overall average rate decrease of 0.3%, which takes into account capping (decrease of 2.0% with the capital margin applied). This means 24% of the current vehicle population will receive a decrease averaging \$98/year; 76% of vehicles will receive an average increase of \$26/year. The maximum increase any vehicle within the current population will receive is \$36/year; the maximum decrease is \$164/year.

The impact on the rates for these vehicles is shown in the following table.

Model Year	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
1979 & Older	\$131	\$156	19%	\$25	\$134	\$157	17%	\$23
1980	\$154	\$185	20%	\$31	\$157	\$186	18%	\$29
1981	\$162	\$189	17%	\$27	\$166	\$190	14%	\$24
1982	\$162	\$190	17%	\$28	\$166	\$191	15%	\$25
1983	\$163	\$191	17%	\$28	\$167	\$192	15%	\$25
1984	\$163	\$194	19%	\$31	\$167	\$195	17%	\$28
1985	\$170	\$199	17%	\$29	\$174	\$200	15%	\$26
1986	\$183	\$214	17%	\$31	\$187	\$215	15%	\$28
1987	\$192	\$227	18%	\$35	\$196	\$228	16%	\$32
1988	\$201	\$230	14%	\$29	\$205	\$231	13%	\$26
1989	\$205	\$238	16%	\$33	\$210	\$239	14%	\$29
1990	\$209	\$243	16%	\$34	\$214	\$244	14%	\$30
1991	\$213	\$248	16%	\$35	\$218	\$249	14%	\$31
1992	\$217	\$253	17%	\$36	\$222	\$254	14%	\$32
1993	\$222	\$258	16%	\$36	\$227	\$259	14%	\$32
1994	\$226	\$264	17%	\$38	\$231	\$265	15%	\$34
1995	\$231	\$270	17%	\$39	\$236	\$272	15%	\$36
1996	\$282	\$276	-2%	-\$6	\$288	\$278	-3%	-\$10
1997	\$306	\$283	-8%	-\$23	\$313	\$285	-9%	-\$28
1998	\$318	\$290	-9%	-\$28	\$325	\$292	-10%	-\$33
1999	\$329	\$297	-10%	-\$32	\$336	\$299	-11%	-\$37
2000	\$407	\$307	-25%	-\$100	\$416	\$309	-26%	-\$107
2001	\$425	\$325	-24%	-\$100	\$434	\$327	-25%	-\$107
2002	\$433	\$333	-23%	-\$100	\$443	\$335	-24%	-\$108
2003	\$433	\$333	-23%	-\$100	\$443	\$335	-24%	-\$108
2004	\$450	\$350	-22%	-\$100	\$460	\$352	-23%	-\$108
2005	\$489	\$389	-20%	-\$100	\$500	\$391	-22%	-\$109
2006	\$540	\$415	-23%	-\$125	\$552	\$417	-24%	-\$135
2007	\$569	\$444	-22%	-\$125	\$582	\$446	-23%	-\$136

Model Year	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
2008	\$625	\$500	-20%	-\$125	\$639	\$503	-21%	-\$136
2009	\$651	\$526	-19%	-\$125	\$666	\$529	-21%	-\$137
2010	\$689	\$564	-18%	-\$125	\$704	\$567	-19%	-\$137
2011	\$727	\$602	-17%	-\$125	\$743	\$605	-19%	-\$138
2012	\$762	\$612	-20%	-\$150	\$779	\$615	-21%	-\$164
2013	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2014	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2015	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2016	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2017	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2018	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2019	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2020	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164
2021	\$798	\$648	-19%	-\$150	\$816	\$652	-20%	-\$164

6.11 Class F – Farm light trucks with model years 1993 and older

The rate indication for farm light trucks with model years 1993 and older shows that a 14.5% decrease is warranted. A relativity analysis was performed on model year and vehicle size (full-size or compact). Since the number of vehicles within this class continues to decrease over time, the decision has been made to move farm light trucks with model years 1993 and older to a flat rate.

Recommendation: SGI recommends an overall average rate decrease of 14.5% for this class (15.9% with the capital margin applied). All of the current vehicle population will receive a decrease averaging \$33/year (\$45/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Model Year	Current Rate excluding Capital Margin		Proposed Rate excluding Capital Margin	
	Full-Sized	Compact	Full-Sized	Compact
1992 & Older	\$202	\$202	\$174	\$174
1993	\$215	\$202	\$174	\$174

Model Year	% Change excluding Capital Margin		\$ Change excluding Capital Margin	
	Full-Sized	Compact	Full-Sized	Compact
1992 & Older	-14%	-14%	-\$28	-\$28
1993	-19%	-14%	-\$41	-\$28

Model Year	Current Rate including Capital Margin		Proposed Rate including Capital Margin	
	Full-Sized	Compact	Full-Sized	Compact
1992 & Older	\$207	\$207	\$175	\$175
1993	\$220	\$207	\$175	\$175

Model Year	% Change including Capital Margin		\$ Change including Capital Margin	
	Full-Sized	Compact	Full-Sized	Compact
1992 & Older	-15%	-15%	-\$32	-\$32
1993	-20%	-15%	-\$45	-\$32

6.12 Class F – Farm power units

The rate indication shows that a 14.3% rate increase is required for this class to be adequate. A relativity analysis based on model year was performed.

As mentioned previously, due to increased hauling capacity requirements, the number of vehicles within this class has been growing while the number of farm heavy trucks has been decreasing. Over the past five years, the average growth in number of vehicles for this class has been around 4% per year.

Recommendation: SGI recommends rebalancing this class, which results in an overall average rate increase of 12.1% (10.3% with the capital margin applied). Nearly 79% of the current vehicle population will receive an increase averaging \$77/year, while the remaining vehicles will receive a decrease averaging \$27/year. The maximum increase that any vehicle within the current population will receive is \$116/year; the maximum decrease is \$56/year.

The impact on the rates for these vehicles is shown in the table below.

Model Year	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
1981 & Older	\$346	\$296	-14%	-\$50	\$354	\$298	-16%	-\$56
1982-1985	\$368	\$326	-11%	-\$42	\$376	\$328	-13%	-\$48
1986-1990	\$384	\$350	-9%	-\$34	\$393	\$352	-10%	-\$41
1991-1994	\$426	\$415	-3%	-\$11	\$435	\$417	-4%	-\$18
1995-1998	\$444	\$458	3%	\$14	\$454	\$461	2%	\$7
1999	\$456	\$459	1%	\$3	\$466	\$462	-1%	-\$4
2000	\$527	\$585	11%	\$58	\$539	\$588	9%	\$49
2001	\$529	\$602	14%	\$73	\$541	\$605	12%	\$64
2002	\$532	\$606	14%	\$74	\$544	\$609	12%	\$65
2003	\$542	\$626	15%	\$84	\$554	\$630	14%	\$76
2004	\$551	\$650	18%	\$99	\$563	\$654	16%	\$91
2005	\$561	\$674	20%	\$113	\$574	\$678	18%	\$104
2006	\$571	\$681	19%	\$110	\$584	\$685	17%	\$101
2007	\$581	\$688	18%	\$107	\$594	\$692	16%	\$98
2008	\$591	\$710	20%	\$119	\$604	\$714	18%	\$110
2009	\$602	\$727	21%	\$125	\$615	\$731	19%	\$116
2010	\$614	\$739	20%	\$125	\$628	\$743	18%	\$115
2011	\$625	\$750	20%	\$125	\$639	\$754	18%	\$115
2012	\$638	\$763	20%	\$125	\$652	\$767	18%	\$115
2013	\$651	\$776	19%	\$125	\$666	\$780	17%	\$114
2014	\$664	\$789	19%	\$125	\$679	\$793	17%	\$114
2015	\$664	\$789	19%	\$125	\$679	\$793	17%	\$114
2016	\$678	\$803	18%	\$125	\$693	\$808	17%	\$115
2017	\$692	\$817	18%	\$125	\$707	\$822	16%	\$115
2018	\$705	\$830	18%	\$125	\$721	\$835	16%	\$114
2019	\$719	\$844	17%	\$125	\$735	\$849	16%	\$114
2020	\$733	\$858	17%	\$125	\$749	\$863	15%	\$114
2021	\$746	\$871	17%	\$125	\$763	\$876	15%	\$113

6.13 Hearses

These vehicles are currently charged the private passenger make and model vehicle rate with a cap of \$412 (\$421 including the capital amount), with most hearses hitting the cap. The rate indication shows that a 6.0% increase is warranted for this class.

Recommendation: SGI recommends an overall average rate increase of 6.1% for this class (4.3% change with the capital margin applied). The proposed cap, including capital margin, will be \$439.

6.14 Class L – Automobile and motorcycle dealers

Licence plates registered under this vehicle class are used as floater plates for dealerships, when vehicles are moved around or customers take them for a test drive. The rate indication shows that a 5.9% increase is warranted for this class. A relativity analysis based on dealer type was performed.

Recommendation: SGI recommends an overall average rate increase of 5.9% for this class (4.1% with the capital margin applied).

The impact on the rates for these vehicles is shown in the table below.

Dealer Type	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
Automobile	\$703	\$744	6%	\$41	\$719	\$748	4%	\$29
Motorcycle	\$518	\$567	9%	\$49	\$530	\$570	8%	\$40

6.15 Class L – Snowmobile dealers

Snowmobile dealers are currently charged a flat fee of \$60 (\$61 with the capital amount) per floater licence plate. These plates provide liability coverage, with very limited injury coverage. The rate indication shows that no rate change is required at this time.

Recommendation: SGI recommends that no overall rate change be applied to this class (1.6% decrease with the capital margin applied). The proposed flat premium, including capital margin, would decrease to \$60.

6.16 Class LV – Antiques

In order to qualify for an antique licence plate, the vehicle must be model year 1987 or older and not be the primary vehicle of the insured. The criteria has changed since the 2014 rate program, where a vehicle could qualify if it was at least 30 years old. Antique vehicles have full injury and liability coverage, but are limited to \$300 damage coverage (\$800 damage limit with a \$500 deductible). The rate indication suggests this class requires a 11.2% rate increase. These vehicles are currently charged a flat rate of \$83 (\$85 including the capital margin).

Recommendation: SGI recommends that an increase of 10.8% be applied (9.4% including the capital margin). The proposed flat premium, including capital margin, would increase to \$93.

6.17 Class LV – Buses

Class LV buses include private or company buses with a GVW of 15,000 kg or less that are not used for the transport of passengers for compensation. Sports teams and camps register their buses under this class.

In order for this class to have adequate rates, an increase of 2.8% is required. A relativity analysis was performed on the combined restricted and unrestricted bus experience based on seating capacity and restriction.

Recommendation: After the application of the indicated rate increase and capping, SGI recommends an overall average rate increase of 2.7% (1.1% including the capital margin). Fifty-four per cent of the vehicles within this class will receive increases averaging \$38/year (\$38/year maximum). The remainder will receive decreases averaging \$34/year (\$55/year maximum).

The impact on the rates for these vehicles is shown in the table below.

Seating Capacity	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
15 or Less	\$522	\$569	9%	\$47	\$534	\$572	7%	\$38
16 - 24	\$567	\$569	0%	\$2	\$580	\$572	-1%	-\$8
25 or More	\$613	\$569	-7%	-\$44	\$627	\$572	-9%	-\$55

6.18 Class LV – Restricted buses

Vehicles registered under this class are vans or buses that are used exclusively to transport Sunday school students and teachers to and from Sunday school and church, or to transport patients or persons with special needs to and from hospitals, care homes or recreation centres.

The rate indication shows that a 12.2% increase is indicated for this class to be rate adequate. A relativity analysis was performed on the combined restricted and unrestricted bus experience based on seating capacity and restriction.

Recommendation: SGI recommends applying an indicated rate increase of 12.2% (10.3% with the capital margin applied). All vehicles within this class will be receiving an increase. The average increase is \$38/year (\$40/year maximum).

The impact on the rates for these vehicles is shown in the table below.

Seating Capacity	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
15 or Less	\$358	\$404	13%	\$46	\$366	\$406	11%	\$40
16 - 24	\$364	\$404	11%	\$40	\$372	\$406	9%	\$34
25 or More	\$370	\$404	9%	\$34	\$378	\$406	7%	\$28

6.19 Class LV – Motorcycle

In previous rate programs, motorcycles had one of the largest indicated rate increases. Due to the lack of occupant protection, whether in a single vehicle crash or otherwise, injury claim costs for this class are extremely high. Unlike CLEAR-rated vehicles where injury makes up approximately 15% of the total required premium, motorcycle injury costs account for approximately 75% of the required average motorcycle premium (including medical funding). In response to motorcycle owners' concerns about the price of insurance, a number of changes were made to improve motorcycle safety and motorcycle owners now have a third injury coverage option called Reduced No Fault Coverage. See section 5.4 for details. Motorcycle owners that select Reduced No Fault Coverage receive the following discount, depending on the engine size of their motorcycle:

- 5% for all motorcycles 100cc and less
- 20% for all motorcycles 101cc-400cc
- 30% for all motorcycles 401cc and more

These changes have contributed to an improved claim experience for this class, but at the same time, fewer motorcycles are being registered and their owners have insured them for shorter periods of time. These trends are reducing the total amount of motorcycle insurance premiums available to cover motorcycle claim costs. This year's rate indication shows that a 34.2% rate increase is warranted.

Motorcycle rates within the class are split into three body types: cruiser/touring, sport and dual purpose/other. These three categories are further divided by model year and engine size. With the 2021 rate program, the engine size categories have been expanded from five categories to 15 in order to provide more accurate premiums per specific motorcycle. The model year categories have been adjusted as well.

Recommendation: SGI recommends an overall rate increase of 11.9% (or a 10.1% increase with the capital margin applied). For 91% of the cruiser/touring bike population, this means increases averaging \$242/year; the remaining 9% will see decreases averaging \$106/year. For the dual purpose/other bike population, 74% will receive increases averaging \$114/year; 26% will receive decreases averaging \$145/year. For the sport bike population, 84% will see increases averaging \$165/year, with the remainder seeing an average \$228/year decrease. The maximum annual increases and decreases are as follows:

- cruiser/touring bikes: \$362/year max. increase; \$349/year max. decrease;
- dual purpose/other bikes: \$318/year max. increase; \$338/year max. decrease; and,
- sport bikes: \$479/year max. increase; \$504/year max. decrease.

Reduced No Fault Coverage discounts are recommended to remain the same until enough loss experience from this option has been collected for analysis. The actual experience so far has closely followed the current discounts.

The impact on the rates for these vehicles is shown in the tables below.

Cruising/Touring

Current Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
Model Year															
1982 & Older	\$372	\$372	\$372	\$372	\$892	\$892	\$892	\$892	\$1,083	\$1,083	\$1,083	\$1,083	\$1,224	\$1,224	\$1,224
1983 - 1986	\$389	\$431	\$431	\$431	\$1,070	\$1,070	\$1,070	\$1,070	\$1,217	\$1,217	\$1,217	\$1,217	\$1,350	\$1,350	\$1,350
1987	\$400	\$457	\$457	\$457	\$1,211	\$1,211	\$1,211	\$1,211	\$1,362	\$1,362	\$1,362	\$1,362	\$1,493	\$1,493	\$1,493
1988 - 1989	\$400	\$457	\$457	\$457	\$1,211	\$1,211	\$1,211	\$1,211	\$1,362	\$1,362	\$1,362	\$1,362	\$1,493	\$1,493	\$1,493
1990 - 1992	\$400	\$457	\$457	\$457	\$1,211	\$1,211	\$1,211	\$1,211	\$1,362	\$1,362	\$1,362	\$1,362	\$1,493	\$1,493	\$1,493
1993 - 1995	\$402	\$477	\$477	\$477	\$1,293	\$1,293	\$1,293	\$1,293	\$1,469	\$1,469	\$1,469	\$1,469	\$1,632	\$1,632	\$1,632
1996	\$402	\$477	\$477	\$477	\$1,293	\$1,293	\$1,293	\$1,293	\$1,469	\$1,469	\$1,469	\$1,469	\$1,632	\$1,632	\$1,632
1997 - 2000	\$406	\$535	\$535	\$535	\$1,450	\$1,450	\$1,450	\$1,450	\$1,690	\$1,690	\$1,690	\$1,690	\$1,886	\$1,886	\$1,886
2001	\$412	\$543	\$543	\$543	\$1,524	\$1,524	\$1,524	\$1,524	\$1,776	\$1,776	\$1,776	\$1,776	\$1,945	\$1,945	\$1,945
2002 - 2004	\$412	\$543	\$543	\$543	\$1,524	\$1,524	\$1,524	\$1,524	\$1,776	\$1,776	\$1,776	\$1,776	\$1,945	\$1,945	\$1,945
2005 - 2007	\$412	\$567	\$567	\$567	\$1,615	\$1,615	\$1,615	\$1,615	\$1,878	\$1,878	\$1,878	\$1,878	\$2,110	\$2,110	\$2,110
2008 - 2010	\$412	\$567	\$567	\$567	\$1,710	\$1,710	\$1,710	\$1,710	\$1,956	\$1,956	\$1,956	\$1,956	\$2,110	\$2,110	\$2,110
2011 - 2013	\$415	\$608	\$608	\$608	\$1,780	\$1,780	\$1,780	\$1,780	\$1,965	\$1,965	\$1,965	\$1,965	\$2,233	\$2,233	\$2,233
2014 - 2016	\$450	\$661	\$661	\$661	\$1,787	\$1,787	\$1,787	\$1,787	\$1,973	\$1,973	\$1,973	\$1,973	\$2,456	\$2,456	\$2,456
2017 - 2019	\$488	\$719	\$719	\$719	\$1,794	\$1,794	\$1,794	\$1,794	\$1,981	\$1,981	\$1,981	\$1,981	\$2,702	\$2,702	\$2,702
2020 - 2022	\$529	\$782	\$782	\$782	\$1,801	\$1,801	\$1,801	\$1,801	\$1,989	\$1,989	\$1,989	\$1,989	\$2,972	\$2,972	\$2,972

Proposed Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
Model Year															
1982 & Older	\$472	\$472	\$472	\$472	\$1,042	\$1,042	\$1,042	\$1,042	\$1,245	\$1,245	\$1,245	\$1,245	\$1,407	\$1,407	\$1,407
1983 - 1986	\$489	\$531	\$531	\$531	\$1,230	\$1,230	\$1,230	\$1,230	\$1,399	\$1,399	\$1,399	\$1,399	\$1,552	\$1,552	\$1,552
1987	\$500	\$557	\$557	\$557	\$1,262	\$1,390	\$1,392	\$1,392	\$1,566	\$1,566	\$1,566	\$1,566	\$1,716	\$1,716	\$1,716
1988 - 1989	\$500	\$557	\$557	\$557	\$1,285	\$1,392	\$1,392	\$1,392	\$1,566	\$1,566	\$1,566	\$1,566	\$1,716	\$1,716	\$1,716
1990 - 1992	\$500	\$557	\$557	\$557	\$1,285	\$1,392	\$1,392	\$1,392	\$1,566	\$1,566	\$1,566	\$1,566	\$1,716	\$1,716	\$1,716
1993 - 1995	\$502	\$577	\$577	\$577	\$1,285	\$1,419	\$1,486	\$1,486	\$1,666	\$1,689	\$1,689	\$1,689	\$1,876	\$1,876	\$1,876
1996	\$502	\$577	\$577	\$577	\$1,306	\$1,445	\$1,486	\$1,486	\$1,689	\$1,689	\$1,689	\$1,689	\$1,876	\$1,876	\$1,876
1997 - 2000	\$506	\$660	\$660	\$660	\$1,306	\$1,445	\$1,554	\$1,667	\$1,702	\$1,854	\$1,943	\$1,943	\$2,168	\$2,168	\$2,168
2001	\$512	\$668	\$668	\$668	\$1,306	\$1,445	\$1,554	\$1,702	\$1,702	\$1,854	\$2,042	\$2,042	\$2,236	\$2,236	\$2,236
2002 - 2004	\$512	\$668	\$668	\$668	\$1,321	\$1,464	\$1,576	\$1,727	\$1,727	\$1,882	\$2,042	\$2,042	\$2,236	\$2,236	\$2,236
2005 - 2007	\$512	\$692	\$692	\$692	\$1,372	\$1,464	\$1,576	\$1,727	\$1,727	\$1,882	\$2,080	\$2,159	\$2,410	\$2,426	\$2,426
2008 - 2010	\$512	\$692	\$692	\$692	\$1,453	\$1,475	\$1,589	\$1,742	\$1,742	\$1,900	\$2,100	\$2,249	\$2,426	\$2,426	\$2,426
2011 - 2013	\$515	\$733	\$733	\$733	\$1,513	\$1,513	\$1,598	\$1,753	\$1,753	\$1,912	\$2,114	\$2,259	\$2,452	\$2,567	\$2,567
2014 - 2016	\$550	\$786	\$786	\$786	\$1,518	\$1,518	\$1,607	\$1,763	\$1,763	\$1,924	\$2,128	\$2,268	\$2,469	\$2,602	\$2,824
2017 - 2019	\$588	\$843	\$843	\$843	\$1,524	\$1,524	\$1,622	\$1,781	\$1,781	\$1,944	\$2,152	\$2,277	\$2,498	\$2,633	\$3,107
2020 - 2022	\$654	\$876	\$932	\$932	\$1,530	\$1,530	\$1,637	\$1,798	\$1,798	\$1,964	\$2,175	\$2,287	\$2,526	\$2,663	\$3,264

% Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	27%	27%	27%	27%	17%	17%	17%	17%	15%	15%	15%	15%	15%	15%	15%
1983 - 1986	26%	23%	23%	23%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1987	25%	22%	22%	22%	4%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1988 - 1989	25%	22%	22%	22%	6%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1990 - 1992	25%	22%	22%	22%	6%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1993 - 1995	25%	21%	21%	21%	-1%	10%	15%	15%	13%	15%	15%	15%	15%	15%	15%
1996	25%	21%	21%	21%	1%	12%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1997 - 2000	25%	23%	23%	23%	-10%	0%	7%	15%	1%	10%	15%	15%	15%	15%	15%
2001	24%	23%	23%	23%	-14%	-5%	2%	12%	-4%	4%	15%	15%	15%	15%	15%
2002 - 2004	24%	23%	23%	23%	-13%	-4%	3%	13%	-3%	6%	15%	15%	15%	15%	15%
2005 - 2007	24%	22%	22%	22%	-15%	-9%	-2%	7%	-8%	0%	11%	15%	14%	15%	15%
2008 - 2010	24%	22%	22%	22%	-15%	-14%	-7%	2%	-11%	-3%	7%	15%	15%	15%	15%
2011 - 2013	24%	21%	21%	21%	-15%	-15%	-10%	-2%	-11%	-3%	8%	15%	10%	15%	15%
2014 - 2016	22%	19%	19%	19%	-15%	-15%	-10%	-1%	-11%	-2%	8%	15%	1%	6%	15%
2017 - 2019	20%	17%	17%	17%	-15%	-15%	-10%	-1%	-10%	-2%	9%	15%	-8%	-3%	15%
2020 - 2022	24%	12%	19%	19%	-15%	-15%	-9%	0%	-10%	-1%	9%	15%	-15%	-10%	10%

\$ Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$100	\$100	\$100	\$100	\$150	\$150	\$150	\$150	\$162	\$162	\$162	\$162	\$183	\$183	\$183
1983 - 1986	\$100	\$100	\$100	\$100	\$160	\$160	\$160	\$160	\$182	\$182	\$182	\$182	\$202	\$202	\$202
1987	\$100	\$100	\$100	\$100	\$51	\$179	\$181	\$181	\$204	\$204	\$204	\$204	\$223	\$223	\$223
1988 - 1989	\$100	\$100	\$100	\$100	\$74	\$181	\$181	\$181	\$204	\$204	\$204	\$204	\$223	\$223	\$223
1990 - 1992	\$100	\$100	\$100	\$100	\$74	\$181	\$181	\$181	\$204	\$204	\$204	\$204	\$223	\$223	\$223
1993 - 1995	\$100	\$100	\$100	\$100	-\$8	\$126	\$193	\$193	\$197	\$220	\$220	\$220	\$244	\$244	\$244
1996	\$100	\$100	\$100	\$100	\$13	\$152	\$193	\$193	\$220	\$220	\$220	\$220	\$244	\$244	\$244
1997 - 2000	\$100	\$125	\$125	\$125	-\$144	-\$5	\$104	\$217	\$12	\$164	\$253	\$253	\$282	\$282	\$282
2001	\$100	\$125	\$125	\$125	-\$218	-\$79	\$30	\$178	-\$74	\$78	\$266	\$266	\$291	\$291	\$291
2002 - 2004	\$100	\$125	\$125	\$125	-\$203	-\$60	\$52	\$203	-\$49	\$106	\$266	\$266	\$291	\$291	\$291
2005 - 2007	\$100	\$125	\$125	\$125	-\$243	-\$151	-\$39	\$112	-\$151	\$4	\$202	\$281	\$300	\$316	\$316
2008 - 2010	\$100	\$125	\$125	\$125	-\$257	-\$235	-\$121	\$32	-\$214	-\$56	\$144	\$293	\$316	\$316	\$316
2011 - 2013	\$100	\$125	\$125	\$125	-\$267	-\$267	-\$182	-\$27	-\$212	-\$53	\$149	\$294	\$219	\$334	\$334
2014 - 2016	\$100	\$125	\$125	\$125	-\$269	-\$269	-\$180	-\$24	-\$210	-\$49	\$155	\$295	\$13	\$146	\$368
2017 - 2019	\$100	\$124	\$124	\$124	-\$270	-\$270	-\$172	-\$13	-\$200	-\$37	\$171	\$296	-\$204	-\$69	\$405
2020 - 2022	\$125	\$94	\$150	\$150	-\$271	-\$271	-\$164	-\$3	-\$191	-\$25	\$186	\$298	-\$446	-\$309	\$292

Current Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$380	\$380	\$380	\$380	\$912	\$912	\$912	\$912	\$1,107	\$1,107	\$1,107	\$1,107	\$1,251	\$1,251	\$1,251
1983 - 1986	\$398	\$441	\$441	\$441	\$1,094	\$1,094	\$1,094	\$1,094	\$1,244	\$1,244	\$1,244	\$1,244	\$1,380	\$1,380	\$1,380
1987	\$409	\$467	\$467	\$467	\$1,238	\$1,238	\$1,238	\$1,238	\$1,392	\$1,392	\$1,392	\$1,392	\$1,526	\$1,526	\$1,526
1988 - 1989	\$409	\$467	\$467	\$467	\$1,238	\$1,238	\$1,238	\$1,238	\$1,392	\$1,392	\$1,392	\$1,392	\$1,526	\$1,526	\$1,526
1990 - 1992	\$409	\$467	\$467	\$467	\$1,238	\$1,238	\$1,238	\$1,238	\$1,392	\$1,392	\$1,392	\$1,392	\$1,526	\$1,526	\$1,526
1993 - 1995	\$411	\$488	\$488	\$488	\$1,322	\$1,322	\$1,322	\$1,322	\$1,502	\$1,502	\$1,502	\$1,502	\$1,668	\$1,668	\$1,668
1996	\$411	\$488	\$488	\$488	\$1,322	\$1,322	\$1,322	\$1,322	\$1,502	\$1,502	\$1,502	\$1,502	\$1,668	\$1,668	\$1,668
1997 - 2000	\$415	\$547	\$547	\$547	\$1,482	\$1,482	\$1,482	\$1,482	\$1,728	\$1,728	\$1,728	\$1,728	\$1,928	\$1,928	\$1,928
2001	\$421	\$555	\$555	\$555	\$1,558	\$1,558	\$1,558	\$1,558	\$1,816	\$1,816	\$1,816	\$1,816	\$1,988	\$1,988	\$1,988
2002 - 2004	\$421	\$555	\$555	\$555	\$1,558	\$1,558	\$1,558	\$1,558	\$1,816	\$1,816	\$1,816	\$1,816	\$1,988	\$1,988	\$1,988
2005 - 2007	\$421	\$580	\$580	\$580	\$1,651	\$1,651	\$1,651	\$1,651	\$1,920	\$1,920	\$1,920	\$1,920	\$2,157	\$2,157	\$2,157
2008 - 2010	\$421	\$580	\$580	\$580	\$1,748	\$1,748	\$1,748	\$1,748	\$2,000	\$2,000	\$2,000	\$2,000	\$2,157	\$2,157	\$2,157
2011 - 2013	\$424	\$622	\$622	\$622	\$1,820	\$1,820	\$1,820	\$1,820	\$2,009	\$2,009	\$2,009	\$2,009	\$2,283	\$2,283	\$2,283
2014 - 2016	\$460	\$676	\$676	\$676	\$1,827	\$1,827	\$1,827	\$1,827	\$2,017	\$2,017	\$2,017	\$2,017	\$2,511	\$2,511	\$2,511
2017 - 2019	\$499	\$735	\$735	\$735	\$1,834	\$1,834	\$1,834	\$1,834	\$2,025	\$2,025	\$2,025	\$2,025	\$2,762	\$2,762	\$2,762
2020 - 2022	\$541	\$799	\$799	\$799	\$1,841	\$1,841	\$1,841	\$1,841	\$2,033	\$2,033	\$2,033	\$2,033	\$3,038	\$3,038	\$3,038

Proposed Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$475	\$475	\$475	\$475	\$1,048	\$1,048	\$1,048	\$1,048	\$1,252	\$1,252	\$1,252	\$1,252	\$1,415	\$1,415	\$1,415
1983 - 1986	\$492	\$534	\$534	\$534	\$1,237	\$1,237	\$1,237	\$1,237	\$1,407	\$1,407	\$1,407	\$1,407	\$1,561	\$1,561	\$1,561
1987	\$503	\$560	\$560	\$560	\$1,269	\$1,398	\$1,400	\$1,400	\$1,575	\$1,575	\$1,575	\$1,575	\$1,726	\$1,726	\$1,726
1988 - 1989	\$503	\$560	\$560	\$560	\$1,292	\$1,400	\$1,400	\$1,400	\$1,575	\$1,575	\$1,575	\$1,575	\$1,726	\$1,726	\$1,726
1990 - 1992	\$503	\$560	\$560	\$560	\$1,292	\$1,400	\$1,400	\$1,400	\$1,575	\$1,575	\$1,575	\$1,575	\$1,726	\$1,726	\$1,726
1993 - 1995	\$505	\$580	\$580	\$580	\$1,292	\$1,427	\$1,494	\$1,494	\$1,675	\$1,698	\$1,698	\$1,698	\$1,887	\$1,887	\$1,887
1996	\$505	\$580	\$580	\$580	\$1,313	\$1,453	\$1,494	\$1,494	\$1,698	\$1,698	\$1,698	\$1,698	\$1,887	\$1,887	\$1,887
1997 - 2000	\$509	\$664	\$664	\$664	\$1,313	\$1,453	\$1,563	\$1,676	\$1,712	\$1,864	\$1,954	\$1,954	\$2,180	\$2,180	\$2,180
2001	\$515	\$672	\$672	\$672	\$1,313	\$1,453	\$1,563	\$1,712	\$1,712	\$1,864	\$2,053	\$2,053	\$2,249	\$2,249	\$2,249
2002 - 2004	\$515	\$672	\$672	\$672	\$1,328	\$1,472	\$1,585	\$1,737	\$1,737	\$1,893	\$2,053	\$2,053	\$2,249	\$2,249	\$2,249
2005 - 2007	\$515	\$696	\$696	\$696	\$1,380	\$1,472	\$1,585	\$1,737	\$1,737	\$1,893	\$2,092	\$2,171	\$2,424	\$2,440	\$2,440
2008 - 2010	\$515	\$696	\$696	\$696	\$1,461	\$1,483	\$1,598	\$1,752	\$1,752	\$1,911	\$2,112	\$2,262	\$2,440	\$2,440	\$2,440
2011 - 2013	\$518	\$737	\$737	\$737	\$1,522	\$1,522	\$1,607	\$1,763	\$1,763	\$1,923	\$2,126	\$2,272	\$2,466	\$2,581	\$2,581
2014 - 2016	\$553	\$790	\$790	\$790	\$1,527	\$1,527	\$1,616	\$1,773	\$1,773	\$1,935	\$2,140	\$2,281	\$2,483	\$2,617	\$2,840
2017 - 2019	\$591	\$848	\$848	\$848	\$1,533	\$1,533	\$1,631	\$1,791	\$1,791	\$1,955	\$2,164	\$2,290	\$2,512	\$2,648	\$3,124
2020 - 2022	\$658	\$881	\$937	\$937	\$1,539	\$1,539	\$1,646	\$1,808	\$1,808	\$1,975	\$2,187	\$2,300	\$2,540	\$2,678	\$3,282

% Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	25%	25%	25%	25%	15%	15%	15%	15%	13%	13%	13%	13%	13%	13%	13%
1983 - 1986	24%	21%	21%	21%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1987	23%	20%	20%	20%	3%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1988 - 1989	23%	20%	20%	20%	4%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1990 - 1992	23%	20%	20%	20%	4%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1993 - 1995	23%	19%	19%	19%	-2%	8%	13%	13%	12%	13%	13%	13%	13%	13%	13%
1996	23%	19%	19%	19%	-1%	10%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1997 - 2000	23%	21%	21%	21%	-11%	-2%	5%	13%	-1%	8%	13%	13%	13%	13%	13%
2001	22%	21%	21%	21%	-16%	-7%	0%	10%	-6%	3%	13%	13%	13%	13%	13%
2002 - 2004	22%	21%	21%	21%	-15%	-6%	2%	11%	-4%	4%	13%	13%	13%	13%	13%
2005 - 2007	22%	20%	20%	20%	-16%	-11%	-4%	5%	-10%	-1%	9%	13%	12%	13%	13%
2008 - 2010	22%	20%	20%	20%	-16%	-15%	-9%	0%	-12%	-4%	6%	13%	13%	13%	13%
2011 - 2013	22%	18%	18%	18%	-16%	-16%	-12%	-3%	-12%	-4%	6%	13%	8%	13%	13%
2014 - 2016	20%	17%	17%	17%	-16%	-16%	-12%	-3%	-12%	-4%	6%	13%	-1%	4%	13%
2017 - 2019	18%	15%	15%	15%	-16%	-16%	-11%	-2%	-12%	-3%	7%	13%	-9%	-4%	13%
2020 - 2022	22%	10%	17%	17%	-16%	-16%	-11%	-2%	-11%	-3%	8%	13%	-16%	-12%	8%

\$ Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$95	\$95	\$95	\$95	\$136	\$136	\$136	\$136	\$145	\$145	\$145	\$145	\$164	\$164	\$164
1983 - 1986	\$94	\$93	\$93	\$93	\$143	\$143	\$143	\$143	\$163	\$163	\$163	\$163	\$181	\$181	\$181
1987	\$94	\$93	\$93	\$93	\$31	\$160	\$162	\$162	\$183	\$183	\$183	\$183	\$200	\$200	\$200
1988 - 1989	\$94	\$93	\$93	\$93	\$54	\$162	\$162	\$162	\$183	\$183	\$183	\$183	\$200	\$200	\$200
1990 - 1992	\$94	\$93	\$93	\$93	\$54	\$162	\$162	\$162	\$183	\$183	\$183	\$183	\$200	\$200	\$200
1993 - 1995	\$94	\$92	\$92	\$92	-\$30	\$105	\$172	\$172	\$173	\$196	\$196	\$196	\$219	\$219	\$219
1996	\$94	\$92	\$92	\$92	-\$9	\$131	\$172	\$172	\$196	\$196	\$196	\$196	\$219	\$219	\$219
1997 - 2000	\$94	\$117	\$117	\$117	-\$169	-\$29	\$81	\$194	-\$16	\$136	\$226	\$226	\$252	\$252	\$252
2001	\$94	\$117	\$117	\$117	-\$245	-\$105	\$5	\$154	-\$104	\$48	\$237	\$237	\$261	\$261	\$261
2002 - 2004	\$94	\$117	\$117	\$117	-\$230	-\$86	\$27	\$179	-\$79	\$77	\$237	\$237	\$261	\$261	\$261
2005 - 2007	\$94	\$116	\$116	\$116	-\$271	-\$179	-\$66	\$86	-\$183	-\$27	\$172	\$251	\$267	\$283	\$283
2008 - 2010	\$94	\$116	\$116	\$116	-\$287	-\$265	-\$150	\$4	-\$248	-\$89	\$112	\$262	\$283	\$283	\$283
2011 - 2013	\$94	\$115	\$115	\$115	-\$298	-\$298	-\$213	-\$57	-\$246	-\$86	\$117	\$263	\$183	\$298	\$298
2014 - 2016	\$93	\$114	\$114	\$114	-\$300	-\$300	-\$211	-\$54	-\$244	-\$82	\$123	\$264	-\$28	\$106	\$329
2017 - 2019	\$92	\$113	\$113	\$113	-\$301	-\$301	-\$203	-\$43	-\$234	-\$70	\$139	\$265	-\$250	-\$114	\$362
2020 - 2022	\$117	\$82	\$138	\$138	-\$302	-\$302	-\$195	-\$33	-\$225	-\$58	\$154	\$267	-\$498	-\$360	\$244

Sport

Current Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$379	\$390	\$390	\$390	\$966	\$966	\$966	\$966	\$1,211	\$1,211	\$1,211	\$1,211	\$1,266	\$1,266	\$1,266
1983 - 1986	\$441	\$450	\$450	\$450	\$1,205	\$1,205	\$1,205	\$1,205	\$1,410	\$1,410	\$1,410	\$1,410	\$1,659	\$1,659	\$1,659
1987	\$469	\$482	\$482	\$482	\$1,403	\$1,403	\$1,403	\$1,403	\$1,827	\$1,827	\$1,827	\$1,827	\$1,910	\$1,910	\$1,910
1988 - 1989	\$469	\$482	\$482	\$482	\$1,403	\$1,403	\$1,403	\$1,403	\$1,827	\$1,827	\$1,827	\$1,827	\$1,910	\$1,910	\$1,910
1990 - 1992	\$469	\$482	\$482	\$482	\$1,403	\$1,403	\$1,403	\$1,403	\$1,827	\$1,827	\$1,827	\$1,827	\$1,910	\$1,910	\$1,910
1993 - 1995	\$487	\$529	\$529	\$529	\$1,718	\$1,718	\$1,718	\$1,718	\$1,992	\$1,992	\$1,992	\$1,992	\$2,084	\$2,084	\$2,084
1996	\$487	\$529	\$529	\$529	\$1,718	\$1,718	\$1,718	\$1,718	\$1,992	\$1,992	\$1,992	\$1,992	\$2,084	\$2,084	\$2,084
1997 - 2000	\$507	\$604	\$604	\$604	\$2,014	\$2,014	\$2,014	\$2,014	\$2,172	\$2,172	\$2,172	\$2,172	\$2,484	\$2,484	\$2,484
2001	\$538	\$614	\$614	\$614	\$2,113	\$2,113	\$2,113	\$2,113	\$2,281	\$2,281	\$2,281	\$2,281	\$2,614	\$2,614	\$2,614
2002 - 2004	\$538	\$614	\$614	\$614	\$2,113	\$2,113	\$2,113	\$2,113	\$2,281	\$2,281	\$2,281	\$2,281	\$2,614	\$2,614	\$2,614
2005 - 2007	\$538	\$644	\$644	\$644	\$2,238	\$2,238	\$2,238	\$2,238	\$2,416	\$2,416	\$2,416	\$2,416	\$2,769	\$2,769	\$2,769
2008 - 2010	\$539	\$642	\$642	\$642	\$2,359	\$2,359	\$2,359	\$2,359	\$2,559	\$2,559	\$2,559	\$2,559	\$2,862	\$2,862	\$2,862
2011 - 2013	\$557	\$672	\$672	\$672	\$2,482	\$2,482	\$2,482	\$2,482	\$2,702	\$2,702	\$2,702	\$2,702	\$2,954	\$2,954	\$2,954
2014 - 2016	\$622	\$731	\$731	\$731	\$2,731	\$2,731	\$2,731	\$2,731	\$2,973	\$2,973	\$2,973	\$2,973	\$3,250	\$3,250	\$3,250
2017 - 2019	\$695	\$794	\$794	\$794	\$3,006	\$3,006	\$3,006	\$3,006	\$3,271	\$3,271	\$3,271	\$3,271	\$3,574	\$3,574	\$3,574
2020 - 2022	\$778	\$864	\$864	\$864	\$3,309	\$3,309	\$3,309	\$3,309	\$3,600	\$3,600	\$3,600	\$3,600	\$3,931	\$3,931	\$3,931

Proposed Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$479	\$490	\$490	\$490	\$1,116	\$1,116	\$1,116	\$1,116	\$1,392	\$1,392	\$1,392	\$1,392	\$1,455	\$1,455	\$1,455
1983 - 1986	\$541	\$550	\$550	\$550	\$1,385	\$1,385	\$1,385	\$1,385	\$1,621	\$1,621	\$1,621	\$1,621	\$1,907	\$1,907	\$1,907
1987	\$569	\$582	\$582	\$582	\$1,613	\$1,613	\$1,613	\$1,613	\$2,101	\$2,101	\$2,101	\$2,101	\$2,196	\$2,196	\$2,196
1988 - 1989	\$569	\$582	\$582	\$582	\$1,613	\$1,613	\$1,613	\$1,613	\$2,101	\$2,101	\$2,101	\$2,101	\$2,196	\$2,196	\$2,196
1990 - 1992	\$569	\$582	\$582	\$582	\$1,613	\$1,613	\$1,613	\$1,613	\$2,101	\$2,101	\$2,101	\$2,101	\$2,196	\$2,196	\$2,196
1993 - 1995	\$587	\$654	\$654	\$654	\$1,743	\$1,975	\$1,975	\$1,975	\$2,290	\$2,290	\$2,290	\$2,290	\$2,396	\$2,396	\$2,396
1996	\$587	\$654	\$654	\$654	\$1,819	\$1,975	\$1,975	\$1,975	\$2,290	\$2,290	\$2,290	\$2,290	\$2,396	\$2,396	\$2,396
1997 - 2000	\$632	\$729	\$729	\$729	\$1,819	\$2,088	\$2,299	\$2,316	\$2,497	\$2,497	\$2,497	\$2,497	\$2,856	\$2,856	\$2,856
2001	\$663	\$739	\$739	\$739	\$1,819	\$2,088	\$2,299	\$2,429	\$2,584	\$2,623	\$2,623	\$2,623	\$3,006	\$3,006	\$3,006
2002 - 2004	\$663	\$739	\$739	\$739	\$1,873	\$2,154	\$2,375	\$2,429	\$2,623	\$2,623	\$2,623	\$2,623	\$3,006	\$3,006	\$3,006
2005 - 2007	\$663	\$769	\$769	\$769	\$1,902	\$2,154	\$2,375	\$2,573	\$2,672	\$2,778	\$2,778	\$2,778	\$3,184	\$3,184	\$3,184
2008 - 2010	\$664	\$767	\$767	\$767	\$2,005	\$2,194	\$2,420	\$2,712	\$2,726	\$2,942	\$2,942	\$2,942	\$3,291	\$3,291	\$3,291
2011 - 2013	\$682	\$797	\$797	\$797	\$2,109	\$2,222	\$2,453	\$2,763	\$2,763	\$3,082	\$3,107	\$3,107	\$3,397	\$3,397	\$3,397
2014 - 2016	\$747	\$856	\$856	\$856	\$2,321	\$2,321	\$2,484	\$2,800	\$2,800	\$3,123	\$3,418	\$3,418	\$3,737	\$3,737	\$3,737
2017 - 2019	\$820	\$944	\$944	\$944	\$2,555	\$2,555	\$2,555	\$2,864	\$2,864	\$3,197	\$3,620	\$3,761	\$4,110	\$4,110	\$4,110
2020 - 2022	\$927	\$1,013	\$1,013	\$1,013	\$2,812	\$2,812	\$2,812	\$2,924	\$3,059	\$3,266	\$3,700	\$4,057	\$4,421	\$4,520	\$4,520

% Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	26%	26%	26%	26%	16%	16%	16%	16%	15%	15%	15%	15%	15%	15%	15%
1983 - 1986	23%	22%	22%	22%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1987	21%	21%	21%	21%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1988 - 1989	21%	21%	21%	21%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1990 - 1992	21%	21%	21%	21%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1993 - 1995	21%	24%	24%	24%	1%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1996	21%	24%	24%	24%	6%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1997 - 2000	25%	21%	21%	21%	-10%	4%	14%	15%	15%	15%	15%	15%	15%	15%	15%
2001	23%	20%	20%	20%	-14%	-1%	9%	15%	13%	15%	15%	15%	15%	15%	15%
2002 - 2004	23%	20%	20%	20%	-11%	2%	12%	15%	15%	15%	15%	15%	15%	15%	15%
2005 - 2007	23%	19%	19%	19%	-15%	-4%	6%	15%	11%	15%	15%	15%	15%	15%	15%
2008 - 2010	23%	19%	19%	19%	-15%	-7%	3%	15%	7%	15%	15%	15%	15%	15%	15%
2011 - 2013	22%	19%	19%	19%	-15%	-10%	-1%	11%	2%	14%	15%	15%	15%	15%	15%
2014 - 2016	20%	17%	17%	17%	-15%	-15%	-9%	3%	-6%	5%	15%	15%	15%	15%	15%
2017 - 2019	18%	19%	19%	19%	-15%	-15%	-15%	-5%	-12%	-2%	11%	15%	15%	15%	15%
2020 - 2022	19%	17%	17%	17%	-15%	-15%	-15%	-12%	-15%	-9%	3%	13%	12%	15%	15%

\$ Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$100	\$100	\$100	\$100	\$150	\$150	\$150	\$150	\$181	\$181	\$181	\$181	\$189	\$189	\$189
1983 - 1986	\$100	\$100	\$100	\$100	\$180	\$180	\$180	\$180	\$211	\$211	\$211	\$211	\$248	\$248	\$248
1987	\$100	\$100	\$100	\$100	\$210	\$210	\$210	\$210	\$274	\$274	\$274	\$274	\$286	\$286	\$286
1988 - 1989	\$100	\$100	\$100	\$100	\$210	\$210	\$210	\$210	\$274	\$274	\$274	\$274	\$286	\$286	\$286
1990 - 1992	\$100	\$100	\$100	\$100	\$210	\$210	\$210	\$210	\$274	\$274	\$274	\$274	\$286	\$286	\$286
1993 - 1995	\$100	\$125	\$125	\$125	\$25	\$257	\$257	\$257	\$298	\$298	\$298	\$298	\$312	\$312	\$312
1996	\$100	\$125	\$125	\$125	\$101	\$257	\$257	\$257	\$298	\$298	\$298	\$298	\$312	\$312	\$312
1997 - 2000	\$125	\$125	\$125	\$125	-\$195	\$74	\$285	\$302	\$325	\$325	\$325	\$325	\$372	\$372	\$372
2001	\$125	\$125	\$125	\$125	-\$294	-\$25	\$186	\$316	\$303	\$342	\$342	\$342	\$392	\$392	\$392
2002 - 2004	\$125	\$125	\$125	\$125	-\$240	\$41	\$262	\$316	\$342	\$342	\$342	\$342	\$392	\$392	\$392
2005 - 2007	\$125	\$125	\$125	\$125	-\$336	-\$84	\$137	\$335	\$256	\$362	\$362	\$362	\$415	\$415	\$415
2008 - 2010	\$125	\$125	\$125	\$125	-\$354	-\$165	\$61	\$353	\$167	\$383	\$383	\$383	\$429	\$429	\$429
2011 - 2013	\$125	\$125	\$125	\$125	-\$373	-\$260	-\$29	\$281	\$61	\$380	\$405	\$405	\$443	\$443	\$443
2014 - 2016	\$125	\$125	\$125	\$125	-\$410	-\$410	-\$247	\$69	-\$173	\$150	\$445	\$445	\$487	\$487	\$487
2017 - 2019	\$125	\$150	\$150	\$150	-\$451	-\$451	-\$451	-\$142	-\$407	-\$74	\$349	\$490	\$536	\$536	\$536
2020 - 2022	\$149	\$149	\$149	\$149	-\$497	-\$497	-\$497	-\$385	-\$541	-\$334	\$100	\$457	\$490	\$589	\$589

Current Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$387	\$399	\$399	\$399	\$988	\$988	\$988	\$988	\$1,238	\$1,238	\$1,238	\$1,238	\$1,294	\$1,294	\$1,294
1983 - 1986	\$451	\$460	\$460	\$460	\$1,232	\$1,232	\$1,232	\$1,232	\$1,441	\$1,441	\$1,441	\$1,441	\$1,696	\$1,696	\$1,696
1987	\$479	\$493	\$493	\$493	\$1,434	\$1,434	\$1,434	\$1,434	\$1,868	\$1,868	\$1,868	\$1,868	\$1,953	\$1,953	\$1,953
1988 - 1989	\$479	\$493	\$493	\$493	\$1,434	\$1,434	\$1,434	\$1,434	\$1,868	\$1,868	\$1,868	\$1,868	\$1,953	\$1,953	\$1,953
1990 - 1992	\$479	\$493	\$493	\$493	\$1,434	\$1,434	\$1,434	\$1,434	\$1,868	\$1,868	\$1,868	\$1,868	\$1,953	\$1,953	\$1,953
1993 - 1995	\$498	\$541	\$541	\$541	\$1,756	\$1,756	\$1,756	\$1,756	\$2,036	\$2,036	\$2,036	\$2,036	\$2,130	\$2,130	\$2,130
1996	\$498	\$541	\$541	\$541	\$1,756	\$1,756	\$1,756	\$1,756	\$2,036	\$2,036	\$2,036	\$2,036	\$2,130	\$2,130	\$2,130
1997 - 2000	\$518	\$617	\$617	\$617	\$2,059	\$2,059	\$2,059	\$2,059	\$2,220	\$2,220	\$2,220	\$2,220	\$2,539	\$2,539	\$2,539
2001	\$550	\$628	\$628	\$628	\$2,160	\$2,160	\$2,160	\$2,160	\$2,332	\$2,332	\$2,332	\$2,332	\$2,672	\$2,672	\$2,672
2002 - 2004	\$550	\$628	\$628	\$628	\$2,160	\$2,160	\$2,160	\$2,160	\$2,332	\$2,332	\$2,332	\$2,332	\$2,672	\$2,672	\$2,672
2005 - 2007	\$550	\$658	\$658	\$658	\$2,288	\$2,288	\$2,288	\$2,288	\$2,470	\$2,470	\$2,470	\$2,470	\$2,831	\$2,831	\$2,831
2008 - 2010	\$551	\$656	\$656	\$656	\$2,412	\$2,412	\$2,412	\$2,412	\$2,616	\$2,616	\$2,616	\$2,616	\$2,926	\$2,926	\$2,926
2011 - 2013	\$569	\$687	\$687	\$687	\$2,537	\$2,537	\$2,537	\$2,537	\$2,762	\$2,762	\$2,762	\$2,762	\$3,020	\$3,020	\$3,020
2014 - 2016	\$636	\$747	\$747	\$747	\$2,792	\$2,792	\$2,792	\$2,792	\$3,039	\$3,039	\$3,039	\$3,039	\$3,322	\$3,322	\$3,322
2017 - 2019	\$711	\$812	\$812	\$812	\$3,073	\$3,073	\$3,073	\$3,073	\$3,344	\$3,344	\$3,344	\$3,344	\$3,654	\$3,654	\$3,654
2020 - 2022	\$795	\$883	\$883	\$883	\$3,382	\$3,382	\$3,382	\$3,382	\$3,680	\$3,680	\$3,680	\$3,680	\$4,019	\$4,019	\$4,019

Proposed Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$482	\$493	\$493	\$493	\$1,122	\$1,122	\$1,122	\$1,122	\$1,400	\$1,400	\$1,400	\$1,400	\$1,463	\$1,463	\$1,463
1983 - 1986	\$544	\$553	\$553	\$553	\$1,393	\$1,393	\$1,393	\$1,393	\$1,630	\$1,630	\$1,630	\$1,630	\$1,918	\$1,918	\$1,918
1987	\$572	\$585	\$585	\$585	\$1,622	\$1,622	\$1,622	\$1,622	\$2,113	\$2,113	\$2,113	\$2,113	\$2,208	\$2,208	\$2,208
1988 - 1989	\$572	\$585	\$585	\$585	\$1,622	\$1,622	\$1,622	\$1,622	\$2,113	\$2,113	\$2,113	\$2,113	\$2,208	\$2,208	\$2,208
1990 - 1992	\$572	\$585	\$585	\$585	\$1,622	\$1,622	\$1,622	\$1,622	\$2,113	\$2,113	\$2,113	\$2,113	\$2,208	\$2,208	\$2,208
1993 - 1995	\$590	\$658	\$658	\$658	\$1,753	\$1,986	\$1,986	\$1,986	\$2,303	\$2,303	\$2,303	\$2,303	\$2,409	\$2,409	\$2,409
1996	\$590	\$658	\$658	\$658	\$1,829	\$1,986	\$1,986	\$1,986	\$2,303	\$2,303	\$2,303	\$2,303	\$2,409	\$2,409	\$2,409
1997 - 2000	\$636	\$733	\$733	\$733	\$1,829	\$2,100	\$2,312	\$2,329	\$2,511	\$2,511	\$2,511	\$2,511	\$2,872	\$2,872	\$2,872
2001	\$667	\$743	\$743	\$743	\$1,829	\$2,100	\$2,312	\$2,443	\$2,599	\$2,638	\$2,638	\$2,638	\$3,023	\$3,023	\$3,023
2002 - 2004	\$667	\$743	\$743	\$743	\$1,884	\$2,166	\$2,388	\$2,443	\$2,638	\$2,638	\$2,638	\$2,638	\$3,023	\$3,023	\$3,023
2005 - 2007	\$667	\$773	\$773	\$773	\$1,913	\$2,166	\$2,388	\$2,587	\$2,687	\$2,794	\$2,794	\$2,794	\$3,202	\$3,202	\$3,202
2008 - 2010	\$668	\$771	\$771	\$771	\$2,016	\$2,206	\$2,434	\$2,727	\$2,741	\$2,959	\$2,959	\$2,959	\$3,309	\$3,309	\$3,309
2011 - 2013	\$686	\$801	\$801	\$801	\$2,121	\$2,234	\$2,467	\$2,779	\$2,779	\$3,099	\$3,124	\$3,124	\$3,416	\$3,416	\$3,416
2014 - 2016	\$751	\$861	\$861	\$861	\$2,334	\$2,334	\$2,498	\$2,816	\$2,816	\$3,141	\$3,437	\$3,437	\$3,758	\$3,758	\$3,758
2017 - 2019	\$825	\$949	\$949	\$949	\$2,569	\$2,569	\$2,569	\$2,880	\$2,880	\$3,215	\$3,640	\$3,782	\$4,133	\$4,133	\$4,133
2020 - 2022	\$932	\$1,019	\$1,019	\$1,019	\$2,828	\$2,828	\$2,828	\$2,940	\$3,076	\$3,284	\$3,721	\$4,080	\$4,446	\$4,545	\$4,545

% Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	25%	24%	24%	24%	14%	14%	14%	14%	13%	13%	13%	13%	13%	13%	13%
1983 - 1986	21%	20%	20%	20%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1987	19%	19%	19%	19%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1988 - 1989	19%	19%	19%	19%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1990 - 1992	19%	19%	19%	19%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1993 - 1995	18%	22%	22%	22%	0%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1996	18%	22%	22%	22%	4%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1997 - 2000	23%	19%	19%	19%	-11%	2%	12%	13%	13%	13%	13%	13%	13%	13%	13%
2001	21%	18%	18%	18%	-15%	-3%	7%	13%	11%	13%	13%	13%	13%	13%	13%
2002 - 2004	21%	18%	18%	18%	-13%	0%	11%	13%	13%	13%	13%	13%	13%	13%	13%
2005 - 2007	21%	17%	17%	17%	-16%	-5%	4%	13%	9%	13%	13%	13%	13%	13%	13%
2008 - 2010	21%	18%	18%	18%	-16%	-9%	1%	13%	5%	13%	13%	13%	13%	13%	13%
2011 - 2013	21%	17%	17%	17%	-16%	-12%	-3%	10%	1%	12%	13%	13%	13%	13%	13%
2014 - 2016	18%	15%	15%	15%	-16%	-16%	-11%	1%	-7%	3%	13%	13%	13%	13%	13%
2017 - 2019	16%	17%	17%	17%	-16%	-16%	-16%	-6%	-14%	-4%	9%	13%	13%	13%	13%
2020 - 2022	17%	15%	15%	15%	-16%	-16%	-16%	-13%	-16%	-11%	1%	11%	11%	13%	13%

\$ Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$95	\$94	\$94	\$94	\$134	\$134	\$134	\$134	\$162	\$162	\$162	\$162	\$169	\$169	\$169
1983 - 1986	\$93	\$93	\$93	\$93	\$161	\$161	\$161	\$161	\$189	\$189	\$189	\$189	\$222	\$222	\$222
1987	\$93	\$92	\$92	\$92	\$188	\$188	\$188	\$188	\$245	\$245	\$245	\$245	\$255	\$255	\$255
1988 - 1989	\$93	\$92	\$92	\$92	\$188	\$188	\$188	\$188	\$245	\$245	\$245	\$245	\$255	\$255	\$255
1990 - 1992	\$93	\$92	\$92	\$92	\$188	\$188	\$188	\$188	\$245	\$245	\$245	\$245	\$255	\$255	\$255
1993 - 1995	\$92	\$117	\$117	\$117	-\$3	\$230	\$230	\$230	\$267	\$267	\$267	\$267	\$279	\$279	\$279
1996	\$92	\$117	\$117	\$117	\$73	\$230	\$230	\$230	\$267	\$267	\$267	\$267	\$279	\$279	\$279
1997 - 2000	\$118	\$116	\$116	\$116	-\$230	\$41	\$253	\$270	\$291	\$291	\$291	\$291	\$333	\$333	\$333
2001	\$117	\$115	\$115	\$115	-\$331	-\$60	\$152	\$283	\$267	\$306	\$306	\$306	\$351	\$351	\$351
2002 - 2004	\$117	\$115	\$115	\$115	-\$276	\$6	\$228	\$283	\$306	\$306	\$306	\$306	\$351	\$351	\$351
2005 - 2007	\$117	\$115	\$115	\$115	-\$375	-\$122	\$100	\$299	\$217	\$324	\$324	\$324	\$371	\$371	\$371
2008 - 2010	\$117	\$115	\$115	\$115	-\$396	-\$206	\$22	\$315	\$125	\$343	\$343	\$343	\$383	\$383	\$383
2011 - 2013	\$117	\$114	\$114	\$114	-\$416	-\$303	-\$70	\$242	\$17	\$337	\$362	\$362	\$396	\$396	\$396
2014 - 2016	\$115	\$114	\$114	\$114	-\$458	-\$458	-\$294	\$24	-\$223	\$102	\$398	\$398	\$436	\$436	\$436
2017 - 2019	\$114	\$137	\$137	\$137	-\$504	-\$504	-\$504	-\$193	-\$464	-\$129	\$296	\$438	\$479	\$479	\$479
2020 - 2022	\$137	\$136	\$136	\$136	-\$554	-\$554	-\$554	-\$442	-\$604	-\$396	\$41	\$400	\$427	\$526	\$526

Dual Purpose/Other

Current Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$358	\$358	\$358	\$358	\$801	\$801	\$801	\$801	\$1,019	\$1,019	\$1,019	\$1,019	\$1,116	\$1,116	\$1,116
1983 - 1986	\$389	\$390	\$390	\$390	\$948	\$948	\$948	\$948	\$1,190	\$1,190	\$1,190	\$1,190	\$1,299	\$1,299	\$1,299
1987	\$397	\$440	\$440	\$440	\$1,101	\$1,101	\$1,101	\$1,101	\$1,248	\$1,248	\$1,248	\$1,248	\$1,394	\$1,394	\$1,394
1988 - 1989	\$397	\$440	\$440	\$440	\$1,101	\$1,101	\$1,101	\$1,101	\$1,248	\$1,248	\$1,248	\$1,248	\$1,394	\$1,394	\$1,394
1990 - 1992	\$397	\$440	\$440	\$440	\$1,101	\$1,101	\$1,101	\$1,101	\$1,248	\$1,248	\$1,248	\$1,248	\$1,394	\$1,394	\$1,394
1993 - 1995	\$399	\$461	\$461	\$461	\$1,223	\$1,223	\$1,223	\$1,223	\$1,345	\$1,345	\$1,345	\$1,345	\$1,494	\$1,494	\$1,494
1996	\$399	\$461	\$461	\$461	\$1,223	\$1,223	\$1,223	\$1,223	\$1,345	\$1,345	\$1,345	\$1,345	\$1,494	\$1,494	\$1,494
1997 - 2000	\$403	\$482	\$482	\$482	\$1,355	\$1,355	\$1,355	\$1,355	\$1,537	\$1,537	\$1,537	\$1,537	\$1,623	\$1,623	\$1,623
2001	\$410	\$521	\$521	\$521	\$1,392	\$1,392	\$1,392	\$1,392	\$1,602	\$1,602	\$1,602	\$1,602	\$1,689	\$1,689	\$1,689
2002 - 2004	\$410	\$521	\$521	\$521	\$1,392	\$1,392	\$1,392	\$1,392	\$1,602	\$1,602	\$1,602	\$1,602	\$1,689	\$1,689	\$1,689
2005 - 2007	\$410	\$535	\$535	\$535	\$1,507	\$1,507	\$1,507	\$1,507	\$1,709	\$1,709	\$1,709	\$1,709	\$1,827	\$1,827	\$1,827
2008 - 2010	\$410	\$551	\$551	\$551	\$1,533	\$1,533	\$1,533	\$1,533	\$1,738	\$1,738	\$1,738	\$1,738	\$1,895	\$1,895	\$1,895
2011 - 2013	\$413	\$567	\$567	\$567	\$1,558	\$1,558	\$1,558	\$1,558	\$1,765	\$1,765	\$1,765	\$1,765	\$1,963	\$1,963	\$1,963
2014 - 2016	\$448	\$633	\$633	\$633	\$1,714	\$1,714	\$1,714	\$1,714	\$1,918	\$1,918	\$1,918	\$1,918	\$2,160	\$2,160	\$2,160
2017 - 2019	\$486	\$706	\$706	\$706	\$1,788	\$1,788	\$1,788	\$1,788	\$1,967	\$1,967	\$1,967	\$1,967	\$2,376	\$2,376	\$2,376
2020 - 2022	\$528	\$788	\$788	\$788	\$1,865	\$1,865	\$1,865	\$1,865	\$2,017	\$2,017	\$2,017	\$2,017	\$2,614	\$2,614	\$2,614

Proposed Rate excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$458	\$458	\$458	\$458	\$951	\$951	\$951	\$951	\$1,171	\$1,171	\$1,171	\$1,171	\$1,283	\$1,283	\$1,283
1983 - 1986	\$489	\$490	\$490	\$490	\$1,098	\$1,098	\$1,098	\$1,098	\$1,368	\$1,368	\$1,368	\$1,368	\$1,493	\$1,493	\$1,493
1987	\$497	\$540	\$540	\$540	\$1,151	\$1,250	\$1,266	\$1,266	\$1,434	\$1,435	\$1,435	\$1,435	\$1,603	\$1,603	\$1,603
1988 - 1989	\$497	\$540	\$540	\$540	\$1,184	\$1,266	\$1,266	\$1,266	\$1,435	\$1,435	\$1,435	\$1,435	\$1,603	\$1,603	\$1,603
1990 - 1992	\$497	\$540	\$540	\$540	\$1,184	\$1,266	\$1,266	\$1,266	\$1,435	\$1,435	\$1,435	\$1,435	\$1,603	\$1,603	\$1,603
1993 - 1995	\$499	\$561	\$561	\$561	\$1,184	\$1,291	\$1,375	\$1,406	\$1,489	\$1,546	\$1,546	\$1,546	\$1,718	\$1,718	\$1,718
1996	\$499	\$561	\$561	\$561	\$1,216	\$1,330	\$1,406	\$1,406	\$1,541	\$1,546	\$1,546	\$1,546	\$1,718	\$1,718	\$1,718
1997 - 2000	\$503	\$582	\$582	\$582	\$1,216	\$1,330	\$1,419	\$1,541	\$1,541	\$1,665	\$1,767	\$1,767	\$1,866	\$1,866	\$1,866
2001	\$510	\$646	\$646	\$646	\$1,216	\$1,330	\$1,419	\$1,541	\$1,541	\$1,665	\$1,823	\$1,842	\$1,942	\$1,942	\$1,942
2002 - 2004	\$510	\$646	\$646	\$646	\$1,238	\$1,357	\$1,451	\$1,577	\$1,577	\$1,707	\$1,842	\$1,842	\$1,942	\$1,942	\$1,942
2005 - 2007	\$510	\$660	\$660	\$660	\$1,280	\$1,357	\$1,451	\$1,577	\$1,577	\$1,707	\$1,872	\$1,965	\$2,101	\$2,101	\$2,101
2008 - 2010	\$510	\$676	\$676	\$676	\$1,303	\$1,374	\$1,470	\$1,599	\$1,599	\$1,732	\$1,901	\$1,998	\$2,179	\$2,179	\$2,179
2011 - 2013	\$513	\$692	\$692	\$692	\$1,324	\$1,385	\$1,483	\$1,615	\$1,615	\$1,750	\$1,922	\$2,029	\$2,207	\$2,257	\$2,257
2014 - 2016	\$548	\$758	\$758	\$758	\$1,456	\$1,456	\$1,496	\$1,630	\$1,630	\$1,767	\$1,941	\$2,085	\$2,232	\$2,344	\$2,484
2017 - 2019	\$586	\$831	\$831	\$831	\$1,519	\$1,519	\$1,519	\$1,656	\$1,672	\$1,797	\$1,977	\$2,124	\$2,275	\$2,391	\$2,732
2020 - 2022	\$652	\$873	\$937	\$937	\$1,585	\$1,585	\$1,585	\$1,681	\$1,714	\$1,826	\$2,010	\$2,161	\$2,315	\$2,434	\$2,954

% Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	28%	28%	28%	28%	19%	19%	19%	19%	15%	15%	15%	15%	15%	15%	15%
1983 - 1986	26%	26%	26%	26%	16%	16%	16%	16%	15%	15%	15%	15%	15%	15%	15%
1987	25%	23%	23%	23%	5%	14%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1988 - 1989	25%	23%	23%	23%	8%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1990 - 1992	25%	23%	23%	23%	8%	15%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1993 - 1995	25%	22%	22%	22%	-3%	6%	12%	15%	11%	15%	15%	15%	15%	15%	15%
1996	25%	22%	22%	22%	-1%	9%	15%	15%	15%	15%	15%	15%	15%	15%	15%
1997 - 2000	25%	21%	21%	21%	-10%	-2%	5%	14%	0%	8%	15%	15%	15%	15%	15%
2001	24%	24%	24%	24%	-13%	-4%	2%	11%	-4%	4%	14%	15%	15%	15%	15%
2002 - 2004	24%	24%	24%	24%	-11%	-3%	4%	13%	-2%	7%	15%	15%	15%	15%	15%
2005 - 2007	24%	23%	23%	23%	-15%	-10%	-4%	5%	-8%	0%	10%	15%	15%	15%	15%
2008 - 2010	24%	23%	23%	23%	-15%	-10%	-4%	4%	-8%	0%	9%	15%	15%	15%	15%
2011 - 2013	24%	22%	22%	22%	-15%	-11%	-5%	4%	-8%	-1%	9%	15%	12%	15%	15%
2014 - 2016	22%	20%	20%	20%	-15%	-15%	-13%	-5%	-15%	-8%	1%	9%	3%	9%	15%
2017 - 2019	21%	18%	18%	18%	-15%	-15%	-15%	-7%	-15%	-9%	1%	8%	-4%	1%	15%
2020 - 2022	24%	11%	19%	19%	-15%	-15%	-15%	-10%	-15%	-9%	0%	7%	-11%	-7%	13%

\$ Change excluding Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$100	\$100	\$100	\$100	\$150	\$150	\$150	\$150	\$152	\$152	\$152	\$152	\$167	\$167	\$167
1983 - 1986	\$100	\$100	\$100	\$100	\$150	\$150	\$150	\$150	\$178	\$178	\$178	\$178	\$194	\$194	\$194
1987	\$100	\$100	\$100	\$100	\$50	\$149	\$165	\$165	\$186	\$187	\$187	\$187	\$209	\$209	\$209
1988 - 1989	\$100	\$100	\$100	\$100	\$83	\$165	\$165	\$165	\$187	\$187	\$187	\$187	\$209	\$209	\$209
1990 - 1992	\$100	\$100	\$100	\$100	\$83	\$165	\$165	\$165	\$187	\$187	\$187	\$187	\$209	\$209	\$209
1993 - 1995	\$100	\$100	\$100	\$100	-\$39	\$68	\$152	\$183	\$144	\$201	\$201	\$201	\$224	\$224	\$224
1996	\$100	\$100	\$100	\$100	-\$7	\$107	\$183	\$183	\$196	\$201	\$201	\$201	\$224	\$224	\$224
1997 - 2000	\$100	\$100	\$100	\$100	-\$139	-\$25	\$64	\$186	\$4	\$128	\$230	\$230	\$243	\$243	\$243
2001	\$100	\$125	\$125	\$125	-\$176	-\$62	\$27	\$149	-\$61	\$63	\$221	\$240	\$253	\$253	\$253
2002 - 2004	\$100	\$125	\$125	\$125	-\$154	-\$35	\$59	\$185	-\$25	\$105	\$240	\$240	\$253	\$253	\$253
2005 - 2007	\$100	\$125	\$125	\$125	-\$227	-\$150	-\$56	\$70	-\$132	-\$2	\$163	\$256	\$274	\$274	\$274
2008 - 2010	\$100	\$125	\$125	\$125	-\$230	-\$159	-\$63	\$66	-\$139	-\$6	\$163	\$260	\$284	\$284	\$284
2011 - 2013	\$100	\$125	\$125	\$125	-\$234	-\$173	-\$75	\$57	-\$150	-\$15	\$157	\$264	\$244	\$294	\$294
2014 - 2016	\$100	\$125	\$125	\$125	-\$258	-\$258	-\$218	-\$84	-\$288	-\$151	\$23	\$167	\$72	\$184	\$324
2017 - 2019	\$100	\$125	\$125	\$125	-\$269	-\$269	-\$269	-\$132	-\$295	-\$170	\$10	\$157	-\$101	\$15	\$356
2020 - 2022	\$124	\$85	\$149	\$149	-\$280	-\$280	-\$280	-\$184	-\$303	-\$191	-\$7	\$144	-\$299	-\$180	\$340

Current Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$366	\$366	\$366	\$366	\$819	\$819	\$819	\$819	\$1,042	\$1,042	\$1,042	\$1,042	\$1,141	\$1,141	\$1,141
1983 - 1986	\$398	\$399	\$399	\$399	\$969	\$969	\$969	\$969	\$1,217	\$1,217	\$1,217	\$1,217	\$1,328	\$1,328	\$1,328
1987	\$406	\$450	\$450	\$450	\$1,126	\$1,126	\$1,126	\$1,126	\$1,276	\$1,276	\$1,276	\$1,276	\$1,425	\$1,425	\$1,425
1988 - 1989	\$406	\$450	\$450	\$450	\$1,126	\$1,126	\$1,126	\$1,126	\$1,276	\$1,276	\$1,276	\$1,276	\$1,425	\$1,425	\$1,425
1990 - 1992	\$406	\$450	\$450	\$450	\$1,126	\$1,126	\$1,126	\$1,126	\$1,276	\$1,276	\$1,276	\$1,276	\$1,425	\$1,425	\$1,425
1993 - 1995	\$408	\$471	\$471	\$471	\$1,250	\$1,250	\$1,250	\$1,250	\$1,375	\$1,375	\$1,375	\$1,375	\$1,527	\$1,527	\$1,527
1996	\$408	\$471	\$471	\$471	\$1,250	\$1,250	\$1,250	\$1,250	\$1,375	\$1,375	\$1,375	\$1,375	\$1,527	\$1,527	\$1,527
1997 - 2000	\$412	\$493	\$493	\$493	\$1,385	\$1,385	\$1,385	\$1,385	\$1,571	\$1,571	\$1,571	\$1,571	\$1,659	\$1,659	\$1,659
2001	\$419	\$533	\$533	\$533	\$1,423	\$1,423	\$1,423	\$1,423	\$1,638	\$1,638	\$1,638	\$1,638	\$1,727	\$1,727	\$1,727
2002 - 2004	\$419	\$533	\$533	\$533	\$1,423	\$1,423	\$1,423	\$1,423	\$1,638	\$1,638	\$1,638	\$1,638	\$1,727	\$1,727	\$1,727
2005 - 2007	\$419	\$547	\$547	\$547	\$1,541	\$1,541	\$1,541	\$1,541	\$1,747	\$1,747	\$1,747	\$1,747	\$1,868	\$1,868	\$1,868
2008 - 2010	\$419	\$563	\$563	\$563	\$1,567	\$1,567	\$1,567	\$1,567	\$1,777	\$1,777	\$1,777	\$1,777	\$1,937	\$1,937	\$1,937
2011 - 2013	\$422	\$580	\$580	\$580	\$1,593	\$1,593	\$1,593	\$1,593	\$1,804	\$1,804	\$1,804	\$1,804	\$2,007	\$2,007	\$2,007
2014 - 2016	\$458	\$647	\$647	\$647	\$1,752	\$1,752	\$1,752	\$1,752	\$1,961	\$1,961	\$1,961	\$1,961	\$2,208	\$2,208	\$2,208
2017 - 2019	\$497	\$722	\$722	\$722	\$1,828	\$1,828	\$1,828	\$1,828	\$2,011	\$2,011	\$2,011	\$2,011	\$2,429	\$2,429	\$2,429
2020 - 2022	\$539	\$806	\$806	\$806	\$1,907	\$1,907	\$1,907	\$1,907	\$2,062	\$2,062	\$2,062	\$2,062	\$2,672	\$2,672	\$2,672

Proposed Rate including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$461	\$461	\$461	\$461	\$956	\$956	\$956	\$956	\$1,178	\$1,178	\$1,178	\$1,178	\$1,290	\$1,290	\$1,290
1983 - 1986	\$492	\$493	\$493	\$493	\$1,104	\$1,104	\$1,104	\$1,104	\$1,376	\$1,376	\$1,376	\$1,376	\$1,501	\$1,501	\$1,501
1987	\$500	\$543	\$543	\$543	\$1,157	\$1,257	\$1,273	\$1,273	\$1,442	\$1,443	\$1,443	\$1,443	\$1,612	\$1,612	\$1,612
1988 - 1989	\$500	\$543	\$543	\$543	\$1,191	\$1,273	\$1,273	\$1,273	\$1,443	\$1,443	\$1,443	\$1,443	\$1,612	\$1,612	\$1,612
1990 - 1992	\$500	\$543	\$543	\$543	\$1,191	\$1,273	\$1,273	\$1,273	\$1,443	\$1,443	\$1,443	\$1,443	\$1,612	\$1,612	\$1,612
1993 - 1995	\$502	\$564	\$564	\$564	\$1,191	\$1,298	\$1,383	\$1,414	\$1,497	\$1,555	\$1,555	\$1,555	\$1,728	\$1,728	\$1,728
1996	\$502	\$564	\$564	\$564	\$1,223	\$1,337	\$1,414	\$1,414	\$1,550	\$1,555	\$1,555	\$1,555	\$1,728	\$1,728	\$1,728
1997 - 2000	\$506	\$585	\$585	\$585	\$1,223	\$1,337	\$1,427	\$1,550	\$1,550	\$1,674	\$1,777	\$1,777	\$1,876	\$1,876	\$1,876
2001	\$513	\$650	\$650	\$650	\$1,223	\$1,337	\$1,427	\$1,550	\$1,550	\$1,674	\$1,833	\$1,852	\$1,953	\$1,953	\$1,953
2002 - 2004	\$513	\$650	\$650	\$650	\$1,245	\$1,365	\$1,459	\$1,586	\$1,586	\$1,717	\$1,852	\$1,852	\$1,953	\$1,953	\$1,953
2005 - 2007	\$513	\$664	\$664	\$664	\$1,287	\$1,365	\$1,459	\$1,586	\$1,586	\$1,717	\$1,883	\$1,976	\$2,113	\$2,113	\$2,113
2008 - 2010	\$513	\$680	\$680	\$680	\$1,310	\$1,382	\$1,478	\$1,608	\$1,608	\$1,742	\$1,912	\$2,009	\$2,191	\$2,191	\$2,191
2011 - 2013	\$516	\$696	\$696	\$696	\$1,331	\$1,393	\$1,491	\$1,624	\$1,624	\$1,760	\$1,933	\$2,040	\$2,219	\$2,270	\$2,270
2014 - 2016	\$551	\$762	\$762	\$762	\$1,464	\$1,464	\$1,504	\$1,639	\$1,639	\$1,777	\$1,952	\$2,097	\$2,245	\$2,357	\$2,498
2017 - 2019	\$589	\$836	\$836	\$836	\$1,528	\$1,528	\$1,528	\$1,665	\$1,681	\$1,807	\$1,988	\$2,136	\$2,288	\$2,404	\$2,747
2020 - 2022	\$656	\$878	\$942	\$942	\$1,594	\$1,594	\$1,594	\$1,690	\$1,724	\$1,836	\$2,021	\$2,173	\$2,328	\$2,448	\$2,971

% Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	26%	26%	26%	26%	17%	17%	17%	17%	13%	13%	13%	13%	13%	13%	13%
1983 - 1986	24%	24%	24%	24%	14%	14%	14%	14%	13%	13%	13%	13%	13%	13%	13%
1987	23%	21%	21%	21%	3%	12%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1988 - 1989	23%	21%	21%	21%	6%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1990 - 1992	23%	21%	21%	21%	6%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1993 - 1995	23%	20%	20%	20%	-5%	4%	11%	13%	9%	13%	13%	13%	13%	13%	13%
1996	23%	20%	20%	20%	-2%	7%	13%	13%	13%	13%	13%	13%	13%	13%	13%
1997 - 2000	23%	19%	19%	19%	-12%	-3%	3%	12%	-1%	7%	13%	13%	13%	13%	13%
2001	22%	22%	22%	22%	-14%	-6%	0%	9%	-5%	2%	12%	13%	13%	13%	13%
2002 - 2004	22%	22%	22%	22%	-13%	-4%	3%	11%	-3%	5%	13%	13%	13%	13%	13%
2005 - 2007	22%	21%	21%	21%	-16%	-11%	-5%	3%	-9%	-2%	8%	13%	13%	13%	13%
2008 - 2010	22%	21%	21%	21%	-16%	-12%	-6%	3%	-10%	-2%	8%	13%	13%	13%	13%
2011 - 2013	22%	20%	20%	20%	-16%	-13%	-6%	2%	-10%	-2%	7%	13%	11%	13%	13%
2014 - 2016	20%	18%	18%	18%	-16%	-16%	-14%	-6%	-16%	-9%	0%	7%	2%	7%	13%
2017 - 2019	19%	16%	16%	16%	-16%	-16%	-16%	-9%	-16%	-10%	-1%	6%	-6%	-1%	13%
2020 - 2022	22%	9%	17%	17%	-16%	-16%	-16%	-11%	-16%	-11%	-2%	5%	-13%	-8%	11%

\$ Change including Capital Margin	Engine Size														
	0 - 100 CC	101 - 200 CC	201 - 300 CC	301 - 400 CC	401 - 500 CC	501 - 600 CC	601 - 700 CC	701 - 750 CC	751 - 800 CC	801 - 900 CC	901 - 1000 CC	1001 - 1100 CC	1101 - 1200 CC	1201 - 1300 CC	1301 & Greater CC
1982 & Older	\$95	\$95	\$95	\$95	\$137	\$137	\$137	\$137	\$136	\$136	\$136	\$136	\$149	\$149	\$149
1983 - 1986	\$94	\$94	\$94	\$94	\$135	\$135	\$135	\$135	\$159	\$159	\$159	\$159	\$173	\$173	\$173
1987	\$94	\$93	\$93	\$93	\$31	\$131	\$147	\$147	\$166	\$167	\$167	\$167	\$187	\$187	\$187
1988 - 1989	\$94	\$93	\$93	\$93	\$65	\$147	\$147	\$147	\$167	\$167	\$167	\$167	\$187	\$187	\$187
1990 - 1992	\$94	\$93	\$93	\$93	\$65	\$147	\$147	\$147	\$167	\$167	\$167	\$167	\$187	\$187	\$187
1993 - 1995	\$94	\$93	\$93	\$93	-\$59	\$48	\$133	\$164	\$122	\$180	\$180	\$180	\$201	\$201	\$201
1996	\$94	\$93	\$93	\$93	-\$27	\$87	\$164	\$164	\$175	\$180	\$180	\$180	\$201	\$201	\$201
1997 - 2000	\$94	\$92	\$92	\$92	-\$162	-\$48	\$42	\$165	-\$21	\$103	\$206	\$206	\$217	\$217	\$217
2001	\$94	\$117	\$117	\$117	-\$200	-\$86	\$4	\$127	-\$88	\$36	\$195	\$214	\$226	\$226	\$226
2002 - 2004	\$94	\$117	\$117	\$117	-\$178	-\$58	\$36	\$163	-\$52	\$79	\$214	\$214	\$226	\$226	\$226
2005 - 2007	\$94	\$117	\$117	\$117	-\$254	-\$176	-\$82	\$45	-\$161	-\$30	\$136	\$229	\$245	\$245	\$245
2008 - 2010	\$94	\$117	\$117	\$117	-\$257	-\$185	-\$89	\$41	-\$169	-\$35	\$135	\$232	\$254	\$254	\$254
2011 - 2013	\$94	\$116	\$116	\$116	-\$262	-\$200	-\$102	\$31	-\$180	-\$44	\$129	\$236	\$212	\$263	\$263
2014 - 2016	\$93	\$115	\$115	\$115	-\$288	-\$288	-\$248	-\$113	-\$322	-\$184	-\$9	\$136	\$37	\$149	\$290
2017 - 2019	\$92	\$114	\$114	\$114	-\$300	-\$300	-\$300	-\$163	-\$330	-\$204	-\$23	\$125	-\$141	-\$25	\$318
2020-2022	\$117	\$72	\$136	\$136	-\$313	-\$313	-\$313	-\$217	-\$338	-\$226	-\$41	\$111	-\$344	-\$224	\$299

6.20 Motorhomes

The rate indication shows that the premiums for these vehicles require a 134.6% rate increase. A relativity analysis was done based on declared value.

Recommendation: SGI recommends an overall average rate increase of 21.9% for this class (19.9% with the capital margin applied). All of the current vehicle population will receive increases averaging \$111/year (\$178/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Value	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
\$10,000 & Less	\$272	\$372	37%	\$100	\$278	\$374	35%	\$96
\$10,001-\$20,000	\$352	\$452	28%	\$100	\$360	\$455	26%	\$95
\$20,001-\$30,000	\$630	\$755	20%	\$125	\$644	\$759	18%	\$115
\$30,001-\$50,000	\$647	\$772	19%	\$125	\$661	\$776	17%	\$115
\$50,001-\$75,000	\$831	\$981	18%	\$150	\$850	\$987	16%	\$137
\$75,001-\$100,000	\$879	\$1,029	17%	\$150	\$899	\$1,035	15%	\$136
\$100,001-\$125,000	\$956	\$1,106	16%	\$150	\$977	\$1,112	14%	\$135
\$125,001-\$150,000	\$1,035	\$1,190	15%	\$155	\$1,058	\$1,197	13%	\$139
\$150,001-\$200,000	\$1,121	\$1,289	15%	\$168	\$1,146	\$1,296	13%	\$150
\$200,001-\$250,000	\$1,196	\$1,375	15%	\$179	\$1,223	\$1,383	13%	\$160
\$250,001-\$300,000	\$1,238	\$1,423	15%	\$185	\$1,266	\$1,431	13%	\$165
\$300,001-\$400,000	\$1,261	\$1,450	15%	\$189	\$1,289	\$1,458	13%	\$169
\$400,001-\$500,000	\$1,294	\$1,488	15%	\$194	\$1,323	\$1,496	13%	\$173
> \$500,000	\$1,322	\$1,520	15%	\$198	\$1,351	\$1,529	13%	\$178

6.21 Class MT – Snowmobiles

Snowmobiles are currently charged a flat fee of \$77 (\$79 with the capital margin). Snowmobiles have only liability coverage. The rate indication shows that a 6.0% decrease is warranted for this class.

Recommendation: SGI recommends an overall rate decrease of 6.5% (8.9% including the capital margin). The premium would decrease to \$72; with rounding the premium becomes \$72 with the capital margin applied.

6.22 Class PB – Passenger inter-city buses

The indicated rate change for passenger inter-city buses shows that an increase of 16.2% is required. A relativity analysis was performed on model year and seating capacity.

Recommendation: SGI recommends an overall average rate increase of 11.1% for this class (9.3% with the capital margin applied). The average increase for 96% of the current vehicle population in this class is \$204/year (\$227/year maximum); 4% of vehicles will receive an average decrease of \$12 (\$12/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$1,112	\$1,112	\$1,112	\$1,516
1993 - 1998	\$1,331	\$1,331	\$1,331	\$2,419
1999 - 2004	\$1,568	\$1,568	\$1,568	\$3,138
2005 - 2008	\$1,597	\$1,597	\$1,597	\$3,327
2009 - 2012	\$1,628	\$1,628	\$1,628	\$3,535
2013 - 2016	\$1,660	\$1,660	\$1,660	\$3,744
2017 - 2021	\$1,694	\$1,694	\$1,694	\$3,914

Proposed Rate excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$1,278	\$1,278	\$1,278	\$1,743
1993 - 1998	\$1,530	\$1,530	\$1,530	\$2,666
1999 - 2004	\$1,803	\$1,803	\$1,803	\$3,178
2005 - 2008	\$1,836	\$1,836	\$1,836	\$3,529
2009 - 2012	\$1,872	\$1,872	\$1,872	\$3,788
2013 - 2016	\$1,909	\$1,909	\$1,909	\$3,885
2017 - 2021	\$1,948	\$1,948	\$1,948	\$4,014

% Change excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	15%	15%	15%	15%
1993 - 1998	15%	15%	15%	10%
1999 - 2004	15%	15%	15%	1%
2005 - 2008	15%	15%	15%	6%
2009 - 2012	15%	15%	15%	7%
2013 - 2016	15%	15%	15%	4%
2017 - 2021	15%	15%	15%	3%

\$ Change excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$166	\$166	\$166	\$227
1993 - 1998	\$199	\$199	\$199	\$247
1999 - 2004	\$235	\$235	\$235	\$40
2005 - 2008	\$239	\$239	\$239	\$202
2009 - 2012	\$244	\$244	\$244	\$253
2013 - 2016	\$249	\$249	\$249	\$141
2017 - 2021	\$254	\$254	\$254	\$100

Current Rate including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$1,137	\$1,137	\$1,137	\$1,550
1993 - 1998	\$1,361	\$1,361	\$1,361	\$2,473
1999 - 2004	\$1,603	\$1,603	\$1,603	\$3,208
2005 - 2008	\$1,633	\$1,633	\$1,633	\$3,401
2009 - 2012	\$1,664	\$1,664	\$1,664	\$3,614
2013 - 2016	\$1,697	\$1,697	\$1,697	\$3,827
2017 - 2021	\$1,732	\$1,732	\$1,732	\$4,001

Proposed Rate including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$1,285	\$1,285	\$1,285	\$1,753
1993 - 1998	\$1,539	\$1,539	\$1,539	\$2,681
1999 - 2004	\$1,813	\$1,813	\$1,813	\$3,196
2005 - 2008	\$1,846	\$1,846	\$1,846	\$3,549
2009 - 2012	\$1,883	\$1,883	\$1,883	\$3,809
2013 - 2016	\$1,920	\$1,920	\$1,920	\$3,907
2017 - 2021	\$1,959	\$1,959	\$1,959	\$4,037

% Change including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	13%	13%	13%	13%
1993 - 1998	13%	13%	13%	8%
1999 - 2004	13%	13%	13%	0%
2005 - 2008	13%	13%	13%	4%
2009 - 2012	13%	13%	13%	5%
2013 - 2016	13%	13%	13%	2%
2017 - 2021	13%	13%	13%	1%

\$ Change including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$148	\$148	\$148	\$203
1993 - 1998	\$178	\$178	\$178	\$208
1999 - 2004	\$210	\$210	\$210	-\$12
2005 - 2008	\$213	\$213	\$213	\$148
2009 - 2012	\$219	\$219	\$219	\$195
2013 - 2016	\$223	\$223	\$223	\$80
2017 - 2021	\$227	\$227	\$227	\$36

6.23 Class PC – Passenger city buses

The indicated rate change for passenger city buses is a 21.2% increase. A relativity analysis was performed on model year and seating capacity.

Recommendation: SGI recommends applying the increase, which results in an increase of 4.7% after capping (3.0% increase once the capital margin is applied). Sixty-six per cent of the vehicles will receive increases of \$142/year (\$255/year maximum). Thirty-four per cent will receive decreases of \$98/year (\$153/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Current Rate excluding Capital Margin	Seating Capacity			
Model Year	9 & Less	10 - 15	16 - 24	25 or More
1992 & Older	\$785	\$1,038	\$1,197	\$1,911
1993 - 2000	\$922	\$1,204	\$1,386	\$2,267
2001 - 2004	\$963	\$1,268	\$1,477	\$2,332
2005 - 2008	\$1,009	\$1,304	\$1,526	\$2,432
2009 - 2012	\$1,041	\$1,360	\$1,603	\$2,534
2013 - 2016	\$1,073	\$1,416	\$1,680	\$2,652
2017 - 2021	\$1,106	\$1,475	\$1,760	\$2,775

Proposed Rate excluding Capital Margin	Seating Capacity			
Model Year	9 & Less	10 - 15	16 - 24	25 or More
1992 & Older	\$935	\$1,193	\$1,376	\$2,197
1993 - 2000	\$1,072	\$1,384	\$1,593	\$2,311
2001 - 2004	\$1,113	\$1,458	\$1,698	\$2,374
2005 - 2008	\$1,160	\$1,499	\$1,754	\$2,473
2009 - 2012	\$1,197	\$1,564	\$1,843	\$2,548
2013 - 2016	\$1,233	\$1,628	\$1,932	\$2,602
2017 - 2021	\$1,271	\$1,696	\$2,024	\$2,669

% Change excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	19%	15%	15%	15%
1993 - 2000	16%	15%	15%	2%
2001 - 2004	16%	15%	15%	2%
2005 - 2008	15%	15%	15%	2%
2009 - 2012	15%	15%	15%	1%
2013 - 2016	15%	15%	15%	-2%
2017 - 2021	15%	15%	15%	-4%

\$ Change excluding Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$150	\$155	\$179	\$286
1993 - 2000	\$150	\$180	\$207	\$44
2001 - 2004	\$150	\$190	\$221	\$42
2005 - 2008	\$151	\$195	\$228	\$41
2009 - 2012	\$156	\$204	\$240	\$14
2013 - 2016	\$160	\$212	\$252	-\$50
2017 - 2021	\$165	\$221	\$264	-\$106

Current Rate including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$803	\$1,061	\$1,224	\$1,954
1993 - 2000	\$943	\$1,231	\$1,417	\$2,318
2001 - 2004	\$984	\$1,296	\$1,510	\$2,384
2005 - 2008	\$1,032	\$1,333	\$1,560	\$2,486
2009 - 2012	\$1,064	\$1,390	\$1,639	\$2,591
2013 - 2016	\$1,097	\$1,448	\$1,717	\$2,711
2017 - 2021	\$1,131	\$1,508	\$1,799	\$2,837

Proposed Rate including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$940	\$1,200	\$1,384	\$2,209
1993 - 2000	\$1,078	\$1,392	\$1,602	\$2,324
2001 - 2004	\$1,119	\$1,466	\$1,708	\$2,387
2005 - 2008	\$1,167	\$1,507	\$1,764	\$2,487
2009 - 2012	\$1,204	\$1,573	\$1,853	\$2,562
2013 - 2016	\$1,240	\$1,637	\$1,943	\$2,617
2017 - 2021	\$1,278	\$1,706	\$2,035	\$2,684

% Change including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	17%	13%	13%	13%
1993 - 2000	14%	13%	13%	0%
2001 - 2004	14%	13%	13%	0%
2005 - 2008	13%	13%	13%	0%
2009 - 2012	13%	13%	13%	-1%
2013 - 2016	13%	13%	13%	-3%
2017 - 2021	13%	13%	13%	-5%

\$ Change including Capital Margin	Seating Capacity			
	9 & Less	10 - 15	16 - 24	25 or More
Model Year				
1992 & Older	\$137	\$139	\$160	\$255
1993 - 2000	\$135	\$161	\$185	\$6
2001 - 2004	\$135	\$170	\$198	\$3
2005 - 2008	\$135	\$174	\$204	\$1
2009 - 2012	\$140	\$183	\$214	-\$29
2013 - 2016	\$143	\$189	\$226	-\$94
2017 - 2021	\$147	\$198	\$236	-\$153

6.24 Class PS – Passenger school buses

The passenger school bus rate indication is for a 13.3% rate increase. A relativity analysis was performed on model year and number of seats.

Recommendation: SGI recommends an overall average rate increase of 13.3% (11.4% increase with the capital margin). The average increase for school buses will be \$71/year (\$84/year maximum).

The impact on the rates for these vehicles is shown in the tables below.

Model Year	Current Rate excluding Capital Margin		Proposed Rate excluding Capital Margin	
	24 & Less	25 or More	24 & Less	25 or More
1998 & Older	\$496	\$496	\$549	\$552
1999 - 2002	\$517	\$517	\$570	\$574
2003 - 2006	\$551	\$551	\$619	\$625
2007 - 2010	\$585	\$585	\$651	\$659
2011 - 2014	\$615	\$615	\$694	\$703
2015 - 2018	\$638	\$638	\$710	\$720
2019 - 2022	\$638	\$638	\$722	\$732

Model Year	% Change excluding Capital Margin		\$ Change excluding Capital Margin	
	24 & Less	25 or More	24 & Less	25 or More
1998 & Older	11%	11%	\$53	\$56
1999 - 2002	10%	11%	\$53	\$57
2003 - 2006	12%	13%	\$68	\$74
2007 - 2010	11%	13%	\$66	\$74
2011 - 2014	13%	14%	\$79	\$88
2015 - 2018	11%	13%	\$72	\$82
2019 - 2022	13%	15%	\$84	\$94

Model Year	Current Rate including Capital Margin		Proposed Rate including Capital Margin	
	24 & Less	25 or More	24 & Less	25 or More
1998 & Older	\$507	\$507	\$552	\$555
1999 - 2002	\$529	\$529	\$573	\$577
2003 - 2006	\$563	\$563	\$622	\$629
2007 - 2010	\$598	\$598	\$655	\$663
2011 - 2014	\$629	\$629	\$698	\$707
2015 - 2018	\$652	\$652	\$714	\$724
2019 - 2022	\$652	\$652	\$726	\$736

Model Year	% Change including Capital Margin		\$ Change including Capital Margin	
	24 & Less	25 or More	24 & Less	25 or More
1998 & Older	9%	9%	\$45	\$48
1999 - 2002	8%	9%	\$44	\$48
2003 - 2006	10%	12%	\$59	\$66
2007 - 2010	10%	11%	\$57	\$65
2011 - 2014	11%	12%	\$69	\$78
2015 - 2018	10%	11%	\$62	\$72
2019 - 2022	11%	13%	\$74	\$84

6.25 Class PT – Urban taxis

The rate indication for this class shows that a 37.9% rate increase overall is required.

Recommendation: SGI recently grouped large and small cities together for rating purposes; however, it will take a number of rate programs for their rates to converge due to the effects of capping. Prince Albert, Regina and Saskatoon have significantly different claims histories than all other locations. For this reason, these cities also have separate damage rates. While the rates will be separate for these three locations, the final premium will incorporate average loss experience for all three locations combined to ensure stable, credible results. Both damage and injury portions of the rates will vary by location.

SGI recommends an overall average rate increase of 15.0% which includes the effects of capping. It becomes a 13.1% increase with the capital margin.

The impact on the rates for these vehicles is shown in the table below.

Location Table	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
Table A	\$2,055	\$2,363	15%	\$308	\$2,101	\$2,376	13%	\$275
Table B	\$3,647	\$4,194	15%	\$547	\$3,728	\$4,218	13%	\$490
Prince Albert	\$3,654	\$4,202	15%	\$548	\$3,735	\$4,226	13%	\$491
Regina	\$4,340	\$4,991	15%	\$651	\$4,437	\$5,019	13%	\$582
Saskatoon	\$4,340	\$4,991	15%	\$651	\$4,437	\$5,019	13%	\$582

6.26 Transportation Network Companies (TNCs)

The current rate of 11 cents per kilometer was established Dec. 14, 2018 along with the new ridesharing regulations. As a part of this rate program, no changes are proposed to the TNC rate, but it will be reviewed and included in future rate programs as data is collected on the actual experience of rideshare vehicles.

Trailers

Typically, the only coverage available to trailers is first-party damage with all other coverages being provided under the towing vehicle.

6.27 Class F – Farm trailers

The rate indication shows that a 15.9% increase is warranted for this class. A relativity analysis based on body type was performed.

Recommendation: SGI recommends an overall average rate increase of 15.9% for these trailers (13.4% once the capital margin is applied). Ninety-two per cent of the farm trailer population will receive an average increase of \$11/year (\$21/year maximum). The remaining vehicles will receive an average decrease of \$3/year (\$3/year maximum).

The impact on the rates for these trailers is shown in the table below.

Body	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
Utility Trailer	\$44	\$42	-5%	-\$2	\$45	\$42	-7%	-\$3
Semi Trailer	\$91	\$113	24%	\$22	\$93	\$114	23%	\$21
Transport	\$49	\$52	6%	\$3	\$50	\$52	4%	\$2

6.28 Class LT – Trailer dealers and movers

The premiums for Class LT are charged based on the highest-rated trailer type selected by the dealership. A new relativity analysis for this class resulted in a credible system with only two rates, one for cabin trailers, and one for non-cabin trailers. The rates of the trailer types below will converge based on this differentiation. The indicated rate change is a decrease of 2.6%.

Recommendation: SGI recommends an overall average rate increase of 1.0% due to rebalancing, which becomes a 0.5% decrease with the capital margin. Of the current vehicle population, 41% will increase on average by \$137/year (\$137/year maximum). The remainder will decrease on average by \$100/year (\$108/year maximum).

The impact on the rates for these trailers is shown in the table below.

Trailer Type	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
Utility Trailer	\$154	\$96	-38%	-\$58	\$157	\$97	-38%	-\$60
Tent Trailer	\$154	\$96	-38%	-\$58	\$157	\$97	-38%	-\$60
Semi Trailer	\$428	\$328	-23%	-\$100	\$438	\$330	-25%	-\$108
Transport Trailer	\$428	\$328	-23%	-\$100	\$438	\$330	-25%	-\$108
Cabin Trailer	\$830	\$980	18%	\$150	\$849	\$986	16%	\$137

6.29 Class T – Personal trailers

The rate indication suggests that an increase of 76.8% is warranted on the premiums for this class. A relativity analysis was performed on value and body style.

Recommendation: SGI recommends an overall average rate increase of 29.7% for this class (27.5% once the capital margin is applied). Almost all of the current trailer population will receive increases averaging \$61/year (\$138/year maximum) with a few having an average decrease of \$6/year (\$6/year maximum).

The impact on the rates for these trailers is shown in the tables below.

Current Rate excluding Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$52	\$47	\$58	\$51
\$1,001 to 3,000	\$68	\$54	\$87	\$67
\$3,001 to 5,000	\$104	\$70	\$153	\$101
\$5,001 to 10,000	\$205	\$112	\$337	\$197
\$10,001 to 15,000	\$299	\$160	\$460	\$304
\$15,001 to 20,000	\$343	\$171	\$522	\$328
\$20,001 to 25,000	\$365	\$180	\$625	\$348
\$25,001 to 40,000	\$382	\$191	\$656	\$364
\$40,001 to 60,000	\$471	\$231	\$778	\$449
\$60,001 to 80,000	\$475	\$251	\$824	\$452
\$80,001 to 100,000	\$518	\$308	\$902	\$493
\$100,001 & More	\$565	\$376	\$988	\$538

Proposed Rate excluding Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$78	\$71	\$87	\$80
\$1,001 to 3,000	\$101	\$79	\$129	\$106
\$3,001 to 5,000	\$150	\$96	\$219	\$164
\$5,001 to 10,000	\$280	\$149	\$437	\$272
\$10,001 to 15,000	\$399	\$221	\$560	\$404
\$15,001 to 20,000	\$443	\$246	\$647	\$428
\$20,001 to 25,000	\$465	\$255	\$750	\$448
\$25,001 to 40,000	\$482	\$266	\$781	\$464
\$40,001 to 60,000	\$571	\$306	\$928	\$549
\$60,001 to 80,000	\$575	\$322	\$974	\$552
\$80,001 to 100,000	\$643	\$348	\$1,052	\$593
\$100,001 & More	\$690	\$376	\$1,138	\$663

% Change excluding Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	50%	51%	50%	57%
\$1,001 to 3,000	49%	46%	48%	58%
\$3,001 to 5,000	44%	37%	43%	62%
\$5,001 to 10,000	37%	33%	30%	38%
\$10,001 to 15,000	33%	38%	22%	33%
\$15,001 to 20,000	29%	44%	24%	30%
\$20,001 to 25,000	27%	42%	20%	29%
\$25,001 to 40,000	26%	39%	19%	27%
\$40,001 to 60,000	21%	32%	19%	22%
\$60,001 to 80,000	21%	28%	18%	22%
\$80,001 to 100,000	24%	13%	17%	20%
\$100,001 & More	22%	0%	15%	23%

\$ Change excluding Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$26	\$24	\$29	\$29
\$1,001 to 3,000	\$33	\$25	\$42	\$39
\$3,001 to 5,000	\$46	\$26	\$66	\$63
\$5,001 to 10,000	\$75	\$37	\$100	\$75
\$10,001 to 15,000	\$100	\$61	\$100	\$100
\$15,001 to 20,000	\$100	\$75	\$125	\$100
\$20,001 to 25,000	\$100	\$75	\$125	\$100
\$25,001 to 40,000	\$100	\$75	\$125	\$100
\$40,001 to 60,000	\$100	\$75	\$150	\$100
\$60,001 to 80,000	\$100	\$71	\$150	\$100
\$80,001 to 100,000	\$125	\$40	\$150	\$100
\$100,001 & More	\$125	\$0	\$150	\$125

Current Rate including Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$53	\$48	\$59	\$52
\$1,001 to 3,000	\$70	\$55	\$89	\$68
\$3,001 to 5,000	\$106	\$72	\$156	\$103
\$5,001 to 10,000	\$210	\$114	\$345	\$201
\$10,001 to 15,000	\$306	\$164	\$470	\$311
\$15,001 to 20,000	\$351	\$175	\$534	\$335
\$20,001 to 25,000	\$373	\$184	\$639	\$356
\$25,001 to 40,000	\$391	\$195	\$671	\$372
\$40,001 to 60,000	\$482	\$236	\$795	\$459
\$60,001 to 80,000	\$486	\$257	\$842	\$462
\$80,001 to 100,000	\$530	\$315	\$922	\$504
\$100,001 & More	\$578	\$384	\$1,010	\$550

Proposed Rate including Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$78	\$71	\$87	\$80
\$1,001 to 3,000	\$102	\$79	\$130	\$107
\$3,001 to 5,000	\$151	\$97	\$220	\$165
\$5,001 to 10,000	\$282	\$150	\$439	\$274
\$10,001 to 15,000	\$401	\$222	\$563	\$406
\$15,001 to 20,000	\$445	\$247	\$651	\$430
\$20,001 to 25,000	\$468	\$256	\$754	\$451
\$25,001 to 40,000	\$485	\$267	\$785	\$467
\$40,001 to 60,000	\$574	\$308	\$933	\$552
\$60,001 to 80,000	\$578	\$324	\$979	\$555
\$80,001 to 100,000	\$647	\$350	\$1,058	\$596
\$100,001 & More	\$694	\$378	\$1,144	\$667

% Change including Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	47%	48%	47%	54%
\$1,001 to 3,000	46%	44%	46%	57%
\$3,001 to 5,000	42%	35%	41%	60%
\$5,001 to 10,000	34%	32%	27%	36%
\$10,001 to 15,000	31%	35%	20%	31%
\$15,001 to 20,000	27%	41%	22%	28%
\$20,001 to 25,000	25%	39%	18%	27%
\$25,001 to 40,000	24%	37%	17%	26%
\$40,001 to 60,000	19%	31%	17%	20%
\$60,001 to 80,000	19%	26%	16%	20%
\$80,001 to 100,000	22%	11%	15%	18%
\$100,001 & More	20%	-2%	13%	21%

\$ Change including Capital Margin	Trailer Type			
	Tent	Semi & Transport	Metal Cabin	Fibreglass Cabin
Value				
\$1,000 & Less	\$25	\$23	\$28	\$28
\$1,001 to 3,000	\$32	\$24	\$41	\$39
\$3,001 to 5,000	\$45	\$25	\$64	\$62
\$5,001 to 10,000	\$72	\$36	\$94	\$73
\$10,001 to 15,000	\$95	\$58	\$93	\$95
\$15,001 to 20,000	\$94	\$72	\$117	\$95
\$20,001 to 25,000	\$95	\$72	\$115	\$95
\$25,001 to 40,000	\$94	\$72	\$114	\$95
\$40,001 to 60,000	\$92	\$72	\$138	\$93
\$60,001 to 80,000	\$92	\$67	\$137	\$93
\$80,001 to 100,000	\$117	\$35	\$136	\$92
\$100,001 & More	\$116	-\$6	\$134	\$117

6.30 Class T – Utility trailers

The indication shows that utility trailers require a 7.5% decrease to their rate. Currently utility trailers are charged a flat rate of \$40 per trailer.

Recommendation: SGI recommends a 7.7% decrease to utility trailers (10.0% with the capital margin). The proposed rate for utility trailers with capital margin is \$36.

6.31 Class TS – Commercial trailers

The rate indication for this class is for a 2.1% rate increase. These trailers are rated by value up to a limit of \$15,000. Customers have the option to purchase excess value coverage through either the Auto Fund or the competitive market. A relativity analysis was completed for the declared value bands up to \$15,000.

Recommendation: SGI recommends an overall rate increase of 2.1% (0.2% decrease with the capital margin). Of the current commercial trailer population, 29% will receive increases averaging \$44/year (\$45/year maximum). The remaining 71% of the population will receive decreases averaging \$17/year (\$31/year maximum).

The table below shows the impact on the rates for these trailers.

Value	Current Rate excluding Capital Margin	Proposed Rate excluding Capital Margin	% Change excluding Capital Margin	\$ Change excluding Capital Margin	Current Rate including Capital Margin	Proposed Rate including Capital Margin	% Change including Capital Margin	\$ Change including Capital Margin
2,000 & Less	\$48	\$42	-13%	-\$6	\$49	\$42	-14%	-\$7
2,001 - 5,000	\$90	\$78	-13%	-\$12	\$92	\$78	-15%	-\$14
5,001 - 7,000	\$103	\$80	-22%	-\$23	\$105	\$80	-24%	-\$25
7,001 - 10,000	\$120	\$91	-24%	-\$29	\$123	\$92	-25%	-\$31
10,001 - 12,000	\$155	\$198	28%	\$43	\$158	\$199	26%	\$41
12,001 - 15,000	\$205	\$254	24%	\$49	\$210	\$255	21%	\$45

Miscellaneous classes

6.32 Class A – Heavy trucks, heavy vans and power units non-IRP excess value

For Class A non-IRP commercial vehicles, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own vehicle. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 6.2% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class A excess value at this time. The Auto Fund is looking into removing this coverage in the future and, as such, would like to keep the rate unchanged for the time being in order to provide some stability to customers.

6.33 Class C and D – Heavy trucks, heavy vans and power units excess value

For Class C and D commercial vehicles, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own vehicle. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 17.4% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class C and D excess value at this time. The Auto Fund is looking into removing this coverage in the future and, as such, would like to keep the rate unchanged for the time being in order to provide some stability to customers.

6.34 Class C and D – Non-resident

Vehicles fully registered and insured in another jurisdiction, operating in Saskatchewan for less than one year with certain vehicle industry types, are charged a flat fee of \$75 annually (\$77 with the capital amount) and are only provided with injury coverage. The certain vehicle industry types are mineral exploration or transportation of passengers, dangerous goods, general merchandise or other. As these vehicles are fully registered and insured in another jurisdiction, they are referred to as "non-resident" vehicles. The rate indication shows that no change is required for this class.

Recommendation: Due to the capital margin reduction SGI recommends a 2.6% rate decrease. The proposed rate is \$75 annually.

6.35 Industrial tracked vehicles

These vehicles run on tracks rather than wheels, such as a snow-groomer. The data for this class is very thin. Industrial tracked vehicles from all classes have been pooled together for the analysis. The indication shows that no rate change is necessary for these vehicles. The current flat fee for this type of vehicle is \$275 (\$281 including the capital amount).

Recommendation: SGI recommends that the fee be changed by the amount of the capital margin reduction. The proposed annual fee is \$277.

6.36 Class LV – Motorized bicycle

Motorized pedal bikes are currently charged a flat rate of \$61 (\$62 with the capital amount). The rate indication shows that the rate does not require a change.

Recommendation: Due to the capital margin reduction SGI recommends an 1.6% rate decrease. The proposed rate is \$61 annually.

6.37 Permits

Permits are currently charged a flat rate that varies by permit type. Eight-day and 24-hour permits provide insurance coverage while the vehicle is being operated in Saskatchewan. They are also recognized up to 17 km beyond the Saskatchewan-Alberta border and up to 16 km beyond the Saskatchewan-Manitoba border. Permits are available for light passenger vehicles but cannot be used for the transportation of passengers for compensation in a taxi or bus operation, or transportation of more than eight students to and from school.

Recommendation: SGI recommends capped rate increases for all permits. Permit fees have not been adjusted in more than 20 years. The following table summarizes the indicated and proposed rate changes by permit type.

Permit Type	Current Rate	Proposed Rate	% Indicated Rate Change	% Proposed Rate Change	\$ Change
24-Hour	\$5	\$11	123.7%	120.0%	\$6
8-Day	\$24	\$49	180.0%	104.2%	\$25
In-transit	\$17	\$30	76.6%	76.5%	\$13
TIC	\$11	\$27	149.7%	145.5%	\$16

Private Vehicle (PV) class

Currently, private vehicles include heavy trucks, power units and vans that are greater than one tonne that are not being used for conducting a business or commercial undertaking. This class also includes vehicles that are used to conduct a primary farming activity, if the registered owner of the vehicle is not eligible for Class F.

6.38 Class PV – Converted vehicles

Converted vehicles are those vehicles that were originally manufactured for one use, but a customer has modified it for another use. An example of this would be a school bus that has all the seats behind the driver seat removed and is now being used for hauling.

The indication for Class PV converted vehicles is a 1.4% rate decrease.

Recommendation: SGI recommends the indicated overall average decrease of 1.4% (3.0% with the capital margin). All of the current vehicles will receive decreases averaging \$26/year (\$43/year maximum).

The tables below show the impact on rates.

Current Rate excluding Capital Margin	Model Year						
	<1992	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW							
5,000 or less	\$721	\$773	\$823	\$846	\$881	\$893	\$893
5,001-11,000	\$730	\$784	\$837	\$861	\$898	\$917	\$917
11,001-13,000	\$739	\$796	\$852	\$877	\$917	\$946	\$946
13,001-22,000	\$749	\$809	\$868	\$894	\$945	\$977	\$977
22,001-34,000	\$759	\$822	\$884	\$912	\$973	\$1,007	\$1,007
34,001-40,000	\$770	\$836	\$901	\$930	\$987	\$1,022	\$1,022
40,001-50,000	\$781	\$851	\$919	\$949	\$1,001	\$1,037	\$1,037
50,001-63,500	\$793	\$867	\$938	\$970	\$1,018	\$1,053	\$1,053

Proposed Rate excluding Capital Margin	Model Year						
	<1992	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW							
5,000 or less	\$694	\$745	\$819	\$856	\$919	\$1,017	\$1,043
5,001-11,000	\$703	\$758	\$836	\$875	\$942	\$1,045	\$1,067
11,001-13,000	\$713	\$770	\$853	\$894	\$965	\$1,074	\$1,096
13,001-22,000	\$719	\$779	\$865	\$907	\$981	\$1,094	\$1,127
22,001-34,000	\$760	\$833	\$938	\$990	\$1,080	\$1,158	\$1,158
34,001-40,000	\$811	\$900	\$1,029	\$1,080	\$1,137	\$1,175	\$1,175
40,001-50,000	\$834	\$931	\$1,069	\$1,099	\$1,151	\$1,192	\$1,192
50,001-63,500	\$890	\$1,005	\$1,088	\$1,120	\$1,170	\$1,210	\$1,210

% Change excluding Capital Margin	Model Year						
	<1992	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW							
5,000 or less	-4%	-4%	0%	1%	4%	14%	17%
5,001-11,000	-4%	-3%	0%	2%	5%	14%	16%
11,001-13,000	-4%	-3%	0%	2%	5%	14%	16%
13,001-22,000	-4%	-4%	0%	1%	4%	12%	15%
22,001-34,000	0%	1%	6%	9%	11%	15%	15%
34,001-40,000	5%	8%	14%	16%	15%	15%	15%
40,001-50,000	7%	9%	16%	16%	15%	15%	15%
50,001-63,500	12%	16%	16%	15%	15%	15%	15%

\$ Change excluding Capital Margin	Model Year						
	<1992	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW							
5,000 or less	-\$27	-\$28	-\$4	\$10	\$38	\$124	\$150
5,001-11,000	-\$27	-\$26	-\$1	\$14	\$44	\$128	\$150
11,001-13,000	-\$26	-\$26	\$1	\$17	\$48	\$128	\$150
13,001-22,000	-\$30	-\$30	-\$3	\$13	\$36	\$117	\$150
22,001-34,000	\$1	\$11	\$54	\$78	\$107	\$151	\$151
34,001-40,000	\$41	\$64	\$128	\$150	\$150	\$153	\$153
40,001-50,000	\$53	\$80	\$150	\$150	\$150	\$155	\$155
50,001-63,500	\$97	\$138	\$150	\$150	\$152	\$157	\$157

Current Rate including Capital Margin	Model Year						
	<1992	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW							
5,000 or less	\$737	\$790	\$841	\$865	\$901	\$913	\$913
5,001-11,000	\$746	\$801	\$856	\$880	\$918	\$937	\$937
11,001-13,000	\$755	\$814	\$871	\$897	\$937	\$967	\$967
13,001-22,000	\$766	\$827	\$887	\$914	\$966	\$999	\$999
22,001-34,000	\$776	\$840	\$904	\$932	\$995	\$1,029	\$1,029
34,001-40,000	\$787	\$855	\$921	\$951	\$1,009	\$1,045	\$1,045
40,001-50,000	\$798	\$870	\$939	\$970	\$1,023	\$1,060	\$1,060
50,001-63,500	\$811	\$886	\$959	\$992	\$1,041	\$1,076	\$1,076

Proposed Rate including Capital Margin	Model Year						
	<1992	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW							
5,000 or less	\$698	\$749	\$824	\$861	\$924	\$1,023	\$1,049
5,001-11,000	\$707	\$762	\$841	\$880	\$947	\$1,051	\$1,073
11,001-13,000	\$717	\$774	\$858	\$899	\$970	\$1,080	\$1,102
13,001-22,000	\$723	\$783	\$870	\$912	\$987	\$1,100	\$1,133
22,001-34,000	\$764	\$838	\$943	\$996	\$1,086	\$1,165	\$1,165
34,001-40,000	\$816	\$905	\$1,035	\$1,086	\$1,143	\$1,182	\$1,182
40,001-50,000	\$839	\$936	\$1,075	\$1,105	\$1,157	\$1,199	\$1,199
50,001-63,500	\$895	\$1,011	\$1,094	\$1,126	\$1,177	\$1,217	\$1,217

% Change including Capital Margin	Model Year						
	<1992	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW							
5,000 or less	-5%	-5%	-2%	0%	3%	12%	15%
5,001-11,000	-5%	-5%	-2%	0%	3%	12%	15%
11,001-13,000	-5%	-5%	-1%	0%	4%	12%	14%
13,001-22,000	-6%	-5%	-2%	0%	2%	10%	13%
22,001-34,000	-2%	0%	4%	7%	9%	13%	13%
34,001-40,000	4%	6%	12%	14%	13%	13%	13%
40,001-50,000	5%	8%	14%	14%	13%	13%	13%
50,001-63,500	10%	14%	14%	14%	13%	13%	13%

\$ Change including Capital Margin	Model Year						
	<1992	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW							
5,000 or less	-\$39	-\$41	-\$17	-\$4	\$23	\$110	\$136
5,001-11,000	-\$39	-\$39	-\$15	\$0	\$29	\$114	\$136
11,001-13,000	-\$38	-\$40	-\$13	\$2	\$33	\$113	\$135
13,001-22,000	-\$43	-\$44	-\$17	-\$2	\$21	\$101	\$134
22,001-34,000	-\$12	-\$2	\$39	\$64	\$91	\$136	\$136
34,001-40,000	\$29	\$50	\$114	\$135	\$134	\$137	\$137
40,001-50,000	\$41	\$66	\$136	\$135	\$134	\$139	\$139
50,001-63,500	\$84	\$125	\$135	\$134	\$136	\$141	\$141

6.39 Class PV – Heavy trucks and heavy vans

The indicated rate change for Class PV heavy trucks and vans is an 7.9% rate decrease.

Recommendation: After capping, SGI recommends an overall rate decrease of 7.0% (8.6% with the capital margin). Nearly all vehicles within this class will see decreases averaging \$73/year (\$201/year maximum). The remaining vehicles will see increases averaging \$51/year (\$51/year maximum).

The tables below show the impact on rates.

Current Rate excluding Capital Margin	Model Year											
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021	
GVW												
5,000 or less	\$538	\$554	\$576	\$604	\$640	\$686	\$731	\$754	\$818	\$854	\$854	\$854
5,001-11,000	\$540	\$558	\$580	\$610	\$648	\$697	\$744	\$788	\$943	\$980	\$980	\$980
11,001-13,000	\$543	\$562	\$585	\$616	\$657	\$707	\$757	\$887	\$1,050	\$1,092	\$1,092	\$1,092
13,001-22,000	\$546	\$565	\$590	\$623	\$665	\$719	\$786	\$917	\$1,156	\$1,202	\$1,202	\$1,202
22,001-34,000	\$549	\$570	\$596	\$630	\$674	\$730	\$910	\$1,034	\$1,156	\$1,202	\$1,202	\$1,202
34,001-40,000	\$553	\$574	\$602	\$637	\$684	\$743	\$910	\$1,034	\$1,156	\$1,202	\$1,202	\$1,202
40,001-50,000	\$556	\$579	\$608	\$645	\$694	\$756	\$910	\$1,034	\$1,156	\$1,202	\$1,202	\$1,202
50,001-63,500	\$560	\$583	\$614	\$653	\$705	\$770	\$910	\$1,034	\$1,156	\$1,202	\$1,202	\$1,202

Proposed Rate excluding Capital Margin	Model Year											
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021	
GVW												
5,000 or less	\$530	\$530	\$530	\$530	\$590	\$628	\$684	\$711	\$759	\$832	\$832	\$919
5,001-11,000	\$533	\$533	\$533	\$533	\$597	\$638	\$697	\$726	\$793	\$854	\$854	\$945
11,001-13,000	\$537	\$537	\$537	\$537	\$604	\$647	\$709	\$740	\$893	\$929	\$929	\$972
13,001-22,000	\$539	\$539	\$539	\$539	\$609	\$654	\$718	\$767	\$983	\$1,022	\$1,022	\$1,022
22,001-34,000	\$555	\$555	\$555	\$555	\$640	\$694	\$773	\$879	\$983	\$1,022	\$1,022	\$1,106
34,001-40,000	\$574	\$574	\$574	\$574	\$678	\$745	\$841	\$889	\$983	\$1,099	\$1,099	\$1,249
40,001-50,000	\$583	\$583	\$583	\$583	\$695	\$768	\$873	\$924	\$1,014	\$1,152	\$1,152	\$1,315
50,001-63,500	\$604	\$604	\$604	\$604	\$737	\$824	\$948	\$1,009	\$1,116	\$1,280	\$1,280	\$1,382

% Change excluding Capital Margin	Model Year											
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021	
GVW												
5,000 or less	-1%	-4%	-8%	-12%	-8%	-8%	-6%	-6%	-7%	-3%	-3%	8%
5,001-11,000	-1%	-4%	-8%	-13%	-8%	-8%	-6%	-8%	-16%	-13%	-13%	-4%
11,001-13,000	-1%	-4%	-8%	-13%	-8%	-8%	-6%	-17%	-15%	-15%	-15%	-11%
13,001-22,000	-1%	-5%	-9%	-13%	-8%	-9%	-9%	-16%	-15%	-15%	-15%	-15%
22,001-34,000	1%	-3%	-7%	-12%	-5%	-5%	-15%	-15%	-15%	-15%	-15%	-8%
34,001-40,000	4%	0%	-5%	-10%	-1%	0%	-8%	-14%	-15%	-9%	-9%	4%
40,001-50,000	5%	1%	-4%	-10%	0%	2%	-4%	-11%	-12%	-4%	-4%	9%
50,001-63,500	8%	4%	-2%	-8%	5%	7%	4%	-2%	-3%	6%	6%	15%

\$ Change excluding Capital Margin	Model Year										
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW											
5,000 or less	-\$8	-\$24	-\$46	-\$74	-\$50	-\$58	-\$47	-\$43	-\$59	-\$22	\$65
5,001-11,000	-\$7	-\$25	-\$47	-\$77	-\$51	-\$59	-\$47	-\$62	-\$150	-\$126	-\$35
11,001-13,000	-\$6	-\$25	-\$48	-\$79	-\$53	-\$60	-\$48	-\$147	-\$157	-\$163	-\$120
13,001-22,000	-\$7	-\$26	-\$51	-\$84	-\$56	-\$65	-\$68	-\$150	-\$173	-\$180	-\$180
22,001-34,000	\$6	-\$15	-\$41	-\$75	-\$34	-\$36	-\$137	-\$155	-\$173	-\$180	-\$96
34,001-40,000	\$21	\$0	-\$28	-\$63	-\$6	\$2	-\$69	-\$145	-\$173	-\$103	\$47
40,001-50,000	\$27	\$4	-\$25	-\$62	\$1	\$12	-\$37	-\$110	-\$142	-\$50	\$113
50,001-63,500	\$44	\$21	-\$10	-\$49	\$32	\$54	\$38	-\$25	-\$40	\$78	\$180

Current Rate including Capital Margin	Model Year										
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW											
5,000 or less	\$550	\$566	\$589	\$617	\$654	\$701	\$747	\$771	\$836	\$873	\$873
5,001-11,000	\$552	\$570	\$593	\$624	\$662	\$713	\$761	\$806	\$964	\$1,002	\$1,002
11,001-13,000	\$555	\$575	\$598	\$630	\$672	\$723	\$774	\$907	\$1,073	\$1,116	\$1,116
13,001-22,000	\$558	\$578	\$603	\$637	\$680	\$735	\$804	\$937	\$1,182	\$1,229	\$1,229
22,001-34,000	\$561	\$583	\$609	\$644	\$689	\$746	\$930	\$1,057	\$1,182	\$1,229	\$1,229
34,001-40,000	\$565	\$587	\$615	\$651	\$699	\$760	\$930	\$1,057	\$1,182	\$1,229	\$1,229
40,001-50,000	\$568	\$592	\$622	\$659	\$709	\$773	\$930	\$1,057	\$1,182	\$1,229	\$1,229
50,001-63,500	\$572	\$596	\$628	\$668	\$721	\$787	\$930	\$1,057	\$1,182	\$1,229	\$1,229

Proposed Rate including Capital Margin	Model Year										
	<1972	1972- 1976	1977- 1981	1982- 1986	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW											
5,000 or less	\$533	\$533	\$533	\$533	\$593	\$632	\$688	\$715	\$763	\$837	\$924
5,001-11,000	\$536	\$536	\$536	\$536	\$600	\$642	\$701	\$730	\$797	\$859	\$950
11,001-13,000	\$540	\$540	\$540	\$540	\$607	\$651	\$713	\$744	\$898	\$934	\$977
13,001-22,000	\$542	\$542	\$542	\$542	\$612	\$658	\$722	\$771	\$989	\$1,028	\$1,028
22,001-34,000	\$558	\$558	\$558	\$558	\$644	\$698	\$777	\$884	\$989	\$1,028	\$1,112
34,001-40,000	\$577	\$577	\$577	\$577	\$682	\$749	\$846	\$894	\$989	\$1,105	\$1,256
40,001-50,000	\$586	\$586	\$586	\$586	\$699	\$772	\$878	\$929	\$1,020	\$1,158	\$1,322
50,001-63,500	\$607	\$607	\$607	\$607	\$741	\$829	\$953	\$1,015	\$1,122	\$1,287	\$1,390

% Change including Capital Margin	Model Year										
	<1972	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW											
5,000 or less	-3%	-6%	-10%	-14%	-9%	-10%	-8%	-7%	-9%	-4%	6%
5,001-11,000	-3%	-6%	-10%	-14%	-9%	-10%	-8%	-9%	-17%	-14%	-5%
11,001-13,000	-3%	-6%	-10%	-14%	-10%	-10%	-8%	-18%	-16%	-16%	-12%
13,001-22,000	-3%	-6%	-10%	-15%	-10%	-10%	-10%	-18%	-16%	-16%	-16%
22,001-34,000	-1%	-4%	-8%	-13%	-7%	-6%	-16%	-16%	-16%	-16%	-10%
34,001-40,000	2%	-2%	-6%	-11%	-2%	-1%	-9%	-15%	-16%	-10%	2%
40,001-50,000	3%	-1%	-6%	-11%	-1%	0%	-6%	-12%	-14%	-6%	8%
50,001-63,500	6%	2%	-3%	-9%	3%	5%	2%	-4%	-5%	5%	13%

\$ Change including Capital Margin	Model Year										
	<1972	1972-1976	1977-1981	1982-1986	1987-1991	1992-1996	1997-2001	2002-2006	2007-2011	2012-2016	2017-2021
GVW											
5,000 or less	-\$17	-\$33	-\$56	-\$84	-\$61	-\$69	-\$59	-\$56	-\$73	-\$36	\$51
5,001-11,000	-\$16	-\$34	-\$57	-\$88	-\$62	-\$71	-\$60	-\$76	-\$167	-\$143	-\$52
11,001-13,000	-\$15	-\$35	-\$58	-\$90	-\$65	-\$72	-\$61	-\$163	-\$175	-\$182	-\$139
13,001-22,000	-\$16	-\$36	-\$61	-\$95	-\$68	-\$77	-\$82	-\$166	-\$193	-\$201	-\$201
22,001-34,000	-\$3	-\$25	-\$51	-\$86	-\$45	-\$48	-\$153	-\$173	-\$193	-\$201	-\$117
34,001-40,000	\$12	-\$10	-\$38	-\$74	-\$17	-\$11	-\$84	-\$163	-\$193	-\$124	\$27
40,001-50,000	\$18	-\$6	-\$36	-\$73	-\$10	-\$1	-\$52	-\$128	-\$162	-\$71	\$93
50,001-63,500	\$35	\$11	-\$21	-\$61	\$20	\$42	\$23	-\$42	-\$60	\$58	\$161

6.40 Class PV – Power units

The indicated rate change shows a 5.0% decrease is warranted for this class.

Recommendation: After Capping, SGI recommends a decrease of 4.6% (6.1% with the capital amount). Of the vehicles within this class, 74% will see a decrease averaging \$137/year (\$185/year maximum) and the rest of them will receive an average increase of \$127/year (maximum \$224/year).

The tables below show the impact on rates.

Current Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$559	\$715	\$871	\$1,004	\$1,093	\$1,191	\$1,299	\$1,417
11,001-13,000	\$582	\$746	\$910	\$1,051	\$1,145	\$1,248	\$1,361	\$1,486
13,001-22,000	\$607	\$780	\$952	\$1,100	\$1,199	\$1,307	\$1,427	\$1,558
22,001-34,000	\$633	\$815	\$996	\$1,152	\$1,256	\$1,370	\$1,496	\$1,635
34,001-40,000	\$654	\$843	\$1,032	\$1,194	\$1,302	\$1,421	\$1,551	\$1,695
40,001-55,000	\$675	\$872	\$1,068	\$1,237	\$1,349	\$1,473	\$1,609	\$1,758
55,001-63,500	\$698	\$906	\$1,107	\$1,282	\$1,399	\$1,527	\$1,669	\$1,824

Proposed Rate excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$434	\$590	\$721	\$854	\$949	\$1,124	\$1,340	\$1,541
11,001-13,000	\$457	\$621	\$760	\$894	\$1,000	\$1,186	\$1,415	\$1,629
13,001-22,000	\$482	\$630	\$802	\$935	\$1,075	\$1,277	\$1,525	\$1,758
22,001-34,000	\$508	\$716	\$846	\$1,006	\$1,237	\$1,473	\$1,720	\$1,880
34,001-40,000	\$529	\$802	\$911	\$1,133	\$1,397	\$1,634	\$1,783	\$1,949
40,001-55,000	\$550	\$917	\$1,044	\$1,305	\$1,551	\$1,693	\$1,850	\$2,021
55,001-63,500	\$573	\$1,056	\$1,217	\$1,474	\$1,608	\$1,756	\$1,919	\$2,097

% Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	-22%	-17%	-17%	-15%	-13%	-6%	3%	9%
11,001-13,000	-21%	-17%	-16%	-15%	-13%	-5%	4%	10%
13,001-22,000	-21%	-19%	-16%	-15%	-10%	-2%	7%	13%
22,001-34,000	-20%	-12%	-15%	-13%	-2%	8%	15%	15%
34,001-40,000	-19%	-5%	-12%	-5%	7%	15%	15%	15%
40,001-55,000	-19%	5%	-2%	5%	15%	15%	15%	15%
55,001-63,500	-18%	17%	10%	15%	15%	15%	15%	15%

\$ Change excluding Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	-\$125	-\$125	-\$150	-\$150	-\$144	-\$67	\$41	\$124
11,001-13,000	-\$125	-\$125	-\$150	-\$157	-\$145	-\$62	\$54	\$143
13,001-22,000	-\$125	-\$150	-\$150	-\$165	-\$124	-\$30	\$98	\$200
22,001-34,000	-\$125	-\$99	-\$150	-\$146	-\$19	\$103	\$224	\$245
34,001-40,000	-\$125	-\$41	-\$121	-\$61	\$95	\$213	\$232	\$254
40,001-55,000	-\$125	\$45	-\$24	\$68	\$202	\$220	\$241	\$263
55,001-63,500	-\$125	\$150	\$110	\$192	\$209	\$229	\$250	\$273

Current Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$571	\$731	\$890	\$1,026	\$1,117	\$1,218	\$1,328	\$1,449
11,001-13,000	\$595	\$763	\$930	\$1,074	\$1,171	\$1,276	\$1,391	\$1,519
13,001-22,000	\$621	\$797	\$973	\$1,125	\$1,226	\$1,336	\$1,459	\$1,593
22,001-34,000	\$647	\$833	\$1,018	\$1,178	\$1,284	\$1,401	\$1,529	\$1,671
34,001-40,000	\$669	\$862	\$1,055	\$1,221	\$1,331	\$1,453	\$1,586	\$1,733
40,001-55,000	\$690	\$891	\$1,092	\$1,265	\$1,379	\$1,506	\$1,645	\$1,797
55,001-63,500	\$714	\$926	\$1,132	\$1,311	\$1,430	\$1,561	\$1,706	\$1,865

Proposed Rate including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	\$436	\$593	\$725	\$859	\$954	\$1,130	\$1,348	\$1,550
11,001-13,000	\$460	\$624	\$764	\$899	\$1,006	\$1,193	\$1,423	\$1,638
13,001-22,000	\$485	\$634	\$807	\$940	\$1,081	\$1,284	\$1,534	\$1,768
22,001-34,000	\$511	\$720	\$851	\$1,012	\$1,244	\$1,481	\$1,730	\$1,891
34,001-40,000	\$532	\$807	\$916	\$1,139	\$1,405	\$1,643	\$1,793	\$1,960
40,001-55,000	\$553	\$922	\$1,050	\$1,312	\$1,560	\$1,703	\$1,860	\$2,032
55,001-63,500	\$576	\$1,062	\$1,224	\$1,482	\$1,617	\$1,766	\$1,930	\$2,109

% Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	-24%	-19%	-19%	-16%	-15%	-7%	2%	7%
11,001-13,000	-23%	-18%	-18%	-16%	-14%	-7%	2%	8%
13,001-22,000	-22%	-20%	-17%	-16%	-12%	-4%	5%	11%
22,001-34,000	-21%	-14%	-16%	-14%	-3%	6%	13%	13%
34,001-40,000	-20%	-6%	-13%	-7%	6%	13%	13%	13%
40,001-55,000	-20%	3%	-4%	4%	13%	13%	13%	13%
55,001-63,500	-19%	15%	8%	13%	13%	13%	13%	13%

\$ Change including Capital Margin	Model Year							
	<1987	1987- 1991	1992- 1996	1997- 2001	2002- 2006	2007- 2011	2012- 2016	2017- 2021
GVW								
5,001-11,000	-\$135	-\$138	-\$165	-\$167	-\$163	-\$88	\$20	\$101
11,001-13,000	-\$135	-\$139	-\$166	-\$175	-\$165	-\$83	\$32	\$119
13,001-22,000	-\$136	-\$163	-\$166	-\$185	-\$145	-\$52	\$75	\$175
22,001-34,000	-\$136	-\$113	-\$167	-\$166	-\$40	\$80	\$201	\$220
34,001-40,000	-\$137	-\$55	-\$139	-\$82	\$74	\$190	\$207	\$227
40,001-55,000	-\$137	\$31	-\$42	\$47	\$181	\$197	\$215	\$235
55,001-63,500	-\$138	\$136	\$92	\$171	\$187	\$205	\$224	\$244

6.41 Class TS – Excess value

For Class TS commercial trailers, the Auto Fund provides damage coverage up to a limit of \$15,000 for damage to a customer's own trailer. A customer has the option of purchasing excess value coverage either through the Auto Fund or a competitive insurer. The current charge for excess value through the Auto Fund is \$17 per \$1,000 of excess value. The rate indication shows that a 12.0% decrease is warranted for this class.

Recommendation: SGI is recommending no rate change for Class TS excess value at this time. The Auto Fund is looking into removing this coverage in the future and, as such, would like to keep the rate unchanged for the time being in order to provide some stability to customers.

7. Proposed Timelines

The Auto Fund will be in a position to implement rate changes Jan. 21, 2022. Time is required to test new rate tables and ensure system integrity.

Tentative implementation dates are as follows:

Submission to SRRP	June 1, 2021
Recommendations from SRRP	Oct. 20, 2021
Final Cabinet approval	Nov. 4, 2021
Rate changes implemented	Nov. 11, 2021
January 21, 2022 renewals mailed	Dec. 21, 2021
Re-rate registrations	Jan. 21, 2022

8. Summary and Conclusion

The Auto Fund requires a 1.7% increase to the overall premium collected in order to cover claims and other expenses and break even in the upcoming rating year. A capital margin of 0.6% is required to release capital in the RSR, which is a decrease of 1.6% from the current 2.23% capital margin.

SGI is committed to fairness in vehicle rating. Customers will not see an across-the-board decrease. While the net result for the Auto Fund is a 0.0% change, with rebalancing some customers will see increases and some will see decreases, of varying degrees. Overall, 52% of SGI customers will see a decrease, 48% will see an increase and the remaining vehicles will see no change to their rates.

Rates are determined based on the actual risk each vehicle make, model and year represents for being involved in a claim, and the anticipated costs of paying that claim. To reduce rate shock for customers, increases and decreases will be capped for all vehicles.

One of SGI's key operating philosophies is to keep rates as low as possible. Over the last 15 years, the Saskatchewan Consumer Price Index has increased by 34.2%, while the Auto Fund's rates, including capital amounts, increased by only 5.0%.

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Indicated and Proposed Rate Changes with Dollar Impact

Vehicle Class	Required Rate Change	Proposed Change	Proposed Rate Change Incl CM	Weighted Avg Current Premium Incl CM	Weighted Avg Proposed Premium Incl CM	Avg \$ Change	Max \$ Increase	Max \$ Decrease	Avg \$ Increase	Avg \$ Decrease
CLEAR-Rated Vehicles	-0.7%	0.8%	-0.9%	\$1,238	\$1,227	-\$11	\$501	-\$580	\$98	-\$104
A – Commercial Light Trucks		19.1%	17.1%	\$2,277	\$2,667	\$390	\$501	-\$223	\$395	-\$223
F – Farm Light Truck – 1994-2003		-17.8%	-19.2%	\$791	\$639	-\$152	\$0	-\$317	\$0	-\$152
F – Farm Light Truck – 2004 & Newer		4.0%	2.3%	\$1,055	\$1,079	\$24	\$144	-\$226	\$74	-\$67
LV – Private Passenger Vehicles (PPV)		0.7%	-1.0%	\$1,257	\$1,245	-\$12	\$424	-\$468	\$102	-\$105
LV – PPV – Farm Cars, SUVs and Vans		7.1%	5.3%	\$1,013	\$1,067	\$54	\$433	-\$213	\$120	-\$60
LV – Police Cars		-10.8%	-12.2%	\$2,253	\$1,977	-\$276	\$0	-\$580	\$0	-\$276
LV – Police Trucks, Vans and SUVs		22.5%	20.5%	\$1,131	\$1,363	\$232	\$381	-\$38	\$244	-\$27
LV – U-Drives		5.6%	3.9%	\$1,710	\$1,777	\$67	\$310	-\$289	\$125	-\$110
PT – Taxis (Rural)		0.9%	-0.7%	\$1,902	\$1,888	-\$14	\$308	-\$315	\$127	-\$146
Conventionally Rated Vehicles										
Ambulances	18.3%	15.1%	13.2%	\$1,016	\$1,150	\$134	\$134	\$0	\$134	\$0
A – Commercial Vehicles:										
Heavy Trucks and Vans IRP	8.3%	7.1%	5.4%	\$826	\$871	\$44	\$141	-\$124	\$72	-\$32
Heavy Trucks and Vans IRP \$15K Ded.	8.9%	8.9%	7.0%	\$401	\$429	\$28	\$66	-\$120	\$62	-\$62
Heavy Trucks and Vans Non-IRP	12.0%	10.4%	8.5%	\$1,003	\$1,089	\$86	\$164	-\$26	\$91	-\$12
Power Units IRP	36.6%	15.0%	13.1%	\$2,487	\$2,813	\$326	\$340	\$0	\$326	\$0
Power Units IRP \$15K Ded.	73.3%	15.0%	13.1%	\$1,223	\$1,384	\$161	\$163	\$0	\$161	\$0
Power Units Non-IRP	10.6%	8.9%	7.1%	\$1,454	\$1,558	\$104	\$208	-\$213	\$108	-\$53
C & D – Commercial Vehicles:										
Heavy Trucks and Vans	-6.6%	-6.5%	-8.0%	\$757	\$696	-\$61	\$47	-\$169	\$43	-\$69
Power Units	-8.2%	-8.1%	-9.7%	\$1,431	\$1,293	-\$138	\$158	-\$270	\$62	-\$200
F - Farm Vehicles:										
Heavy Trucks and Vans	-5.1%	-0.3%	-2.0%	\$241	\$236	-\$5	\$36	-\$164	\$26	-\$98
Light Trucks – 1993 & Older	-14.5%	-14.5%	-15.9%	\$208	\$175	-\$33	\$0	-\$45	\$0	-\$33
Power Units	14.3%	12.1%	10.3%	\$535	\$590	55	116	-56	77	-27

Vehicle Class	Required Rate Change	Proposed Change	Proposed Rate Change Incl CM	Weighted Avg Current Premium Incl CM	Weighted Avg Proposed Premium Incl CM	Avg \$ Change	Max \$ Increase	Max \$ Decrease	Avg \$ Increase	Avg \$ Decrease
Hearses	6.0%	6.1%	4.3%	\$421	\$439	\$18	\$18	\$0	\$18	\$0
L – Dealer Plates	5.9%	5.9%	4.1%	\$716	\$745	\$29	\$40	\$0	\$29	\$0
L – Snowmobile Dealers	0.0%	0.0%	-1.6%	\$61	\$60	-\$1	\$0	-\$1	\$0	-\$1
LV – Antiques	11.2%	10.8%	9.4%	\$85	\$93	\$8	\$8	\$0	\$8	\$0
LV – Buses	2.8%	2.7%	1.1%	\$566	\$572	\$5	\$38	-\$55	\$38	-\$34
LV – Buses (Restricted)	12.2%	12.2%	10.3%	\$368	\$406	\$38	\$40	\$0	\$38	\$0
LV – Motorcycles	34.2%	11.9%	10.1%	\$1,747	\$1,924	\$176	\$479	-\$504	\$220	-\$131
LV – Motorhomes	134.6%	21.9%	19.9%	\$559	\$670	\$111	\$178	\$0	\$111	\$0
MT – Snowmobiles	-6.0%	-6.5%	-8.9%	\$79	\$72	-\$7	\$0	-\$7	\$0	-\$7
PB – Passenger Inter-city Buses	16.2%	11.1%	9.3%	\$2,083	\$2,277	\$194	\$227	-\$12	\$204	-\$12
PC – Passenger City Buses	21.2%	4.7%	3.0%	\$2,024	\$2,085	\$61	\$255	-\$153	\$142	-\$98
PS – Passenger School Buses	13.3%	13.3%	11.4%	\$623	\$694	\$71	\$84	\$0	\$71	\$0
PT – Taxis	37.9%	15.0%	13.1%	\$3,727	\$4,216	\$489	\$582	\$0	\$489	\$0
Trailers										
F – Trailers	15.9%	15.9%	13.4%	\$68	\$77	\$10	\$21	-\$3	\$11	-\$3
LT – Trailer Dealers/Movers	-2.6%	1.0%	-0.5%	\$575	\$572	-\$4	\$137	-\$108	\$137	-\$100
T – Personal Trailers	76.8%	29.7%	27.5%	\$222	\$283	\$61	\$138	-\$6	\$61	-\$6
T – Utility	-7.5%	-7.7%	-10.0%	\$40	\$36	-\$4	\$0	-\$4	\$0	-\$4
TS – Commercial Trailers	2.1%	2.1%	-0.2%	\$120	\$120	\$0	\$45	-\$31	\$44	-\$17
Miscellaneous Classes										
A – Excess Value	-6.2%	0.0%	0.0%	\$17	\$17	\$0	\$0	\$0	\$0	\$0
C&D – Non-Resident	0.0%	0.0%	-2.6%	\$77	\$75	-\$2	\$0	-\$2	\$0	-\$2
C&D – Excess Value	-17.3%	0.0%	0.0%	\$17	\$17	\$0	\$0	\$0	\$0	\$0
Industrial Tracked Vehicles	0.0%	0.0%	-1.4%	\$281	\$277	-\$4	\$0	-\$4	\$0	-\$4
LV – Motorized Bicycle	0.0%	0.0%	-1.6%	\$62	\$61	-\$1	\$0	-\$1	\$0	-\$1
PV – Converted Vehicles	-1.4%	-1.4%	-3.0%	\$809	\$785	-\$24	\$39	-\$43	\$39	-\$26
PV – Heavy Trucks and Vans	-7.9%	-7.0%	-8.6%	\$753	\$688	-\$64	\$51	-\$201	\$51	-\$73
PV – Power Units	-5.0%	-4.6%	-6.1%	\$1,120	\$1,052	-\$68	\$224	-\$185	\$127	-\$137
TS – Excess Value	-12.0%	0.0%	0.0%	\$17	\$17	\$0	\$0	\$0	\$0	\$0

Vehicle Class	Required Rate Change	Proposed Change	Proposed Rate Change Incl CM	Weighted Avg Current Premium Incl CM	Weighted Avg Proposed Premium Incl CM	Avg \$ Change	Max \$ Increase	Max \$ Decrease	Avg \$ Increase	Avg \$ Decrease
24-Hour Permit	123.7%	120.0%	120.0%	\$5	\$11	\$6	\$6	\$0	\$6	\$0
8-Day Permit	180.0%	104.2%	104.2%	\$24	\$49	\$25	\$25	\$0	\$25	\$0
In-transit Permit	76.6%	76.5%	76.5%	\$17	\$30	\$13	\$13	\$0	\$13	\$0
TIC	149.7%	145.5%	145.5%	\$11	\$27	\$16	\$16	\$0	\$16	\$0
All Including Trailers	1.7%	1.7%	0.0%			-\$3	\$582	-\$580	\$84	-\$85
All Excluding Trailers & Misc	0.8%	1.3%	-0.3%			-\$8	\$582	-\$580	\$95	-\$102

*Based on written exposures from the 2019-20 fiscal year

Appendix A – Summary of Indicated and Proposed Rate Changes

By Class Per Cent Impact and Number of Vehicles Changing

Vehicle Class	Average % Change	Average % Increase	Average % Decrease	# of Vehicles* Increasing	# of Vehicles* Decreasing	# of Vehicles* Unchanged	# of Vehicles* with Capped Increases	# of Vehicles* with Capped Decreases	# of Vehicles* Within Caps
CLEAR-Rated Vehicles	-0.9%	0.0%	-9.9%	385,167	457,009	859	17,018	24,826	801,190
A – Commercial Light Trucks	17.1%	17.2%	-11.4%	114	1	0	98	0	18
F – Farm Light Truck – 1994-2003	-19.2%	0.0%	-19.8%	0	14,578	0	0	7,524	7,054
F – Farm Light Truck – 2004 & Newer	2.3%	6.8%	-7.1%	27,151	14,843	2	0	253	41,743
LV – Private Passenger Vehicles (PPV)	-1.0%	7.2%	-9.7%	343,270	420,191	842	13,114	16,975	734,215
LV – PPV – Farm Cars, SUVs and Vans	5.3%	10.7%	-7.2%	9,930	5,801	15	3,373	0	12,373
LV – Police Cars	-12.2%	0.0%	-13.2%	0	108	0	0	41	67
LV – Police Trucks, Vans & SUVs	20.5%	21.1%	-3.2%	440	19	0	382	0	77
LV – U-Drives	3.9%	7.2%	-7.4%	4,191	1,392	0	52	28	5,503
PT – Taxis (Rural)	-0.7%	6.1%	-8.7%	70	75	0	0	5	141
Conventionally Rated Vehicles									
Ambulances	13.2%	13.2%	0.0%	292	0	0	292	0	0
A – Commercial Vehicles:									
Heavy Trucks & Vans IRP	5.4%	8.8%	-3.8%	301	91	34	65	0	360
Heavy Trucks & Vans IRP \$15K Ded.	7.0%	16.8%	-11.9%	124	46	0	0	0	170
Heavy Trucks and Vans Non-IRP	8.5%	9.4%	-1.2%	1,354	70	0	552	0	872
Power Units IRP	13.1%	13.1%	0.0%	3,142	0	0	3,142	0	0
Power Units IRP \$15K Ded.	13.1%	13.1%	0.0%	2,025	0	0	2,025	0	0
Power Units Non-IRP	7.1%	7.5%	-4.0%	1,596	41	0	350	0	1,286
C & D – Commercial Vehicles:									
Heavy Trucks and Vans	-8.0%	5.8%	-9.2%	1,017	12,792	0	0	563	13,246
Power Units	-9.7%	6.7%	-12.9%	1,515	4,867	0	331	1,690	4,361
F – Farm Vehicles:									
Heavy Trucks and Vans	-2.0%	16.3%	-18.8%	14,486	4,669	0	0	3,354	15,801
Light Trucks – 1993 & Older	-15.9%	0.0%	-16.0%	0	5,927	0	0	0	5,927
Power Units	10.3%	12.9%	-6.7%	12,228	3,314	0	2,826	0	12,716

Vehicle Class	Average % Change	Average % Increase	Average % Decrease	# of Vehicles* Increasing	# of Vehicles* Decreasing	# of Vehicles* Unchanged	# of Vehicles* with Capped Increases	# of Vehicles* with Capped Decreases	# of Vehicles* Within Caps
Hearses	4.3%	4.3%	0.0%	123	0	0	0	0	123
L – Dealer Plates	4.1%	4.1%	0.0%	3,896	0	0	0	0	3,896
L – Snowmobile Dealers	-1.6%	0.0%	-1.6%	0	25	0	0	0	25
LV – Antiques	9.4%	9.4%	0.0%	21,387	0	0	0	0	21,387
LV – Buses	1.1%	7.1%	-5.4%	194	163	0	0	0	357
LV – Buses (Restricted)	10.3%	10.3%	0.0%	15	0	0	0	0	15
LV – Motorcycles	10.8%	13.3%	-7.3%	4,791	678	0	4,254	84	1,131
LV – Motorhomes	19.9%	23.7%	0.0%	4,073	0	0	4,073	0	0
MT – Snowmobiles	-8.9%	0.0%	-8.9%	0	4,580	0	0	0	4,580
PB – Passenger Inter-city Buses	9.3%	11.3%	-0.4%	426	19	0	337	0	108
PC – Passenger City Buses	3.0%	10.0%	-3.5%	371	190	0	283	0	277
PS – Passenger School Buses	11.4%	11.4%	0.0%	3,081	0	0	0	0	3,081
PT – Taxis	13.1%	13.1%	0.0%	517	0	0	517	0	0
Trailers									
F – Trailers	13.4%	12.4%	-6.7%	39,719	3,419	0	0	0	43,139
LT – Trailer Dealers/Movers	-0.5%	16.1%	-27.0%	197	289	0	197	239	50
T – Personal Trailers	27.5%	33.5%	-1.6%	52,569	11	0	23,961	0	28,619
T – Utility	-10.0%	0.0%	-10.0%	0	72,379	0	0	0	72,379
TS – Commercial Trailers	-0.2%	23.0%	-18.1%	15,520	38,457	0	0	0	53,977
Miscellaneous Classes									
A – Excess Value	0.0%	0.0%	0.0%	0	0	260	0	0	260
C&D – Non-Resident	-2.6%	0.0%	-2.6%	0	2	0	0	0	2
C&D – Excess Value	0.0%	0.0%	0.0%	0	0	1,976	0	0	1,976
Industrial Tracked Vehicles	-1.4%	0.0%	-1.4%	0	0	0	0	0	0
LV – Motorized Bicycle	-1.6%	0.0%	-1.6%	0	7	0	0	0	7
PV – Converted Vehicles	-3.0%	4.3%	-3.3%	0	9	0	0	0	10
PV – Heavy Trucks and Vans	-8.6%	5.8%	-9.2%	45	612	0	0	69	588
PV – Power Units	-6.1%	8.6%	-14.5%	22	62	0	9	32	43
TS – Excess Value	0.0%	0.0%	0.0%	0	0	2,923	0	0	2,923

Vehicle Class	Average % Change	Average % Increase	Average % Decrease	# of Vehicles* Increasing	# of Vehicles* Decreasing	# of Vehicles* Unchanged	# of Vehicles* with Capped Increases	# of Vehicles* with Capped Decreases	# of Vehicles* Within Caps
24-Hour Permit	120.0%	120.0%	0.0%	197	0	0	0	0	197
8-Day Permit	104.2%	104.2%	0.0%	1,506	0	0	1,506	0	0
In-transit Permit	76.5%	76.5%	0.0%	64	0	0	0	0	64
TIC	145.5%	145.5%	0.0%	119	0	0	0	0	119
All Including Trailers				572,078	609,726	893	44,720	6,031	1,131,946
All Excluding Trailers & Misc				462,120	494,479	893	20,553	5,691	931,247

*Based on written exposures from the 2019-20 fiscal year

Appendix B – Glossary of Terms and Abbreviations

Rating Terminology

Administrative expenses	Operating expenses such as salaries, infrastructure costs, system support costs and traffic safety program costs. Administrative expenses in relation to total revenue are approximately 9%. Traffic safety program costs consist of programs, sponsorship and advertising associated with promoting traffic safety. The goal of this investment is to provide social and economic benefits through the promotion of safe driving to reduce collisions.
Base rates	The base rate is the premium for the base group. The base group is typically chosen to be the group with the largest number of registrations because the larger the numbers, the more credible the data. As an example, for the LV – Motorhomes class, the base group is motorhomes valued between \$10,001 and \$20,000. Premiums for groups, other than the base group, are derived by adjusting the base rate by a ratio that reflects the variance in loss experience between the groups (see Relativities definition).
Business Recognition (BR) program	A program that rewards businesses with safe driving records. Currently, companies that own and operate commercial vehicles and have a loss ratio of less than 60% in the past five years are eligible for a discount, to a maximum of 15%, on their vehicle insurance premiums. Any operator with a loss ratio greater than 70% is subject to financial penalties. However, relative to the size of the vehicle fleet, losses are capped to ensure premium increases are fair and reasonable. A capped five-year loss ratio determines how much a customer saves or is surcharged on their vehicle insurance. See section 5.2 for further details.
Claim frequency	The number of occurrences (or claims) per exposure (registration).
Claim severity	Average amount of loss per claim (or per occurrence).
CLEAR	An acronym for the industry-wide Canadian Loss Experience Automobile Rating system. The Insurance Bureau of Canada (IBC), captures Canada-wide loss experience for light passenger vehicles 36 years of age or newer. CLEAR analyzes historical records of collision frequency and repair costs of each vehicle make and model in order to predict future losses. Through statistical analysis, relationships are established between vehicle characteristics and insurance claims. These relationships are then adjusted according to the actual claim history of individual models in order to predict future losses for each model. Other rating factors, such as a person's driving record or where they live, are not affected by CLEAR. As part of its analysis, IBC considers several factors, including vehicle construction, safety equipment and susceptibility to damage. IBC also works closely with vehicle manufacturers to monitor new developments. CLEAR is used by insurance companies Canada-wide to rate damage and injury coverage for light passenger vehicles.
Credibility	<p>Credibility is a way to measure if there is enough past experience to use in predicting the rating year. The weight assigned to a forecast using past experience is commonly denoted by Z (a number between 0 and 1). The balance of the weight, 1 - Z, will be assigned to what is called the complement of credibility. This complement will be another valid estimate for the prediction and could come from a larger separate source of past data or could assume "no change" in the forecast variable. Together, the weights and two sources develop a weighted average for the forecast, which becomes the indicated forecast.</p> <p>Generally, because of the higher risk and volatility in the volume and size of claims, the credibility of a forecast is measured using the number of past claim counts included in the forecast. It's possible that all weight is assigned to the past experience (i.e., Z = 1), if it's deemed fully credible. This is the case if there are at least as many past claim counts used in the forecast as the Standard of Full Credibility. If the past claim counts used in the forecast are less than the Standard of Full Credibility, the credibility is calculated as:</p> $Z = \sqrt{(\text{Claim Counts} / \text{Standard of Full Credibility})}$

Deductible	An agreed specified sum to be deducted from the amount of loss and assumed by the insured. It is the amount the insured must pay before their insurance benefits begin to cover remaining costs.
Exposures	Rating units on which insurance premium is based or units by which the probability and size of loss are measured. For the purposes of this report, an exposure is equivalent to a vehicle written on an annual policy. For example, one car insured for an entire year equals one exposure. A motorcycle insured for half a year equals half an exposure.
Fiscal Year	SGL reports its financial results based on a year starting April 1 and ending March 31 of the next year. Analysis in the rate program also follows this practice of measuring each full year from April to March.
Relativities	One plus the per cent difference between rating groups that reflect the variance in loss experience. For example, when looking at the motorhome class, the base group is motorhomes with a value between \$10,001 and \$20,000. To determine the premium for other values of vehicles, the base group rate is multiplied by the calculated relativity for the specified group. If the specified group's experience is worse than the base group's, then the premium charged will be higher than the base group's. The reverse is also true.
Safe Driver Recognition (SDR) program	<p>A program designed to reward safe drivers with a discount on their vehicle insurance. The program also ensures drivers who demonstrate risky behaviour pay their share, as drivers with at-fault collisions and/or more serious traffic convictions are assessed demerit points which could lead to a financial penalty for each incident they are involved in.</p> <p>These financial penalties are assessed immediately after an incident and help offset the cost of discounts for safe drivers. For details on the 2016 changes to the SDR program, see section 5.1.</p>

Acronyms

AAIA	<i>The Automobile Accident Insurance Act</i>
BR	Business Recognition program
CIC	Crown Investments Corporation
CM	Capital Margin
CLEAR	Canadian Loss Experience Automobile Rating
CPI	Consumer Price Index
GVW	Gross Vehicle Weight
HHI	Herfindahl Hirschman Index
IBC	Insurance Bureau of Canada
IRP	International Registration Plan
LAE	Loss Adjusting Expenses
MCT	Minimum Capital Test
MRC	Motorcycle Review Committee
RSR	Rate Stabilization Reserve
SDR	Safe Driver Recognition program
SRRP	Saskatchewan Rate Review Panel
Z	Credibility

6. Indicated and Requested Rates

Part 2 – Actuarial Support Documents

Section 6 - Part 2

Table of Contents

Indication Changes between the 2021 Rate Program and the 2014 Rate Program1

Written Premium Breakdown 2016 - 202514

Summary of Dollar and Percent Caps.....17

Claims by Fault - Private Passenger, Motorcycle and Taxi21

Taxi Loss Ratio Exhibit24

Historical Rate Changes by Class27

Expenses30

Loss and Claim Count Development Factors38

Payment Patterns and Discount Factors47

Discount Rate Exhibit.....54

Labour Rate Factors.....61

Break Even Margin Calculation69

Capital Requirement Calculation72

Credibility Assumptions75

Exposure Trend Summary.....78

Premium Trend Summary.....82

Large Loss Pooling86

Loss Trend Summary and Exhibits.....91

 Introduction.....92

Loss Trend Summary by Group.....	93
Loss Trend Committee Exhibits	128
Cover 21 - Damage Liability to Others Auto.....	129
Cover 22 - Damage Liability to Others Property	158
Cover 23 - Loss of Use	173
Cover 31 - Damage to Own Vehicle.....	195
Cover 32 - Comprehensive Coverage	245
Cover 33 - Glass Coverage	281
Cover 41 - Fire/Lightning/Explosion.....	310
Cover 42 - Theft Coverage.....	339
Damage Catastrophes.....	375
Appeal.....	383
Care Benefits.....	391
Income Replacement.....	406
Death.....	414
Economic Loss.....	429
Non Economic Loss	444
Out of Province	459
Medical Expenses excluding Funding	467
Permanent Impairment.....	475
Tort Injury.....	483
Tort Liability.....	491

Indication Changes between the 2021 and the 2014 Rate Programs

Process Changes Affecting All Classes of Vehicles

- The Capital Management Policy for the Saskatchewan Auto Fund was revised in 2018 to follow guidance from the Office of the Superintendent of Financial Institutions on setting appropriate capital targets. This resulted in the target capital level being changed from a Minimum Capital Test (MCT) range between 75% and 150% to an MCT of 140%.

In addition, the approach used to maintain capital at an appropriate level has changed. A capital margin has been built into the rate comprised of a capital build and release provision, and a capital maintenance provision, outlined below.

1. Capital Build and Release Provision

The capital build provision specifies that the Auto Fund either recover 1/5 of the deficiency in capital below 140% MCT or release 1/5 of the surplus above 140% MCT into the basic insurance rate every year. As such, the rate always includes a portion designed to move the RSR towards an adequate level, and avoids the rate volatility an RSR surcharge might create.

2. Capital Maintenance Provision

As the Auto Fund's business volume grows, an additional amount of capital is required in order to maintain the MCT at an adequate level. Specifically, as the denominator in the MCT ratio (capital required) increases due to factors such as growing claims liabilities and investment assets, the numerator (capital available) must increase correspondingly. In other words, even if the Auto Fund broke even on rates every year, the MCT would still erode over time as the growth in capital required outpaced the growth in capital available. To address this, a capital maintenance provision will be added to the base rate. Once added to the base rate, only minor adjustments are expected in this provision from period to period.

For the 2014 rate program, the calculation of capital maintenance provision maintained the percentage of the MCT ratio. Since the 2014 rate program, a new calculation is used that maintains the same dollar difference between the capital available and capital required.

One additional change was including investment income on the RSR in the break-even margin. Previously, the RSR investment income was a separate item in the calculation of

adequate premium; however, since it is simply a source of additional income not considered elsewhere in the rate application, it is appropriate to include it in the break-even margin calculation instead.

- Loss Adjustments

1. In 2016, government introduced legislation for a number of recommendations put forward by SGI for changes to its auto injury coverage programs. Changes include improvements to both the Tort and No-Fault programs to better meet the needs of customers by improved benefits for those most seriously injured. Some of the changes included in the review are below:

- When an impaired driver causes a collision and is killed, allowing an innocent party or the family impacted to sue for pain and suffering or bereavement damages (No Fault and Tort Coverage)
- Expanding the list of offences that trigger the ability for an innocent party to sue for pain and suffering or bereavement damages to include: criminal negligence causing death or bodily harm, criminal negligence causing bodily injury, flight from a peace officer and dangerous operation while street racing
- Ensuring Tort income benefits maintain pace with minimum wage
- Paying pre-judgment interest or interim payments on permanent impairment benefits
- Additional funding for more than one specialized vehicle for the catastrophically injured
- Providing a recreation allowance for the catastrophically injured
- Updating the amounts paid for living expenses to reflect current market rates, increasing the overall amount available for assistance to those with cognitive impairment and implementing a process to regularly review the amounts for alignment with market rates
- Ending the practice of reducing income benefits by the amount a customer received through Canada Pension Plan (CPP) disability

Implementation of these changes, aside from the last two points, was effective January 1, 2017. The last two points were not implemented until May 1, 2021. The overall indicated rate change is increased by 1.3% as a result of all the injury coverage changes listed above.

The impact of these changes will affect the amounts paid on care, income replacement, medical, permanent impairment, appeal, non-economic loss and tort injury benefits. The proposed factors applied by coverage and applicable loss year are below.

	Coverage						
	Non-Economic Loss	Appeal	Care	Income Replacement	Medical Expenses excluding Funding	Permanent Impairment	Tort Injury
2010	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2011	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2012	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2013	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2014	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2015	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2016	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2017	1.0500	1.1795	1.0010	1.0070	1.0313	1.0905	1.0120
2018	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2019	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2020	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

These factors are applied to the incurred loss amounts prior to any adjustment for the time value of money (discounting).

The living expense and CPP changes noted as the last two points in the list above were applied as pure premium adjustments. The proposed factors applied by coverage are below:

Coverage	Factor
Care	1.1396
Income Replacement	1.0500

2. Provincial Sales Tax on Vehicles

In 2017, two legislation changes impacting insurance premiums were made by the government:

- Increase in Provincial Sales Tax (PST) from 5% to 6% effective March 23, 2017
- PST on used vehicles effective April 11, 2018

These changes impact total loss claims where the PST is paid by SGI on the replacement vehicle. The PST increase impacts all damage coverages and has a small impact on Medical Expenses excluding Funding. PST on used vehicles impacts damage coverages only.

The approximate factors applied to the incurred loss amounts for these changes are listed in the table below. These factors will deviate by year and benefit coverage based on the percentage of eligible claim costs that were incurred in the historical loss year.

Increased PST Factor:

	Coverage			Medical Expenses excluding Funding
	Damage excluding Liability and Cats	Damage Liability	Damage Catastrophes	
2010	1.0065	1.0074	1.0075	1.0011
2011	1.0065	1.0074	1.0071	1.0011
2012	1.0065	1.0072	1.0078	1.0011
2013	1.0068	1.0073	1.0077	1.0011
2014	1.0068	1.0072	1.0082	1.0011
2015	1.0067	1.0072	1.0069	1.0011
2016	1.0065	1.0068	1.0074	1.0011
2017	1.0066	1.0071	1.0072	1.0011
2018	1.0000	1.0000	1.0000	1.0011
2019	1.0000	1.0000	1.0000	1.0000
2020	1.0000	1.0000	1.0000	1.0000

Conventional - Used Vehicle PST Factor:

	Coverage					
	Damage Liability to other auto	Collision	Comprehensive	Fire/Lightning/ Explosion	Theft	Damage Catastrophes
2010	1.0009	1.0011	1.0008	1.0023	1.0021	1.0008
2011	1.0009	1.0011	1.0009	1.0022	1.0019	1.0009
2012	1.0010	1.0011	1.0006	1.0021	1.0020	1.0006
2013	1.0009	1.0010	1.0007	1.0020	1.0020	1.0007
2014	1.0010	1.0010	1.0005	1.0021	1.0020	1.0005
2015	1.0010	1.0010	1.0010	1.0021	1.0021	1.0010
2016	1.0011	1.0011	1.0008	1.0021	1.0021	1.0008
2017	1.0010	1.0010	1.0009	1.0021	1.0021	1.0009
2018	1.0011	1.0010	1.0008	1.0021	1.0021	1.0008
2019	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2020	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

CLEAR – Used Vehicle PST Factor:

	Coverage					
	Damage Liability to other auto	Collision	Comprehensive	Fire/Lightning/ Explosion	Theft	Damage Catastrophes
2010	1.0140	1.0164	1.0119	1.0350	1.0318	1.0119
2011	1.0140	1.0169	1.0141	1.0334	1.0291	1.0141
2012	1.0154	1.0165	1.0100	1.0328	1.0317	1.0100
2013	1.0145	1.0151	1.0106	1.0313	1.0313	1.0106
2014	1.0152	1.0152	1.0080	1.0322	1.0304	1.0080
2015	1.0154	1.0153	1.0152	1.0326	1.0319	1.0152
2016	1.0175	1.0166	1.0123	1.0322	1.0331	1.0123
2017	1.0161	1.0157	1.0137	1.0323	1.0325	1.0137
2018	1.0168	1.0162	1.0130	1.0323	1.0328	1.0130
2019	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
2020	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

3. Pre/Post Diagnostic Scanning

Auto body shops are required to perform pre and post repair diagnostic scanning on vehicles manufactured within the last 4-5 years, to aid in repairs. Vehicles are scanned initially to identify problem areas, then they are scanned once repairs are completed to ensure that all issues were corrected. SGI introduced a diagnostic scanning policy in 2018 to ensure that scanning and proper procedures are followed consistently among

auto body shops, as it can directly affect the safety of the vehicle and its occupants. This policy will increase the cost of vehicle repairs, therefore; incurred loss adjustments have been made to reflect this change.

The following table lists the factors applied on damage coverage for rate classes impacted by this change. The factors are adjusted for the 2018 and 2019 fiscal years where the initiative was partially implemented.

	Coverage		
	Damage excluding Liability and Cats	Damage Liability	Damage Catastrophes
2010	1.0157	1.0157	1.0157
2011	1.0157	1.0157	1.0157
2012	1.0157	1.0157	1.0157
2013	1.0157	1.0157	1.0157
2014	1.0157	1.0157	1.0157
2015	1.0157	1.0157	1.0157
2016	1.0157	1.0157	1.0157
2017	1.0157	1.0157	1.0157
2018	1.0157	1.0157	1.0157
2019	1.0116	1.0116	1.0116
2020	1.0028	1.0028	1.0028

4. SQARP (Safe and Quality Auto Repair Project)

SQARP was first introduced in 2018 and changes to SGI's accreditation program were announced in 2019 to ensure that repairs on newer vehicles would meet adequate safety standards. To recognize the level of investment required by autobody repair shops to meet the new minimum training and tooling requirements, and to advance repair safety, SGI implemented procedural allowances and shop incentives. These expenses have been captured in the loss adjusting expenses.

- Expenses

The costs for loss adjusting expenses (LAE), medical funding and appeal commissions are allocated to various vehicle classes in proportion to a reasonable basis. The methods for allocating LAE, appeal commission and medical funding have changed since the 2014 rate program. The previous allocation bases for these costs were:

- Medical Funding: Prior 10 years of medical expenses excluding ultimate losses
- Appeal Commission: Prior 10 years of appeal ultimate losses

- LAE: Prior 5 years of claim counts, separately allocated for damage (first party), damage liability, injury and liability

Vehicle classes with higher/lower amounts of the allocation basis would be held responsible for higher/lower of the costs of the associated category. Once the total projected costs for each category were allocated by class, they were divided by the projected rating year exposures to obtain a fixed cost per exposure for each class.

The allocation bases have been changed to the following:

- Medical Funding: Projected rating year medical expenses excluding funding ultimate losses
- Appeal Commission: Projected rating year appeal ultimate losses
- LAE: Average of prior 5 years' frequency multiplied by projected rating year exposures (a proxy for projected rating year claim counts)

These changes ensure that classes that have seen, or are expected to see, a growth/decline in the number of exposures will not be subject to under/over-allocation of the fixed costs.

Administration expense and reinsurance is applied on a fixed expense basis to all applicable insurance exposures equally. Specific classes such as trailers, antiques and snowmobiles have less benefits. The share of administrative and reinsurance costs was reduced for these classes where the expenses significantly exceeded the cost of insurance. In the 2014 rate program these expenses were reduced by half and for the 2021 rate program they have been reduced to one quarter for the classes where the allocated expenses exceeds the cost of insurance.

- Permit Analysis

Permits have been integrated into the rate analysis. As a result, permit data has been removed from suspense and relativity data. They have also been removed from the break-even margin calculation since it is no longer considered unallocated premium.

- Vehicle Involvement

Each year, a small proportion of total Auto Fund incurred claim costs are not directly attributable to a specific vehicle class (excluding medical funding). In the 2014 rate program, non-class specific claim costs, by coverage code, were distributed to all eligible vehicle classes based on each class's proportion of third-party claims which did not occur within or to the at-fault vehicle. Injury claims make up the majority of these non-class specific incurred losses. The methodology used to determine first and third party injury claims has

changed since the 2014 rate program. All pedestrian and cyclist involvement claims are classified as third party, collisions involving animals are classified as first party.

- Large Loss Smoothing

Stemming from the Humboldt Broncos bus crash in 2018, it was determined that the rate program required a policy in place to smooth over catastrophic losses to mitigate the volatility caused by these losses on a rate class. In order to achieve this, loss thresholds were determined by coverage type for injury claims to identify large losses. Since damage and liability losses have much lower limits the policy does not apply to losses under those coverages. Thresholds and smoothing factor adjustments were selected for three different groups of rate classes.

CLEAR rated vehicles and motorcycles were analyzed separately due to noticeable differences in their injury loss distributions compared to the other classes. Losses above the selected thresholds are removed from the rate analysis in order to determine loss trends and rate indications by class. Long term adjustment factors (loading factors) are applied to the rate indications to reflect the risk exposure of catastrophic losses in any year. The intent of the large loss policy is to be revenue neutral over time and spread the cost of catastrophic losses across rate classes.

The following table shows the loss thresholds by group of rate classes and the respective loading factors:

Cover	Large Loss Thresholds			Loading Factor		
	CLEAR	Motorcycles	Other	CLEAR	Motorcycles	Other
Medical	\$2,500,000	\$1,500,000	\$250,000	1.10%	12.00%	8.40%
Income Replacement	\$4,000,000	\$2,000,000	\$1,500,000	0.50%	4.80%	2.70%
Care	\$5,000,000	\$1,500,000	\$1,000,000	5.10%	5.10%	5.10%
Permanent Impairment	\$400,000	\$300,000	\$300,000	0.50%	1.10%	4.50%
Death	\$1,500,000	\$1,000,000	\$1,000,000	0.40%	2.60%	0.90%
Appeal	\$750,000	\$200,000	\$200,000	3.60%	3.60%	3.60%
Tort Injury	\$500,000	\$250,000	\$250,000	4.50%	4.50%	4.50%

- Salvage Allocation

The salvage allocation process has changed for this rate program. Previously, salvage credits were only available with a split between damage and damage liability. Damage liability continues to be allocated to cover code 21 (auto damage). In the past, damage was

allocated to cover codes 31 (collision) and 32 (comprehensive) using the paid loss experience as weights. Salvage transactions are tracked with more detail and we now have data on the basis of 31, 32, 41 (fire, lightning, explosion) and 42 (theft) to allocate credits more accurately in our triangles

- **Bond Losses Removed from Break-Even Margin**

A change was made for this rate program on how to treat unrealized gains/losses from bonds. A decrease in the overall portfolio yield was causing an increase in the overall indication driven mostly by unrealized gains/losses in bonds from rising investment rates in the next two years. This is not the desired effect since in a couple years, the expected return on the rate stabilization reserve would increase thus decreasing the indication by the amount we originally thought to increase it by. Therefore, we removed the effect of unrealized gains/losses from bonds that would have caused an artificial increase in the indication.

CLEAR-Rated Vehicles Indication Changes

Following the 2014 Rate Program, IBC discontinued the 16-year table the Auto Fund previously used to assign rate groups and will now produce rate group tables on a 21-year basis. The Auto Fund has applied the 21st rate group at the end of the table to the 10 older model years of the vehicle. Then, for model years past that point (1988 and older in the 2018 publication year table), rate groups will decrease by 1 until rate group 0 is reached.

The method for determining injury claim count has been adjusted since the 2014 rate program. They are now an estimate of unique claim counts instead of the sum of injury claim counts of several coverages. The adjustment uses total medical claims plus 25% of death claims to come up with the injury claim count. Accounting for injury claims this way is based off the knowledge that the majority of injury claims will involve some element of medical coverage, except for a small number of cases where the individual passes away from their injuries.

To determine the injury relativities by body style, injury losses in the 2021 rate program were capped based on the large loss policy thresholds by claim occurrence and coverage type. This differs from the 2014 rate program where aggregate injury losses were capped at 1.0M per claim. Historically this cap has removed around 7% of claim costs. In the 2021 rate program 0.4% of injury costs were removed, representing only the catastrophic claims. With the change in method more costs are left with the applicable body style and the risk is

reflected more accurately by body style. Sport utility vehicles have the largest reduction due to removing catastrophic claims with 1.8% of losses removed.

The farm light truck category under CLEAR includes farm trucks of model year 1994 and newer. Models prior to this year are charged a flat rate. These two rating methods can cause discrepancies for customers that have, and/or replace vehicles, close to this threshold. To mitigate the possible rate jumps when customers replace their older vehicles an additional class was created under CLEAR. Model years between 1994 and 2003 have an increased discount while model years 2004 and newer are charged slightly more compared to the original combined class discount.

Changes Affecting Other Specific Classes

- Antique vehicles receive half of the Safe Driver Recognition (SDR) malus allocated to them. Up to the 2014 rate program, all projected rating year exposures were used to calculate the SDR malus that gets allocated to this class. Now, only half of the projected rating year exposures are used to determine the SDR malus amount to better fit the methodology of applying half the budgeted SDR malus to this class. Another change to this class is that the model year threshold on antique vehicles has changed; the qualifying model year for an antique vehicle is now 1987 and older instead of the prior rule where the vehicle had to be at least 30 years old in order to qualify.
- The Class LT rates are now based on a single variable relativity for damage that splits between Non-Cabin vs. Cabin trailer styles. Current relativities are ignored and have been held constant due to lack of credibility.
- The model year rating variable for Class PB has been removed from the severity model since its inclusion was not producing significant results. The model year groupings of 1986 & Older and 1987-1992 have been collapsed into a single group of 1992 & Older for the 2021 rate program. The relativities for buses with a seating capacity of nine or less was removed from the 24 and less grouping and given a higher rate due to the credible result.
- The model year rating variable has been removed from the severity model for Class PC due to the same reasons explained above. The oldest model year groupings of 1984 & Older and 1985-1992 have been collapsed into a single grouping of 1992 & Older for the 2021 rate program. The relativities assigned to the three groupings with 24 seats and

less were allowed to deviate based on the model. Previously due to lack of significance these relativities were grouped together.

- Seating capacity variable has been re-introduced as a rating variable for Class PS. The four rating buckets for model years 1998 and older have been collapsed into one due to low exposure and insignificant results. Selected relativities have been adjusted for a single-event where multiple catalytic converter thefts occurred in 2018 that skewed the relativity.
- The damage relativities for Class PT are based on 5 years of loss data instead of 10 years. This is due to a noted shift in loss experience within the recent 5 years. In the 2014 rate program, a detailed analysis of taxi losses by location showed that location table A and B losses were quite similar, while Prince Albert, Regina and Saskatoon were different. For this reason, location tables A and B were combined and the largest cities were assigned individual rates. The same analysis also identified that each location had different injury losses. As such, the injury component of urban taxi rates has moved from being a flat fee, and currently varies by location. In the latest relativity analysis, tables A (small cities) and B (larger cities) are combined for damage and deviate among proposed injury rates. The location variable was changed to be based on the taxi's stated service area and not the mailing address of the company it's owned by. A 2015 injury claim has been capped at \$300K for table B to mitigate outlier impact.
- The rating method for Class A-IRP vehicles with a \$15,000 deductible (IRP Y) has changed in this rate program. Previously the IRP Y premium was adjusted to the regular IRP (IRP X) level in order to include it in the average premium calculation. The IRP Y premium is now excluded to eliminate the various adjustments needed to align the data to the IRP X level and is based purely on the IRP X results. In addition, a pro-ration of the regular Class A-IRP damage cost was added to the IRP Y rate. The IRP Y class is not eligible for damage claims due to its deductible matching the damage limit of \$15,000, so there was no damage component added in past rate programs. However, there are still expenses that are not subject to the deductible under this cover code, such as towing and firefighting costs, and the power-units class consistently shows these claim costs in each year. So, a provision for damage is proposed.
- All HTV (Heavy Trucks and Vans) and PU(Power Unit) vehicles under classes A, C, D and PV have been combined into one dataset for use as a complement of credibility in the relativity analysis. The body style and class are used as variables in the model to determine the expected results for each class. Since these are often very similar, or the same vehicles with the same rating characteristics, the combined dataset is much more

credible. The model fit to this data is a reasonable complement to use in each individual class where the data is thin.

- For class A the IRP and NIRP sub-classes are also combined to determine the indicated relativities for each. Since these are the same vehicles, the same severity is assumed for both, however the sub-classes are used as a variable in the frequency model as there is a significant difference in the frequency of claims. As per the above point the complement of credibility used is from the larger pooled power unit data set.
- Due to low exposure and volatile loss amounts the relativities by seating capacity for restricted and non-restricted Class LV Buses were set to one. The two LV classes were combined for relativity analysis only to improve the credibility of the result and will continue to be reviewed in this manner. For this rate program the proposed rates will not differ based on seating capacity.
- A 5% exposure reduction is assumed for class CD and IRP commercial classes due to expected economic conditions following the pandemic. The number of vehicles insured in these fleets has historically been correlated with the health of the economy. Various economic indicators have been used to aid in predicting the potential drop in exposures in the rating year following the pandemic.
- Class LV Motorcycles has undergone a number of changes since the 2014 Rate Program:

- Credibility Complement for Relativity

Credibility complements were not used as 2014 rates are not adequate with many buckets capped.

- Relativity Smoothing

Directly fit a line to determine relativities for model year and engine size variables for both damage and injury models. This created a better and more intuitive fit and supports the goal of smoothing in the relativity selection step. This is in contrast with other classes where relativities are discrete and selected relativities are smoothed afterwards.

- Reduced No Fault Coverage

In April of 2016, SGI introduced a new option for injury coverage for motorcycle owners called Reduced No Fault (RNF) injury coverage. Riders who elect RNF will receive the same level of benefits as the current Tort product, but with a very

limited ability to sue for additional losses. In order to account for this change, incurred loss adjustments have been made for the impacted injury coverages:

	Coverage				
	Care	Income Replacement	Death Benefits	Medical Expenses excluding Funding	Permanent Impairment
2010	0.8252	0.8653	0.9955	0.9343	0.9085
2011	0.8252	0.8653	0.9955	0.9343	0.9085
2012	0.8252	0.8653	0.9955	0.9343	0.9085
2013	0.8252	0.8653	0.9955	0.9343	0.9085
2014	0.8252	0.8653	0.9955	0.9343	0.9085
2015	0.8252	0.8653	0.9955	0.9343	0.9085
2016	0.8252	0.8653	0.9955	0.9343	0.9085
2017	1.0000	1.0000	1.0000	1.0000	1.0000
2018	1.0000	1.0000	1.0000	1.0000	1.0000
2019	1.0000	1.0000	1.0000	1.0000	1.0000
2020	1.0000	1.0000	1.0000	1.0000	1.0000

A Reduced No-Fault (RNF) indicator variable has been included in the motorcycle relativity analysis to calculate the appropriate discounts which varies by the engine size of the motorcycle.

Written Premium Breakdown

**Saskatchewan Government Insurance
2021 Rate Program
Breakdown of Written Premium**

Breakdown of net written premium from 2015/2016 to 2024/2025 showing each year's increment due to: rate changes, vehicle mix drift and vehicle fleet growth

Safe Driver Recognition program penalties and permit premiums have been excluded from all numbers.

Year	Written Exposures	Written Premium		Change in			Rate Change	Changes in Incentives	Calculated Change	Budgeted Written Premium Incl	
		After Incentives Incl RSR Surch	Actual Change	Written Exposures	Drift	RSR Surch				Variance	
2015/2016	1,147,577	\$ 920,405,646				0.00%				\$ 963,456,754	-4.47%
2016/2017	1,151,579	\$ 927,107,930	0.73%	0.35%	0.95%	0.00%	0.56%	0.73%		\$ 984,322,714	-5.81%
2017/2018	1,148,502	\$ 930,745,835	0.39%	-0.27%	1.49%	0.00%	0.81%	0.40%		\$ 972,586,357	-4.30%
2018/2019	1,156,513	\$ 948,084,346	1.86%	0.70%	1.36%	0.00%	0.19%	1.87%		\$ 972,480,187	-2.51%
2019/2020	1,157,392	\$ 982,740,639	3.66%	0.08%	1.65%	0.00%	-0.13%	1.86%		\$ 978,236,972	0.46%
Projected*											
2020/2021	1,123,366	\$ 988,449,803	0.58%	-2.94%	1.49%	0.00%	0.33%	-1.82%	(1)		
2021/2022	1,151,206	\$1,009,933,247	2.17%	2.48%	1.49%	0.00%	0.20%	3.80%			
2022/2023	1,157,314	\$1,027,953,824	1.78%	0.53%	1.49%	0.00%	0.12%	1.90%			
2023/2024	1,163,972	\$1,046,393,969	1.79%	0.58%	1.49%	0.00%	0.12%	1.95%			
2024/2025	1,170,669	\$1,065,218,311	1.80%	0.58%	1.49%	0.00%	0.11%	1.96%			

*Projected numbers based on proposed rate change and capital margin of 1.67% and 0.56% respectively in 2021/2022. January 21, 2022 effective date

(1) Reduction in exposures due to COVID-19

Summary of Dollar and Percent Caps

Saskatchewan Government Insurance
2021 Rate Program
Number of Dollar and Percent Caps by Class
Excluding RSR

Vehicle Class	Written Exposures					
	Eligible for Dollar Caps ⁽¹⁾	Eligible for Percent Caps ⁽²⁾	Received Dollar Caps ⁽³⁾	Received Percent Caps ⁽³⁾	No Caps Applied ⁽⁴⁾	Total
CLEAR-Rated Vehicles	159,783	683,251	23,870	17,974	801,190	843,034
A - Commercial Light Trucks	0	115	0	98	18	115
F - Farm Light Truck - 1994-2003	12,905	1,673	7,284	240	7,054	14,578
F - Farm Light Truck - 2004 & Newer	14,870	27,126	249	4	41,743	41,996
LV - Private Passenger Vehicles (PPV)	125,803	638,500	16,161	13,928	734,215	764,303
LV - PPV - Farm Cars	2,626	713	119	360	2,860	3,339
LV - PPV - Farm SUVs and Vans	3,517	8,890	38	2,856	9,513	12,407
LV - Police Cars	0	108	0	41	67	108
LV - Police Trucks, Vans & SUVs	58	402	19	363	77	460
LV - UDrives	5	5,579	0	80	5,503	5,583
PT - Taxis (Rural)	0	145	0	5	141	145
Conventionally Rated Vehicles						
Ambulances	292	0	0	0	292	292
A - Commercial Vehicles:						
Heavy Trucks and Vans IRP Reg. Ded.	394	31	53	12	360	426
Heavy Trucks and Vans IRP \$15K Ded.	170	0	0	0	170	170
Heavy Trucks and Vans Non-IRP	738	686	436	117	872	1,424
Power Units IRP Reg. Ded.	0	3,142	0	3,142	0	3,142
Power Units IRP \$15K Ded.	1	2,024	1	2,024	0	2,025
Power Units Non-IRP	25	1,611	22	329	1,286	1,637
C & D - Commercial Vehicles:						
Heavy Trucks and Vans	13,637	172	520	43	13,246	13,809
Power Units	1,368	5,013	288	1,732	4,361	6,382
F - Farm Vehicles:						
Heavy Trucks and Vans	19,155	0	3,354	0	15,801	19,155
Light Trucks - 1993 & Older	5,927	0	0	0	5,927	5,927
Power Units	15,542	0	2,826	0	12,716	15,542
Hearses	123	0	0	0	123	123
L - Dealer Plates:	3,896	0	0	0	3,896	3,896
Automobile	3,836	0	0	0	3,836	3,836
Motorcycles	60	0	0	0	60	60
L - Snowmobile Dealers	25	0	0	0	25	25
LV - Antiques	21,387	0	0	0	21,387	21,387
LV - Buses	357	0	0	0	357	357
LV - Buses (Restricted)	15	0	0	0	15	15
LV - Motorcycles:	848	4,620	848	3,492	1,128	5,468
Cruiser/Touring	142	4,057	142	3,279	778	4,199
Dual Purpose/Other	522	333	522	85	248	854
Sport	184	231	184	129	102	415
LV - Motorhomes	3,751	322	3,751	322	0	4,073
MT - Snowmobiles	4,580	0	0	0	4,580	4,580
PB - Passenger Inter-city Buses	0	445	0	337	108	445
PC - Passenger City Buses	6	554	6	277	277	560
PS - Passenger School Buses	3,081	0	0	0	3,081	3,081
PT - Taxis	0	517	0	517	0	517
Trailers						
F - Trailers	43,139	0	0	0	43,139	43,139
LT - Trailer Dealers/Movers:	486	0	436	0	50	486
T - Personal Trailers:	52,580	0	23,961	0	28,619	52,580
T - Utility	72,379	0	0	0	72,379	72,379
TS - Commercial Trailers	53,977	0	0	0	53,977	53,977

Vehicle Class	Written Exposures					Total
	Eligible for Dollar Caps ⁽¹⁾	Eligible for Percent Caps ⁽²⁾	Received Dollar Caps ⁽³⁾	Received Percent Caps ⁽³⁾	No Caps Applied ⁽⁴⁾	
Miscellaneous Classes						
A - Excess Value	260	0	0	0	260	260
C&D - Non-Resident	2	0	0	0	2	2
C&D - Excess Value	1,976	0	0	0	1,976	1,976
Industrial Tracked Vehicles	0	0	0	0	0	0
LV - Motorized Bicycle	7	0	0	0	7	7
PV - Converted Vehicles	10	0	0	0	10	10
PV - Heavy Trucks and Vans	625	31	41	29	588	657
PV - Power Units	26	57	21	20	43	84
TS - Excess Value	2,923	0	0	0	2,923	2,923
24-Hour Permit	197	0	0	0	197	197
8 Day Permit	1,506	0	0	0	1,506	1,506
Intransit	64	0	0	0	64	64
TIC	119	0	0	0	119	119
Total						
All Vehicles Excluding Trailers & Misc	256,865	702,389	35,974	30,319	892,961	957,491
All Vehicles	485,254	702,478	60,432	30,368	1,096,933	1,182,697

Notes

- (1) Exposures that are eligible for dollar caps are those that have a current premium of less than \$1,001.
- (2) Exposures that are eligible for percent caps are those that have a current premium of at least \$1,001.
- (3) Exposures that receive dollar or percent caps are those for which the indicated premium exceeds the current premium by more than the cap amount.
- (4) Exposures that did not have any caps applied:
 - (a) Had an indicated premium that was within the cap amount, or
 - (b) Belong to a class where the proposed rate was set equal to the current rate.

Claims by Fault

Saskatchewan Government Insurance
2021 Rate Program
Claims Assigned by Fault
Data as at March 31, 2020

The breakdown of the number of Private Passenger Vehicle, Motorcycle and Taxi collision claims for 2015/2016-2019/2020 assigned to the vehicle by fault follows. Data is as of March 31, 2020.

PPV - All Body Styles

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	11,685	13,837	15,507	15,167	15,701	71,897	13%
Not at Fault	47,162	48,232	47,917	45,808	39,224	228,343	42%
Less than 50% at Fault	638	729	830	800	652	3,649	1%
50% or More at Fault	48,533	50,157	49,154	46,601	39,780	234,225	44%
Total	108,018	112,955	113,408	108,376	95,357	538,114	100%

PPV - Two-Door Cars

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	607	628	637	584	542	2,998	11%
Not at Fault	3,295	2,891	2,612	2,096	1,699	12,593	46%
Less than 50% at Fault	47	52	56	46	33	234	1%
50% or More at Fault	2,981	2,603	2,458	2,069	1,570	11,681	42%
Total	6,930	6,174	5,763	4,795	3,844	27,506	100%

PPV - Four-Door Cars

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	2,943	3,407	3,695	3,540	3,641	17,226	10%
Not at Fault	16,977	16,844	16,274	15,304	13,012	78,411	47%
Less than 50% at Fault	189	184	211	194	157	935	1%
50% or More at Fault	14,794	15,370	15,055	13,591	11,839	70,649	42%
Total	34,903	35,805	35,235	32,629	28,649	167,221	100%

Motorcycle - Cruiser/Touring

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	15	19	20	18	18	90	9%
Not at Fault	133	99	92	85	87	496	48%
Less than 50% at Fault	1	2	2	3	2	10	1%
50% or More at Fault	104	99	79	67	86	435	42%
Total	253	219	193	173	193	1,031	100%

Motorcycle - Sport

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	3	1	1	2	7	14	7%
Not at Fault	35	14	20	17	18	104	53%
Less than 50% at Fault	0	0	0	0	1	1	1%
50% or More at Fault	19	17	15	15	12	78	40%
Total	57	32	36	34	38	197	100%

Motorcycle - Dual Purpose/ Other

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	3	0	0	4	2	9	10%
Not at Fault	9	12	7	12	3	43	47%
Less than 50% at Fault	0	0	1	0	0	1	1%
50% or More at Fault	8	8	8	10	4	38	42%
Total	20	20	16	26	9	91	100%

Taxis - All Body Styles

	2015/2016	2016/2017	2017/2018	2018/2019	2019/2020	Total	%
Not at Fault - Wildlife	20	35	26	42	43	166	5%
Not at Fault	380	383	383	371	284	1,801	60%
Less than 50% at Fault	8	3	8	13	7	39	1%
50% or More at Fault	197	249	203	197	174	1,020	34%
Total	605	670	620	623	508	3,026	100%

Taxi Loss Ratio Exhibit

**Saskatchewan Government Insurance
2021 Rate Program
Class PT Loss Ratios
Data at March 31, 2020**

Class PT Urban

Fiscal Year	Earned Exposures	Ultimate Claims	Ultimate Losses	Written Premium	Ultimate Frequency	Ultimate Severity	Pure Premium	Loss Ratio
2009/2010	646	519	1,733,333	1,479,448	0.803	3,340	2,683	117%
2010/2011	569	618	2,039,572	1,407,317	1.086	3,300	3,584	145%
2011/2012	565	521	1,884,242	1,432,435	0.922	3,617	3,335	132%
2012/2013	592	603	2,021,316	1,616,165	1.019	3,352	3,414	125%
2013/2014	605	504	1,819,153	1,947,037	0.833	3,609	3,007	93%
2014/2015	634	480	1,835,854	2,289,855	0.757	3,825	2,896	80%
2015/2016	629	415	2,537,683	2,299,269	0.660	6,115	4,034	110%
2016/2017	601	484	2,335,050	2,341,051	0.805	4,824	3,885	100%
2017/2018	595	411	2,035,991	2,269,404	0.691	4,954	3,422	90%
2018/2019	595	455	2,338,960	1,614,323	0.765	5,141	3,931	145%
2019/2020	563	417	2,789,791	1,883,091	0.741	6,690	4,955	148%
3 year loss ratio		115%						
5 year loss ratio		111%						
8 year loss ratio		112%						

Class PT Rural

Fiscal Year	Earned Exposures	Ultimate Claims	Ultimate Losses	Written Premium	Ultimate Frequency	Ultimate Severity	Pure Premium	Loss Ratio
2009/2010	65	20	78,548	108,089	0.308	3,927	1,208	73%
2010/2011	133	32	77,936	247,815	0.241	2,436	586	31%
2011/2012	157	45	158,042	262,437	0.287	3,512	1,007	60%
2012/2013	160	50	180,120	259,268	0.313	3,602	1,126	69%
2013/2014	141	36	125,559	229,859	0.255	3,488	890	55%
2014/2015	148	28	95,981	251,601	0.189	3,428	649	38%
2015/2016	160	41	152,145	294,718	0.256	3,711	951	52%
2016/2017	170	48	165,906	303,911	0.282	3,456	976	55%
2017/2018	170	49	209,805	315,055	0.288	4,282	1,234	67%
2018/2019	174	56	184,073	241,018	0.322	3,287	1,058	76%
2019/2020	155	72	254,609	269,607	0.465	3,536	1,643	94%
3 year loss ratio		75%						
5 year loss ratio		69%						
8 year loss ratio		63%						

Historical Rate Changes by Class

Historical Rate Changes by Class

Vehicle Class	July 1, 2007	November 1, 2009	August 4, 2012	Includes CM	Includes CM	Includes CM	Includes CM	Includes CM	Includes CM
				August 31, 2013	August 31, 2014	May 21, 2017	May 20, 2018	May 19, 2019	May 17, 2020
CLEAR Rated Vehicles									
A - Commercial Light Trucks	2.3%	14.3%	19.5%	21.9%	14.5%	2.3%	3.7%	2.2%	0.0%
F - Farm Light Truck - 1994 & Newer	-5.6%	0.2%	-2.0%	3.6%	1.9%	0.1%	2.1%	1.6%	0.0%
LV - Private Passenger Vehicles (PPV)	-7.0%	4.8%	1.4%	1.5%	4.2%	0.0%	-0.1%	-0.1%	0.0%
LV - PPV - Farm Cars, SUVs and Vans	-7.0%	4.8%	-8.5%	-0.8%	3.8%	0.5%	-0.2%	0.1%	0.0%
LV - Police Cars	-10.1%	-2.5%	8.0%	10.7%	16.7%	0.8%	-0.6%	-1.1%	0.0%
LV - Police Trucks, Vans & SUVs	-7.0%	4.8%	-9.2%	-12.9%	-5.7%	0.4%	1.0%	-0.2%	0.0%
LV - U Drives	-11.0%	9.5%	-3.1%	10.3%	5.6%	1.3%	1.4%	1.6%	0.0%
PT - Taxis (Rural)	-3.9%	8.1%	-2.8%	-5.3%	7.1%	-0.5%	-1.5%	-1.8%	0.0%
Conventionally Rated Vehicles									
Ambulances	5.0%	0.0%	15.1%	3.3%	3.9%	0.0%	0.0%	0.0%	0.0%
A - Commercial Vehicles:									
Heavy Trucks and Vans IRP \$2500 Ded	-1.3%	-4.1%	-12.9%	-6.3%	3.9%	0.0%	0.0%	0.0%	0.0%
Heavy Trucks and Vans IRP \$15K Ded	-1.3%	-4.1%	-12.9%	-16.8%	-6.7%	0.0%	0.0%	0.0%	0.0%
Heavy Trucks and Vans Non-IRP	-1.3%	-4.1%	13.6%	3.2%	4.0%	0.0%	0.0%	0.0%	0.0%
Power Units IRP \$2500 Ded.	0.7%	7.7%	13.7%	-0.7%	2.5%	0.0%	0.0%	0.0%	0.0%
Power Units IRP \$15K Ded.	0.7%	7.7%	13.7%	-12.3%	-3.5%	0.0%	0.0%	0.0%	0.0%
Power Units Non-IRP	0.7%	7.7%	-13.6%	-13.3%	-1.2%	0.0%	0.0%	0.0%	0.0%
C & D - Commercial Vehicles:									
Heavy Trucks and Vans	-25.5%	-9.8%	22.8%	15.2%	10.1%	0.0%	0.0%	0.0%	0.0%
Power Units	-23.3%	-4.0%	15.9%	5.4%	2.3%	0.0%	0.0%	0.0%	0.0%
F - Farm Vehicles:									
Heavy Trucks and Vans	0.3%	-8.5%	-7.3%	-7.6%	-0.4%	0.0%	0.0%	0.0%	0.0%
Light Trucks - 1993 & Older	-5.6%	-6.9%	-9.3%	-14.3%	-10.2%	0.0%	0.0%	0.0%	0.0%
Power Units	-19.3%	-5.2%	-16.9%	-8.2%	8.8%	0.0%	0.0%	0.0%	0.0%
Hearse									
Hearse Car	0.0%	0.0%	-10.8%	16.5%	1.2%	0.0%	0.0%	0.0%	0.0%
Hearse Truck	0.0%	100.0%	-10.8%	16.5%	1.2%	0.0%	0.0%	0.0%	0.0%
L - Dealer Plates:									
L - Snowmobile Dealers	-20.0%	-1.9%	13.5%	4.8%	-2.8%	0.0%	0.0%	0.0%	0.0%
LV - Antiques	0.0%	10.0%	0.0%	22.7%	4.9%	0.0%	0.0%	0.0%	0.0%
LV - Buses	1.8%	5.1%	33.1%	25.6%	11.2%	0.0%	0.0%	0.0%	0.0%
LV - Buses (Restricted)	-0.6%	-5.0%	31.8%	22.5%	0.2%	0.0%	0.0%	0.0%	0.0%
LV - Motorcycles	9.0%	13.4%	18.2%	16.8%	11.1%	0.0%	0.0%	0.0%	0.0%
LV - Motorhomes	5.4%	9.8%	10.3%	15.7%	7.5%	0.0%	0.0%	0.0%	0.0%
MT - Snowmobiles									
MT excl Udrive	-27.3%	-10.0%	0.0%	0.0%	-2.5%	0.0%	0.0%	0.0%	0.0%
MT Udrive	-27.3%	-16.9%	0.0%	0.0%	-2.5%	0.0%	0.0%	0.0%	0.0%
PB - Passenger Inter-City Buses	6.5%	9.3%	15.0%	14.2%	3.1%	0.0%	0.0%	0.0%	0.0%
PC - Passenger City Buses	-2.4%	10.0%	14.8%	16.6%	8.9%	0.0%	0.0%	0.0%	0.0%
PS - Passenger School Buses	3.9%	9.8%	26.0%	26.7%	12.7%	0.0%	0.0%	0.0%	0.0%
PT - Taxis	6.5%	9.1%	15.6%	16.4%	11.1%	0.0%	0.0%	0.0%	0.0%
Trailers									
F - Trailers	-9.5%	5.7%	0.0%	17.9%	4.1%	0.0%	0.0%	0.0%	0.0%
LT - Trailer Dealers/Movers:	-0.6%	3.4%	6.6%	2.6%	1.2%	0.0%	0.0%	0.0%	0.0%
T - Personal Trailers:	-0.4%	7.5%	10.5%	10.0%	14.3%	0.0%	0.0%	0.0%	0.0%
T - Utility	0.0%	0.0%	0.0%	70.0%	17.6%	0.0%	0.0%	0.0%	0.0%
TS - Commercial Trailers	-27.9%	1.1%	0.0%	13.1%	11.5%	0.0%	0.0%	0.0%	0.0%
Miscellaneous Classes									
A - Excess Value	0.0%	5.3%	-15.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
C&D - Non-Resident	0.0%	0.0%	-6.3%	1.3%	1.3%	0.0%	0.0%	0.0%	0.0%
C&D - Excess Value	0.0%	0.0%	-10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
C&D - Industrial Tracked Vehicles	0.0%	0.0%	37.5%	1.1%	1.1%	0.0%	0.0%	0.0%	0.0%
PV - Industrial Tracked Vehicles	0.0%	0.0%	37.5%	1.1%	1.1%	0.0%	0.0%	0.0%	0.0%
LV - Motorized Bicycle	0.0%	10.0%	0.0%	2.3%	37.8%	0.0%	0.0%	0.0%	0.0%
PV - Converted Vehicles	0.0%	0.0%	0.0%	5.3%	-0.9%	0.0%	0.0%	0.0%	0.0%
PV - Heavy Trucks and Vans	-7.0%	4.8%	0.0%	0.6%	-1.3%	0.0%	0.0%	0.0%	0.0%
LV - HTV	0.0%	0.0%	0.0%	0.6%	-1.3%	0.0%	0.0%	0.0%	0.0%
PV - Power Units	-7.0%	4.8%	0.0%	-1.2%	1.7%	0.0%	0.0%	0.0%	0.0%
TS - Excess Value	0.0%	0.0%	-10.5%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total									
All Vehicles Excluding Trailers & Misc	-7.0%	4.2%	1.5%	1.9%	4.2%	0.0%	0.0%	0.0%	0.0%
All Vehicles	-7.1%	4.2%	1.6%	2.3%	4.4%	0.0%	0.0%	0.0%	0.0%

Expenses

Saskatchewan Government Insurance
 2021 Rate Program Expenses
 Calculation of Admin, Salvage, Reinsurance, Loss Adjusting, and Variable Expenses

<u>Written Exposures:</u>			
All Vehicles	1,165,000	All Vehicles for Admin Exp	992,152
All Vehicles Excluding Trailers	942,228	All Excl MT & NonRes 4 Reins Dam	991,115
All Vehicles Excluding Tr & MT	938,384		
All Vehicles Excluding Tr, MT & Antiques	916,596	Vehicles eligible for Salvage	837,608

	2021/2022	2022/2023	Rating Year	Coverage(s) to
	\$	\$	\$ (000s)	which the expense
Fixed Expenses:				applies
Admin Expenses	\$ 90,885,722	\$ 93,791,560	\$ 91,975	All Coverages
Internal Loss Adjustment Expenses	\$ 77,484,970	\$ 75,686,320	\$ 76,810	All Coverages
Salvage Net Profit (other income)	\$ (18,686,141)	\$ (20,012,857)	\$ (19,184)	Damage
Reinsurance premiums	\$ 9,480,760	\$ 9,696,206	\$ 9,562	Damage and Injury
Total			159,164	

	Amount	Expense Per	
	\$ (000s)	Exposure	
Salvage and Reinsurance			
Salvage Net Profit (Other Income)	(19,184)	-22.90	CLEAR, F Light 93, PT Urban
Reinsurance - Damage	9,562	9.65	Trailers, motorized bikes & Antiques: 2.41
Reinsurance - Injury	-		
Total	(9,622)	-13.26	

	Amount	Expense Per
All Coverages:	\$ (000s)	Exposure
Admin Expenses*	91,975	92.70
Internal Loss Adjustment Expenses	76,810	57.23
Total	168,786	149.93

Total Fixed Expenses excl LAE 79.45

	2021/2022	2022/2023	Rating Year
Budget Variable Expenses	\$	\$	Weighting
Direct Earned Premium	\$ 1,002,245,648	\$ 1,021,124,955	
Premium Taxes	\$ 50,112,282	\$ 51,056,248	5.00%
Traffic Safety Programs	\$ 40,478,922	\$ 41,288,500	4.04%
Issuer Commissions	\$ 49,588,177	\$ 50,522,264	4.95%
Short Term Registrations	\$ (15,517,063)	\$ (15,793,940)	-1.55%
Auto Pay	\$ (19,756,391)	\$ (20,147,895)	-1.97%
Total Variable Expenses	\$ 104,905,927	\$ 106,925,177	10.47%
		\$ 105,663,146	

* Reduced to \$23.18 for Antique, Farm Trailers (F), Snowmobiles (MT), Personal Utility Trailers (T), and Commercial Trailers (TS), and \$46.35 for Personal Non-utility Trailers (T) and Trailer Dealers (LT)

Saskatchewan Government Insurance
 2021 Rate Program Expenses
 Derivation of Internal Loss Adjustment Expenses by Coverage from Auto Fund Budget

Adjustment Expenses	2021/2022	2022/2023	Rating Year
	\$	\$	
Pre-1995 Liability	12,121	12,393	12,223
Pre-1995 Injury	26,934	27,538	27,160
Damage	43,419,331	44,394,130	43,784,881
No Fault Injury Benefits	24,619,956	25,172,694	24,827,233
No Fault Liability	1,079,337	1,103,569	1,088,424
No Fault Out-of-Province	0	0	0
Tort Accident Benefits	0	0	0
Tort Liability	0	0	0
Tort Out-of-Province	0	0	0
Total	69,157,679	70,710,325	69,739,921

Adjustment Expenses Unpaid Unreported	2021/2022	2022/2023	Rating Year
	\$	\$	
Damage	4,137,754	925,227	2,933,056
No Fault Injury Benefits	3,506,243	3,308,860	3,432,224
No Fault Liability	-73,527	-50,285	-64,811
No Fault Out-of-Province	774,873	787,213	779,500
Tort Accident Benefits	7,885	8,815	8,234
Tort Liability	-25,937	-3,833	-17,648
Tort Out-of-Province	0	0	0
Total	8,366,431	4,975,995	7,070,555

	2021/2022	2022/2023	Rating Year
	\$	\$	
Damage - Including Damage Liability***	47,557,085	45,319,357	46,717,937
Injury*	28,161,018	28,517,907	28,294,851
Liability**	1,766,868	1,849,057	1,797,689
			76,810,476

Discounted LAE	Discount Factor	Discounted LAE	LAE Allocation per
			Exposure
Damage - Including Damage Liability***	0.9947	46,472,557	39.89
Injury*	0.6602	18,680,619	16.03
Liability**	0.8510	1,529,801	1.31
		66,682,977	57.23

* Does not apply to Farm Trailers (F), Trailer Dealers (LT), Snowmobiles (MT), Personal Trailers (T), or Commercial Trailers (TS)

** Does not apply to Trailers

*** Applies to all vehicle types

Saskatchewan Government Insurance
 2021 Rate Program Expenses
 Calculation of Malus Component of SDR

SDR Eligible Classes	Discount Program	Rating Year Exposures	Projected - as per budget	
F - Farm Light Truck - 1994 & Newer	SDR	55,148		
LV - Private Passenger Vehicles (PPV)	SDR	754,013	2021/2022	32,208,011
LV - PPV - Farm Cars	SDR	2,746	2022/2023	33,538,432
LV - PPV - Farm SUVs and Vans	SDR	11,981	Rating Year	32,706,919
Light Trucks - 1993 & Older	SDR	4,957		
LV - Antiques	SDR	10,894	Antiques get 1/2 credit, so 1/2 exposures here	
LV - Buses	SDR	0		
LV - Motorcycles	SDR	4,669		
LV - Motorhomes	SDR	3,826		
LV - Motorized Bicycle	SDR	3	3 Motorized Bikes get 1/2 credit, so 1/2 exposures here	
PV - Converted Vehicles	SDR	10		
PV - Heavy Trucks and Vans	SDR	671		
PV - Industrial Tracked Vehicles	SDR	0		
PV - Power Units	SDR	90		
Total		849,008		

Malus Component of SDR (Most Classes) = (38.52)
 Malus Component of SDR (Antiques & Motorized Bikes) = (19.26)

CLEAR Rated Vehicles	Discount Program	Rating Year Exposures	Eligible?	SDR Credit
A - Commercial Light Trucks	IRP BR	107		-
F - Farm Light Truck - 1994 & Newer	SDR	55,148	*	(38.52)
LV - Private Passenger Vehicles (PPV)	SDR	754,013	*	(38.52)
LV - PPV - Farm Cars	SDR	2,746	*	(38.52)
LV - PPV - Farm SUVs and Vans	SDR	11,981	*	(38.52)
LV - Police Cars	Sask BR	75		-
LV - Police Trucks, Vans & SUVs	Sask BR	500		-
LV - Udrives	Sask BR	5,558		-
PT - Taxis (Rural)	Sask BR	141		-
		830,267	0.9923	(38.23)

Malus Component of SDR for CLEAR Rated Vehicles = (38.23)

Saskatchewan Government Insurance
 2021 Rate Program Expenses
 Calculation of Appeal Commission Expense by Class

Budgeted Expenses	2021/2022	2022/2023	Weighted Average	Cost Per Exposure		
Appeal Commission	1,493,432	1,538,235	1,510,234	1.60		
Class	Projected Rating Year Exposures (1)	Discounted Pure Premium - Appeal (2)	Projected Expected Losses - Appeal (1) x (2)	Weight	Cost per Class	Cost per Exposure
CLEAR-Rated Vehicles						
A - Commercial Light Trucks	107	0.0263	3	0.00%	3	0.03
F - Farm Light Truck - 1994 & Newer	55,148	0.6186	34,114	2.25%	34,021	0.62
LV - Private Passenger Vehicles (PPV)	754,013	1.7745	1,337,996	88.35%	1,334,329	1.77
LV - PPV - Farm Cars	2,746	0.9306	2,556	0.17%	2,549	0.93
LV - PPV - Farm SUVs and Vans	11,981	0.3231	3,871	0.26%	3,861	0.32
LV - Police Cars	75	4.2038	313	0.02%	313	4.19
LV - Police Trucks, Vans & SUVs	500	0.1827	91	0.01%	91	0.18
LV - Udrives	5,558	0.6770	3,763	0.25%	3,752	0.68
PT - Taxis (Rural)	141	7.2174	1,014	0.07%	1,012	7.20
Conventionally Rated Vehicles						
Ambulances	272	1.9687	536	0.04%	535	1.96
A - Commercial Vehicles:						
Heavy Trucks and Vans IRP	540	0.0710	38	0.00%	38	0.07
Heavy Trucks and Vans Non-IRP	1,473	2.2312	3,287	0.22%	3,278	2.23
Power Units IRP	4,928	1.1099	5,470	0.36%	5,455	1.11
Power Units Non-IRP	1,598	8.1841	13,076	0.86%	13,040	8.16
C & D - Commercial Vehicles:						
Heavy Trucks and Vans	12,956	0.5079	6,581	0.43%	6,563	0.51
Power Units	5,720	0.8104	4,636	0.31%	4,623	0.81
F - Farm Vehicles:						
Heavy Trucks and Vans	17,739	0.0387	686	0.05%	684	0.04
Light Trucks - 1993 & Older	4,957	0.2023	1,003	0.07%	1,000	0.20
Power Units	16,146	0.1431	2,311	0.15%	2,304	0.14
Hearses	111	0.0000	0	0.00%	0	0.00
L - Dealer Plates	3,810	0.3005	1,145	0.08%	1,142	0.30
L - Snowmobile Dealers	24	0.0000	0	0.00%	0	0.00
LV - Antiques	21,789	0.0262	570	0.04%	569	0.03
LV - Buses	350	3.4890	1,222	0.08%	1,218	3.48
LV - Buses (Restricted)	13	0.0000	0	0.00%	0	0.00
LV - Motorcycles	4,669	7.5223	35,118	2.32%	35,022	7.50
LV - Motorhomes	3,826	0.0133	51	0.00%	51	0.01
MT - Snowmobiles	3,820	0.0204	78	0.01%	78	0.02
PB - Passenger Inter-city Buses	425	26.2074	11,129	0.73%	11,098	26.14
PC - Passenger City Buses	547	14.9666	8,187	0.54%	8,164	14.93
PS - Passenger School Buses	3,003	0.3669	1,102	0.07%	1,099	0.37
PT - Taxis	478	14.2891	6,829	0.45%	6,811	14.25
Miscellaneous Classes						
C&D - Non-Resident	82	0.0000	0	0.00%	0	0.00
Industrial Tracked Vehicles	0	0.0000	0	0.00%	0	0.00
LV - Motorized Bicycle*	7	0.0000	0	0.00%	0	0.00
PV - Converted Vehicles	10	0.0000	0	0.00%	0	0.00
PV - Heavy Trucks and Vans	671	0.2227	149	0.01%	149	0.22
PV - Power Units	90	0.0240	2	0.00%	2	0.02
Permits						
24-Hour	198	4.5710	907	0.06%	905	4.56
8-Day	1,524	17.4230	26,549	1.75%	26,477	17.38
Intransit	66	0.0000	0	0.00%	0	0.00
TIC	118	0.0000	0	0.00%	0	0.00
Total	942,228		1,514,384	100.00%	1,510,234	1.60
CLEAR-Rated Vehicles	830,267		1,383,722	91.37%	1,379,929	1.66

*Motorized Bicycle has been added to Motorcycle allocation.

Saskatchewan Government Insurance
2021 Rate Program Expenses
Calculation of Medical Funding Expense by Class

Budgeted Expenses	2021/2022	2022/2023	Weighted Average	Cost Per Exposure		
Medical Funding	40,618,100	41,629,926	40,997,535	43.51		
Class	Projected Rating Year Exposures (1)	Discounted Pure Premium - Medical excl Funding (2)	Projected Expected Losses - Med excl Funding (1) x (2)	Weight	Cost per Class	Cost per Exposure
CLEAR-Rated Vehicles						
A - Commercial Light Trucks	107	11,5651	1,232	0.00%	1,529	14.35
F - Farm Light Truck - 1994 & Newer	55,148	23,4823	1,294,998	3.92%	1,607,130	29.14
LV - Private Passenger Vehicles (PPV)	754,013	37,0415	27,929,783	84.55%	34,661,661	45.97
LV - PPV - Farm Cars	2,746	21,1986	58,213	0.18%	72,243	26.31
LV - PPV - Farm SUVs and Vans	11,981	29,9219	358,501	1.09%	444,910	37.13
LV - Police Cars	75	25,9026	1,932	0.01%	2,397	32.15
LV - Police Trucks, Vans & SUVs	500	16,5853	8,296	0.03%	10,296	20.58
LV - Udrives	5,558	31,5609	175,410	0.53%	217,689	39.17
PT - Taxis (Rural)	141	27,6573	3,887	0.01%	4,824	34.32
Conventionally Rated Vehicles						
Ambulances	272	28,4872	7,760	0.02%	9,631	35.35
A - Commercial Vehicles:						
Heavy Trucks and Vans IRP	540	5,3690	2,901	0.01%	3,600	6.66
Heavy Trucks and Vans Non-IRP	1,473	13,8020	20,334	0.06%	25,235	17.13
Power Units IRP	4,928	31,5746	155,612	0.47%	193,119	39.19
Power Units Non-IRP	1,598	33,1006	52,886	0.16%	65,633	41.08
C & D - Commercial Vehicles:						
Heavy Trucks and Vans	12,956	12,2566	158,796	0.48%	197,071	15.21
Power Units	5,720	19,7306	112,869	0.34%	140,074	24.49
F - Farm Vehicles:						
Heavy Trucks and Vans	17,739	1,7123	30,376	0.09%	37,697	2.13
Light Trucks - 1993 & Older	4,957	4,3814	21,719	0.07%	26,954	5.44
Power Units	16,146	10,5567	170,451	0.52%	211,535	13.10
Hearses	111	0,5615	63	0.00%	78	0.70
L - Dealer Plates	3,810	23,2536	88,599	0.27%	109,954	28.86
L - Snowmobile Dealers	24	0,0000	0	0.00%	0	0.00
LV - Antiques	21,789	6,3841	139,100	0.42%	172,628	7.92
LV - Buses	350	59,5586	20,855	0.06%	25,882	73.91
LV - Buses (Restricted)	13	0,0000	0	0.00%	0	0.00
LV - Motorcycles	4,669	294,6894	1,375,766	4.16%	1,707,365	365.72
LV - Motorhomes	3,826	6,9764	26,691	0.08%	33,125	8.66
MT - Snowmobiles	3,820	1,3338	5,095	0.02%	6,323	1.66
PB - Passenger Inter-city Buses	425	99,3938	42,206	0.13%	52,379	123.35
PC - Passenger City Buses	547	161,2525	88,205	0.27%	109,464	200.12
PS - Passenger School Buses	3,003	22,1717	66,573	0.20%	82,619	27.52
PT - Taxis	478	216,8939	103,662	0.31%	128,647	269.17
Miscellaneous Classes						
C&D - Non-Resident	82	0,0000	0	0.00%	0	0.00
Industrial Tracked Vehicles	0	0,0000	0	0.00%	0	0.00
LV - Motorized Bicycle*	7	0,0000	0	0.00%	0	0.00
PV - Converted Vehicles	10	0,0000	0	0.00%	0	0.00
PV - Heavy Trucks and Vans	671	18,8864	12,672	0.04%	15,726	23.44
PV - Power Units	90	3,8158	342	0.00%	425	4.74
Permits						
24 Hour Permit	198	338,2548	67,119	0.20%	83,297	419.78
8 Day Permit	1,524	283,3931	431,835	1.31%	535,920	351.70
Intransit Permit	66	0,8952	59	0.00%	73	1.11
TIC	118	2,7584	326	0.00%	404	3.42
Total	942,228		33,035,123	100.00%	40,997,535	43.51
CLEAR-Rated Vehicles	830,267		29,832,251	90.30%	37,022,679	44.59

*Motorized Bicycle has been added to Motorcycle allocation.

Loss and Claim Count Development Factors

**2021 Rate Program
Claim Development Factors**

Fiscal Year	Cov21	Cov22	Cov23	Cov31	Cov32	Cov33	Cov34	Cov41	Cov42	Cats
2006	0.9991	0.9971	1.0000	0.9668	0.9817	0.9989	1.0000	0.9560	0.9471	1.0000
2007	0.9990	0.9950	0.9997	0.9700	0.9838	0.9971	1.0000	0.9762	0.9589	1.0000
2008	0.9992	0.9966	0.9998	0.9752	0.9763	0.9993	1.0000	0.9689	0.9050	1.0000
2009	0.9989	0.9983	0.9997	0.9800	0.9696	0.9992	1.0000	0.9259	0.8349	1.0000
2010	0.9986	0.9967	0.9996	0.9792	0.9745	0.9994	1.0000	0.9368	0.8737	1.0000
2011	0.9994	0.9922	1.0001	0.9773	0.9633	0.9998	1.0577	0.9345	0.8685	1.0000
2012	0.9990	0.9922	0.9995	0.9754	0.9678	0.9999	1.0000	0.9429	0.8764	0.9999
2013	0.9987	0.9975	1.0000	0.9755	0.9716	0.9996	1.0000	0.9276	0.8584	0.9998
2014	0.9987	0.9956	1.0000	0.9780	0.9659	0.9996	1.0133	0.9302	0.8609	0.9999
2015	0.9981	0.9933	1.0000	0.9787	0.9555	0.9999	1.0130	0.9182	0.8597	0.9982
2016	0.9970	0.9933	0.9999	0.9755	0.9502	0.9998	1.0230	0.9116	0.8432	0.9998
2017	0.9991	0.9950	1.0007	0.9787	0.9296	1.0001	1.0109	0.9188	0.8525	1.0006
2018	1.0067	1.0133	1.0053	0.9842	0.9436	1.0004	1.0183	0.9180	0.8597	1.0010
2019	1.0356	1.0739	1.0264	1.0096	0.9989	1.0074	3.7564	0.9030	0.9093	1.0730
2020*	1.3225	1.5878	1.2651	1.1784	1.1620	1.2895	4.4394	0.9491	0.9491	1.2751

Full Year Development Factor

2020	1.2913	1.5691	1.2352	1.1552	1.1392	1.2591	4.4394	0.9304	0.9491	1.2500
------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Fiscal Year	Ec Loss	N.Ec Loss	Out of Prov	Appeal	Care	Inc Repl	Death	Med	Perm Imp	Tort Inj	Tort Liab
2006	1.0000	1.0000	1.0000	1.0238	0.9980	0.9977	1.0090	0.9972	0.9977	1.0000	1.0000
2007	1.0000	1.0000	1.0000	1.0319	0.9997	0.9986	1.0108	0.9981	0.9977	0.9891	1.0000
2008	1.0020	1.0000	1.0006	1.0267	0.9983	0.9971	0.9906	0.9970	0.9987	1.0000	1.0000
2009	1.0060	1.0000	1.0006	1.0285	0.9961	0.9967	1.0015	0.9959	0.9997	1.0000	1.0000
2010	0.9934	1.0117	0.9997	1.0580	0.9971	0.9981	1.0079	0.9973	1.0016	1.0000	1.0000
2011	0.9934	1.0177	0.9988	1.0634	0.9950	0.9961	1.0158	0.9969	1.0025	1.0000	1.0000
2012	1.0119	1.0234	0.9998	1.0671	0.9938	0.9953	1.0158	0.9967	1.0052	0.9889	1.0000
2013	1.0005	1.0427	1.0019	1.1123	1.0004	0.9994	1.0004	0.9974	1.0074	1.0000	1.0000
2014	1.0144	1.0482	1.0025	1.1546	0.9919	0.9927	1.0263	0.9927	1.0033	1.0000	1.0000
2015	1.0421	1.0456	1.0109	1.2440	1.0010	1.0005	1.0273	0.9970	1.0145	0.9844	0.9974
2016	1.1180	1.0433	1.0144	1.3806	1.0021	1.0043	1.0301	0.9983	1.0165	1.0000	0.9896
2017	1.2029	1.0575	1.0268	1.5903	1.0031	1.0007	1.0330	0.9965	1.0223	0.9778	0.9690
2018	1.3828	1.0429	1.0370	2.1390	1.0109	1.0084	1.0463	0.9973	1.0369	1.0000	0.9269
2019	3.0920	1.0776	1.0248	5.2334	1.0244	1.0219	1.0614	1.0006	1.0398	0.9900	0.8802
2020*	13.1370	1.6644	1.3125	79.2781	1.1682	1.2479	1.1672	1.0483	1.1411	1.0482	1.0850

Full Year Development Factor

2020	12.8172	1.6239	1.2805	77.3784	1.1402	1.2180	1.1392	1.0231	1.1138	1.0231	1.0586
------	---------	--------	--------	---------	--------	--------	--------	--------	--------	--------	--------

*2020 Fiscal Year has been adjusted to remove impact of COVID-19

Calculation of Implied Claim Development Factors

Net Ultimate as at March 31, 2020

	21-PD Auto	22 - PD Property	23 - Loss of Use	31 - Collision	32 - Comprehensive	33 - Glass	34 - Ded	41 - FLE	42 - Theft	Damage Catastrophes
2006	26,537	1,370	12,420	48,958	6,007	879	68	760	3,602	1,505
2007	30,118	1,204	13,756	53,875	6,021	1,030	55	776	3,199	2,015
2008	29,531	1,173	13,288	55,134	6,828	1,381	70	715	2,515	5,367
2009	31,680	1,203	13,757	60,185	6,611	2,381	79	773	2,367	2,582
2010	29,877	1,191	12,975	57,706	6,655	3,545	57	782	2,505	159
2011	33,866	1,148	15,278	64,698	7,452	4,669	55	669	2,345	7,121
2012	29,439	1,150	13,087	57,853	7,177	6,761	47	659	2,417	14,123
2013	35,819	1,178	16,250	67,094	7,878	7,650	66	640	1,806	4,280
2014	33,184	1,142	15,204	64,736	6,934	8,283	76	625	2,049	9,312
2015	30,931	1,032	14,248	59,854	6,576	9,723	78	649	2,053	3,354
2016	28,695	1,037	13,522	58,022	7,187	12,664	89	608	2,504	5,495
2017	29,311	1,083	14,257	61,522	7,750	16,391	93	635	3,020	8,476
2018	29,128	1,006	14,435	62,929	8,458	18,617	111	658	3,112	10,837
2019	27,743	968	13,987	60,726	9,096	21,219	98	664	3,386	5,292
2020	25,959	879	12,614	57,323	9,257	22,516	98	555	3,360	4,155

Incurred as at March 31, 2020 as per Internal Data

2006	26,562	1,374	12,420	50,639	6,119	880	68	795	3,803	1,505
2007	30,148	1,210	13,760	55,541	6,120	1,033	55	795	3,336	2,015
2008	29,555	1,177	13,290	56,534	6,994	1,382	70	738	2,779	5,367
2009	31,715	1,205	13,761	61,414	6,818	2,383	79	835	2,835	2,582
2010	29,918	1,195	12,980	58,931	6,829	3,547	57	835	2,867	159
2011	33,886	1,157	15,276	66,201	7,736	4,670	52	716	2,700	7,121
2012	29,469	1,159	13,094	59,313	7,416	6,762	47	699	2,758	14,124
2013	35,864	1,181	16,250	68,776	8,108	7,653	66	690	2,104	4,281
2014	33,228	1,147	15,204	66,189	7,179	8,286	75	672	2,380	9,313
2015	30,990	1,039	14,248	61,157	6,882	9,724	77	707	2,388	3,360
2016	28,780	1,044	13,524	59,478	7,564	12,667	87	667	2,970	5,496
2017	29,338	1,088	14,247	62,860	8,337	16,389	92	691	3,542	8,471
2018	28,934	993	14,359	63,940	8,964	18,610	109	717	3,620	10,826
2019	26,788	901	13,627	60,146	9,106	21,063	26	735	3,724	4,932
2020	20,104	560	10,212	49,623	8,126	17,883	22	597	3,540	3,324

Implied Factors to Ultimate

2006	0.9991	0.9971	1.0000	0.9668	0.9817	0.9989	1.0000	0.9560	0.9471	1.0000
2007	0.9990	0.9950	0.9997	0.9700	0.9838	0.9971	1.0000	0.9762	0.9589	1.0000
2008	0.9992	0.9966	0.9998	0.9752	0.9763	0.9993	1.0000	0.9689	0.9050	1.0000
2009	0.9989	0.9983	0.9997	0.9800	0.9696	0.9992	1.0000	0.9259	0.8349	1.0000
2010	0.9986	0.9967	0.9996	0.9792	0.9745	0.9994	1.0000	0.9368	0.8737	1.0000
2011	0.9994	0.9922	1.0001	0.9773	0.9633	0.9998	1.0577	0.9345	0.8685	1.0000
2012	0.9990	0.9922	0.9995	0.9754	0.9678	0.9999	1.0000	0.9429	0.8764	0.9999
2013	0.9987	0.9975	1.0000	0.9755	0.9716	0.9996	1.0000	0.9276	0.8584	0.9998
2014	0.9987	0.9956	1.0000	0.9780	0.9659	0.9996	1.0133	0.9302	0.8609	0.9999
2015	0.9981	0.9933	1.0000	0.9787	0.9555	0.9999	1.0130	0.9182	0.8597	0.9982
2016	0.9970	0.9933	0.9999	0.9755	0.9502	0.9998	1.0230	0.9116	0.8432	0.9998
2017	0.9991	0.9950	1.0007	0.9787	0.9296	1.0001	1.0109	0.9188	0.8525	1.0006
2018	1.0067	1.0133	1.0053	0.9842	0.9436	1.0004	1.0183	0.9180	0.8597	1.0010
2019	1.0356	1.0739	1.0264	1.0096	0.9989	1.0074	3.7564	0.9030	0.9093	1.0730
2020	1.2913	1.5691	1.2352	1.1552	1.1392	1.2591	4.4394	0.9304	0.9491	1.2500

Calculation of Implied Claim Development Factors

Net Ultimate as at March 31, 2020

	Undiscounted			Undiscounted	Medical	Permanent	Economic Loss	Non-Economic	Out of		Tort	Tort	Total
	Appeal	Care	Death	IR	Expenses w/o	Impairment	excluding	Loss excluding	WCB	WCB	Province	Injury	Liability
2006	146	980	166	1,442	5,383	865	23	63	1	256	79	42	113,558
2007	140	1,038	117	1,464	5,302	878	18	60	1	259	91	94	123,518
2008	143	1,172	149	1,502	5,371	872	23	91	1	213	77	66	127,689
2009	143	1,261	164	1,531	5,636	975	17	71	1	206	108	91	133,831
2010	161	1,205	147	1,414	5,124	988	9	56	1	150	68	67	126,852
2011	157	1,288	191	1,452	5,802	951	19	77	1	165	74	63	149,553
2012	150	1,186	164	1,364	5,211	928	21	84	1	177	89	82	144,181
2013	148	1,221	159	1,374	5,343	845	21	103	1	164	82	93	154,229
2014	132	1,095	143	1,250	4,759	741	18	103	1	195	76	78	152,150
2015	151	854	150	1,090	4,400	696	23	90	1	159	63	61	138,249
2016	148	933	124	1,125	4,466	803	15	98	1	151	65	57	139,824
2017	156	926	119	1,121	4,677	748	13	98	0	194	88	71	152,764
2018	158	791	115	1,071	4,711	712	15	91	1	267	82	58	159,382
2019	157	715	128	955	4,398	653	12	69	1	262	78	44	152,671
2020	155	675	98	937	4,545	655	13	85	1	238	86	48	146,271

Incurred as at March 31, 2020 as per Internal Data

2006	143	982	165	1,445	5,398	867	23	64		256	79	42	115,635
2007	136	1,038	116	1,466	5,312	880	18	61		259	92	94	125,492
2008	139	1,174	150	1,506	5,387	873	23	92		213	77	66	129,594
2009	139	1,266	164	1,536	5,659	975	17	72		206	108	91	135,869
2010	152	1,209	146	1,417	5,138	986	9	56		150	68	67	128,726
2011	148	1,294	188	1,458	5,820	949	19	77		165	74	63	151,781
2012	141	1,193	161	1,370	5,228	923	21	83		177	90	82	146,322
2013	133	1,221	159	1,375	5,357	839	21	100		164	82	93	156,530
2014	114	1,104	139	1,259	4,794	739	18	99		195	76	78	154,302
2015	121	853	146	1,089	4,413	686	22	87		157	64	61	140,286
2016	107	931	120	1,120	4,473	790	13	95		149	65	58	142,214
2017	98	923	115	1,120	4,693	732	11	93		189	90	73	155,209
2018	74	782	110	1,062	4,724	687	11	88		257	82	63	161,030
2019	30	698	121	935	4,395	628	4	65		256	79	50	150,328
2020	2	592	86	769	4,442	588	1	53		186	84	45	122,859

Implied Factors to Ultimate

	Weighted UDF												
2006	1.0238	0.9980	1.0090	0.9977	0.9972	0.9977	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	0.9820
2007	1.0319	0.9997	1.0108	0.9986	0.9981	0.9977	1.0000	1.0000	1.0000	1.0000	0.9891	1.0000	0.9843
2008	1.0267	0.9983	0.9906	0.9971	0.9970	0.9983	1.0020	1.0000	1.0006	1.0000	1.0000	1.0000	0.9853
2009	1.0285	0.9961	1.0015	0.9967	0.9959	0.9997	1.0060	1.0000	1.0006	1.0000	1.0000	1.0000	0.9850
2010	1.0580	0.9971	1.0079	0.9981	0.9973	1.0016	0.9934	1.0117	0.9997	1.0000	1.0000	1.0000	0.9854
2011	1.0634	0.9950	1.0158	0.9961	0.9969	1.0025	0.9934	1.0177	0.9988	1.0000	1.0000	1.0000	0.9853
2012	1.0671	0.9938	1.0158	0.9953	0.9967	1.0052	1.0119	1.0234	0.9998	0.9889	1.0000	1.0000	0.9854
2013	1.1123	1.0004	1.0004	0.9994	0.9974	1.0074	1.0005	1.0427	1.0019	1.0000	1.0000	1.0000	0.9853
2014	1.1546	0.9919	1.0263	0.9927	0.9927	1.0033	1.0144	1.0482	1.0025	1.0000	1.0000	1.0000	0.9861
2015	1.2440	1.0010	1.0273	1.0005	0.9970	1.0145	1.0421	1.0456	1.0109	0.9844	0.9974	1.0000	0.9855
2016	1.3806	1.0021	1.0301	1.0043	0.9983	1.0165	1.1180	1.0433	1.0144	1.0000	0.9896	1.0000	0.9832
2017	1.5903	1.0031	1.0330	1.0007	0.9965	1.0223	1.2029	1.0575	1.0268	0.9778	0.9690	1.0000	0.9843
2018	2.1390	1.0109	1.0463	1.0084	0.9973	1.0369	1.3828	1.0429	1.0370	1.0000	0.9269	1.0000	0.9898
2019	5.2334	1.0244	1.0614	1.0219	1.0006	1.0244	3.0920	1.0776	1.0248	0.9900	0.8802	1.0000	1.0156
2020	77.3784	1.1402	1.1392	1.2180	1.0231	1.1138	12.8172	1.6239	1.2805	1.0231	1.0586	1.0000	1.1906

**2021 Rate Program
Loss Development Factors**

Fiscal Year	Cov21	Cov22	Cov23	Cov31	Cov32	Cov33	Cov34	Cov41	Cov42	Cats
2006	0.9754	1.0055	1.0051	0.9654	0.9304	1.0029	1.0000	0.9781	0.9252	1.0000
2007	0.9756	0.9960	1.0132	0.9662	0.9359	0.9999	1.0000	0.9743	0.9213	1.0000
2008	0.9742	1.0109	0.9972	0.9642	0.9442	0.9999	1.0000	0.9729	0.9148	1.0000
2009	0.9768	1.0160	0.9973	0.9673	0.9350	1.0000	1.0000	0.9720	0.9226	1.0000
2010	0.9746	0.9899	0.9974	0.9649	0.9347	1.0000	1.0000	0.9744	0.9293	1.0000
2011	0.9744	1.0026	0.9961	0.9642	0.9273	1.0000	1.0600	0.9695	0.9274	0.7965
2012	0.9764	1.0436	0.9920	0.9673	0.9423	0.9999	1.0000	0.9731	0.9511	0.6636
2013	1.0212	1.0033	0.9943	1.0303	1.0450	0.9999	1.0000	1.0313	1.0603	1.0000
2014	1.0203	0.9883	0.9904	1.0305	1.0835	1.0000	1.0200	1.0500	1.0669	0.3078
2015	1.0304	1.0147	0.9987	1.0332	1.0760	0.9999	1.0097	1.0436	1.0783	1.0000
2016	1.0344	1.0575	1.0061	1.0442	1.0875	1.0004	1.0127	1.0408	1.1242	0.9342
2017	1.0413	1.0244	1.0103	1.0471	1.1053	1.0003	1.0055	1.0471	1.1560	0.6806
2018	1.0442	1.0377	1.0106	1.0449	1.0884	1.0019	1.0234	1.0850	1.1368	0.9193
2019	1.0606	1.0389	1.0108	1.0602	1.1386	1.0102	1.0729	1.0405	1.2102	0.7923
2020*	1.2962	1.4835	1.2467	1.1686	1.2918	1.3308	2.8896	1.1083	1.0592	1.3022

Full Year Development Factor

2020	1.2669	1.4667	1.2185	1.1466	1.2674	1.3007	2.8896	1.0873	1.0592	1.2776
------	--------	--------	--------	--------	--------	--------	--------	--------	--------	--------

Fiscal Year	Ec Loss	N.Ec Loss	Out of Prov	Appeal	Care	Inc Repl	Death	Med	Perm Imp	Tort Inj	Tort Liab
2006	1.1310	1.0793	1.0002	1.3962	1.2633	1.3248	1.0339	1.2867	1.0205	1.0006	1.0000
2007	1.1975	1.1704	1.0021	1.3963	1.5314	1.4984	1.0225	1.2577	1.0243	1.0038	1.0000
2008	1.0971	1.0900	1.0033	1.5490	1.6147	1.6411	1.0451	1.0683	1.0293	1.0025	1.0000
2009	1.1505	1.0148	1.0087	1.8066	1.0915	1.3588	1.0620	1.0078	1.0317	1.0020	1.0000
2010	1.1543	0.8579	1.0077	1.8104	1.1195	1.4402	1.0350	1.2008	1.0333	1.0079	1.0000
2011	1.3647	1.0866	1.0109	1.8060	1.5732	1.4992	1.0541	1.2924	1.0374	1.0043	1.0000
2012	1.2646	0.9556	1.0435	2.0863	1.6669	1.4588	1.0388	1.3747	1.0480	1.0357	1.0000
2013	1.2218	0.7210	1.0488	2.5493	1.9000	1.7718	1.0491	1.3603	1.0632	1.0263	1.0175
2014	1.3212	1.0986	1.0544	3.4966	1.9429	1.6953	1.0706	1.3094	1.0909	1.0271	1.0265
2015	1.5400	0.9295	1.1179	3.6012	2.8048	2.1787	1.0607	1.5287	1.0894	1.0160	1.0359
2016	2.5716	1.3429	1.1798	3.4556	2.7884	2.1009	1.0923	1.3565	1.1203	1.0183	1.0322
2017	3.3251	0.7642	1.2051	5.2487	3.1754	2.4968	1.0912	1.5579	1.1881	1.0427	0.9964
2018	4.5692	0.6927	1.1418	10.2711	4.2563	2.9534	1.1142	1.5654	1.1876	1.0352	0.9428
2019	5.4094	0.6566	1.1356	24.8158	4.4339	3.3691	1.0893	1.5197	1.2478	1.0587	0.8237
2020*	20.7502	0.8294	1.2797	7611.6244	2.5262	5.0071	1.2477	1.5099	1.4851	1.2466	1.0723

Full Year Development Factor

2020	20.1552	0.8057	1.2430	7,474.6973	2.4808	4.9170	1.2253	1.4828	1.4584	1.2242	1.0415
------	---------	--------	--------	------------	--------	--------	--------	--------	--------	--------	--------

*2020 Fiscal Year has been adjusted to remove impact of COVID-19

Calculation of Implied Loss Development Factors

Net Ultimate as at March 31, 2020

	21-PD Auto	22 - PD Property	23 - Loss of Use	31 - Collision	32 - Comprehensive	33 - Glass	34 - Ded	41 - FLE	42 - Theft	Damage Catastrophes
2006	69,461,399	5,177,388	4,382,556	155,765,338	9,974,591	306,738	20,981	5,370,608	10,583,659	4,973,807
2007	79,222,923	5,223,407	5,376,484	166,487,849	10,079,468	352,774	16,336	5,152,485	9,844,573	8,122,128
2008	83,479,386	5,638,855	5,662,722	171,592,828	13,156,538	383,122	25,066	5,904,322	9,322,844	17,298,212
2009	90,314,971	6,012,720	5,615,030	190,558,137	11,935,228	575,149	36,304	5,954,854	8,975,705	8,551,588
2010	89,479,452	6,112,433	5,016,771	190,221,421	12,621,233	892,819	19,432	6,812,804	10,136,470	620,071
2011	105,886,697	6,502,501	7,039,493	217,983,247	17,209,361	1,104,378	19,228	6,253,299	10,523,411	22,064,306
2012	98,228,278	7,384,712	5,998,984	200,729,832	17,731,505	1,609,940	20,595	6,289,470	11,292,410	34,377,921
2013	121,587,132	7,119,115	8,371,409	238,221,448	22,880,600	1,814,802	27,794	6,546,097	8,686,373	11,950,206
2014	120,614,185	7,708,682	7,715,017	240,294,286	20,905,075	1,999,644	30,633	7,452,398	11,697,775	13,152,107
2015	121,936,948	6,998,587	7,276,193	237,000,277	21,589,966	2,592,881	31,316	7,498,001	13,408,206	17,085,190
2016	121,821,494	7,667,498	6,389,288	255,796,851	24,424,631	3,240,873	36,084	7,566,074	16,707,171	25,977,959
2017	129,755,364	7,765,443	6,760,114	279,163,806	29,047,505	4,032,341	37,202	7,371,653	23,647,866	25,690,784
2018	134,441,769	7,880,115	7,486,527	298,730,789	30,702,585	4,864,172	44,557	9,129,192	23,634,148	34,289,139
2019	133,211,860	6,791,586	7,675,965	299,765,572	36,529,931	6,269,616	8,830	9,870,203	24,917,855	26,266,691
2020	126,907,632	7,032,417	6,840,743	296,974,617	39,142,845	8,077,378	30,196	7,872,596	24,401,518	29,332,904

Incurred as at March 31, 2020 as per Internal Data

2006	71,213,541	5,148,916	4,360,534	161,347,676	10,720,921	305,841	20,981	5,490,789	11,439,226	4,973,807
2007	81,205,356	5,244,262	5,306,278	172,312,218	10,769,291	352,807	16,336	5,288,160	10,685,594	8,122,128
2008	85,688,353	5,578,245	5,678,738	177,972,366	13,933,364	383,146	25,066	6,068,607	10,191,109	17,298,212
2009	92,459,468	5,917,822	5,630,423	197,007,340	12,765,561	575,176	36,304	6,126,384	9,728,601	8,551,588
2010	91,812,326	6,174,545	5,029,988	197,147,696	13,503,654	892,862	19,432	6,991,704	10,907,275	620,071
2011	108,666,477	6,485,385	7,066,709	226,087,938	18,558,952	1,104,406	18,139	6,449,944	11,346,867	27,703,232
2012	100,597,900	7,075,943	6,047,234	207,509,711	18,817,245	1,610,033	20,595	6,463,045	11,873,621	51,804,618
2013	119,065,166	7,095,555	8,419,697	231,219,459	21,895,075	1,814,937	27,794	6,347,120	8,192,178	11,950,206
2014	118,218,457	7,799,877	7,790,157	233,179,614	19,293,445	1,999,739	30,033	7,097,808	10,964,213	42,723,920
2015	118,343,526	6,897,043	7,285,715	229,376,747	20,064,711	2,593,077	31,016	7,184,864	12,434,382	17,085,190
2016	117,775,593	7,250,710	6,350,574	244,969,680	22,460,334	3,239,621	35,631	7,269,259	14,860,977	27,806,431
2017	124,606,203	7,580,507	6,691,361	266,608,899	26,280,491	4,031,199	36,997	7,039,735	20,457,499	37,746,588
2018	128,747,236	7,594,190	7,407,860	285,894,193	28,209,226	4,854,994	43,537	8,413,688	20,790,787	37,297,487
2019	125,602,137	6,537,553	7,593,855	282,740,107	32,084,577	6,206,308	8,230	9,486,104	20,589,307	33,152,971
2020	100,173,757	4,794,835	5,614,126	259,015,154	30,883,959	6,210,121	10,450	7,240,171	23,037,218	22,959,911

Implied Factors to Ultimate

2006	0.9754	1.0055	1.0051	0.9654	0.9304	1.0029	1.0000	0.9781	0.9252	1.0000
2007	0.9756	0.9960	1.0132	0.9662	0.9359	0.9999	1.0000	0.9743	0.9213	1.0000
2008	0.9742	1.0109	0.9972	0.9642	0.9442	0.9999	1.0000	0.9729	0.9148	1.0000
2009	0.9768	1.0160	0.9973	0.9673	0.9350	1.0000	1.0000	0.9720	0.9226	1.0000
2010	0.9746	0.9899	0.9974	0.9649	0.9347	1.0000	1.0000	0.9744	0.9293	1.0000
2011	0.9744	1.0026	0.9961	0.9642	0.9273	1.0000	1.0600	0.9695	0.9274	0.7965
2012	0.9764	1.0436	0.9920	0.9673	0.9423	0.9999	1.0000	0.9731	0.9511	0.6636
2013	1.0212	1.0033	0.9943	1.0303	1.0450	0.9999	1.0000	1.0313	1.0603	1.0000
2014	1.0203	0.9883	0.9904	1.0305	1.0835	1.0000	1.0200	1.0500	1.0669	0.3078
2015	1.0304	1.0147	0.9987	1.0332	1.0760	0.9999	1.0097	1.0436	1.0783	1.0000
2016	1.0344	1.0575	1.0061	1.0442	1.0875	1.0004	1.0127	1.0408	1.1242	0.9342
2017	1.0413	1.0244	1.0103	1.0471	1.1053	1.0003	1.0055	1.0471	1.1560	0.6806
2018	1.0442	1.0377	1.0106	1.0449	1.0884	1.0019	1.0234	1.0850	1.1368	0.9193
2019	1.0606	1.0389	1.0108	1.0602	1.1386	1.0102	1.0729	1.0405	1.2102	0.7923
2020	1.2669	1.4667	1.2185	1.1466	1.2674	1.3007	2.8896	1.0873	1.0592	1.2776

Actuarial Support Documents

2021 Rate Program

Calculation of Implied Loss Development Factors

Net Ultimate as at March 31, 2020

	Undiscounted			Undiscounted IR	Medical Expenses w/o Funding	Permanent Impairment	Economic Loss excluding WCB	Non-Economic Loss excluding				Total	
	Appeal	Care	Death					WCB	WCB	Out of Province	Tort Injury		Tort Liability
2006	617,991	23,360,378	20,538,104	51,512,231	34,432,555	14,722,089	754,354	1,995,139	1,156,435	9,012,270	1,241,743	1,212,741	426,573,095
2007	1,024,601	19,734,163	14,494,234	60,513,313	37,497,620	16,034,951	559,624	1,613,587	460,758	9,201,745	479,546	1,955,090	453,447,660
2008	635,845	27,890,561	23,574,472	64,645,563	43,955,782	16,651,185	1,572,072	2,771,811	857,429	7,862,411	848,507	1,385,601	505,115,133
2009	540,780	31,255,117	18,641,934	82,587,647	49,804,613	20,368,874	1,094,426	2,248,886	418,502	10,030,173	1,214,064	1,947,424	548,682,127
2010	707,364	27,769,376	19,514,278	98,341,972	47,789,961	20,790,633	851,512	1,243,894	736,378	7,584,949	449,932	1,423,954	549,137,110
2011	954,563	26,914,866	33,855,524	83,278,636	50,541,643	20,797,708	659,268	1,843,107	434,577	8,598,230	556,037	1,507,137	624,527,217
2012	824,865	24,696,022	24,806,685	81,440,092	45,097,019	20,449,080	1,041,302	1,413,697	1,114,228	7,562,073	481,028	1,836,224	594,425,962
2013	768,565	20,639,807	23,854,982	76,712,644	45,588,428	17,746,002	1,337,457	1,973,512	714,258	9,435,750	616,002	2,138,122	628,730,505
2014	741,579	21,117,786	23,515,074	80,970,443	47,435,713	16,659,403	1,377,127	1,780,072	1,123,569	11,002,473	662,964	1,858,423	639,814,428
2015	1,017,422	20,125,358	22,731,462	78,538,716	42,232,685	16,956,580	1,268,285	2,231,420	961,582	11,217,236	1,123,371	1,363,401	635,185,084
2016	1,371,645	20,269,345	22,279,296	76,907,026	43,764,578	18,446,096	954,889	1,760,387	1,175,139	9,249,516	788,142	1,616,005	668,609,988
2017	1,348,166	20,556,728	17,495,751	73,497,287	44,568,410	18,884,236	1,021,789	1,555,422	0	14,462,252	657,632	1,873,943	709,193,694
2018	1,351,790	20,568,225	20,241,343	72,919,442	43,373,131	20,048,403	1,139,967	1,772,515	1,032,318	21,657,121	1,017,070	2,117,631	758,441,947
2019	1,501,346	20,702,279	19,128,217	72,525,240	42,730,299	19,273,710	1,444,312	1,224,747	1,042,767	20,865,656	975,846	1,433,548	754,156,073
2020	1,569,686	20,632,215	19,101,972	69,160,992	42,121,160	20,711,062	1,410,966	1,515,573	1,062,309	20,755,147	982,620	1,525,547	747,162,095

Incurred as at March 31, 2020 as per Internal Data

2006	442,627	18,491,180	19,864,569	38,882,345	26,759,871	14,426,660	667,001	2,919,883		9,010,287	1,240,958	1,212,741	408,940,355
2007	733,816	12,885,965	14,175,136	40,384,420	29,814,347	15,653,950	467,313	1,772,392		9,182,297	477,752	1,955,090	426,804,908
2008	410,487	17,272,878	22,556,550	39,392,369	41,146,164	16,177,714	1,432,873	3,329,610		7,836,731	846,411	1,385,601	474,604,591
2009	299,336	28,633,986	17,554,201	60,778,823	49,417,489	19,742,774	951,221	2,628,604		9,943,879	1,211,668	1,947,424	531,908,070
2010	390,724	24,806,029	18,853,865	68,281,598	39,799,291	20,120,384	737,663	2,308,246		7,527,097	446,413	1,423,954	517,794,818
2011	528,551	17,108,187	32,119,072	55,547,337	39,107,232	20,047,610	483,079	2,096,223		8,505,848	553,652	1,507,137	591,091,976
2012	395,365	14,815,150	23,881,056	55,827,556	32,805,841	19,511,937	823,414	2,645,288		7,246,492	464,426	1,836,224	572,072,692
2013	301,482	10,862,782	22,739,208	43,296,489	33,513,530	16,690,595	1,094,655	3,728,043		8,997,127	600,235	2,101,279	559,952,614
2014	212,084	10,869,421	21,964,219	47,761,304	36,226,256	15,271,694	1,042,335	2,643,030		10,434,720	645,492	1,810,378	597,978,195
2015	282,520	7,175,384	21,429,669	36,048,687	27,626,055	15,565,643	823,581	3,435,056		10,034,173	1,105,726	1,316,141	546,138,905
2016	396,935	7,269,151	20,396,488	36,606,975	32,263,802	16,822,840	371,325	2,186,028		7,839,960	773,957	1,565,518	578,511,788
2017	256,858	6,473,807	16,033,013	29,436,474	28,607,607	15,895,149	307,297	2,035,341		12,000,893	630,701	1,880,761	614,637,381
2018	131,611	4,832,403	18,166,232	24,690,286	27,707,435	16,881,067	249,488	4,049,315		18,967,642	982,446	2,246,135	648,157,255
2019	60,500	4,669,137	17,559,987	21,526,431	28,117,412	15,446,668	267,000	3,453,219		18,374,753	921,717	1,740,408	636,138,382
2020	210	8,316,811	15,590,145	14,065,584	28,407,438	14,200,982	70,005	3,199,712		16,697,911	802,693	1,464,750	562,755,941

Implied Factors to Ultimate

													Weighted UDF
2006	1.3962	1.2633	1.0339	1.3248	1.2867	1.0205	1.1310	1.0793		1.0002	1.0006	1.0000	1.0431
2007	1.3963	1.5314	1.0225	1.4984	1.2577	1.0243	1.1975	1.1704		1.0021	1.0038	1.0000	1.0624
2008	1.5490	1.6147	1.0451	1.6411	1.0683	1.0293	1.0971	1.0900		1.0033	1.0025	1.0000	1.0643
2009	1.8066	1.0915	1.0620	1.3588	1.0078	1.0317	1.1505	1.0148		1.0087	1.0020	1.0000	1.0315
2010	1.8104	1.1195	1.0350	1.4402	1.2008	1.0333	1.1543	0.8579		1.0077	1.0079	1.0000	1.0605
2011	1.8060	1.5732	1.0541	1.4992	1.2924	1.0374	1.3647	1.0866		1.0109	1.0043	1.0000	1.0566
2012	2.0863	1.6669	1.0388	1.4588	1.3747	1.0480	1.2646	0.9556		1.0435	1.0357	1.0000	1.0391
2013	2.5493	1.9000	1.0491	1.7718	1.3603	1.0632	1.2218	0.7210		1.0488	1.0263	1.0175	1.1228
2014	3.4966	1.9429	1.0706	1.6953	1.3094	1.0909	1.3212	1.0986		1.0544	1.0271	1.0265	1.0700
2015	3.6012	2.8048	1.0607	2.1787	1.5287	1.0894	1.5400	0.9295		1.1179	1.0160	1.0359	1.1630
2016	3.4556	2.7884	1.0923	2.1009	1.3565	1.1203	2.5716	1.3429		1.1798	1.0183	1.0322	1.1557
2017	5.2487	3.1754	1.0912	2.4968	1.5579	1.1881	3.3251	0.7642		1.2051	1.0427	0.9964	1.1538
2018	10.2711	4.2563	1.1142	2.9534	1.5654	1.1876	4.5692	0.6927		1.1418	1.0352	0.9428	1.1702
2019	24.8158	4.4339	1.0893	3.3691	1.5197	1.2478	5.4094	0.6566		1.1356	1.0587	0.8237	1.1855
2020	7474.6973	2.4808	1.2253	4.9170	1.4828	1.4584	20.1552	0.8057		1.2430	1.2242	1.0415	1.3277

COVID 19 Adjustment

Coverage	Losses	Claims	Claim Count	Losses Seasonality
			Seasonality Adjustment Factor	Adjustment Factor
Damage	98.11%	98.03%	1.0201	1.0192
Damage Liability	97.73%	97.64%	1.0242	1.0232
Cover 22 - PD	98.87%	98.82%	1.0120	1.0115
Cover 33 - Glass	97.73%	97.64%	1.0242	1.0232
Cover 34 - Ded	100.00%	100.00%	1.0000	1.0000
Cover 42 - Theft	100.00%	100.00%	1.0000	1.0000
Injury	98.20%	97.60%	1.0246	1.0183
Liability	97.13%	97.57%	1.0250	1.0295

Payment Patterns and Discount Factors

Coverage	Discount Factor
Damage excluding Liability and Cats net of Recov	0.9947
Damage Liability net of Recov	0.9953
Damage Catastrophes	0.9923
Economic Loss	0.8373
Non-Economic Loss Including WCB Master Claim File	1.3474
Out of Province	0.9107
Appeal excluding Commission	0.7348
Care Benefits	0.4031
Income Replacement Including Lump Sum	0.5333
Death Benefits	0.9569
Medical Expenses excluding Funding	0.7129
Permanent Impairment	0.9389
Tort Injury	0.9674
Tort Liability	0.8970

LAE Coverage Grouping	Discount Factor
Damage Total (including damage liability)	0.9947
Liability Total (excluding damage liability)	0.8510
Injury Total	0.6602

Discount Rate Exhibit

Historical and Projected Yield Rates

Mortgage Yields

Historical							
	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
Annual	4.33%	4.16%	4.16%	4.27%	4.28%	4.04%	4.04%

Projected		
2020/2021	2021/2022	2022/2023
3.48%	3.24%	3.46%

Conference Board of Canada Spot Rate Curves-Risk Premium added

Historical							
	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
1 month	1.72%	1.68%	1.73%	1.76%	0.50%	0.20%	0.19%
3 month	1.72%	1.71%	1.68%	1.76%	0.53%	0.23%	0.18%
6 month	1.78%	1.79%	1.74%	1.86%	0.58%	0.26%	0.21%
1 year	1.80%	1.80%	1.65%	1.88%	0.76%	0.38%	0.31%
2 year	1.71%	1.62%	1.51%	1.87%	0.83%	0.47%	0.42%
3 year	1.75%	1.64%	1.50%	1.90%	0.93%	0.56%	0.52%
4 year	1.78%	1.65%	1.49%	1.93%	1.03%	0.66%	0.62%
5 year	1.82%	1.67%	1.48%	1.96%	1.13%	0.75%	0.72%
6 year	1.87%	1.73%	1.53%	1.99%	1.20%	0.82%	0.77%
7 year	1.89%	1.76%	1.53%	2.00%	1.18%	0.81%	0.76%
8 year	1.92%	1.77%	1.53%	2.01%	1.17%	0.85%	0.84%
9 year	1.96%	1.79%	1.52%	2.02%	1.16%	0.89%	0.92%
10 year	1.99%	1.80%	1.52%	2.03%	1.15%	0.94%	0.99%
11 year	2.02%	1.83%	1.55%	2.05%	1.18%	0.97%	1.05%
12 year	2.05%	1.86%	1.58%	2.05%	1.24%	1.02%	1.10%
13 year	2.08%	1.88%	1.60%	2.06%	1.30%	1.06%	1.16%
14 year	2.10%	1.90%	1.63%	2.06%	1.36%	1.11%	1.21%
15 year	2.13%	1.92%	1.65%	2.07%	1.42%	1.16%	1.26%
16 year	2.16%	1.95%	1.68%	2.08%	1.48%	1.20%	1.32%
17 year	2.19%	1.97%	1.71%	2.08%	1.55%	1.25%	1.37%
18 year	2.21%	1.99%	1.73%	2.09%	1.61%	1.30%	1.43%
19 year	2.24%	2.01%	1.76%	2.09%	1.67%	1.34%	1.48%
20 year	2.27%	2.04%	1.78%	2.10%	1.73%	1.39%	1.53%

Projected		
2020/2021	2021/2022	2022/2023
0.17%	0.30%	0.51%
0.18%	0.32%	0.52%
0.26%	0.52%	0.78%
0.38%	0.77%	1.05%
0.49%	0.99%	1.34%
0.59%	1.20%	1.62%
0.69%	1.42%	1.91%
0.80%	1.63%	2.20%
0.90%	1.81%	2.39%
0.94%	1.96%	2.56%
1.00%	2.07%	2.66%
1.07%	2.17%	2.76%
1.13%	2.28%	2.87%
1.18%	2.30%	2.89%
1.22%	2.32%	2.91%
1.27%	2.33%	2.93%
1.31%	2.35%	2.95%
1.35%	2.36%	2.97%
1.40%	2.37%	2.99%
1.44%	2.39%	3.01%
1.49%	2.40%	3.03%
1.53%	2.42%	3.05%
1.58%	2.43%	3.07%

Spot Rates by Bucket

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	1.80%	1.80%	1.65%	1.88%	0.76%	0.38%	0.31%
25-60	1.77%	1.64%	1.50%	1.91%	0.98%	0.61%	0.57%
61-120	1.91%	1.77%	1.53%	2.01%	1.18%	0.83%	0.80%
121-180	2.06%	1.87%	1.59%	2.06%	1.27%	1.04%	1.13%
181-240	2.20%	1.98%	1.72%	2.09%	1.58%	1.27%	1.40%

Projected		
2020/2021	2021/2022	2022/2023
0.38%	0.77%	1.05%
0.64%	1.31%	1.77%
0.97%	2.02%	2.61%
1.24%	2.32%	2.92%
1.46%	2.40%	3.02%

Historical Discount Rates

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	2.17%	1.95%	1.87%	2.23%	2.27%	1.47%	1.24%
25-60	2.66%	2.60%	2.50%	2.56%	2.03%	1.69%	1.50%
61-120	2.74%	2.53%	2.34%	2.71%	2.48%	1.84%	1.85%
121-180	2.59%	2.38%	2.14%	2.49%	2.27%	1.70%	1.68%
181-240	2.70%	2.43%	2.23%	2.51%	2.48%	1.88%	1.92%

Notes

-Cash flows from 0-240 months are backed by short-term investments, bonds, AutoPay receivables, and mortgages. Cash flows from 240 months onward are backed by equities.

-Coupons from long-term bonds contribute to the calculated yield in each bucket from 0-240 months.

- "Bucket" is the term for time-grouped cash flows. For example, all cash flows from 25-60 months after the valuation data are considered to be in the same bucket
 -A risk premium is added to both the historical and projected Conference Board of Canada Spot Rate Curves in order to reflect expected economic conditions, the Auto Fund portfolio risk profile and allocations at each historical date or forecast date

Historical Percentages Of Cash Flows In Each Bucket**Percentage of Asset Cash Flows in Bucket from Receivables**

	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	36.31%	31.97%	31.77%	33.66%	32.12%	31.41%	31.55%

Percentages of Asset Cash Flows in Bucket from Mortgages

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	14.10%	11.53%	11.31%	15.55%	16.02%	15.44%	14.94%
25-60	29.38%	33.89%	33.89%	22.24%	22.41%	23.29%	20.06%
61-120	19.64%	21.11%	21.11%	21.42%	21.90%	18.42%	18.49%
121-180	1.70%	2.01%	2.01%	0.67%	0.49%	0.27%	0.31%
181-240	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Percentage of Asset Cash Flows in Bucket from Bonds

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	49.59%	56.50%	56.92%	50.79%	51.86%	53.15%	53.51%
25-60	70.62%	66.11%	66.11%	77.76%	77.59%	76.71%	79.94%
61-120	80.36%	78.89%	78.89%	78.58%	78.10%	81.58%	81.51%
121-180	98.30%	97.99%	97.99%	99.33%	99.51%	99.73%	99.69%
181-240	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%

Notes

-The weights above represent the percentage of the bucket's total asset cash flows from the given type of asset (bonds, mortgages, receivables)

e.g. Suppose cash flows from receivables are \$180M, cash flows from mortgages are \$10M, and cash flows from bonds are \$500M in the 0-24 month bucket. Then the total cash flows in the 0-24 month bucket is \$690M. The percentage of asset cash flows in the bucket for bonds would be 72.5% ($\$500M/\$690M$).

-There are no cash flows from receivables in buckets beyond 24 months

Selection of Weights For Discount Rate Projection

Weight on Receivables (0% Yield)

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	36.31%	31.97%	31.77%	33.66%	32.12%	31.41%	31.55%

Selected Weights on Receivables		
2020/2021	2021/2022	2022/2023
32.19%	32.19%	32.19%

Weight on Mortgage Yield

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	14.10%	11.53%	11.31%	15.55%	16.02%	15.44%	14.94%
25-60	29.38%	33.89%	33.89%	22.24%	22.41%	23.29%	20.06%
61-120	19.64%	21.11%	21.11%	21.42%	21.90%	18.42%	18.49%
121-180	1.70%	2.01%	2.01%	0.67%	0.49%	0.27%	0.31%
181-240	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

Selected Weights on Mortgages		
2020/2021	2021/2022	2022/2023
15.49%	15.67%	15.67%
22.00%	22.25%	22.27%
18.46%	18.67%	18.68%
0.44%	0.44%	0.44%
0.00%	0.00%	0.00%

Weight on Current Bucket Spot Yield

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	-117.24%	-192.57%	-657.41%	-245.00%	-93.00%	-10.05%	12.06%
25-60	38.67%	35.84%	20.80%	10.00%	24.80%	34.37%	52.00%
61-120	-42.07%	-40.83%	-55.35%	-195.43%	-80.00%	-12.20%	5.00%
121-180	-259.59%	-313.48%	-283.61%	-1300.00%	-222.02%	-180.05%	-102.95%
181-240	100.00%	100.00%	100.00%	200.00%	300.00%	400.00%	500.00%

Selected Weights on Spot Yield		
2020/2021	2021/2022	2022/2023
10.00%	9.98%	9.98%
50.00%	49.89%	49.89%
-3.60%	-3.59%	-50.00%
-100.00%	-99.78%	-99.77%
100.00%	100.00%	99.99%

Weight on 181-240 Bucket Spot Yield

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	166.83%	249.07%	714.34%	295.79%	144.86%	63.21%	41.45%
25-60	31.95%	30.27%	45.30%	67.76%	52.79%	42.35%	27.94%
61-120	122.42%	119.72%	134.23%	274.01%	158.10%	93.78%	76.51%
121-180	357.89%	411.47%	381.60%	1399.33%	321.53%	279.78%	202.64%
181-240	0.00%	0.00%	0.00%	-100.00%	-200.00%	-300.00%	-400.00%

Selected Weight on 181-240 Month Bucket		
2020/2021	2021/2022	2022/2023
42.33%	42.17%	42.16%
28.00%	27.85%	27.85%
85.14%	84.92%	131.32%
199.56%	199.34%	199.33%
0.00%	0.00%	0.01%

Weighted Discount Rate

Bucket (Months)	Mar 2019	June 2019	Aug 2019	Dec 2019	Mar 2020	June 2020	Aug 2020
0-24	2.17%	1.95%	1.87%	2.23%	2.26%	1.39%	1.22%
25-60	2.66%	2.60%	2.50%	2.55%	2.03%	1.69%	1.50%
61-120	2.74%	2.53%	2.34%	2.71%	2.49%	1.84%	1.86%
121-180	2.59%	2.38%	2.14%	2.49%	2.27%	1.70%	1.68%
181-240	2.97%	2.66%	2.33%	2.75%	2.26%	1.82%	2.01%

Notes

-The weighted discount rate for buckets 0-24, 25-60, 61-120 and 181-240 is calculated as follows:

$$\text{Weighted Discount Rate} = (\text{Weight on Receivables}) \times (\text{Receivables Yield}) + (\text{Weight on Mortgage Yield}) \times (\text{Mortgage Yield}) \\ + (\text{Weight on Current Bucket Spot Yield}) \times (\text{Current Bucket Spot Yield}) \\ + (\text{Weight on 181-240 month Bucket Spot Yield}) \times (\text{181-240 month Bucket Spot Yield})$$

- The weight on receivables equals the actual percentage of asset cash flows from receivables in the 0-24 month bucket
- The weight on mortgages equals the actual percentage of asset cash flows that are from mortgages in the given bucket
- The weights on the 181-240 month bucket are based on the 20 year spot rate

Discount Rate Projection

Selected Weights	2020/2021			2021/2022			2022/2023			
	Bucket (Months)	Selected Weights on Receivables	Selected Weight on Mortgages	Selected Weight on Current Bucket	Selected Weight on 181-240 Month Bucket	Selected Weight on Mortgages	Selected Weight on Current Bucket	Selected Weight on Month Bucket	Selected Weight on Mortgages	Selected Weight on Current Bucket
0-24	32.19%	15.49%	10.00%	42.33%	15.67%	9.98%	42.17%	15.67%	9.98%	42.16%
25-60	0.00%	22.00%	50.00%	28.00%	22.25%	49.89%	27.85%	22.27%	49.89%	27.85%
61-120	0.00%	18.46%	-3.60%	85.14%	18.67%	-3.59%	84.92%	18.68%	-50.00%	131.32%
121-180	0.00%	0.44%	-100.00%	199.56%	0.44%	-99.78%	199.34%	0.44%	-99.77%	199.33%
181-240	0.00%	0.00%	100.00%	0.00%	0.00%	100.00%	0.00%	0.00%	99.99%	0.01%

Forecasted Spot Yield

Bucket (Months)	2020/2021	2021/2022	2022/2023
0-24	0.38%	0.77%	1.05%
25-60	0.64%	1.31%	1.77%
61-120	0.97%	2.02%	2.61%
121-180	1.24%	2.32%	2.92%
181-240	1.46%	2.40%	3.02%

Forecast Mortgage Yield

Bucket (Months)	2020/2021	2021/2022	2022/2023
Annual	3.48%	3.24%	3.46%

Forecasted Discount Rates net of investment expenses

Expense Ratio 0.342%

Bucket (Months)	2020/2021	2021/2022	2022/2023
0-24	0.85%	1.25%	1.58%
25-60	1.15%	1.70%	2.15%
61-120	1.51%	2.12%	2.83%
121-180	1.43%	2.38%	3.10%
181-240	1.63%	2.56%	3.18%
240+	6.23%	6.23%	6.23%

2021-2022 Rating Year
1.54%
2.09%
2.74%
3.01%
3.11%
6.23%

Notes

-The selected weights are determined on Page 3

-The forecasted spot yields and mortgage yield are shown on Page 1

- For the 0-24, 25-60, 61-120, and month buckets, the forecasted discount rates were determined as follows:

$$\text{Forecasted Discount Rate} = (\text{Weight on Receivables}) \times (\text{Receivables Yield}) + (\text{Weight on Mortgage Yield}) \times (\text{Mortgage Yield}) + (\text{Weight on Current Bucket Spot Yield}) \times (\text{Current Bucket Spot Yield}) + (\text{Weight on 181-240 month Bucket Spot Yield}) \times (\text{181-240 month Bucket Spot Yield})$$

The expense ratio also included in the calculation give the net discount rate with investment expenses

-The forecasted discount rates in the 121-180 month bucket are adjusted to avoid reversals.

-For the 181-240 month buckets, the discount rates are based on the 20 year spot yield.

-Cash flows from 240 months onward are backed by equities. The expected long-term equity yield net of investment expenses is 6.23%

-The average loss date of the rate analysis is mid-February, six months after the rate program start date in mid-August 2021. Therefore, the calculation for the 2021/2022 rating year discount rate is $(1.5/12) \times (\text{2021/2022 rate}) + (10.5/12) \times (\text{2022/2023 rate})$

Hewitt Prospective Returns

Asset Class Returns	2017	2018	2019	2020	2021	5 yr Avg
Canadian equities	6.90%	6.55%	6.75%	6.15%	6.53%	6.58%
Global equities	7.09%	6.82%	6.85%	6.72%	6.81%	6.86%
Global Small Cap equities	7.60%	7.27%	7.34%	7.16%	7.28%	7.33%
Real estate	5.10%	4.85%	4.76%	4.43%	4.71%	4.77%
Infrastructure	6.72%	6.86%	6.79%	6.82%	7.03%	6.84%
Weighted Rate of Return	6.68%	6.66%	6.58%	6.66%	6.58%	6.58%
Net Investment Expense						6.23%

Labour Rate Factors

Saskatchewan Government Insurance
2021 Rate Program
On-Level Labour Rate Factors - Page 1

Proportion of Repairable Losses to Total Losses by Cover Code

21 - PD Auto

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	64,038,145	31,312,013	95,350,158	67%	33%	
2012	56,002,332	31,853,453	87,855,785	64%	36%	
2013	72,269,366	37,472,702	109,742,068	66%	34%	
2014	69,983,226	38,893,856	108,877,081	64%	36%	
2015	68,840,186	39,206,165	108,046,351	64%	36%	
2016	63,679,789	44,066,851	107,746,640	59%	41%	
2017	67,312,712	48,617,420	115,930,132	58%	42%	
2018	71,571,912	47,954,448	119,526,360	60%	40%	
2019	68,693,118	49,091,138	117,784,256	58%	42%	
2020	48,611,526	40,905,448	89,516,974	54%	46%	
Total	651,002,312	409,373,494	1,060,375,806	59%	41%	2-Yr Average

31 - Collision

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	136,096,276	90,166,386	226,262,662	60%	40%	
2012	126,873,525	80,879,395	207,752,920	61%	39%	
2013	149,214,998	82,102,509	231,317,507	65%	35%	
2014	149,781,379	83,705,372	233,486,751	64%	36%	
2015	146,719,683	82,894,081	229,613,764	64%	36%	
2016	150,456,875	94,630,201	245,087,076	61%	39%	
2017	162,205,690	104,739,201	266,944,891	61%	39%	
2018	180,065,482	106,289,522	286,355,004	63%	37%	
2019	177,212,573	105,843,598	283,056,171	63%	37%	
2020	153,273,563	106,014,849	259,288,412	59%	41%	
Total	1,531,900,044	937,265,114	2,469,165,158	63%	37%	2-Yr Average

32 - Comprehensive

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	12,723,878	5,835,074	18,558,952	69%	31%	
2012	12,249,388	6,567,856	18,817,244	65%	35%	
2013	15,663,182	6,231,894	21,895,076	72%	28%	
2014	13,096,032	6,197,413	19,293,445	68%	32%	
2015	11,897,474	8,167,238	20,064,712	59%	41%	
2016	14,064,662	8,395,672	22,460,334	63%	37%	
2017	15,253,442	11,027,050	26,280,492	58%	42%	
2018	17,291,498	10,917,727	28,209,225	61%	39%	
2019	20,232,898	11,851,678	32,084,576	63%	37%	
2020	17,395,824	13,471,343	30,867,167	56%	44%	
Total	149,868,278	88,662,945	238,531,223	61%	39%	5-Yr Average

**Saskatchewan Government Insurance
2021 Rate Program
On-Level Labour Rate Factors - Page 2**

33 - Glass

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	1,104,406	-	1,104,406	100%	0%	
2012	1,610,033	-	1,610,033	100%	0%	
2013	1,814,937	-	1,814,937	100%	0%	
2014	1,996,879	2,860	1,999,739	100%	0%	
2015	2,593,077	-	2,593,077	100%	0%	
2016	3,239,270	351	3,239,621	100%	0%	
2017	4,031,199	-	4,031,199	100%	0%	
2018	4,854,102	891	4,854,993	100%	0%	
2019	6,207,061	(753)	6,206,308	100%	0%	
2020	6,210,121	-	6,210,121	100%	0%	
Total	33,661,085	3,349	33,664,434	100%	0%	5-Yr Average

41 - Fire/Lightening/Explosion

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	1,377,625	5,072,318	6,449,943	21%	79%	
2012	1,465,666	4,997,379	6,463,045	23%	77%	
2013	1,671,495	4,675,625	6,347,120	26%	74%	
2014	1,717,328	5,380,480	7,097,808	24%	76%	
2015	1,819,999	5,364,865	7,184,864	25%	75%	
2016	1,912,805	5,356,454	7,269,259	26%	74%	
2017	761,370	6,278,365	7,039,735	11%	89%	
2018	2,068,770	6,344,918	8,413,688	25%	75%	
2019	2,177,414	7,308,691	9,486,105	23%	77%	
2020	1,552,205	5,687,966	7,240,171	21%	79%	
Total	16,524,677	56,467,061	72,991,738	22%	78%	5-Yr Average

42 - Theft

Incurred Losses

Fiscal Year	Repairable	Total Loss	Total	% Repairable	% Total Loss	
2011	3,592,118	7,754,749	11,346,867	32%	68%	
2012	3,076,340	8,797,281	11,873,621	26%	74%	
2013	2,255,003	5,937,175	8,192,178	28%	72%	
2014	3,191,267	7,772,947	10,964,214	29%	71%	
2015	3,176,801	9,257,581	12,434,382	26%	74%	
2016	3,367,789	11,493,188	14,860,977	23%	77%	
2017	4,462,662	15,988,537	20,451,199	22%	78%	
2018	5,457,960	15,332,827	20,790,787	26%	74%	
2019	4,742,072	15,847,236	20,589,308	23%	77%	
2020	6,326,274	16,710,943	23,037,217	27%	73%	
Total	39,648,286	114,892,464	154,540,750	24%	76%	5-Yr Average

**Saskatchewan Government Insurance
2021 Rate Program
On-Level Labour Rate Factors - Page 3**

Labour Cost as as Percentage of Estimates

Fiscal Year	Labour Cost as as Percentage of Estimates	
2004	43.22%	
2005	43.76%	
2006	43.01%	
2007	42.86%	
2008	44.33%	Higher due to large storm activity
2009	43.54%	
2010	44.77%	Labour rate increase of 16%
2011	46.32%	
2012	48.33%	
2013	46.02%	
2014	46.56%	Labour rate increase of 10%
2015	46.75%	Labour rate increase of 10%
2016	48.05%	Labour rate increase of 10%
2017	49.14%	
2018	49.14%	
2019	46.75%	
2020	45.45%	
Rating Yr	46.00%	

**Saskatchewan Government Insurance
2021 Rate Program
On-Level Labour Rate Factors - Page 4**

Labour Rate Increases

Calendar Year (Jan-Dec)	Labour Rate - Jan 1	Percentage Increase
2002	49.00	2.0%
2003	50.37	2.8%
2004	51.28	1.8%
2005	52.35	2.1%
2006	53.92	3.0%
2007	55.54	3.0%
2008	57.76	4.0%
Jan-Feb 2009	57.76	0.0%
March 1, 2009	67.00	16.0%
Jan-Apr 2010	67.00	0.0%
May 3, 2010	68.27	1.9%
2011	69.63	2.0%
2012	69.63	0.0%
2013	69.63	0.0%
2014	76.59	10.0%
2015	84.25	10.0%
2016	92.68	10.0%
2017	92.68	0.0%
2018	92.68	0.0%
2019	92.68	0.0%
2020	92.68	0.0%
2021	94.53	2.0%
2022	96.42	2.0%
2023	98.35	2.0%
2024	100.32	2.0%

% of Rating Year Losses Occuring In:

2021/2022	19.53%
2022/2023	73.44%
2023/2024	<u>7.03%</u>
Total Check:	100.00%

Saskatchewan Government Insurance
 2021 Rate Program
 On-Level Labour Rate Factors - Page 5

Labour Rate Increase

Fiscal Year (Apr-Mar)	Fiscal Year Labour Rate	Fiscal Accident Year Avg Labour Rate*	Fiscal Accident Year Avg Labour Change	Cumulative
2004	50.5975	50.7638		1.8273
2005	51.5475	51.7566	1.0196	1.7922
2006	52.7425	53.0194	1.0244	1.7495
2007	54.3250	54.6348	1.0305	1.6978
2008	56.0950	56.5211	1.0345	1.6411
2009	58.5300	60.0123	1.0618	1.5457
2010	67.0000	67.2636	1.1208	1.3790
2011	68.5062	68.7028	1.0214	1.3501
2012	69.6300	69.6300	1.0135	1.3322
2013	69.6300	69.9346	1.0044	1.3264
2014	71.3708	72.6197	1.0384	1.2773
2015	78.5078	79.8817	1.1000	1.1612
2016	86.3586	87.4644	1.0949	1.0605
2017	92.6775	92.6775	1.0596	1.0009
2018	92.6775	92.6775	1.0000	1.0009
2019	92.6775	92.6775	1.0000	1.0009
2020	92.6775	92.7586	1.0009	1.0000
2021	93.1409	93.4669	1.0076	
2022	95.0037	95.3362	1.0200	
2023	96.9038	97.2430	1.0200	
2024	98.8419			
Rating Year ¹	96.6690	97.0073		1.0458

*Assumes 83% of claims paid in current fiscal yr and 18% paid in the following fiscal yr.

²Assumes 20% in 2021/22, 73% in 2022/23 and 7% in 2023/24, along with 2% long term growth in labour rates.

Average Repairable Incurred Loss to Total Loss

Selection	- 21 -	- 31 -	- 32 -	- 33 -	- 41 -	- 42 -
	PD Auto	Collision	Comprehensive	Glass	Fire/Lightening/ Explosion	Theft
	59.11%	62.75%	60.99%	100%	22.19%	23.79%

Percent of Losses that are Impacted by Labour rates

Fiscal Year	Labour Cost as Percentage of Estimates	- 21 -	- 31 -	- 32 -	- 33 -	- 41 -	- 42 -
		PD Auto	Collision	Comprehensive	Glass	Fire/Lightening/ Explosion	Theft
2004	43.22%	25.55%	27.12%	26.36%	43.22%	9.59%	10.29%
2005	43.76%	25.87%	27.46%	26.69%	43.76%	9.71%	10.41%
2006	43.01%	25.42%	26.98%	26.23%	43.01%	9.54%	10.23%
2007	42.86%	25.33%	26.89%	26.14%	42.86%	9.51%	10.20%
2008	44.33%	26.20%	27.82%	27.04%	44.33%	9.84%	10.55%
2009	43.54%	25.73%	27.32%	26.56%	43.54%	9.66%	10.36%
2010	44.77%	26.46%	28.09%	27.31%	44.77%	9.93%	10.65%
2011	46.32%	27.38%	29.06%	28.25%	46.32%	10.28%	11.02%
2012	48.33%	28.57%	30.32%	29.48%	48.33%	10.72%	11.50%
2013	46.02%	27.20%	28.87%	28.07%	46.02%	10.21%	10.95%
2014	46.56%	27.52%	29.22%	28.40%	46.56%	10.33%	11.08%
2015	46.75%	27.63%	29.34%	28.52%	46.75%	10.37%	11.12%
2016	48.05%	28.40%	30.15%	29.31%	48.05%	10.66%	11.43%
2017	49.14%	29.05%	30.84%	29.97%	49.14%	10.90%	11.69%
2018	49.14%	29.04%	30.83%	29.97%	49.14%	10.90%	11.69%
2019	46.75%	27.63%	29.33%	28.51%	46.75%	10.37%	11.12%
2020	45.45%	26.86%	28.52%	27.72%	45.45%	10.08%	10.81%
Rating Year	46.00%	27.19%	28.86%	28.06%	46.00%	10.21%	10.95%

Saskatchewan Government Insurance
 2021 Rate Program
 On-Level Labour Rate Factors - Page 6

On-level Factor by Coverage Code

Fiscal Year	- 21 - PD Auto	- 31 - Collision	- 32 - Comprehensive	- 33 - Glass	- 41 - Fire/Lightening/ Explosion	- 42 - Theft	All Other Coverage Codes
2004	1.2114	1.2244	1.2181	1.3576	1.0793	1.0851	1.0000
2005	1.2049	1.2175	1.2115	1.3467	1.0769	1.0825	1.0000
2006	1.1905	1.2023	1.1966	1.3223	1.0715	1.0767	1.0000
2007	1.1768	1.1876	1.1824	1.2991	1.0664	1.0712	1.0000
2008	1.1680	1.1783	1.1734	1.2842	1.0631	1.0676	1.0000
2009	1.1404	1.1491	1.1449	1.2376	1.0527	1.0565	1.0000
2010	1.1003	1.1065	1.1035	1.1697	1.0377	1.0404	1.0000
2011	1.0959	1.1018	1.0989	1.1622	1.0360	1.0386	1.0000
2012	1.0949	1.1007	1.0979	1.1605	1.0356	1.0382	1.0000
2013	1.0888	1.0942	1.0916	1.1502	1.0333	1.0357	1.0000
2014	1.0763	1.0810	1.0788	1.1291	1.0287	1.0307	1.0000
2015	1.0445	1.0473	1.0460	1.0754	1.0167	1.0179	1.0000
2016	1.0172	1.0182	1.0177	1.0291	1.0065	1.0069	1.0000
2017	1.0003	1.0003	1.0003	1.0004	1.0001	1.0001	1.0000
2018	1.0003	1.0003	1.0003	1.0004	1.0001	1.0001	1.0000
2019	1.0002	1.0003	1.0002	1.0004	1.0001	1.0001	1.0000
2020	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Future OL Factor ²	1.0125	1.0132	1.0129	1.0211	1.0047	1.0050	1.0000

²Calculated as growth in avg labour rate for rating year over 2020/21 year, multiplied by the coverage code's percentage of losses that are impacted by labour rates.

Break Even Margin Calculation

Saskatchewan Government Insurance
2021 Rate Program
Break Even Margin Calculation

Net Written Premium

- Excluding Safe Driver Recognition Malus, Permit Office Permits and Cancellation Retention Fees

Apr 2018 to Mar 2019	940,963,248
Apr 2019 to Mar 2020	950,031,676

Unallocated Premium Amount

- Premium amounts that are currently not allocated in our rating data

	Cancellation Retention Fee	Permit Office Permits	Unallocated Premiums*	Total
Apr 2018 to Mar 2019	(2,258,914)	(508,101)	(318,188)	(3,085,204)
Apr 2019 to Mar 2020	(2,320,981)	(441,248)	(476,863)	(3,239,091)

*Includes stale dated cheques and reversing cashed stale dated cheques by banking and investments, Issuer end-of-period corrections, manual refunds, customer file corrections and application corrections.

Calculation of Proportion of Net Written Premium

	Cancel Ret <u>% of Prem</u>	Permit Office <u>% of Prem</u>	Unallocated Premiums <u>% of Prem</u>	Total
Apr 2018 to Mar 2019	-0.2401%	-0.0540%	-0.0338%	-0.3279%
Apr 2019 to Mar 2020	-0.2443%	-0.0464%	-0.0502%	-0.3409%

Selected (5): -0.3344%

Projected Provision for Adverse Development (PfAD) Growth

From 2022 Budget:

	Amount	% Change
(1) Projected 2020/2021 PfAD:	386,066,756	
(2) Projected 2021/2022 PfAD:	374,260,236	-3.06%
Projected 2022/2023 PfAD:	365,904,511	-2.23%
Projected 2023/2024 PfAD:	366,861,296	0.26%
Projected 2024/2025 PfAD:	369,726,383	0.78%
(3) Long Term Selected PfAD Change:	-0.41%	
(4) Assumed LT PfAD Change (7.5/12 x (1) + 4.5/12 x (3)):	(1,547,347)	

Rating Year Expected Premium

- All vehicles including trailers

(6) Rating Yr Expected Prem: 988,032,095

Calculated Rating Year Unallocated Premium Amount

(7) Rating Yr Permits/Cancel (5)x(6): (3,304,092)

Calculation of Investment Income on RSR (Non-XS Classes)

Year	Year-End Projected RSR	Following Year's Forecasted Investment Yield	Investment Income
2020/2021	1,019,774,845	4.30%	43,818,957
2021/2022	1,061,908,245	4.49%	47,710,281
Weighted Average	1,035,574,870	4.37%	45,278,203 (8)

Calculated Net Income Impact

(8) Net Income Impact (4)+(7)-(8): (50,129,642)

Calculated Break Even Margin

Break Even Margin (8)/(6): -5.0737%

Capital Requirement Calculation

SASKATCHEWAN AUTO FUND
Capital Margin Calculation

Five-Year Forecast With 0% Basic Rate and No Capital Adjustment:

	2020/2021	2021/2022	2022/2023	2023/2024	2024/2025	2025/2026
Increase (decrease) to Rate Stabilization Reserve (RSR)	498,028	46,148	58,308	45,447	56,270	58,500
Capital Available (RSR less deductions)	1,007,880	1,034,028	1,072,336	1,084,283	1,148,303	1,214,553
Capital Required	636,673	658,738	672,430	693,578	716,398	743,337
Forecasted MCT (no margins)	158.3%	157.0%	159.5%	156.3%	160.3%	163.4%

Calculation of Capital Maintenance Provision:

	2020/2021	2021/2022
2022-2025 Average % Increase In Capital Required		3.07%
Cap Req Using Long-term % Increase	636,673	656,197
Target MCT for Capital Maintenance		140.0%
Capital Maintenance Provision		<u>27,335</u>

Calculation of Capital Build/(Release) Provision:

	2021/2022
Forecasted Smoothed MCT (no margins)	157.6%
MCT percentage difference from target MCT	-17.6%
1/5 of MCT shortfall percentage from target	-3.5%
Smoothed Capital Required	647,705
Capital Build/(Release) Provision	<u>(22,848)</u>

Calculation of Required Capital Margin:

Capital Maintenance Amount	27,335	
Additional Change in Required Capital*	4,664	
Total Capital Maintenance Provision Amount	<u>31,999</u>	
Capital Build/(Release) Amount	(22,848)	
Additional Change in Required Capital*	(3,899)	
Total Capital Build/(Release) Provision Amount	<u>(26,747)</u>	
Total Capital Required/(Excess) Provision	<u>5,252</u>	
Variable Expense %	10.47%	
Break Even %	-5.07%	
Total Premium Required/(Excess)	<u>5,552</u>	
All Vehicles Incl Trailers Projected Rating Year Average Premium	988,032	Maintenance
Required Capital Margin	0.56%	3.4%
Current Capital Margin	2.23%	Release
		-2.9%
Adjustment to Capital Margin	-1.63%	

Credibility Assumptions

Saskatchewan Government Insurance
 2021 Rate Program
 Credibility Assumptions

Class	HHI -		Injury Counts	Dam/Liab Counts	First Check	Second Check	Multiplier	Std of		Complement of Credibility
	Injury	Dam/Liab						Full Cred		
CLEAR	0.09%	0.00%	43,984	513,982	0	0	1	1,082	Proj On-Level Avg Prem	
Ambulance	21.46%	2.29%	14	229	1	0	2	2,164	Proj On-Level Avg Prem	
Antique	8.17%	1.19%	93	627	0	0	1	1,082	Proj On-Level Avg Prem	
Class A HTV IRP	46.80%	1.66%	7	158	1	1	3	3,246	Proj On-Level Avg Prem	
Class A HTV Non-IRP	28.71%	0.47%	42	583	1	0	2	2,164	Proj On-Level Avg Prem	
Class A XS	0.00%	0.00%	-	-	0	0	1	1,082	Proj On-Level Avg Prem	
Class A PU IRP	7.59%	0.16%	114	3,001	0	0	1	1,082	Proj On-Level Avg Prem	
Class A PU Non-IRP	12.42%	0.52%	42	720	1	0	2	2,164	Proj On-Level Avg Prem	
Class CD HTV	5.29%	0.11%	217	2,945	0	0	1	1,082	Proj On-Level Avg Prem	
Class CD Non-Res	0.00%	0.00%	-	-	1	0	2	2,164	Proj On-Level Avg Prem	
Industrial Tracked	0.00%	0.00%	-	-	1	0	2	2,164	Proj On-Level Avg Prem	
Class CD PU	9.51%	0.11%	132	2,098	0	0	1	1,082	Proj On-Level Avg Prem	
Class CD XS	0.00%	0.00%	-	-	0	0	1	1,082	Proj On-Level Avg Prem	
Class F HTV	20.03%	0.46%	35	566	1	0	2	2,164	Proj On-Level Avg Prem	
Class F Light 1993 & Older	15.08%	1.21%	65	208	0	0	1	1,082	Proj On-Level Avg Prem	
Class F PU	8.28%	0.22%	78	1,329	0	0	1	1,082	Proj On-Level Avg Prem	
Class F Trailers	100.00%	0.31%	1	814	0	0	1	1,082	Proj On-Level Avg Prem	
Class L A&M	14.81%	0.33%	129	947	0	0	1	1,082	Proj On-Level Avg Prem	
Class LT	100.00%	2.20%	1	134	0	0	1	1,082	Proj On-Level Avg Prem	
Class PV HTV	25.85%	1.99%	8	102	1	0	2	2,164	Proj On-Level Avg Prem	
Class MT	100.00%	6.15%	1	52	1	1	3	3,246	Proj On-Level Avg Prem	
Class PB	12.43%	0.98%	55	417	1	0	2	2,164	Proj On-Level Avg Prem	
Class PC	4.94%	0.54%	133	684	0	0	1	1,082	Proj On-Level Avg Prem	
Class PS	8.56%	0.35%	99	852	0	0	1	1,082	Proj On-Level Avg Prem	
Class PT Urban	6.03%	0.22%	257	1,218	0	0	1	1,082	Proj On-Level Avg Prem	
Class PV Converted Vehicle	0.00%	100.00%	-	1	1	1	3	3,246	Proj On-Level Avg Prem	
Class PV PU	100.00%	7.85%	1	19	1	1	3	3,246	Proj On-Level Avg Prem	
Class T NU	86.16%	0.03%	2	9,292	0	0	1	1,082	Proj On-Level Avg Prem	
Class T U	0.00%	0.22%	-	936	0	0	1	1,082	Proj On-Level Avg Prem	
Class TS	84.41%	0.06%	6	3,042	0	0	1	1,082	Proj On-Level Avg Prem	
Class TS XS	0.00%	0.00%	-	-	0	0	1	1,082	Proj On-Level Avg Prem	
Hearse	100.00%	6.98%	1	47	1	1	3	3,246	Proj On-Level Avg Prem	
LV Bus Non-Res	74.79%	2.33%	5	102	1	1	3	3,246	Proj On-Level Avg Prem	
LV Bus Res	0.00%	8.96%	-	18	1	0	2	2,164	Proj On-Level Avg Prem	
Motorcycles	0.81%	0.42%	1,031	995	0	0	1	1,082	Proj On-Level Avg Prem	
Class MH	63.43%	0.46%	17	1,915	1	1	3	3,246	Proj On-Level Avg Prem	
Motorized Bicycles	0.00%	0.00%	-	-	1	0	2	2,164	Proj On-Level Avg Prem	
Not Used										
Class A Light	65.87%	5.61%	5	136	1	1	3	3,246	Current Disc/Surch	
Class F Light 1994 & Newer	2.93%	0.01%	1,004	25,969	0	0	1	1,082	Current Disc/Surch	
Class PT Rural	14.06%	1.28%	20	205	1	0	2	2,164	Current Disc/Surch	
Police Cars	14.10%	1.44%	21	150	1	0	2	2,164	Current Disc/Surch	
Police Trucks	23.69%	0.66%	15	485	1	0	2	2,164	Current Disc/Surch	
PPV	0.09%	0.00%	41,941	470,093	0	0	1	1,082	Current Disc/Surch	
PPV FD	3.34%	0.22%	261	2,381	0	0	1	1,082	Current Disc/Surch	
PPV FR	18.93%	0.04%	433	9,737	0	0	1	1,082	Current Disc/Surch	
PPV Udrive	5.33%	0.11%	284	4,826	0	0	1	1,082	Current Disc/Surch	
24 Hour	5.99%	0.77%	121	323	0	0	1	1,082	Current flat fee/no rate change	
8 Day	2.53%	0.23%	451	1640	0	0	1	1,082	Current flat fee/no rate change	
Intransit	0.00%	8.24%	1	33	1	0	2	2,164	Current flat fee/no rate change	
TIC	26.28%	4.18%	5	58	1	0	2	2,164	Current flat fee/no rate change	

Exposure Trend Summary

Saskatchewan Government Insurance
 2021 Rate Program
 Ratemaking date as of: 31/3/2020
 Summary of Exhibit 4 - Exposure Trends by Class

Vehicle Class	Discount Program	Exposure Trend 2021	Exposure Trend 2021	Exposure Trend 2022	Exposure Trend 2023	Exposure Trend 2024	Notes from Exhibit 4
CLEAR-Rated Vehicles	Combined	0.55%	0.55%	0.55%	0.55%	0.55%	The exposure growth has slowed in recent compared to the older years. The most recent years have started to increase more quickly but still not at the same level as the past selections. Assume the most recent trend will continue and select a 3 year trend.
A - Commercial Light Trucks	IRP BR	-3.75%	-3.75%	-3.75%	-3.75%	-3.75%	There aren't many exposures in the class but the historical exposures have been relatively consistent with a long term negative trend. Recent experience has been more negative but selecting the 9 year trend with the highest R ² to reflect the fairly stable overall decrease.
F - Farm Light Truck - 1994 & Newer	Combined	-0.50%	-1.00%	-1.50%	-1.50%	-1.50%	Up to 2016-17 exposures had been increasing each year and remained stable since then. Bigger farm operations vs small, family plots being passed down through the generations likely cause for the slow down and would be expected to continue into the future. Select -0.5% judgmentally for 2021-22 growing to -1.5% by 2023-24.
LV - Private Passenger Vehicles (PPV)	Combined	0.48%	0.48%	0.48%	0.48%	0.48%	Similar to last year's comments, the exposure growth has slowed in recent compared to the older years and the 3 and 4 year trends have increased. Continue to select the 6 yr exponential trend to get a mix of recent results.
LV - PPV - Farm Cars	Combined	-11.35%	-11.35%	-11.35%	-11.35%	-11.35%	Exposures continue to decline rapidly and consistently. Use 5-yr since it has been consistent over that recent period.
LV - PPV - Farm SUVs and Vans	Combined	-0.77%	-0.77%	-0.77%	-0.77%	-0.77%	There is has been a consistent negative trend in exposures since 2011. The trend has flattened out in recent years and has been fairly stable. Select the 5 year trend.
LV - Police Cars	Sask BR	-14.96%	-14.96%	-14.96%	-14.96%	-14.96%	Exposure growth continues to trend downward at strong rate. Would assume that these exposures will start to stabilize as nearly all cars are replaced with SUVs/Trucks so selecting the 5 year exponential trend.
LV - Police Trucks, Vans & SUVs	Sask BR	7.00%	7.00%	7.00%	7.00%	7.00%	The exposure growth has been relatively consistent with a couple years of lower growth. Maintain selection of 10 year exponential to capture the trend through the volatility. Total police exposures have slightly decreased since 2017-18 so keep an eye on. The shift between SUVs and cars may also be slowing down as it approaches their desired ratio.
LV - Udrives	Sask BR	1.62%	1.62%	1.62%	1.62%	1.62%	No consistent pattern in exposure growth. Select the 10 year trend to capture the long term trend.
PT - Taxis (Rural)	Sask BR	1.04%	1.04%	1.04%	1.04%	1.04%	Recent years show that exposures continues to trend upwards (could be due to cancellation of STC). Increase is expected to continue but at a slower rate than what was selected last year. The latest estimated year is lower, so select 7 year exponential trend as it seems more consistent over the recent years excluding the latest.
Conventionally Rated Vehicles							
Ambulances	Sask BR	-2.13%	-2.13%	-2.13%	-2.13%	-2.13%	The trend has been fairly consistent over the past 5 -7 years. Assume the 5-yr trend as a middle ground between the shorter and longer term trends.
A - Commercial Vehicles:							
Heavy Trucks and Vans	Combined						
Heavy Trucks and Vans - IRP	IRP BR	-1.73%	-1.73%	-1.73%	-1.73%	-1.73%	There is a clear downward trend in exposure growth in recent years. As mentioned in the previous year's notes, decline in the economy is likely to be impacting this class. With COVID this decline in the economy is most likely to continue. Select the long term negative trend for all years.
Heavy Trucks and Vans - Non-IRP	Sask BR	3.69%	3.69%	3.69%	3.69%	3.69%	Overall positive trend in exposure growth. Select the 8 year exponential trend. It is the lowest selection but some downturn is expected due to COVID.
Power Units	Combined						
Power Units - IRP	IRP BR	-2.20%	0.00%	0.00%	0.00%	0.00%	Long run decreasing trend, with cycles due to economic factors. Assume a negative trend for the next year to the current economy and stability following that point.
Power Units - Non-IRP	Sask BR	-0.46%	0.00%	0.00%	0.00%	0.00%	Long term trend is positive overall while recent year trends have been consistently lower and are now negative. Assume the 3-yr trend for the next year and flat growth following that.
C & D - Commercial Vehicles:							
Heavy Trucks and Vans	Sask BR	0.00%	0.44%	0.89%	1.33%	1.33%	Trend is fairly flat in recent years with a dip in 2020 and a positive long term trend. Select a 0% trend for 2021 and a slow growth back to long term 10-yr selection for the future.
Power Units	Sask BR	-2.24%	-2.24%	-2.24%	-2.24%	-2.24%	Exposure growth has been trending downward in recent years. Downward trend could be the result of a down turn in the economy. However, the trend was flattening out prior to 2020, which could indicate a recovery period. Select the 8-yr trend to reflect the consistent trend in the short and long term. Due to Covid 19 the economy is not expected to recover for the rating period.
F - Farm Vehicles:							
Heavy Trucks and Vans	Sask BR	-3.68%	-3.68%	-3.68%	-3.68%	-3.68%	There is a consistent downward trend in growth from year to year. Farmers are no longer buying grain trucks as much as they used to. Semi truck and trailers and grain carts are now the preferred method of hauling/moving grain. The decrease in exposures has continued pretty consistently over time. Maintain 5 year exponential trend selection as in last year's indication.
Light Trucks - 1993 & Older	Combined	-9.71%	-9.71%	-9.71%	-9.71%	-9.71%	Overall negative trend in growth. Since this class is restricted by a constant model year a negative trend is expected to continue. Select a 5 year exponential trend going forward.
Power Units	Sask BR	3.52%	4.12%	4.72%	5.31%	5.31%	Exposure growth has slowed in recent years but remains positive and has been consistent. Select 5 year exponential trend to reflect the most recent period with a reversion to the long term trend expected in the next three years.
Hearses	Sask BR	-1.82%	-1.82%	-1.82%	-1.82%	-1.82%	The class has low exposure and high volatility but there is a clear long term negative trend and most recent history has shown a steeper decline in exposure since 2016. Select the 8-yr trend.
L - Dealer Plates	Sask BR	0.00%	0.00%	0.00%	0.00%	0.00%	Exposure trend appears to be consistent over time with a drop in 2020. Maintain flat selection of 0% for the future.
L - Snowmobile Dealers	Sask BR	-2.00%	-2.00%	-2.00%	-2.00%	-2.00%	There are very few exposures in this class which produces large variances in growth year-to-year. Continue to select a long term negative trend for the future but not as negative as the 10 year exponential trend. Set exposure trend to -2.00%.
LV - Antiques	Combined	2.04%	2.04%	2.04%	2.04%	2.04%	Select 3-year trend. As mentioned in last year's notes, the approval of the freeze on the date for antique vehicles expected to slow down exposure growth in future years at a slow pace. However, much of the 2014-2016 surge was due to increased number of motorcycles registering here to avoid their own class rates (not repeatable). Therefore select a smaller positive trend compared to the last selection.
LV - Buses	Sask BR	0.00%	0.00%	0.00%	0.00%	0.00%	No reason to deviate from last year's selection. Lots of volatility without a clear direction. A five year rolling average shows a fairly stable unchanging population.
LV - Buses (Restricted)	Sask BR	-8.85%	-8.85%	-8.85%	-8.85%	-8.85%	Exposures have largely decreased from year to year and have been volatile. Select 10 year exponential trend to capture the underlying negative trend.

Vehicle Class	Discount Program	Exposure Trend 2021	Exposure Trend 2021	Exposure Trend 2022	Exposure Trend 2023	Exposure Trend 2024	Notes from Exhibit 4
LV - Motorcycles	Combined	-8.78%	-5.00%	-5.00%	-5.00%	-5.00%	The rate increase in August 2014 and traffic safety initiatives geared for this class are responsible for the continuous decline in growth in motorcycles. There is an uncertain effect from the reduced no fault option, but a freeze on antique vehicle date may cause an upward shift in the exposures in the future. Until permits are correctly priced riders can continue to register their vehicles for short periods at a fraction of the premium. Should select a reduced negative trend for the future. Select the 5 year trend for 2021-22 and reduced trends for future years assuming the increased pricing on permits will soften the trend.
LV - Motorhomes	Combined	-2.88%	-2.88%	-2.88%	-2.88%	-2.88%	There is an apparent downward trend overall. Select the long term 10 year exponential trend.
MT - Snowmobiles	None	-3.55%	-3.55%	-3.55%	-3.55%	-3.55%	This is a seasonal class. 2011 had dramatically low exposures due to lack of snowfall, but exposures came back up in 2012. Exposures have declined since 2013, which could also be attributable to weather. Also, there have been exposures in July in past 2 years, which is likely the result of the changes of residency rules allowing snowbirds to register & use these vehicles. Select the 10 year trend to capture the long term decline in this class.
PB - Passenger Inter-city Buses	Combined	-2.03%	-1.01%	0.00%	0.00%	0.00%	Trends are positive up until 2015-16. Expected decrease in exposures with the cancellation of STC effective May 2017, then perhaps a longer term shift away from the past positive trend. Assume the 3-yr trend for 2021-22 due to drop in 2019-20 and potential further impact due to Covid. Assume a progression to flat growth thereafter. Will have to watch to see what kind of new trend emerges in the future for this industry.
PC - Passenger City Buses	Sask BR	0.00%	0.00%	0.00%	0.00%	0.00%	Exposure growth is erratic from year to year but long and short term trends hover around zero. Assume flat growth.
PS - Passenger School Buses	Sask BR	0.00%	0.00%	0.00%	0.00%	0.00%	Long term trends in the past were positive though close to zero. With the oldest years dropping off the trend has flattened and become more negative with the most recent experience. This largely seems to be driven by exposure decreases in the summer months (fiscal restraint/easy savings?). Prior to 2017 exposures remained very consistent for five years and exposures have returned to pre 2009 levels with the two years of decreases. Selecting a 0% trend. Based Sask Gov statistics K-12 student populations have increased by 10k in the last five years so there hasn't been a reversion in student populations, so don't expect the strong negative trend to continue.
PT - Taxis	Sask BR	-2.96%	-1.97%	-0.66%	0.00%	0.00%	Growth has been volatile with swings in both directions. Decreases in 2018-19 and 2019-20 are likely due to ridesharing. The size of the 2019-20 decrease isn't expected again but continued decreases as the industry stabilizes and due to Covid can be expected. Select the 7-year trend as a middleground between long and short term trends with an eventual progression to flat growth.
Trailers							
F - Trailers	None	3.67%	3.67%	3.67%	3.67%	3.67%	Long term positive trend. Year/year growth appears consistent with the latest years experiencing slightly lower growth. Select the 5-yr to capture the most recent trend.
LT - Trailer Dealers/Movers	None	0.00%	0.00%	0.00%	0.00%	0.00%	Overall growth has flattened out in the last 5 years but is volatile year to year. Selecting a 0% trend to reflect near zero mid-term trends and long term trends.
T - Personal Trailers	None	1.48%	1.48%	1.48%	1.48%	1.48%	Growth has slowed compared to less recent years but exposures are climbing overall. Selected the 5-yr trend to account for the more recent experience.
T - Utility	None	-1.22%	-1.22%	-1.22%	-1.22%	-1.22%	Decrease in exposure has been consistently negative in recent years. Select the 6-yr trend, which mirrors the most recent 3-4 years and excludes the period of growth back in 2011 to 2013.
TS - Commercial Trailers	None	0.00%	0.70%	1.41%	2.11%	2.11%	Long term positive trend that has flattened starting in 2014 (likely due to economic factors). Select 0% for 2021, growing back to 10 yr trend for the future.
Miscellaneous Classes							
A - Excess Value	None	-1.00%	-1.00%	-1.00%	-1.00%	-1.00%	Large growth in the past, and a large spike in the 2015 fiscal year before the units of coverage decreased and stabilized. Due to the additional spike in the
C&D - Non-Resident	None	-4.16%	-4.16%	-4.16%	-4.16%	-4.16%	There has been a history of decreasing exposures from changes to residency eligibility (occurred in 2000, 2003 and 2010 calendar years). The trend is clearly decreasing though not a consistent rate year to year. Updated selection to use the 10 year trend.
C&D - Excess Value	None	-1.88%	-1.88%	-1.88%	-1.88%	-1.88%	Large growth in the past but trend reversed in 2014 likely due to economic influences or a shift from Auto Fund to competitive market. 2017 trend was
Industrial Tracked Vehicles	NA	-1.82%	-1.82%	-1.82%	-1.82%	-1.82%	The class has low exposure and high volatility but there is a clear long term negative trend and most recent history has shown a steeper decline in exposure since 2016. Select the 8-yr trend.
LV - Motorized Bicycle	SDR	0.00%	0.00%	0.00%	0.00%	0.00%	This class has very few exposures and as a result is volatile. Exposures have remained consistent recently, assume flat.
PV - Converted Vehicles	SDR	5.00%	5.00%	5.00%	5.00%	5.00%	Very few exposures. Kept prior 5% trend selection, based on growth from 6 to 8 over seven years. Exposures did spike in 2016-2017, which has increased the long term trends but exposures have already reverted.
PV - Heavy Trucks and Vans	Combined	2.53%	2.53%	2.53%	2.53%	2.53%	Exposure growth positive in the long term with no apparent shift in underlying trend. Selected 10 yr exp trend.
PV - Power Units	SDR	5.30%	5.30%	5.30%	5.30%	5.30%	The year-over-year trends are volatile. There are few exposures and extreme growth has been experienced in the past. Select the 9-yr trend to reflect the overall consistent increase and place less emphasis on the spikes.
TS - Excess Value	None	7.84%	7.84%	7.84%	7.84%	7.84%	Growth has been pretty consistent long term, but has declined in recent years (similar to A and CD XS classes). Use 6yr selection to capture some of the slower growth, but expect it won't continue at the same low rate as seen in 2014/2013 and 2016/2017.
Permits							
Permits - 8 Day	None	3.65%	-7.50%	-7.50%	0.00%	0.00%	There is a clear upward growth pattern present in the number of 8 day permits issued, which is expected to continue. However, it has tapered off since 2017. Permit usage on motorcycles has increased since the 2013 & 2014 rate programs due to rate increases. Motorcycles no make up 19% of the 8-day permits purchased in recent history. If permit rates are adjusted, then a one-time reduction could be expected in these permits over the rating period. Select the 3 year trend for 2019, a -15% drop in exposures over the 2022-2023 rating year and flat growth from that point on. Note that due to Covid these permits are now available online, which may increase their usage.
Permits - 24 Hour	None	2.39%	-5.00%	-5.00%	0.00%	0.00%	24 hour permits were getting more popular, however, like the 8 day permits, the growth after 2013-2014 rate adjustments has reverted back to long term trends. Select the 3 year trend for 2019 with a -10% reduction in exposures over the 2020-2021 rating year due to anticipated rate increases. Assume flat growth after that point.
Permits - Intransit	None	2.24%	2.24%	2.24%	2.24%	2.24%	Volatile year over year growth but has trended on the positive side. Select the 10-yr long term trend, don't anticipate exposure shifts due to rate changes due to the nature of these permits' specific use.
Permits - TIC	None	-1.57%	-1.57%	-1.57%	-1.57%	-1.57%	A decreasing trend is clear in the recent history though it is volatile. Select the 4 year trend where the exposures have been more stable. An exposure impact from a rate increase is not expected due to the specific use of these permits.
Total Excluding Excess		0.41%	0.47%	0.52%	0.58%	0.58%	
Total Excluding Excess & Trailers		0.35%	0.39%	0.41%	0.43%	0.43%	
Total Excluding Excess, Trailers & Motorcycles		0.41%	0.42%	0.44%	0.47%	0.47%	

Premium Trend Summary

Saskatchewan Government Insurance
 2021 Rate Program
 Ratemaking date as of: 31/3/2020
 Summary of Exhibit 2 - Premium Trends by Class

Please note that while past premium trends are listed, they were not used in the indications. Average rating year premium was selected based on the most current year of data trended to the rating period.

Vehicle Class	Discount Program	Past Premium Trend	Future Premium Trend	Notes from Exhibit 2
CLEAR-Rated Vehicles	Combined	1.58%	1.58%	Selected the 4-yr trend to capture the steady increase as our past 3 increases have all been higher than the current 1.53%. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
A - Commercial Light Trucks	IRP BR	0.06%	0.06%	Trend has evened out. Selected 5-yr trend which captures the new level since the apparent shift starting with 2014-15. IRP % in the 3 most recent periods are trending downwards. Selected an average of the 2 most recent years because of the discount program changes in 2017-18 which show the effect of the drop in surcharges.
F - Farm Light Truck - 1994 & Newer	Combined	1.00%	1.00%	The trend has continued to stabilize in the more recent years. Selected the 6-yr trend since it is the middle ground of the last 4 stable trends. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - Private Passenger Vehicles (PPV)	Combined	1.60%	1.60%	Selected the 4-yr trend as there is a stable increase. This also makes the PPV and CLEAR selections consistent. Selected the latest year for SDR% due to the strong growth and an average of the recent 2 years for BR%.
LV - PPV - Farm Cars	Combined	0.11%	0.11%	Selected the 4-yr trend to reflect the leveling off of premium over the more recent years. Exposures have been declining in this class for a while and the premium trend is levelling out. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - PPV - Farm SUVs and Vans	Combined	1.66%	1.66%	Selected 5-yr trend to focus on recent consistent experience. Appears to be a shift from farm cars to SUVs and vans. Selected the newest year SDR% due to the strong growth in average discount and average of the 2 recent years for BR%.
LV - Police Cars	Sask BR	1.80%	1.80%	This group is shrinking since police are shifting their fleet from cars to SUVs more aggressively starting with 2018. Selected 5-yr trend to blend the short to mid term experience. Exposures are steadily dropping as the police fleet shifts to more SUVs. Selected an average of the last two years BR discounts due to program changes in 2017-18.
LV - Police Trucks, Vans & SUVs	Sask BR	1.42%	1.42%	Police are shifting their fleet from cars to SUVs more aggressively starting with 2018, as shifting settles down and upgrades become more gradual a longer term makes sense going forward. Selected 5-yr trend as a blend of short to mid-term experience. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - Udrives	Sask BR	0.92%	0.92%	Selected 5-yr trend as a blend of short to mid term experience. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
PT - Taxis (Rural)	Sask BR	3.22%	3.22%	Selected 4-yr trend. There is a stronger trend over the past few years. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Conventionally Rated Vehicles				
Ambulances	Sask BR	0.00%	0.00%	Ambulances have a flat fee so no premium trend is expected. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
A - Commercial Vehicles: Heavy Trucks and Vans				
Heavy Trucks and Vans - IRP	IRP BR	0.10%	0.10%	Some cyclical volatility, but overall flat. Select 7 year to capture some of the short term growth. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Heavy Trucks and Vans - Non-IRP	Sask BR	0.03%	0.03%	Recent trends have been consistent, selecting the 5-yr trend. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Power Units				
Power Units - IRP	IRP BR	0.41%	0.41%	Select 5-yr trend as a mid point between most recent years and long term trend. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Power Units - Non-IRP	Sask BR	0.25%	0.25%	Clear long term positive trend has slowed down. Select the 6-yr trend. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
C & D - Commercial Vehicles: Heavy Trucks and Vans	Sask BR	0.33%	0.33%	Slow down in recent years could be economically driven. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Power Units	Sask BR	0.60%	0.60%	Similar slow down pattern as CD HTV, though less extreme. Select 6-yr trend to be consistent with HTV selection which blends the long term and recent more stable experience into the future. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
F - Farm Vehicles: Heavy Trucks and Vans	Sask BR	3.57%	3.57%	Recent trends are generally consistent with long term trends, slightly decreasing in recent years while staying consistent. Selected the latest year for BR% due to the inconsistencies and an average of the recent 2 years for SDR%.
Light Trucks - 1993 & Older	Combined	0.00%	0.00%	The 2014 Rate Program moved the majority of this rate group to a flat rate. Long term has a slight positive trend but most recently (since 2015) it is near flat. Went with 0% due to the volatility and then the near flat trend since the rate program change. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Power Units	Sask BR	1.11%	1.11%	Recent trends are consistently lower than long term and clearly flatten in recent years. Use the 6-yr trend. Selected the latest year for BR% due to the inconsistent growth.
Hearses	Sask BR	0.00%	0.00%	Vehicles in this class are subject to a capped private passenger make and model vehicle rate. No premium trend expected. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
L - Dealer Plates	Sask BR	0.00%	0.00%	Past trend is extremely close to 0%. Assume no change for future. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
L - Snowmobile Dealers	Sask BR	0.00%	0.00%	Flat rated at \$61, no trends selected. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - Antiques	Combined	0.00%	0.00%	Antiques have a flat fee so no trend selected. Major SDR changes were implemented in 2016 with the max discount increasing each year until 2020. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - Buses	Sask BR	-0.52%	-0.52%	Consistent negative trend present. Choosing the 8-yr trend fits the line well given the small fluctuations on the long term downward trend. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
LV - Buses (Restricted)	Sask BR	0.06%	0.06%	Trends were historically slightly positive while having some volatility in the short term. Select 10-yr exp in order to reflect the slight long term increase. Selected an average of the 3 most recent years because of the discount program changes in 2017-18.
LV - Motorcycles	Combined	0.32%	1.25%	The drop in average premium could be due to the Reduced No Fault injury option, or the increase in motorcyclists choosing permits instead of registering in this class which both coincide with 2016. Focusing our selection on the last 4 years where a trend is visible for past while using 1.25% seen prior over 2011-12 to 2015-16 as the assumed future trend after permit pricing is adjusted. If a rate program gets approved, permit rates would be increased and customers could return to registering their motorcycles short term.
LV - Motorhomes	Combined	1.18%	1.18%	Pretty consistent over the past 10 years. Select the 7-yr trend to represent the short to mid term trends. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
MT - Snowmobiles	None	0.00%	0.00%	Flat fee premium for snowmobiles.
PB - Passenger Inter-city Buses	Combined	-3.31%	0.00%	Since 2016-17 exposures and average premium have been decreasing steadily causing the negative trends. With the cancellation of the STC in May 2017 and no successor, it's unlikely that this industry will revert back to the historical growth in the rating period or experience further reductions. Select the 4-yr trend for past and 0% for future as it is starting to level out and likely won't decline at this same rate given the cause. Selected discounts as an average of the two most recent years because of the program changes in 2017-18.
PC - Passenger City Buses	Sask BR	1.44%	1.44%	Select the long term trend as one of the best fits and a compromise between the inconsistent shorter trends across the entire period. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
PS - Passenger School Buses	Sask BR	1.26%	1.26%	Selected the 6-yr trend as a compromise between the most recent 4 years and the historically higher trends. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
PT - Taxis	Sask BR	0.00%	0.00%	The trend shifting negative happened as the fleet shrank since 2017 with the big drop in 2019-20 likely due to TNC's which started operating in February of 2019. Go with a cautious 0% since they do try to update the fleet with newer model years. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.

Vehicle Class	Discount Program	Past Premium Trend	Future Premium Trend	Notes from Exhibit 2
Trailers				
F - Trailers	None	0.39%	0.39%	Trends have been consistent in recent years. Select the 6-yr trend.
LT - Trailer Dealers/Movers	None	0.72%	0.72%	Selected the 7-yr trend down from 1% last year as the last two years have started to decrease while long term it is moving upward. It's a middle of the road between short and long term.
T - Personal Trailers	None	-1.52%	-1.52%	Select 5-yr trend. Premium trend is very stable and the 5-yr trend is a balanced result between the more recent and longer term trends.
T - Utility	None	0.00%	0.00%	Flat fee, no trend selected
TS - Commercial Trailers	None	1.41%	1.41%	Positive trend since 2010 with some volatility in 2014. Select 10-yr trend.
Miscellaneous Classes				
A - Excess Value	None	0.00%	0.00%	Fixed rate per value increment so no premium trend expected. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
C&D - Non-Resident	None	0.00%	0.00%	No trend selected as this is a flat fee.
C&D - Excess Value	None	0.00%	0.00%	Flat rate for each value increment. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
Industrial Tracked Vehicles	NA	0.00%	0.00%	Charged a flat fee. No SDR or BR data in recent years.
LV - Motorized Bicycle	SDR	0.00%	0.00%	Charged a flat fee. Selected an average of the 3 most recent years because of the discount program changes in 2017-18.
PV - Converted Vehicles	SDR	0.00%	0.00%	Select 0% trend. Class has few exposures and premium has been inconsistent over the past number of years. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
PV - Heavy Trucks and Vans	Combined	2.66%	2.66%	Select 7-yr trend, which is after the premium jump in 2012 and is consistent with the upward trend we see since then. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
PV - Power Units	SDR	0.75%	0.75%	Select 5-yr trend. The 5-yr trend has a good fit and is around the midpoint of the long term trends. Selected an average of the 2 most recent years because of the discount program changes in 2017-18.
TS - Excess Value	None	0.00%	0.00%	0.00%
Permits				
Permits - 8 Day	None		0.00%	Flat rate of \$24. No trend selected.
Permits - 24 Hour	None		0.00%	Flat rate of \$5. No trend selected.
Permits - Intransit	None		0.00%	Flat fee of \$17. No trend selected.
Permits - TIC	None		0.00%	Flat fee of \$11. No trend selected.
Total Including Excess		1.48%	1.49%	
Total Excluding Excess		1.48%	1.49%	

Large Loss Pooling

Large Loss Pooling

A large loss policy was implemented in the 2021 rate program to aid in smoothing over any rate volatility caused by catastrophic claims. This policy was initiated after the Humboldt Broncos bus crash and its impact on the inter-city bus rate indication. The intent of the policy is to have a net zero rate impact over a long period of time by capping large catastrophic claims while applying a large loss loading factor to every class.

The policy involves identifying a threshold to define large injury losses and capping claims at that threshold - eliminating the portion that exceeds the predetermined amount. This process also smooths the loss trend frequency and severity curves, reducing the noise created by the excessive claims and providing a better picture of the underlying trends. The excess amounts are incorporated back into the analysis through a selected loading factor to increase the projected claims in the rating period and spread the risk across classes. The damage and liability coverages were studied but are not impacted by large losses as much as injury, due to comparatively lower loss amounts and coverage limits. So, the large loss policy only applies to injury coverages.

The thresholds are selected to identify unusually large claims with the goal to smooth over the instability caused by large losses, while not skewing the results by trimming off too many claims. Historical data was on-levelled, developed and adjusted to restate claims as if they occurred today, so the same threshold is applied to each year of data. Despite these adjustments to bring claims to their ultimate values, we saw that among CLEAR-rated classes, the only claims that were above the thresholds were in the older loss periods. This is largely due to how claims develop over time for the most severely injured people as well as the points in time where the injury reserves are updated to reflect the changing probability of recovery. Given that it is a duration-related issue, the risk is that a lower threshold would skew the loss trends and reduce the accuracy of the CLEAR indications.

Another consideration in identifying the excessive claims is the stability of the loss experience within the rating classes. The CLEAR-rated light vehicle classes make up about 70% of the Auto Fund and have a stable, sizeable volume of claims which includes many large claims that might otherwise stand out in a smaller class. The distribution of losses can also be quite different between classes, which is the case with motorcycles. The motorcycle class has an injury severity that is four times more than the PPV injury severity. For these reasons, 3 sets of thresholds have been selected to identify large losses among the CLEAR-rated classes, motorcycles and a third set for all other classes.

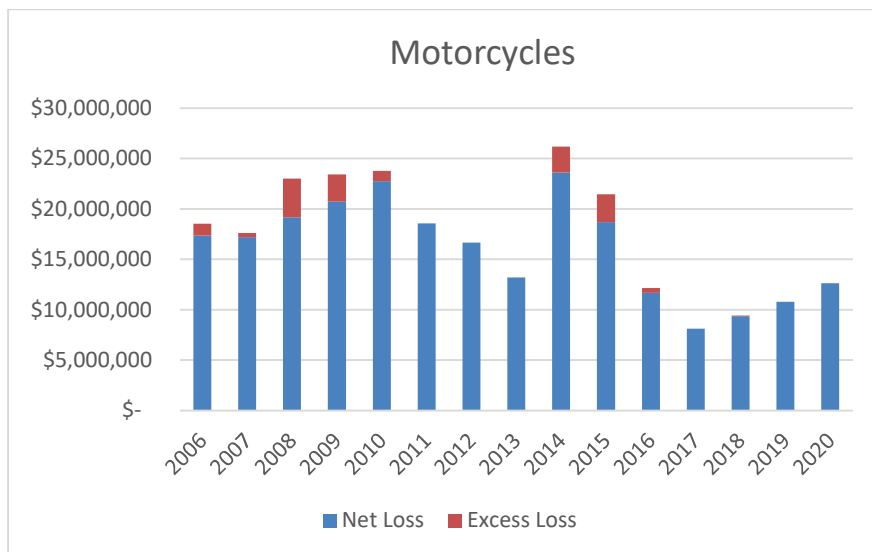
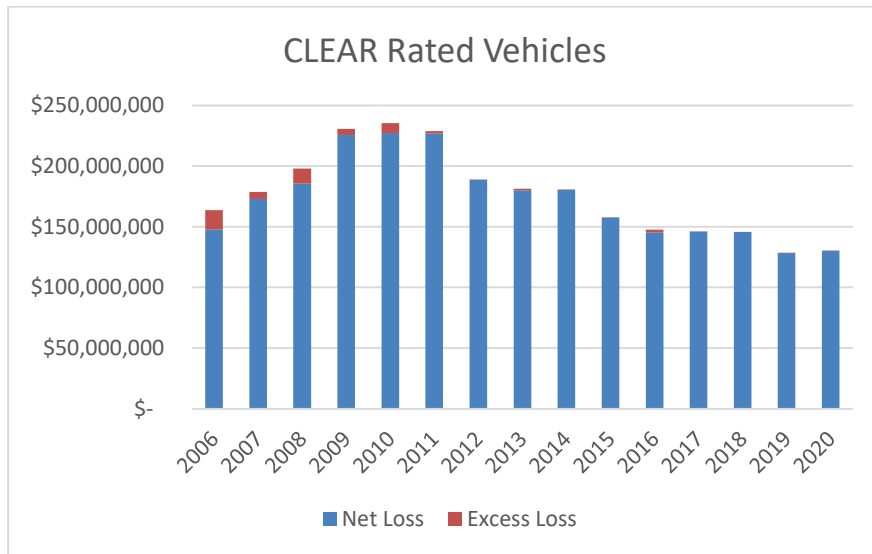
Thresholds were selected for each injury coverage with consideration for the stability of the loss experience within each coverage type and protection against the truly extreme claims which we may or may not have seen yet. Percentiles were used to guide the threshold selection and higher percentiles were used as a target to isolate the abnormally large claims. The unique loss experience of CLEAR and the motorcycle class warranted separate thresholds due to the volume of claims and the average severity noted above. Using percentiles maintains some consistency in the identification of the large losses among the 3 groups.

Large Loss Threshold By Coverage Type

Coverage Type	CLEAR	Motorcycles	All Other
Medical Costs	2,500,000	1,500,000	250,000
Income Replacement Benefit	4,000,000	2,000,000	1,500,000

Care Benefit	5,000,000	1,500,000	1,000,000
Permanent Impairment	400,000	300,000	300,000
Death Benefit	1,500,000	1,000,000	1,000,000
Appeal	750,000	200,000	200,000
Tort-Injury	500,000	250,000	250,000

The next three graphs highlight the overall impact the large loss thresholds have by year on smoothing over claim volatility. The CLEAR class is such a large and credible class that removing some of the most catastrophic occurrences does not have a noticeable impact on the aggregate injury losses. The policy still has an impact on the rate indication and loss trend selection at the benefit coverage level. In contrast, the motorcycle class is not as large and more susceptible to volatility due to large losses. This graphic shows some of the worst years were due to larger than average claims and the threshold helps to bring down losses in each of these years. The final graph represents all other classes and reflects the Humboldt Broncos collision in the 2019 fiscal year. Incidentally, the only other noticeable year with capped losses in 2008 was also from the same inter-city bus class.





Once the large losses have been identified, the excess amounts removed, and the loss trends selected and applied, an adjustment is required to add the costs back into the rate analysis. The below chart shows the adjustments applied to the projected claim costs to account for the excess amount beyond the thresholds that were trimmed out. For some of the coverage types the claim occurrences are rare and in these cases a factor based on all rate classes was used. For the care benefit, the experience in the non-CLEAR classes is very thin and the factor was selected using CLEAR data. In most cases, all the selected factors are based on fifteen years of data. Selections were judgmentally adjusted where the factor was thought to be unreasonably impacted by an event rarer than a one in fifteen year occurrence, such as the Humboldt Broncos accident.

Large Loss Loading Factors

Coverage Type	CLEAR	Motorcycles	All Other
Appeal	3.6%	3.6%	3.6%
Care Benefit	5.1%	5.1%	5.1%
Income Replacement Benefit	0.5%	4.8%	2.7%
Death Benefit	0.4%	2.6%	0.9%
Medical Costs	1.1%	12.0%	8.4%
Permanent Impairment	0.5%	1.1%	4.5%
Tort Injury	4.5%	4.5%	4.5%

Loss Trend Summary and Exhibits

Loss Trend Committee Selections

Introduction

The selected loss trends have a significant impact on the indicated rates by class, as well as on the overall indicated rate. In order to improve the accuracy and objectivity of these assumptions, the Auto Fund formed Damage and Injury Loss Trend Committees. Each committee comprises individuals from Product Management, Claims, Traffic Safety, and Actuarial Services departments.

Exhibits and graphs were prepared by the Actuarial Services group based on data as of March 31, 2020 and sent out to all committee members prior to the meetings. After preliminary selections were made, they were reviewed by the Actuary to ensure that sufficient justification existed for any selections that deviated from basic historical trends and that the rationale for the selections was consistent across coverage lines. In some instances, the selections were returned to the committee for additional justification, or, in the absence of justification, adjustment.

General Trend Considerations

While making selections for all coverage lines, the committee had the following considerations.

In some instances, especially where credibility of an individual year's experience was lacking or substantial development was required on the losses to date, trends excluding the certain loss years were considered as well.

Non-catastrophe damage and liability trends were to be applied to the past five loss years to determine the average projected rating year pure premium for use in the indication. When selecting past damage and liability trends, the committee paid specific attention to the mid-term trends around this duration.

Injury trends were to be applied to the past ten loss years to determine the average projected rating year pure premium to be used in the indication. When selecting past injury trends, the committee paid specific attention to the longer-term trends.

The selection of future trends was specific to the coverage, of which there were several considerations to be made. If a recent (3-4 years) trend showed a significantly different and credible trend rate as compared to what was selected over the full past trend period, the committee considered using this new trend as the best estimate of the future trend.

Summary of Loss Trends by Group:
Light Vehicles, Heavy Vehicles, Ambulance & Bus, Motorcycles,
Trailers, Utility Trailers, Commercial Trailers

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Light Vehicles

Light Classes

CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Cover 21- Damage Liability to Others Auto

Selected Trends	Frequency	Severity	Pure Premium
Past	-2.29%	2.29%	-0.06%
Future	-2.29%	2.29%	-0.06%

Frequency:

Past: Select five year trend due consistent experience.

Future: Assume continued stability in decreasing trend, which is potentially due to improved vehicle and traffic safety. Committee considered using 6 year due to lower trends shown in recent history but expects trend to flatten out more in the future. Select five year for conservatism.

Severity:

Past: Past experience continues to trend consistently. Select five year.

Future: Select same as past. Expect same cost increases due to advances in technology driving repair costs.

Cover 22 - Damage Liability to Others Property

Selected Trends	Frequency	Severity	Pure Premium
Past	-3.18%	2.51%	-0.75%
Future	-3.18%	2.51%	-0.75%

Frequency:

Past: Historical trend is consistent. Selecting the 3-yr trend to reflect the latest period and as it's between the 5-yr trends including and excluding the 2017 high point.

Future: Select same as past.

Severity:

Past: Long term trends are consistent with just some noise in the last few years. Excluding the high and low points in the recent period the five year trend is very consistent. Select the 6 year trend excluding these points to reflect both the recent period and the higher longer term trends.

Future: Select same as past. The last few years are too volatile to select an alternative trend.

Cover 23 - Loss of Use

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.37%	3.77%	2.35%
Future	-1.37%	2.36%	0.95%

Frequency:

Past: Long term trends are consistently negative. Recent period is fairly flat and positive if the latest year is excluded. Select the 5-yr trend, which is consistent past with the long term trends.

Future: Select same as past

Severity:

Past: Select the 5-yr trend as the last five years are extremely consistent.

Future: The 2016 fiscal year is potentially a bit of a low point so use the 6-yr trend to forecast into the future, which is also more consistent with the long term trends.

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	3.56%	3.56%
Future	-2.00%	3.56%	1.49%

Frequency:

Past: Continue with no trend as reflected by experience.

Future: Continue with last year's selection. Result is reasonable with actual experience and comparable to the short term trends.

Severity:

Past: Experience has been consistent. Select 4 year to give more credit to most recent years. Selecting the five year gives weight to the sharp increase in 2016, which is assumed to be a small outlier from the underlying trend.

Future: Select same as past.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.00%	3.54%	10.79%
Future	7.00%	3.54%	10.79%

Frequency:

Past: 5-yr continues to be reliable.

Future: select same as past.

Severity:

Past: Recent experience has been stable. Select seven year trend to smooth over the dip in 2018.

Future: Same as past

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	15.33%	10.24%	27.14%
Future	15.33%	15.00%	32.63%

Frequency:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.

Severity:

Past: As light vehicles dominate the All incl T group, use same method as the All incl T past trend.

Future: Set to All incl T.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.28%	4.28%
Future	0.00%	4.28%	4.28%

Frequency:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.

Severity:

Past: Historical trends have been consistent. Selecting the 5-yr trend to reflect the latest period and slight flattening of the trend.

Excluding the 2017 and 2020 data points to smooth over these jumps. Creates a better fit but is also extremely consistent with the 5-yr trend including all points.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.20%	-0.73%	6.42%
Future	5.71%	0.72%	6.47%

Frequency:

Past: Same approach as All incl T, comments still apply.

Future: Same approach as All incl T, comments still apply.

Severity:

Past: Select 5-yr trend to reflect experience. There has been a reversion back to 2016 levels but the climb from 2017 to 2018 is also credible.

Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road. Excluding the spike in 2017 through 2018 severity has remained relatively flat. This spike is largely due to a higher proportion of high cost vehicles being stolen in that year and does not appear to be part of a trend. The threshold for declaring total losses was also lowered in 2016 (2017 fiscal year), which led to more theft claims being deemed total losses and later in 2017 the threshold was increased.

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	6.04%	6.04%
Future	0.00%	6.04%	6.04%

Frequency:

Past: Long term and short term trends are flat. Long term is a little negative while the more medium term has been on the positive side with recent history closer to 0%. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

Severity:

Past: Clear increasing trend with some volatility. Selecting an average of the 10-11 yr trends.

Future: No reason to deviate from the past selection.

Care Benefits

Selected Trends	Frequency	Severity	Pure Premium
Past	-7.73%	6.04%	-2.15%
Future	-7.73%	6.04%	-2.15%

Frequency:

Past: Long term trends are consistent though more steep than last year. Continue to select the 10-yr trend.

Future: Select same as past. No expected changes in the near future.

Severity:

Past: Clear trend starting from the 2013 fiscal year though as a low it may be a bad choice. Select the 7 year trend to reflect the consistency in this period while not using the 2013 data point.

Future: Select same as past. There has been a proposal to increase care benefits but this is not expected to occur in time for the rating year.

Income Replacement

Selected Trends	Frequency	Severity	Pure Premium
Past	-5.28%	0.64%	-4.68%
Future	-5.28%	0.64%	-4.68%

Frequency:

Past: Experience is consistent. Continue to select the ten year trend.

Future: Same as past. No expected changes in claim adjudication.

Severity:

Past: Exclude the 2015 and 2019 years to smooth the line. Select the 10-yr trend excluding these points. Trend continues to be consistent with past selections.

Future: Same as past.

Death

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.11%	1.43%	-4.76%
Future	-6.11%	1.43%	-4.76%

Frequency:

Past: Select long term 9-yr trend. Exclude the tenth year due to it being a high point.

Future: Select same as past.

Severity:

Past: Experience fluctuates year to year but overall is fairly consistent. Use an average of the 9,10 and 11-yr trends for a more stable selection. This result is in line with inflation and consistent with the other medium to long term trends.

Future: Select same as past.

Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.79%	7.40%	0.11%
Future	-6.79%	7.40%	0.11%

Frequency:

Past: Volatile but clearly declining strongly over the history. Select the long term trend.

Future: Same as past.

Severity:

Past: Select the average of the 9 and 10-yr trends excluding the two recent years. It is a good fit and while the more recent history does show a more steep trend it's also fairly volatile and based on a few claims which are sensitive to development.

Future: Select same as past

Non Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.52%	0.00%	-1.52%
Future	-1.52%	0.00%	-1.52%

Frequency:

Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently negative. Select the 10-yr trend. Comparable to the mid term trends excluding 2019, which appears to be an outlier.

Future: Select same as past.

Severity:

Past: Continue to exclude the 2015 and 2017 outliers to smooth over the experience. When included the long term is slightly negative while when excluded the long term is slightly positive with a small decreasing trend in the short term. Select flat growth.

Future: Select same as past.

Out of Province

Selected Trends	Frequency	Severity	Pure Premium
Past	4.40%	7.18%	11.89%
Future	4.40%	7.18%	11.89%

Frequency:

Past: Similar long term trends when 2015-16 low and 2017-18 high points are excluded.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Severity:

Past: 10-yr trend fits the data well.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Medical Expenses excl Funding

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.23%	0.23%
Future	0.00%	0.23%	0.23%

Frequency:

Past: Latest history has been consistent. Reduce number of years considered in pure premium calculation to seven years and select 0% trend. Will review large rate classes to consider whether a specific class should deviate from this selection.

Future: Select same as past based on recent history.

Severity:

Past: Ten year period is consistent. No reason to deviate.

Future: Same as past.

Permanent Impairment

Selected Trends	Frequency	Severity	Pure Premium
Past	-4.32%	2.90%	-1.55%
Future	-4.32%	2.90%	-1.55%

Frequency:

Past: Fairly consistent downward trend with a small blip between 2014 and 2015. New Criminal code conviction change. Additional offenses give rise to non-economic claims and loss collection (cannot collect PI any more in those cases). Other changes came through in 2017 as part of the injury coverage changes, but none affecting the frequency of PI claims. Select long term trends.

Future: Assume long term past trend continues into future.

Severity:

Past: Select long-term trend since it is consistent over the past 10 years.

Future: From 2017 and onward there have been injury coverage changes regarding application of pre-judgment interest and revisions to how PI amounts are calculated. Expectation was that we would see an increase to amounts paid out. 2020 data year may be a sign of that expectation emerging but it's not a strong indicator and we have on-leveled expected impact on prior years. Continue to select past for future.

Tort Injury

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.78%	4.78%
Future	0.00%	4.78%	4.78%

Frequency:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles are very similar to those for tort injury. Select flat growth based on the four years including RNF claims as well as the overall long term trend.

Future: Select same as past.

Severity:

Past: Clear long term positive trend, but with significant volatility. Motorcycle reduced no fault claims added in 2017 may have a stabilizing effect on severity at higher levels, excluding 2017, the trend since 2016 has been extremely flat. Select the 7-yr trend excluding the 2015 outlier. This group does not have high credibility and this period strikes a balance between the low and high ends of the common severity levels.

Future: Too much volatility to deviate from past, but keep an eye on the recent apparent flattening.

Tort Liability

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.37%	5.26%	-1.45%
Future	-6.37%	5.26%	-1.45%

Frequency:

Past: Long term volatility, but has a negative trend. Select long term 10 year trend, to smooth out volatility, as the best estimate of the underlying trend for the most recent 5 years.

Future: Set equal to 10 year trend.

Severity:

Past: Severity has a consistent positive trend excluding the impact due to the spike in 2018. Select the 10-yr trend excluding this point.

Future: Same as past.

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Heavy Vehicles

Heavy Classes

A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers

Cover 21- Damage Liability to Others Auto

Selected Trends	Frequency	Severity	Pure Premium
Past	0.24%	1.94%	2.18%
Future	0.24%	1.94%	2.18%

Frequency:

Past: Select five year trend. Consistent experience in the last five years.

Future: Not expecting a large change in this trend. Believed to be tied closely to the economy, which hasn't been booming in this period. Expect lingering impacts on the economy from Covid-19 so that the economy will likely remain in a static slow recovery mode.

Severity:

Past: Select the 8-yr trend to smooth out the experience. The 2015 and 2016 data points should be considered together as they do end up offsetting each other.

Future: Believed to be due to increases in repair costs further leveraged by expected increased damage caused by a heavier vehicle. Select 8 year trend to reflect the longer term trend and smooth over experience. Considered excluding 2020 but the result is reasonable and does bounce about in past years.

Cover 22 - Damage Liability to Others Property

Selected Trends	Frequency	Severity	Pure Premium
Past	-3.84%	3.82%	-0.17%
Future	-3.84%	3.82%	-0.17%

Frequency:

Past: Trend had been flat up to 2015 then declining with two large drops in 2016 and again in 2019. Hesitant to put weight on the 2020 fiscal year right now. Select an average of the 5-yr and 6-yr trends excluding 2020 so as not to start the trend from a dip.

Future: Select the same as past. The recent trend seems too negative but it also isn't flat so this is a compromise between the potential flat growth that may occur or another drop. Covid adds more uncertainty to this selection as well.

Severity:

Past: Exclude the latest year as it appears to be an outlier. With the spike in 2016 this does cause the trend to be flat. Select the 6 year trend so as not to start at a peak. This ends up being just slightly lower than the 5-yr trend including the latest year.

Future: Select same as past.

Cover 23 - Loss of Use

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

Frequency:

Past: Assume flat growth. Experience has been extremely flat in this period and the 2016 fiscal year is the lowest point in the last 11 years, skewing the 5-yr trend.

Future: Select same as past.

Severity:

Past: Results are very volatile with no strong trend in either direction. Select 0%.

Future: Select Same as past.

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	-0.50%	0.00%	-0.50%
Future	-0.50%	0.00%	-0.50%

Frequency:

Past: Experience is consistent and fairly flat. Year to year trends shift up and down. Selected -0.5% trend considering 4-7 year trends.

Future: Same as past.

Severity:

Past: Recent experience is fairly flat with a dip in the most recent year. Assume a 0% trend.

Future: In general an increasing trend in severity is expected and not the negative trend caused by the latest year, whose experience has not yet fully matured. As these claims are capped at 15k flat growth is assumed.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.30%	-0.50%	11.73%
Future	7.94%	0.00%	7.94%

Frequency:

Past: High trend years have been consistent recently. Select 5-yr trend with 2017 excluded.

Future: Select the 7-yr trend as a lower longer term trend. The increases in recent history are expected to taper off.

Severity:

Past: Based on more recent historical experience, excluding the 2010-2012 jump. Select a judgmental -0.5%.

Future: Volatile experience year to year. Focus on longer term trends. Select flat growth.

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.20%	8.38%	21.60%
Future	10.44%	10.25%	21.76%

Frequency:

Past: Select the 5-yr trend. There is some uncertainty here but the trend line looks fine in terms of reflecting the latest period.

Future: We don't have a lot of data to rely on yet but it does appear that the trend has flatten recently. Select an average of the 4-yr trend excluding 2018 to select the future.

Severity:

Past: Select the 5-yr trend. Consistent experience in the latest period.

Future: Select the same as past. Rely on the complement of credibility to reflect any additional trends that may impact this group of vehicles.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	1.70%	1.70%
Future	0.00%	1.70%	1.70%

Frequency:

Past: Results do jump around year to year but there is a clear negative trend with the min and max years excluded up to 2015-2016 followed by flat growth in the last five years. Select 0% trend.

Future: Select same as past.

Severity:

Past: Results are volatile year to year but there does appear to be a solid trend since 2013. Select the 8-yr trend.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	5.38%	6.65%	12.38%
Future	1.77%	6.84%	8.73%

Frequency:

Past: Select 5-yr trend to reflect latest experience. The fit of this trend is comparable to the long term trends with the 2018 peak excluded as well. The spike in 2018 is assumed to be due to catalytic converter thefts, which have continued but not to the same extent.

Future: Assume a reduced positive trend for the future based on the underlying 4-yr trend excluding 2018, which is skewed by multiple high cost catalytic filters being stolen from two business compounds.

Severity:

Past: Select the 5-yr trend. Excluding the 2018 spike (due to multiple catalytic converter thefts from a couple theft events) it is a good fit and reflective of the period.

Future: Select the same as past.

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	6.04%	6.04%
Future	0.00%	6.04%	6.04%

Frequency:

Past: Long term and short term trends are flat. Long term is a little negative while the more medium term has been on the positive side with recent history closer to 0%. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

Severity:

Past: Clear increasing trend with some volatility. Selecting an average of the 10-11 yr trends.

Future: No reason to deviate from the past selection.

Care Benefits

Selected Trends	Frequency	Severity	Pure Premium
Past	-7.73%	6.04%	-2.15%
Future	-7.73%	6.04%	-2.15%

Frequency:

Past: Long term trends are consistent though more steep than last year. Continue to select the 10-yr trend.

Future: Select same as past. No expected changes in the near future.

Severity:

Past: Clear trend starting from the 2013 fiscal year though as a low it may be a bad choice. Select the 7 year trend to reflect the consistency in this period while not using the 2013 data point.

Future: Select same as past. There has been a proposal to increase care benefits but this is not expected to occur in time for the rating year.

Income Replacement

Selected Trends	Frequency	Severity	Pure Premium
Past	-5.28%	0.64%	-4.68%
Future	-5.28%	0.64%	-4.68%

Frequency:

Past: Experience is consistent. Continue to select the ten year trend.

Future: Same as past. No expected changes in claim adjudication.

Severity:

Past: Exclude the 2015 and 2019 years to smooth the line. Select the 10-yr trend excluding these points. Trend continues to be consistent with past selections.

Future: Same as past.

Death

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.11%	1.43%	-4.76%
Future	-6.11%	1.43%	-4.76%

Frequency:

Past: Select long term 9-yr trend. Exclude the tenth year due to it being a high point.

Future: Select same as past.

Severity:

Past: Experience fluctuates year to year but overall is fairly consistent. Use an average of the 9,10 and 11-yr trends for a more stable selection. This result is in line with inflation and consistent with the other medium to long term trends.

Future: Select same as past.

Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.79%	7.40%	0.11%
Future	-6.79%	7.40%	0.11%

Frequency:

Past: Volatile but clearly declining strongly over the history. Select the long term trend.

Future: Same as past.

Severity:

Past: Select the average of the 9 and 10-yr trends excluding the two recent years. It is a good fit and while the more recent history does show a more steep trend it's also fairly volatile and based on a few claims which are sensitive to development.

Future: Select same as past

Non Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.52%	0.00%	-1.52%
Future	-1.52%	0.00%	-1.52%

Frequency:

Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently negative. Select the 10-yr trend. Comparable to the mid term trends excluding 2019, which appears to be an outlier.

Future: Select same as past.

Severity:

Past: Continue to exclude the 2015 and 2017 outliers to smooth over the experience. When included the long term is slightly negative while when excluded the long term is slightly positive with a small decreasing trend in the short term. Select flat growth.

Future: Select same as past.

Out of Province

Selected Trends	Frequency	Severity	Pure Premium
Past	4.40%	7.18%	11.89%
Future	4.40%	7.18%	11.89%

Frequency:

Past: Similar long term trends when 2015-16 low and 2017-18 high points are excluded.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Severity:

Past: 10-yr trend fits the data well.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Medical Expenses excl Funding

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.23%	0.23%
Future	0.00%	0.23%	0.23%

Frequency:

Past: Latest history has been consistent. Reduce number of years considered in pure premium calculation to seven years and select 0% trend. Will review large rate classes to consider whether a specific class should deviate from this selection.

Future: Select same as past based on recent history.

Severity:

Past: Ten year period is consistent. No reason to deviate.

Future: Same as past.

Permanent Impairment

Selected Trends	Frequency	Severity	Pure Premium
Past	-4.32%	2.90%	-1.55%
Future	-4.32%	2.90%	-1.55%

Frequency:

Past: Fairly consistent downward trend with a small blip between 2014 and 2015. New Criminal code conviction change. Additional offenses give rise to non-economic claims and loss collection (cannot collect PI any more in those cases). Other changes came through in 2017 as part of the injury coverage changes, but none affecting the frequency of PI claims. Select long term trends.

Future: Assume long term past trend continues into future.

Severity:

Past: Select long-term trend since it is consistent over the past 10 years.

Future: From 2017 and onward there have been injury coverage changes regarding application of pre-judgment interest and revisions to how PI amounts are calculated. Expectation was that we would see an increase to amounts paid out. 2020 data year may be a sign of that expectation emerging but it's not a strong indicator and we have on-leveled expected impact on prior years. Continue to select past for future.

Tort Injury

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.78%	4.78%
Future	0.00%	4.78%	4.78%

Frequency:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles are very similar to those for tort injury. Select flat growth based on the four years including RNF claims as well as the overall long term trend.

Future: Select same as past.

Severity:

Past: Clear long term positive trend, but with significant volatility. Motorcycle reduced no fault claims added in 2017 may have a stabilizing effect on severity at higher levels, excluding 2017, the trend since 2016 has been extremely flat. Select the 7-yr trend excluding the 2015 outlier. This group does not have high credibility and this period strikes a balance between the low and high ends of the common severity levels.

Future: Too much volatility to deviate from past, but keep an eye on the recent apparent flattening.

Tort Liability

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.37%	5.26%	-1.45%
Future	-6.37%	5.26%	-1.45%

Frequency:

Past: Long term volatility, but has a negative trend. Select long term 10 year trend, to smooth out volatility, as the best estimate of the underlying trend for the most recent 5 years.

Future: Set equal to 10 year trend.

Severity:

Past: Severity has a consistent positive trend excluding the impact due to the spike in 2018. Select the 10-yr trend excluding this point.

Future: Same as past.

Saskatchewan Government Insurance**2021 Rate Program****Loss Trends by Coverage****Class Group: Ambulance and Bus****Ambulance and Bus Classes**

Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Cover 21- Damage Liability to Others Auto

Selected Trends	Frequency	Severity	Pure Premium
Past	-0.75%	5.00%	4.21%
Future	-3.00%	5.00%	1.85%

Frequency:

Past: Keep the same as prior year's selection. Less volatility in last five years but continued lower exposure.

Future: Much uncertainty due to Covid as well as reduced bus routes during this time but no known regulatory or technological changes.

Expect trend continue to decrease. Leave at 3% trend. Compromise between long and short term trends.

Severity:

Past: Experience has been consistent. Leave selection at 5%

Future: Select same as past trend.

Cover 22 - Damage Liability to Others Property

Selected Trends	Frequency	Severity	Pure Premium
Past	-3.84%	3.82%	-0.17%
Future	-3.84%	3.82%	-0.17%

Frequency:

Past: Trend had been flat up to 2015 then declining with two large drops in 2016 and again in 2019. Hesitant to put weight on the 2020 fiscal year right now. Select an average of the 5-yr and 6-yr trends excluding 2020 so as not to start the trend from a dip.

Future: Select the same as past. The recent trend seems too negative but it also isn't flat so this is a compromise between the potential flat growth that may occur or another drop. Covid adds more uncertainty to this selection as well.

Severity:

Past: Exclude the latest year as it appears to be an outlier. With the spike in 2016 this does cause the trend to be flat. Select the 6 year trend so as not to start at a peak. This ends up being just slightly lower than the 5-yr trend including the latest year.

Future: Select same as past.

Cover 23 - Loss of Use

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.31%	4.31%
Future	0.00%	0.00%	0.00%

Frequency:

Past: Lots of volatility, but the overall trend is flat. No long term growth or reduction, stays around 2.5 claims per 100 exposures.

Future: Assume lack of trend continues.

Severity:

Past: Select the 5-yr trend to reflect the latest experience. There isn't a strong trend in the short or long term periods. Experience could be reverting back to a mean or the latest year could be off. Excluding the latest year the trend would be much higher.

Future: Assume flat growth into the future. Long term trends do seem to indicate little overall change.

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	-5.29%	-5.29%
Future	0.00%	-3.13%	-3.13%

Frequency:

Past: Focus on longer term trend due to volatility and the uncertainty of the latest year. Select 0% flat growth.

Future: Same as past.

Severity:

Past: Select 6-year trend to reflect most recent experience.

Future: City bus fleets (Regina and Saskatoon?) were updated in 2014. Don't rely on earlier experience. Don't expect future trend to be as drastic as past. Selecting lower trend as we expect costs to continue to decrease but to flatten out over time.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.30%	-0.50%	11.73%
Future	7.94%	0.00%	7.94%

Frequency:

Past: High trend years have been consistent recently. Select 5-yr trend with 2017 excluded.

Future: Select the 7-yr trend as a lower longer term trend. The increases in recent history are expected to taper off.

Severity:

Past: Based on more recent historical experience, excluding the 2010-2012 jump. Select a judgmental -0.5%.

Future: Volatile experience year to year. Focus on longer term trends. Select flat growth.

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.20%	8.38%	21.60%
Future	10.44%	10.25%	21.76%

Frequency:

Past: Select the 5-yr trend. There is some uncertainty here but the trend line looks fine in terms of reflecting the latest period.

Future: We don't have a lot of data to rely on yet but it does appear that the trend has flatten recently. Select an average of the 4-yr trend excluding 2018 to select the future.

Severity:

Past: Select the 5-yr trend. Consistent experience in the latest period.

Future: Select the same as past. Rely on the complement of credibility to reflect any additional trends that may impact this group of vehicles.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	1.70%	1.70%
Future	0.00%	1.70%	1.70%

Frequency:

Past: Results do jump around year to year but there is a clear negative trend with the min and max years excluded up to 2015-2016 followed by flat growth in the last five years. Select 0% trend.

Future: Select same as past.

Severity:

Past: Results are volatile year to year but there does appear to be a solid trend since 2013. Select the 8-yr trend.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	5.38%	6.65%	12.38%
Future	1.77%	6.84%	8.73%

Frequency:

Past: Select 5-yr trend to reflect latest experience. The fit of this trend is comparable to the long term trends with the 2018 peak excluded as well. The spike in 2018 is assumed to be due to catalytic converter thefts, which have continued but not to the same extent.

Future: Assume a reduced positive trend for the future based on the underlying 4-yr trend excluding 2018, which is skewed by multiple high cost catalytic filters being stolen from two business compounds.

Severity:

Past: Select the 5-yr trend. Excluding the 2018 spike (due to multiple catalytic converter thefts from a couple theft events) it is a good fit and reflective of the period.

Future: Select the same as past.

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	6.04%	6.04%
Future	0.00%	6.04%	6.04%

Frequency:

Past: Long term and short term trends are flat. Long term is a little negative while the more medium term has been on the positive side with recent history closer to 0%. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

Severity:

Past: Clear increasing trend with some volatility. Selecting an average of the 10-11 yr trends.

Future: No reason to deviate from the past selection.

Care Benefits

Selected Trends	Frequency	Severity	Pure Premium
Past	-7.73%	6.04%	-2.15%
Future	-7.73%	6.04%	-2.15%

Frequency:

Past: Long term trends are consistent though more steep than last year. Continue to select the 10-yr trend.

Future: Select same as past. No expected changes in the near future.

Severity:

Past: Clear trend starting from the 2013 fiscal year though as a low it may be a bad choice. Select the 7 year trend to reflect the consistency in this period while not using the 2013 data point.

Future: Select same as past. There has been a proposal to increase care benefits but this is not expected to occur in time for the rating year.

Income Replacement

Selected Trends	Frequency	Severity	Pure Premium
Past	-5.28%	0.64%	-4.68%
Future	-5.28%	0.64%	-4.68%

Frequency:

Past: Experience is consistent. Continue to select the ten year trend.

Future: Same as past. No expected changes in claim adjudication.

Severity:

Past: Exclude the 2015 and 2019 years to smooth the line. Select the 10-yr trend excluding these points. Trend continues to be consistent with past selections.

Future: Same as past.

Death

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.11%	1.43%	-4.76%
Future	-6.11%	1.43%	-4.76%

Frequency:

Past: Select long term 9-yr trend. Exclude the tenth year due to it being a high point.

Future: Select same as past.

Severity:

Past: Experience fluctuates year to year but overall is fairly consistent. Use an average of the 9,10 and 11-yr trends for a more stable selection. This result is in line with inflation and consistent with the other medium to long term trends.

Future: Select same as past.

Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.79%	7.40%	0.11%
Future	-6.79%	7.40%	0.11%

Frequency:

Past: Volatile but clearly declining strongly over the history. Select the long term trend.

Future: Same as past.

Severity:

Past: Select the average of the 9 and 10-yr trends excluding the two recent years. It is a good fit and while the more recent history does show a more steep trend it's also fairly volatile and based on a few claims which are sensitive to development.

Future: Select same as past

Non Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.52%	0.00%	-1.52%
Future	-1.52%	0.00%	-1.52%

Frequency:

Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently negative. Select the 10-yr trend. Comparable to the mid term trends excluding 2019, which appears to be an outlier.

Future: Select same as past.

Severity:

Past: Continue to exclude the 2015 and 2017 outliers to smooth over the experience. When included the long term is slightly negative while when excluded the long term is slightly positive with a small decreasing trend in the short term. Select flat growth.

Future: Select same as past.

Out of Province

Selected Trends	Frequency	Severity	Pure Premium
Past	4.40%	7.18%	11.89%
Future	4.40%	7.18%	11.89%

Frequency:

Past: Similar long term trends when 2015-16 low and 2017-18 high points are excluded.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Severity:

Past: 10-yr trend fits the data well.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Medical Expenses excl Funding

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.23%	0.23%
Future	0.00%	0.23%	0.23%

Frequency:

Past: Latest history has been consistent. Reduce number of years considered in pure premium calculation to seven years and select 0% trend. Will review large rate classes to consider whether a specific class should deviate from this selection.

Future: Select same as past based on recent history.

Severity:

Past: Ten year period is consistent. No reason to deviate.

Future: Same as past.

Permanent Impairment

Selected Trends	Frequency	Severity	Pure Premium
Past	-4.32%	2.90%	-1.55%
Future	-4.32%	2.90%	-1.55%

Frequency:

Past: Fairly consistent downward trend with a small blip between 2014 and 2015. New Criminal code conviction change. Additional offenses give rise to non-economic claims and loss collection (cannot collect PI any more in those cases). Other changes came through in 2017 as part of the injury coverage changes, but none affecting the frequency of PI claims. Select long term trends.

Future: Assume long term past trend continues into future.

Severity:

Past: Select long-term trend since it is consistent over the past 10 years.

Future: From 2017 and onward there have been injury coverage changes regarding application of pre-judgment interest and revisions to how PI amounts are calculated. Expectation was that we would see an increase to amounts paid out. 2020 data year may be a sign of that expectation emerging but it's not a strong indicator and we have on-leveled expected impact on prior years. Continue to select past for future.

Tort Injury

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.78%	4.78%
Future	0.00%	4.78%	4.78%

Frequency:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles are very similar to those for tort injury. Select flat growth based on the four years including RNF claims as well as the overall long term trend.

Future: Select same as past.

Severity:

Past: Clear long term positive trend, but with significant volatility. Motorcycle reduced no fault claims added in 2017 may have a stabilizing effect on severity at higher levels, excluding 2017, the trend since 2016 has been extremely flat. Select the 7-yr trend excluding the 2015 outlier. This group does not have high credibility and this period strikes a balance between the low and high ends of the common severity levels.

Future: Too much volatility to deviate from past, but keep an eye on the recent apparent flattening.

Tort Liability

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.37%	5.26%	-1.45%
Future	-6.37%	5.26%	-1.45%

Frequency:

Past: Long term volatility, but has a negative trend. Select long term 10 year trend, to smooth out volatility, as the best estimate of the underlying trend for the most recent 5 years.

Future: Set equal to 10 year trend.

Severity:

Past: Severity has a consistent positive trend excluding the impact due to the spike in 2018. Select the 10-yr trend excluding this point.

Future: Same as past.

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Motorcycles

Motorcycles

Cover 21- Damage Liability to Others Auto

Selected Trends	Frequency	Severity	Pure Premium
Past	-2.29%	2.29%	-0.06%
Future	-2.29%	2.29%	-0.06%

Frequency:

Past: Select five year trend due consistent experience.

Future: Assume continued stability in decreasing trend, which is potentially due to improved vehicle and traffic safety. Committee considered using 6 year due to lower trends shown in recent history but expects trend to flatten out more in the future. Select five year for conservatism.

Severity:

Past: Past experience continues to trend consistently. Select five year.

Future: Select same as past. Expect same cost increases due to advances in technology driving repair costs.

Cover 22 - Damage Liability to Others Property

Selected Trends	Frequency	Severity	Pure Premium
Past	-3.18%	2.51%	-0.75%
Future	-3.18%	2.51%	-0.75%

Frequency:

Past: Historical trend is consistent. Selecting the 3-yr trend to reflect the latest period and as it's between the 5-yr trends including and excluding the 2017 high point.

Future: Select same as past.

Severity:

Past: Long term trends are consistent with just some noise in the last few years. Excluding the high and low points in the recent period the five year trend is very consistent. Select the 6 year trend excluding these points to reflect both the recent period and the higher longer term trends.

Future: Select same as past. The last few years are too volatile to select an alternative trend.

Cover 23 - Loss of Use

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.37%	3.77%	2.35%
Future	-1.37%	2.36%	0.95%

Frequency:

Past: Long term trends are consistently negative. Recent period is fairly flat and positive if the latest year is excluded. Select the 5-yr trend, which is consistent with the long term trends.

Future: Select same as past

Severity:

Past: Select the 5-yr trend as the last five years are extremely consistent.

Future: The 2016 fiscal year is potentially a bit of a low point so use the 6-yr trend to forecast into the future, which is also more consistent with the long term trends.

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	0.99%	1.41%	2.41%
Future	0.72%	1.41%	2.13%

Frequency:

Past: Select 6 year trend. Have seen a slightly increasing trend since 2015, which has been a turning point in MC experience. The 2020 year is potentially overstated due to applying general development factors while the MC experience is more mature by this point than the

general fleet. Increases are potentially due to shorter registration terms and permit use

Future: Select same as past. With an approved rate program terms could start to increase again with re-balanced rates and less incentive to use permits. Will need to keep an eye on.

Severity:

Past: Select longer term trend excluding 2013 and 2020 to smooth over peaks and valleys. The 2020 result for motorcycles is not fully trusted.

Future: Select same as past.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.00%	3.54%	10.79%
Future	7.00%	3.54%	10.79%

Frequency:

Past: 5-yr continues to be reliable.

Future: select same as past.

Severity:

Past: Recent experience has been stable. Select seven year trend to smooth over the dip in 2018.

Future: Same as past

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	15.33%	10.24%	27.14%
Future	15.33%	15.00%	32.63%

Frequency:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.

Severity:

Past: As light vehicles dominate the All incl T group, use same method as the All incl T past trend.

Future: Set to All incl T.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.28%	4.28%
Future	0.00%	4.28%	4.28%

Frequency:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.

Severity:

Past: Historical trends have been consistent. Selecting the 5-yr trend to reflect the latest period and slight flattening of the trend.

Excluding the 2017 and 2020 data points to smooth over these jumps. Creates a better fit but is also extremely consistent with the 5-yr trend including all points.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.20%	-0.73%	6.42%
Future	5.71%	0.72%	6.47%

Frequency:

Past: Same approach as All incl T, comments still apply.

Future: Same approach as All incl T, comments still apply.

Severity:

Past: Select 5-yr trend to reflect experience. There has been a reversion back to 2016 levels but the climb from 2017 to 2018 is also credible.

Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road. Excluding the spike in 2017 through 2018 severity has remained relatively flat. This spike is largely due to a higher proportion of high cost vehicles being stolen in that year and does not appear to be part of a trend. The threshold for declaring total losses was also lowered in 2016 (2017 fiscal year), which led to more theft claims being deemed total losses and later in 2017 the threshold was increased. Need to keep an eye on in the future but assume a small increasing trend due to the long term positive trends but not at the same level seem from 2010-2020 excluding the 2017 & 2018 spike.

**Damage
Catastrophes**

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	6.04%	6.04%
Future	0.00%	6.04%	6.04%

Frequency:

Past: Long term and short term trends are flat. Long term is a little negative while the more medium term has been on the positive side

with recent history closer to 0%. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

Severity:

Past: Clear increasing trend with some volatility. Selecting an average of the 10-11 yr trends.

Future: No reason to deviate from the past selection.

Care Benefits

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.46%	8.06%	6.48%
Future	-1.46%	8.06%	6.48%

Frequency:

Past: Need to recognize the trend has been increasing since the large rate changes in 2012-2014 and in that period the claims experience and environment has been significantly different (large rate changes; Motorcycle graduate program). The latest year could be an outlier so we don't want to give it full credibility. Select 6 year with 2020 excluded.

Future: Select same as past.

Severity:

Past: A lot of volatility. Continue to exclude the outlier in 2015 and select an average of the 9, 10 and 11 year trends excluding this point.

Future: Same as past

Income Replacement

Selected Trends	Frequency	Severity	Pure Premium
Past	-2.73%	1.78%	-1.00%
Future	-2.73%	1.78%	-1.00%

Frequency:

Past: The 2020 fiscal year result is very high and we don't have full confidence in it. Similar to the Care trend selections, select a trend starting around the 2015 year and assume flat growth.

Future: Same as past. No valid reason to differ due to uncertainty in trend.

Severity:

Past: Experience is volatile and jumps around. The high severity from earlier years is dropping off and indicating a more positive trend then has been selected in the past. There are a low number of claims here and so results are also not fully credible. Select a subjective 3% trend to reflect the higher trend.

Future: Select same as past.

Death

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.11%	1.43%	-4.76%
Future	-6.11%	1.43%	-4.76%

Frequency:

Past: Select long term 9-yr trend. Exclude the tenth year due to it being a high point.

Future: Select same as past.

Severity:

Past: Experience fluctuates year to year but overall is fairly consistent. Use an average of the 9,10 and 11-yr trends for a more stable selection. This result is in line with inflation and consistent with the other medium to long term trends.

Future: Select same as past.

Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.79%	7.40%	0.11%
Future	-6.79%	7.40%	0.11%

Frequency:

Past: Volatile but clearly declining strongly over the history. Select the long term trend.

Future: Same as past.

Severity:

Past: Select the average of the 9 and 10-yr trends excluding the two recent years. It is a good fit and while the more recent history does show a more steep trend it's also fairly volatile and based on a few claims which are sensitive to development.

Future: Select same as past

Non Economic Loss

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.52%	0.00%	-1.52%
Future	-1.52%	0.00%	-1.52%

Frequency:

Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently negative. Select the 10-yr trend. Comparable to the mid term trends excluding 2019, which appears to be an outlier.

Future: Select same as past.

Severity:

Past: Continue to exclude the 2015 and 2017 outliers to smooth over the experience. When included the long term is slightly negative while when excluded the long term is slightly positive with a small decreasing trend in the short term. Select flat growth.

Future: Select same as past.

Out of Province

Selected Trends	Frequency	Severity	Pure Premium
Past	4.40%	7.18%	11.89%
Future	4.40%	7.18%	11.89%

Frequency:

Past: Similar long term trends when 2015-16 low and 2017-18 high points are excluded.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Severity:

Past: 10-yr trend fits the data well.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.

Medical Expenses excl Funding

Selected Trends	Frequency	Severity	Pure Premium
Past	-1.20%	5.53%	4.26%
Future	0.00%	5.53%	5.53%

Frequency:

Past: Discussion between using the longer term trend or the shorter period consistent with Care and IRB selections. Both 2015 and 2020 fiscal year results are questionable. Use the ten year trend to align the past.

Future: We don't expect the future costs to decrease at the same rate based on the shorter term results. Subjective 0% trend selected

Severity:

Past: Exclude the 2015 data year as an outlier and select the long term ten year trend. Year to year results bounce around but the ten year trend appears to be a good fit overall.

Future: Select same as past. No reason to deviate.

Permanent Impairment

Selected Trends	Frequency	Severity	Pure Premium
Past	0.45%	5.07%	5.54%
Future	0.45%	5.07%	5.54%

Frequency:

Past: Data is thin and volatile. Don't have full confidence in the 2020 data year and the 2015 year appears to be a bit of an outlier as well. As with the other injury coverages there is a noticeable difference since 2014. Select an average of the 5-yr and 6-yr trends excluding 2020 to put less reliance on the 2015 low.

Future: Select same as past.

Severity:

Past: Long term trends are pretty consistent considering how thin the data is. Select the 10-yr trend.

Future: No reason to deviate from the historical selection.

Tort Injury

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.78%	4.78%
Future	0.00%	4.78%	4.78%

Frequency:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles are very similar to those for tort injury. Select flat growth based on the four years including RNF claims as well as the overall long term trend.

Future: Select same as past.

Severity:

Past: Clear long term positive trend, but with significant volatility. Motorcycle reduced no fault claims added in 2017 may have a stabilizing effect on severity at higher levels, excluding 2017, the trend since 2016 has been extremely flat. Select the 7-yr trend excluding the 2015 outlier. This group does not have high credibility and this period strikes a balance between the low and high ends of the common severity levels.

Future: Too much volatility to deviate from past, but keep an eye on the recent apparent flattening.

Tort Liability

Selected Trends	Frequency	Severity	Pure Premium
Past	-6.37%	5.26%	-1.45%
Future	-6.37%	5.26%	-1.45%

Frequency:

Past: Long term volatility, but has a negative trend. Select long term 10 year trend, to smooth out volatility, as the best estimate of the underlying trend for the most recent 5 years.

Future: Set equal to 10 year trend.

Severity:

Past: Severity has a consistent positive trend excluding the impact due to the spike in 2018. Select the 10-yr trend excluding this point.

Future: Same as past.

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Trailers

Trailer Classes

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	-2.83%	2.19%	-0.70%
Future	-2.83%	2.19%	-0.70%

Frequency:

Past: Select the 11-yr trend with spikes in 2013-2014 and the latest year excluded. Trend is fairly consistent with these years removed

Future: Select same as past.

Severity:

Past: Continue to exclude the 2019 fiscal year peak as well as the latest year drop and select a longer term 9-yr trend. Results fluctuate year to year but there is a strong positive trend over time.

Future: Select same as past.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	4.60%	5.98%	10.85%
Future	2.95%	5.98%	9.10%

Frequency:

Past: Recent five year trend is fairly stable. Select the 5-yr trend.

Future: Appears to be tapering off. Select an average of the four and five year trends to reflect this development. A decision was made in 2019 to apply the damage deductible to cleaning expenses (large number of rodent infestation claims in recent history cause a rise in claims), which may be influencing this trend.

Severity:

Past: We are not fully confident in the latest years. Select a longer term 8-yr trend to smooth over some of the volatility.

Future: Same as past.

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	15.33%	10.24%	27.14%
Future	15.33%	15.00%	32.63%

Frequency:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.

Severity:

Past: As light vehicles dominate the All incl T group, use same method as the All incl T past trend.

Future: Set to All incl T.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.28%	4.28%
Future	0.00%	4.28%	4.28%

Frequency:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.

Severity:

Past: Historical trends have been consistent. Selecting the 5-yr trend to reflect the latest period and slight flattening of the trend.

Excluding the 2017 and 2020 data points to smooth over these jumps. Creates a better fit but is also extremely consistent with the 5-yr trend including all points.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	9.66%	-0.19%	9.44%
Future	8.95%	0.39%	9.38%

Frequency:

Past: Select the 8-yr trend excluding the 2017 fiscal year. Without that bump the fit of the line is fairly good and also matches up well with the 5-yr trend excluding the same point.

Future: The latest experience, including 2017, has been flat though the history has been very volatile in this grouping and flat periods have been followed by sharp increases. Select same as past to focus on the long term trend.

Severity:

Past: Volatile, excluding the maximum and minimum the long term trend is near zero. Recent trends have been negative with long term trends on the positive side. Selecting no growth.

Future: Assume same as past.

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

Trailer classes do not receive this coverage

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: T-Utility

T - Utility

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	3.56%	3.56%
Future	-2.00%	3.56%	1.49%

Frequency:

Past: Continue with no trend as reflected by experience.

Future: Continue with last year's selection. Result is reasonable with actual experience and comparable to the short term trends.

Severity:

Past: Experience has been consistent. Select 4 year to give more credit to most recent years. Selecting the five year gives weight to the sharp increase in 2016, which is assumed to be a small outlier from the underlying trend.

Future: Select same as past.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.00%	3.54%	10.79%
Future	7.00%	3.54%	10.79%

Frequency:

Past: 5-yr continues to be reliable.

Future: select same as past.

Severity:

Past: Recent experience has been stable. Select seven year trend to smooth over the dip in 2018.

Future: Same as past

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	15.33%	10.24%	27.14%
Future	15.33%	15.00%	32.63%

Frequency:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.

Severity:

Past: As light vehicles dominate the All incl T group, use same method as the All incl T past trend.

Future: Set to All incl T.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	4.28%	4.28%
Future	0.00%	4.28%	4.28%

Frequency:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.

Severity:

Past: Historical trends have been consistent. Selecting the 5-yr trend to reflect the latest period and slight flattening of the trend.

Excluding the 2017 and 2020 data points to smooth over these jumps. Creates a better fit but is also extremely consistent with the 5-yr trend including all points.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	7.20%	-0.73%	6.42%
Future	5.71%	0.72%	6.47%

Frequency:

Past: Same approach as All incl T, comments still apply.

Future: Same approach as All incl T, comments still apply.

Severity:

Past: Select 5-yr trend to reflect experience. There has been a reversion back to 2016 levels but the climb from 2017 to 2018 is also credible.

Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road. Excluding the spike in 2017 through 2018 severity has remained relatively flat. This spike is largely due to a higher proportion of high cost vehicles being stolen in that year and does not appear to be part of a trend. The threshold for declaring total losses was also lowered in 2016 (2017 fiscal year), which led to more theft claims being deemed total losses and later in 2017 the threshold was increased. Need to keep an eye on in the future but assume a small increasing trend due to the long term positive trends but not at the same level seen from 2010-2015 (more like 2015-2020 excluding the 2017 & 2018 spike).

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

Trailer classes do not receive this coverage

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: TS

TS - Commercial Trailers

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	-0.50%	0.00%	-0.50%
Future	-0.50%	0.00%	-0.50%

Frequency:

Past: Experience is consistent and fairly flat. Year to year trends shift up and down. Selected -0.5% trend considering 4-7 year trends.

Future: Same as past.

Severity:

Past: Recent experience is fairly flat with a dip in the most recent year. Assume a 0% trend.

Future: In general an increasing trend in severity is expected and not the negative trend caused by the latest year, whose experience has not yet fully matured. As these claims are capped at 15k flat growth is assumed.

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.30%	-0.50%	11.73%
Future	7.94%	0.00%	7.94%

Frequency:

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.20%	8.38%	21.60%
Future	10.44%	10.25%	21.76%

Frequency:

Past: Select the 5-yr trend. There is some uncertainty here but the trend line looks fine in terms of reflecting the latest period.

Future: We don't have a lot of data to rely on yet but it does appear that the trend has flatten recently. Select an average of the 4-yr trend excluding 2018 to select the future.

Severity:

Past: Select the 5-yr trend. Consistent experience in the latest period.

Future: Select the same as past. Rely on the complement of credibility to reflect any additional trends that may impact this group of vehicles.

Cover 34 - Deductible

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

No trends have been selected due to randomness associated with this coverage.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	1.70%	1.70%
Future	0.00%	1.70%	1.70%

Frequency:

Past: Results do jump around year to year but there is a clear negative trend with the min and max years excluded up to 2015-2016 followed by flat growth in the last five years. Select 0% trend.

Future: Select same as past.

Severity:

Past: Results are volatile year to year but there does appear to be a solid trend since 2013. Select the 8-yr trend.

Future: Select same as past.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	5.38%	6.65%	12.38%
Future	1.77%	6.84%	8.73%

Frequency:

Past: Select 5-yr trend to reflect latest experience. The fit of this trend is comparable to the long term trends with the 2018 peak excluded as well. The spike in 2018 is assumed to be due to catalytic converter thefts, which have continued but not to the same extent.

Future: Assume a reduced positive trend for the future based on the underlying 4-yr trend excluding 2018, which is skewed by multiple high cost catalytic filters being stolen from two business compounds.

Severity:

Past: Select the 5-yr trend. Excluding the 2018 spike (due to multiple catalytic converter thefts from a couple theft events) it is a good fit and reflective of the period.

Future: Select the same as past.

Damage Catastrophes

Selected Trends	Frequency	Severity	Pure Premium
Past	4.32%	4.04%	8.54%
Future	4.32%	4.04%	8.54%

Frequency:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

Severity:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

Appeal

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.00%	0.00%
Future	0.00%	0.00%	0.00%

Trailer classes do not receive this coverage

**Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Excess Coverage**

Classes:

A -XS, CD -XS, TS -XS

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	-0.50%	0.00%	-0.50%
Future	-0.50%	0.00%	-0.50%

Frequency:
Selected Heavy trend

Severity:
Selected Heavy trend

Cover 32 - Comprehensive Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	12.30%	-0.50%	11.73%
Future	7.94%	0.00%	7.94%

Frequency:
Select Heavy Trend

Severity:
Select Heavy trend.

Cover 41 - Fire/Lightning/Explosion

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	0.68%	0.68%
Future	0.00%	0.68%	0.68%

Frequency:
Experience is too thin. Set to the Heavy selection and keep an eye on.

Severity:
Experience is too thin. Set to the Heavy selection and keep an eye on.

Cover 42 - Theft Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	5.38%	6.65%	12.38%
Future	5.38%	6.65%	12.38%

Frequency:

Past: Not enough data to make a credible selection. Use the Heavy selection.

Future: Same as past.

Severity:

Past: Not enough data to make a credible selection. Use the Heavy selection.

Future: Same as past.

The remaining cover codes use the Heavy vehicle selections

**Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Motorhome**

Classes

Motorhome

Cover 33 - Glass Coverage

Selected Trends	Frequency	Severity	Pure Premium
Past	6.35%	8.25%	15.13%
Future	6.35%	9.50%	16.46%

Frequency:

Past: The fit is very good with the 2019 year excluded. Experience is volatile but this trend is comparable to the longer term trends including all data. Light vehicle selection used as complement of credibility.

Future: Select same as past.

Severity:

Past: Overall trend is fairly consistent with a little volatility in the last couple of years. Select a longer term trend to smooth out the recent history. Select a 7-yr trend with Light vehicle selection as complement.

Future: Recent history has some noise in the results. There is no support at this time that the trend is changing. Select same as past.

The remaining cover codes use the Light vehicle selections.

Saskatchewan Government Insurance
2021 Rate Program
Loss Trends by Coverage
Class Group: Licensed Auto & Motorcycle Dealer

Classes

L - A&M

Cover 21- Damage Liability to Others Auto

Selected Trends	Frequency	Severity	Pure Premium
Past	1.18%	0.98%	2.18%
Future	1.18%	0.98%	2.18%

Frequency:

Past: Select five year trend. Relatively consistent in the last five years. L-A&M specific trend credibility weighted with the Light vehicle selection.

Future: Select five year. Expect trends to continue. There is known loophole that allows hot shotters to use a dealer plate. This group of drivers has had a poor historical claims experience.

Severity:

Past: No apparent trend in the L-A&M class. Select 0% and let complement of credibility apply any underlying trend.

Future: Select same as past.

Cover 31 - Damage to Own Vehicle

Selected Trends	Frequency	Severity	Pure Premium
Past	0.00%	1.84%	1.84%
Future	-0.36%	1.84%	1.48%

Frequency:

Past: Experience is very volatile with no strong trend. Selecting 0% and using Light vehicles as the complement of credibility.

Future: Select same as past

Severity:

Past: Exclude 2013 and 2019 blips to smooth over results. Selecting longer term 9-year trend excluding those points. Light vehicle selections used as complement of credibility.

Future: Same as past.

The remaining cover codes use the Light vehicle selections.

Loss Trend Exhibits by Coverage

Damage to Others Automobiles

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count		Claim Count Adjustment	Ultimate		Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent		Ultimate Pure Premium
		Number of Claims	Development Factor		Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment			Ultimate Frequency	Ultimate Severity	
2008/2009	763,571	30,441	0.9989	1.0000	30,408	87,032,927	0.9768	1.0000	1.1404	96,952,379	3.98	3,188	126.97
2009/2010	782,558	28,762	0.9986	1.0000	28,723	86,912,961	0.9746	1.0371	1.1003	96,656,125	3.67	3,365	123.51
2010/2011	795,703	32,510	0.9994	1.0000	32,490	102,300,408	0.9744	1.0370	1.0959	113,280,783	4.08	3,487	142.37
2011/2012	809,458	28,232	0.9990	1.0000	28,203	94,553,775	0.9764	1.0383	1.0949	104,953,639	3.48	3,721	129.66
2012/2013	830,929	34,311	0.9987	1.0000	34,268	111,328,414	1.0212	1.0375	1.0888	128,423,467	4.12	3,748	154.55
2013/2014	840,180	31,747	0.9987	1.0000	31,705	110,270,079	1.0203	1.0381	1.0763	125,706,690	3.77	3,965	149.62
2014/2015	852,870	29,684	0.9981	1.0000	29,627	110,498,840	1.0304	1.0383	1.0445	123,483,484	3.47	4,168	144.79
2015/2016	864,135	27,731	0.9970	1.0000	27,649	111,987,654	1.0344	1.0400	1.0172	122,544,377	3.20	4,432	141.81
2016/2017	863,301	28,299	0.9991	1.0000	28,272	118,124,062	1.0413	1.0388	1.0003	127,812,944	3.27	4,521	148.05
2017/2018	867,201	27,847	1.0067	1.0000	28,035	121,703,324	1.0442	1.0324	1.0003	131,231,261	3.23	4,681	151.33
2018/2019	866,749	25,795	1.0356	1.0000	26,714	118,698,327	1.0606	1.0115	1.0002	127,369,390	3.08	4,768	146.95
2019/2020	871,217	19,349	1.3225	1.0000	25,589	95,126,099	1.2962	1.0028	1.0000	123,652,574	2.94	4,832	141.93
Ratio 2011/2010	1.0168					1.1312				1.1720	1.1125	1.0361	1.1526
Ratio 2012/2011	1.0173					0.8680				0.9265	0.8533	1.0673	0.9107
Ratio 2013/2012	1.0265					1.2150				1.2236	1.1836	1.0071	1.1920
Ratio 2014/2013	1.0111					0.9252				0.9788	0.9150	1.0580	0.9681
Ratio 2015/2014	1.0151					0.9345				0.9823	0.9206	1.0512	0.9677
Ratio 2016/2015	1.0132					0.9332				0.9924	0.9211	1.0634	0.9795
Ratio 2017/2016	0.9990					1.0225				1.0430	1.0235	1.0200	1.0440
Ratio 2018/2017	1.0045					0.9916				1.0267	0.9871	1.0354	1.0221
Ratio 2019/2018	0.9995					0.9529				0.9706	0.9534	1.0185	0.9711
Ratio 2020/2019	1.0052					0.9579				0.9708	0.9530	1.0135	0.9658

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-2.77%	0.7042
10-yr exp trend	-3.31%	0.7797
9-yr exp trend	-3.16%	0.7051
8-yr exp trend	-4.17%	0.8811
7-yr exp trend	-3.44%	0.8631
6-yr exp trend	-2.72%	0.8238
5-yr exp trend	-2.29%	0.6917
4-yr exp trend	-3.67%	0.9499
3-yr exp trend	-4.68%	1.0000

2020 Rate Program

Selected Trends

		Credibility	Credibility Weighted Trends
Past	-3.34%	1.0000	Past -3.34%
Future	-3.34%		Future -3.34%

Trend Selection Notes:

Past: The last 5 years look less volatile compared to older years. Select 5-yr trend, which is consistent in its pattern and is also in line with last year's selection.

Future: Proliferation of advanced driver assistance technology (automatic emergency breaking, lane departure assist, etc.) might push this trend further downward however, it was noted that growth in sales of vehicles equipped with these features is stagnant in both the Auto Fund and SGI Canada personal auto. Since we don't expect sudden fleet turnover in the near future, set future selection to past.

2021 Rate Program

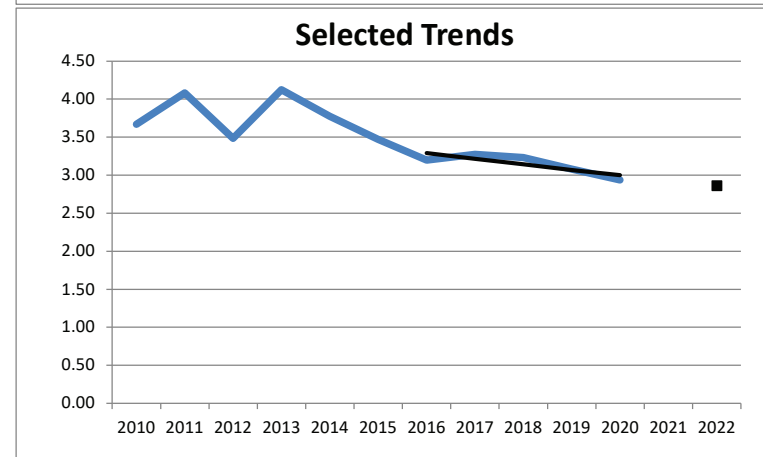
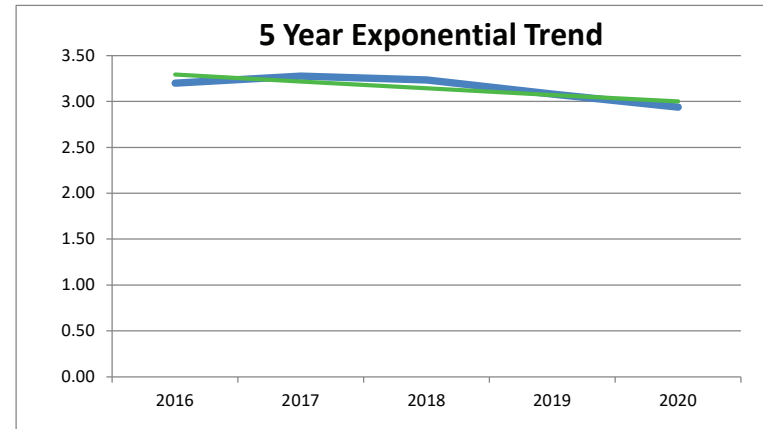
Selected Trends

		Credibility	Final Trends
Past	-2.29%	1.0000	Past -2.29%
Future	-2.29%		Future -2.29%

Trend Selection Notes:

Past: Select five year trend due to consistent experience.

Future: Assume continued stability in decreasing trend, which is potentially due to improved vehicle and traffic safety. Committee considered using 6 year due to lower trends shown in recent history but expects trend to flatten out more in the future. Select five year for conservatism.



SGL

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

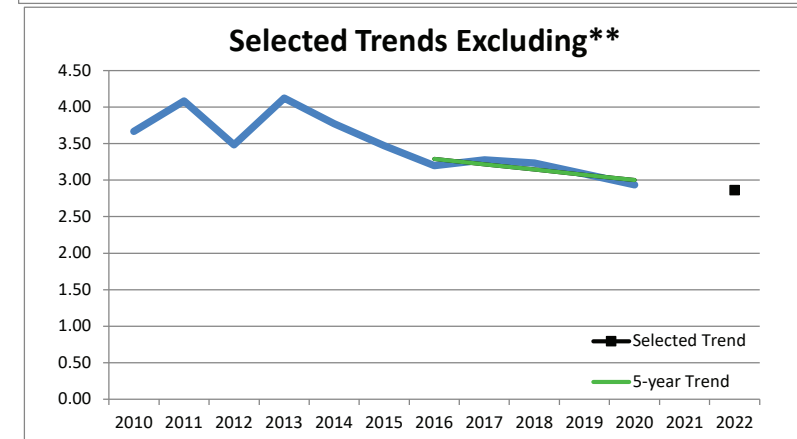
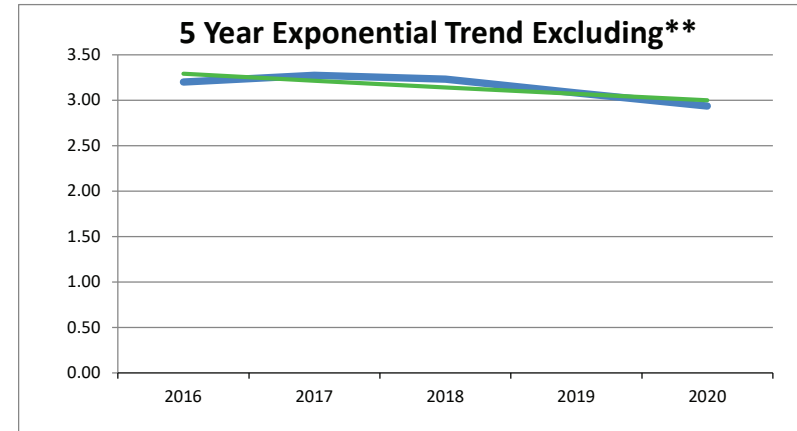
Exhibit 3 - Page 2-3

Frequency for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.77%	0.7042
10 -yr exp trend excl **	-3.31%	0.7797
9 -yr exp trend excl **	-3.16%	0.7051
8 -yr exp trend excl **	-4.17%	0.8811
7 -yr exp trend excl **	-3.44%	0.8631
6 -yr exp trend excl **	-2.72%	0.8238
5 -yr exp trend excl **	-2.29%	0.6917
4 -yr exp trend excl **	-3.67%	0.9499
3 -yr exp trend excl **	-4.68%	1.0000

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

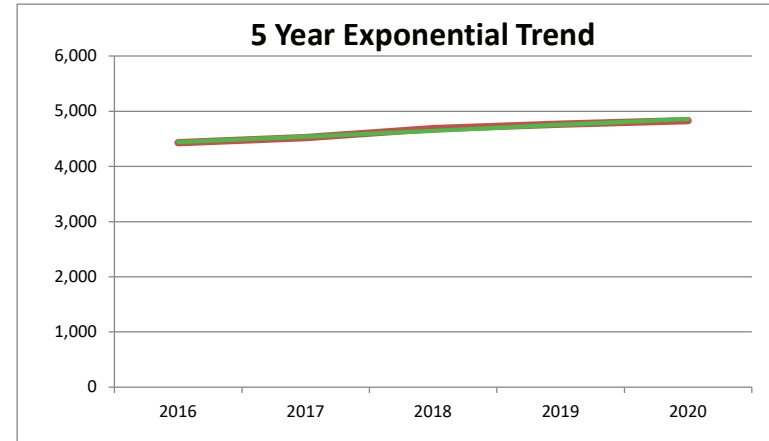
Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	3.93%	0.9782	
10-yr exp trend	3.85%	0.9713	
9-yr exp trend	3.70%	0.9634	
8-yr exp trend	3.72%	0.9492	
7-yr exp trend	3.33%	0.9435	
6-yr exp trend	2.88%	0.9396	
5-yr exp trend	2.29%	0.9757	
4-yr exp trend	2.21%	0.9515	
3-yr exp trend	1.60%	0.9920	



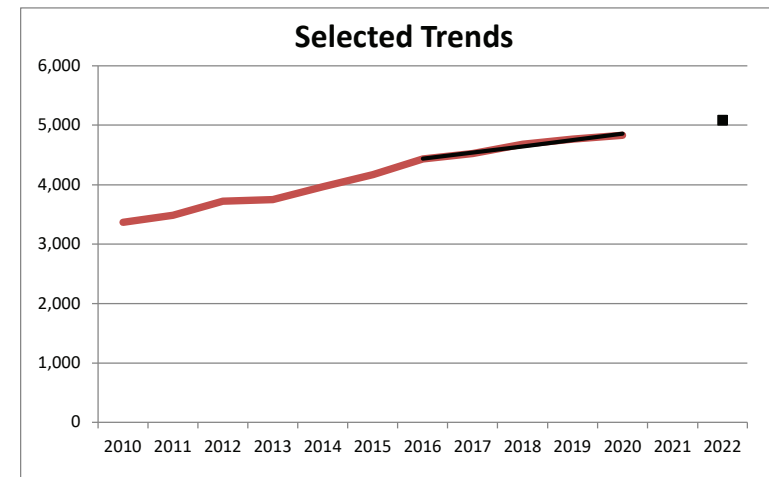
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	3.64%	Past 3.64%
Future	3.64%	Future 3.64%

Trend Selection Notes:

Past: Uptick in recent years could be advances in technology in vehicles making repairs more complex & costly. It was also noted that avoidance technology may be keeping the steady pace of the increase. Select 5-year trend of 3.64%.

Future: Last year's selection of 5% appears too high now so keep same as past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	2.29%	Past 2.29%
Future	2.29%	Future 2.29%

Trend Selection Notes:

Past: Past experience continues to trend consistently. Select five year.

Future: Select same as past. Expect same cost increases due to advances in technology driving repair costs.

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

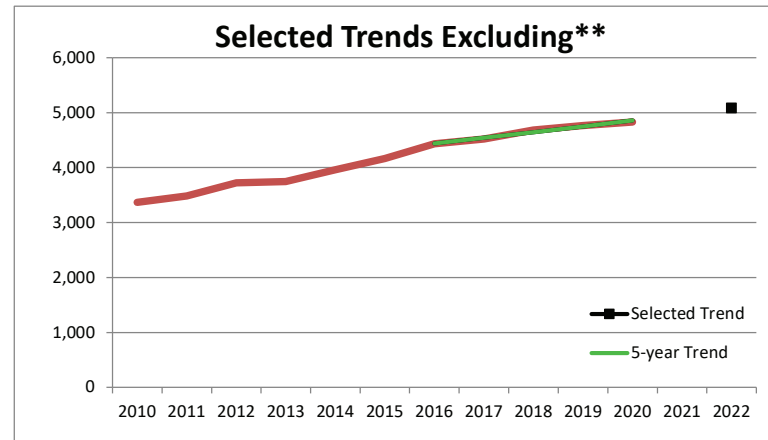
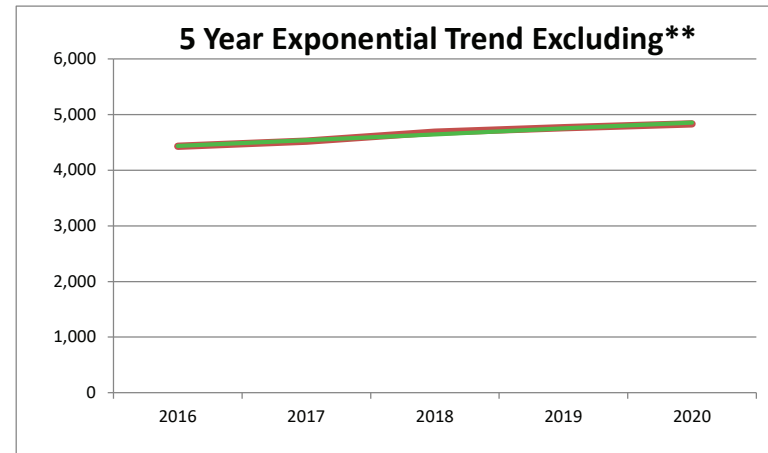
Exhibit 3 - Page 2-5

Severity for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.93%	0.9782
10 -yr exp trend excl **	3.85%	0.9713
9 -yr exp trend excl **	3.70%	0.9634
8 -yr exp trend excl **	3.72%	0.9492
7 -yr exp trend excl **	3.33%	0.9435
6 -yr exp trend excl **	2.88%	0.9396
5 -yr exp trend excl **	2.29%	0.9757
4 -yr exp trend excl **	2.21%	0.9515
3 -yr exp trend excl **	1.60%	0.9920

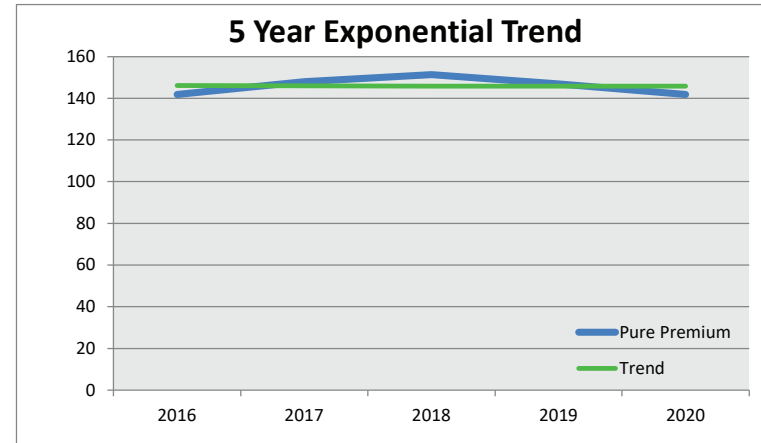
** Years excluded: None



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Light Vehicles

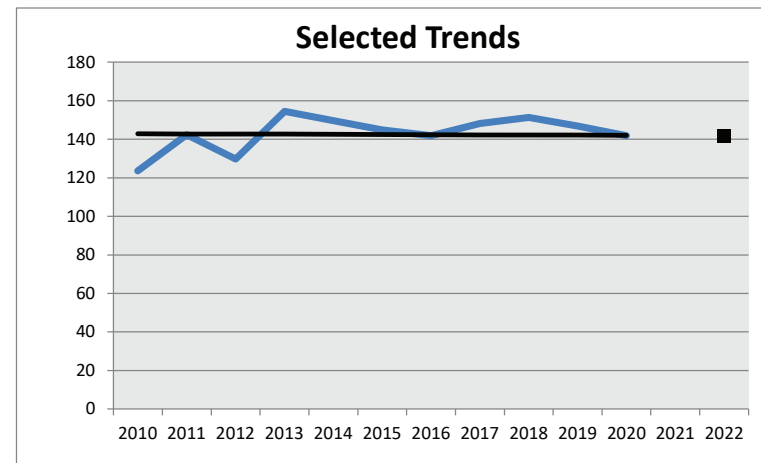
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.05%	0.2677
10-yr exp trend	0.42%	0.0680
9-yr exp trend	0.43%	0.0520
8-yr exp trend	-0.61%	0.2415
7-yr exp trend	-0.23%	0.0380
6-yr exp trend	0.08%	0.0038
5-yr exp trend	-0.06%	0.0011
4-yr exp trend	-1.55%	0.5729
3-yr exp trend	-3.15%	0.9976



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.18%	0.18%
Future	0.18%	0.18%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	-0.06%
Future	1.0000	-0.06%

Trend Selection Notes:

Calculated Past Trend = -0.06% Calculated Future Trend = -0.06%

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

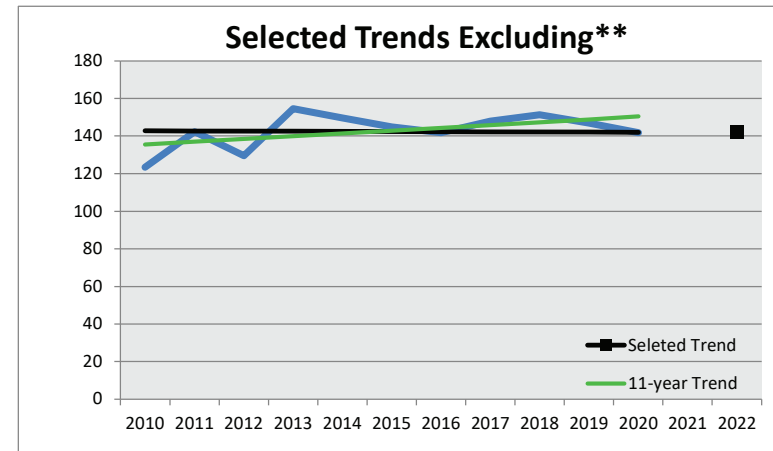
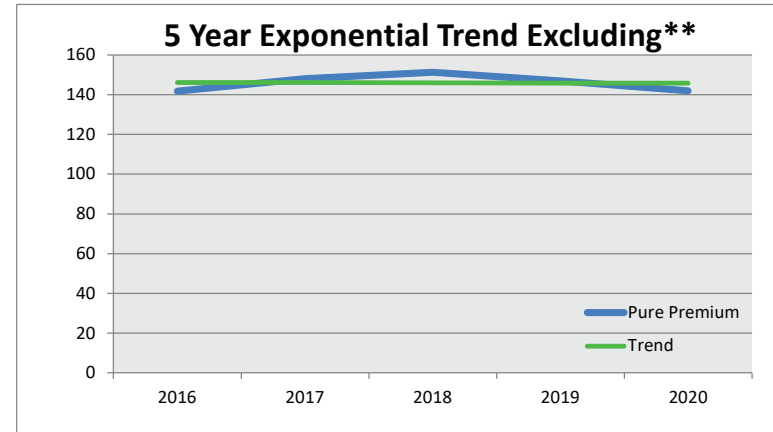
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	1.05%	0.2677
10 -yr exp trend excl **	0.42%	0.0680
9 -yr exp trend excl **	0.43%	0.0520
8 -yr exp trend excl **	-0.61%	0.2415
7 -yr exp trend excl **	-0.23%	0.0380
6 -yr exp trend excl **	0.08%	0.0038
5 -yr exp trend excl **	-0.06%	0.0011
4 -yr exp trend excl **	-1.55%	0.5729
3 -yr exp trend excl **	-3.15%	0.9976

** Years excluded: None



SGI
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks,
 Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count		Ultimate Number of Claims	Incurred Loss			On-Level Labour Rate Change Factor	Ultimate Losses	Percent		Ultimate Pure Premium
			Development Factor	Claim Count Adjustment		Incurred Losses	Development Factor	Incurred Loss Adjustment			Ultimate Frequency	Ultimate Severity	
2009/2010	60,447	879	0.9986	1.0000	878	4,204,269	0.9746	1.0075	1.1003	4,542,025	1.45	5,175	75.14
2010/2011	60,653	1,040	0.9994	1.0000	1,039	5,337,348	0.9744	1.0075	1.0959	5,741,995	1.71	5,525	94.67
2011/2012	61,659	984	0.9990	1.0000	983	5,328,111	0.9764	1.0073	1.0949	5,737,838	1.59	5,839	93.06
2012/2013	63,800	1,180	0.9987	1.0000	1,179	6,711,844	1.0212	1.0074	1.0888	7,517,497	1.85	6,376	117.83
2013/2014	64,827	1,162	0.9987	1.0000	1,161	6,864,987	1.0203	1.0073	1.0763	7,593,605	1.79	6,543	117.14
2014/2015	65,537	980	0.9981	1.0000	978	6,818,962	1.0304	1.0072	1.0445	7,391,998	1.49	7,555	112.79
2015/2016	65,216	799	0.9970	1.0000	797	4,917,895	1.0344	1.0069	1.0172	5,210,172	1.22	6,538	79.89
2016/2017	64,357	797	0.9991	1.0000	796	5,541,981	1.0413	1.0072	1.0003	5,813,895	1.24	7,301	90.34
2017/2018	64,244	824	1.0067	1.0000	830	5,861,370	1.0442	1.0001	1.0003	6,122,584	1.29	7,376	95.30
2018/2019	64,071	788	1.0356	1.0000	816	5,984,059	1.0606	1.0000	1.0002	6,348,144	1.27	7,776	99.08
2019/2020	64,038	590	1.3225	1.0000	781	4,248,710	1.2962	1.0000	1.0000	5,507,377	1.22	7,056	86.00
Ratio 2011/2010	1.0034				1.1840					1.2642	1.1800	1.0677	1.2599
Ratio 2012/2011	1.0166				0.9456					0.9993	0.9302	1.0568	0.9830
Ratio 2013/2012	1.0347				1.1997					1.3102	1.1595	1.0921	1.2662
Ratio 2014/2013	1.0161				0.9844					1.0101	0.9688	1.0261	0.9941
Ratio 2015/2014	1.0109				0.8430					0.9735	0.8339	1.1547	0.9629
Ratio 2016/2015	0.9951				0.8145					0.7048	0.8185	0.8654	0.7083
Ratio 2017/2016	0.9868				0.9993					1.1159	1.0127	1.1166	1.1308
Ratio 2018/2017	0.9982				1.0423					1.0531	1.0442	1.0103	1.0549
Ratio 2019/2018	0.9973				0.9835					1.0368	0.9862	1.0542	1.0397
Ratio 2020/2019	0.9995				0.9561					0.8676	0.9566	0.9074	0.8680

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-3.46%	0.5340
10-yr exp trend	-4.58%	0.7086
9-yr exp trend	-4.92%	0.6811
8-yr exp trend	-5.82%	0.7187
7-yr exp trend	-4.93%	0.5807
6-yr exp trend	-2.39%	0.3478
5-yr exp trend	0.24%	0.0219
4-yr exp trend	-0.59%	0.0821
3-yr exp trend	-2.87%	0.9165

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	2.35%	2.35%
Future	2.35%	2.35%

Trend Selection Notes:

Past: Due to the economy, there are fewer vehicles on the roads for this class and the economy is only starting to recover. Slow improvement in the economy. The drop to 2016 appears to be a one-time shift due to the economy. Select 4-yr trend to reflect slight increasing trend.

Future: Don't expect fast recovery in the economy in the near future so keep same as past.

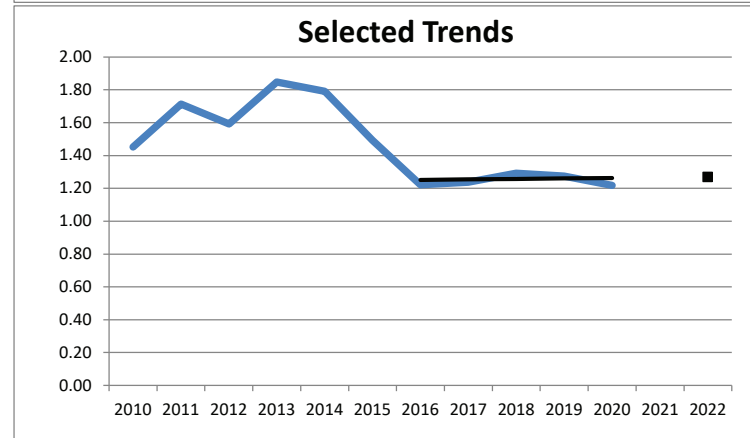
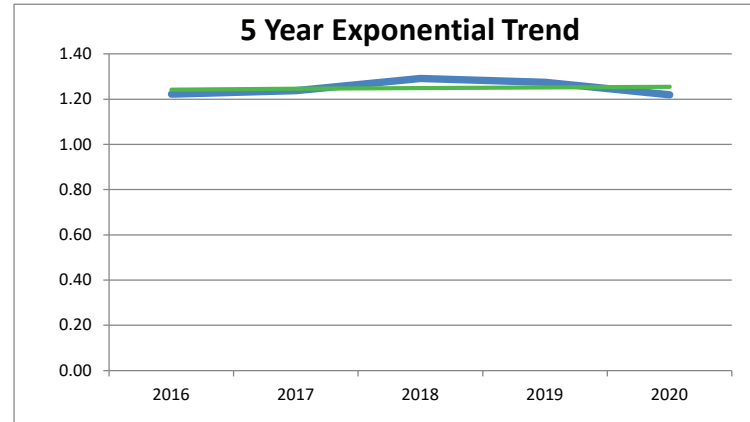
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	0.24%
Future	1.0000	0.24%

Trend Selection Notes:

Past: Select five year trend. Consistent experience in the last five years.

Future: Not expecting a large change in this trend. Believed to be tied closely to the economy, which hasn't been booming in this period. Expect lingering impacts on the economy from Covid-19 so that the economy will likely remain in a static slow recovery mode.



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

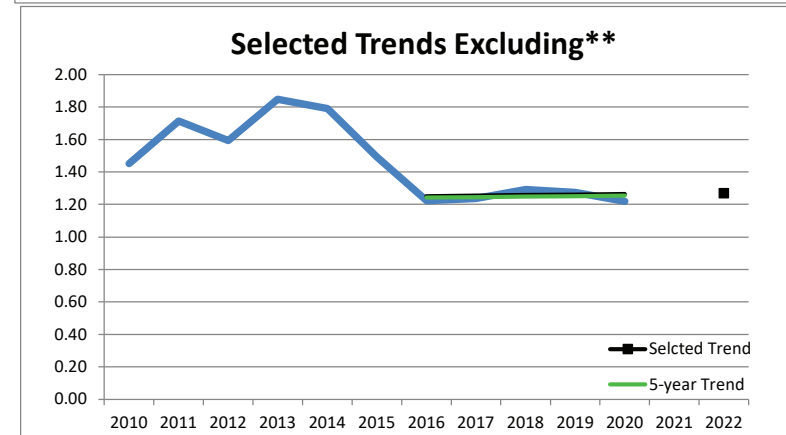
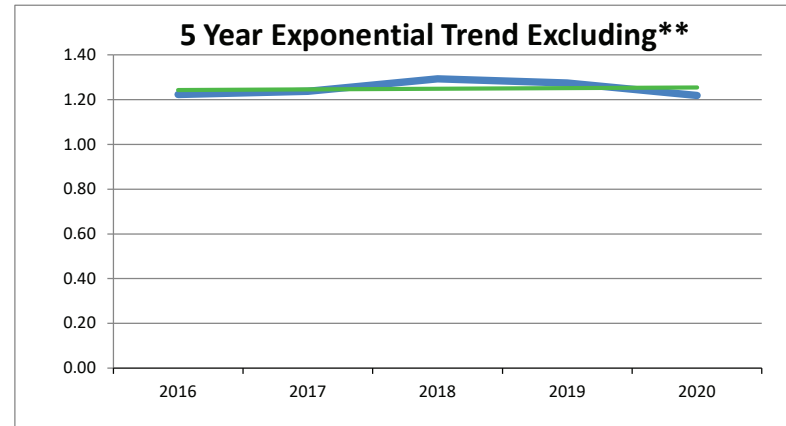
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-3.4607%	0.5340
10 -yr exp trend excl **	-4.58%	0.7086
9 -yr exp trend excl **	-4.92%	0.6811
8 -yr exp trend excl **	-5.82%	0.7187
7 -yr exp trend excl **	-4.93%	0.5807
6 -yr exp trend excl **	-2.39%	0.3478
5 -yr exp trend excl **	0.24%	0.0219
4 -yr exp trend excl **	-0.59%	0.0821
3 -yr exp trend excl **	-2.87%	0.9165

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	3.60%	0.7667
10-yr exp trend	3.15%	0.6901
9-yr exp trend	2.63%	0.5740
8-yr exp trend	1.94%	0.3958
7-yr exp trend	1.46%	0.2123
6-yr exp trend	0.54%	0.0276
5-yr exp trend	2.18%	0.2829
4-yr exp trend	-0.49%	0.0253
3-yr exp trend	-2.20%	0.2082

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	Past 0.00%
Future	1.27%	Future 1.27%

Trend Selection Notes:

Past: Excluded 2014/15 and 2015/16. Selected 0% trend for past since the curve looks flat overall.

Future: Technology in heavy vehicles is improving and thus heavy vehicles are becoming more costly to fix/replace. Considered selecting a 7-yr trend of 2.07% but this seemed too high for the future trend. Selected 6-yr trend of 1.27% as a middle ground.

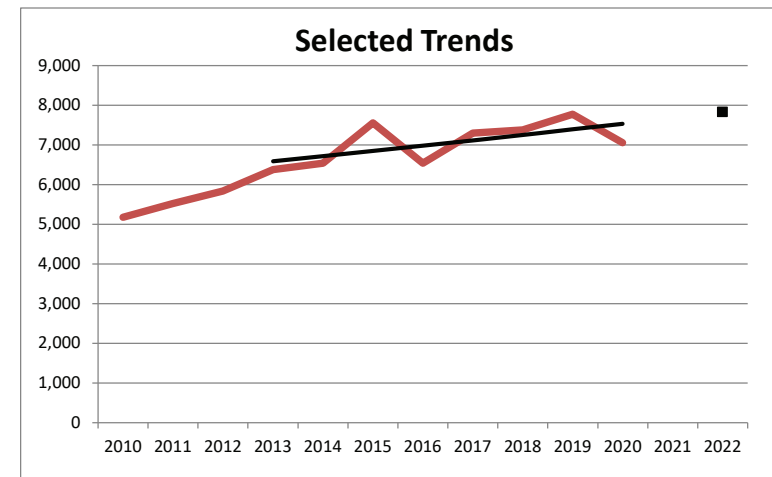
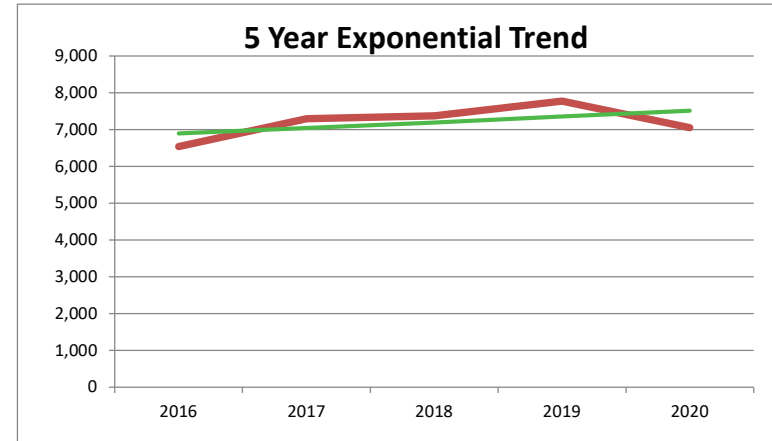
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.94%	Past 1.94%
Future	1.94%	Future 1.94%

Trend Selection Notes:

Past: Select the 8-yr trend to smooth out the experience. The 2015 and 2016 data points should be considered together as they do end up offsetting each other.

Future: Believed to be due to increases in repair costs further leveraged by expected increased damage caused by a heavier vehicle. Select 8 year trend to reflect the longer term trend and smooth over experience. Considered excluding 2020 but the result is reasonable and does bounce about in past years.



S&G

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

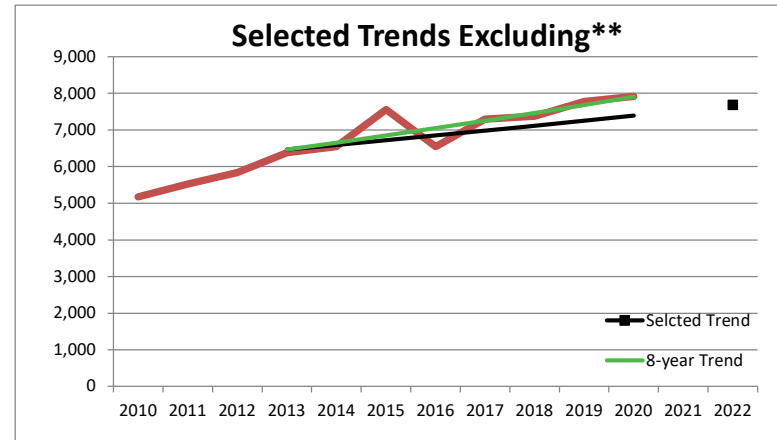
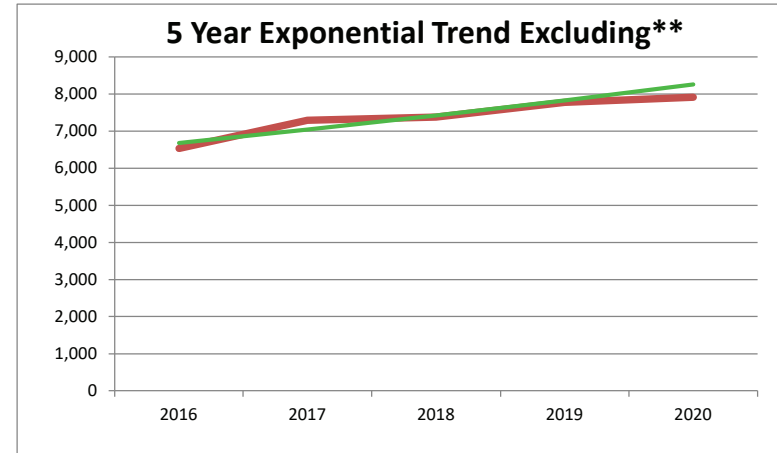
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	4.35%	0.8586
10 -yr exp trend excl **	3.97%	0.8072
9 -yr exp trend excl **	3.54%	0.7247
8 -yr exp trend excl **	2.90%	0.5873
7 -yr exp trend excl **	2.61%	0.4249
6 -yr exp trend excl **	1.80%	0.1823
5 -yr exp trend excl **	5.45%	0.8842
4 -yr exp trend excl **	3.20%	0.8685
3 -yr exp trend excl **	5.42%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

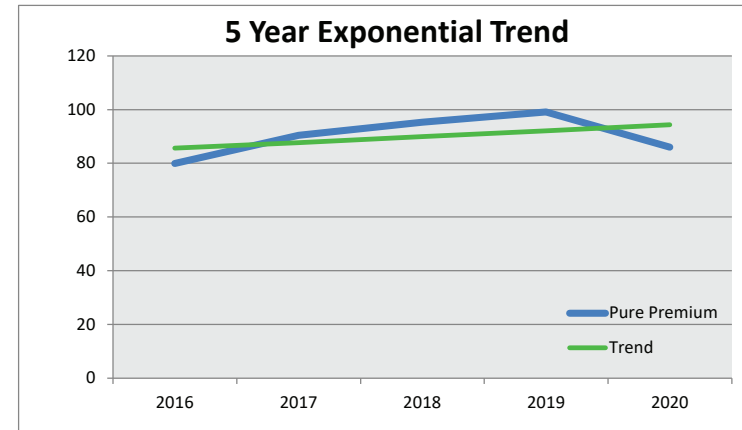
Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	0.01%	0.0000
10-yr exp trend	-1.57%	0.1326
9-yr exp trend	-2.42%	0.2331
8-yr exp trend	-3.99%	0.4613
7-yr exp trend	-3.54%	0.3138
6-yr exp trend	-1.86%	0.0858
5-yr exp trend	2.43%	0.1998
4-yr exp trend	-1.08%	0.0515
3-yr exp trend	-5.00%	0.4927



2020 Rate Program

Selected Trends

Past	2.35%
Future	3.65%

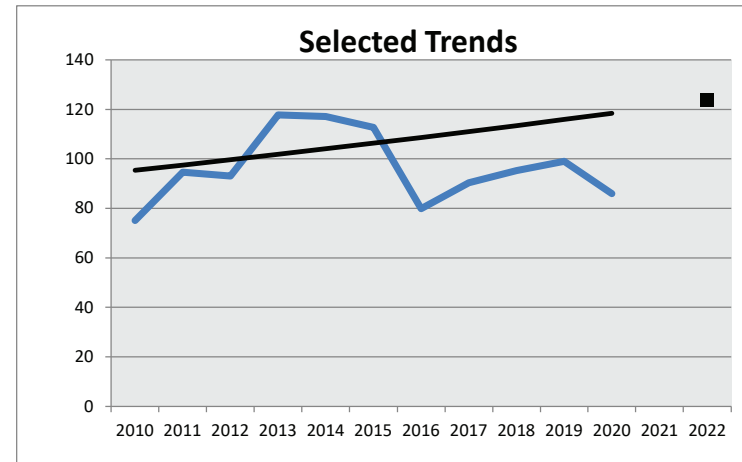
Credibility

1.0000

Credibility Weighted Trends

Past	2.35%
Future	3.65%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	2.18%
Future	2.18%

Credibility

1.0000

Final Trends

Past	2.18%
Future	2.18%

Trend Selection Notes:

Calculated Past Trend = 2.18%

Calculated Future Trend = 2.18%

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

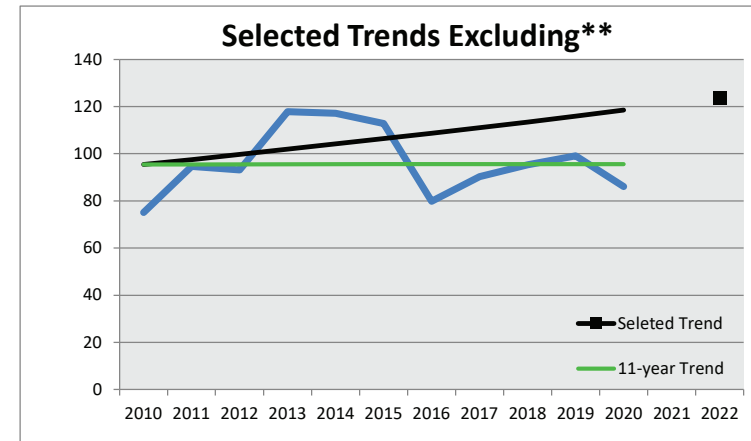
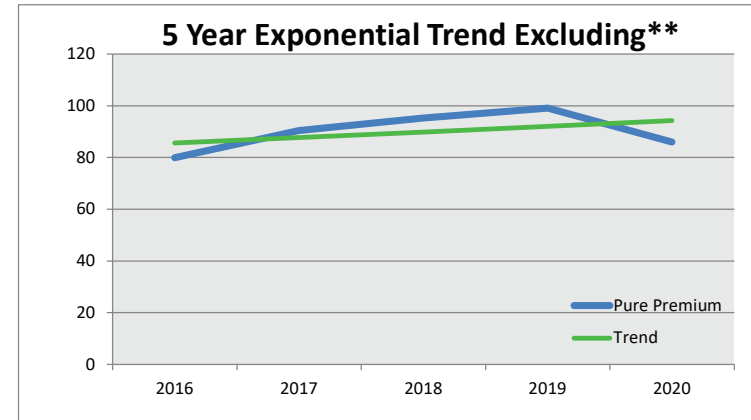
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	0.01%	0.0000
10 -yr exp trend excl **	-1.57%	0.1326
9 -yr exp trend excl **	-2.42%	0.2331
8 -yr exp trend excl **	-3.99%	0.4613
7 -yr exp trend excl **	-3.54%	0.3138
6 -yr exp trend excl **	-1.86%	0.0858
5 -yr exp trend excl **	2.43%	0.1998
4 -yr exp trend excl **	-1.08%	0.0515
3 -yr exp trend excl **	-5.00%	0.4927

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Ambulance and Bus

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	4,657	277	0.9986	1.0000	277	695,096	0.9746	1.0074	1.1003	750,909	5.94	2,714	161.24		
2010/2011	4,701	336	0.9994	1.0000	336	1,028,721	0.9744	1.0075	1.0959	1,106,685	7.15	3,291	235.42		
2011/2012	4,839	255	0.9990	1.0000	254	716,014	0.9764	1.0073	1.0949	771,043	5.26	3,032	159.36		
2012/2013	4,970	375	0.9987	1.0000	374	1,024,908	1.0212	1.0074	1.0888	1,147,908	7.53	3,068	230.98		
2013/2014	5,061	321	0.9987	1.0000	321	1,083,391	1.0203	1.0072	1.0763	1,198,335	6.33	3,738	236.77		
2014/2015	5,182	327	0.9981	1.0000	326	1,025,725	1.0304	1.0072	1.0445	1,111,929	6.29	3,410	214.57		
2015/2016	5,209	250	0.9970	1.0000	250	870,044	1.0344	1.0069	1.0172	921,690	4.79	3,691	176.94		
2016/2017	5,087	243	0.9991	1.0000	243	940,161	1.0413	1.0071	1.0003	986,235	4.78	4,056	193.89		
2017/2018	4,933	263	1.0067	1.0000	265	1,182,542	1.0442	1.0001	1.0003	1,235,223	5.37	4,665	250.39		
2018/2019	4,734	212	1.0356	1.0000	219	919,750	1.0606	1.0000	1.0002	975,710	4.63	4,451	206.11		
2019/2020	4,754	169	1.3225	1.0000	223	798,947	1.2962	1.0000	1.0000	1,035,633	4.69	4,644	217.84		
Ratio 2011/2010	1.0094				1.2154					1.4738	1.2040	1.2126	1.4600		
Ratio 2012/2011	1.0293				0.7562					0.6967	0.7347	0.9214	0.6769		
Ratio 2013/2012	1.0271				1.4712					1.4888	1.4324	1.0119	1.4495		
Ratio 2014/2013	1.0184				0.8569					1.0439	0.8414	1.2183	1.0251		
Ratio 2015/2014	1.0239				1.0173					0.9279	0.9936	0.9121	0.9062		
Ratio 2016/2015	1.0052				0.7657					0.8289	0.7617	1.0825	0.8246		
Ratio 2017/2016	0.9765				0.9737					1.0700	0.9972	1.0989	1.0958		
Ratio 2018/2017	0.9698				1.0890					1.2525	1.1229	1.1501	1.2914		
Ratio 2019/2018	0.9596				0.8279					0.7899	0.8628	0.9541	0.8232		
Ratio 2020/2019	1.0043				1.0173					1.0614	1.0129	1.0434	1.0569		

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-3.61%	0.4924
10-yr exp trend	-4.44%	0.5691
9-yr exp trend	-4.11%	0.4559
8-yr exp trend	-6.18%	0.7413
7-yr exp trend	-4.88%	0.6157
6-yr exp trend	-4.08%	0.4284
5-yr exp trend	-0.75%	0.0407
4-yr exp trend	-2.02%	0.1519
3-yr exp trend	-6.52%	0.6791

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -3.00%
Future		Future -3.00%

Trend Selection Notes:

Past: Highly volatile but currently have no explanation for this volatility. Excluded high and low points at 2011/12 and 2012/13 to see impact; curve remains volatile. No reason to deviate from the 2019 RP selection of -3%.

Future: Keep same as past. Noted that counts have been declining and the discontinuation of STC may be the cause. Keep an eye on this in the future in case we see another bus service fill the void.

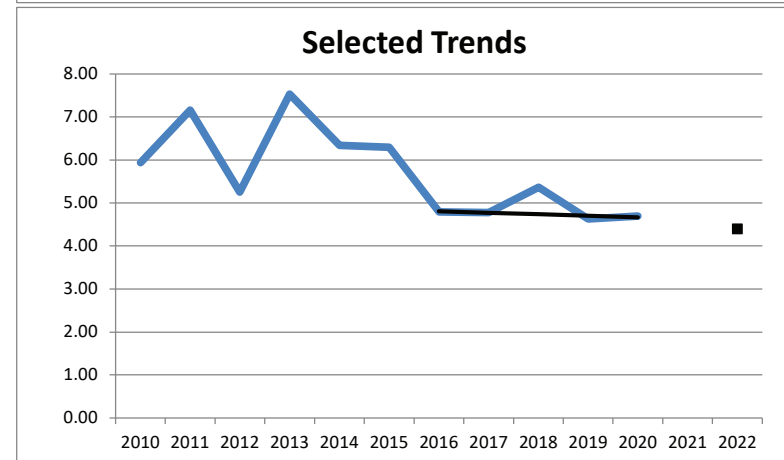
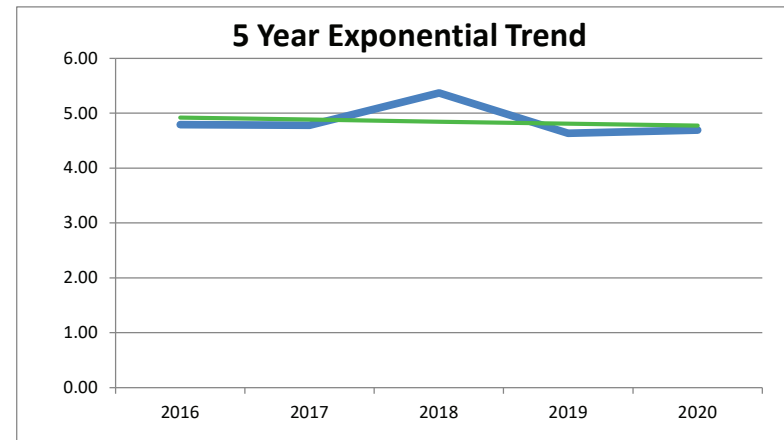
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -0.75%
Future		Future -3.00%

Trend Selection Notes:

Past: Keep the same as prior year's selection. Less volatility in last five years but continued lower exposure.

Future: Much uncertainty due to Covid as well as reduced bus routes during this time but no known regulatory or technological changes. Expect trend continue to decrease. Leave at 3% trend. Compromise between long and short term trends.



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

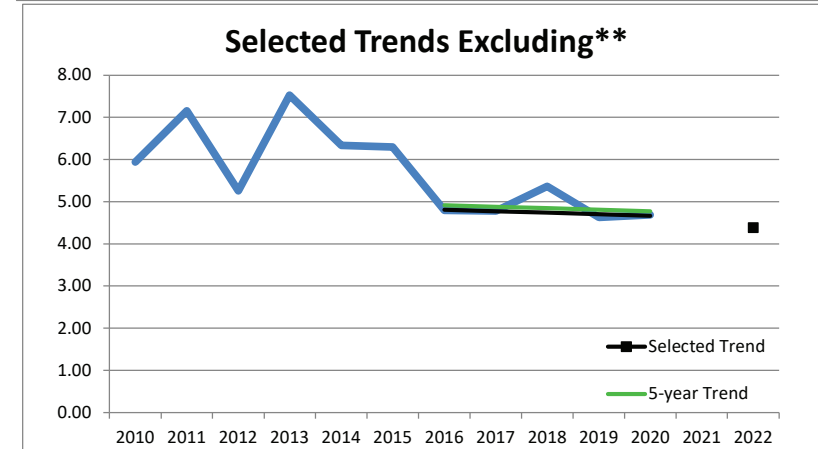
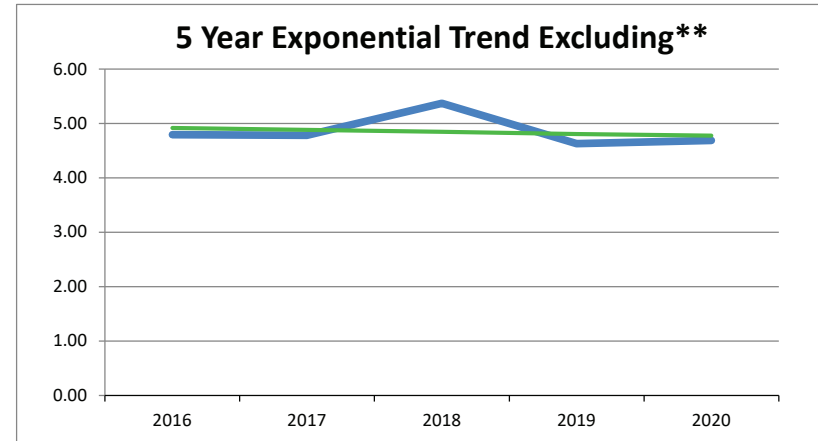
Exhibit 3 - Page 2-3

Frequency for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R² Frequency
11 -yr exp trend excl **	-3.61%	0.4924
10 -yr exp trend excl **	-4.44%	0.5691
9 -yr exp trend excl **	-4.11%	0.4559
8 -yr exp trend excl **	-6.18%	0.7413
7 -yr exp trend excl **	-4.88%	0.6157
6 -yr exp trend excl **	-4.08%	0.4284
5 -yr exp trend excl **	-0.75%	0.0407
4 -yr exp trend excl **	-2.02%	0.1519
3 -yr exp trend excl **	-6.52%	0.6791

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	5.35%	0.8859	0.8859
10-yr exp trend	5.10%	0.8479	0.8479
9-yr exp trend	5.90%	0.8914	0.8914
8-yr exp trend	5.89%	0.8515	0.8515
7-yr exp trend	5.19%	0.7793	0.7793
6-yr exp trend	6.63%	0.8594	0.8594
5-yr exp trend	5.68%	0.7546	0.7546
4-yr exp trend	3.66%	0.5103	0.5103
3-yr exp trend	-0.22%	0.0075	0.0075

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	5.00%	Past 5.00%
Future	5.00%	Future 5.00%

Trend Selection Notes:

Past: Volatility is apparent here however the trend line follows an upward progression overall. Excluding and including last two fiscal years doesn't change the curve dramatically; still produces long-term trends around 5% so select this for past.

Future: No reason to deviate from the past.

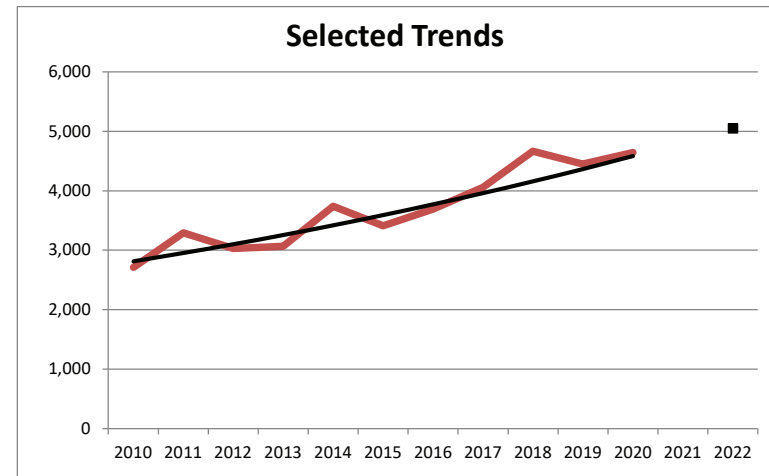
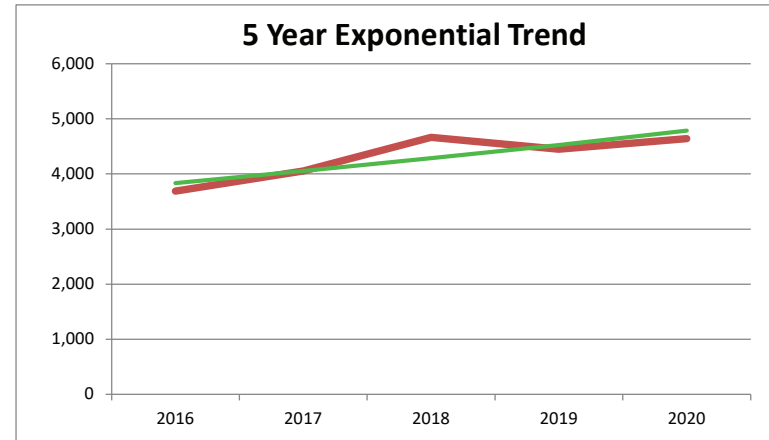
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	5.00%	Past 5.00%
Future	5.00%	Future 5.00%

Trend Selection Notes:

Past: Experience has been consistent. Leave selection at 5%

Future: Select same as past trend.



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

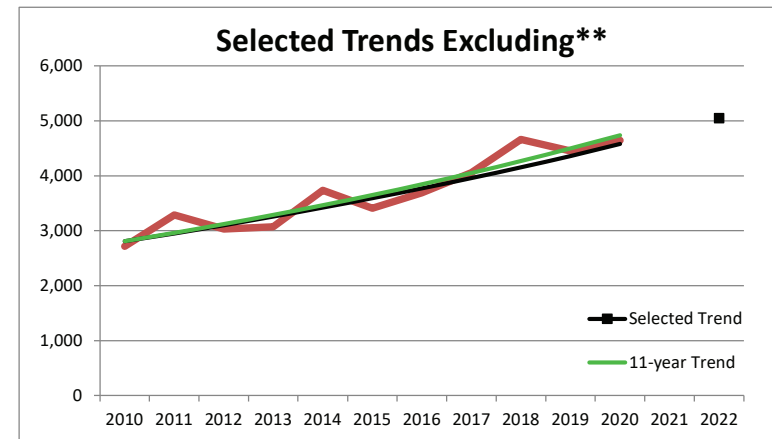
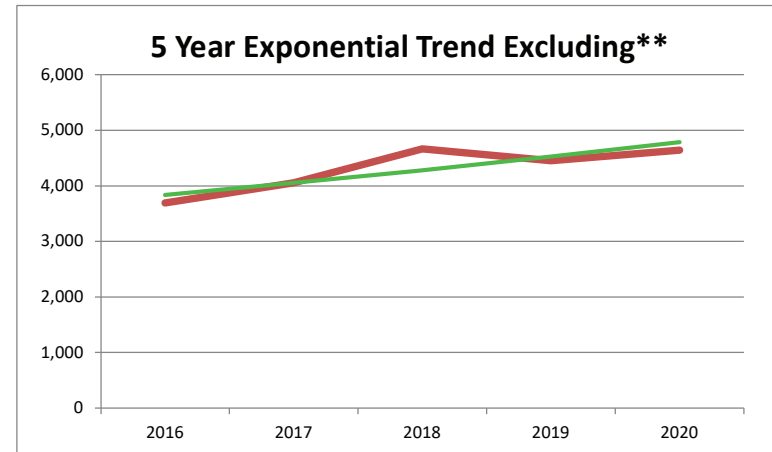
Exhibit 3 - Page 2-5

Severity for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.35%	0.8859
10 -yr exp trend excl **	5.10%	0.8479
9 -yr exp trend excl **	5.90%	0.8914
8 -yr exp trend excl **	5.89%	0.8515
7 -yr exp trend excl **	5.19%	0.7793
6 -yr exp trend excl **	6.63%	0.8594
5 -yr exp trend excl **	5.68%	0.7546
4 -yr exp trend excl **	3.66%	0.5103
3 -yr exp trend excl **	-0.22%	0.0075

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

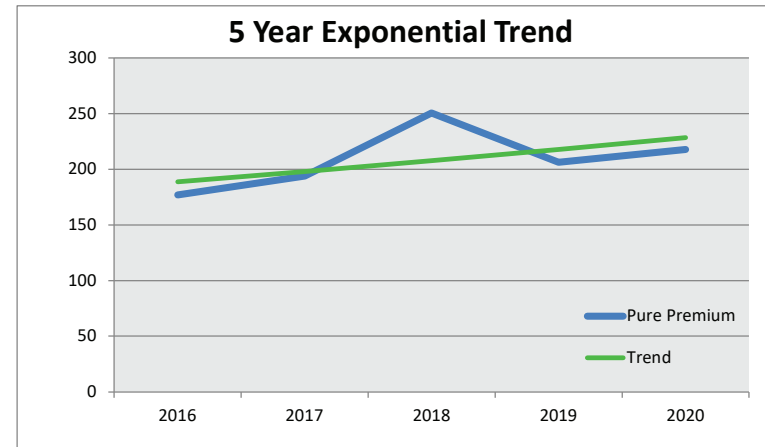
Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.55%	0.1052
10-yr exp trend	0.43%	0.0085
9-yr exp trend	1.54%	0.0841
8-yr exp trend	-0.65%	0.0203
7-yr exp trend	0.06%	0.0001
6-yr exp trend	2.28%	0.1297
5-yr exp trend	4.89%	0.3362
4-yr exp trend	1.56%	0.0335
3-yr exp trend	-6.73%	0.4823



2020 Rate Program

Selected Trends

Past	1.85%
Future	1.85%

Credibility
1.0000

Credibility Weighted Trends	
Past	1.85%
Future	1.85%

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	4.21%
Future	1.85%

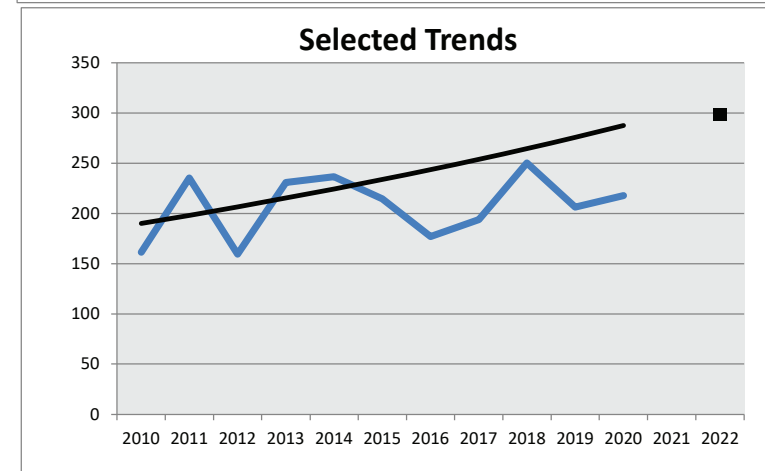
Credibility
1.0000

Final Trends	
Past	4.21%
Future	1.85%

Trend Selection Notes:

Calculated Past Trend = 4.21%

Calculated Future Trend = 1.85%



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Auto (21)

Rating year: 17/08/2021

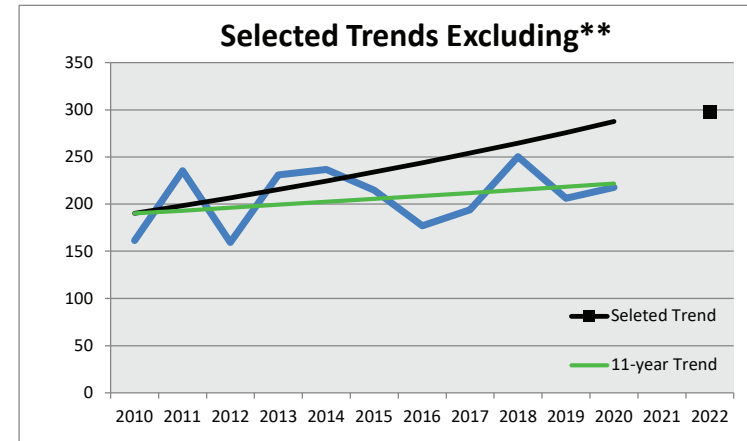
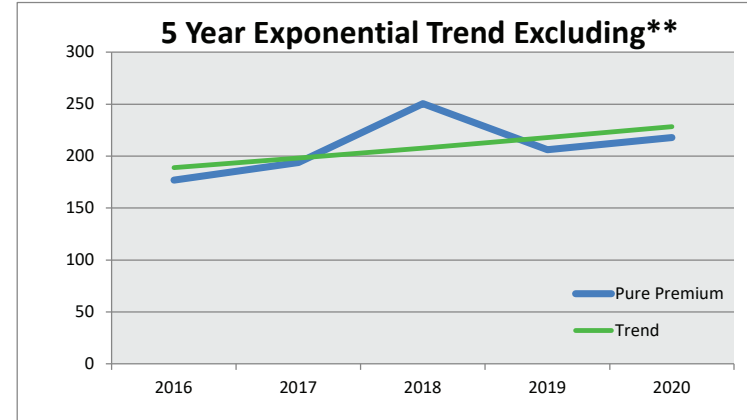
Exhibit 3 - Page 2-7

Pure Premium for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.55%	0.1052
10 -yr exp trend excl **	0.43%	0.0085
9 -yr exp trend excl **	1.54%	0.0841
8 -yr exp trend excl **	-0.65%	0.0203
7 -yr exp trend excl **	0.06%	0.0001
6 -yr exp trend excl **	2.28%	0.1297
5 -yr exp trend excl **	4.89%	0.3362
4 -yr exp trend excl **	1.56%	0.0335
3 -yr exp trend excl **	-6.73%	0.4823

** Years excluded: None



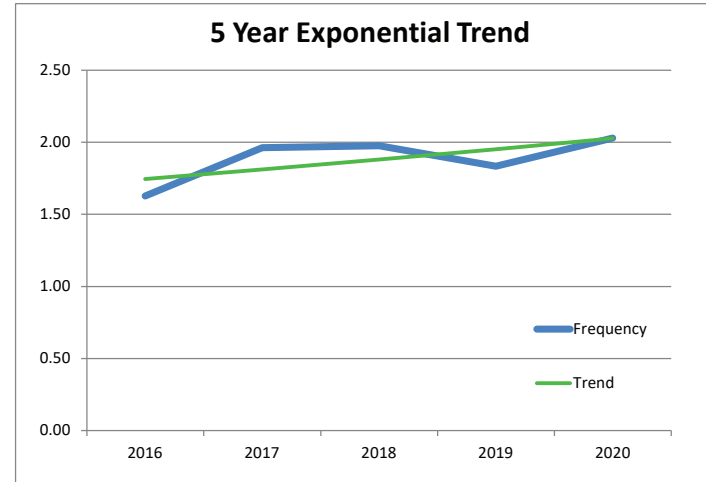
SGI
 Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1
Licensed Auto & Motorcycle Dealers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
									Labour Rate Change Factor				
2009/2010	3,794	81	0.9986	1.0000	81	355,693	0.9746	1.0232	1.1003	390,283	2.14	4,813	102.88
2010/2011	3,826	131	0.9994	1.0000	131	535,837	0.9744	1.0232	1.0959	585,480	3.42	4,481	153.04
2011/2012	3,879	112	0.9990	1.0000	111	380,685	0.9764	1.0230	1.0949	416,362	2.87	3,736	107.33
2012/2013	3,958	138	0.9987	1.0000	138	494,438	1.0212	1.0232	1.0888	562,459	3.47	4,090	142.10
2013/2014	3,969	119	0.9987	1.0000	119	481,545	1.0203	1.0231	1.0763	540,993	2.99	4,558	136.30
2014/2015	3,975	90	0.9981	1.0000	90	365,001	1.0304	1.0230	1.0445	401,871	2.27	4,458	101.11
2015/2016	3,991	65	0.9970	1.0000	65	346,623	1.0344	1.0227	1.0172	372,960	1.63	5,741	93.46
2016/2017	3,973	78	0.9991	1.0000	78	315,509	1.0413	1.0229	1.0003	336,153	1.96	4,309	84.62
2017/2018	3,969	78	1.0067	1.0000	78	314,276	1.0442	1.0157	1.0003	333,420	1.98	4,252	84.00
2018/2019	3,986	71	1.0356	1.0000	73	353,092	1.0606	1.0116	1.0002	378,916	1.83	5,185	95.05
2019/2020	3,971	61	1.3225	1.0000	81	296,969	1.2962	1.0028	1.0000	386,031	2.03	4,789	97.22
Ratio 2011/2010	1.0084				1.6115					1.5001	1.5981	0.9309	1.4877
Ratio 2012/2011	1.0141				0.8529					0.7111	0.8410	0.8338	0.7013
Ratio 2013/2012	1.0203				1.2339					1.3509	1.2094	1.0948	1.3240
Ratio 2014/2013	1.0027				0.8631					0.9618	0.8608	1.1143	0.9592
Ratio 2015/2014	1.0014				0.7594					0.7428	0.7584	0.9781	0.7418
Ratio 2016/2015	1.0040				0.7207					0.9281	0.7179	1.2877	0.9244
Ratio 2017/2016	0.9955				1.2008					0.9013	1.2062	0.7506	0.9054
Ratio 2018/2017	0.9991				1.0052					0.9919	1.0061	0.9867	0.9927
Ratio 2019/2018	1.0043				0.9318					1.1365	0.9279	1.2196	1.1316
Ratio 2020/2019	0.9960				1.1031					1.0188	1.1074	0.9236	1.0228

SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Licenced Auto & Motorcycle Dealers

Period	Trends Frequency	Coefficient of Determination - R ² Frequency
11-yr exp trend	-4.98%	0.4212
10-yr exp trend	-7.15%	0.6756
9-yr exp trend	-6.88%	0.5853
8-yr exp trend	-7.37%	0.5371
7-yr exp trend	-4.86%	0.3135
6-yr exp trend	-0.55%	0.0086
5-yr exp trend	3.80%	0.4394
4-yr exp trend	0.25%	0.0055
3-yr exp trend	1.37%	0.0661

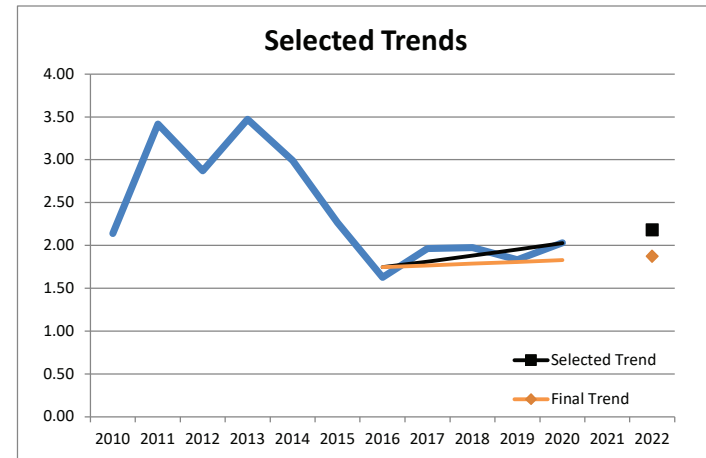


2020 Rate Program

Selected Trends	Credibility	Complement: Light vehicles
Past	-2.00%	Credibility Weighted Trends
Future	-2.00%	Past -2.00%
		Future -2.00%

Trend Selection Notes:

Past: Long term trends are steeper than the light vehicle selections though the most recent period is more flat. Select the five year trend excluding the partial year which isn't very credible and is missing the majority of winter driving months.
 Future: Same as past. Appears to be a new regime in the last five years compared to the prior five.



2021 Rate Program

Selected Trends	Credibility	Complement: Light vehicles
Past	3.80%	Final Trends
Future	3.80%	Past 1.18%
		Future 1.18%

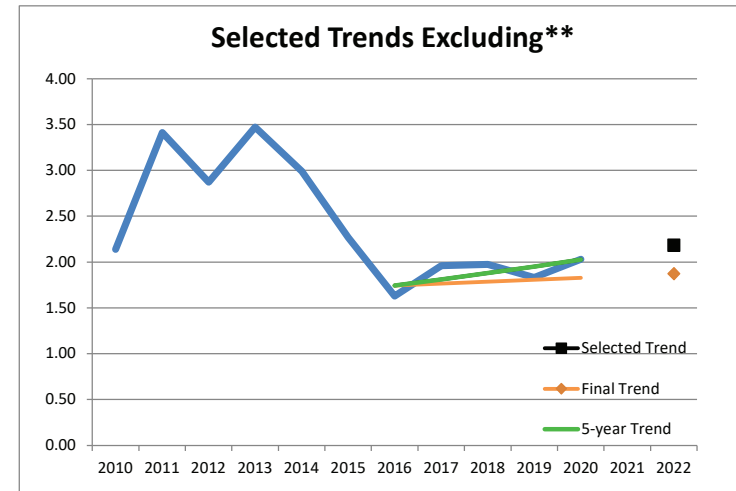
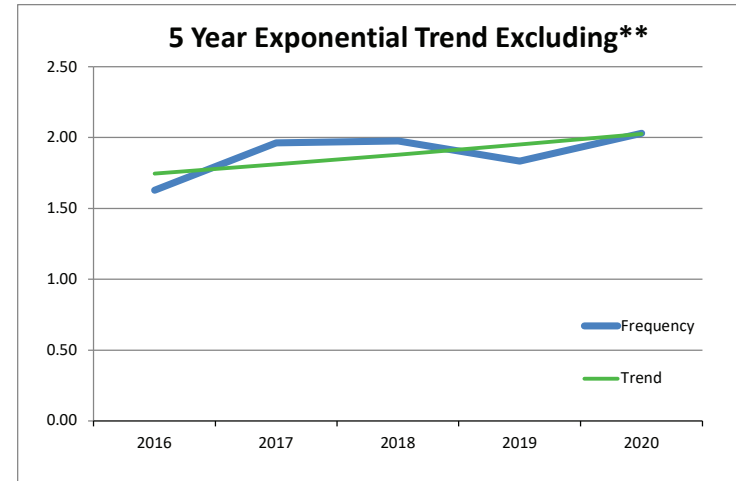
Trend Selection Notes:

Past: Select five year trend. Relatively consistent in the last five years. L-A&M specific trend credibility weighted with the Light vehicle selection.
 Future: Select five year. Expect trends to continue. There is known loophole that allows hot shotters to use a dealer plate. This group of drivers has had a poor historical claims experience.

SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Licenced Auto & Motorcycle Dealers
 Excluding Years: None

Period w Years Excluded	Coefficient of Determination - R ²	
	Trends Frequency	Frequency
11 -yr exp trend excl **	-4.98%	0.4212
10 -yr exp trend excl **	-7.15%	0.6756
9 -yr exp trend excl **	-6.88%	0.5853
8 -yr exp trend excl **	-7.37%	0.5371
7 -yr exp trend excl **	-4.86%	0.3135
6 -yr exp trend excl **	-0.55%	0.0086
5 -yr exp trend excl **	3.80%	0.4394
4 -yr exp trend excl **	0.25%	0.0055
3 -yr exp trend excl **	1.37%	0.0661

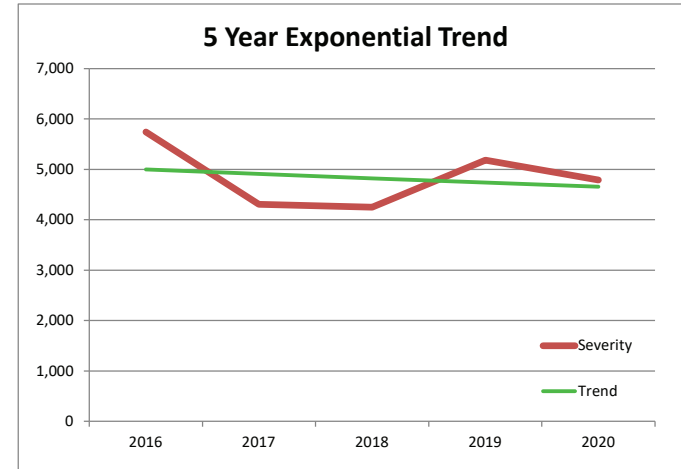
** Years excluded: None



SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4

Severity for Licenced Auto & Motorcycle Dealers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	1.17%	0.1104	
10-yr exp trend	1.94%	0.2310	
9-yr exp trend	2.59%	0.2966	
8-yr exp trend	1.58%	0.1157	
7-yr exp trend	0.54%	0.0114	
6-yr exp trend	0.11%	0.0003	
5-yr exp trend	-1.76%	0.0490	
4-yr exp trend	5.29%	0.5036	
3-yr exp trend	6.13%	0.3548	

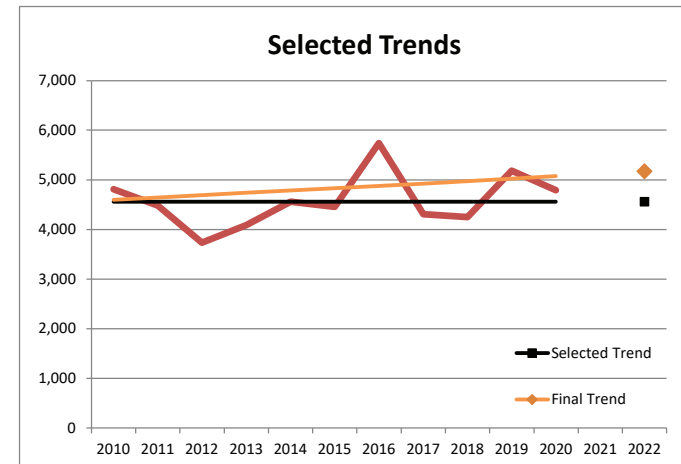


2020 Rate Program

Selected Trends	Credibility	Complement: Light vehicles	Credibility Weighted Trends
Past	1.58%	0.5942	Past 1.58%
Future	2.43%		Future 2.43%

Trend Selection Notes:

Past: Long term positive trend but recent period has seen volatility. Excluding the outlier in 2016 and then including and excluding the last partial year the the five year trends varies between -1% and 1%. Selecting a 0% trend.
 Future: Select the 9 year positive trend (ignores some of the volatility in the oldest years) excluding the 2016 data point.



2021 Rate Program

Selected Trends	Credibility	Complement: Light vehicles	Final Trends
Past	0.00%	0.5709	Past 0.98%
Future	0.00%		Future 0.98%

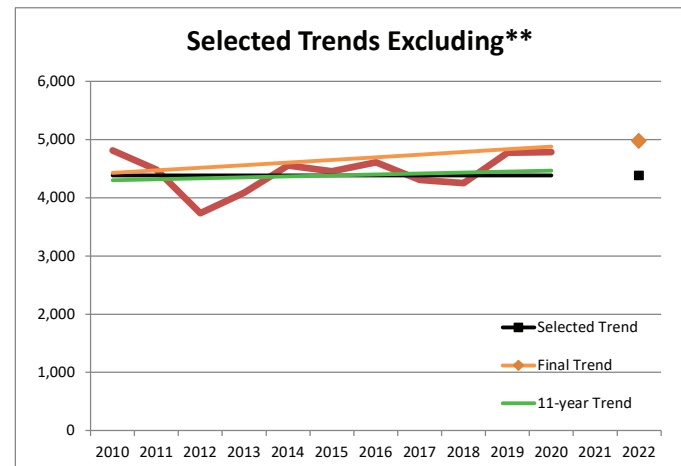
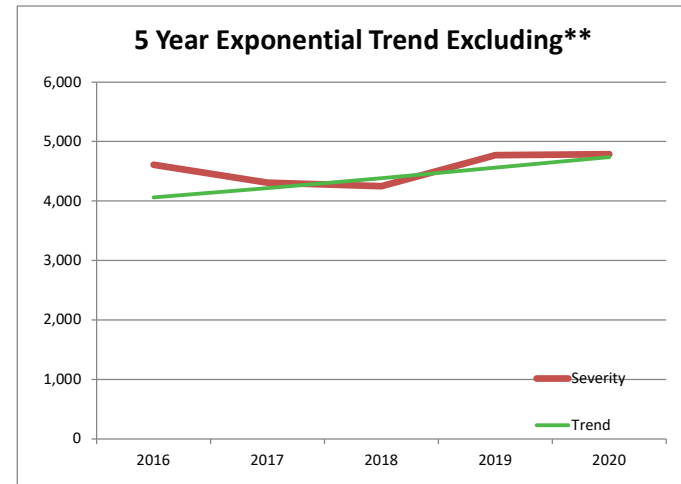
Trend Selection Notes:

Past: No apparent trend in the L-A&M class. Select 0% and let complement of credibility apply any underlying trend.
 Future: Select same as past.

SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Licenced Auto & Motorcycle Dealers
Excluding Years: 2015/2016, 2018/2019

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	0.37%	0.0240
10 -yr exp trend excl **	1.19%	0.2389
9 -yr exp trend excl **	1.97%	0.4901
8 -yr exp trend excl **	1.11%	0.2724
7 -yr exp trend excl **	0.45%	0.0522
6 -yr exp trend excl **	1.33%	0.2682
5 -yr exp trend excl **	3.94%	0.8214
4 -yr exp trend excl **	3.94%	0.8214
3 -yr exp trend excl **	6.13%	1.0000

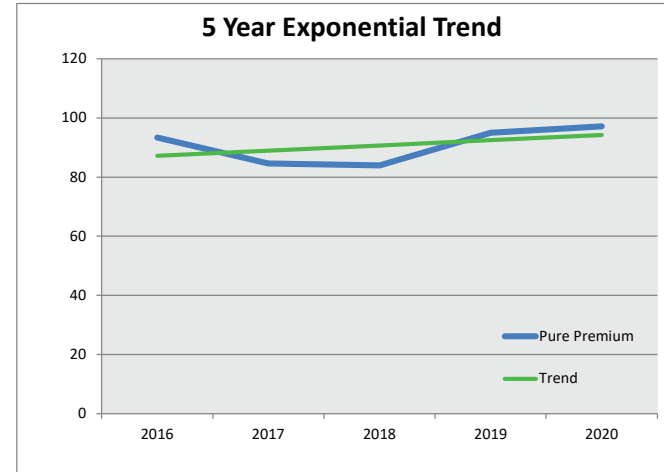
** Years excluded: 2015/2016, 2018/2019



SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6

Pure Premium for Licenced Auto & Motorcycle Dealers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-3.87%	0.4005
10-yr exp trend	-5.35%	0.5859
9-yr exp trend	-4.48%	0.4439
8-yr exp trend	-5.91%	0.5531
7-yr exp trend	-4.34%	0.3490
6-yr exp trend	-0.43%	0.0117
5-yr exp trend	1.97%	0.2046
4-yr exp trend	5.55%	0.8336
3-yr exp trend	7.58%	0.8626



2020 Rate Program

Selected Trends

Past -0.45%
 Future 0.38%

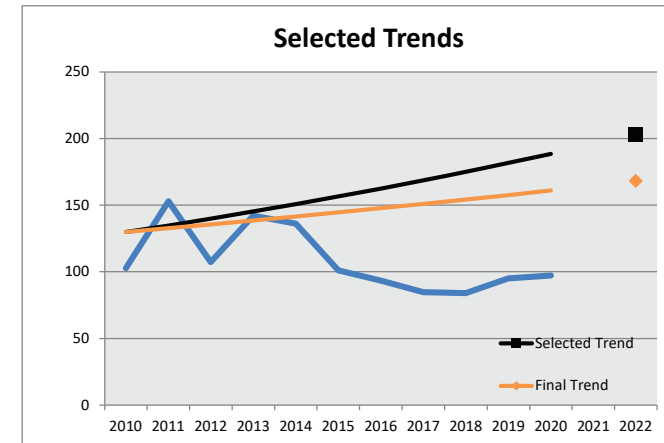
Credibility
 0.5942

Complement: Light vehicles

Credibility Weighted Trends

Past -0.45%
 Future 0.38%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past 3.80%
 Future 3.80%

Credibility
 0.5709

Complement: Light vehicles

Final Trends

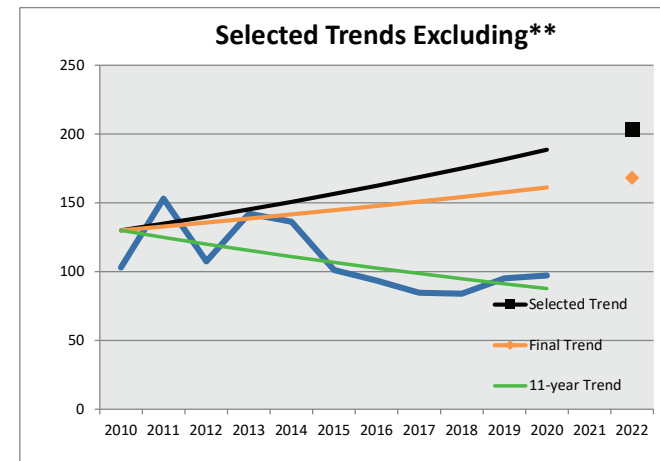
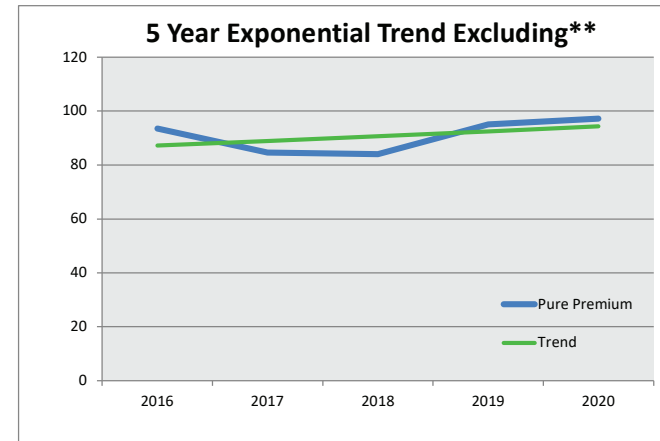
Past 2.18%
 Future 2.18%

Trend Selection Notes:

SGI
 Class Group: L - Dealer Plates
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Auto (21)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Licenced Auto & Motorcycle Dealers
 Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	-3.87%	0.4005
10 -yr exp trend excl **	-5.35%	0.5859
9 -yr exp trend excl **	-4.48%	0.4439
8 -yr exp trend excl **	-5.91%	0.5531
7 -yr exp trend excl **	-4.34%	0.3490
6 -yr exp trend excl **	-0.43%	0.0117
5 -yr exp trend excl **	1.97%	0.2046
4 -yr exp trend excl **	5.55%	0.8336
3 -yr exp trend excl **	7.58%	0.8626

** Years excluded: None



Damage to Others Property

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count		Ultimate Number of Claims	Incurred Losses	Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
			Development Factor	Claim Count Adjustment			Development Factor	Loss Adjustment					
2009/2010	782,558	942	0.9967	1.0000	938	3,971,443	0.9899	1.0229	1.0000	4,021,704	0.12	4,286	5.14
2010/2011	795,703	903	0.9922	1.0000	896	3,746,285	1.0026	1.0229	1.0000	3,842,019	0.11	4,289	4.83
2011/2012	809,458	893	0.9922	1.0000	886	3,993,913	1.0436	1.0228	1.0000	4,263,363	0.11	4,813	5.27
2012/2013	830,929	913	0.9975	1.0000	911	3,686,599	1.0033	1.0231	1.0000	3,784,172	0.11	4,155	4.55
2013/2014	840,180	868	0.9956	1.0000	864	3,715,298	0.9883	1.0230	1.0000	3,756,327	0.10	4,348	4.47
2014/2015	852,870	764	0.9933	1.0000	759	3,746,892	1.0147	1.0229	1.0000	3,889,224	0.09	5,126	4.56
2015/2016	864,135	799	0.9933	1.0000	794	3,896,480	1.0575	1.0225	1.0000	4,213,173	0.09	5,307	4.88
2016/2017	863,301	840	0.9950	1.0000	836	4,333,414	1.0244	1.0228	1.0000	4,540,249	0.10	5,430	5.26
2017/2018	867,201	756	1.0133	1.0000	766	4,332,082	1.0377	1.0157	1.0000	4,565,571	0.09	5,960	5.26
2018/2019	866,749	703	1.0739	1.0000	755	3,561,412	1.0389	1.0113	1.0000	3,741,739	0.09	4,959	4.32
2019/2020	871,217	454	1.5878	1.0000	721	2,822,685	1.4835	1.0028	1.0000	4,199,117	0.08	5,821	4.82
Ratio 2011/2010	1.0168				0.9546					0.9553	0.9389	1.0007	0.9395
Ratio 2012/2011	1.0173				0.9889					1.1097	0.9721	1.1221	1.0908
Ratio 2013/2012	1.0265				1.0281					0.8876	1.0016	0.8633	0.8647
Ratio 2014/2013	1.0111				0.9485					0.9926	0.9381	1.0465	0.9817
Ratio 2015/2014	1.0151				0.8782					1.0354	0.8651	1.1790	1.0200
Ratio 2016/2015	1.0132				1.0464					1.0833	1.0328	1.0352	1.0692
Ratio 2017/2016	0.9990				1.0531					1.0776	1.0542	1.0233	1.0787
Ratio 2018/2017	1.0045				0.9162					1.0056	0.9121	1.0976	1.0011
Ratio 2019/2018	0.9995				0.9850					0.8196	0.9855	0.8321	0.8200
Ratio 2020/2019	1.0052				0.9561					1.1222	0.9512	1.1738	1.1165

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

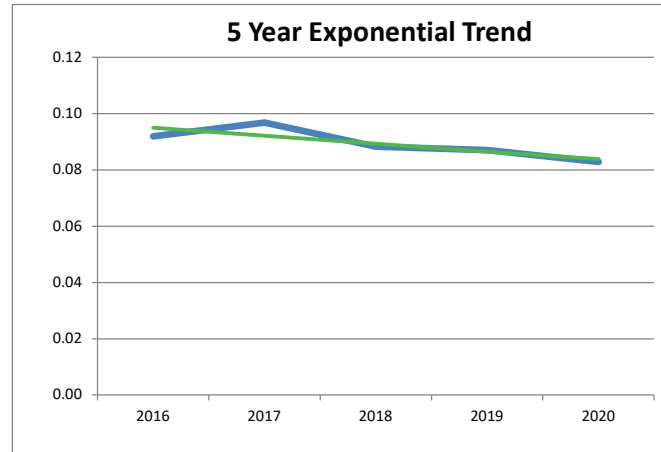
Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-3.47%	0.8919
10-yr exp trend	-3.33%	0.8559
9-yr exp trend	-3.32%	0.8108
8-yr exp trend	-3.24%	0.7416
7-yr exp trend	-2.58%	0.6144
6-yr exp trend	-1.73%	0.3860
5-yr exp trend	-3.10%	0.7136
4-yr exp trend	-4.73%	0.9160
3-yr exp trend	-3.18%	0.9090



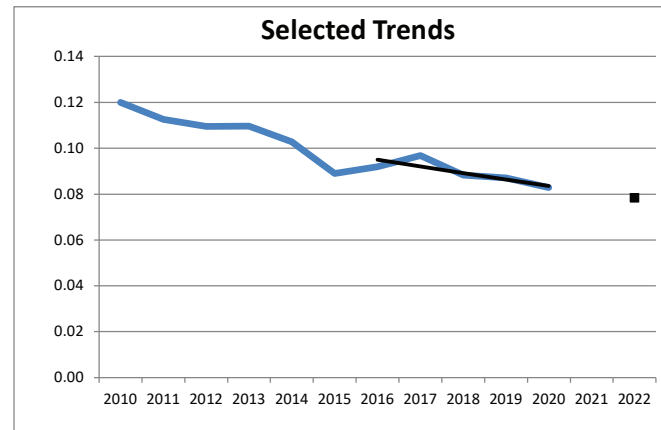
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past -2.15%	1.0000	Past -2.15%
Future -2.15%		Future -2.15%

Trend Selection Notes:

Past: Long term trend is consistent. More recent trend does seem to have flatten slightly though. Updating to the 6 year trend which captures some of it.

Future: No reason to differ from past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past -3.18%	1.0000	Past -3.18%
Future -3.18%		Future -3.18%

Trend Selection Notes:

Past: Historical trend is consistent. Selecting the 3-yr trend to reflect the latest period and as it's between the 5-yr trends including and excluding the 2017 high point.

Future: Select same as past.

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

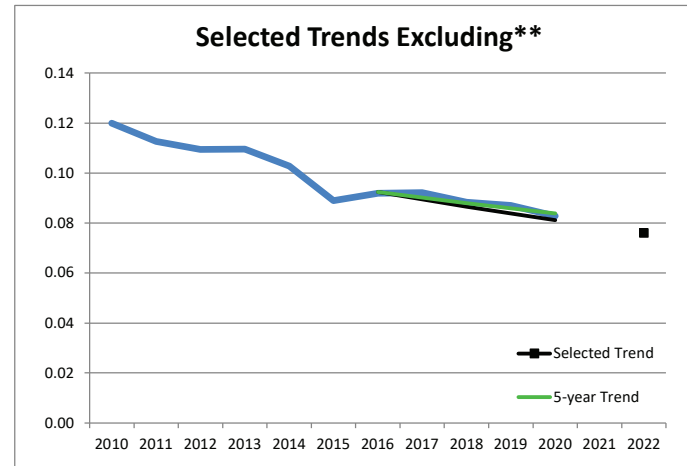
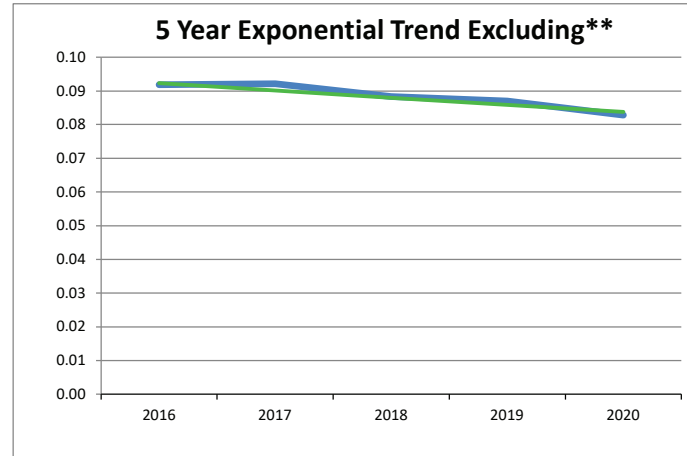
Exhibit 3 - Page 2-3

Frequency for Light Vehicles

Excluding Years: 2016/2017

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R² Frequency
11 -yr exp trend excl **	-3.58%	0.9139
10 -yr exp trend excl **	-3.44%	0.8867
9 -yr exp trend excl **	-3.42%	0.8505
8 -yr exp trend excl **	-3.31%	0.7928
7 -yr exp trend excl **	-2.58%	0.7172
6 -yr exp trend excl **	-1.48%	0.6645
5 -yr exp trend excl **	-2.40%	0.9319
4 -yr exp trend excl **	-3.18%	0.9090
3 -yr exp trend excl **	-3.18%	0.9090

** Years excluded: 2016/2017



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

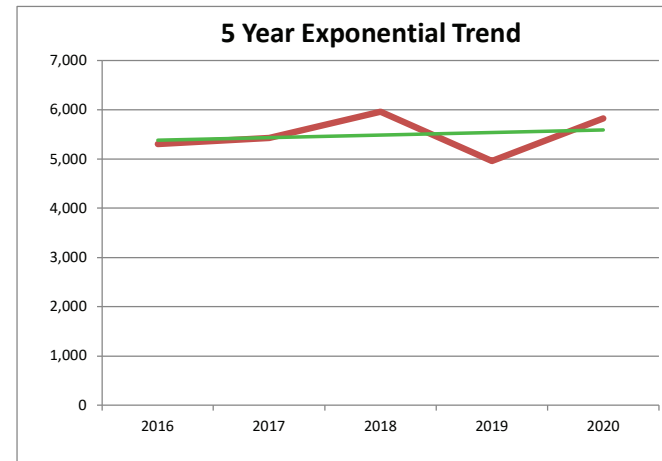
Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles

Period	Trends Severity	Coefficient of Determination - R ²	
		Severity	
11-yr exp trend	3.22%	0.6723	
10-yr exp trend	3.37%	0.6295	
9-yr exp trend	3.35%	0.5510	
8-yr exp trend	4.25%	0.6285	
7-yr exp trend	3.36%	0.4537	
6-yr exp trend	1.51%	0.1541	
5-yr exp trend	0.95%	0.0407	
4-yr exp trend	0.25%	0.0015	
3-yr exp trend	-1.17%	0.0139	

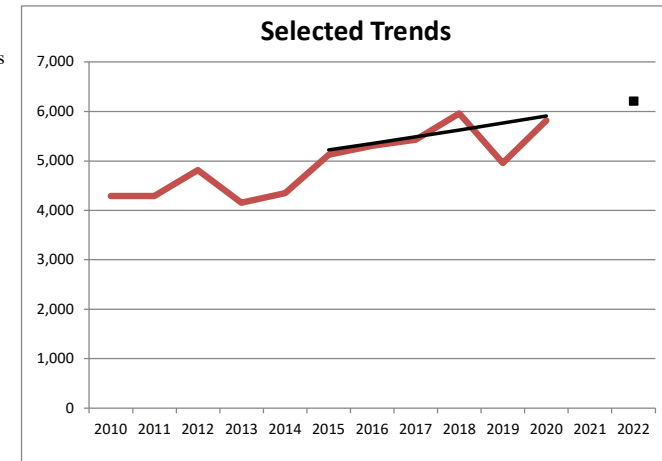


2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	6.38%	Past 6.38%
Future	6.38%	Future 6.38%

Trend Selection Notes:

Past: Long term trends are consistent with 5 year trend excluding latest data period. But 4 of the past 5 years have had increases in excess of 6%. Same volatility seen in earlier years isn't as evident in current 5 year period. Selecting the average of 5 and 6 year trends excluding 2018/2019 to partially capture the increase.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	2.51%	Past 2.51%
Future	2.51%	Future 2.51%

Trend Selection Notes:

Past: Long term trends are consistent with just some noise in the last few years. Excluding the high and low points in the recent period the five year trend is very consistent. Select the 6 year trend excluding these points to reflect both the recent period and the higher longer term trends.

Future: Select same as past. The last few years are too volatile to select an alternative trend.

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

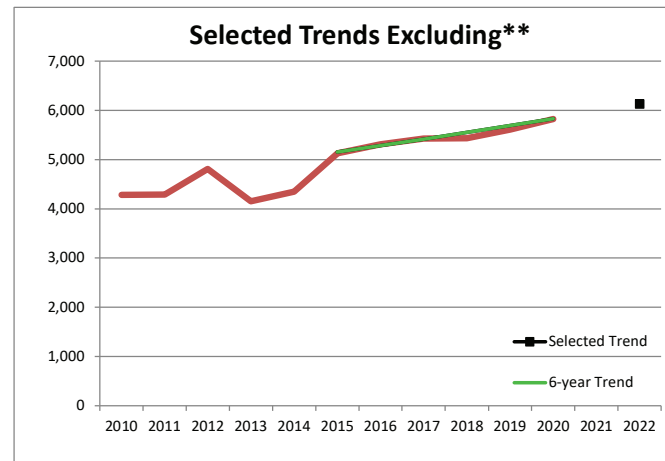
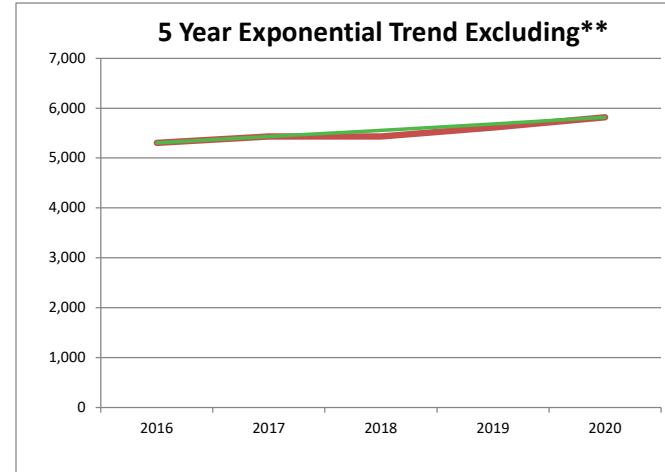
Exhibit 3 - Page 2-5

Severity for Light Vehicles

Excluding Years: 2017/2018, 2018/2019

Period w Years Excluded	Trends Severity	Coefficient of Determination - R ²	
		Severity	Severity
11 -yr exp trend excl **	3.48%	0.7567	
10 -yr exp trend excl **	3.72%	0.7351	
9 -yr exp trend excl **	3.81%	0.6800	
8 -yr exp trend excl **	4.98%	0.8299	
7 -yr exp trend excl **	4.21%	0.7627	
6 -yr exp trend excl **	2.51%	0.9930	
5 -yr exp trend excl **	2.34%	1.0000	
4 -yr exp trend excl **	2.34%	1.0000	
3 -yr exp trend excl **	#DIV/0!	#DIV/0!	

** Years excluded: 2017/2018, 2018/2019



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

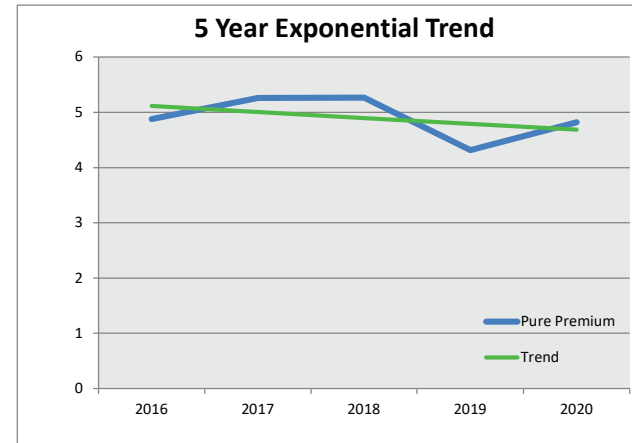
Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Light Vehicles

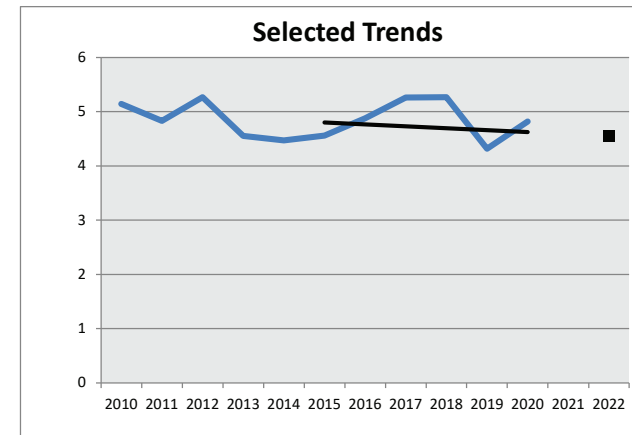
Period	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11-yr exp trend	-0.36%	0.0276
10-yr exp trend	-0.08%	0.0011
9-yr exp trend	-0.08%	0.0007
8-yr exp trend	0.87%	0.0830
7-yr exp trend	0.69%	0.0368
6-yr exp trend	-0.25%	0.0035
5-yr exp trend	-2.18%	0.1834
4-yr exp trend	-4.50%	0.3999
3-yr exp trend	-4.32%	0.1971



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	4.09%	1.0000
Future	4.09%	4.09%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-0.75%	1.0000
Future	-0.75%	-0.75%

Trend Selection Notes:

Calculated Past Trend = -0.75%

Calculated Future Trend = -0.75%

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

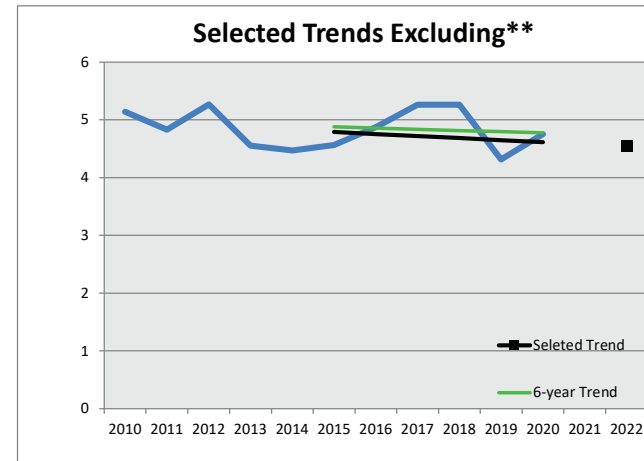
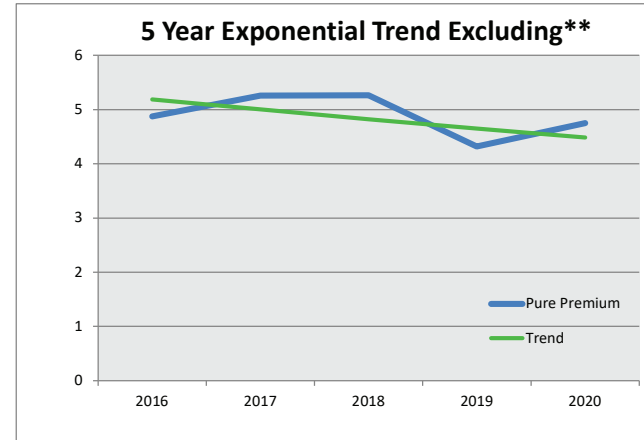
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-0.45%	0.0329
10 -yr exp trend excl **	-0.12%	0.0020
9 -yr exp trend excl **	-0.13%	0.0016
8 -yr exp trend excl **	1.11%	0.0901
7 -yr exp trend excl **	0.95%	0.0437
6 -yr exp trend excl **	-0.33%	0.0035
5 -yr exp trend excl **	-3.57%	0.2529
4 -yr exp trend excl **	-9.40%	0.7460
3 -yr exp trend excl **	-18.00%	1.0000

** Years excluded: 2019/2020



SGI
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim	Ultimate	Incurred Loss		On-Level Labour Rate		Ultimate Losses	Percent		Ultimate Pure Premium
			Development Factor	Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Loss Adjustment	Change Factor		Ultimate Frequency	Ultimate Severity	
2009/2010	65,104	253	0.9967	1.0000	253	2,203,102	0.9899	1.0074	1.0000	2,197,051	0.39	8,696	33.75
2010/2011	65,354	255	0.9922	1.0000	253	2,739,100	1.0026	1.0074	1.0000	2,766,673	0.39	10,927	42.33
2011/2012	66,498	266	0.9922	1.0000	264	3,082,030	1.0436	1.0072	1.0000	3,239,679	0.40	12,264	48.72
2012/2013	68,769	268	0.9975	1.0000	267	3,408,956	1.0033	1.0073	1.0000	3,445,316	0.39	12,893	50.10
2013/2014	69,888	279	0.9956	1.0000	278	4,084,579	0.9883	1.0072	1.0000	4,065,963	0.40	14,620	58.18
2014/2015	70,719	275	0.9933	1.0000	273	3,150,151	1.0147	1.0072	1.0000	3,219,428	0.39	11,779	45.52
2015/2016	70,425	245	0.9933	1.0000	243	3,354,231	1.0575	1.0068	1.0000	3,571,305	0.35	14,691	50.71
2016/2017	69,444	248	0.9950	1.0000	246	3,247,093	1.0244	1.0071	1.0000	3,349,803	0.35	13,591	48.24
2017/2018	69,178	237	1.0133	1.0000	240	3,262,108	1.0377	1.0000	1.0000	3,384,928	0.35	14,090	48.93
2018/2019	68,804	198	1.0739	1.0000	213	2,976,141	1.0389	1.0000	1.0000	3,091,787	0.31	14,510	44.94
2019/2020	68,793	107	1.5878	1.0000	169	1,972,150	1.4835	1.0000	1.0000	2,925,630	0.25	17,271	42.53
Ratio 2011/2010	1.0038									1.2593	0.9984	1.2565	1.2545
Ratio 2012/2011	1.0175									1.1710	1.0253	1.1224	1.1508
Ratio 2013/2012	1.0342									1.0635	0.9782	1.0513	1.0283
Ratio 2014/2013	1.0163									1.1801	1.0240	1.1340	1.1613
Ratio 2015/2014	1.0119									0.7918	0.9712	0.8057	0.7825
Ratio 2016/2015	0.9958									1.1093	0.8931	1.2472	1.1139
Ratio 2017/2016	0.9861									0.9380	1.0282	0.9251	0.9512
Ratio 2018/2017	0.9962									1.0105	0.9785	1.0367	1.0144
Ratio 2019/2018	0.9946									0.9134	0.8918	1.0298	0.9184
Ratio 2020/2019	0.9998									0.9463	0.7951	1.1904	0.9464

SGI
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Property (22)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends Frequency	Coefficient of Determination - R ² Frequency
11-yr exp trend	-3.48%	0.6565
10-yr exp trend	-4.06%	0.7018
9-yr exp trend	-4.80%	0.7550
8-yr exp trend	-5.49%	0.7708
7-yr exp trend	-6.48%	0.8057
6-yr exp trend	-7.16%	0.7763
5-yr exp trend	-7.80%	0.7113
4-yr exp trend	-11.41%	0.8718
3-yr exp trend	-15.79%	0.9642

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past -1.87%	1.0000	Past -1.87%
Future -1.87%		Future -1.87%

Trend Selection Notes:

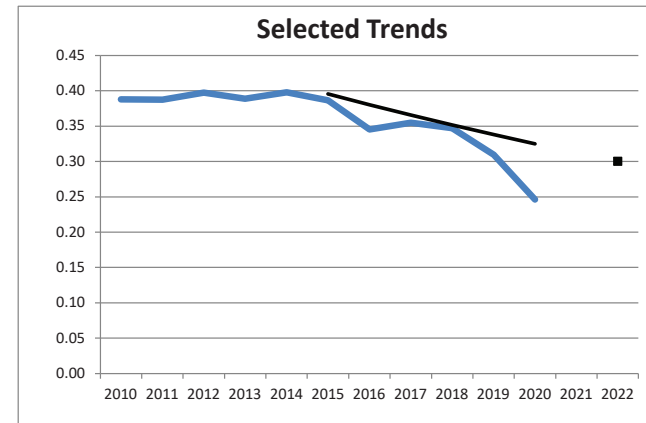
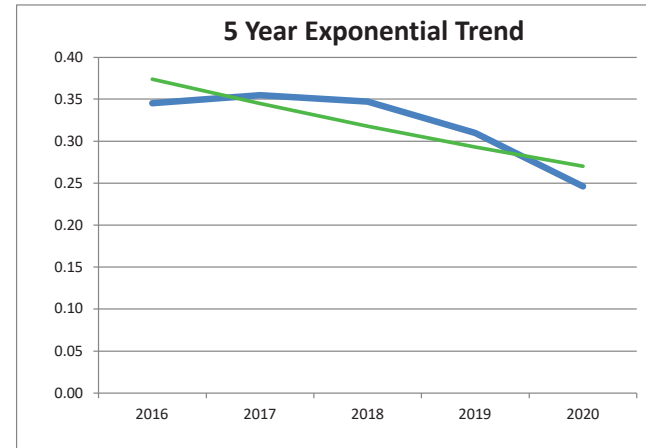
Past: Long term negative trend, but flat from 2010-2015 and again in recent years. Likely the result of economic cycles. For past, select the 6 year trend excluding the latest year.
 Future: As with 21, don't expect fast recovery in the economy in the near future so keep same as past.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past -3.84%	0.9779	Past -3.84%
Future -3.84%		Future -3.84%

Trend Selection Notes:

Past: Trend had been flat up to 2015 then declining with two large drops in 2016 and again in 2019. Hesitant to put weight on the 2020 fiscal year right now. Select an average of the 5-yr and 6-yr trends excluding 2020 so as not to start the trend from a dip. Used selection directly rather than credibility weighting since it's mostly credible.
 Future: Select the same as past. The recent trend seems too negative but it also isn't flat so this is a compromise between the potential flat growth that may occur or another drop. Covid adds more uncertainty to this selection as well.

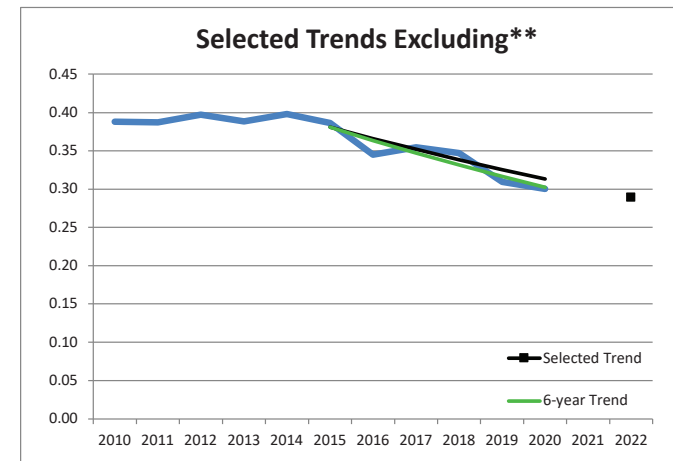
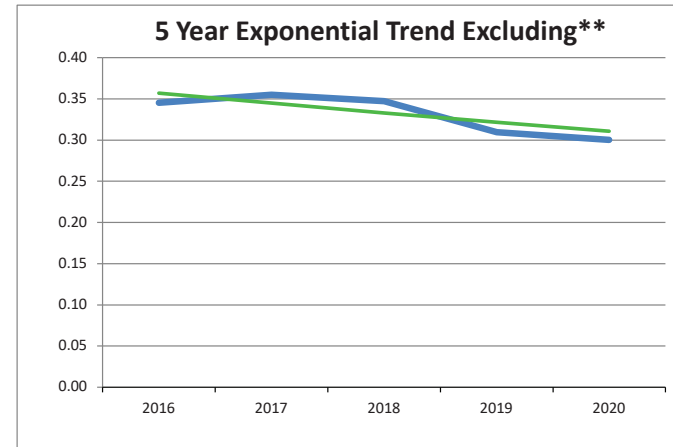


SGI
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Property (22)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Heavy Vehicles
Excluding Years: 2019/2020

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R ² Frequency
11 -yr exp trend excl **	-2.24%	0.6941
10 -yr exp trend excl **	-2.67%	0.7509
9 -yr exp trend excl **	-3.23%	0.8222
8 -yr exp trend excl **	-3.64%	0.8222
7 -yr exp trend excl **	-4.32%	0.8513
6 -yr exp trend excl **	-4.27%	0.7619
5 -yr exp trend excl **	-3.41%	0.5388
4 -yr exp trend excl **	-6.59%	0.8663
3 -yr exp trend excl **	-10.82%	1.0000

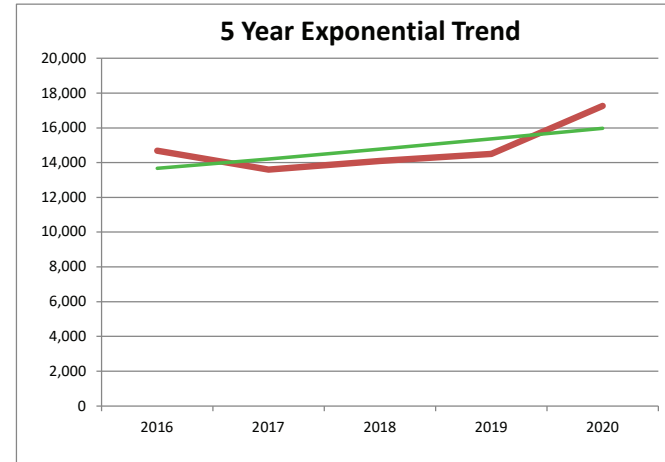
** Years excluded: 2019/2020



S&G
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Property (22)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Heavy Vehicles

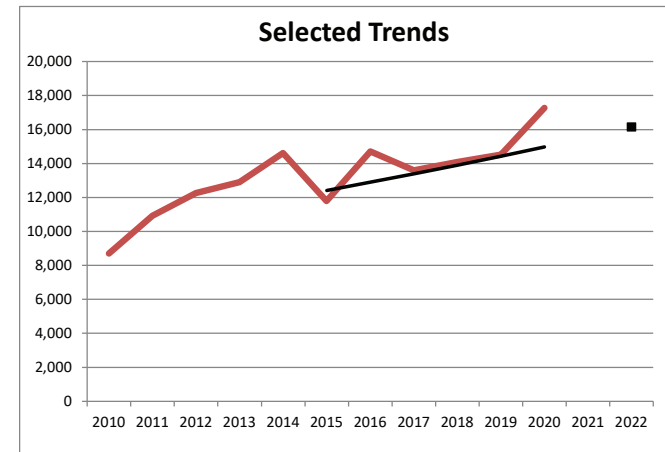
Period	Trends Severity	Coefficient of Determination - R ² Severity
11-yr exp trend	4.74%	0.7036
10-yr exp trend	3.54%	0.6418
9-yr exp trend	3.03%	0.5151
8-yr exp trend	2.98%	0.4183
7-yr exp trend	3.17%	0.3530
6-yr exp trend	5.62%	0.6798
5-yr exp trend	3.97%	0.4456
4-yr exp trend	7.77%	0.8253
3-yr exp trend	10.72%	0.8555



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	4.24%	Past 4.24%
Future	4.24%	Future 4.24%

Trend Selection Notes:
 Past: Data is volatile, 5 year trend fits the recent part of the curve amid the ups and downs.
 Future: Set equal to past, no reason to deviate.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	3.82%	Past 3.82%
Future	3.82%	Future 3.82%

Trend Selection Notes:
 Past: Exclude the latest year as it appears to be an outlier. With the spike in 2016 this does cause the trend to be flat. Select the 6 year trend so as not to start at a peak. This ends up being just slightly lower than the 5-yr trend including the latest year.
 Future: Select same as past.

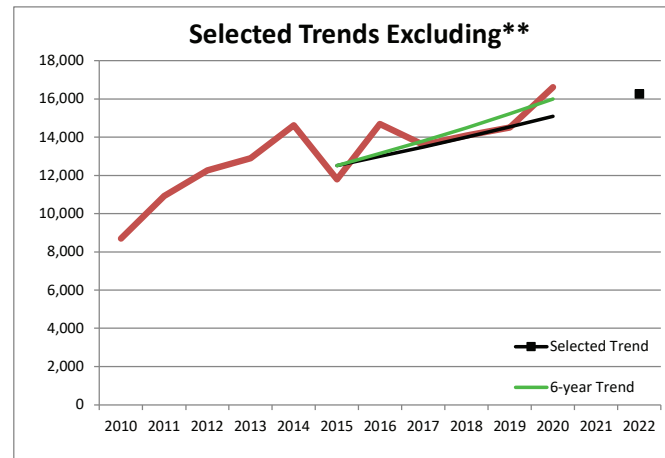
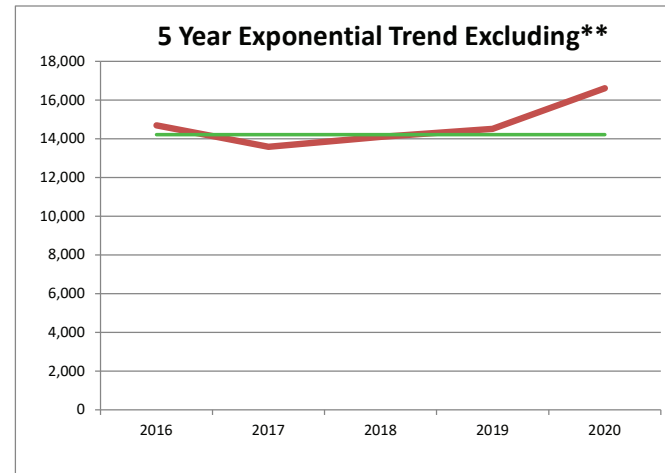
SGI
 Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability to Others Property (22)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5

Severity for Heavy Vehicles
Excluding Years: 2019/2020

Period w Years Excluded	Trends Severity	Coefficient of Determination - R ² Severity
11 -yr exp trend excl **	4.38%	0.6138
10 -yr exp trend excl **	2.81%	0.5075
9 -yr exp trend excl **	1.95%	0.3104
8 -yr exp trend excl **	1.52%	0.1612
7 -yr exp trend excl **	1.21%	0.0716
6 -yr exp trend excl **	3.82%	0.4420
5 -yr exp trend excl **	-0.01%	0.0000
4 -yr exp trend excl **	3.32%	0.9965
3 -yr exp trend excl **	2.98%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

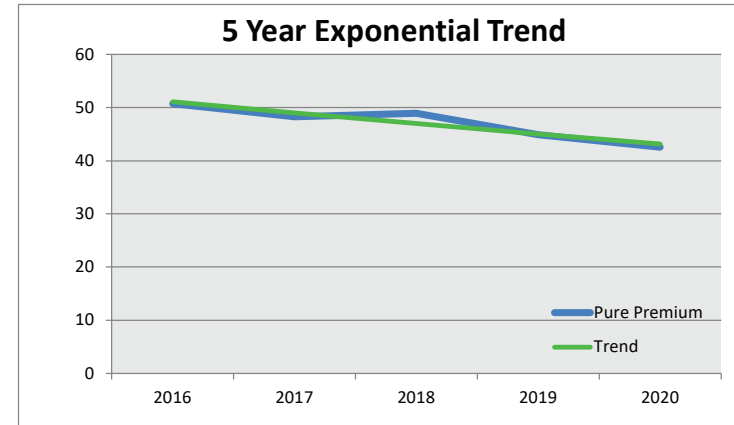
Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

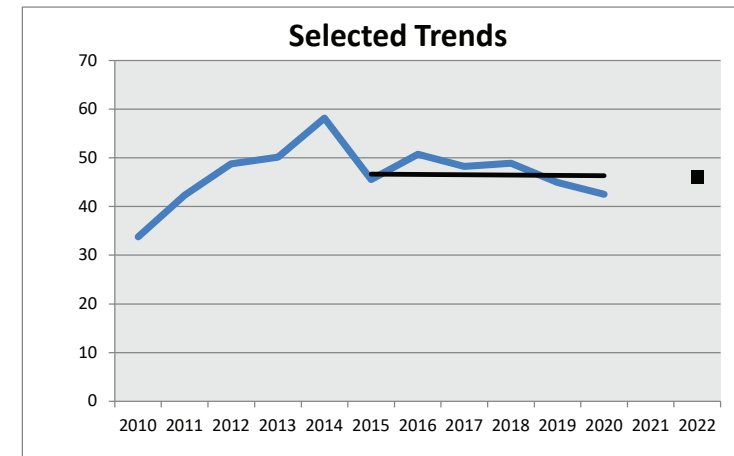
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.09%	0.0682
10-yr exp trend	-0.66%	0.0456
9-yr exp trend	-1.91%	0.3528
8-yr exp trend	-2.67%	0.4850
7-yr exp trend	-3.51%	0.5775
6-yr exp trend	-1.95%	0.3243
5-yr exp trend	-4.14%	0.8903
4-yr exp trend	-4.53%	0.8401
3-yr exp trend	-6.77%	0.9849



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	2.30%	1.0000
Future	2.30%	2.30%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-0.17%	0.9779
Future	-0.17%	-0.17%

Trend Selection Notes:

Calculated Past Trend = -0.17%

Calculated Future Trend = -0.17%

Selection looks flatter than what has been seen since 2018 due mainly to the dips in frequency in 2019 and 2020. When looking at the frequency & severity tabs separately, it's more clear that this volatility isn't necessarily a new trend. More info needed

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability to Others Property (22)

Rating year: 17/08/2021

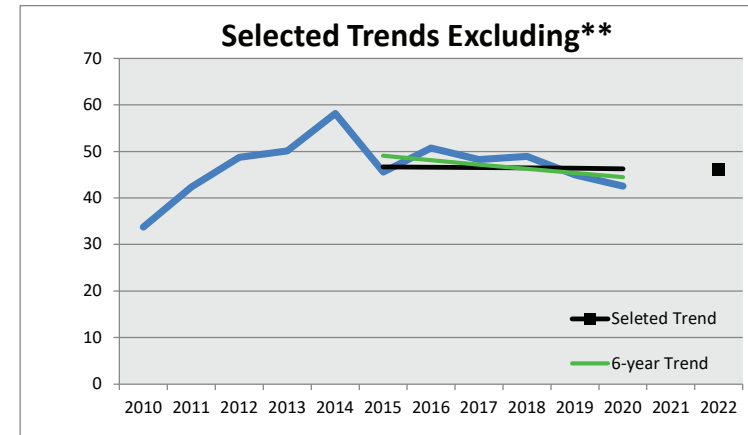
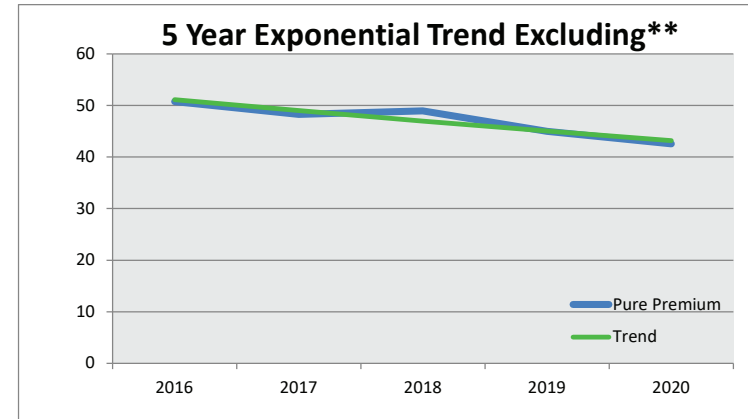
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.09%	0.0682
10 -yr exp trend excl **	-0.66%	0.0456
9 -yr exp trend excl **	-1.91%	0.3528
8 -yr exp trend excl **	-2.67%	0.4850
7 -yr exp trend excl **	-3.51%	0.5775
6 -yr exp trend excl **	-1.95%	0.3243
5 -yr exp trend excl **	-4.14%	0.8903
4 -yr exp trend excl **	-4.53%	0.8401
3 -yr exp trend excl **	-6.77%	0.9849

** Years excluded: None



Loss of Use

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count		Claim Count Adjustment	Ultimate		Incurred Loss		On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor		Number of Claims	Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor					
2009/2010	782,558	12,569	0.9996	1.0000	12,564	4,785,090	0.9974	1.0231	1.0000	4,882,634	1.61	389	6.24	
2010/2011	795,703	14,766	1.0001	1.0000	14,768	6,451,321	0.9961	1.0231	1.0000	6,575,173	1.86	445	8.26	
2011/2012	809,458	12,644	0.9995	1.0000	12,637	5,685,099	0.9920	1.0229	1.0000	5,768,988	1.56	457	7.13	
2012/2013	830,929	15,641	1.0000	1.0000	15,641	7,658,126	0.9943	1.0231	1.0000	7,789,931	1.88	498	9.37	
2013/2014	840,180	14,638	1.0000	1.0000	14,638	7,201,363	0.9904	1.0230	1.0000	7,295,820	1.74	498	8.68	
2014/2015	852,870	13,697	1.0000	1.0000	13,697	6,716,677	0.9987	1.0229	1.0000	6,861,788	1.61	501	8.05	
2015/2016	864,135	13,146	0.9999	1.0000	13,144	6,099,785	1.0061	1.0226	1.0000	6,275,632	1.52	477	7.26	
2016/2017	863,301	13,798	1.0007	1.0000	13,808	6,346,418	1.0103	1.0228	1.0000	6,557,936	1.60	475	7.60	
2017/2018	867,201	13,903	1.0053	1.0000	13,977	6,977,010	1.0106	1.0157	1.0000	7,161,501	1.61	512	8.26	
2018/2019	866,749	13,216	1.0264	1.0000	13,565	7,254,713	1.0108	1.0115	1.0000	7,417,820	1.57	547	8.56	
2019/2020	871,217	9,883	1.2651	1.0000	12,503	5,354,352	1.2467	1.0028	1.0000	6,694,215	1.44	535	7.68	
Ratio 2011/2010	1.0168				1.1754					1.3466	1.1560	1.1457	1.3244	
Ratio 2012/2011	1.0173				0.8557					0.8774	0.8412	1.0253	0.8625	
Ratio 2013/2012	1.0265				1.2377					1.3503	1.2057	1.0910	1.3154	
Ratio 2014/2013	1.0111				0.9359					0.9366	0.9256	1.0008	0.9263	
Ratio 2015/2014	1.0151				0.9357					0.9405	0.9218	1.0051	0.9265	
Ratio 2016/2015	1.0132				0.9596					0.9146	0.9471	0.9531	0.9027	
Ratio 2017/2016	0.9990				1.0505					1.0450	1.0515	0.9947	1.0460	
Ratio 2018/2017	1.0045				1.0123					1.0920	1.0077	1.0788	1.0871	
Ratio 2019/2018	0.9995				0.9705					1.0358	0.9711	1.0672	1.0363	
Ratio 2020/2019	1.0052				0.9217					0.9025	0.9170	0.9791	0.8978	

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-1.45%	0.3489	
10-yr exp trend	-2.03%	0.5164	
9-yr exp trend	-1.74%	0.3760	
8-yr exp trend	-2.79%	0.7008	
7-yr exp trend	-2.03%	0.5591	
6-yr exp trend	-1.33%	0.3117	
5-yr exp trend	-1.37%	0.2153	
4-yr exp trend	-3.48%	0.7367	
3-yr exp trend	-5.64%	0.9249	

2020 Rate Program

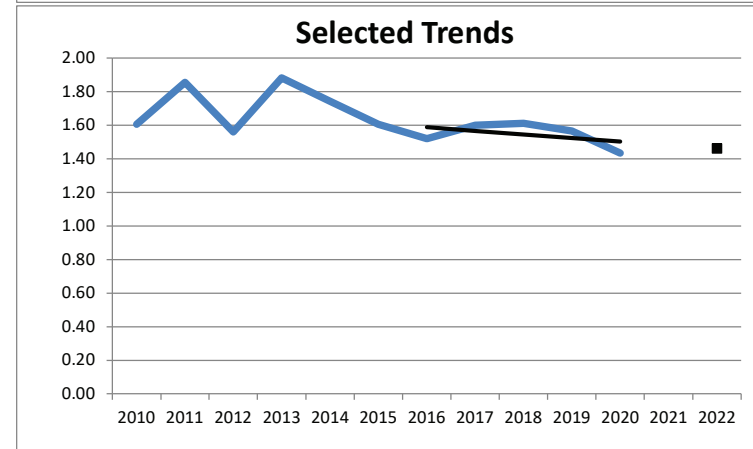
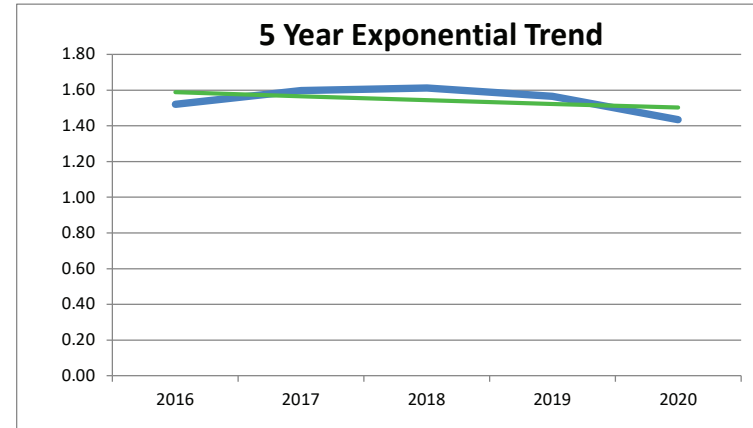
Selected Trends	Credibility	Credibility Weighted Trends
Past	-0.26%	1.0000
Future	-0.26%	-0.26%

Trend Selection Notes:
 Past: Volatile, but long term trend is slightly negative. Recent period is very flat though. Selecting 5-year trend to reflect actual experience.
 Future: Assume the same slightly negative trend for the future.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-1.37%	1.0000
Future	-1.37%	-1.37%

Trend Selection Notes:
 Past: Long term trends are consistently negative. Recent period is fairly flat and positive if the latest year is excluded. Select the 5-yr trend, which is consistent with the long term trends.
 Future: Select same as past

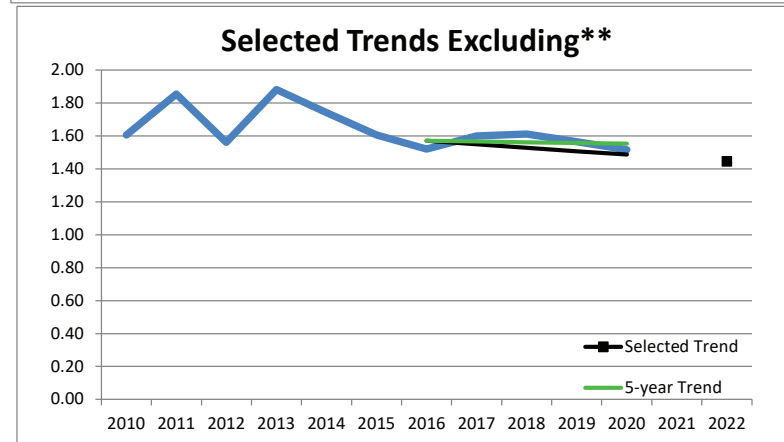
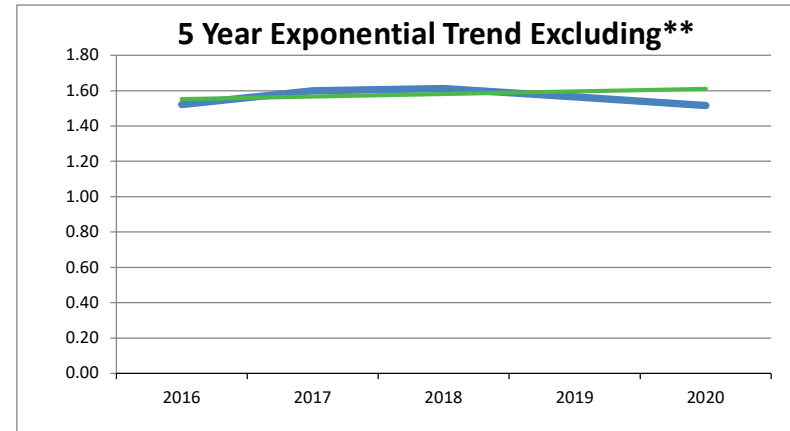


SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Light Vehicles
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-1.10%	0.2017
10 -yr exp trend excl **	-1.73%	0.3753
9 -yr exp trend excl **	-1.27%	0.1995
8 -yr exp trend excl **	-2.52%	0.5708
7 -yr exp trend excl **	-1.35%	0.3137
6 -yr exp trend excl **	0.06%	0.0017
5 -yr exp trend excl **	0.94%	0.2154
4 -yr exp trend excl **	-1.08%	0.5072
3 -yr exp trend excl **	-2.89%	1.0000

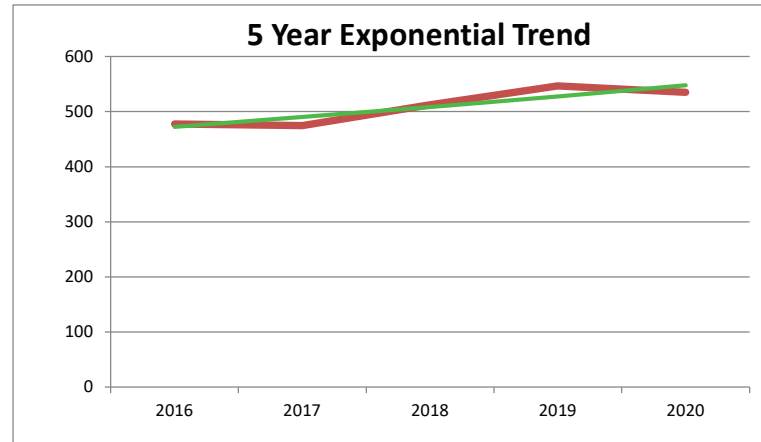
** Years excluded: 2019/2020



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	2.42%	0.6981	
10-yr exp trend	1.76%	0.6544	
9-yr exp trend	1.54%	0.5350	
8-yr exp trend	1.24%	0.3665	
7-yr exp trend	1.66%	0.4433	
6-yr exp trend	2.36%	0.5645	
5-yr exp trend	3.77%	0.8236	
4-yr exp trend	4.34%	0.7737	
3-yr exp trend	2.22%	0.4382	



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	2.03%	Past 2.03%
Future	1.23%	Future 1.23%

Trend Selection Notes:

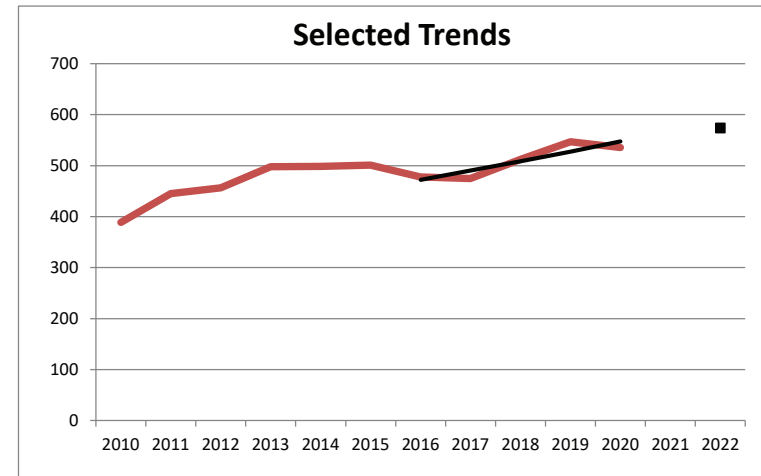
Past: Base on recent five year period. Trend does seem to be reverting to the long term trend of 2% (excluding partial year).
 Future: Unsure of the partial year result so assuming the long term trend excluding that data point. As of May 1, 2019 Enterprise will be the recommended provider of car rentals by SGI. The potential savings estimate for SAF is close to \$1.5M in the year following. The amount is a best guess and isn't too significant overall for SAF. Review for the 2021 RP to check if the experience reflects this estimate.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	3.77%	Past 3.77%
Future	2.36%	Future 2.36%

Trend Selection Notes:

Past: Select the 5-yr trend as the last five years are extremely consistent.
 Future: The 2016 fiscal year is potentially a bit of a low point so use the 6-yr trend to forecast into the future, which is also more consistent with the long term trends.

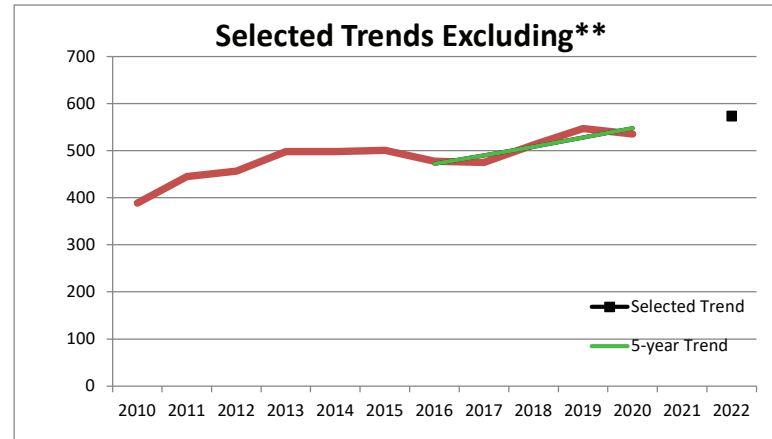
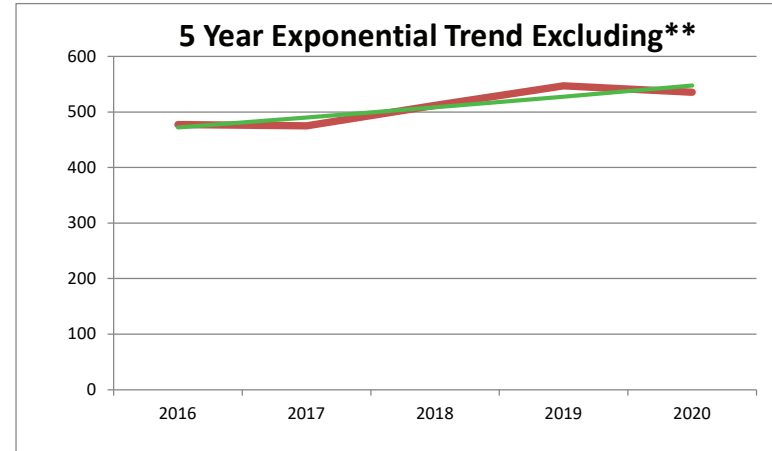


SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Light Vehicles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.42%	0.6981
10 -yr exp trend excl **	1.76%	0.6544
9 -yr exp trend excl **	1.54%	0.5350
8 -yr exp trend excl **	1.24%	0.3665
7 -yr exp trend excl **	1.66%	0.4433
6 -yr exp trend excl **	2.36%	0.5645
5 -yr exp trend excl **	3.77%	0.8236
4 -yr exp trend excl **	4.34%	0.7737
3 -yr exp trend excl **	2.22%	0.4382

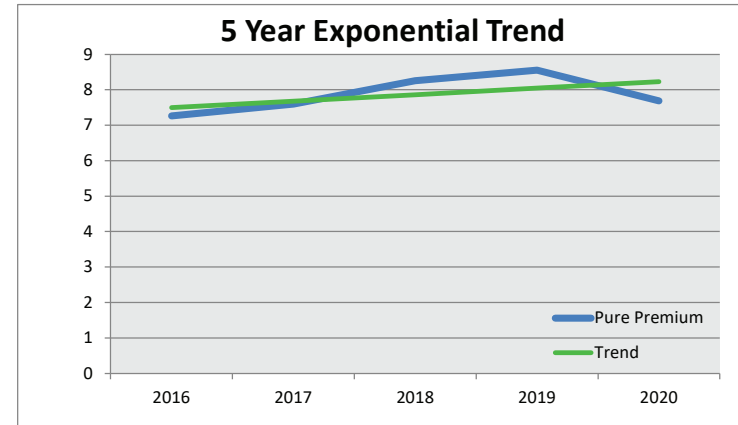
** Years excluded: None



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

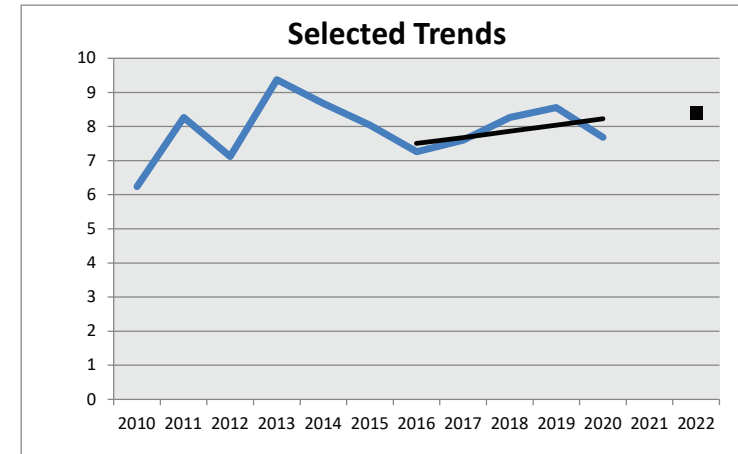
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	0.94%	0.0765
10-yr exp trend	-0.31%	0.0122
9-yr exp trend	-0.22%	0.0044
8-yr exp trend	-1.58%	0.2230
7-yr exp trend	-0.41%	0.0182
6-yr exp trend	0.99%	0.0946
5-yr exp trend	2.35%	0.3056
4-yr exp trend	0.70%	0.0249
3-yr exp trend	-3.54%	0.4310



2020 Rate Program		Credibility	Credibility Weighted Trends	
Selected Trends			Past	Future
Past	1.76%	1.0000	Past	1.76%
Future	0.97%		Future	0.97%

Trend Selection Notes:



2021 Rate Program		Credibility	Final Trends	
Selected Trends			Past	Future
Past	2.35%	1.0000	Past	2.35%
Future	0.95%		Future	0.95%

Trend Selection Notes:

Calculated Past Trend = 2.35%

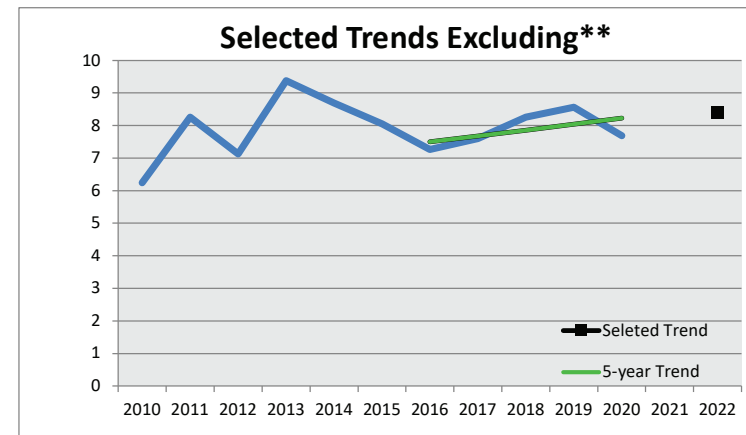
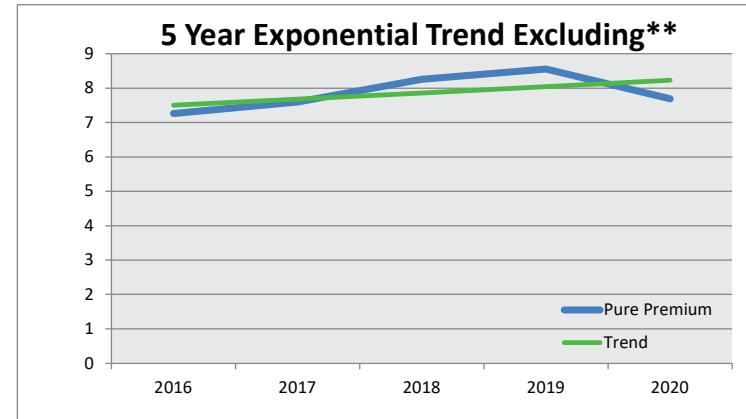
Calculated Future Trend = 0.95%

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban)

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Liability Loss of Use (23)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Light Vehicles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	0.94%	0.0765
10 -yr exp trend excl **	-0.31%	0.0122
9 -yr exp trend excl **	-0.22%	0.0044
8 -yr exp trend excl **	-1.58%	0.2230
7 -yr exp trend excl **	-0.41%	0.0182
6 -yr exp trend excl **	0.99%	0.0946
5 -yr exp trend excl **	2.35%	0.3056
4 -yr exp trend excl **	0.70%	0.0249
3 -yr exp trend excl **	-3.54%	0.4310

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor			Incurred Losses	Development Factor			Labour Rate	Change Factor				
2009/2010	60,447	308	0.9996	1.0000	308	212,484	0.9974	1.0074	1.0000	213,492	0.51	694	3.53		
2010/2011	60,653	369	1.0001	1.0000	369	527,918	0.9961	1.0074	1.0000	529,781	0.61	1,436	8.73		
2011/2012	61,659	353	0.9995	1.0000	353	322,546	0.9920	1.0072	1.0000	322,277	0.57	913	5.23		
2012/2013	63,800	447	1.0000	1.0000	447	679,609	0.9943	1.0073	1.0000	680,658	0.70	1,523	10.67		
2013/2014	64,827	423	1.0000	1.0000	423	454,369	0.9904	1.0072	1.0000	453,235	0.65	1,072	6.99		
2014/2015	65,537	402	1.0000	1.0000	402	499,589	0.9987	1.0072	1.0000	502,510	0.61	1,249	7.67		
2015/2016	65,216	286	0.9999	1.0000	286	214,539	1.0061	1.0068	1.0000	217,323	0.44	759	3.33		
2016/2017	64,357	329	1.0007	1.0000	329	294,573	1.0103	1.0071	1.0000	299,702	0.51	911	4.66		
2017/2018	64,244	328	1.0053	1.0000	330	358,644	1.0106	1.0000	1.0000	362,453	0.51	1,100	5.64		
2018/2019	64,071	310	1.0264	1.0000	318	276,901	1.0108	1.0000	1.0000	279,895	0.50	881	4.37		
2019/2020	64,038	261	1.2651	1.0000	330	227,757	1.2467	1.0000	1.0000	283,953	0.52	860	4.43		
Ratio 2011/2010	1.0034				1.1987					2.4815	1.1947	2.0701	2.4731		
Ratio 2012/2011	1.0166				0.9565					0.6083	0.9409	0.6360	0.5984		
Ratio 2013/2012	1.0347				1.2666					2.1120	1.2241	1.6675	2.0412		
Ratio 2014/2013	1.0161				0.9462					0.6659	0.9312	0.7037	0.6553		
Ratio 2015/2014	1.0109				0.9511					1.1087	0.9408	1.1658	1.0967		
Ratio 2016/2015	0.9951				0.7118					0.4325	0.7153	0.6076	0.4346		
Ratio 2017/2016	0.9868				1.1489					1.3791	1.1642	1.2003	1.3975		
Ratio 2018/2017	0.9982				1.0021					1.2094	1.0038	1.2069	1.2115		
Ratio 2019/2018	0.9973				0.9641					0.7722	0.9667	0.8010	0.7743		
Ratio 2020/2019	0.9995				1.0384					1.0145	1.0389	0.9770	1.0150		

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-1.90%	0.2099
10-yr exp trend	-3.06%	0.4275
9-yr exp trend	-3.47%	0.4225
8-yr exp trend	-4.54%	0.5171
7-yr exp trend	-3.43%	0.3170
6-yr exp trend	-1.43%	0.0631
5-yr exp trend	2.95%	0.4604
4-yr exp trend	-0.09%	0.0049
3-yr exp trend	0.22%	0.0107

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-1.96%	1.0000
Future	-1.00%	-1.00%

Trend Selection Notes:

Past: Selecting the 5 year trend excluding 2015-16 to represent the mid to recent past.

Future: Removing the peaks the long term trend is slightly negative but recent experience is positive. Assuming a bit flatter decline at -1%.

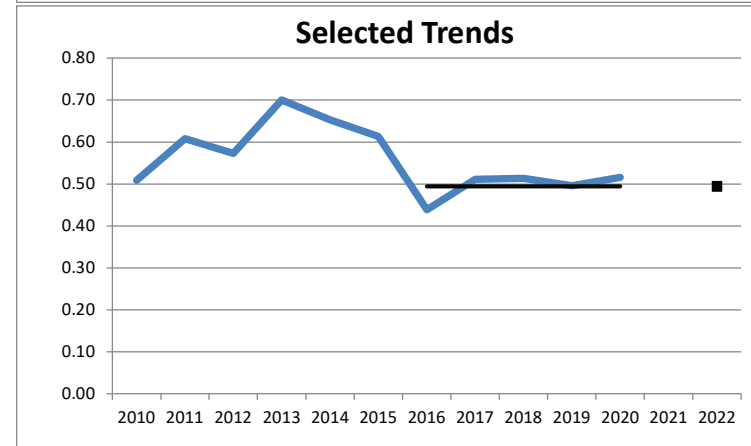
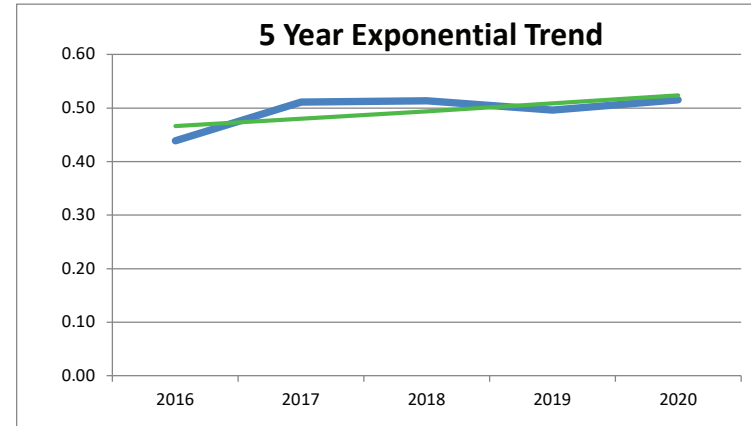
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Assume flat growth. Experience has been extremely flat in this period and the 2016 fiscal year is the lowest point in the last 11 years, skewing the 5-yr trend.

Future: Select same as past.



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

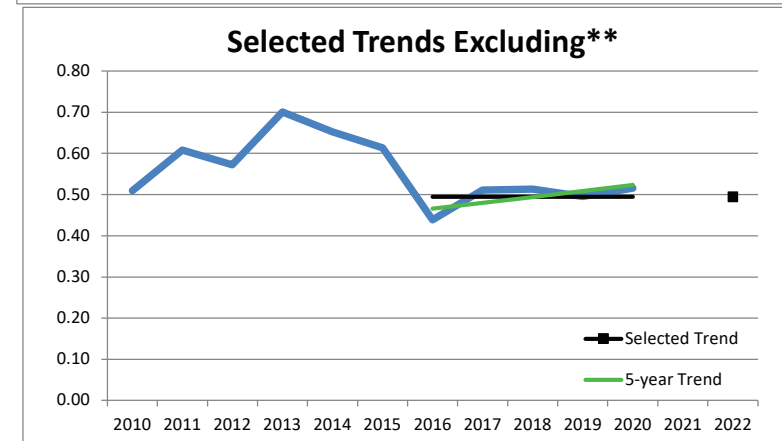
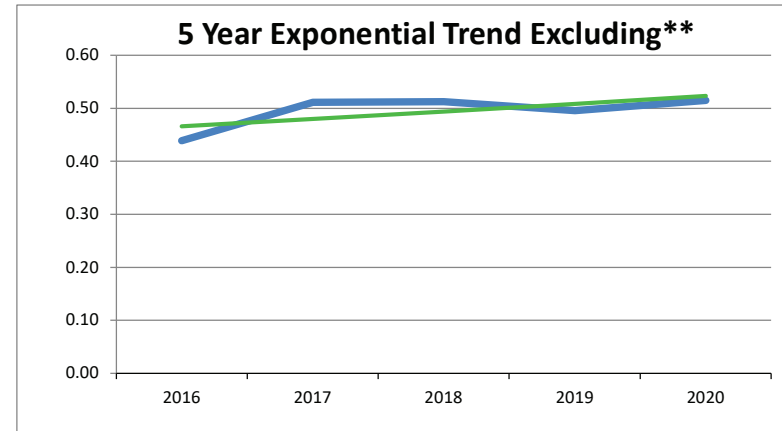
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-1.90%	0.2099
10 -yr exp trend excl **	-3.06%	0.4275
9 -yr exp trend excl **	-3.47%	0.4225
8 -yr exp trend excl **	-4.54%	0.5171
7 -yr exp trend excl **	-3.43%	0.3170
6 -yr exp trend excl **	-1.43%	0.0631
5 -yr exp trend excl **	2.95%	0.4604
4 -yr exp trend excl **	-0.09%	0.0049
3 -yr exp trend excl **	0.22%	0.0107

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

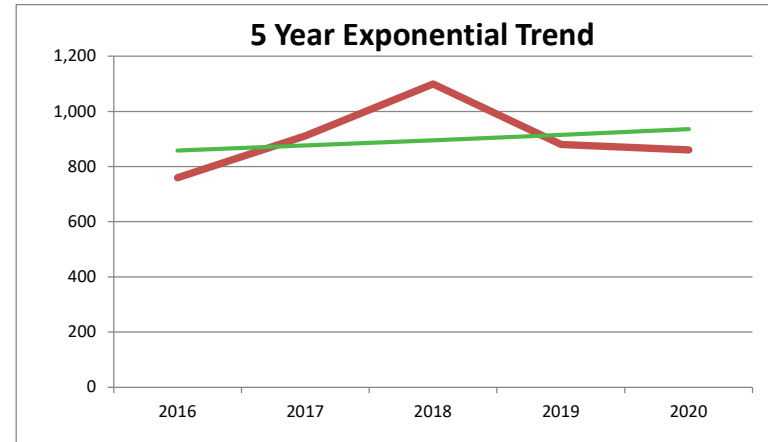
Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	-1.53%	0.0409
10-yr exp trend	-4.43%	0.3498
9-yr exp trend	-3.51%	0.2065
8-yr exp trend	-5.98%	0.4427
7-yr exp trend	-3.46%	0.1964
6-yr exp trend	-3.45%	0.1318
5-yr exp trend	2.19%	0.0657
4-yr exp trend	-3.86%	0.2068
3-yr exp trend	-11.54%	0.8205



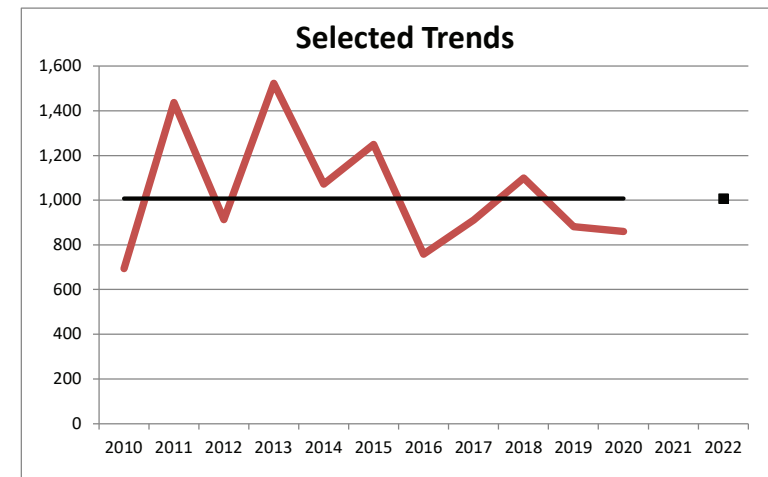
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Results are very volatile with no strong trend in either direction. Select 0%.

Future: Assume longer term trends for future and flat growth.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Results are very volatile with no strong trend in either direction. Select 0%.

Future: Select Same as past.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

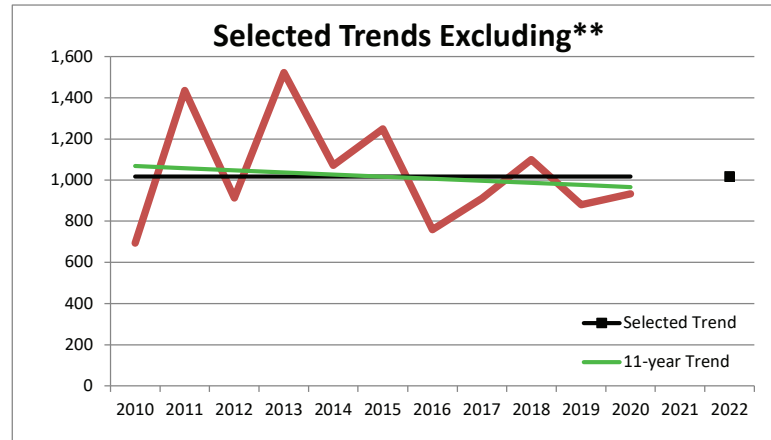
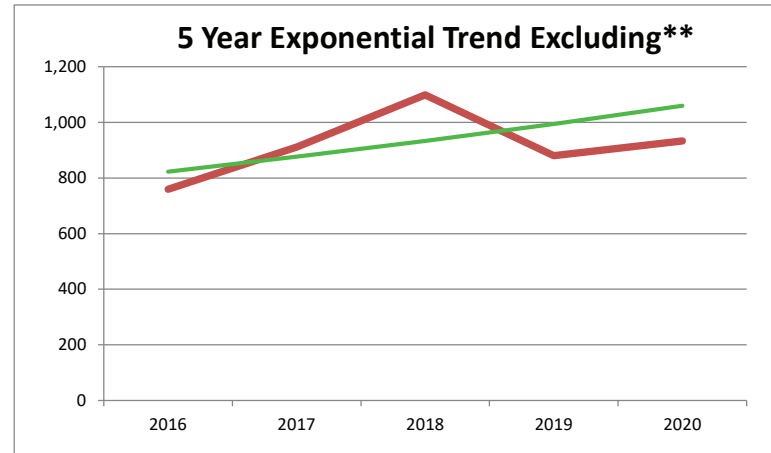
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	-1.00%	0.0138
10 -yr exp trend excl **	-4.51%	0.2890
9 -yr exp trend excl **	-3.35%	0.1425
8 -yr exp trend excl **	-6.58%	0.3969
7 -yr exp trend excl **	-3.32%	0.1229
6 -yr exp trend excl **	-3.23%	0.0705
5 -yr exp trend excl **	6.55%	0.2887
4 -yr exp trend excl **	-1.68%	0.0201
3 -yr exp trend excl **	-19.90%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

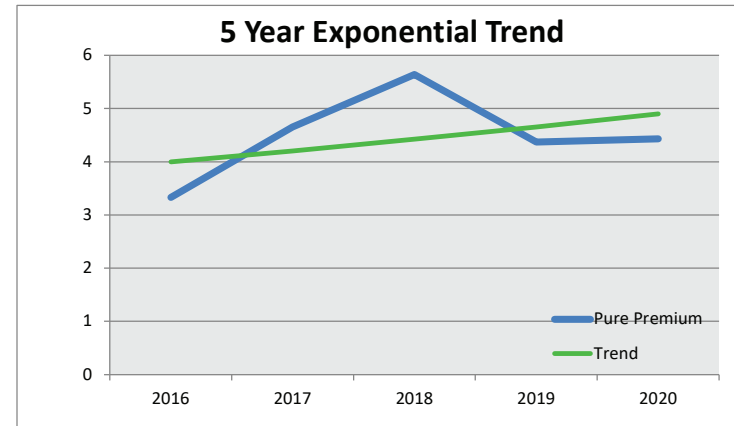
Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-3.40%	0.0941
10-yr exp trend	-7.35%	0.4105
9-yr exp trend	-6.86%	0.3069
8-yr exp trend	-10.25%	0.4995
7-yr exp trend	-6.78%	0.2709
6-yr exp trend	-4.83%	0.1090
5-yr exp trend	5.20%	0.1810
4-yr exp trend	-3.95%	0.1944
3-yr exp trend	-11.35%	0.7038



2020 Rate Program

Selected Trends

Past	-1.96%
Future	-1.00%

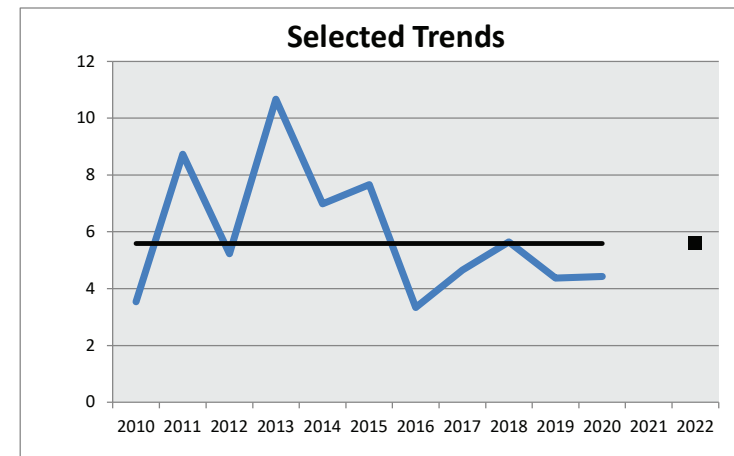
Credibility

1.0000

Credibility Weighted Trends

Past	-1.96%
Future	-1.00%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

1.0000

Final Trends

Past	0.00%
Future	0.00%

Trend Selection Notes:

Calculated Past Trend = 0%

Calculated Future Trend = 0%

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

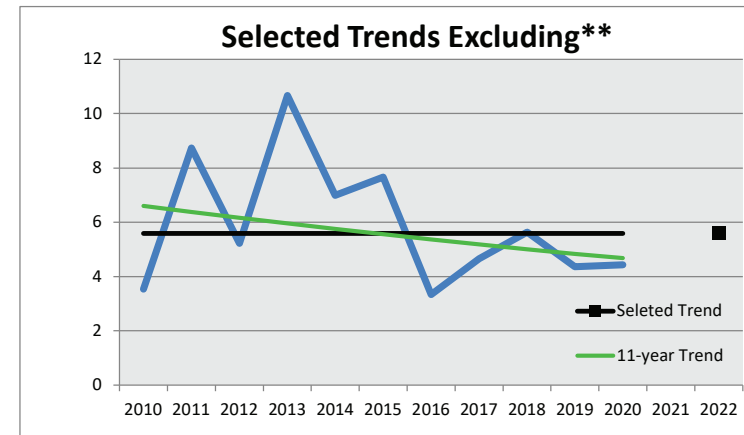
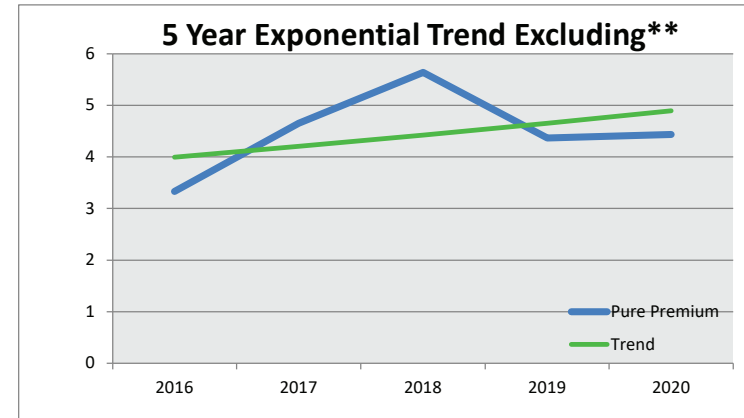
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-3.40%	0.0941
10 -yr exp trend excl **	-7.35%	0.4105
9 -yr exp trend excl **	-6.86%	0.3069
8 -yr exp trend excl **	-10.25%	0.4995
7 -yr exp trend excl **	-6.78%	0.2709
6 -yr exp trend excl **	-4.83%	0.1090
5 -yr exp trend excl **	5.20%	0.1810
4 -yr exp trend excl **	-3.95%	0.1944
3 -yr exp trend excl **	-11.35%	0.7038

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Ambulance and Bus

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium	
		Number of Claims	Development Factor			Incurred Losses	Development Factor						
2009/2010	4,657	103	0.9996	1.0000	103	32,413	0.9974	1.0074	1.0000	32,567	2.21	316	6.99
2010/2011	4,701	141	1.0001	1.0000	141	87,470	0.9961	1.0074	1.0000	87,778	3.00	622	18.67
2011/2012	4,839	97	0.9995	1.0000	97	39,589	0.9920	1.0072	1.0000	39,556	2.00	409	8.18
2012/2013	4,970	165	1.0000	1.0000	165	81,963	0.9943	1.0073	1.0000	82,089	3.32	497	16.52
2013/2014	5,061	143	1.0000	1.0000	143	134,424	0.9904	1.0072	1.0000	134,089	2.83	935	26.49
2014/2015	5,182	150	1.0000	1.0000	150	69,449	0.9987	1.0072	1.0000	69,855	2.90	465	13.48
2015/2016	5,209	94	0.9999	1.0000	94	36,250	1.0061	1.0068	1.0000	36,721	1.81	390	7.05
2016/2017	5,087	121	1.0007	1.0000	121	50,370	1.0103	1.0071	1.0000	51,247	2.38	423	10.07
2017/2018	4,933	130	1.0053	1.0000	130	72,205	1.0106	1.0000	1.0000	72,972	2.64	559	14.79
2018/2019	4,734	106	1.0264	1.0000	108	62,242	1.0108	1.0000	1.0000	62,915	2.29	581	13.29
2019/2020	4,754	70	1.2651	1.0000	89	32,017	1.2467	1.0000	1.0000	39,917	1.86	451	8.40
Ratio 2011/2010	1.0094				1.3711					2.6953	1.3583	1.9658	2.6701
Ratio 2012/2011	1.0293				0.6859					0.4506	0.6664	0.6570	0.4378
Ratio 2013/2012	1.0271				1.7057					2.0753	1.6606	1.2167	2.0205
Ratio 2014/2013	1.0184				0.8682					1.6335	0.8525	1.8815	1.6039
Ratio 2015/2014	1.0239				1.0480					0.5210	1.0235	0.4971	0.5088
Ratio 2016/2015	1.0052				0.6264					0.5257	0.6231	0.8392	0.5230
Ratio 2017/2016	0.9765				1.2869					1.3956	1.3179	1.0844	1.4292
Ratio 2018/2017	0.9698				1.0772					1.4239	1.1107	1.3218	1.4682
Ratio 2019/2018	0.9596				0.8306					0.8622	0.8656	1.0380	0.8985
Ratio 2020/2019	1.0043				0.8178					0.6345	0.8143	0.7758	0.6318

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

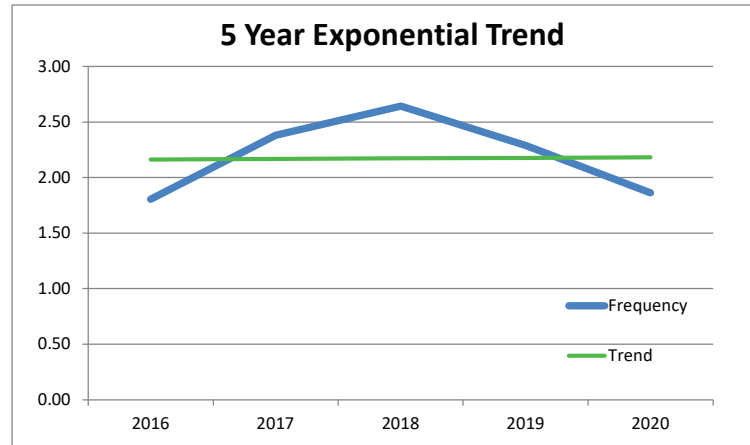
Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-2.00%	0.1082	
10-yr exp trend	-3.27%	0.2260	
9-yr exp trend	-2.85%	0.1402	
8-yr exp trend	-5.90%	0.4845	
7-yr exp trend	-4.70%	0.2991	
6-yr exp trend	-3.90%	0.1573	
5-yr exp trend	0.23%	0.0005	
4-yr exp trend	-8.41%	0.5988	
3-yr exp trend	-16.05%	0.9899	



2020 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

0.7117

Complement: Heavy Vehicles

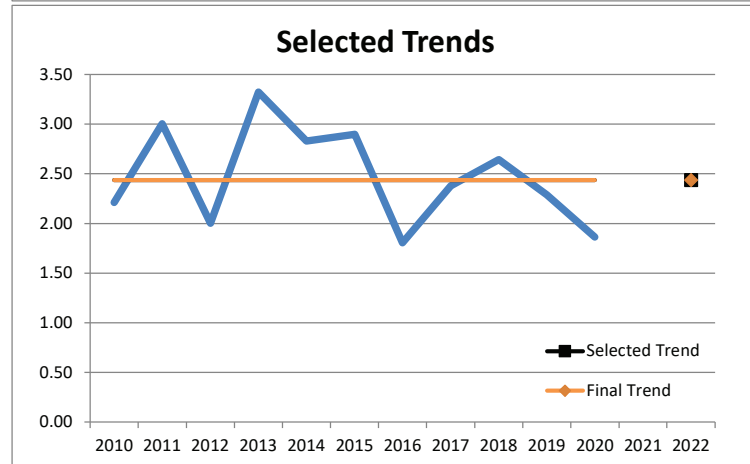
Credibility Weighted Trends

Past	-0.57%
Future	-0.29%

Trend Selection Notes:

Past: Lots of volatility, but the overall trend is flat. No long term growth or reduction, stays around 2.5 claims per 100 exposures.

Future: Assume lack of trend continues.



2021 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

0.6935

Complement: Heavy Vehicles

Final Trends

Past	0.00%
Future	0.00%

Trend Selection Notes:

Past: Lots of volatility, but the overall trend is flat. No long term growth or reduction, stays around 2.5 claims per 100 exposures.

Future: Assume lack of trend continues.

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

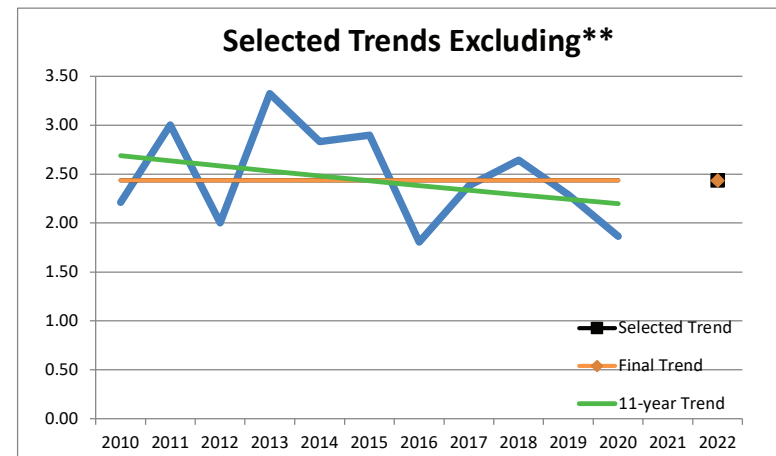
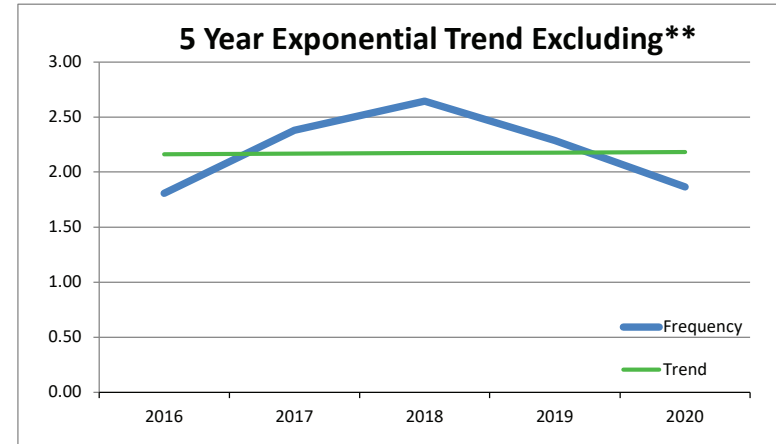
Exhibit 3 - Page 2-3

Frequency for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.00%	0.1082
10 -yr exp trend excl **	-3.27%	0.2260
9 -yr exp trend excl **	-2.85%	0.1402
8 -yr exp trend excl **	-5.90%	0.4845
7 -yr exp trend excl **	-4.70%	0.2991
6 -yr exp trend excl **	-3.90%	0.1573
5 -yr exp trend excl **	0.23%	0.0005
4 -yr exp trend excl **	-8.41%	0.5988
3 -yr exp trend excl **	-16.05%	0.9899

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

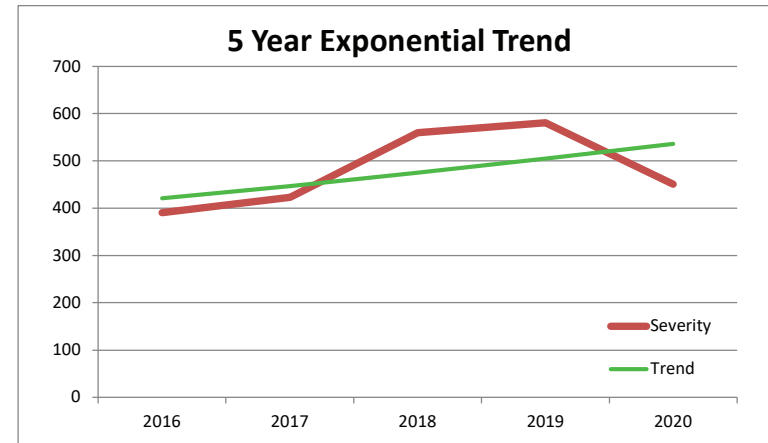
Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	1.13%	0.0169	
10-yr exp trend	-1.45%	0.0287	
9-yr exp trend	-0.44%	0.0021	
8-yr exp trend	-2.86%	0.0678	
7-yr exp trend	-4.83%	0.1322	
6-yr exp trend	3.82%	0.2014	
5-yr exp trend	6.22%	0.2989	
4-yr exp trend	2.27%	0.0344	
3-yr exp trend	-10.26%	0.6239	



2020 Rate Program

Selected Trends

Past	4.26%
Future	4.26%

Credibility

0.7117

Complement: Heavy Vehicles

Credibility Weighted Trends

Past	3.03%
Future	3.03%

Trend Selection Notes:

Past: Thin data for this group and not fully credible. Select 10 year excluding 2010-11, 2013-14 and recent partial year.

Future: Set equal to past, no reason to deviate

2021 Rate Program

Selected Trends

Past	6.22%
Future	0.00%

Credibility

0.6935

Complement: Heavy Vehicles

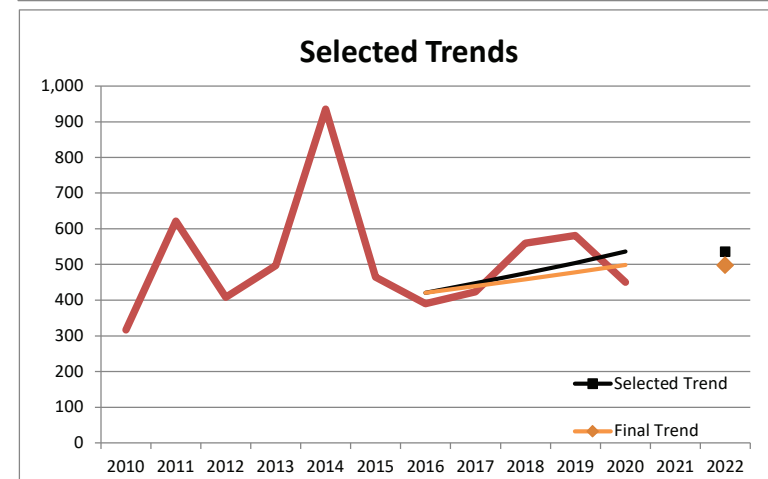
Final Trends

Past	4.31%
Future	0.00%

Trend Selection Notes:

Past: Select the 5-yr trend to reflect the latest experience. There isn't a strong trend in the short or long term periods. Experience could be reverting back to a mean or the latest year could be off. Excluding the latest year the trend would be much higher.

Future: Assume flat growth into the future. Long term trends do seem to indicate little overall change.



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

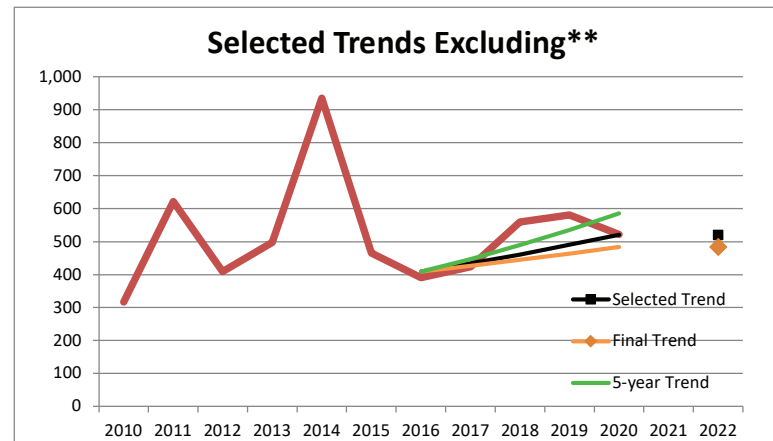
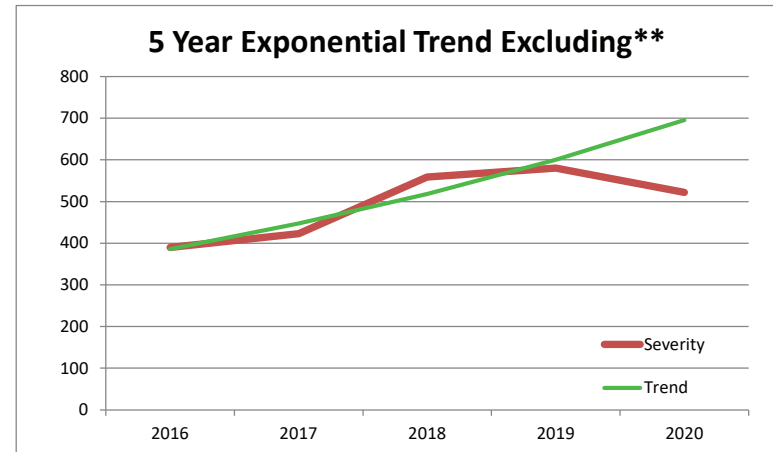
Exhibit 3 - Page 2-5

Severity for Ambulance and Bus

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.13%	0.0446
10 -yr exp trend excl **	-0.88%	0.0079
9 -yr exp trend excl **	0.59%	0.0026
8 -yr exp trend excl **	-2.32%	0.0308
7 -yr exp trend excl **	-4.87%	0.0882
6 -yr exp trend excl **	8.38%	0.5423
5 -yr exp trend excl **	15.85%	0.9143
4 -yr exp trend excl **	17.14%	0.8371
3 -yr exp trend excl **	3.80%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

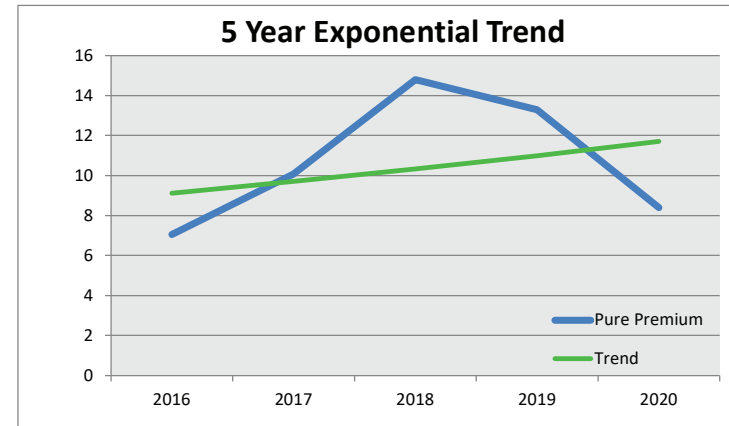
Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-0.89%	0.0047
10-yr exp trend	-4.67%	0.1216
9-yr exp trend	-3.28%	0.0483
8-yr exp trend	-8.60%	0.2804
7-yr exp trend	-9.30%	0.2358
6-yr exp trend	-0.23%	0.0002
5-yr exp trend	6.47%	0.1028
4-yr exp trend	-6.33%	0.1068
3-yr exp trend	-24.66%	0.8858



2020 Rate Program

Selected Trends

Past	4.26%
Future	4.26%

Credibility

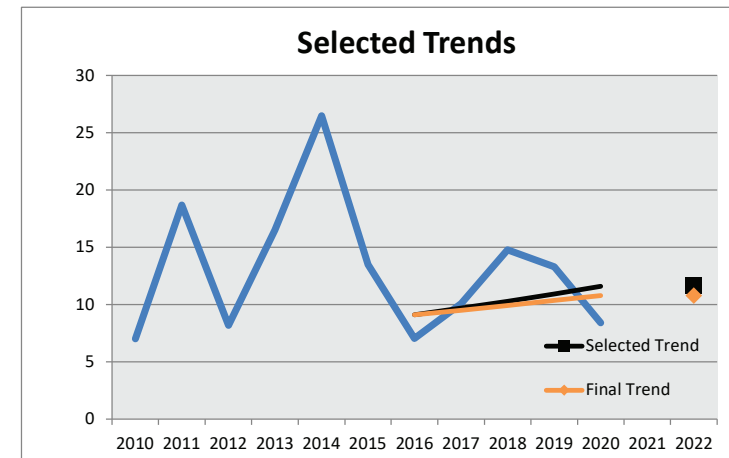
0.7117

Complement: Heavy Vehicles

Credibility Weighted Trends

Past	2.45%
Future	2.73%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	6.22%
Future	0.00%

Credibility

0.6935

Complement: Heavy Vehicles

Final Trends

Past	4.31%
Future	0.00%

Trend Selection Notes:

Calculated Past Trend = 6.22%

Calculated Future Trend = 0%

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Liability Loss of Use (23)

Rating year: 17/08/2021

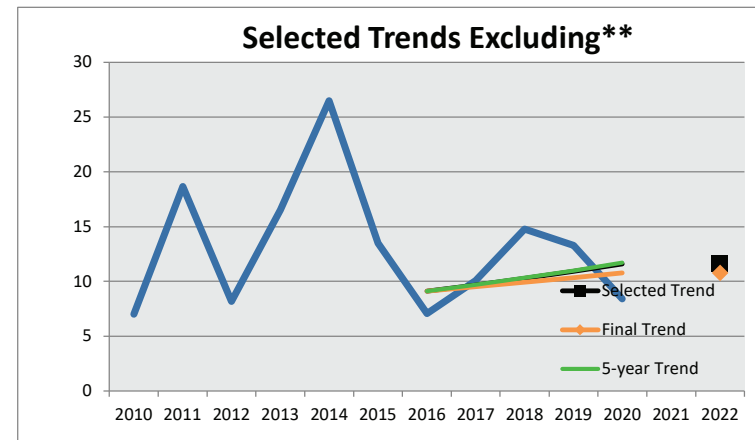
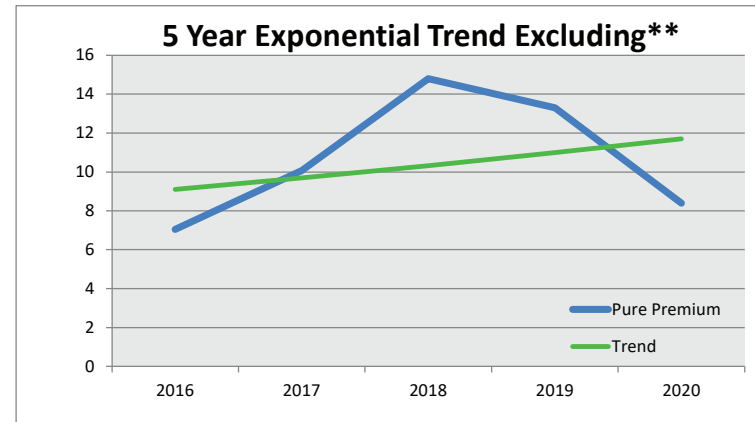
Exhibit 3 - Page 2-7

Pure Premium for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-0.89%	0.0047
10 -yr exp trend excl **	-4.67%	0.1216
9 -yr exp trend excl **	-3.28%	0.0483
8 -yr exp trend excl **	-8.60%	0.2804
7 -yr exp trend excl **	-9.30%	0.2358
6 -yr exp trend excl **	-0.23%	0.0002
5 -yr exp trend excl **	6.47%	0.1028
4 -yr exp trend excl **	-6.33%	0.1068
3 -yr exp trend excl **	-24.66%	0.8858

** Years excluded: None



Damage to Own Vehicle

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits
 Excluding Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Light Vehicles excluding Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim Count	Ultimate	Incurred Losses	Incurred Loss	Incurred Loss Adjustment	On-Level	Ultimate Losses	Percent	Ultimate Severity	Ultimate
			Development Factor	Adjustment	Number of Claims		Development Factor		Labour Rate Change Factor		Ultimate Frequency		Pure Premium
2009/2010	837,257	56,592	0.9792	1.0000	55,416	181,361,849	0.9649	1.0386	1.1065	201,100,764	6.62	3,629	240.19
2010/2011	851,786	63,619	0.9773	1.0000	62,175	207,672,281	0.9642	1.0391	1.1018	229,234,531	7.30	3,687	269.12
2011/2012	868,401	56,946	0.9754	1.0000	55,545	190,277,964	0.9673	1.0388	1.1007	210,466,671	6.40	3,789	242.36
2012/2013	890,430	66,230	0.9755	1.0000	64,611	213,292,144	1.0303	1.0377	1.0942	249,520,513	7.26	3,862	280.22
2013/2014	902,018	63,714	0.9780	1.0000	62,315	213,352,382	1.0305	1.0378	1.0810	246,662,738	6.91	3,958	273.46
2014/2015	913,991	58,696	0.9787	1.0000	57,445	208,560,262	1.0332	1.0378	1.0473	234,202,058	6.29	4,077	256.24
2015/2016	926,578	57,101	0.9755	1.0000	55,703	224,219,986	1.0442	1.0389	1.0182	247,680,369	6.01	4,446	267.31
2016/2017	926,497	60,572	0.9787	1.0000	59,283	246,623,318	1.0471	1.0381	1.0003	268,141,821	6.40	4,523	289.41
2017/2018	930,876	61,537	0.9842	1.0000	60,564	264,148,816	1.0449	1.0317	1.0003	284,840,301	6.51	4,703	305.99
2018/2019	928,725	57,918	1.0096	1.0000	58,477	262,224,769	1.0602	1.0116	1.0003	281,299,350	6.30	4,810	302.89
2019/2020	933,549	47,886	1.1784	1.0000	56,428	242,881,000	1.1686	1.0028	1.0000	284,633,219	6.04	5,044	304.89
Ratio 2011/2010	1.0174				1.1220					1.1399	1.1028	1.0160	1.1205
Ratio 2012/2011	1.0195				0.8934					0.9181	0.8763	1.0277	0.9006
Ratio 2013/2012	1.0254				1.1632					1.1856	1.1344	1.0192	1.1562
Ratio 2014/2013	1.0130				0.9645					0.9885	0.9521	1.0250	0.9758
Ratio 2015/2014	1.0133				0.9219					0.9495	0.9098	1.0300	0.9370
Ratio 2016/2015	1.0138				0.9697					1.0575	0.9565	1.0906	1.0432
Ratio 2017/2016	0.9999				1.0643					1.0826	1.0644	1.0172	1.0827
Ratio 2018/2017	1.0047				1.0216					1.0623	1.0168	1.0398	1.0573
Ratio 2019/2018	0.9977				0.9655					0.9876	0.9678	1.0228	0.9899
Ratio 2020/2019	1.0052				0.9650					1.0119	0.9600	1.0486	1.0066

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

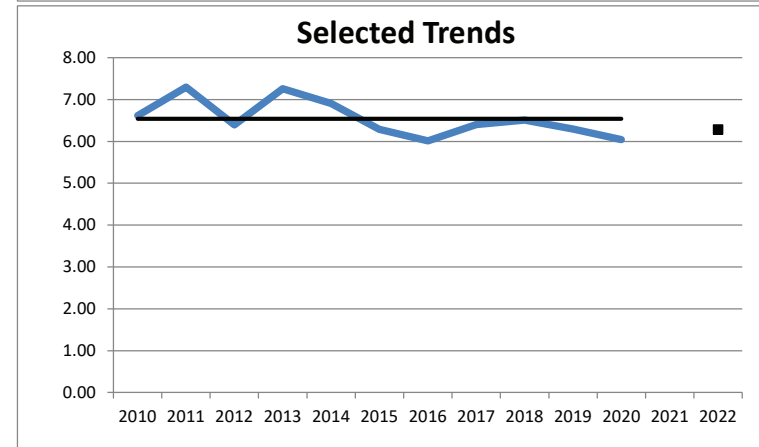
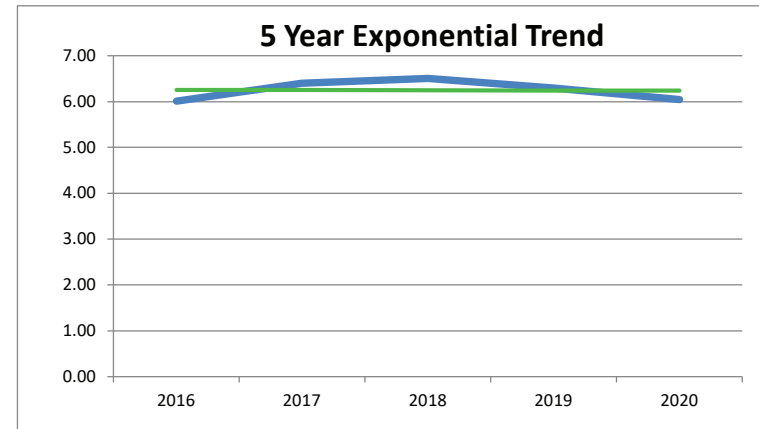
Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles excluding Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-1.25%	0.4022
10-yr exp trend	-1.58%	0.4850
9-yr exp trend	-1.25%	0.3243
8-yr exp trend	-1.86%	0.5077
7-yr exp trend	-1.13%	0.2707
6-yr exp trend	-0.11%	0.0046
5-yr exp trend	-0.05%	0.0006
4-yr exp trend	-2.02%	0.6944
3-yr exp trend	-3.61%	0.9960



2020 Rate Program

Selected Trends

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	-2.00%	0.00%

Trend Selection Notes:

Past: Including all years shows a decreasing trend but two newest years seems to drop this down a bit. Select 0% trend for past, similar to 5 year trend including and excluding the peak in 2017-18 due to a long winter.

Future: Selected -2% trend for future to offset the flat selection for past. It was noted that this line may follow closely to Cov 21 light vehicles in future.

2021 Rate Program

Selected Trends

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	-2.00%	0.00%

Trend Selection Notes:

Past: Continue with no trend as reflected by experience.

Future: Continue with last year's selection. Result is reasonable with actual experience and comparable to the short term trends.

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

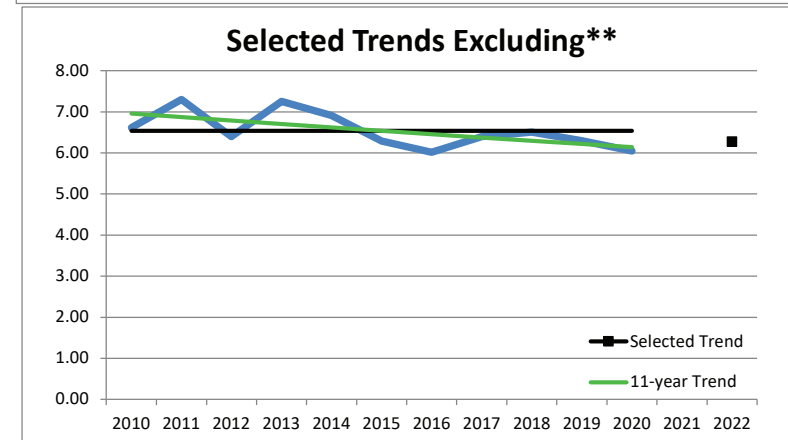
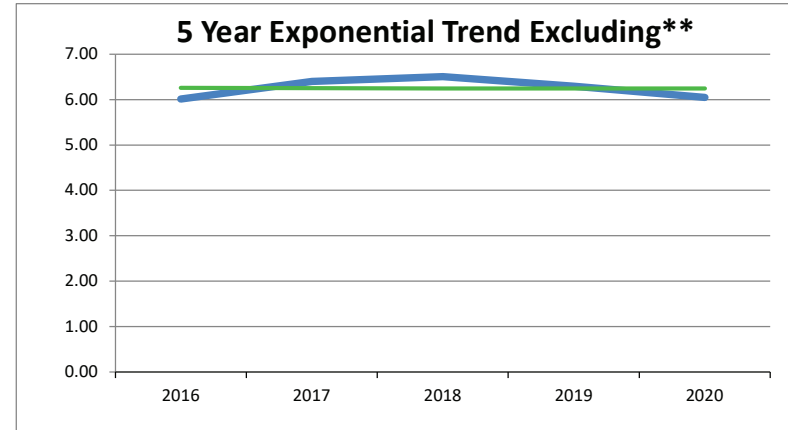
Exhibit 3 - Page 2-3

Frequency for Light Vehicles excluding Motorcycles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-1.25%	0.4022
10 -yr exp trend excl **	-1.58%	0.4850
9 -yr exp trend excl **	-1.25%	0.3243
8 -yr exp trend excl **	-1.86%	0.5077
7 -yr exp trend excl **	-1.13%	0.2707
6 -yr exp trend excl **	-0.11%	0.0046
5 -yr exp trend excl **	-0.05%	0.0006
4 -yr exp trend excl **	-2.02%	0.6944
3 -yr exp trend excl **	-3.61%	0.9960

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles excluding Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	3.51%	0.9760
10-yr exp trend	3.68%	0.9793
9-yr exp trend	3.82%	0.9785
8-yr exp trend	3.99%	0.9776
7-yr exp trend	4.06%	0.9684
6-yr exp trend	3.90%	0.9504
5-yr exp trend	3.19%	0.9770
4-yr exp trend	3.56%	0.9834
3-yr exp trend	3.56%	0.9595

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	4.32%	Past 4.32%
Future	4.32%	Future 4.32%

Trend Selection Notes:

Past: Really good fit year. 5-yr trend looks reasonable for past.

Future: Expect the same as past.

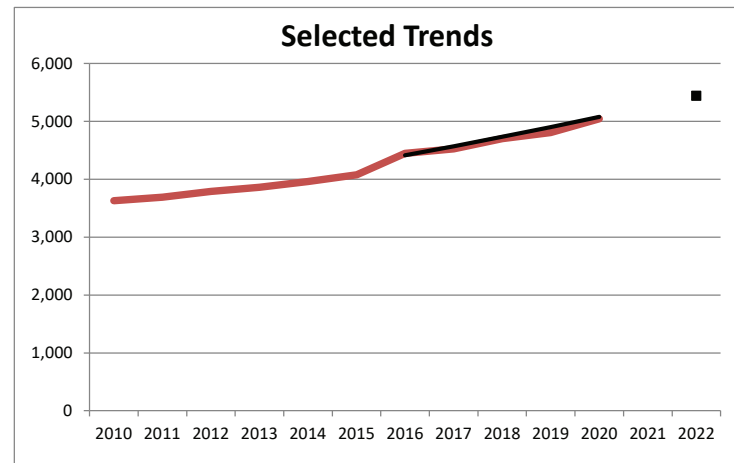
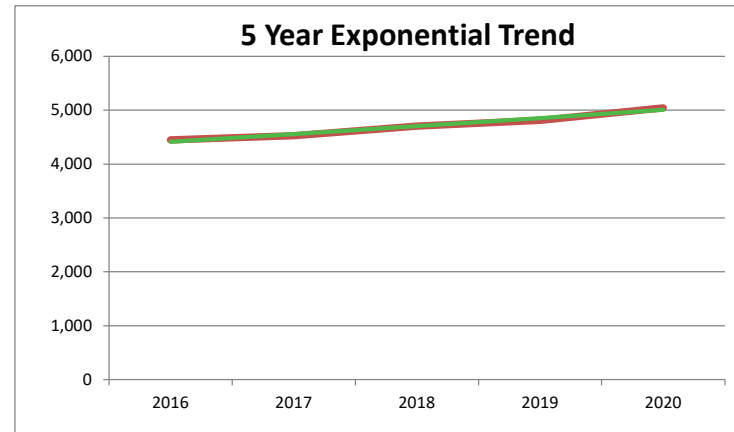
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	3.56%	Past 3.56%
Future	3.56%	Future 3.56%

Trend Selection Notes:

Past: Experience has been consistent. Select 4 year to give more credit to most recent years. Selecting the five year gives weight to the sharp increase in 2016, which is assumed to be a small outlier from the underlying trend.

Future: Select same as past.



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

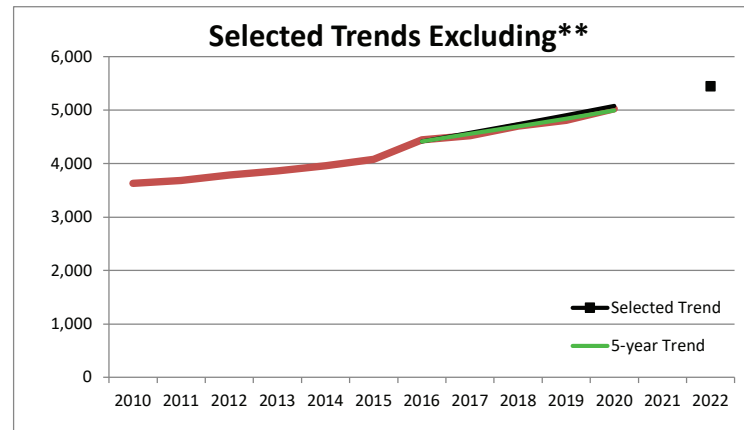
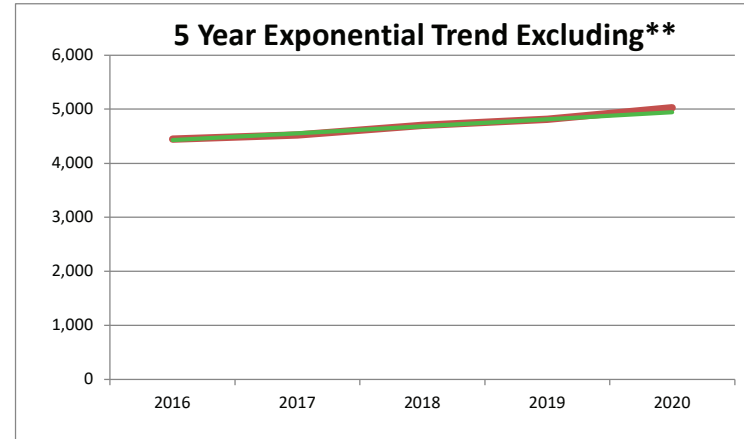
Exhibit 3 - Page 2-5

Severity for Light Vehicles excluding Motorcycles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.44%	0.9685
10 -yr exp trend excl **	3.64%	0.9716
9 -yr exp trend excl **	3.81%	0.9695
8 -yr exp trend excl **	4.03%	0.9676
7 -yr exp trend excl **	4.14%	0.9531
6 -yr exp trend excl **	3.95%	0.9182
5 -yr exp trend excl **	2.79%	0.9789
4 -yr exp trend excl **	3.13%	0.9767
3 -yr exp trend excl **	2.28%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Light Vehicles excluding Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	2.21%	0.7029
10-yr exp trend	2.04%	0.6124
9-yr exp trend	2.53%	0.6954
8-yr exp trend	2.06%	0.5649
7-yr exp trend	2.88%	0.7379
6-yr exp trend	3.78%	0.8427
5-yr exp trend	3.13%	0.7265
4-yr exp trend	1.47%	0.5306
3-yr exp trend	-0.18%	0.1208

2020 Rate Program

Selected Trends

Past	4.32%
Future	2.23%

Credibility

1.0000

Credibility Weighted Trends

Past	4.32%
Future	2.23%

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	3.56%
Future	1.49%

Credibility

1.0000

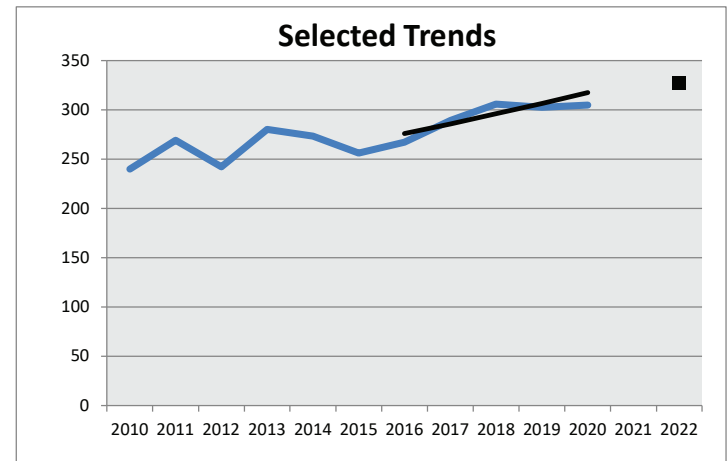
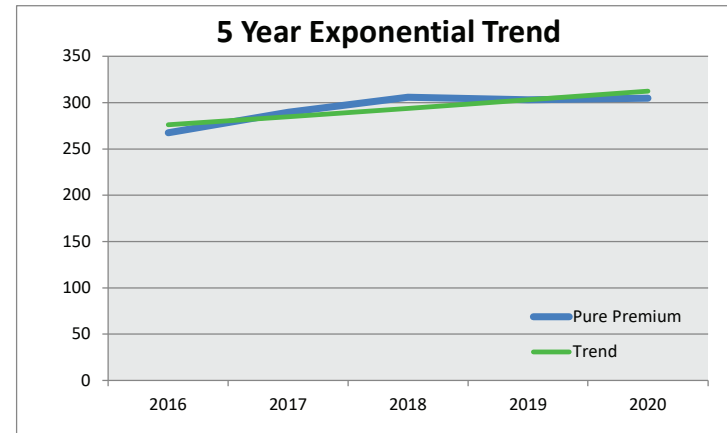
Final Trends

Past	3.56%
Future	1.49%

Trend Selection Notes:

Calculated Past Trend = 3.56%

Calculated Future Trend = 1.49%



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, All Permits Excluding Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

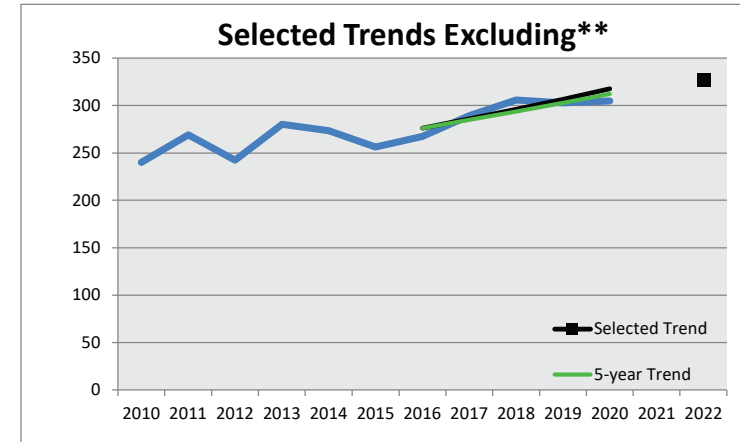
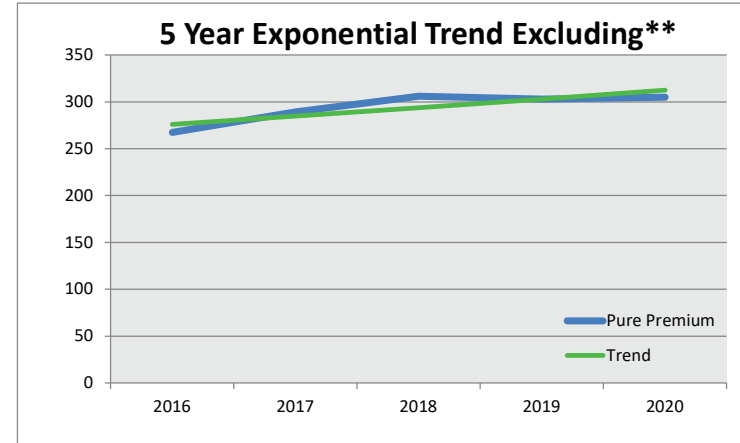
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles excluding Motorcycles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	2.21%	0.7029
10 -yr exp trend excl **	2.04%	0.6124
9 -yr exp trend excl **	2.53%	0.6954
8 -yr exp trend excl **	2.06%	0.5649
7 -yr exp trend excl **	2.88%	0.7379
6 -yr exp trend excl **	3.78%	0.8427
5 -yr exp trend excl **	3.13%	0.7265
4 -yr exp trend excl **	1.47%	0.5306
3 -yr exp trend excl **	-0.18%	0.1208

** Years excluded: None



SGI

Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles - Motorcycles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	10,873	332	0.9792	1.0000	325	1,644,409	0.9649	1.0076	1.1065	1,768,851	2.99	5,445	162.68		
2010/2011	11,364	325	0.9773	1.0000	318	1,655,317	0.9642	1.0076	1.1018	1,771,670	2.80	5,572	155.90		
2011/2012	11,348	326	0.9754	1.0000	318	1,654,258	0.9673	1.0076	1.1007	1,774,800	2.81	5,576	156.39		
2012/2013	11,644	321	0.9755	1.0000	313	1,257,087	1.0303	1.0078	1.0942	1,428,272	2.69	4,556	122.66		
2013/2014	9,978	255	0.9780	1.0000	250	1,172,931	1.0305	1.0078	1.0810	1,316,850	2.50	5,275	131.97		
2014/2015	8,966	197	0.9787	1.0000	193	1,054,192	1.0332	1.0077	1.0473	1,149,497	2.15	5,955	128.21		
2015/2016	8,331	200	0.9755	1.0000	195	1,070,067	1.0442	1.0076	1.0182	1,146,405	2.34	5,871	137.61		
2016/2017	7,532	168	0.9787	1.0000	165	841,978	1.0471	1.0076	1.0003	888,582	2.18	5,401	117.97		
2017/2018	6,892	155	0.9842	1.0000	153	931,874	1.0449	1.0010	1.0003	974,997	2.22	6,387	141.47		
2018/2019	6,205	144	1.0096	1.0000	145	801,588	1.0602	1.0000	1.0003	850,075	2.34	5,843	137.00		
2019/2020	5,867	138	1.1784	1.0000	163	996,973	1.1686	1.0000	1.0000	1,165,082	2.77	7,159	198.59		
Ratio 2011/2010	1.0452				0.9787						1.0016	0.9364	1.0234	0.9583	
Ratio 2012/2011	0.9986				1.0011						1.0018	1.0026	1.0006	1.0032	
Ratio 2013/2012	1.0261				0.9848						0.8048	0.9597	0.8172	0.7843	
Ratio 2014/2013	0.8569				0.7964						0.9220	0.9293	1.1577	1.0759	
Ratio 2015/2014	0.8985				0.7732						0.8729	0.8606	1.1289	0.9715	
Ratio 2016/2015	0.9292				1.0116						0.9973	1.0887	0.9858	1.0733	
Ratio 2017/2016	0.9041				0.8426						0.7751	0.9319	0.9199	0.8573	
Ratio 2018/2017	0.9149				0.9279						1.0973	1.0142	1.1825	1.1993	
Ratio 2019/2018	0.9004				0.9529						0.8719	1.0584	0.9149	0.9683	
Ratio 2020/2019	0.9455				1.1187						1.3706	1.1832	1.2251	1.4496	

SGI
 Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Light Vehicles - Motorcycles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-2.04%	0.3412	
10-yr exp trend	-1.58%	0.2012	
9-yr exp trend	-1.14%	0.0910	
8-yr exp trend	-0.12%	0.0009	
7-yr exp trend	1.53%	0.1339	
6-yr exp trend	3.73%	0.5405	
5-yr exp trend	4.16%	0.4594	
4-yr exp trend	8.05%	0.8289	
3-yr exp trend	11.91%	0.9243	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	0.8736
Future	0.83%	0.47%

Trend Selection Notes:

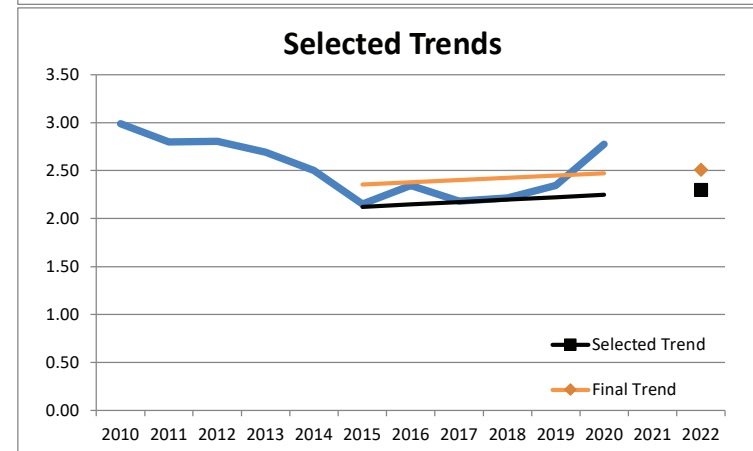
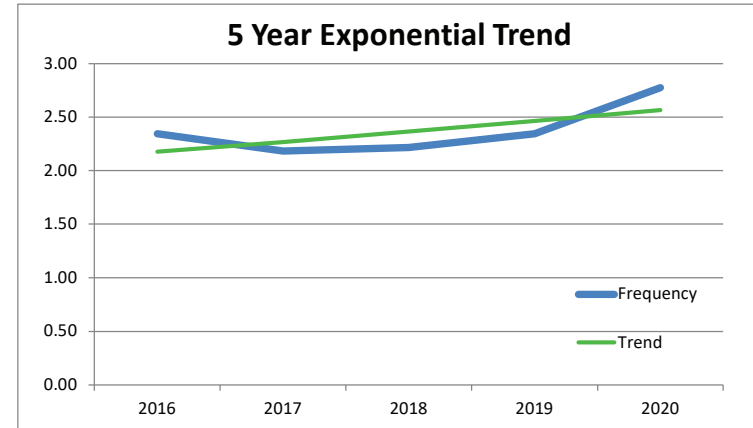
Past: Cyclist have started registering for shorter periods vs. longer periods. 2019 RP selection is not in line with what's being seen now. Select 0% trend for past.
 Future: Expect frequency trend to start climbing in the future. With an approved RP, it will become more expensive to take out permits, which has been popular amongst the motorcycle riders. Therefore might see cyclist revert back to short-term or long-term registrations.

2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	1.15%	0.8629
Future	1.15%	0.72%

Trend Selection Notes:

Past: Select 6 year trend. Have seen a slightly increasing trend since 2015, which has been a turning point in MC experience. The 2020 year is potentially overstated due to applying general development factors while the MC experience is more mature by this point than the general fleet. Increases are potentially due to shorter registration terms and permit use
 Future: Select same as past. With an approved rate program terms could start to increase again with re-balanced rates and less incentive to use permits. Will need to keep an eye on.

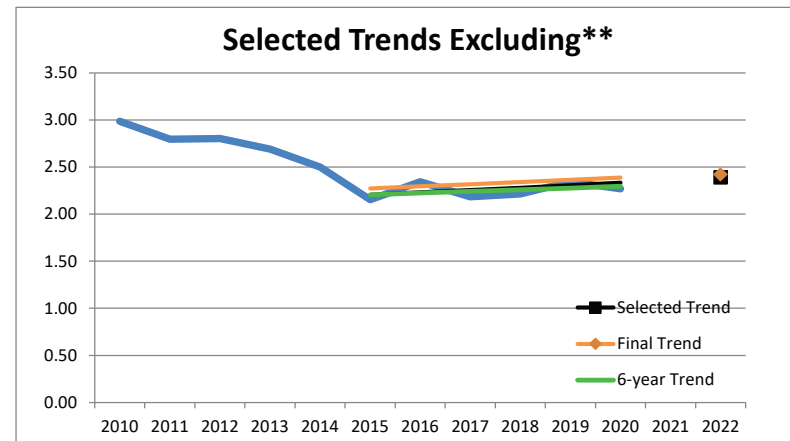
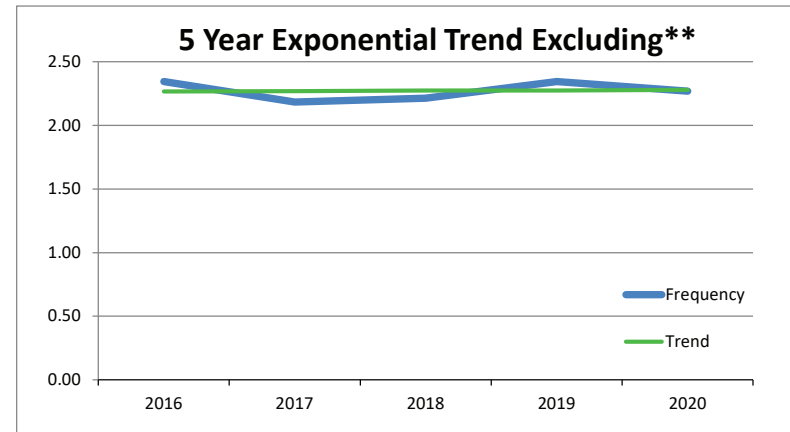


SGI
 Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Light Vehicles - Motorcycles
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-3.36%	0.7609
10 -yr exp trend excl **	-3.11%	0.6756
9 -yr exp trend excl **	-2.99%	0.5753
8 -yr exp trend excl **	-2.27%	0.3811
7 -yr exp trend excl **	-0.88%	0.0852
6 -yr exp trend excl **	1.15%	0.2027
5 -yr exp trend excl **	0.15%	0.0027
4 -yr exp trend excl **	3.60%	0.8919
3 -yr exp trend excl **	5.84%	1.0000

** Years excluded: 2019/2020



SGI
 Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Light Vehicles - Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	2.22%	0.4058
10-yr exp trend	2.66%	0.4429
9-yr exp trend	3.44%	0.5395
8-yr exp trend	4.63%	0.6799
7-yr exp trend	3.50%	0.5200
6-yr exp trend	3.12%	0.3552
5-yr exp trend	4.87%	0.4928
4-yr exp trend	7.86%	0.6507
3-yr exp trend	5.87%	0.3143

2020 Rate Program

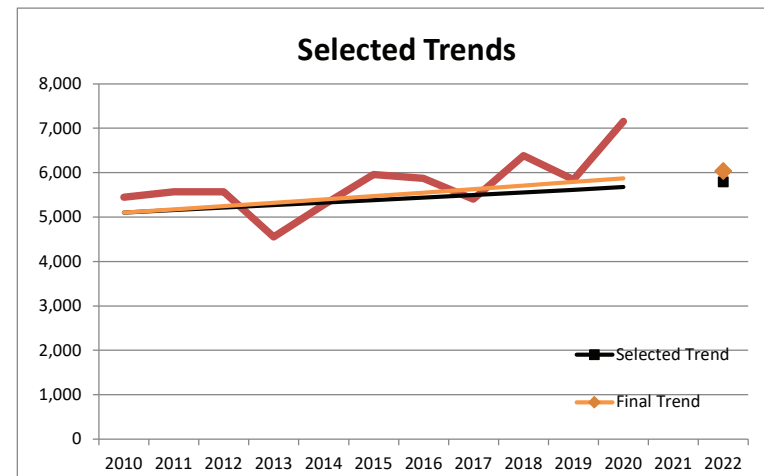
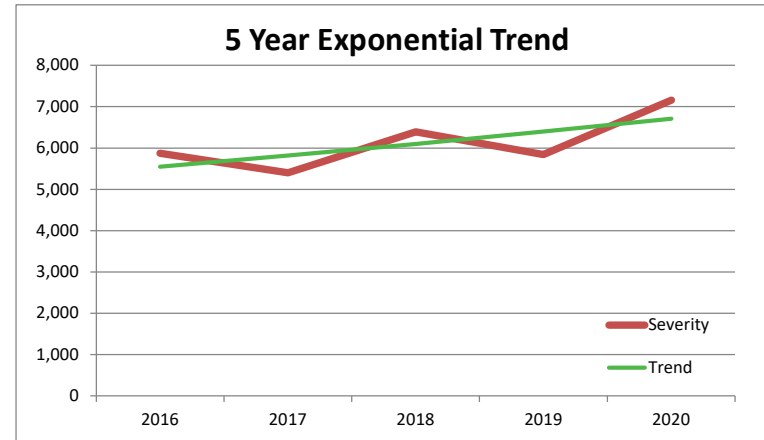
Selected Trends	Credibility	Credibility Weighted Trends
Past	1.11%	0.8736
Future	1.11%	1.52%

Trend Selection Notes:
 Past: Excluded 2012/2013. Excluding this point, saw long-term trends bounce around 1%-1.5%; select 10-yr trend of 1.11%.
 Future: Same as past.

2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	1.06%	0.8629
Future	1.06%	1.41%

Trend Selection Notes:
 Past: Select longer term trend excluding 2013 and 2020 to smooth over peaks and valleys. The 2020 result for motorcycles is not fully trusted.
 Future: Select same as past.

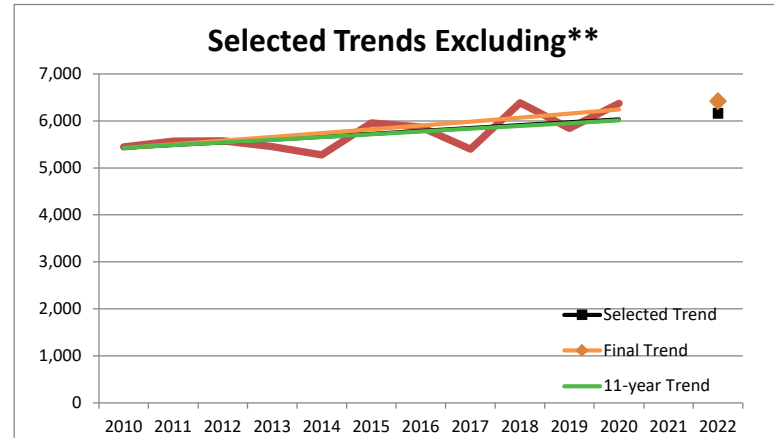
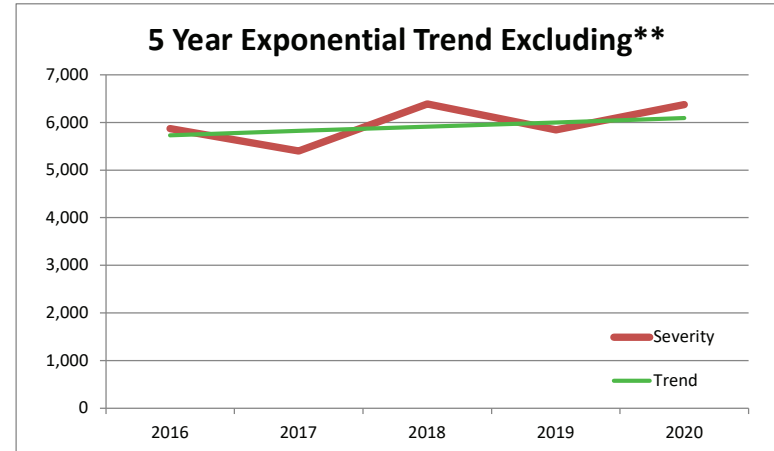


SGI
 Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Light Vehicles - Motorcycles
Excluding Years: 2012/2013, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	1.03%	0.2983
10 -yr exp trend excl **	1.06%	0.2385
9 -yr exp trend excl **	1.32%	0.2360
8 -yr exp trend excl **	1.84%	0.2403
7 -yr exp trend excl **	1.84%	0.2403
6 -yr exp trend excl **	0.46%	0.0149
5 -yr exp trend excl **	1.55%	0.0836
4 -yr exp trend excl **	4.02%	0.2203
3 -yr exp trend excl **	-8.51%	1.0000

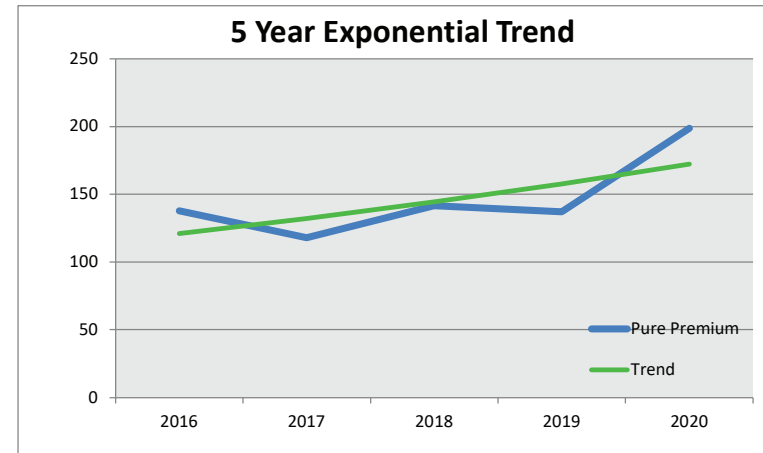
** Years excluded: 2012/2013, 2019/2020



SGI
Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Light Vehicles - Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	0.13%	0.0008
10-yr exp trend	1.04%	0.0429
9-yr exp trend	2.26%	0.1554
8-yr exp trend	4.50%	0.4554
7-yr exp trend	5.08%	0.4194
6-yr exp trend	6.96%	0.4972
5-yr exp trend	9.23%	0.5274
4-yr exp trend	16.54%	0.8068
3-yr exp trend	18.48%	0.6794



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.11%	0.8736
Future	1.95%	1.52%

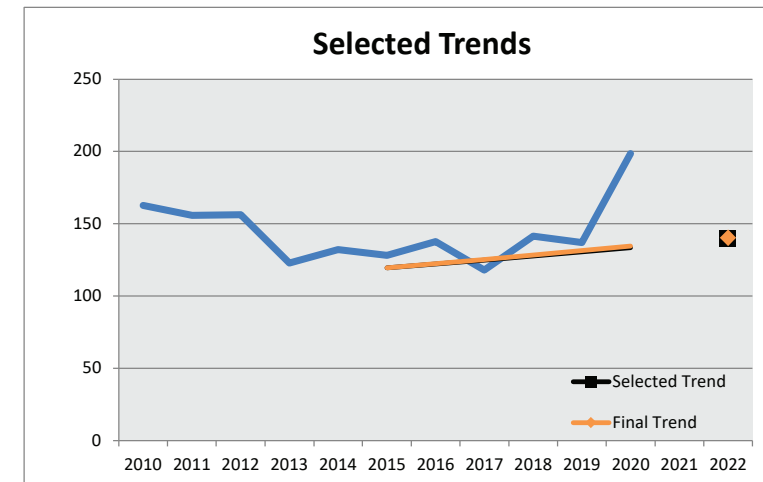
Trend Selection Notes:

2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	2.22%	0.8629
Future	2.22%	2.41%
		2.13%

Trend Selection Notes:
Calculated Past Trend = 2.22%

Calculated Future Trend = 2.22%

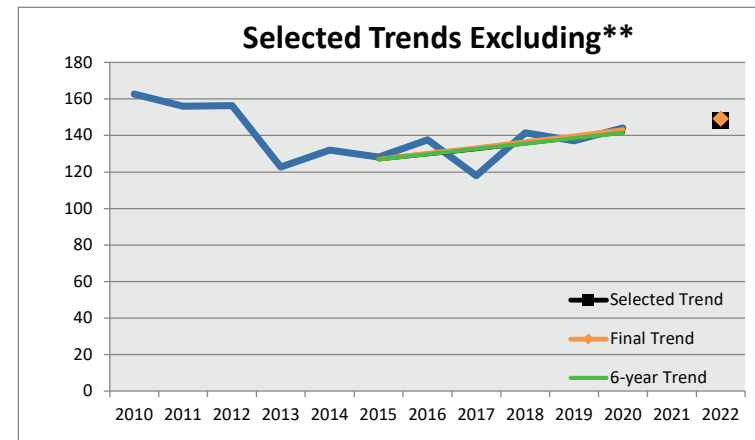
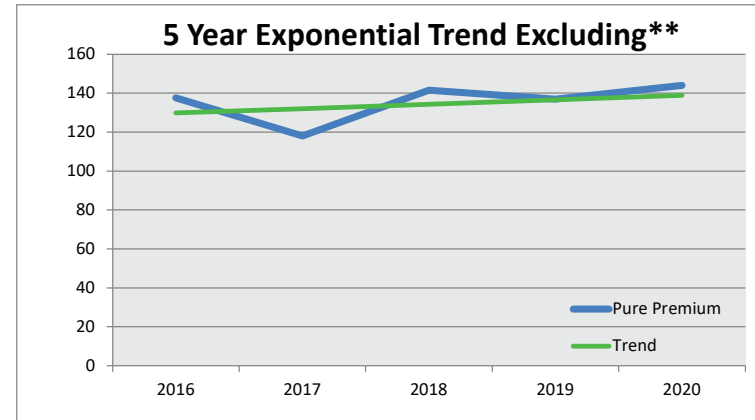


SGI
 Class Group: LV - Motorcycles, All Permits for Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Light Vehicles - Motorcycles
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-1.99%	0.3210
10 -yr exp trend excl **	-1.41%	0.1617
9 -yr exp trend excl **	-0.57%	0.0252
8 -yr exp trend excl **	1.39%	0.2051
7 -yr exp trend excl **	0.94%	0.0719
6 -yr exp trend excl **	1.62%	0.1201
5 -yr exp trend excl **	1.70%	0.0701
4 -yr exp trend excl **	7.76%	0.5946
3 -yr exp trend excl **	-3.17%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	99,407	1,417	0.9792	1.0000	1,388	10,987,598	0.9649	1.0067	1.1065	11,808,992	1.40	8,509	118.79		
2010/2011	102,241	1,614	0.9773	1.0000	1,577	13,245,220	0.9642	1.0066	1.1018	14,163,158	1.54	8,981	138.53		
2011/2012	106,452	1,459	0.9754	1.0000	1,423	12,287,884	0.9673	1.0067	1.1007	13,171,645	1.34	9,258	123.73		
2012/2013	112,347	1,553	0.9755	1.0000	1,515	12,779,800	1.0303	1.0070	1.0942	14,507,883	1.35	9,578	129.13		
2013/2014	116,383	1,462	0.9780	1.0000	1,430	13,923,909	1.0305	1.0070	1.0810	15,619,844	1.23	10,921	134.21		
2014/2015	119,304	1,597	0.9787	1.0000	1,563	15,312,171	1.0332	1.0069	1.0473	16,683,320	1.31	10,674	139.84		
2015/2016	119,777	1,485	0.9755	1.0000	1,449	14,611,558	1.0442	1.0068	1.0182	15,640,957	1.21	10,794	130.58		
2016/2017	118,031	1,474	0.9787	1.0000	1,443	14,536,611	1.0471	1.0068	1.0003	15,329,399	1.22	10,626	129.88		
2017/2018	117,968	1,578	0.9842	1.0000	1,553	15,964,083	1.0449	1.0002	1.0003	16,689,052	1.32	10,744	141.47		
2018/2019	118,051	1,429	1.0096	1.0000	1,443	14,842,665	1.0602	1.0000	1.0003	15,740,469	1.22	10,910	133.34		
2019/2020	117,806	1,193	1.1784	1.0000	1,406	12,250,148	1.1686	1.0000	1.0000	14,315,764	1.19	10,182	121.52		
Ratio 2011/2010	1.0285				1.1364					1.1994	1.1049	1.0554	1.1661		
Ratio 2012/2011	1.0412				0.9021					0.9300	0.8664	1.0309	0.8932		
Ratio 2013/2012	1.0554				1.0646					1.1014	1.0088	1.0346	1.0437		
Ratio 2014/2013	1.0359				0.9443					1.0766	0.9116	1.1401	1.0393		
Ratio 2015/2014	1.0251				1.0928					1.0681	1.0660	0.9774	1.0419		
Ratio 2016/2015	1.0040				0.9271					0.9375	0.9235	1.0112	0.9338		
Ratio 2017/2016	0.9854				0.9956					0.9801	1.0103	0.9844	0.9946		
Ratio 2018/2017	0.9995				1.0767					1.0887	1.0773	1.0111	1.0893		
Ratio 2019/2018	1.0007				0.9288					0.9432	0.9282	1.0154	0.9425		
Ratio 2020/2019	0.9979				0.9745					0.9095	0.9765	0.9333	0.9114		

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

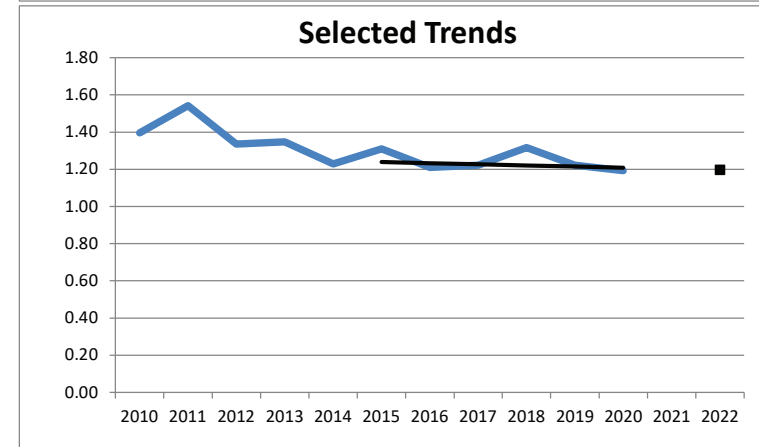
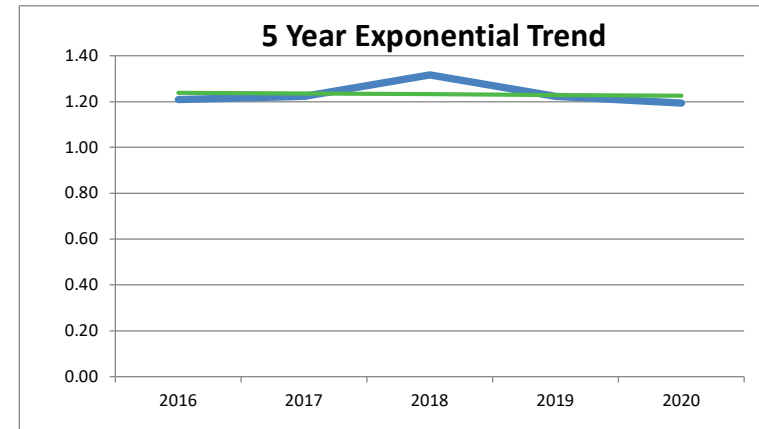
Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-1.78%	0.5899
10-yr exp trend	-1.89%	0.5546
9-yr exp trend	-1.12%	0.4148
8-yr exp trend	-1.01%	0.2903
7-yr exp trend	-0.51%	0.0786
6-yr exp trend	-1.03%	0.2062
5-yr exp trend	-0.27%	0.0126
4-yr exp trend	-1.45%	0.1951
3-yr exp trend	-4.80%	0.9185



2020 Rate Program

Selected Trends

	Trends	Credibility	Credibility Weighted Trends
Past	-0.84%	1.0000	Past -0.84%
Future	-0.50%		Future -0.50%

Trend Selection Notes:

Past: Volatile overall but seems to be flattening out in recent years. 5-yr trend seems reasonable. Similar to Cov 21, economy factors are expected to stabilize this.

Future: Excluding 2018/19. Went with an average of the trend including and excluding the newest year. Stick with last year's selection of -0.5%.

2021 Rate Program

Selected Trends

	Trends	Credibility	Final Trends
Past	-0.50%	1.0000	Past -0.50%
Future	-0.50%		Future -0.50%

Trend Selection Notes:

Past: Experience is consistent and fairly flat. Year to year trends shift up and down. Selected -0.5% trend considering 4-7 year trends.

Future: Same as past.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

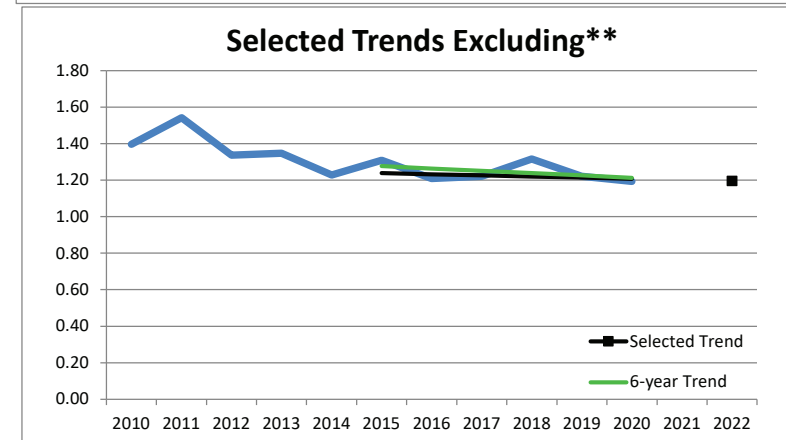
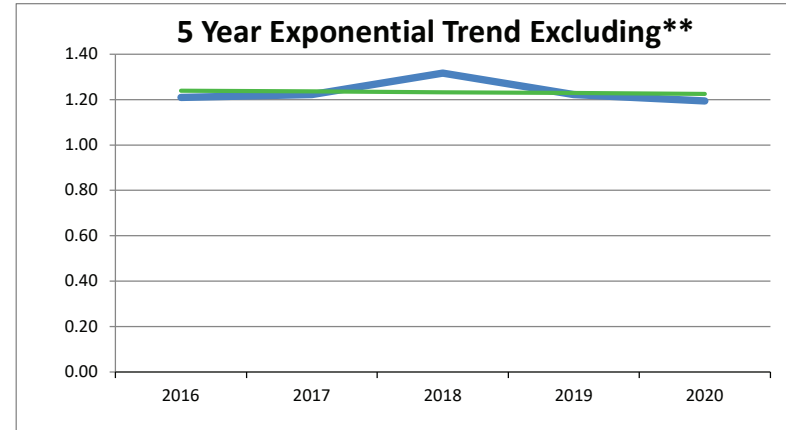
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-1.78%	0.5899
10 -yr exp trend excl **	-1.89%	0.5546
9 -yr exp trend excl **	-1.12%	0.4148
8 -yr exp trend excl **	-1.01%	0.2903
7 -yr exp trend excl **	-0.51%	0.0786
6 -yr exp trend excl **	-1.03%	0.2062
5 -yr exp trend excl **	-0.27%	0.0126
4 -yr exp trend excl **	-1.45%	0.1951
3 -yr exp trend excl **	-4.80%	0.9185

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	2.13%	0.6148	
10-yr exp trend	1.70%	0.4866	
9-yr exp trend	1.23%	0.3094	
8-yr exp trend	0.51%	0.0776	
7-yr exp trend	-0.61%	0.3079	
6-yr exp trend	-0.55%	0.1856	
5-yr exp trend	-0.90%	0.2853	
4-yr exp trend	-1.12%	0.2410	
3-yr exp trend	-2.65%	0.5487	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Sharp drop in severity in 2018/2019 but can't fully trust the newest year and don't have any explanations behind this. The curve flattens out once the newest year is excluded. Select 0% trend for past.

Future: Same as past.

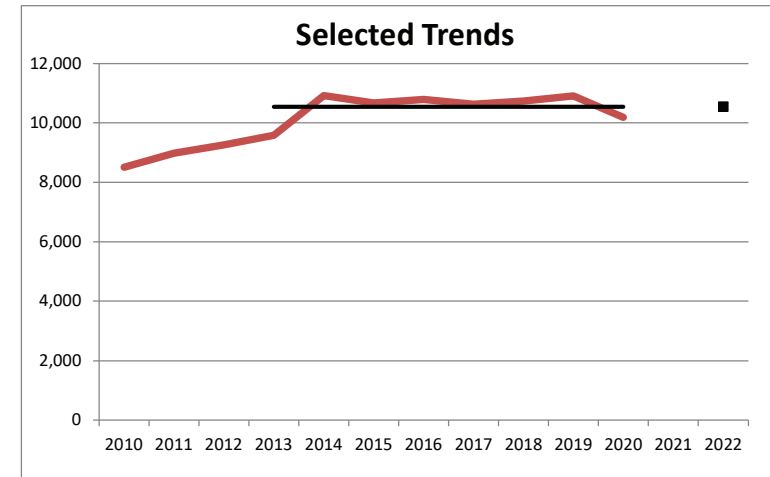
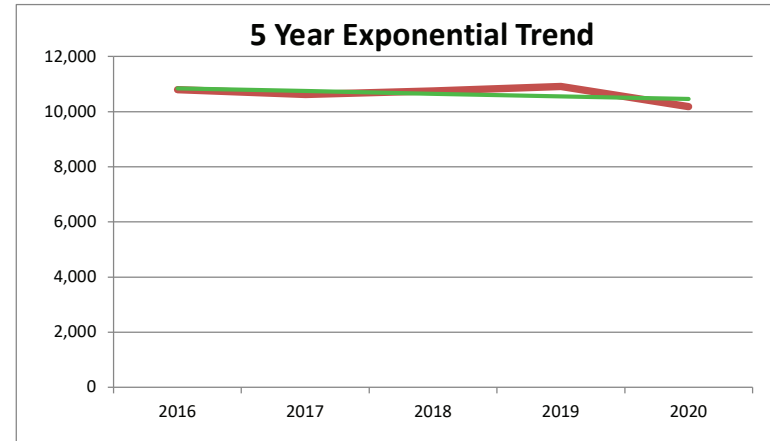
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Recent experience is fairly flat with a dip in the most recent year. Assume a 0% trend.

Future: In general an increasing trend in severity is expected and not the negative trend caused by the latest year, whose experience has not yet fully matured. As these claims are capped at 15k flat growth is assumed.



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

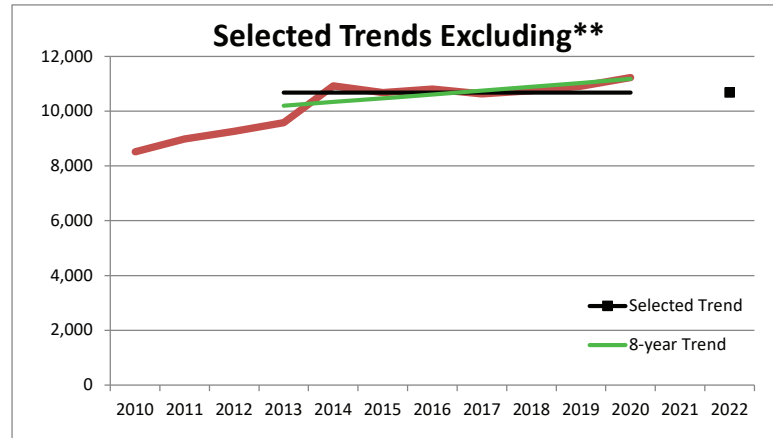
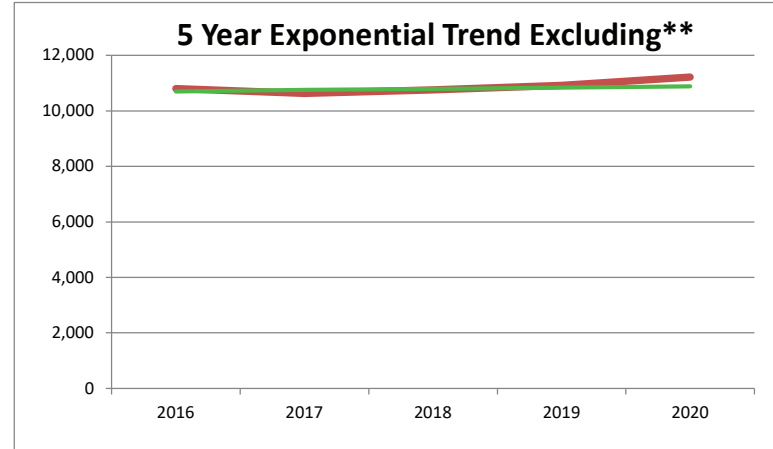
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.77%	0.7790
10 -yr exp trend excl **	2.40%	0.6983
9 -yr exp trend excl **	1.99%	0.5695
8 -yr exp trend excl **	1.27%	0.3548
7 -yr exp trend excl **	0.00%	0.0000
6 -yr exp trend excl **	0.39%	0.3616
5 -yr exp trend excl **	0.43%	0.2577
4 -yr exp trend excl **	1.33%	0.9914
3 -yr exp trend excl **	1.54%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

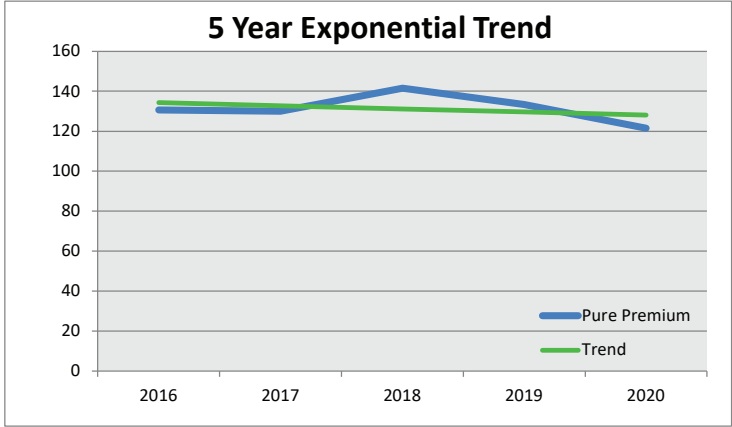
Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	0.32%	0.0332
10-yr exp trend	-0.22%	0.0179
9-yr exp trend	0.09%	0.0025
8-yr exp trend	-0.51%	0.0677
7-yr exp trend	-1.11%	0.2266
6-yr exp trend	-1.57%	0.2860
5-yr exp trend	-1.17%	0.1158
4-yr exp trend	-2.55%	0.2809
3-yr exp trend	-7.32%	0.9840



2020 Rate Program

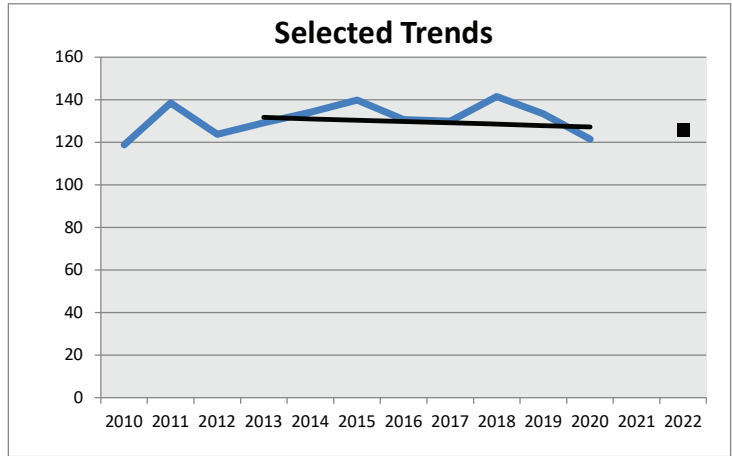
Selected Trends

Past	-0.84%
Future	-0.50%

Credibility
1.0000

Credibility Weighted Trends	
Past	-0.84%
Future	-0.50%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	-0.50%
Future	-0.50%

Credibility
1.0000

Final Trends	
Past	-0.50%
Future	-0.50%

Trend Selection Notes:

Calculated Past Trend = -0.5%

Calculated Future Trend = -0.5%

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, LV-HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

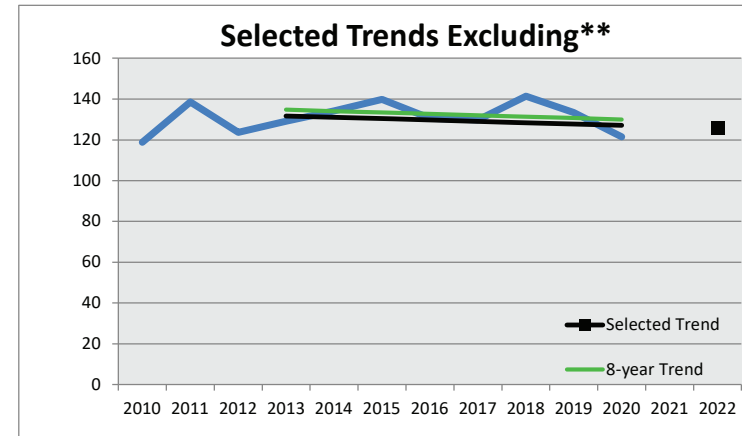
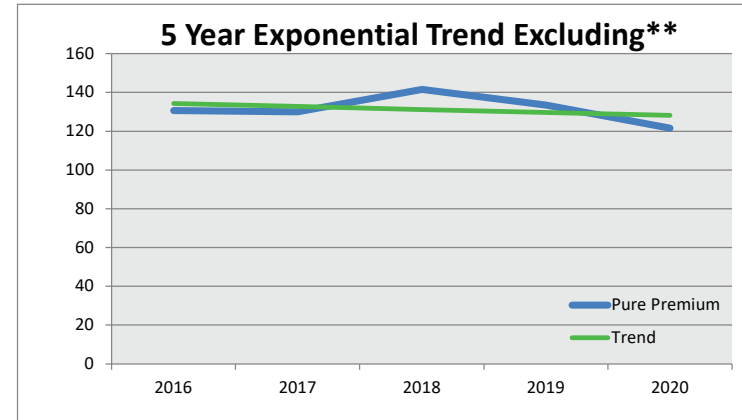
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	0.32%	0.0332
10 -yr exp trend excl **	-0.22%	0.0179
9 -yr exp trend excl **	0.09%	0.0025
8 -yr exp trend excl **	-0.51%	0.0677
7 -yr exp trend excl **	-1.11%	0.2266
6 -yr exp trend excl **	-1.57%	0.2860
5 -yr exp trend excl **	-1.17%	0.1158
4 -yr exp trend excl **	-2.55%	0.2809
3 -yr exp trend excl **	-7.32%	0.9840

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Ambulance and Bus

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent		Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor	Ultimate Frequency	Ultimate Severity				
2009/2010	4,657	187	0.9792	1.0000	184	788,415	0.9649	1.0065	1.1065	847,224	3.94	4,616	181.93		
2010/2011	4,701	250	0.9773	1.0000	245	1,133,156	0.9642	1.0065	1.1018	1,211,498	5.20	4,953	257.71		
2011/2012	4,839	200	0.9754	1.0000	195	837,495	0.9673	1.0066	1.1007	897,609	4.04	4,596	185.51		
2012/2013	4,970	267	0.9755	1.0000	261	1,284,440	1.0303	1.0069	1.0942	1,457,971	5.25	5,592	293.37		
2013/2014	5,061	275	0.9780	1.0000	269	1,366,689	1.0305	1.0068	1.0810	1,532,903	5.32	5,694	302.88		
2014/2015	5,182	227	0.9787	1.0000	222	1,338,737	1.0332	1.0067	1.0473	1,458,394	4.29	6,556	281.42		
2015/2016	5,209	245	0.9755	1.0000	239	1,356,157	1.0442	1.0065	1.0182	1,451,371	4.59	6,067	278.62		
2016/2017	5,087	235	0.9787	1.0000	230	1,398,247	1.0471	1.0066	1.0003	1,474,195	4.52	6,405	289.82		
2017/2018	4,933	251	0.9842	1.0000	247	1,382,334	1.0449	1.0000	1.0003	1,444,809	5.01	5,844	292.88		
2018/2019	4,734	244	1.0096	1.0000	247	1,181,432	1.0602	1.0000	1.0003	1,252,895	5.21	5,082	264.67		
2019/2020	4,754	157	1.1784	1.0000	185	804,389	1.1686	1.0000	1.0000	940,024	3.90	5,076	197.73		
Ratio 2011/2010	1.0094					1.3326					1.4300	1.3201	1.0731	1.4166	
Ratio 2012/2011	1.0293					0.7985					0.7409	0.7758	0.9279	0.7198	
Ratio 2013/2012	1.0271					1.3351					1.6243	1.2999	1.2166	1.5814	
Ratio 2014/2013	1.0184					1.0325					1.0514	1.0139	1.0183	1.0324	
Ratio 2015/2014	1.0239					0.8262					0.9514	0.8069	1.1515	0.9292	
Ratio 2016/2015	1.0052					1.0755					0.9952	1.0699	0.9253	0.9900	
Ratio 2017/2016	0.9765					0.9621					1.0157	0.9853	1.0557	1.0402	
Ratio 2018/2017	0.9698					1.0742					0.9801	1.1076	0.9124	1.0106	
Ratio 2019/2018	0.9596					0.9971					0.8672	1.0391	0.8697	0.9037	
Ratio 2020/2019	1.0043					0.7511					0.7503	0.7479	0.9989	0.7471	

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	0.14%	0.0014
10-yr exp trend	-0.89%	0.0539
9-yr exp trend	-0.38%	0.0081
8-yr exp trend	-2.05%	0.2071
7-yr exp trend	-1.63%	0.1010
6-yr exp trend	-0.02%	0.0000
5-yr exp trend	-1.87%	0.0705
4-yr exp trend	-4.03%	0.1674
3-yr exp trend	-11.84%	0.6381

2020 Rate Program

Selected Trends

Past	5.44%
Future	1.82%

Credibility

1.0000

Credibility Weighted Trends

Past	5.44%
Future	1.82%

Trend Selection Notes:

Past: 2019 RP selection of a flat trend is no longer valid for past and future. Recent years show an consistent increasing trend.

Select 5-yr trend excluding 2018/19 for past.

Future: Due to volatility in the curve overall, select lower positive trend to soften the past trend. Can't fully trust the upward trend in recent years to continue at the same rate.

2021 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

1.0000

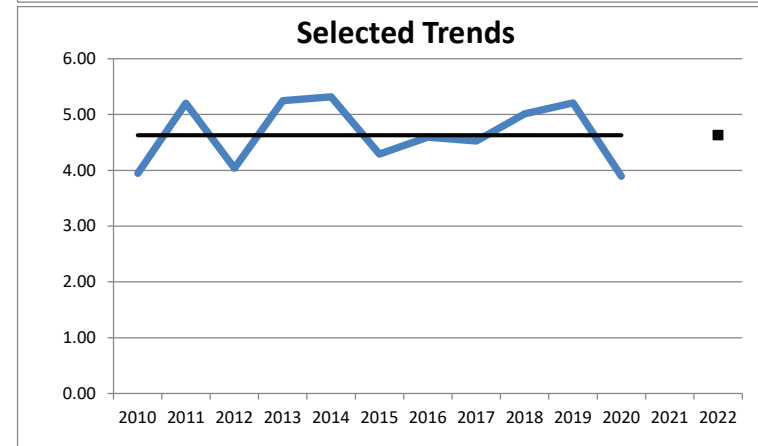
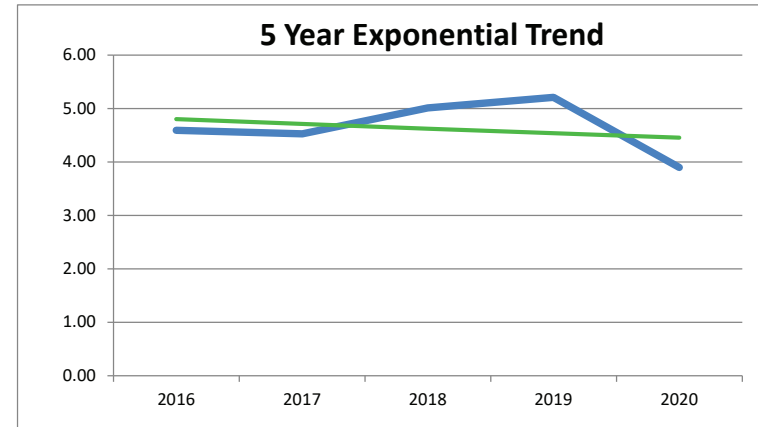
Final Trends

Past	0.00%
Future	0.00%

Trend Selection Notes:

Past: Focus on longer term trend due to volatility and the uncertainty of the latest year. Select 0% flat growth.

Future: Same as past.



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

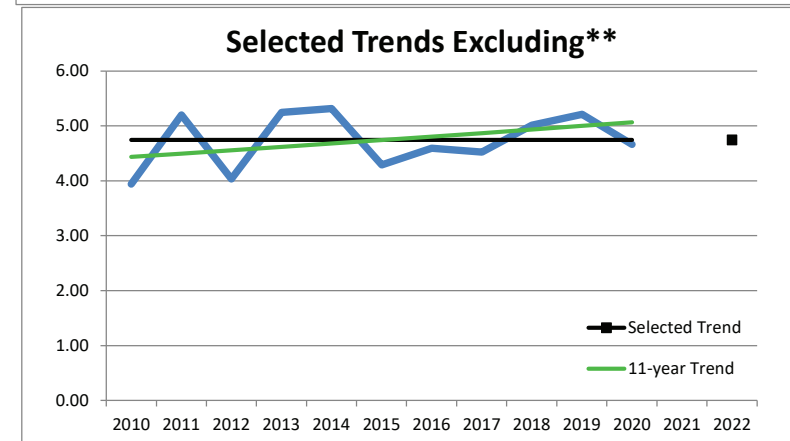
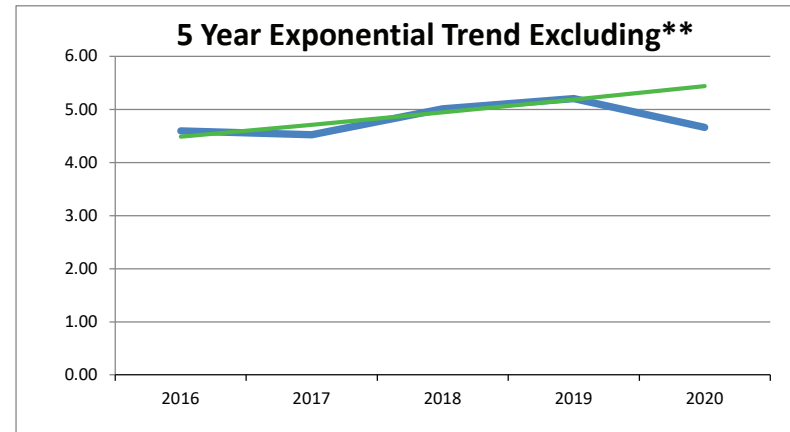
Exhibit 3 - Page 2-3

Frequency for Ambulance and Bus

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	1.34%	0.1260
10 -yr exp trend excl **	0.35%	0.0091
9 -yr exp trend excl **	1.36%	0.1037
8 -yr exp trend excl **	-0.32%	0.0064
7 -yr exp trend excl **	0.99%	0.0458
6 -yr exp trend excl **	4.85%	0.9055
5 -yr exp trend excl **	4.91%	0.8306
4 -yr exp trend excl **	7.28%	0.9357
3 -yr exp trend excl **	3.91%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	1.50%	0.1567
10-yr exp trend	0.86%	0.0494
9-yr exp trend	0.23%	0.0030
8-yr exp trend	-1.81%	0.2209
7-yr exp trend	-3.13%	0.4540
6-yr exp trend	-5.29%	0.8317
5-yr exp trend	-5.71%	0.7756
4-yr exp trend	-8.03%	0.9024
3-yr exp trend	-6.80%	0.7561

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-4.69%	Past -4.69%
Future	-1.98%	Future -1.98%

Trend Selection Notes:

Past: Selected 5-yr trend.

Future: Expect this to flatten out in the future so pick less negative 6-yr trend for future.

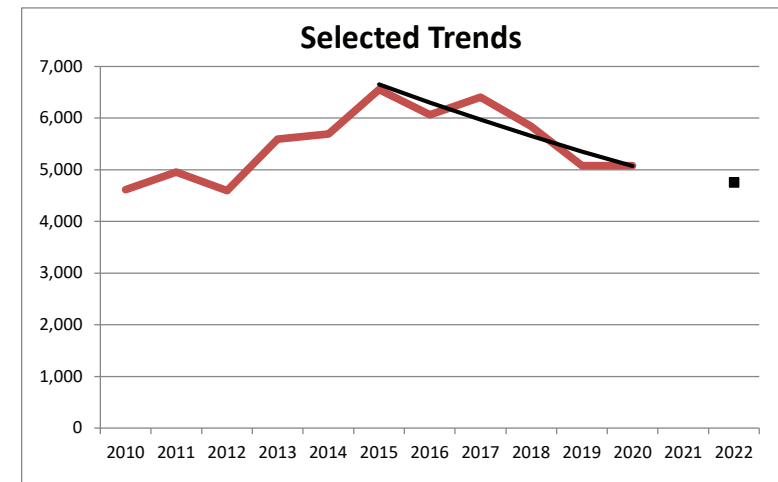
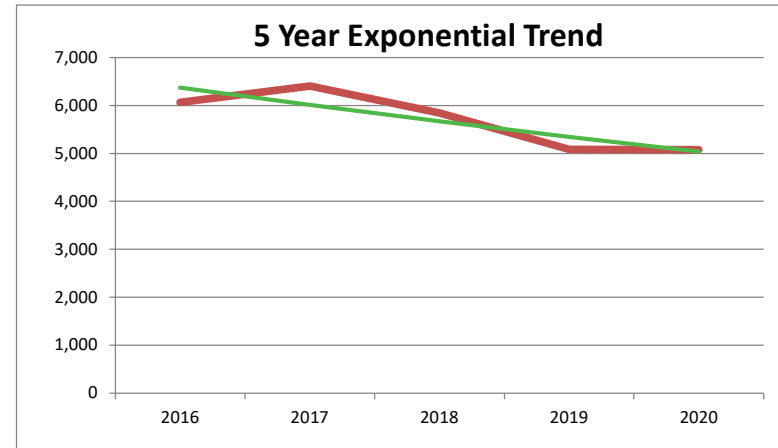
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-5.29%	Past -5.29%
Future	-3.13%	Future -3.13%

Trend Selection Notes:

Past: Select 6-year trend to reflect most recent experience.

Future: City bus fleets (Regina and Saskatoon?) were updated in 2014. Don't rely on earlier experience. Don't expect future trend to be as drastic as past. Selecting lower trend as we expect costs to continue to decrease but to flatten out over time.



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

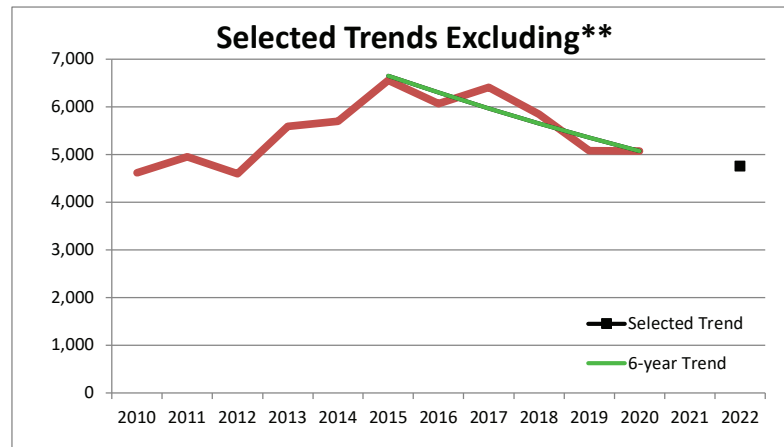
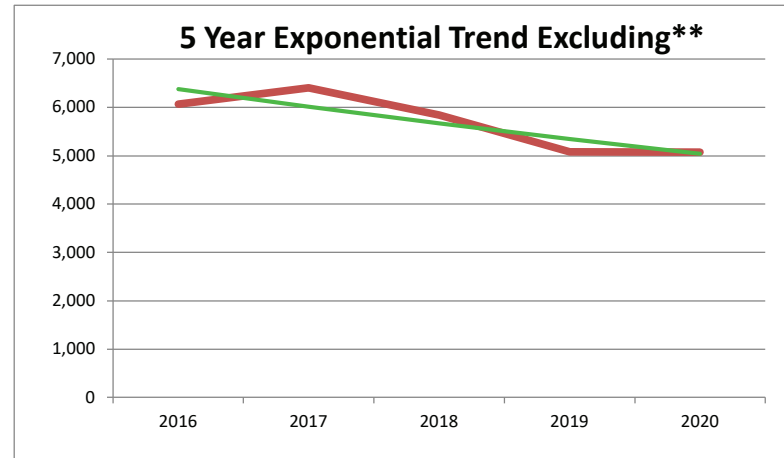
Exhibit 3 - Page 2-5

Severity for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends Severity	Coefficient of Determination - R² Severity
11 -yr exp trend excl **	1.50%	0.1567
10 -yr exp trend excl **	0.86%	0.0494
9 -yr exp trend excl **	0.23%	0.0030
8 -yr exp trend excl **	-1.81%	0.2209
7 -yr exp trend excl **	-3.13%	0.4540
6 -yr exp trend excl **	-5.29%	0.8317
5 -yr exp trend excl **	-5.71%	0.7756
4 -yr exp trend excl **	-8.03%	0.9024
3 -yr exp trend excl **	-6.80%	0.7561

** Years excluded: None



SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

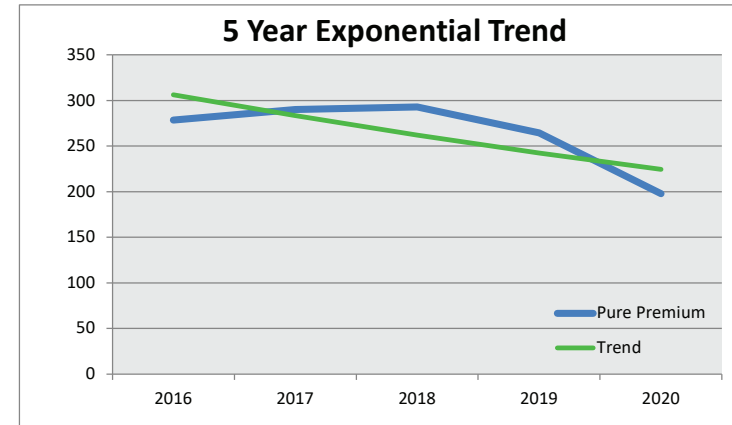
Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Ambulance and Bus

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.64%	0.0756
10-yr exp trend	-0.03%	0.0000
9-yr exp trend	-0.15%	0.0005
8-yr exp trend	-3.83%	0.4886
7-yr exp trend	-4.71%	0.5225
6-yr exp trend	-5.31%	0.4735
5-yr exp trend	-7.47%	0.5708
4-yr exp trend	-11.74%	0.7712
3-yr exp trend	-17.83%	0.9275



2020 Rate Program

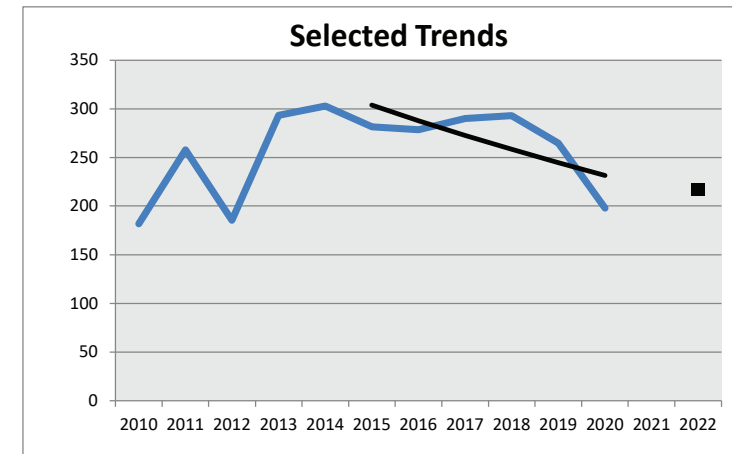
Selected Trends

Past	0.49%
Future	-0.19%

Credibility
1.0000

Credibility Weighted Trends	
Past	0.49%
Future	-0.19%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	-5.29%
Future	-3.13%

Credibility
1.0000

Final Trends	
Past	-5.29%
Future	-3.13%

Trend Selection Notes:

Calculated Past Trend = -5.29%

Calculated Future Trend = -3.13%

SGI

Class Group: Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

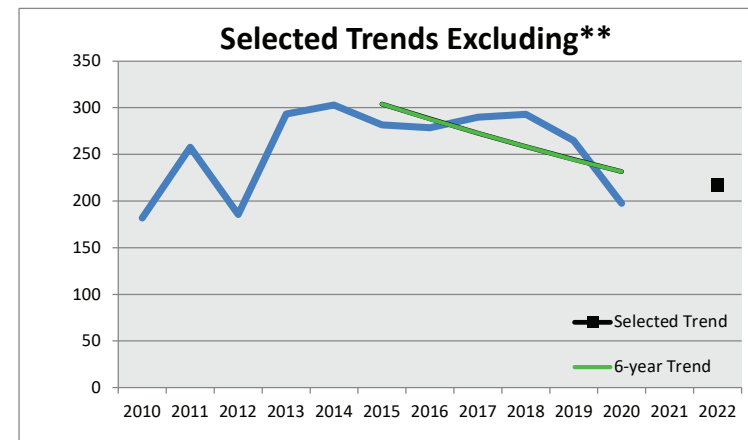
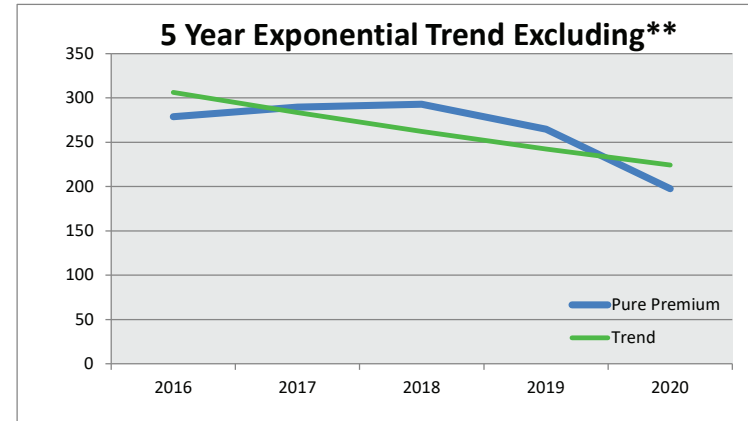
Exhibit 3 - Page 2-7

Pure Premium for Ambulance and Bus

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.64%	0.0756
10 -yr exp trend excl **	-0.03%	0.0000
9 -yr exp trend excl **	-0.15%	0.0005
8 -yr exp trend excl **	-3.83%	0.4886
7 -yr exp trend excl **	-4.71%	0.5225
6 -yr exp trend excl **	-5.31%	0.4735
5 -yr exp trend excl **	-7.47%	0.5708
4 -yr exp trend excl **	-11.74%	0.7712
3 -yr exp trend excl **	-17.83%	0.9275

** Years excluded: None



SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Trailers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count		Ultimate		Incurred Loss			On-Level	Ultimate Losses	Percent		Ultimate
			Development Factor	Claim Count Adjustment	Number of Claims	Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor	Ultimate Frequency		Ultimate Severity	Pure Premium	
2009/2010	61,104	413	0.9792	1.0000	404	1,933,804	0.9649	1.0075	1.1065	2,080,000	0.66	5,144	34.04	
2010/2011	64,713	424	0.9773	1.0000	415	2,207,169	0.9642	1.0075	1.1018	2,362,179	0.64	5,694	36.50	
2011/2012	68,884	414	0.9754	1.0000	404	2,242,722	0.9673	1.0075	1.1007	2,405,922	0.59	5,952	34.93	
2012/2013	75,452	428	0.9755	1.0000	418	2,168,687	1.0303	1.0077	1.0942	2,463,754	0.55	5,895	32.65	
2013/2014	79,561	510	0.9780	1.0000	499	3,022,419	1.0305	1.0077	1.0810	3,392,981	0.63	6,796	42.65	
2014/2015	82,316	482	0.9787	1.0000	471	3,047,412	1.0332	1.0076	1.0473	3,322,634	0.57	7,049	40.36	
2015/2016	85,533	478	0.9755	1.0000	467	2,974,315	1.0442	1.0076	1.0182	3,186,336	0.55	6,827	37.25	
2016/2017	88,064	471	0.9787	1.0000	461	2,820,015	1.0471	1.0075	1.0003	2,975,904	0.52	6,451	33.79	
2017/2018	90,649	473	0.9842	1.0000	466	3,050,665	1.0449	1.0010	1.0003	3,191,548	0.51	6,850	35.21	
2018/2019	92,712	468	1.0096	1.0000	473	3,524,812	1.0602	1.0000	1.0003	3,738,021	0.51	7,905	40.32	
2019/2020	95,139	305	1.1784	1.0000	360	2,042,241	1.1686	1.0000	1.0000	2,386,603	0.38	6,634	25.09	
Ratio 2011/2010	1.0591				1.0258					1.1357	0.9686	1.1071	1.0723	
Ratio 2012/2011	1.0645				0.9745					1.0185	0.9155	1.0451	0.9568	
Ratio 2013/2012	1.0953				1.0339					1.0240	0.9439	0.9904	0.9349	
Ratio 2014/2013	1.0545				1.1946					1.3772	1.1329	1.1529	1.3060	
Ratio 2015/2014	1.0346				0.9440					0.9793	0.9124	1.0373	0.9465	
Ratio 2016/2015	1.0391				0.9902					0.9590	0.9530	0.9684	0.9229	
Ratio 2017/2016	1.0296				0.9884					0.9340	0.9600	0.9450	0.9071	
Ratio 2018/2017	1.0294				1.0100					1.0725	0.9812	1.0619	1.0419	
Ratio 2019/2018	1.0228				1.0149					1.1712	0.9923	1.1540	1.1452	
Ratio 2020/2019	1.0262				0.7608					0.6385	0.7414	0.8392	0.6222	

SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	
11-yr exp trend	-3.89%	0.7391	
10-yr exp trend	-3.98%	0.6910	
9-yr exp trend	-4.07%	0.6313	
8-yr exp trend	-4.73%	0.6473	
7-yr exp trend	-6.26%	0.7861	
6-yr exp trend	-6.35%	0.7030	
5-yr exp trend	-7.32%	0.6637	
4-yr exp trend	-9.39%	0.6673	
3-yr exp trend	-14.23%	0.7688	

2020 Rate Program

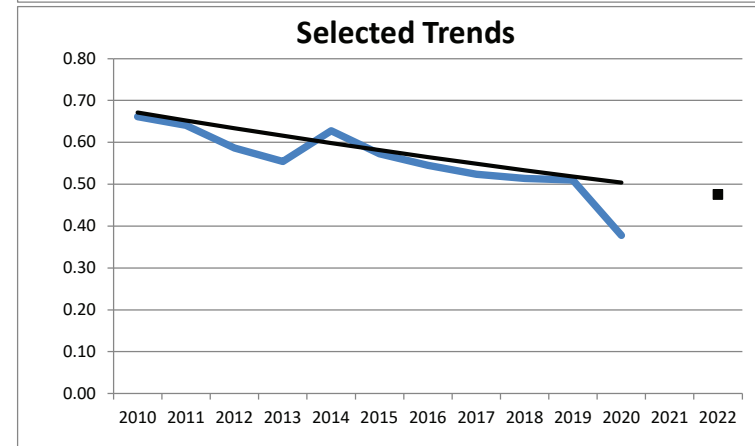
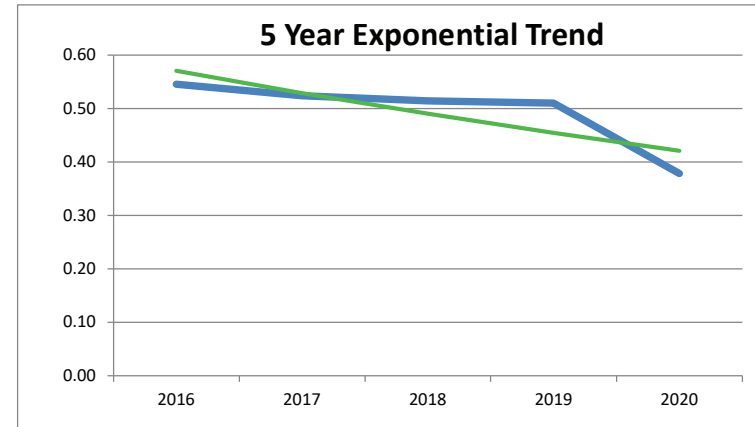
Selected Trends	Credibility	Credibility Weighted Trends
Past	-5.04%	1.0000
Future	-5.04%	-5.04%

Trend Selection Notes:
 Past: Excluding 2012/13, 2013/14 and 2018/19, mid year trend is around -5%. Select 5-yr trend for past.
 Future: Same as past.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-2.83%	1.0000
Future	-2.83%	-2.83%

Trend Selection Notes:
 Past: Select the 11-yr trend with spikes in 2013-2014 and the latest year excluded. Trend is fairly consistent with these years removed
 Future: Select same as past.



SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

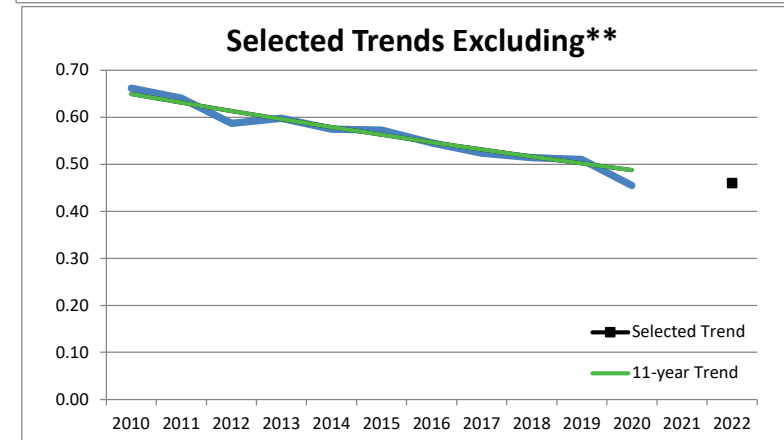
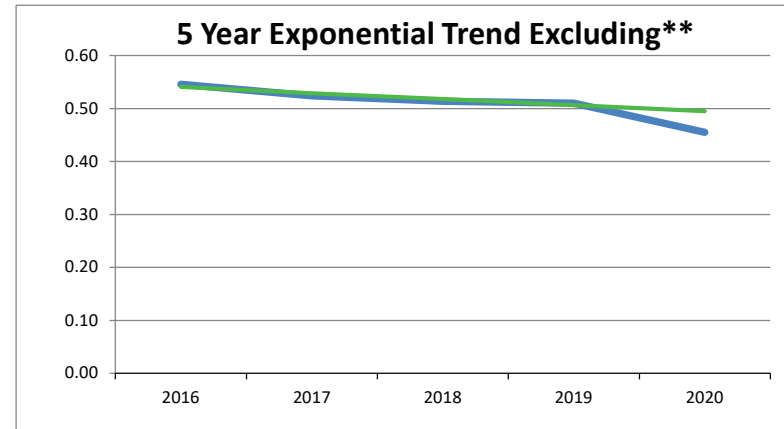
Exhibit 3 - Page 2-3

Frequency for Trailers

Excluding Years: 2012/2013, 2013/2014, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.83%	0.9516
10 -yr exp trend excl **	-2.65%	0.9333
9 -yr exp trend excl **	-2.23%	0.9173
8 -yr exp trend excl **	-2.87%	0.9174
7 -yr exp trend excl **	-2.87%	0.9174
6 -yr exp trend excl **	-2.87%	0.9174
5 -yr exp trend excl **	-2.19%	0.8977
4 -yr exp trend excl **	-1.33%	0.9439
3 -yr exp trend excl **	-0.77%	1.0000

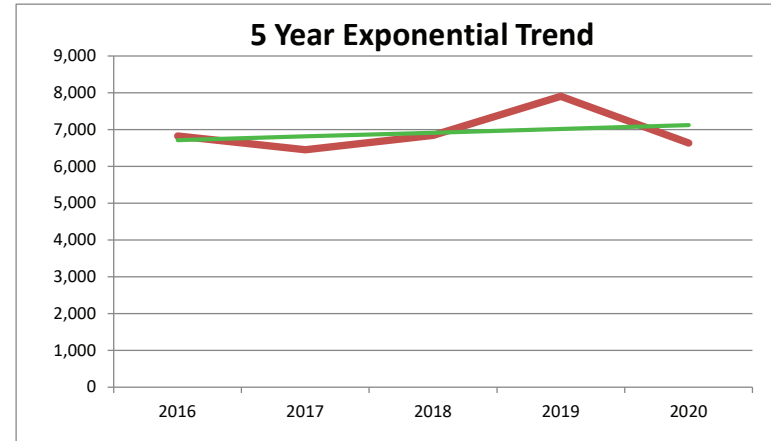
** Years excluded: 2012/2013, 2013/2014, 2019/2020



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Trailers

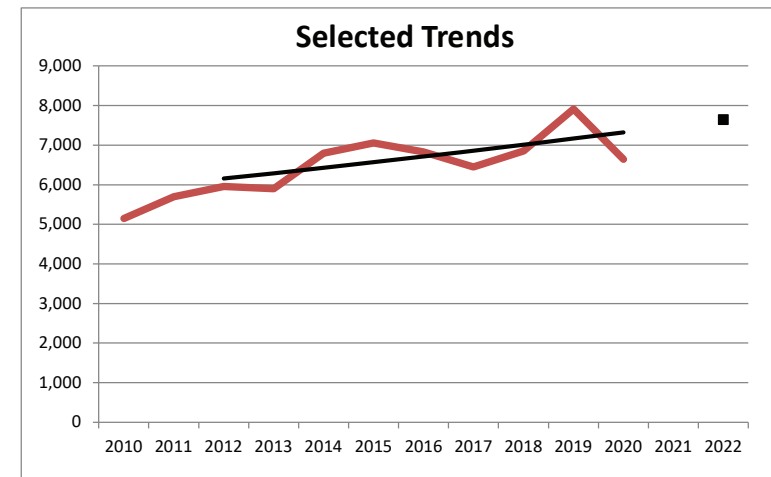
Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	2.94%	0.6572
10-yr exp trend	2.41%	0.5430
9-yr exp trend	2.09%	0.4088
8-yr exp trend	1.73%	0.2586
7-yr exp trend	0.57%	0.0362
6-yr exp trend	0.56%	0.0221
5-yr exp trend	1.47%	0.0863
4-yr exp trend	2.30%	0.1054
3-yr exp trend	-1.59%	0.0294



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	3.00%	Past 3.00%
Future	3.00%	Future 3.00%

Trend Selection Notes:
 Past: Excluded 2018/2019. Long term trend shows around 3%.
 Future: No reason to deviate from the past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	2.19%	Past 2.19%
Future	2.19%	Future 2.19%

Trend Selection Notes:
 Past: Continue to exclude the 2019 fiscal year peak as well as the latest year drop and select a longer term 9-yr trend. Results fluctuate year to year but there is a strong positive trend over time.
 Future: Select same as past.

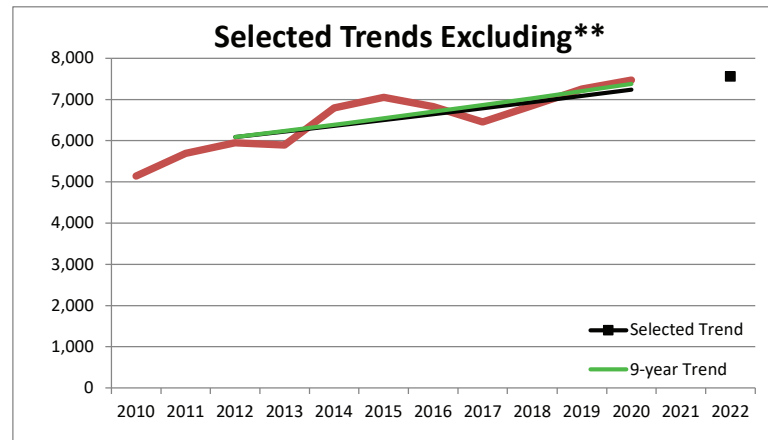
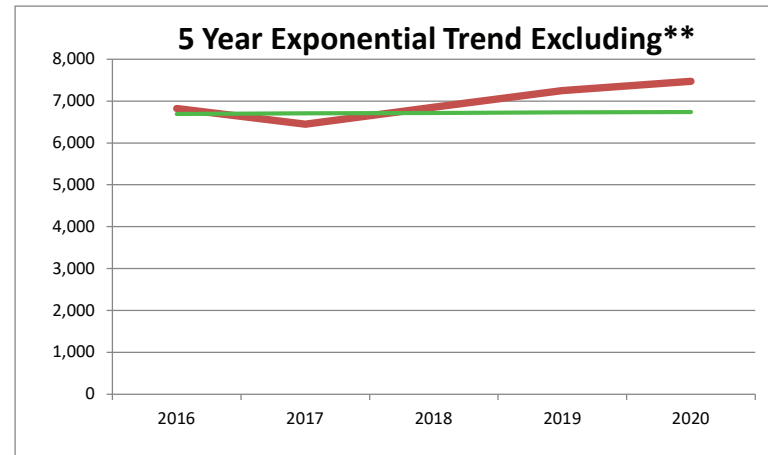
SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Trailers

Excluding Years: 2018/2019, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.34%	0.7126
10 -yr exp trend excl **	2.62%	0.5932
9 -yr exp trend excl **	2.19%	0.4249
8 -yr exp trend excl **	1.62%	0.2169
7 -yr exp trend excl **	-0.73%	0.1281
6 -yr exp trend excl **	-1.42%	0.2461
5 -yr exp trend excl **	0.17%	0.0025
4 -yr exp trend excl **	6.19%	1.0000
3 -yr exp trend excl **	#DIV/0!	#DIV/0!

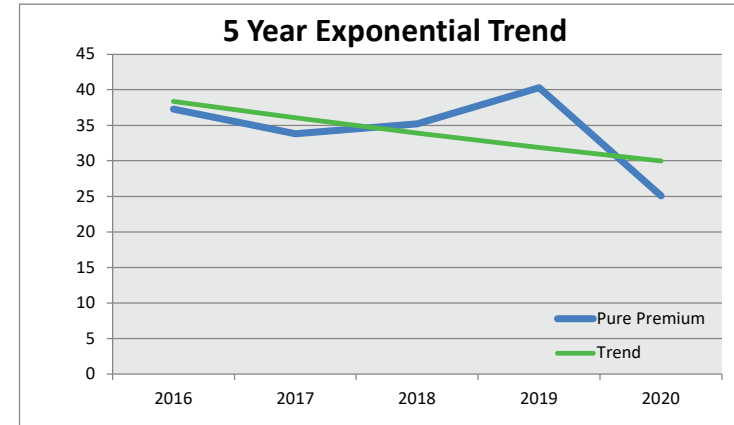
** Years excluded: 2018/2019, 2019/2020



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Trailers

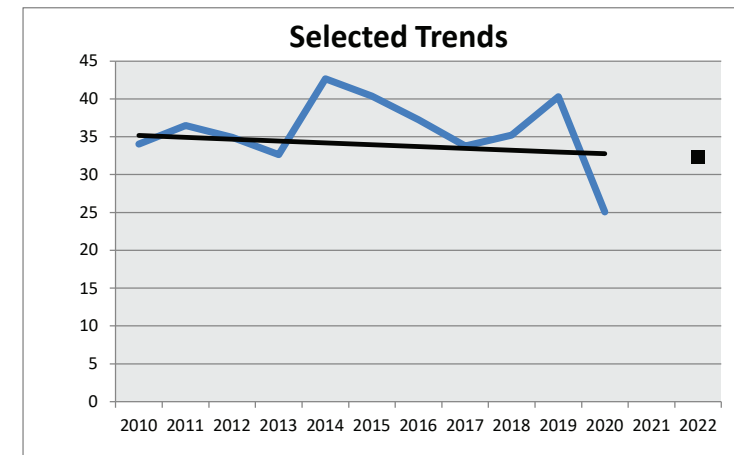
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-1.06%	0.0619
10-yr exp trend	-1.67%	0.1166
9-yr exp trend	-2.07%	0.1314
8-yr exp trend	-3.09%	0.2078
7-yr exp trend	-5.72%	0.5101
6-yr exp trend	-5.82%	0.4028
5-yr exp trend	-5.96%	0.2879
4-yr exp trend	-7.30%	0.2396
3-yr exp trend	-15.59%	0.4808



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -2.19%
Future		Future -2.19%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -0.70%
Future		Future -0.70%

Trend Selection Notes:

Calculated Past Trend = -0.7% Calculated Future Trend = -0.7%

SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

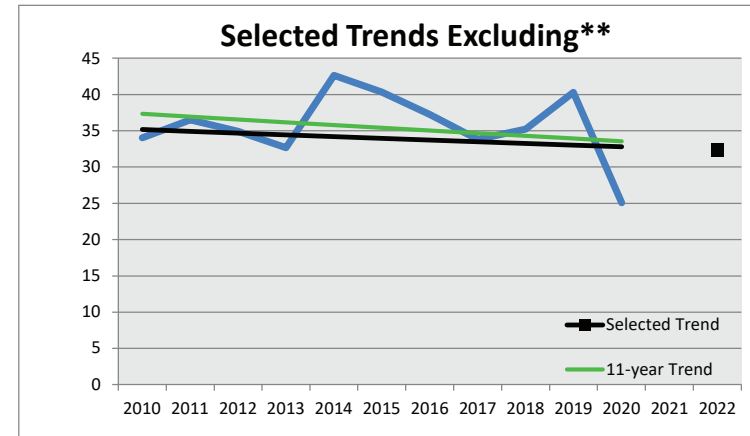
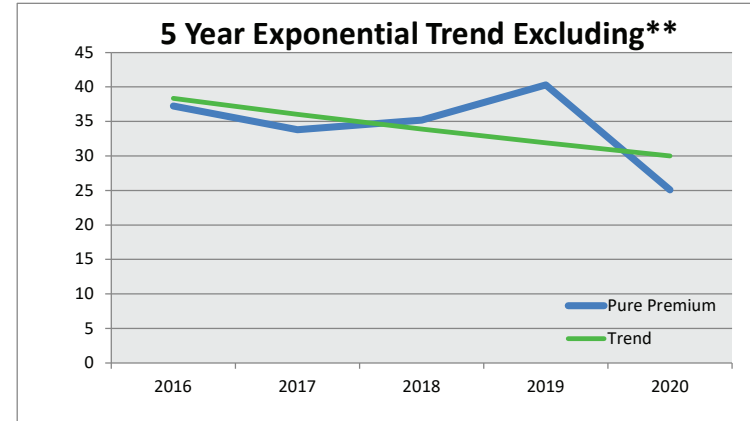
Exhibit 3 - Page 2-7

Pure Premium for Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-1.06%	0.0619
10 -yr exp trend excl **	-1.67%	0.1166
9 -yr exp trend excl **	-2.07%	0.1314
8 -yr exp trend excl **	-3.09%	0.2078
7 -yr exp trend excl **	-5.72%	0.5101
6 -yr exp trend excl **	-5.82%	0.4028
5 -yr exp trend excl **	-5.96%	0.2879
4 -yr exp trend excl **	-7.30%	0.2396
3 -yr exp trend excl **	-15.59%	0.4808

** Years excluded: None



SGI

Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Licensed Auto & Motorcycle Dealers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim Count Adjustment	Ultimate	Incurred Losses	Incurred Loss	Incurred Loss Adjustment	On-Level	Ultimate Losses	Percent	Ultimate Severity	Ultimate
			Development Factor		Number of Claims		Development Factor		Labour Rate Change Factor		Ultimate Frequency		Pure Premium
2009/2010	3,794	144	0.9792	1.0000	141	792,346	0.9649	1.0223	1.1065	864,788	3.73	6,119	227.95
2010/2011	3,826	204	0.9773	1.0000	200	1,129,445	0.9642	1.0223	1.1018	1,226,493	5.22	6,145	320.60
2011/2012	3,879	178	0.9754	1.0000	174	935,337	0.9673	1.0224	1.1007	1,018,178	4.48	5,858	262.46
2012/2013	3,958	181	0.9755	1.0000	177	769,760	1.0303	1.0227	1.0942	887,465	4.47	5,021	224.21
2013/2014	3,969	182	0.9780	1.0000	178	1,008,852	1.0305	1.0226	1.0810	1,149,313	4.49	6,450	289.56
2014/2015	3,975	163	0.9787	1.0000	160	920,847	1.0332	1.0225	1.0473	1,018,872	4.02	6,379	256.34
2015/2016	3,991	133	0.9755	1.0000	130	741,567	1.0442	1.0223	1.0182	806,091	3.25	6,207	202.00
2016/2017	3,973	145	0.9787	1.0000	142	800,337	1.0471	1.0224	1.0003	857,042	3.57	6,035	215.73
2017/2018	3,969	162	0.9842	1.0000	160	996,389	1.0449	1.0157	1.0003	1,057,778	4.02	6,629	266.49
2018/2019	3,986	173	1.0096	1.0000	175	876,897	1.0602	1.0116	1.0003	940,717	4.38	5,382	235.99
2019/2020	3,971	118	1.1784	1.0000	139	811,417	1.1686	1.0028	1.0000	950,912	3.51	6,832	239.49
Ratio 2011/2010	1.0084					1.4121				1.4183	1.4003	1.0044	1.4065
Ratio 2012/2011	1.0141					0.8709				0.8302	0.8588	0.9533	0.8186
Ratio 2013/2012	1.0203					1.0170				0.8716	0.9967	0.8571	0.8543
Ratio 2014/2013	1.0027					1.0080				1.2951	1.0053	1.2847	1.2915
Ratio 2015/2014	1.0014					0.8965				0.8865	0.8952	0.9889	0.8853
Ratio 2016/2015	1.0040					0.8131				0.7912	0.8098	0.9731	0.7880
Ratio 2017/2016	0.9955					1.0936				1.0632	1.0985	0.9723	1.0680
Ratio 2018/2017	0.9991					1.1236				1.2342	1.1246	1.0984	1.2353
Ratio 2019/2018	1.0043					1.0954				0.8893	1.0907	0.8119	0.8855
Ratio 2020/2019	0.9960					0.7963				1.0108	0.7994	1.2695	1.0148

SGI
Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Licenced Auto & Motorcycle Dealers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	
11-yr exp trend	-1.88%	0.2072	
10-yr exp trend	-3.07%	0.4380	
9-yr exp trend	-2.26%	0.2636	
8-yr exp trend	-2.02%	0.1677	
7-yr exp trend	-1.26%	0.0523	
6-yr exp trend	0.94%	0.0254	
5-yr exp trend	3.59%	0.2221	
4-yr exp trend	0.28%	0.0012	
3-yr exp trend	-6.62%	0.3685	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	0.9135
Future	-1.60%	0.00%

Trend Selection Notes:

Past: Trend is similar to the light vehicle results just more extreme with the less credible grouping. Clear long term negative trend but recent period is positive due to the sharp drop in 2016. Excluding the partial year and the 2016 drop the 5 year trend is slightly positive. Selecting a 0% trend to match the light selection.

Future: Including or excluding the data points mentioned above produces a similar long term negative trend that is steeper than the light selection. Selecting 1.5% considering a mix of the 9-year, 11-year and selected past trend.

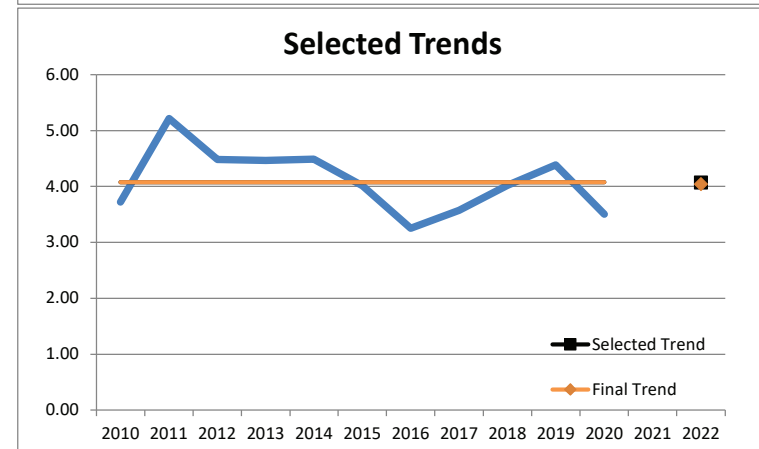
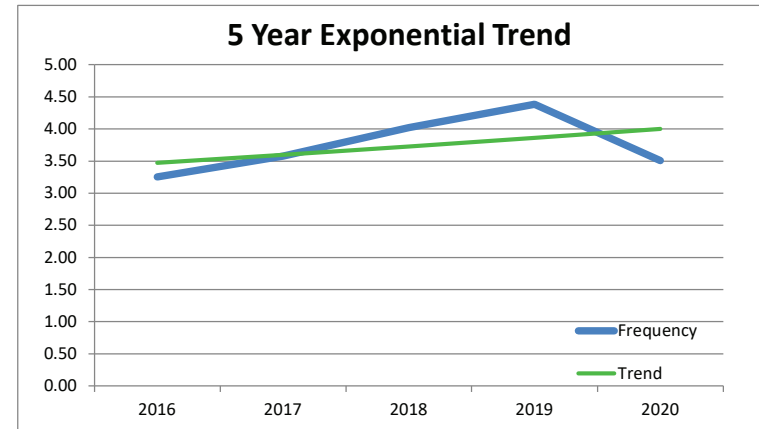
2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	0.00%	0.8223
Future	0.00%	0.00%

Trend Selection Notes:

Past: Experience is very volatile with no strong trend. Selecting 0% and using Light vehicles as the complement of credibility.

Future: Select same as past

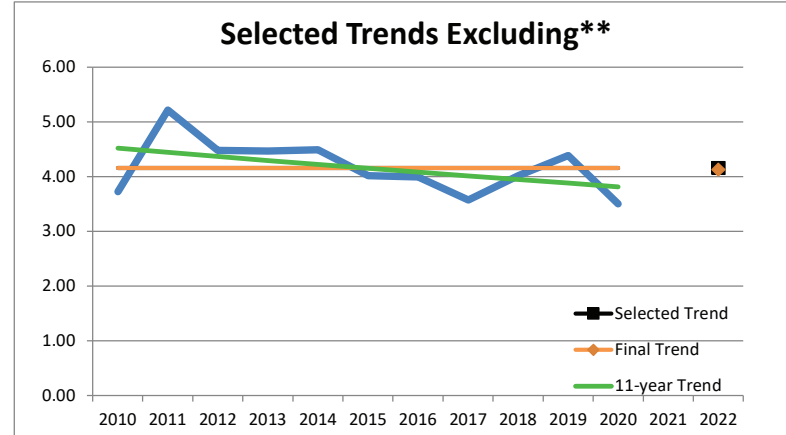
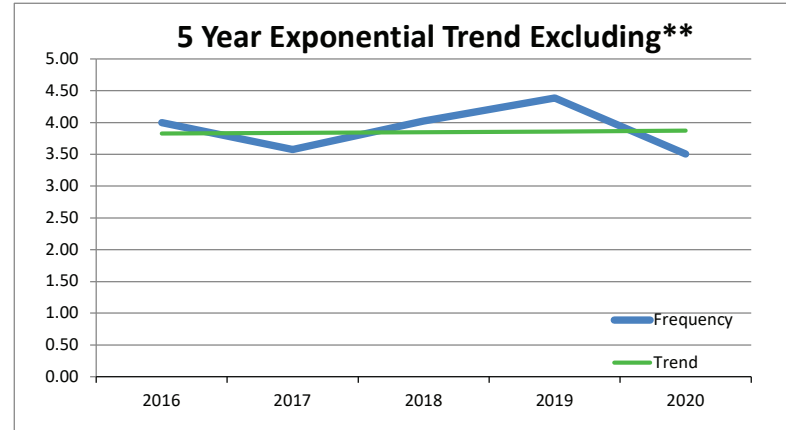


SGI
 Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Licenced Auto & Motorcycle Dealers
Excluding Years: 2015/2016

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-1.68%	0.2281
10 -yr exp trend excl **	-2.93%	0.5880
9 -yr exp trend excl **	-2.26%	0.4368
8 -yr exp trend excl **	-2.29%	0.3562
7 -yr exp trend excl **	-2.06%	0.2243
6 -yr exp trend excl **	-0.69%	0.0205
5 -yr exp trend excl **	0.28%	0.0012
4 -yr exp trend excl **	0.28%	0.0012
3 -yr exp trend excl **	-6.62%	0.3685

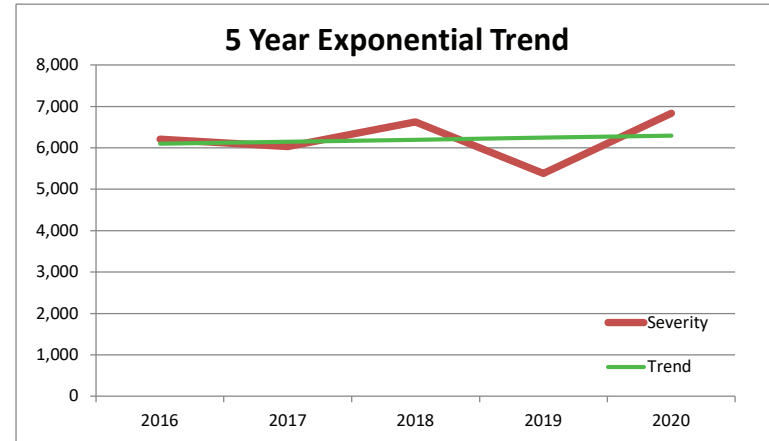
** Years excluded: 2015/2016



SGI
Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Licenced Auto & Motorcycle Dealers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	0.66%	0.0588	
10-yr exp trend	0.93%	0.0874	
9-yr exp trend	1.38%	0.1407	
8-yr exp trend	1.61%	0.1351	
7-yr exp trend	-0.36%	0.0101	
6-yr exp trend	0.03%	0.0000	
5-yr exp trend	0.78%	0.0173	
4-yr exp trend	1.65%	0.0388	
3-yr exp trend	1.52%	0.0135	



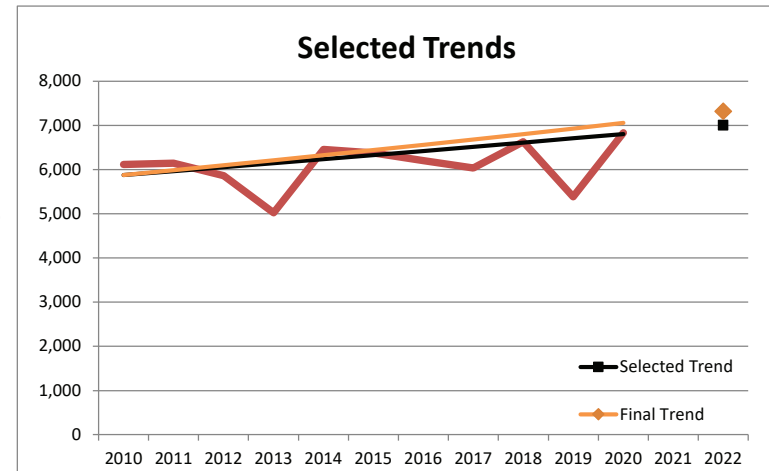
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.70%	0.8736
Future	1.70%	0.8736

Trend Selection Notes:

Past: Severity is quite different from the light vehicle trends which were a consistent 3-4% positive growth. Excluding the partial year the trend is positive but near zero. Select the 5 year trend excluding the partial year. If the 2013 blip is excluded this is also consistent with those long term trends.

Future: Same as past.



2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	1.47%	0.8223
Future	1.47%	0.8223

Trend Selection Notes:

Past: Exclude 2013 and 2019 blips to smooth over results. Selecting longer term 9-year trend excluding those points. Light vehicle selections used as complement of credibility.

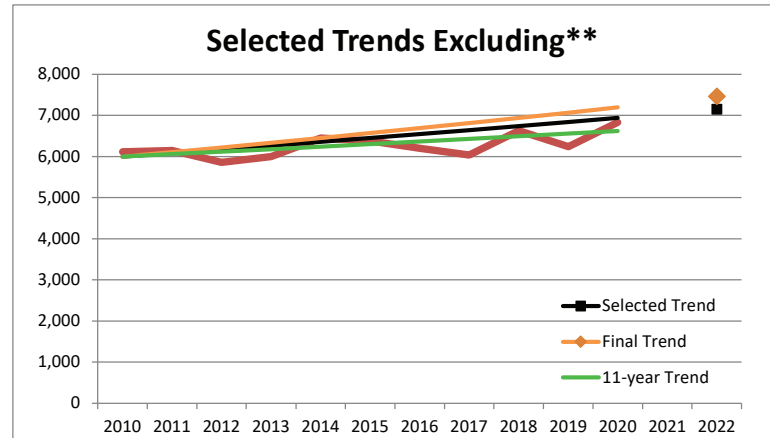
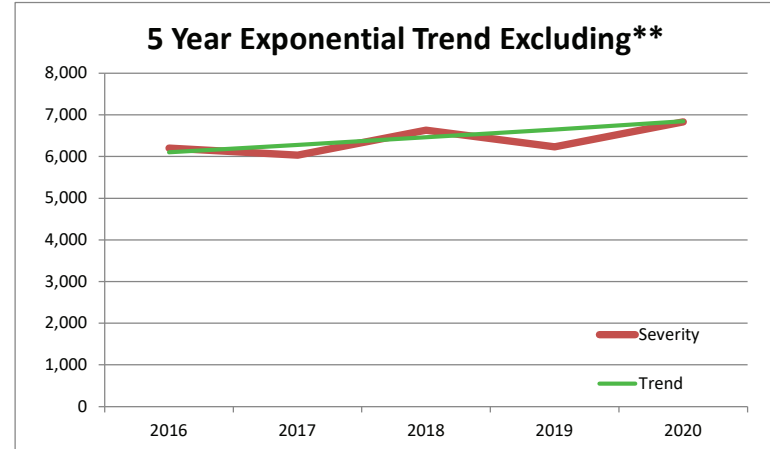
Future: Same as past.

SGI
Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-5
Severity for Licenced Auto & Motorcycle Dealers
Excluding Years: 2012/2013, 2018/2019

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	1.00%	0.4774
10 -yr exp trend excl **	1.18%	0.4893
9 -yr exp trend excl **	1.47%	0.5276
8 -yr exp trend excl **	1.08%	0.2700
7 -yr exp trend excl **	1.08%	0.2700
6 -yr exp trend excl **	1.82%	0.4864
5 -yr exp trend excl **	2.94%	0.7444
4 -yr exp trend excl **	3.83%	0.7884
3 -yr exp trend excl **	1.52%	1.0000

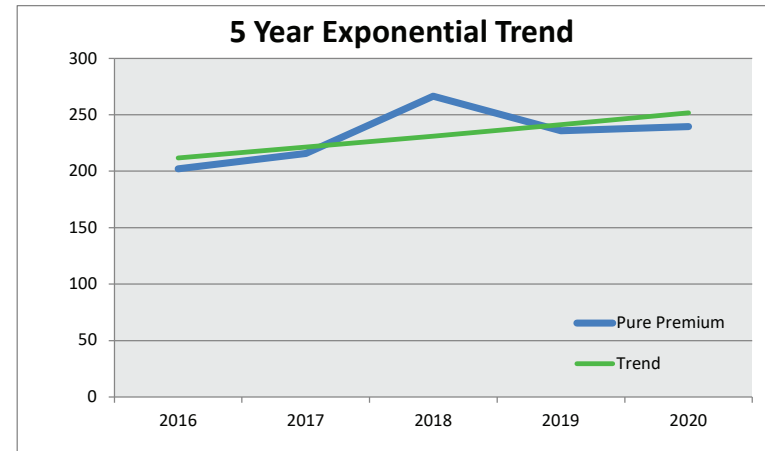
** Years excluded: 2012/2013, 2018/2019



SGI
Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Licenced Auto & Motorcycle Dealers

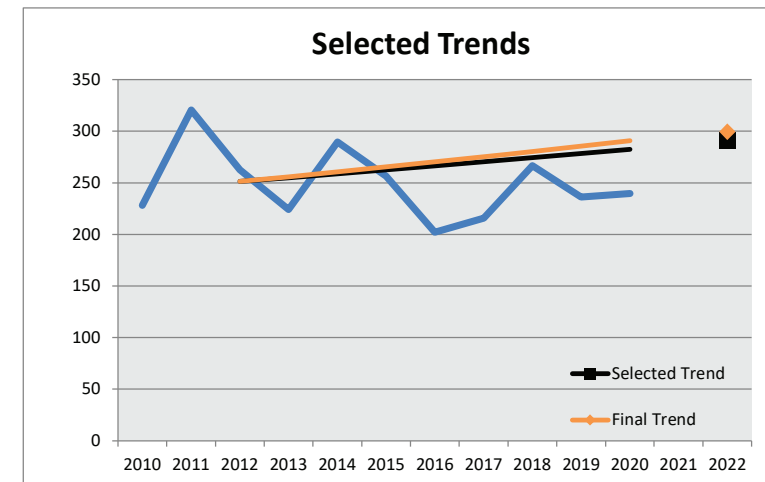
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-1.24%	0.0939
10-yr exp trend	-2.17%	0.2283
9-yr exp trend	-0.91%	0.0488
8-yr exp trend	-0.45%	0.0089
7-yr exp trend	-1.62%	0.0819
6-yr exp trend	0.97%	0.0302
5-yr exp trend	4.40%	0.4127
4-yr exp trend	1.94%	0.0818
3-yr exp trend	-5.20%	0.6482



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.70%	0.8736
Future	0.08%	0.08%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Complement: LightExclMC
Past	1.47%	0.8223
Future	1.47%	1.84%

Trend Selection Notes:

Calculated Past Trend = 1.47%

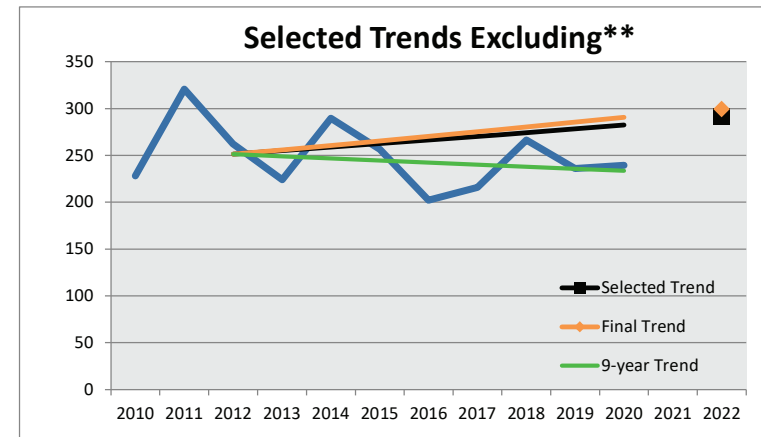
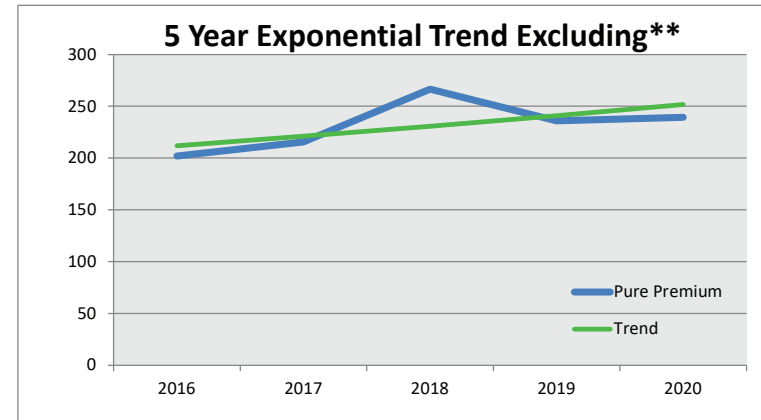
Calculated Future Trend = 1.47%

SGI
Class Group: L - Dealer Plates

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Damage to Own Vehicle (31)
Rating year: 17/08/2021
Exhibit 3 - Page 2-7
Pure Premium for Licenced Auto & Motorcycle Dealers
Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-1.24%	0.0939
10 -yr exp trend excl **	-2.17%	0.2283
9 -yr exp trend excl **	-0.91%	0.0488
8 -yr exp trend excl **	-0.45%	0.0089
7 -yr exp trend excl **	-1.62%	0.0819
6 -yr exp trend excl **	0.97%	0.0302
5 -yr exp trend excl **	4.40%	0.4127
4 -yr exp trend excl **	1.94%	0.0818
3 -yr exp trend excl **	-5.20%	0.6482

** Years excluded: None



SGI

Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage to Own Vehicle (31)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Excess Coverage

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium	
		Number of Claims	Development Factor			Incurred Losses	Development Factor						
2009/2010	85,258	47	0.9792	1.0000	46	542,415	0.9649	1.0065	1.1065	582,845	0.05	12,635	6.84
2010/2011	90,459	46	0.9773	1.0000	45	349,518	0.9642	1.0065	1.1018	373,677	0.05	8,303	4.13
2011/2012	98,871	43	0.9754	1.0000	42	438,393	0.9673	1.0065	1.1007	469,835	0.04	11,190	4.75
2012/2013	111,015	39	0.9755	1.0000	38	535,350	1.0303	1.0068	1.0942	607,659	0.03	15,955	5.47
2013/2014	126,453	42	0.9780	1.0000	41	648,420	1.0305	1.0068	1.0810	727,267	0.03	17,688	5.75
2014/2015	135,644	31	0.9787	1.0000	30	300,991	1.0332	1.0067	1.0473	327,878	0.02	10,793	2.42
2015/2016	129,908	53	0.9755	1.0000	52	854,994	1.0442	1.0065	1.0182	915,004	0.04	17,681	7.04
2016/2017	128,708	43	0.9787	1.0000	42	729,211	1.0471	1.0066	1.0003	768,792	0.03	18,255	5.97
2017/2018	133,661	43	0.9842	1.0000	42	890,338	1.0449	1.0000	1.0003	930,565	0.03	21,970	6.96
2018/2019	198,467	27	1.0096	1.0000	27	480,904	1.0602	1.0000	1.0003	509,993	0.01	18,695	2.57
2019/2020	136,190	26	1.1784	1.0000	31	313,662	1.1686	1.0000	1.0000	366,552	0.02	11,953	2.69
Ratio 2011/2010	1.0610				0.9756					0.6411	0.9195	0.6572	0.6043
Ratio 2012/2011	1.0930				0.9330					1.2573	0.8536	1.3477	1.1504
Ratio 2013/2012	1.1228				0.9071					1.2933	0.8078	1.4259	1.1519
Ratio 2014/2013	1.1391				1.0796					1.1968	0.9478	1.1086	1.0507
Ratio 2015/2014	1.0727				0.7388					0.4508	0.6887	0.6102	0.4203
Ratio 2016/2015	0.9577				1.7036					2.7907	1.7788	1.6381	2.9139
Ratio 2017/2016	0.9908				0.8138					0.8402	0.8214	1.0325	0.8480
Ratio 2018/2017	1.0385				1.0057					1.2104	0.9685	1.2035	1.1656
Ratio 2019/2018	1.4849				0.6441					0.5480	0.4338	0.8509	0.3691
Ratio 2020/2019	0.6862				1.1241					0.7187	1.6382	0.6394	1.0474

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-8.94%	0.6144	
10-yr exp trend	-8.60%	0.5261	
9-yr exp trend	-7.92%	0.4099	
8-yr exp trend	-7.34%	0.2953	
7-yr exp trend	-7.91%	0.2469	
6-yr exp trend	-8.73%	0.2021	
5-yr exp trend	-18.19%	0.5762	
4-yr exp trend	-17.77%	0.3924	
3-yr exp trend	-15.70%	0.1655	

2020 Rate Program

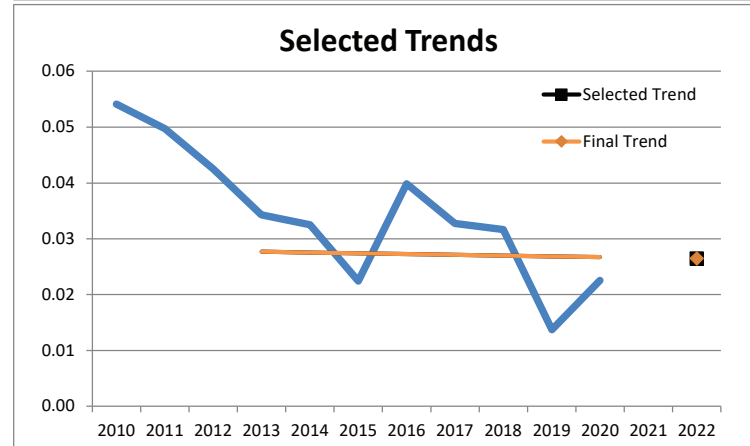
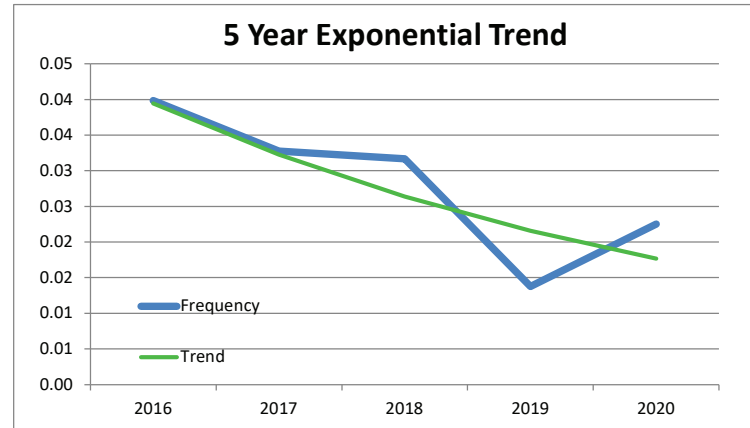
Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -0.84%
Future		Future -0.50%

Trend Selection Notes:
 Selected Heavy trend

2021 Rate Program

Selected Trends	Credibility	Complement: Heavy Vehicles
Past	0.4214	Final Trends
Future		Past -0.50%
		Future -0.50%

Trend Selection Notes:
 Selected Heavy trend

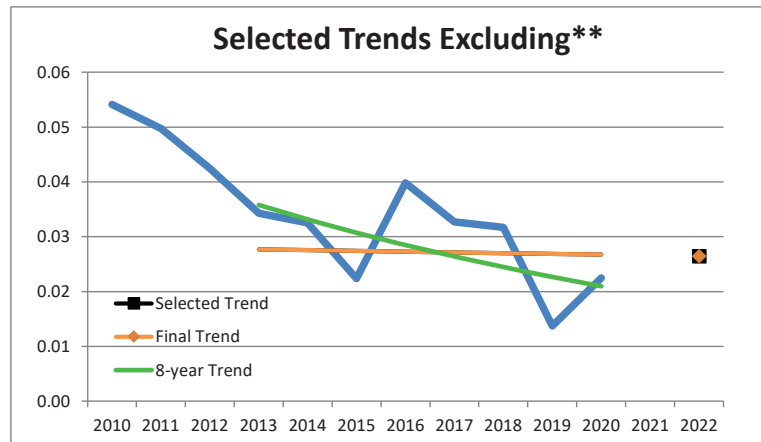
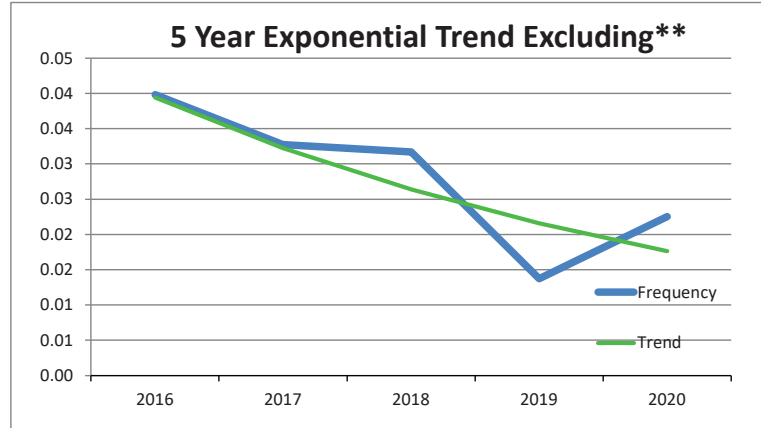


SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Heavy Excess Coverage
Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-8.94%	0.6144
10 -yr exp trend excl **	-8.60%	0.5261
9 -yr exp trend excl **	-7.92%	0.4099
8 -yr exp trend excl **	-7.34%	0.2953
7 -yr exp trend excl **	-7.91%	0.2469
6 -yr exp trend excl **	-8.73%	0.2021
5 -yr exp trend excl **	-18.19%	0.5762
4 -yr exp trend excl **	-17.77%	0.3924
3 -yr exp trend excl **	-15.70%	0.1655

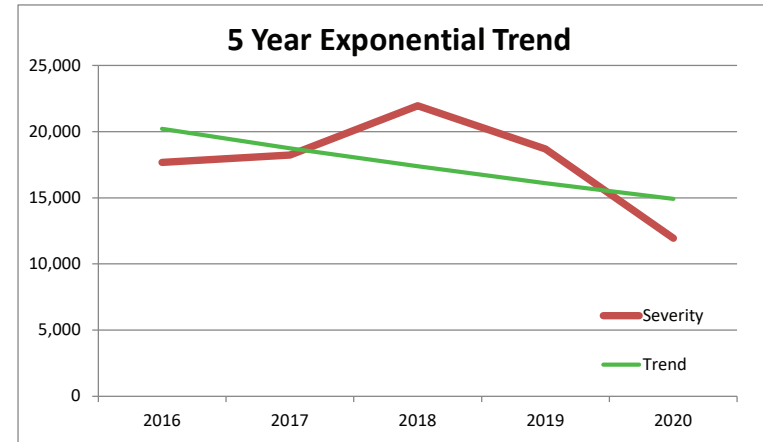
** Years excluded: None



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Heavy Excess Coverage

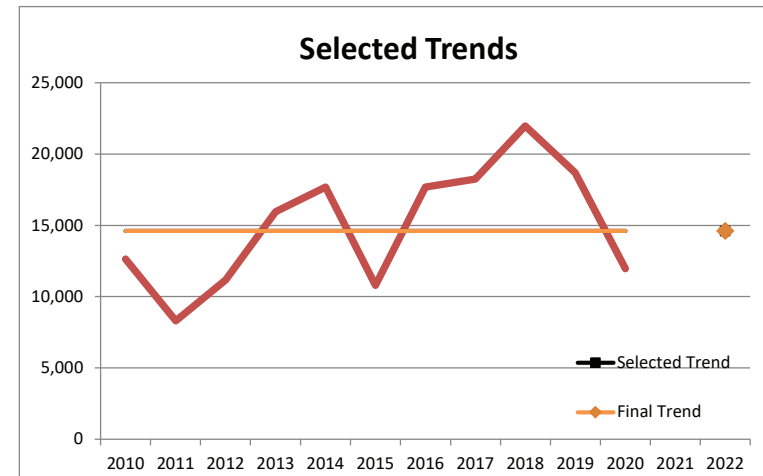
Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	4.90%	0.2799
10-yr exp trend	5.64%	0.2826
9-yr exp trend	2.87%	0.0918
8-yr exp trend	0.50%	0.0026
7-yr exp trend	0.50%	0.0018
6-yr exp trend	2.50%	0.0271
5-yr exp trend	-7.31%	0.2838
4-yr exp trend	-13.34%	0.5056
3-yr exp trend	-26.24%	0.9315



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:
 Selected Heavy trend



2021 Rate Program

Selected Trends	Credibility	Complement: Heavy Vehicles
Past	0.00%	0.4214
Future	0.00%	0.00%

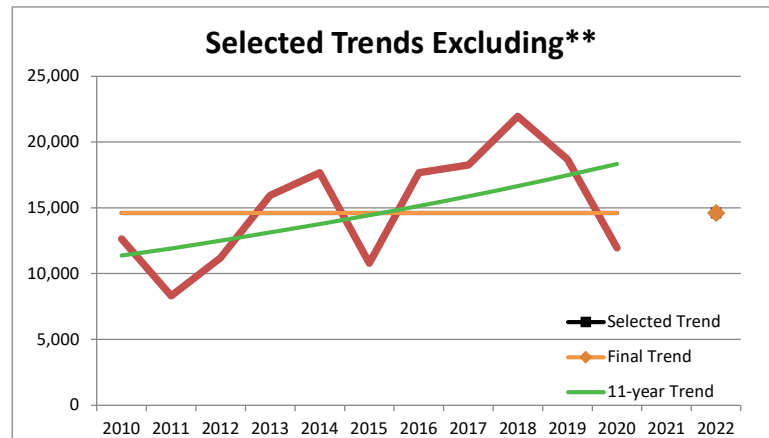
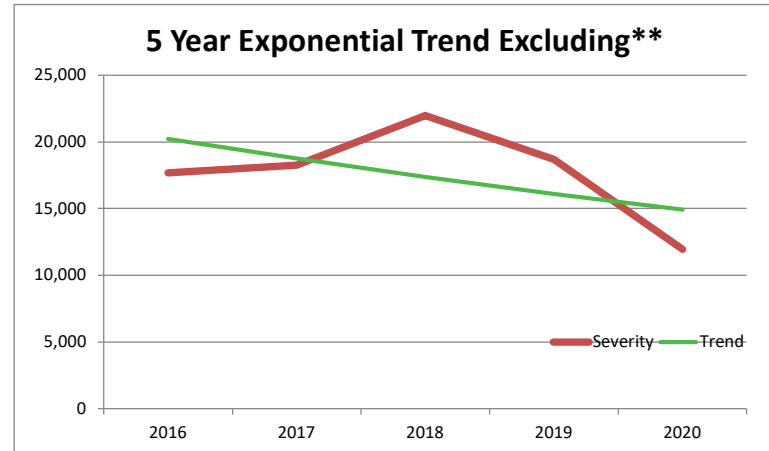
Trend Selection Notes:
 Selected Heavy trend

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	4.90%	0.2799
10 -yr exp trend excl **	5.64%	0.2826
9 -yr exp trend excl **	2.87%	0.0918
8 -yr exp trend excl **	0.50%	0.0026
7 -yr exp trend excl **	0.50%	0.0018
6 -yr exp trend excl **	2.50%	0.0271
5 -yr exp trend excl **	-7.31%	0.2838
4 -yr exp trend excl **	-13.34%	0.5056
3 -yr exp trend excl **	-26.24%	0.9315

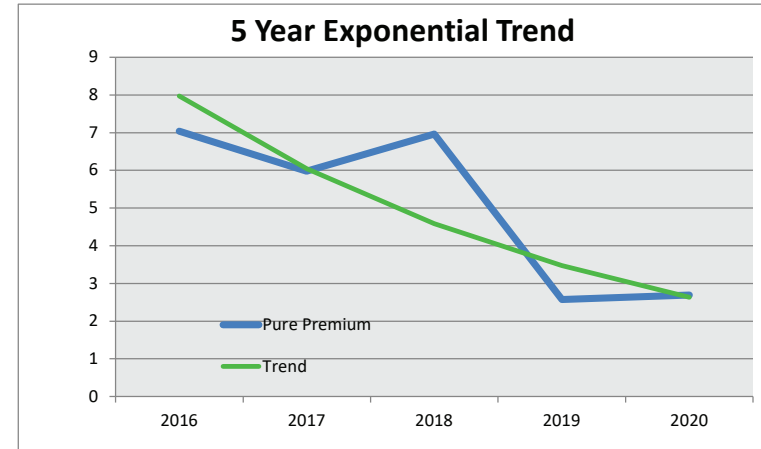
** Years excluded: None



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-4.48%	0.1348
10-yr exp trend	-3.44%	0.0655
9-yr exp trend	-5.28%	0.1149
8-yr exp trend	-6.88%	0.1392
7-yr exp trend	-7.45%	0.1130
6-yr exp trend	-6.45%	0.0560
5-yr exp trend	-24.18%	0.7310
4-yr exp trend	-28.74%	0.7023
3-yr exp trend	-37.82%	0.7135



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -0.84%
Future		Future -0.50%

Trend Selection Notes:

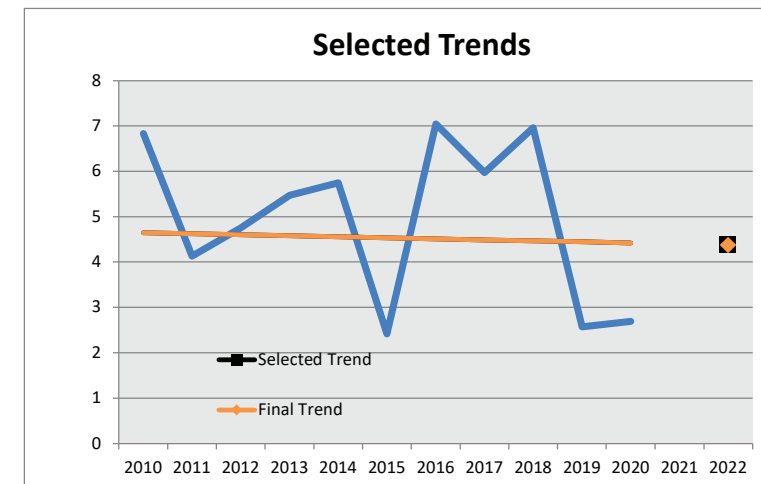
2021 Rate Program

Selected Trends	Credibility	Complement: Heavy Vehicles
Past	0.4214	Final Trends
Future		Past -0.50%
		Future -0.50%

Trend Selection Notes:

Calculated Past Trend = -0.5%

Calculated Future Trend = -0.5%

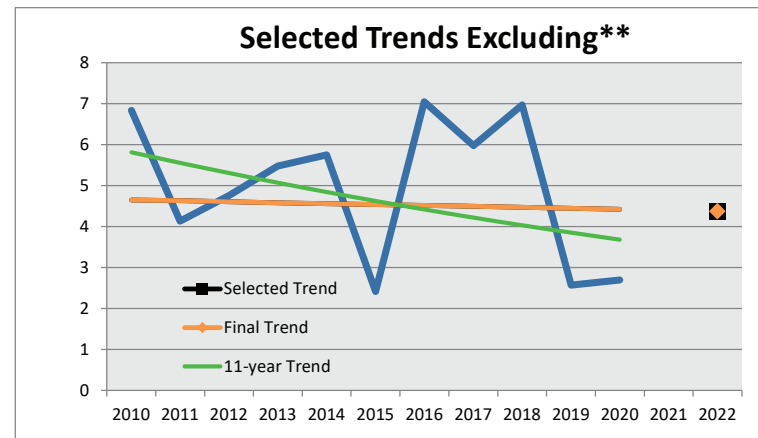
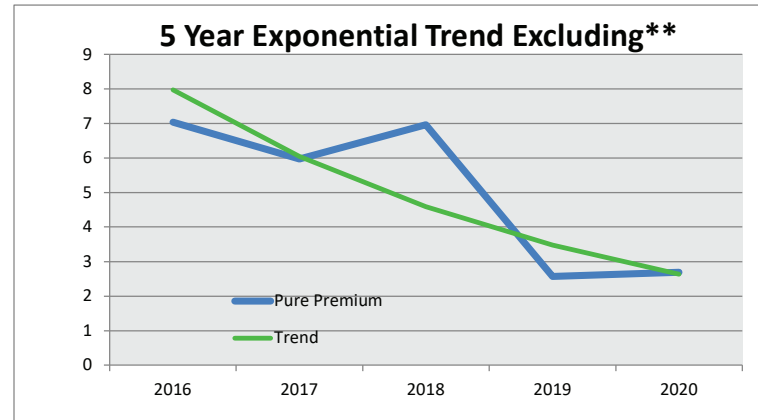


SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage to Own Vehicle (31)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-4.48%	0.1348
10 -yr exp trend excl **	-3.44%	0.0655
9 -yr exp trend excl **	-5.28%	0.1149
8 -yr exp trend excl **	-6.88%	0.1392
7 -yr exp trend excl **	-7.45%	0.1130
6 -yr exp trend excl **	-6.45%	0.0560
5 -yr exp trend excl **	-24.18%	0.7310
4 -yr exp trend excl **	-28.74%	0.7023
3 -yr exp trend excl **	-37.82%	0.7135

** Years excluded: None



Comprehensive Coverage

SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Including Trailers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	1,013,299	6,829	0.9745	1.0000	6,655	13,473,732	0.9347	1.0286	1.1035	14,294,805	0.66	2,148	14.11
2010/2011	1,034,805	7,736	0.9633	1.0000	7,452	18,547,528	0.9273	1.0308	1.0989	19,481,176	0.72	2,614	18.83
2011/2012	1,059,924	7,416	0.9678	1.0000	7,177	18,811,144	0.9423	1.0272	1.0979	19,990,242	0.68	2,785	18.86
2012/2013	1,094,843	8,109	0.9716	1.0000	7,879	21,861,503	1.0450	1.0269	1.0916	25,609,026	0.72	3,250	23.39
2013/2014	1,113,002	7,179	0.9659	1.0000	6,934	19,260,824	1.0835	1.0259	1.0788	23,096,700	0.62	3,331	20.75
2014/2015	1,129,759	6,882	0.9555	1.0000	6,576	20,038,740	1.0760	1.0295	1.0460	23,217,522	0.58	3,531	20.55
2015/2016	1,145,428	7,564	0.9502	1.0000	7,187	22,431,513	1.0875	1.0285	1.0177	25,533,273	0.63	3,553	22.29
2016/2017	1,145,211	8,337	0.9296	1.0000	7,750	26,247,574	1.1053	1.0295	1.0003	29,875,243	0.68	3,855	26.09
2017/2018	1,151,318	8,964	0.9436	1.0000	8,458	28,195,016	1.0884	1.0217	1.0003	31,359,992	0.73	3,708	27.24
2018/2019	1,150,427	9,106	0.9989	1.0000	9,096	32,026,111	1.1386	1.0088	1.0002	36,791,896	0.79	4,045	31.98
2019/2020	1,157,115	8,126	1.1620	1.0000	9,443	30,841,330	1.2918	1.0021	1.0000	39,923,063	0.82	4,228	34.50
Ratio 2011/2010	1.0212				1.1198					1.3628	1.0965	1.2171	1.3345
Ratio 2012/2011	1.0243				0.9631					1.0261	0.9403	1.0654	1.0018
Ratio 2013/2012	1.0329				1.0978					1.2811	1.0628	1.1669	1.2402
Ratio 2014/2013	1.0166				0.8801					0.9019	0.8657	1.0248	0.8872
Ratio 2015/2014	1.0151				0.9484					1.0052	0.9343	1.0600	0.9903
Ratio 2016/2015	1.0139				1.0929					1.0997	1.0780	1.0062	1.0847
Ratio 2017/2016	0.9998				1.0784					1.1701	1.0786	1.0850	1.1703
Ratio 2018/2017	1.0053				1.0913					1.0497	1.0855	0.9619	1.0441
Ratio 2019/2018	0.9992				1.0754					1.1732	1.0762	1.0910	1.1741
Ratio 2020/2019	1.0058				1.0381					1.0851	1.0321	1.0452	1.0788

SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 1-2

Frequency for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	1.45%	0.2168	
10-yr exp trend	1.61%	0.2043	
9-yr exp trend	2.55%	0.3739	
8-yr exp trend	3.45%	0.4767	
7-yr exp trend	5.81%	0.8976	
6-yr exp trend	7.30%	0.9883	
5-yr exp trend	7.05%	0.9809	
4-yr exp trend	6.55%	0.9668	
3-yr exp trend	5.39%	0.9498	

2020 Rate Program

Selected Trends

Past	7.88%
Future	7.88%

Credibility
1.0000

Credibility Weighted Trends

Past	0.0788
Future	0.0788

Trend Selection Notes:

Past: 5-yr trend looks spot on here.

Future: Same as past.

2021 Rate Program

Selected Trends

Past	7.05%
Future	7.05%

Credibility
1.0000

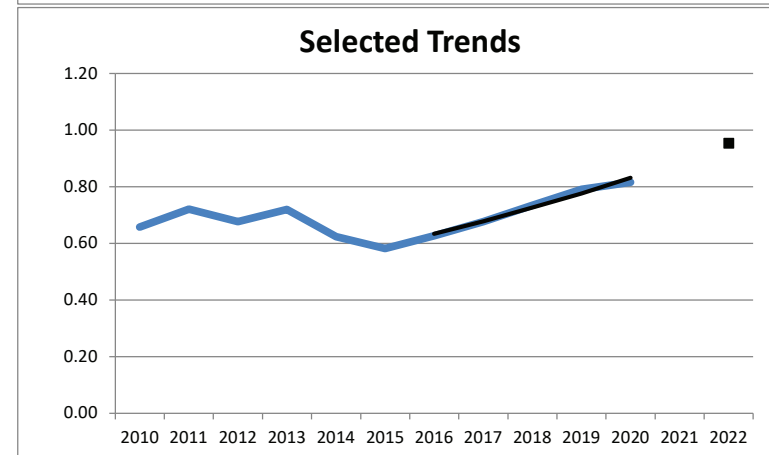
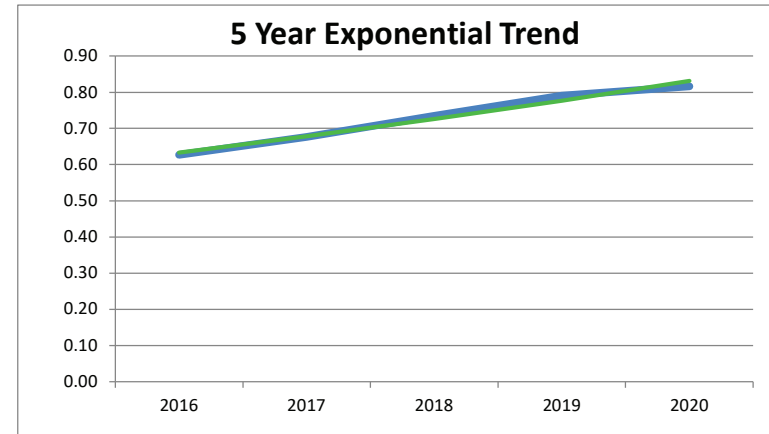
Final Trends

Past	7.05%
Future	7.05%

Trend Selection Notes:

Past: 5-yr trend continues to look reliable.

Future: Select same as past.



SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

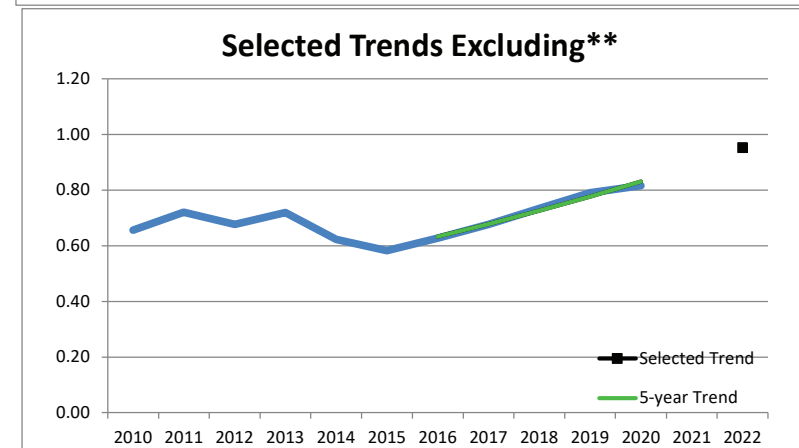
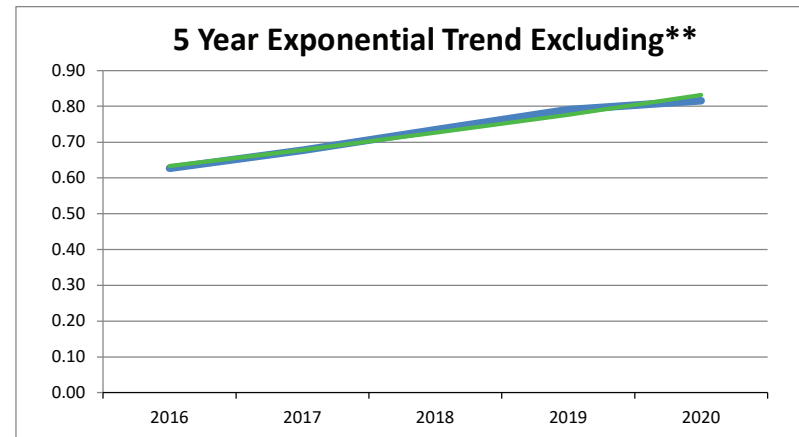
Exhibit 3 - Page 1-3

Frequency for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	1.45%	0.2168
10 -yr exp trend excl **	1.61%	0.2043
9 -yr exp trend excl **	2.55%	0.3739
8 -yr exp trend excl **	3.45%	0.4767
7 -yr exp trend excl **	5.81%	0.8976
6 -yr exp trend excl **	7.30%	0.9883
5 -yr exp trend excl **	7.05%	0.9809
4 -yr exp trend excl **	6.55%	0.9668
3 -yr exp trend excl **	5.39%	0.9498

** Years excluded: None



SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

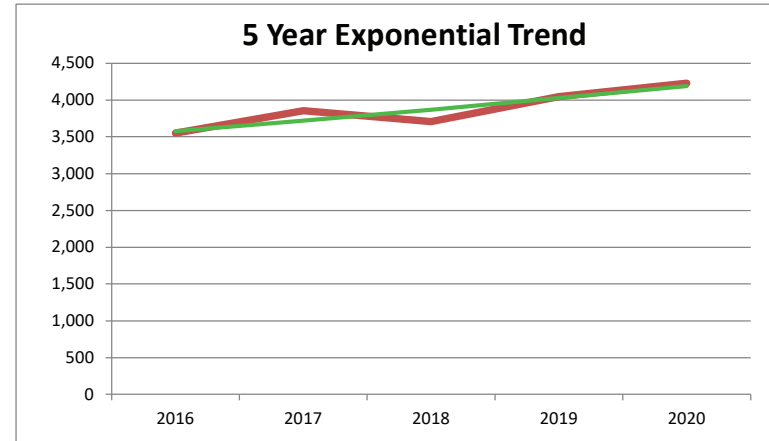
Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 1-4

Severity for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	5.99%	0.8892	
10-yr exp trend	4.99%	0.9196	
9-yr exp trend	4.48%	0.9072	
8-yr exp trend	3.69%	0.9373	
7-yr exp trend	3.75%	0.9121	
6-yr exp trend	3.64%	0.8614	
5-yr exp trend	4.04%	0.8283	
4-yr exp trend	3.71%	0.6780	
3-yr exp trend	6.79%	0.9658	



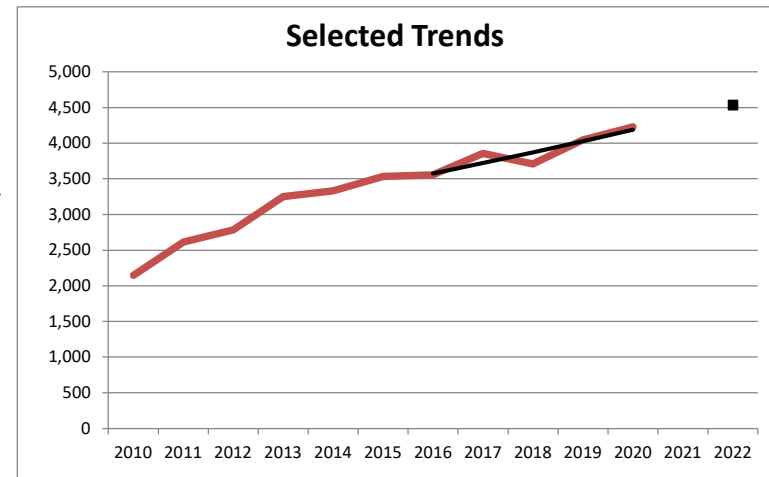
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	3.91%	Past 3.91%
Future	3.91%	Future 3.91%

Trend Selection Notes:

Past: Could be experiencing more frequent hail storms that aren't necessarily severe, diluting out the increasing trend. Select 5-yr trend excluding 2017-18.

Future: No reason to deviate from last years selection, same as past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.04%	Past 4.04%
Future	4.04%	Future 4.04%

Trend Selection Notes:

Past: Same 5-yr trend with and without 2017/18, and looks reasonable compared to mid to long term trends.

Future: No reason to deviate from past.

SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

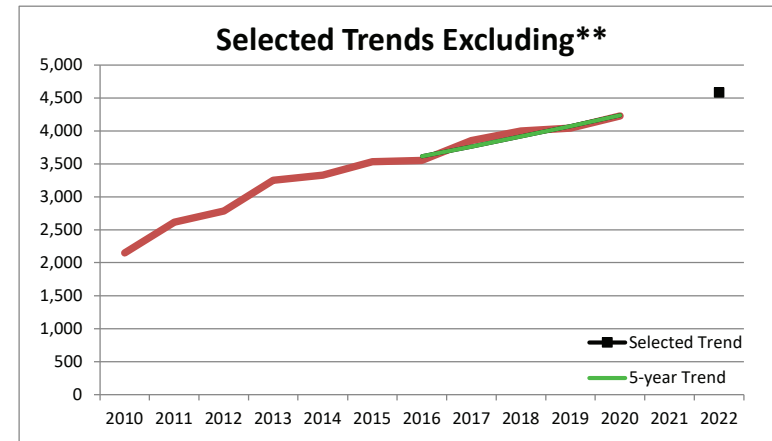
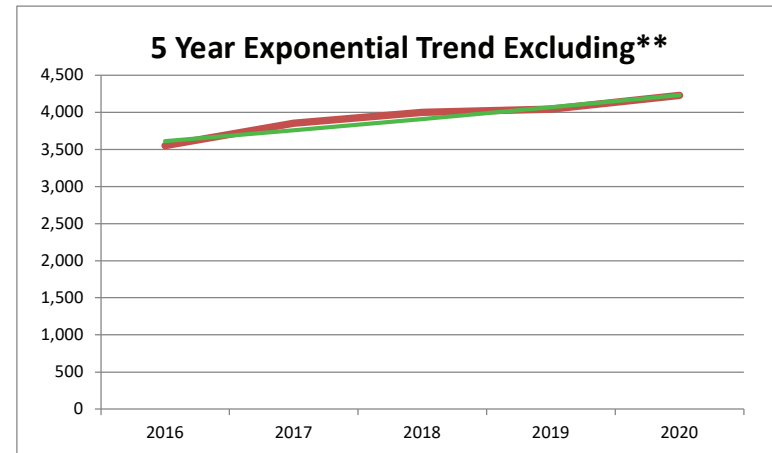
Exhibit 3 - Page 1-5

Severity for All Vehicles Including Trailers

Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	6.20%	0.8962
10 -yr exp trend excl **	5.19%	0.9326
9 -yr exp trend excl **	4.68%	0.9280
8 -yr exp trend excl **	3.89%	0.9795
7 -yr exp trend excl **	3.95%	0.9718
6 -yr exp trend excl **	3.81%	0.9571
5 -yr exp trend excl **	4.04%	0.9429
4 -yr exp trend excl **	3.03%	0.9728
3 -yr exp trend excl **	4.52%	1.0000

** Years excluded: 2017/2018



SGI
 Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	7.53%	0.8782
10-yr exp trend	6.69%	0.8521
9-yr exp trend	7.14%	0.8359
8-yr exp trend	7.26%	0.7869
7-yr exp trend	9.77%	0.9574
6-yr exp trend	11.20%	0.9852
5-yr exp trend	11.38%	0.9755
4-yr exp trend	10.51%	0.9558
3-yr exp trend	12.55%	0.9590

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	12.10%	Past 12.10%
Future	12.10%	Future 12.10%

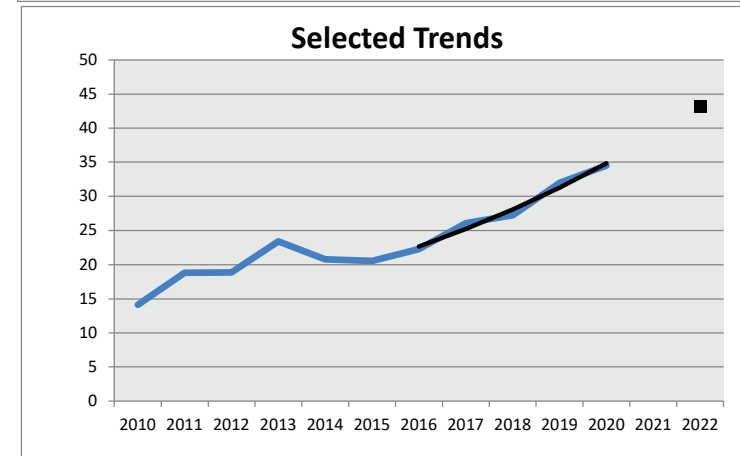
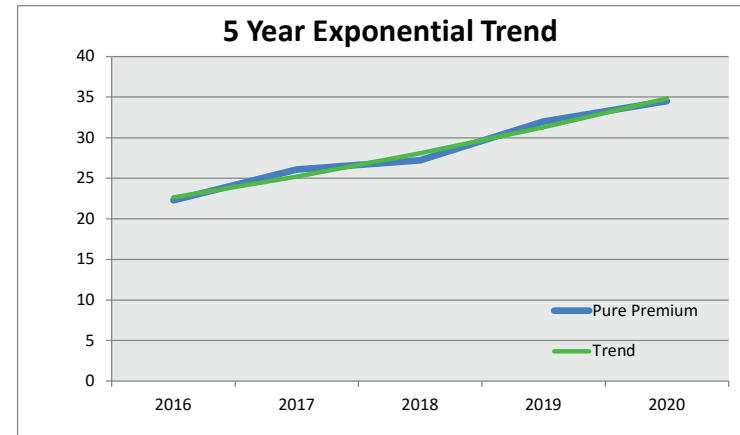
Trend Selection Notes:

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	11.38%	Past 11.38%
Future	11.38%	Future 11.38%

Trend Selection Notes:

Calculated Past Trend = 11.38% Calculated Future Trend = 11.38%



SGI

Class Group: All vehicles with first party damage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

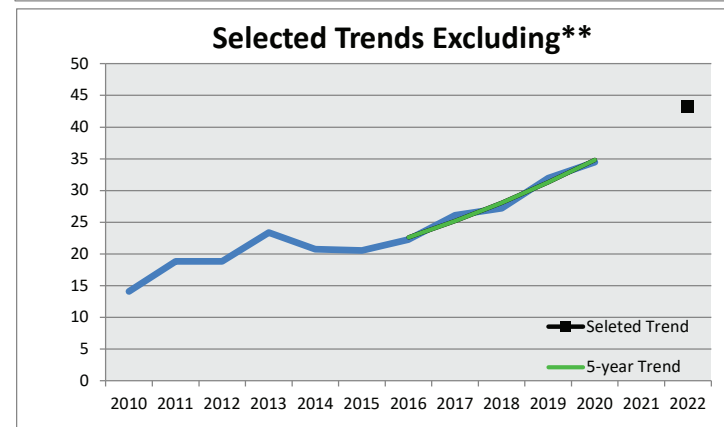
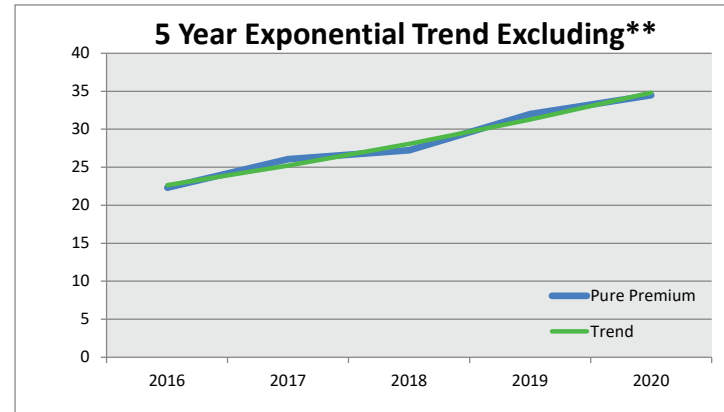
Exhibit 3 - Page 1-7

Pure Premium for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends		Coefficient of Determination - R ²
	Pure Premium	Pure Premium	
11 -yr exp trend excl **	7.53%	0.8782	
10 -yr exp trend excl **	6.69%	0.8521	
9 -yr exp trend excl **	7.14%	0.8359	
8 -yr exp trend excl **	7.26%	0.7869	
7 -yr exp trend excl **	9.77%	0.9574	
6 -yr exp trend excl **	11.20%	0.9852	
5 -yr exp trend excl **	11.38%	0.9755	
4 -yr exp trend excl **	10.51%	0.9558	
3 -yr exp trend excl **	12.55%	0.9590	

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	848,130	6,089	0.9745	1.0000	5,934	11,069,858	0.9347	1.0333	1.1035	11,798,017	0.70	1,988	13.91		
2010/2011	863,151	6,869	0.9633	1.0000	6,617	15,262,404	0.9273	1.0358	1.0989	16,109,605	0.77	2,435	18.66		
2011/2012	879,749	6,659	0.9678	1.0000	6,444	15,384,043	0.9423	1.0317	1.0979	16,419,746	0.73	2,548	18.66		
2012/2013	902,075	7,008	0.9716	1.0000	6,809	17,036,003	1.0450	1.0324	1.0916	20,063,857	0.75	2,947	22.24		
2013/2014	911,997	6,384	0.9659	1.0000	6,166	15,707,905	1.0835	1.0301	1.0788	18,913,785	0.68	3,067	20.74		
2014/2015	922,956	5,981	0.9555	1.0000	5,715	15,093,539	1.0760	1.0367	1.0460	17,610,445	0.62	3,081	19.08		
2015/2016	934,909	6,628	0.9502	1.0000	6,297	17,970,598	1.0875	1.0338	1.0177	20,560,947	0.67	3,265	21.99		
2016/2017	934,029	7,244	0.9296	1.0000	6,734	20,650,190	1.1053	1.0355	1.0003	23,641,512	0.72	3,511	25.31		
2017/2018	937,768	7,778	0.9436	1.0000	7,339	21,793,722	1.0884	1.0278	1.0003	24,386,271	0.78	3,323	26.00		
2018/2019	934,931	7,886	0.9989	1.0000	7,877	25,361,015	1.1386	1.0111	1.0002	29,201,451	0.84	3,707	31.23		
2019/2020	939,416	7,065	1.1620	1.0000	8,210	23,636,847	1.2918	1.0027	1.0000	30,616,243	0.87	3,729	32.59		
Ratio 2011/2010	1.0177				1.1151					1.3655	1.0957	1.2246	1.3417		
Ratio 2012/2011	1.0192				0.9739					1.0193	0.9555	1.0466	1.0000		
Ratio 2013/2012	1.0254				1.0566					1.2219	1.0304	1.1565	1.1917		
Ratio 2014/2013	1.0110				0.9056					0.9427	0.8958	1.0409	0.9324		
Ratio 2015/2014	1.0120				0.9269					0.9311	0.9159	1.0045	0.9200		
Ratio 2016/2015	1.0129				1.1018					1.1675	1.0877	1.0596	1.1526		
Ratio 2017/2016	0.9991				1.0694					1.1498	1.0704	1.0752	1.1509		
Ratio 2018/2017	1.0040				1.0899					1.0315	1.0855	0.9464	1.0274		
Ratio 2019/2018	0.9970				1.0733					1.1975	1.0765	1.1157	1.2011		
Ratio 2020/2019	1.0048				1.0422					1.0484	1.0372	1.0060	1.0434		

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	1.46%	0.2267
10-yr exp trend	1.60%	0.2100
9-yr exp trend	2.50%	0.3749
8-yr exp trend	3.51%	0.5127
7-yr exp trend	5.64%	0.8696
6-yr exp trend	7.33%	0.9904
5-yr exp trend	7.00%	0.9865
4-yr exp trend	6.72%	0.9743
3-yr exp trend	5.67%	0.9635

2020 Rate Program

Selected Trends

Past	8.19%
Future	8.19%

Credibility

1.0000

Credibility Weighted Trends

Past	8.19%
Future	8.19%

Trend Selection Notes:

Past: Select 5-yr tend.

Future: Same as past.

2021 Rate Program

Selected Trends

Past	7.00%
Future	7.00%

Credibility

1.0000

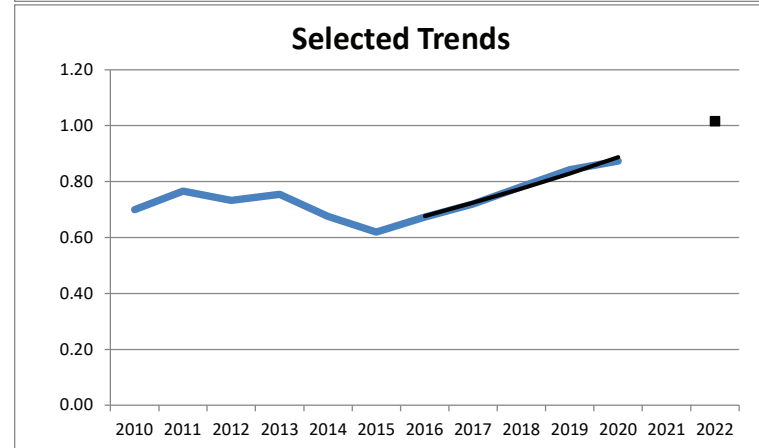
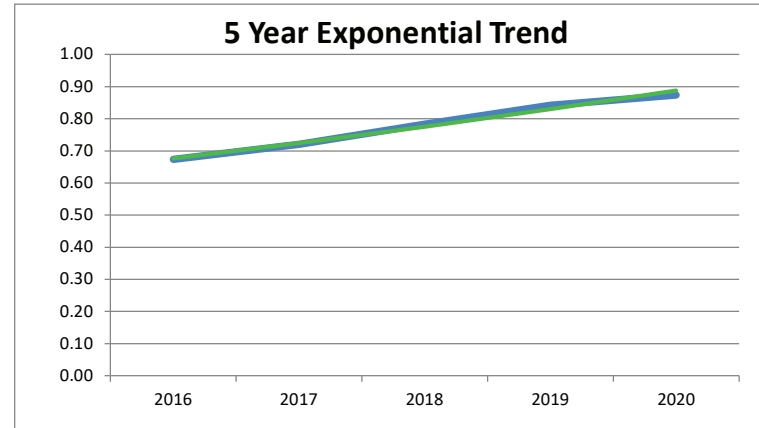
Final Trends

Past	7.00%
Future	7.00%

Trend Selection Notes:

Past: 5-yr continues to be reliable.

Future: select same as past.



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

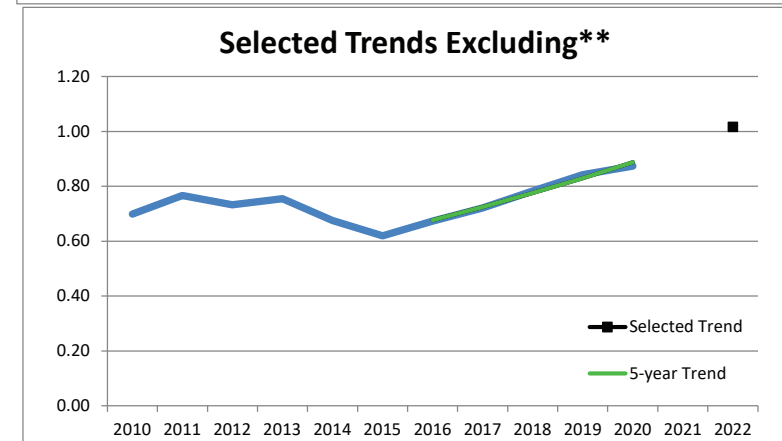
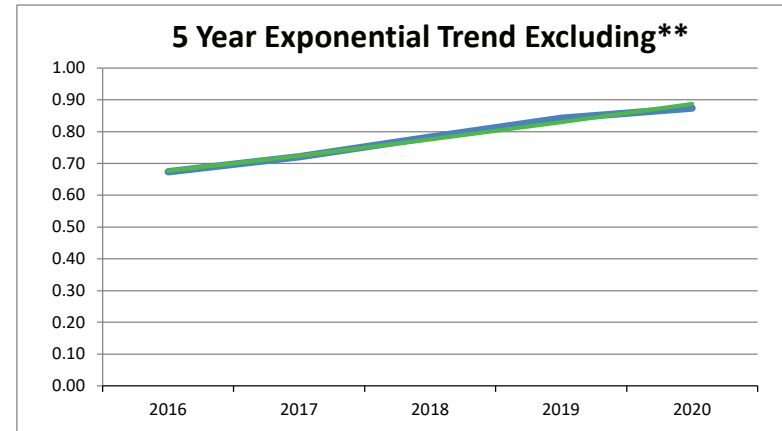
Exhibit 3 - Page 2-3

Frequency for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	1.46%	0.2267
10 -yr exp trend excl **	1.60%	0.2100
9 -yr exp trend excl **	2.50%	0.3749
8 -yr exp trend excl **	3.51%	0.5127
7 -yr exp trend excl **	5.64%	0.8696
6 -yr exp trend excl **	7.33%	0.9904
5 -yr exp trend excl **	7.00%	0.9865
4 -yr exp trend excl **	6.72%	0.9743
3 -yr exp trend excl **	5.67%	0.9635

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	5.64%	0.8821	
10-yr exp trend	4.67%	0.9149	
9-yr exp trend	4.26%	0.8922	
8-yr exp trend	3.51%	0.9047	
7-yr exp trend	3.54%	0.8658	
6-yr exp trend	3.73%	0.8214	
5-yr exp trend	3.26%	0.6900	
4-yr exp trend	2.95%	0.4830	
3-yr exp trend	5.94%	0.7886	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	5.50%	Past 5.50%
Future	5.50%	Future 5.50%

Trend Selection Notes:

Past: Similar behaviour as all incl trailers. Select 5-yr trend excluding dip in 2017/2018.

Future: Same as past.

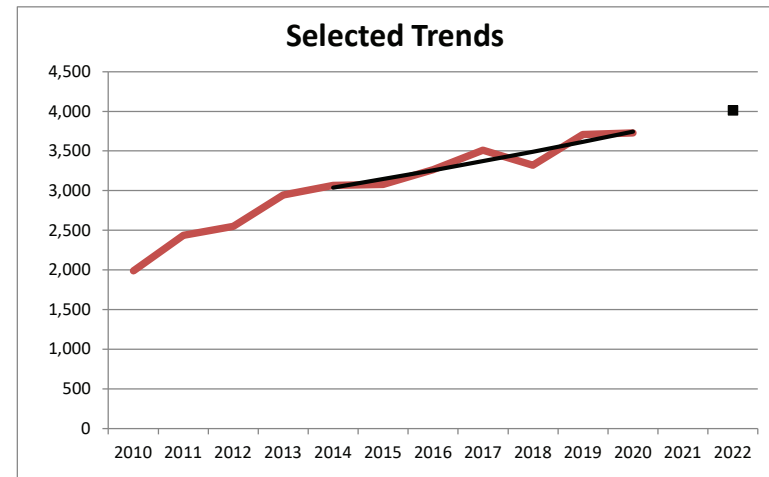
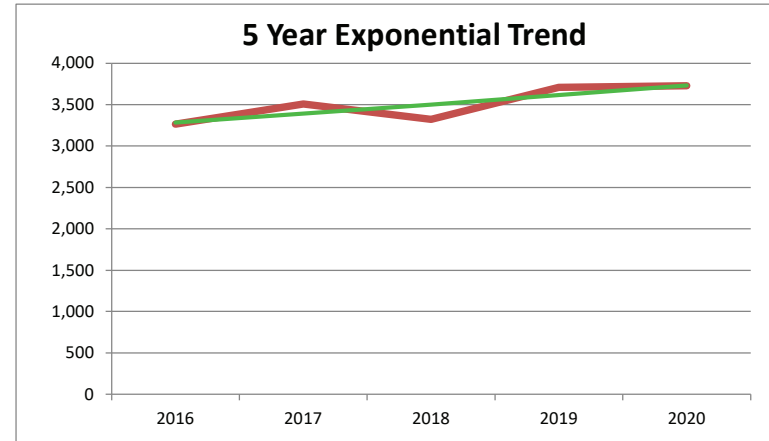
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	3.54%	Past 3.54%
Future	3.54%	Future 3.54%

Trend Selection Notes:

Past: Recent experience has been stable. Select seven year trend to smooth over the dip in 2018.

Future: Same as past



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

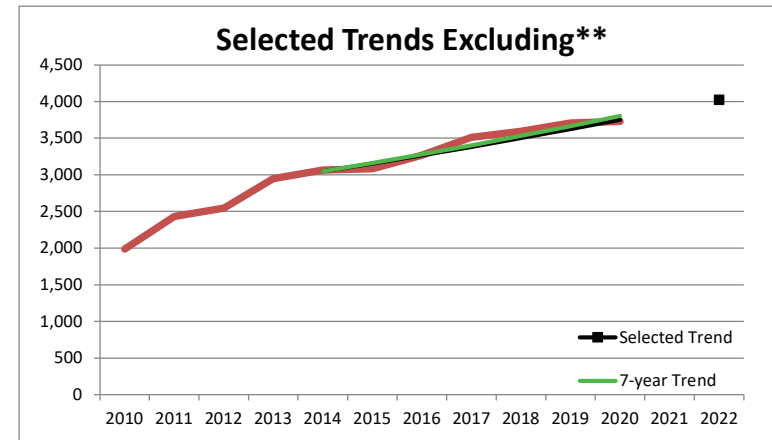
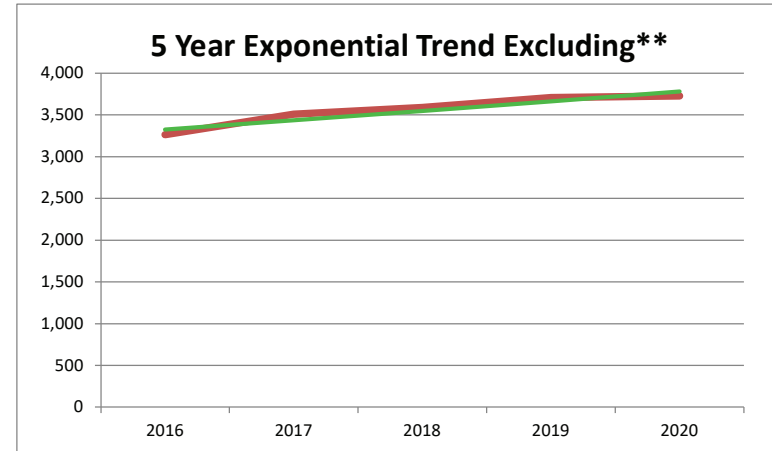
Exhibit 3 - Page 2-5

Severity for Light Vehicles

Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.87%	0.8923
10 -yr exp trend excl **	4.88%	0.9332
9 -yr exp trend excl **	4.48%	0.9201
8 -yr exp trend excl **	3.73%	0.9600
7 -yr exp trend excl **	3.76%	0.9435
6 -yr exp trend excl **	3.91%	0.9230
5 -yr exp trend excl **	3.26%	0.8980
4 -yr exp trend excl **	2.14%	0.9417
3 -yr exp trend excl **	0.60%	1.0000

** Years excluded: 2017/2018



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

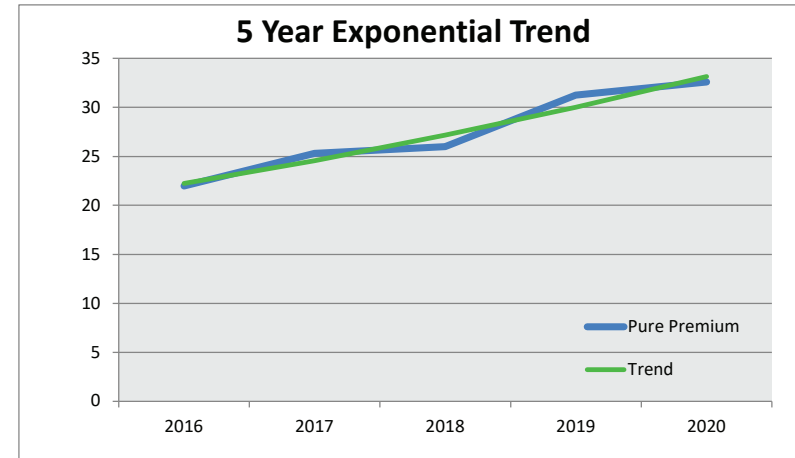
Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Light Vehicles

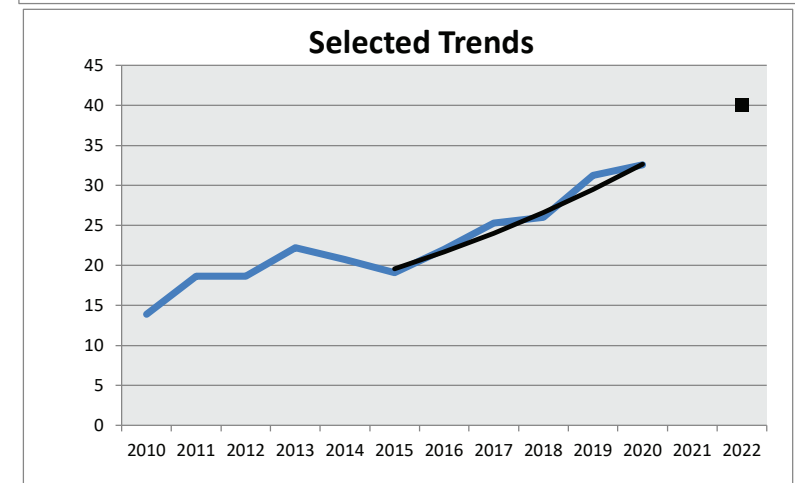
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	7.18%	0.8638
10-yr exp trend	6.34%	0.8321
9-yr exp trend	6.86%	0.8212
8-yr exp trend	7.14%	0.7789
7-yr exp trend	9.38%	0.9155
6-yr exp trend	11.33%	0.9705
5-yr exp trend	10.48%	0.9542
4-yr exp trend	9.87%	0.9084
3-yr exp trend	11.95%	0.8854



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	14.14%	Past 14.14%
Future	14.14%	Future 14.14%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	10.79%	Past 10.79%
Future	10.79%	Future 10.79%

Trend Selection Notes:

Calculated Past Trend = 10.79%

Calculated Future Trend = 10.79%

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, MT - Snowmobiles, PT - Taxis(Urban), T - Utility, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

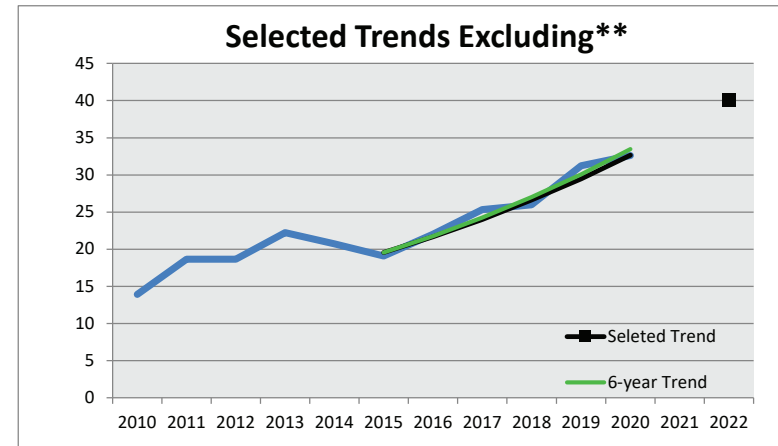
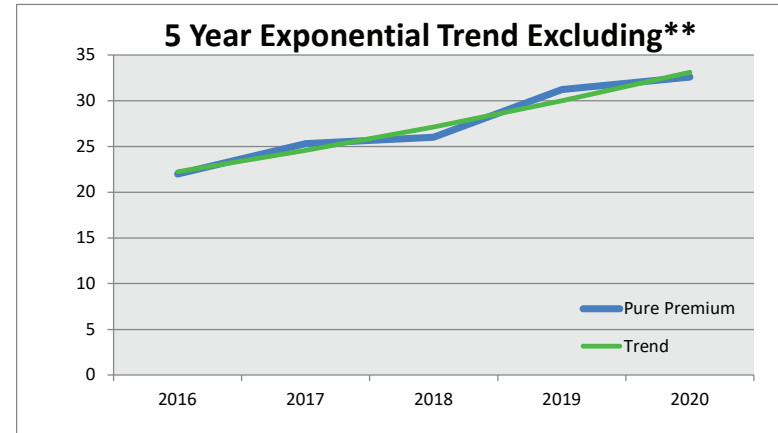
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R² Pure Premium
11 -yr exp trend excl **	7.18%	0.8638
10 -yr exp trend excl **	6.34%	0.8321
9 -yr exp trend excl **	6.86%	0.8212
8 -yr exp trend excl **	7.14%	0.7789
7 -yr exp trend excl **	9.38%	0.9155
6 -yr exp trend excl **	11.33%	0.9705
5 -yr exp trend excl **	10.48%	0.9542
4 -yr exp trend excl **	9.87%	0.9084
3 -yr exp trend excl **	11.95%	0.8854

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	104,064	144	0.9745	1.0000	141	951,596	0.9347	1.0067	1.1035	988,038	0.14	7,026	9.49		
2010/2011	106,942	147	0.9633	1.0000	142	891,715	0.9273	1.0066	1.0989	914,695	0.13	6,447	8.55		
2011/2012	111,291	161	0.9678	1.0000	156	1,108,042	0.9423	1.0067	1.0979	1,154,055	0.14	7,396	10.37		
2012/2013	117,317	208	0.9716	1.0000	202	1,677,182	1.0450	1.0071	1.0916	1,926,792	0.17	9,522	16.42		
2013/2014	121,444	190	0.9659	1.0000	184	1,249,140	1.0835	1.0070	1.0788	1,470,349	0.15	8,002	12.11		
2014/2015	124,487	203	0.9555	1.0000	194	1,651,752	1.0760	1.0069	1.0460	1,871,931	0.16	9,634	15.04		
2015/2016	124,986	198	0.9502	1.0000	189	1,553,295	1.0875	1.0068	1.0177	1,730,773	0.15	9,178	13.85		
2016/2017	123,118	183	0.9296	1.0000	170	1,490,703	1.1053	1.0069	1.0003	1,659,485	0.14	9,736	13.48		
2017/2018	122,901	230	0.9436	1.0000	217	1,634,005	1.0884	1.0002	1.0003	1,779,340	0.18	8,216	14.48		
2018/2019	122,784	265	0.9989	1.0000	265	2,144,565	1.1386	1.0000	1.0002	2,442,306	0.22	9,218	19.89		
2019/2020	122,560	249	1.1620	1.0000	290	1,899,250	1.2918	1.0000	1.0000	2,453,469	0.24	8,471	20.02		
Ratio 2011/2010	1.0276				1.0090					0.9258	0.9818	0.9176	0.9009		
Ratio 2012/2011	1.0407				1.0998					1.2617	1.0569	1.1472	1.2124		
Ratio 2013/2012	1.0541				1.2968					1.6696	1.2301	1.2875	1.5838		
Ratio 2014/2013	1.0352				0.9081					0.7631	0.8772	0.8404	0.7372		
Ratio 2015/2014	1.0251				1.0575					1.2731	1.0317	1.2039	1.2420		
Ratio 2016/2015	1.0040				0.9705					0.9246	0.9666	0.9527	0.9209		
Ratio 2017/2016	0.9851				0.9039					0.9588	0.9176	1.0608	0.9734		
Ratio 2018/2017	0.9982				1.2705					1.0722	1.2728	0.8439	1.0741		
Ratio 2019/2018	0.9991				1.2234					1.3726	1.2245	1.1220	1.3739		
Ratio 2020/2019	0.9982				1.0932					1.0046	1.0952	0.9189	1.0064		

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	4.63%	0.6186	
10-yr exp trend	4.98%	0.5898	
9-yr exp trend	5.03%	0.5160	
8-yr exp trend	5.20%	0.4438	
7-yr exp trend	7.94%	0.6733	
6-yr exp trend	10.16%	0.7319	
5-yr exp trend	14.35%	0.8670	
4-yr exp trend	19.80%	0.9651	
3-yr exp trend	15.81%	0.9540	

2020 Rate Program

Selected Trends		Credibility		Credibility Weighted Trends
Past	3.04%	0.9594	Past	3.23%
Future	3.04%		Future	3.23%

Trend Selection Notes:

Past: Last year's points don't seem to follow through to what's occurring now. Curve looks volatile so select long term trend excluding 2016/17 and 2018/19.

Future: Same as past.

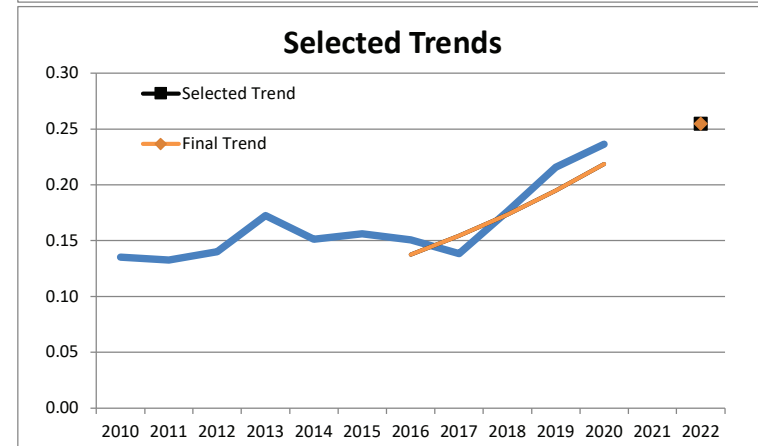
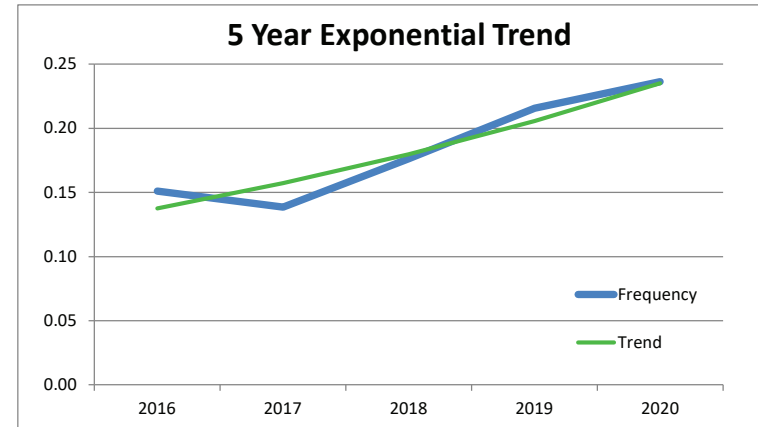
2021 Rate Program

Selected Trends		Credibility	Complement: All Incl Trailers	Final Trends
Past	12.30%	1.0000	Past	12.30%
Future	7.94%		Future	7.94%

Trend Selection Notes:

Past: High trend years have been consistent recently. Select 5-yr trend with 2017 excluded.

Future: Select the 7-yr trend as a lower longer term trend. The increases in recent history are expected to taper off.



S&I

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

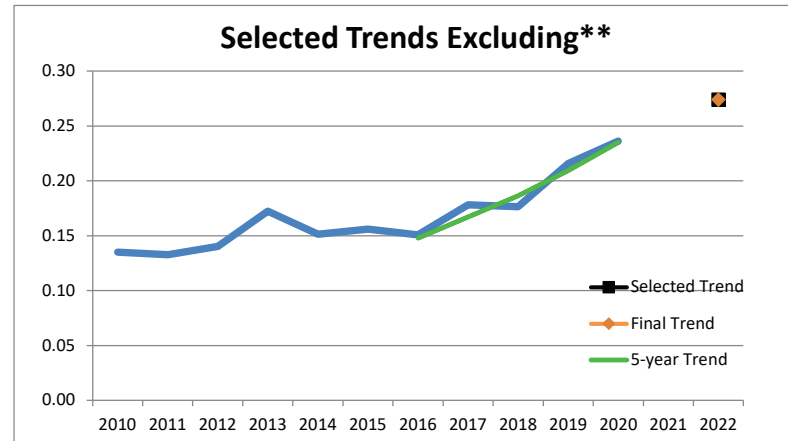
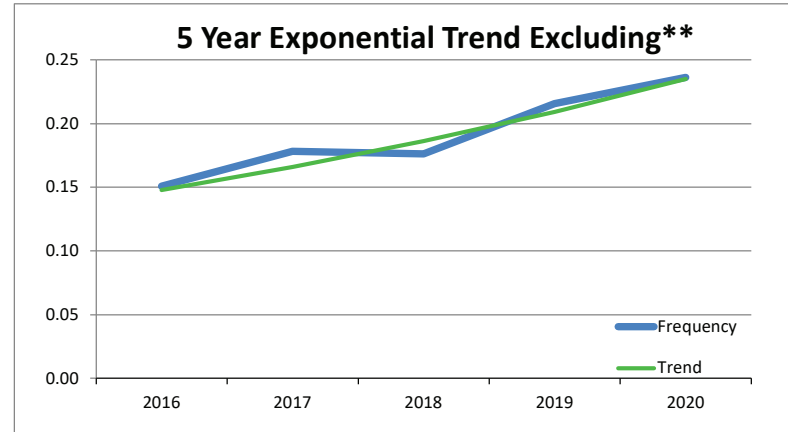
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: 2016/2017

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	5.17%	0.7897
10 -yr exp trend excl **	5.51%	0.7729
9 -yr exp trend excl **	5.52%	0.7150
8 -yr exp trend excl **	5.55%	0.6423
7 -yr exp trend excl **	7.94%	0.8684
6 -yr exp trend excl **	9.44%	0.8954
5 -yr exp trend excl **	12.30%	0.9629
4 -yr exp trend excl **	15.81%	0.9540
3 -yr exp trend excl **	15.81%	0.9540

** Years excluded: 2016/2017



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

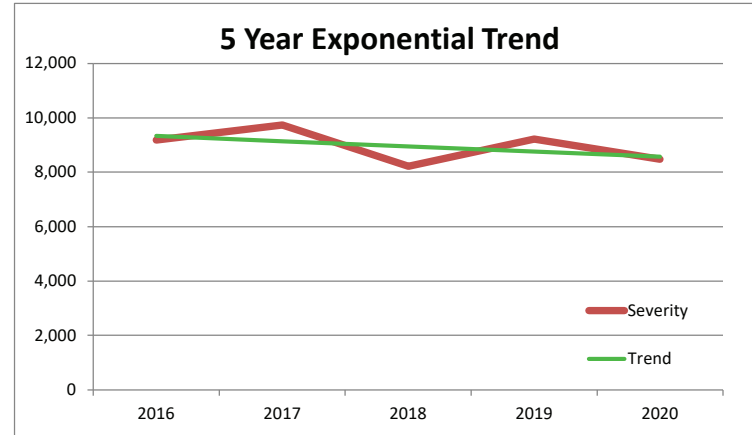
Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	2.64%	0.3846
10-yr exp trend	2.33%	0.2737
9-yr exp trend	0.85%	0.0584
8-yr exp trend	-0.63%	0.0411
7-yr exp trend	-0.10%	0.0008
6-yr exp trend	-2.26%	0.3888
5-yr exp trend	-2.13%	0.2439
4-yr exp trend	-2.98%	0.2523
3-yr exp trend	1.54%	0.0656

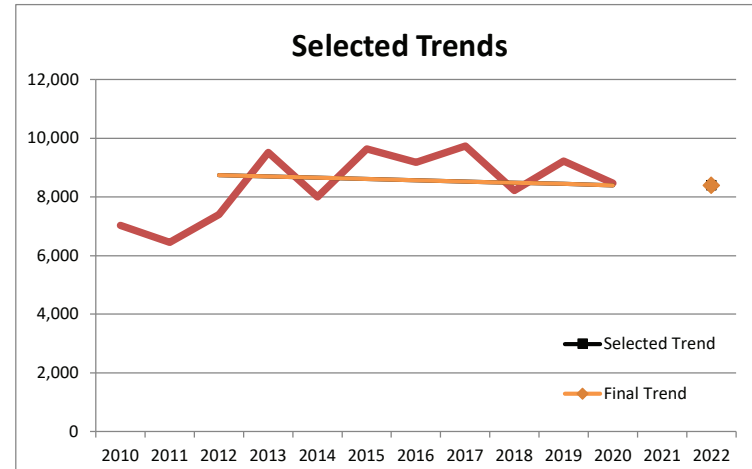


2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-1.00%	0.9594
Future	2.17%	2.24%

Trend Selection Notes:

Past: Drops in same two years that frequency saw an increase. Two newest years seem too steep to fully trust, but 2017-18 has a full year of development. Select -1% trend to put some weight in the decline in recent years.
 Future: Select positive 10-yr trend for future given the long term increase seen.



2021 Rate Program

Selected Trends	Credibility	Complement: All Incl Trailers
Past	-0.50%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Based on more recent historical experience, excluding the 2010-2012 jump. Select a judgmental -0.5%.
 Future: Volatile experience year to year. Focus on longer term trends. Select flat growth.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

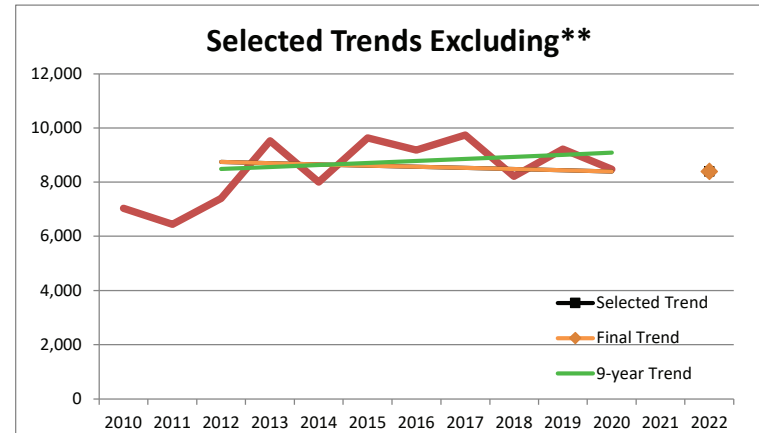
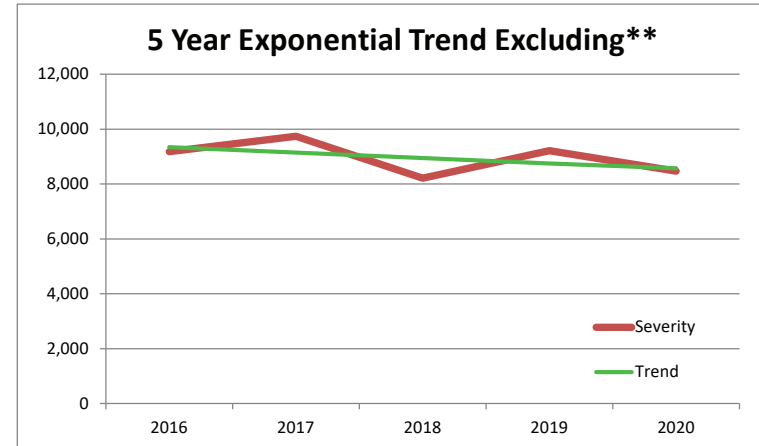
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.64%	0.3846
10 -yr exp trend excl **	2.33%	0.2737
9 -yr exp trend excl **	0.85%	0.0584
8 -yr exp trend excl **	-0.63%	0.0411
7 -yr exp trend excl **	-0.10%	0.0008
6 -yr exp trend excl **	-2.26%	0.3888
5 -yr exp trend excl **	-2.13%	0.2439
4 -yr exp trend excl **	-2.98%	0.2523
3 -yr exp trend excl **	1.54%	0.0656

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	7.39%	0.7224
10-yr exp trend	7.43%	0.6633
9-yr exp trend	5.93%	0.5371
8-yr exp trend	4.54%	0.3600
7-yr exp trend	7.84%	0.7076
6-yr exp trend	7.68%	0.5928
5-yr exp trend	11.92%	0.8042
4-yr exp trend	16.23%	0.8721
3-yr exp trend	17.59%	0.7648

2020 Rate Program

Selected Trends

Past	2.01%
Future	5.28%

Credibility

0.9594

Credibility Weighted Trends

Past	2.41%
Future	5.55%

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	11.73%
Future	7.94%

Credibility

1.0000

Complement: All Incl Trailers

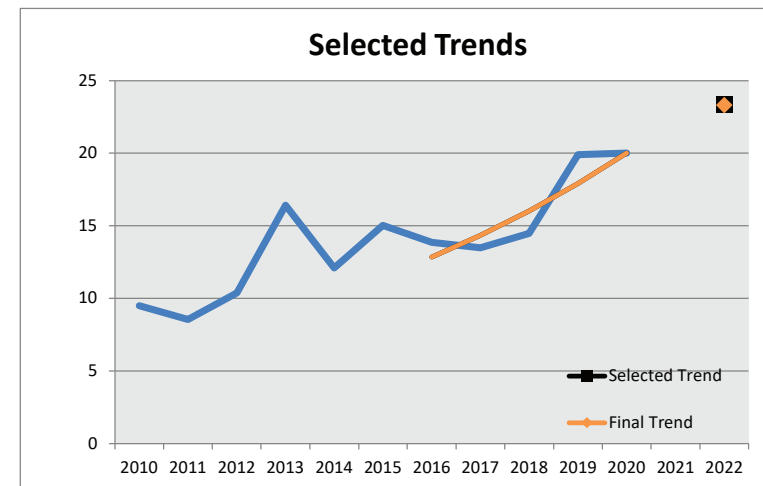
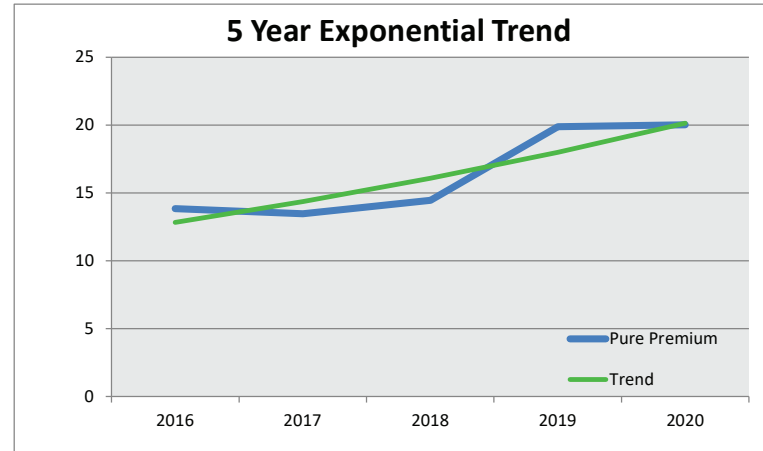
Final Trends

Past	11.73%
Future	7.94%

Trend Selection Notes:

Calculated Past Trend = 11.73%

Calculated Future Trend = 7.94%



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

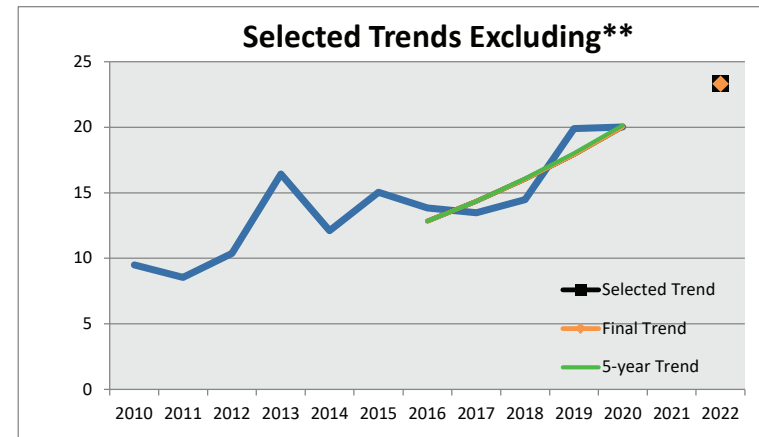
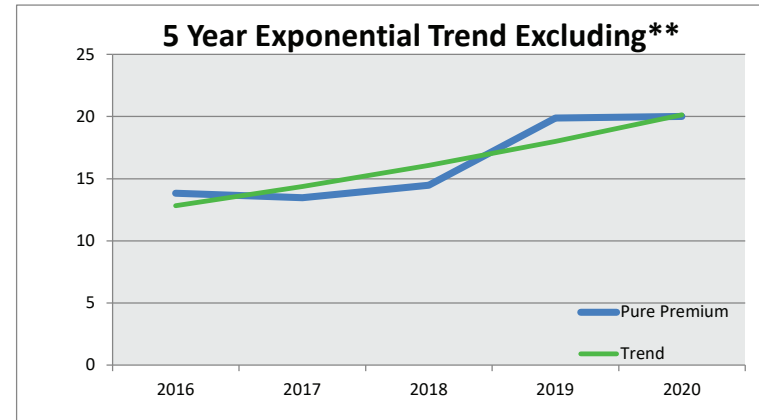
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	7.39%	0.7224
10 -yr exp trend excl **	7.43%	0.6633
9 -yr exp trend excl **	5.93%	0.5371
8 -yr exp trend excl **	4.54%	0.3600
7 -yr exp trend excl **	7.84%	0.7076
6 -yr exp trend excl **	7.68%	0.5928
5 -yr exp trend excl **	11.92%	0.8042
4 -yr exp trend excl **	16.23%	0.8721
3 -yr exp trend excl **	17.59%	0.7648

** Years excluded: None



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Trailers

Fiscal Year	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
	Earned Exposures	Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor					
2009/2010	61,104	595	0.9745	1.0000	580	1,452,277	0.9347	1.0073	1.1035	1,508,750	0.95	2,601	24.69	
2010/2011	64,713	719	0.9633	1.0000	693	2,393,410	0.9273	1.0074	1.0989	2,456,875	1.07	3,545	37.97	
2011/2012	68,884	596	0.9678	1.0000	577	2,319,059	0.9423	1.0072	1.0979	2,416,442	0.84	4,190	35.08	
2012/2013	75,452	893	0.9716	1.0000	868	3,148,318	1.0450	1.0075	1.0916	3,618,376	1.15	4,170	47.96	
2013/2014	79,561	605	0.9659	1.0000	584	2,303,780	1.0835	1.0073	1.0788	2,712,565	0.73	4,644	34.09	
2014/2015	82,316	697	0.9555	1.0000	666	3,293,449	1.0760	1.0077	1.0460	3,735,146	0.81	5,606	45.38	
2015/2016	85,533	738	0.9502	1.0000	701	2,907,620	1.0875	1.0073	1.0177	3,241,553	0.82	4,624	37.90	
2016/2017	88,064	910	0.9296	1.0000	846	4,106,680	1.1053	1.0075	1.0003	4,574,246	0.96	5,409	51.94	
2017/2018	90,649	956	0.9436	1.0000	902	4,767,288	1.0884	1.0008	1.0003	5,194,380	1.00	5,757	57.30	
2018/2019	92,712	955	0.9989	1.0000	954	4,520,530	1.1386	1.0000	1.0002	5,148,139	1.03	5,398	55.53	
2019/2020	95,139	812	1.1620	1.0000	943	5,305,234	1.2918	1.0000	1.0000	6,853,351	0.99	7,265	72.03	
Ratio 2011/2010	1.0591				1.1947					1.6284	1.1281	1.3630	1.5376	
Ratio 2012/2011	1.0645				0.8322					0.9835	0.7818	1.1819	0.9240	
Ratio 2013/2012	1.0953				1.5048					1.4974	1.3738	0.9951	1.3671	
Ratio 2014/2013	1.0545				0.6731					0.7497	0.6384	1.1137	0.7109	
Ratio 2015/2014	1.0346				1.1405					1.3770	1.1024	1.2073	1.3309	
Ratio 2016/2015	1.0391				1.0522					0.8679	1.0126	0.8248	0.8352	
Ratio 2017/2016	1.0296				1.2065					1.4111	1.1718	1.1696	1.3706	
Ratio 2018/2017	1.0294				1.0667					1.1356	1.0363	1.0645	1.1032	
Ratio 2019/2018	1.0228				1.0572					0.9911	1.0336	0.9375	0.9690	
Ratio 2020/2019	1.0262				0.9891					1.3312	0.9638	1.3460	1.2973	

SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Trailers

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	0.30%	0.0051
10-yr exp trend	0.51%	0.0116
9-yr exp trend	1.89%	0.1268
8-yr exp trend	1.71%	0.0776
7-yr exp trend	5.79%	0.8598
6-yr exp trend	5.08%	0.7769
5-yr exp trend	4.60%	0.6308
4-yr exp trend	1.30%	0.3500
3-yr exp trend	-0.19%	0.0086

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	4.85%	1.0000
Future	3.60%	3.60%

Trend Selection Notes:

Past: Consistent positive trend since the drop in 2013/14. Rodent infestation initiative to apply the deductible to cleaning expenses may be the cause of decline in 2017/18 and 2018/19. Select 6-yr trend for past.

Future: Select 5-yr trend for future.

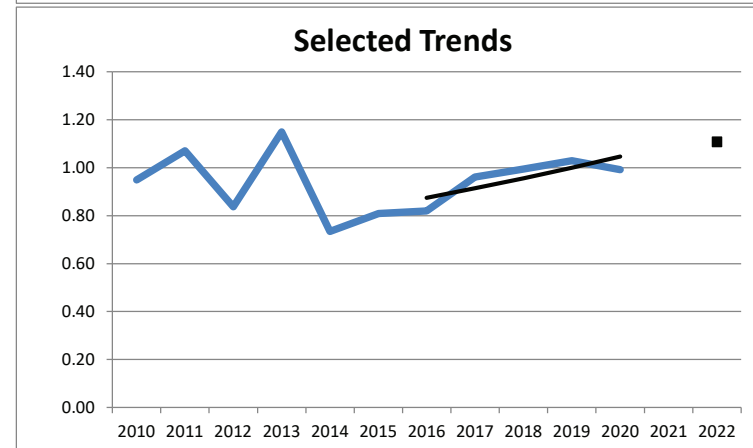
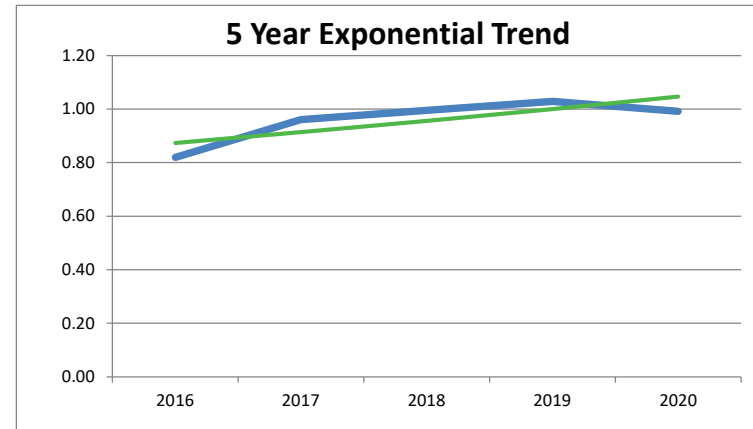
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.60%	1.0000
Future	2.95%	2.95%

Trend Selection Notes:

Past: Recent five year trend is fairly stable. Select the 5-yr trend.

Future: Appears to be tapering off. Select an average of the four and five year trends to reflect this development. A decision was made in 2019 to apply the damage deductible to cleaning expenses (large number of rodent infestation claims in recent history cause a rise in claims), which may be influencing this trend.



SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

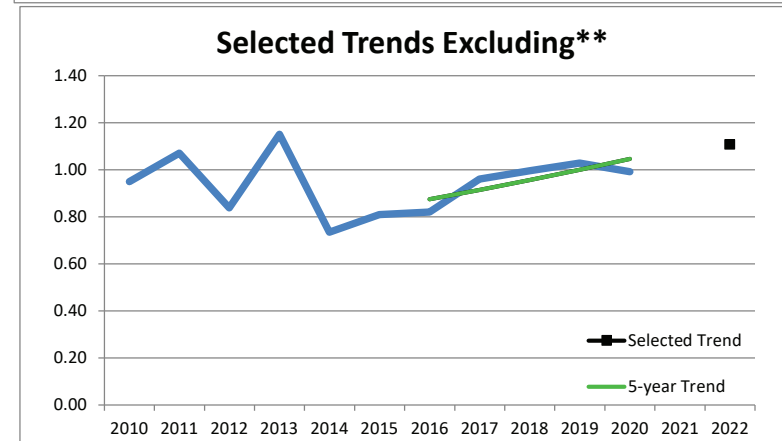
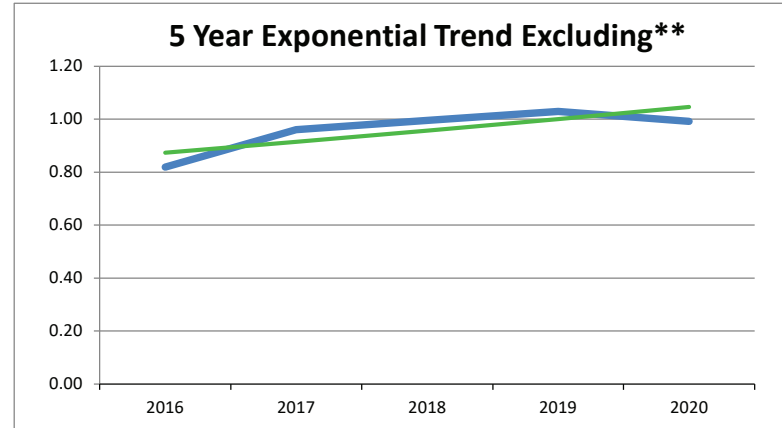
Exhibit 3 - Page 2-3

Frequency for Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	0.30%	0.0051
10 -yr exp trend excl **	0.51%	0.0116
9 -yr exp trend excl **	1.89%	0.1268
8 -yr exp trend excl **	1.71%	0.0776
7 -yr exp trend excl **	5.79%	0.8598
6 -yr exp trend excl **	5.08%	0.7769
5 -yr exp trend excl **	4.60%	0.6308
4 -yr exp trend excl **	1.30%	0.3500
3 -yr exp trend excl **	-0.19%	0.0086

** Years excluded: None



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	7.82%	0.8234
10-yr exp trend	6.32%	0.8188
9-yr exp trend	5.78%	0.7508
8-yr exp trend	5.98%	0.6942
7-yr exp trend	5.45%	0.5669
6-yr exp trend	5.34%	0.4407
5-yr exp trend	9.43%	0.7551
4-yr exp trend	8.55%	0.5672
3-yr exp trend	12.33%	0.5537

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	5.44%	Past 5.44%
Future	4.50%	Future 4.50%

Trend Selection Notes:

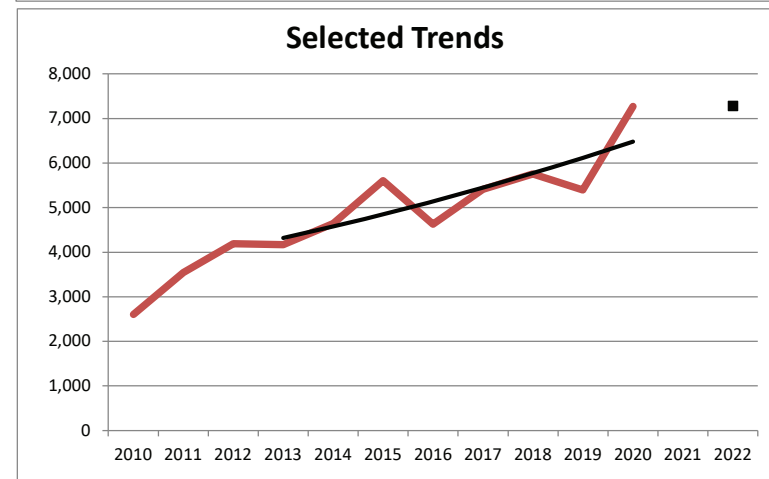
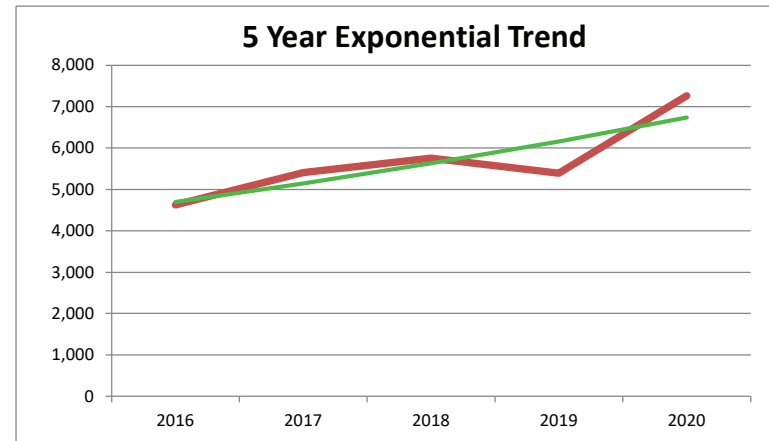
Past: Select 10-yr trend excluding 2009/10 as this is likely the trend underlying the volatility in recent years.
 Future: Deductible impact will decrease severity in the future so select less positive trend for future. 8-yr trend excluding 2009/10.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	5.98%	Past 5.98%
Future	5.98%	Future 5.98%

Trend Selection Notes:

Past: We are not fully confident in the latest years. Select a longer term 8-yr trend to smooth over some of the volatility.
 Future: Same as past.



SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

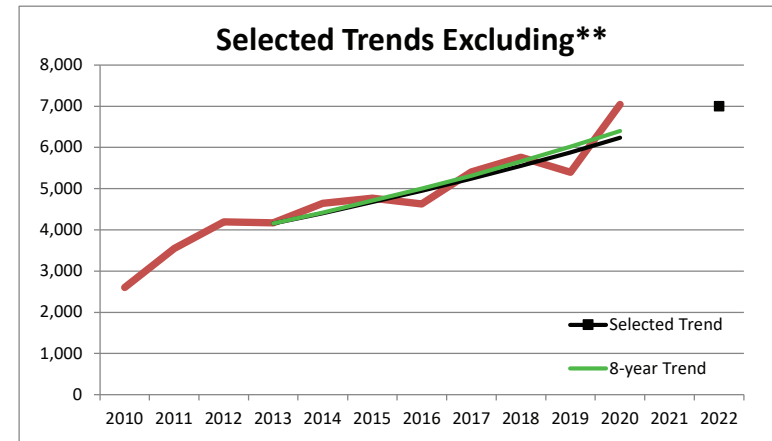
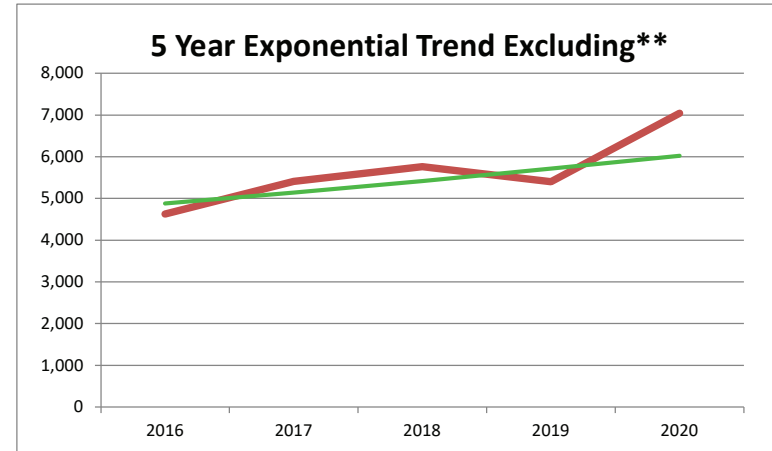
Exhibit 3 - Page 2-5

Severity for Trailers

Excluding Years: 2014/2015, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	7.24%	0.8194
10 -yr exp trend excl **	5.39%	0.8849
9 -yr exp trend excl **	4.65%	0.8537
8 -yr exp trend excl **	4.92%	0.8124
7 -yr exp trend excl **	4.30%	0.6662
6 -yr exp trend excl **	5.41%	0.5301
5 -yr exp trend excl **	5.41%	0.5301
4 -yr exp trend excl **	-0.10%	0.0008
3 -yr exp trend excl **	-6.25%	1.0000

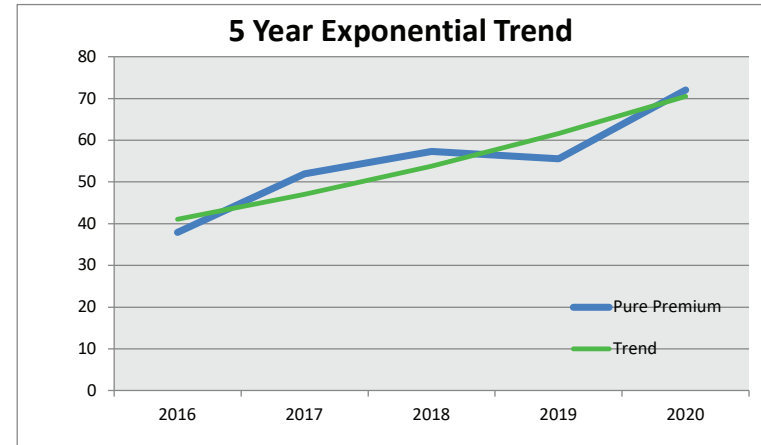
** Years excluded: 2014/2015, 2019/2020



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

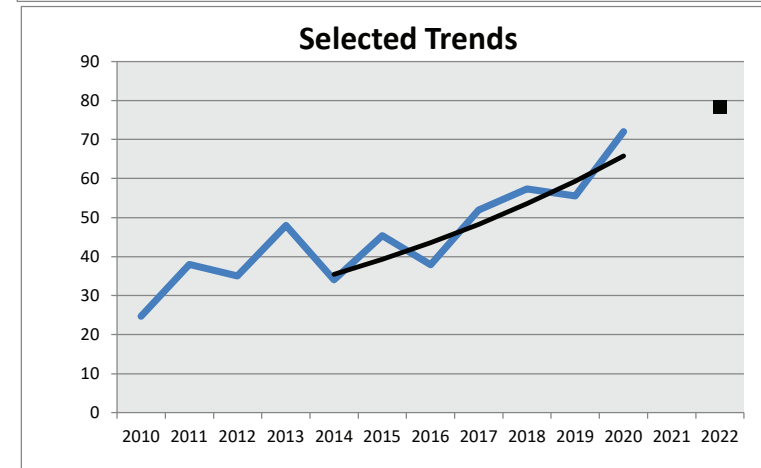
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	8.14%	0.7521
10-yr exp trend	6.86%	0.6746
9-yr exp trend	7.77%	0.6782
8-yr exp trend	7.79%	0.5971
7-yr exp trend	11.55%	0.8466
6-yr exp trend	10.69%	0.7574
5-yr exp trend	14.47%	0.8526
4-yr exp trend	9.96%	0.7449
3-yr exp trend	12.12%	0.6486



2020 Rate Program		Credibility	Credibility Weighted Trends	
Selected Trends			Past	Future
Past	10.56%	1.0000	Past	10.56%
Future	8.26%		Future	8.26%

Trend Selection Notes:



2021 Rate Program		Credibility	Final Trends	
Selected Trends			Past	Future
Past	10.85%	1.0000	Past	10.85%
Future	9.10%		Future	9.10%

Trend Selection Notes:

Calculated Past Trend = 10.85%

Calculated Future Trend = 9.1%

SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

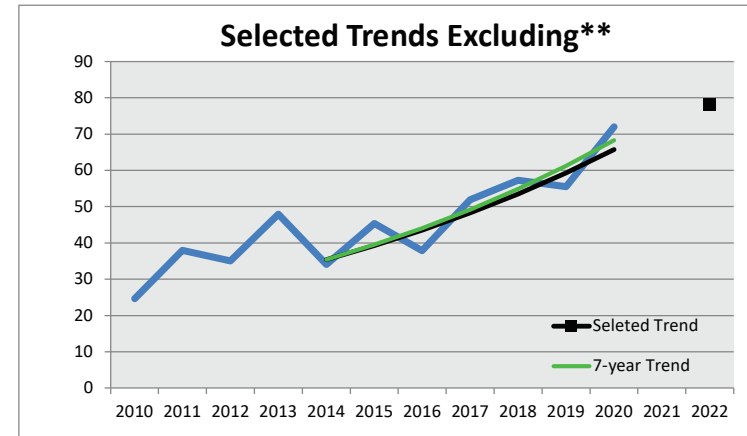
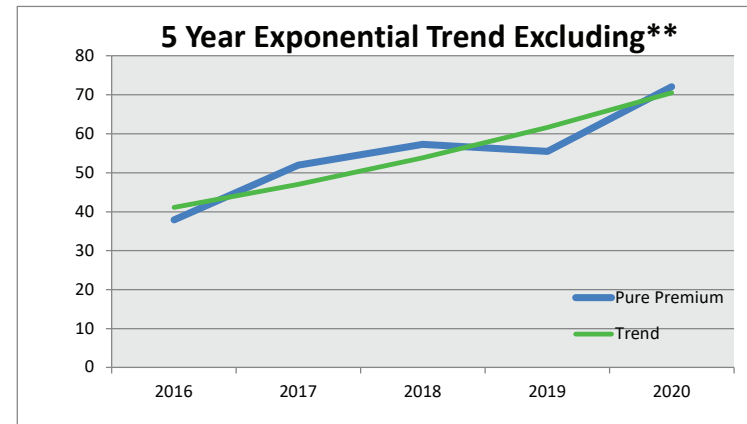
Exhibit 3 - Page 2-7

Pure Premium for Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	8.14%	0.7521
10 -yr exp trend excl **	6.86%	0.6746
9 -yr exp trend excl **	7.77%	0.6782
8 -yr exp trend excl **	7.79%	0.5971
7 -yr exp trend excl **	11.55%	0.8466
6 -yr exp trend excl **	10.69%	0.7574
5 -yr exp trend excl **	14.47%	0.8526
4 -yr exp trend excl **	9.96%	0.7449
3 -yr exp trend excl **	12.12%	0.6486

** Years excluded: None



SGI

Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Comprehensive Coverage (32)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

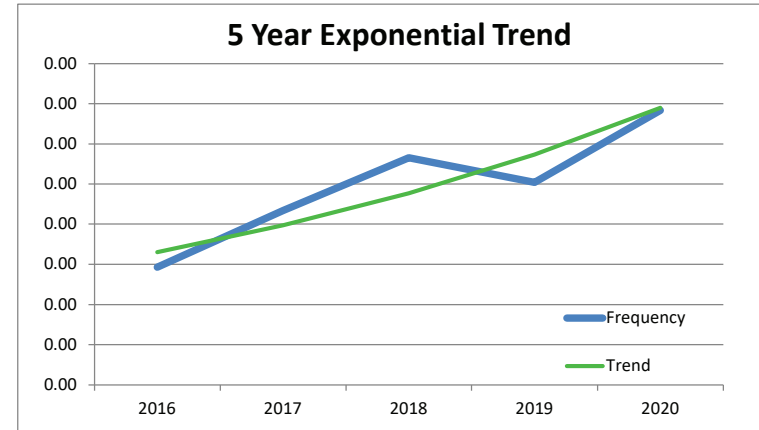
Heavy Excess Coverage

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	85,258	6	0.9745	1.0000	6	29,922	0.9347	1.0065	1.1035	31,062	0.01	5,301	0.36
2010/2011	90,459	3	0.9633	1.0000	3	11,424	0.9273	1.0065	1.0989	11,716	0.00	4,046	0.13
2011/2012	98,871	2	0.9678	1.0000	2	6,101	0.9423	1.0065	1.0979	6,353	0.00	3,277	0.06
2012/2013	111,015	5	0.9716	1.0000	5	33,572	1.0450	1.0068	1.0916	38,558	0.00	7,927	0.35
2013/2014	126,453	2	0.9659	1.0000	2	32,620	1.0835	1.0068	1.0788	38,389	0.00	19,848	0.30
2014/2015	135,644	6	0.9555	1.0000	6	25,971	1.0760	1.0067	1.0460	29,425	0.00	5,123	0.22
2015/2016	129,908	2	0.9502	1.0000	2	28,821	1.0875	1.0065	1.0177	32,105	0.00	16,854	0.25
2016/2017	128,708	3	0.9296	1.0000	3	32,917	1.1053	1.0066	1.0003	36,633	0.00	13,110	0.28
2017/2018	133,661	4	0.9436	1.0000	4	14,210	1.0884	1.0000	1.0003	15,470	0.00	4,090	0.12
2018/2019	198,467	5	0.9989	1.0000	5	58,466	1.1386	1.0000	1.0002	66,583	0.00	13,320	0.34
2019/2020	136,190	4	1.1620	1.0000	5	42,629	1.2918	1.0000	1.0000	55,068	0.00	11,836	0.40
Ratio 2011/2010	1.0610				0.4942					0.3772	0.4658	0.7633	0.3555
Ratio 2012/2011	1.0930				0.6695					0.5422	0.6125	0.8099	0.4961
Ratio 2013/2012	1.1228				2.5093					6.0696	2.2348	2.4188	5.4056
Ratio 2014/2013	1.1391				0.3976					0.9956	0.3491	2.5038	0.8741
Ratio 2015/2014	1.0727				2.9694					0.7665	2.7682	0.2581	0.7146
Ratio 2016/2015	0.9577				0.3317					1.0911	0.3463	3.2897	1.1393
Ratio 2017/2016	0.9908				1.4669					1.1410	1.4806	0.7778	1.1516
Ratio 2018/2017	1.0385				1.3537					0.4223	1.3036	0.3119	0.4066
Ratio 2019/2018	1.4849				1.3215					4.3041	0.8900	3.2571	2.8986
Ratio 2020/2019	0.6862				0.9308					0.8271	1.3564	0.8886	1.2053

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-4.27%	0.0943
10-yr exp trend	0.09%	0.0000
9-yr exp trend	1.89%	0.0161
8-yr exp trend	-0.08%	0.0000
7-yr exp trend	7.52%	0.1580
6-yr exp trend	2.36%	0.0139
5-yr exp trend	20.20%	0.8323
4-yr exp trend	13.24%	0.7031
3-yr exp trend	9.87%	0.3745



2020 Rate Program

Selected Trends

Past	3.04%
Future	3.04%

Credibility
 0.9594

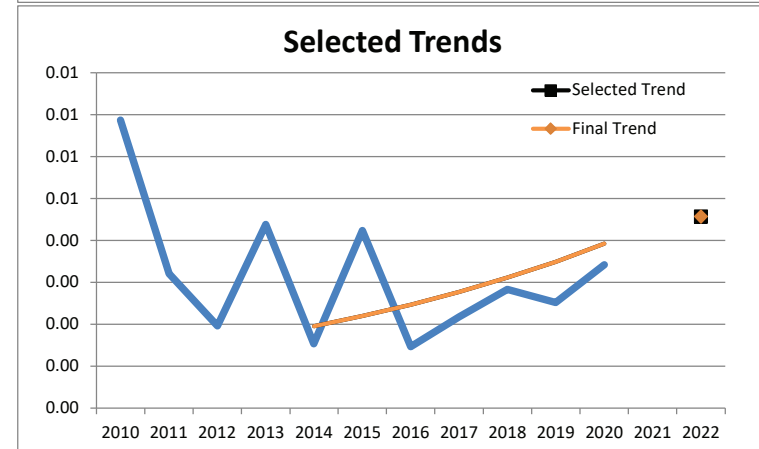
Complement: Heavy Vehicles

Credibility Weighted Trends

Past	3.23%
Future	3.23%

Trend Selection Notes:

Select Heavy Trend



2021 Rate Program

Selected Trends

Past	12.30%
Future	7.94%

Credibility
 0.1291

Complement: Heavy Vehicles

Final Trends

Past	12.30%
Future	7.94%

Trend Selection Notes:

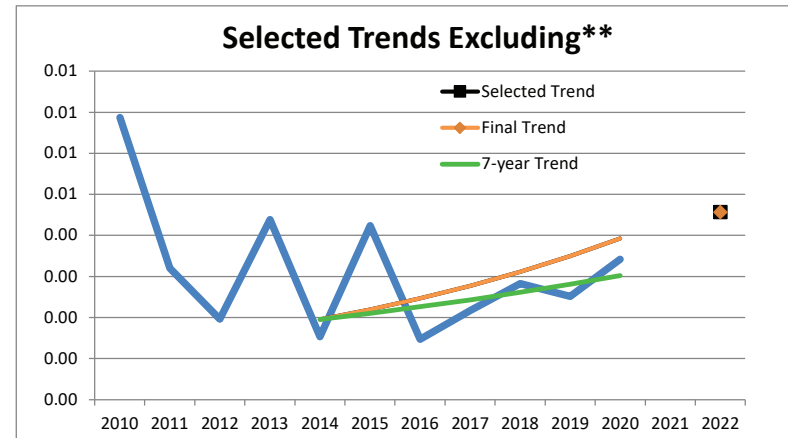
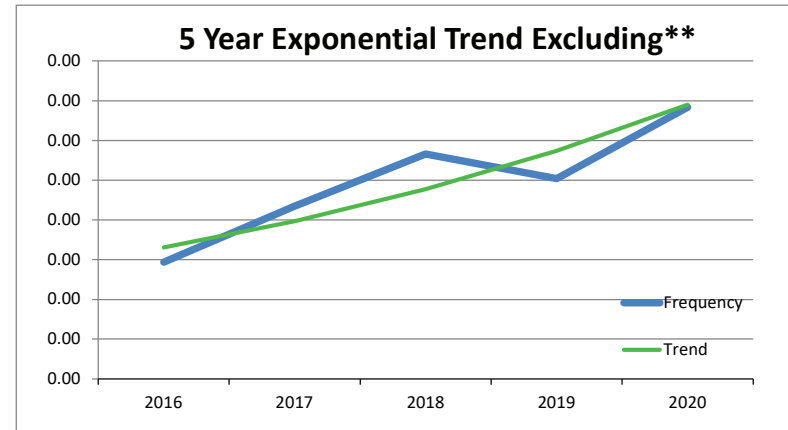
Select Heavy Trend

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-4.27%	0.0943
10 -yr exp trend excl **	0.09%	0.0000
9 -yr exp trend excl **	1.89%	0.0161
8 -yr exp trend excl **	-0.08%	0.0000
7 -yr exp trend excl **	7.52%	0.1580
6 -yr exp trend excl **	2.36%	0.0139
5 -yr exp trend excl **	20.20%	0.8323
4 -yr exp trend excl **	13.24%	0.7031
3 -yr exp trend excl **	9.87%	0.3745

** Years excluded: None



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	9.80%	0.2337
10-yr exp trend	10.26%	0.1999
9-yr exp trend	7.74%	0.0991
8-yr exp trend	-0.14%	0.0000
7-yr exp trend	-3.70%	0.0185
6-yr exp trend	6.84%	0.0454
5-yr exp trend	-6.68%	0.0388
4-yr exp trend	9.13%	0.0391
3-yr exp trend	70.12%	0.6675

2020 Rate Program

Selected Trends

Past	-1.00%
Future	2.17%

Credibility
 0.9594

Complement: Heavy Vehicles

Credibility Weighted Trends

Past	-0.80%
Future	2.24%

Trend Selection Notes:

Select Heavy trend.

2021 Rate Program

Selected Trends

Past	-0.50%
Future	0.00%

Credibility
 0.1291

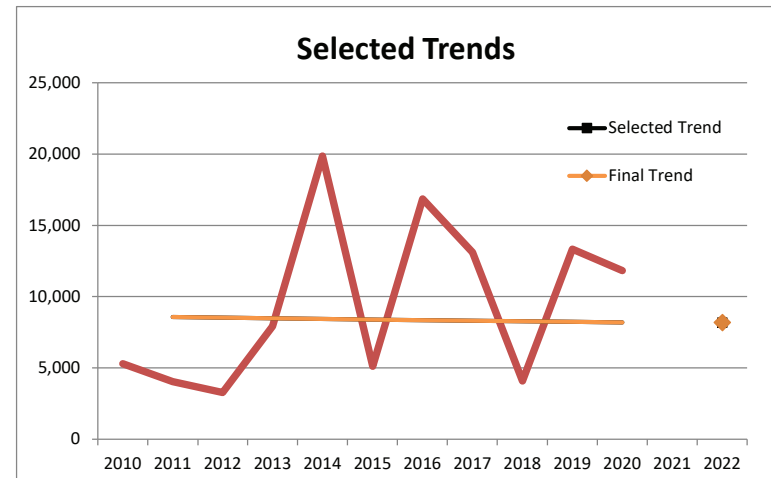
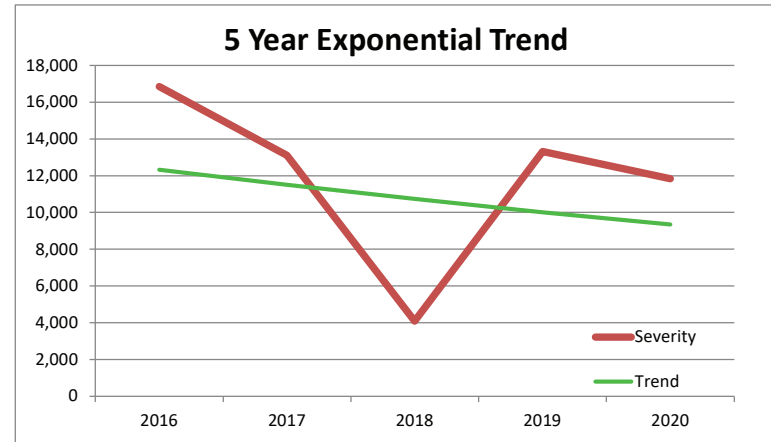
Complement: Heavy Vehicles

Final Trends

Past	-0.50%
Future	0.00%

Trend Selection Notes:

Select Heavy trend.

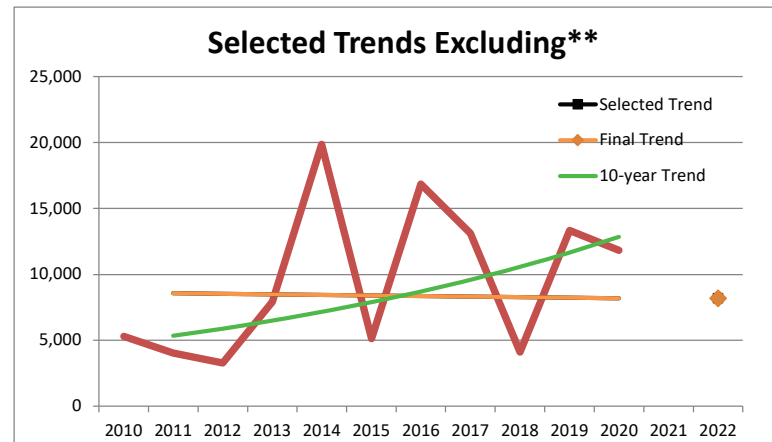
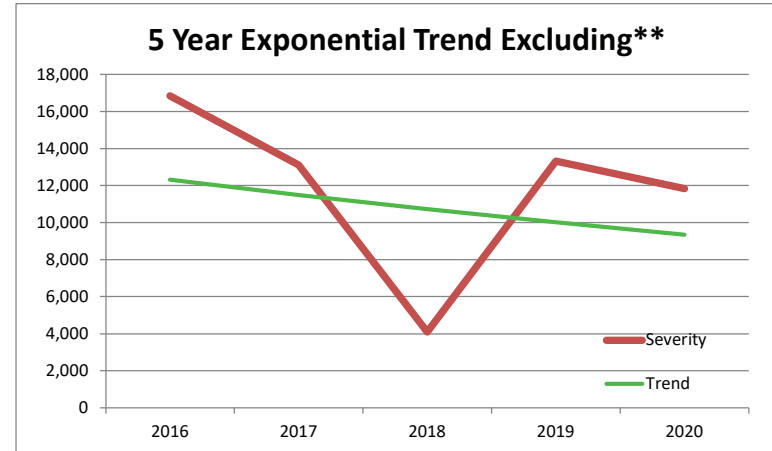


SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	9.80%	0.2337
10 -yr exp trend excl **	10.26%	0.1999
9 -yr exp trend excl **	7.74%	0.0991
8 -yr exp trend excl **	-0.14%	0.0000
7 -yr exp trend excl **	-3.70%	0.0185
6 -yr exp trend excl **	6.84%	0.0454
5 -yr exp trend excl **	-6.68%	0.0388
4 -yr exp trend excl **	9.13%	0.0391
3 -yr exp trend excl **	70.12%	0.6675

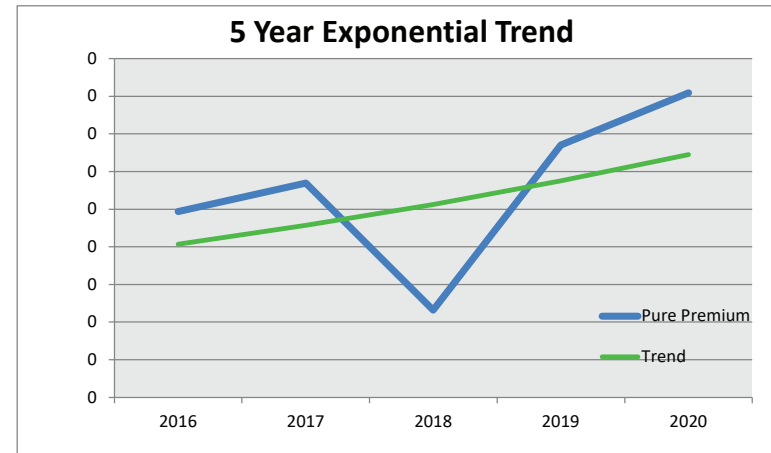
** Years excluded: None



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

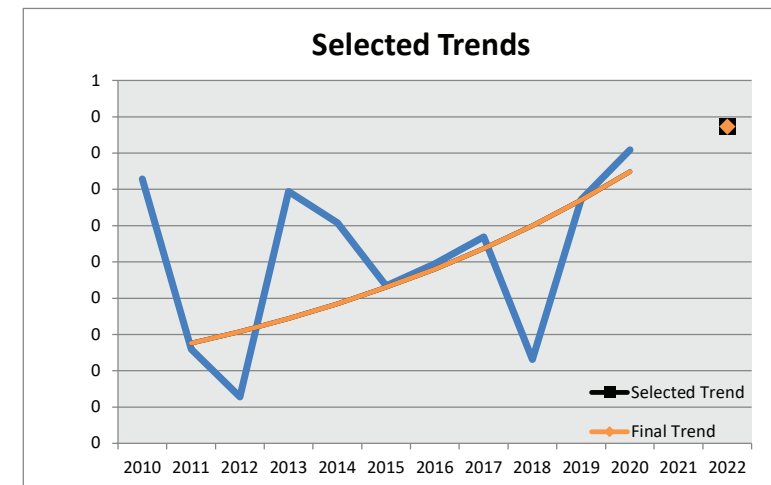
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	5.12%	0.0807
10-yr exp trend	10.35%	0.2548
9-yr exp trend	9.78%	0.1826
8-yr exp trend	-0.21%	0.0002
7-yr exp trend	3.54%	0.0345
6-yr exp trend	9.36%	0.1477
5-yr exp trend	12.18%	0.1428
4-yr exp trend	23.59%	0.2429
3-yr exp trend	86.91%	0.8591



2020 Rate Program		Credibility	Complement: Heavy Vehicles	
Selected Trends			Credibility Weighted Trends	
Past	2.01%		0.9594	Past
Future	5.28%		Future	5.55%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: Heavy Vehicles	
Selected Trends			Final Trends	
Past	11.73%		0.1291	Past
Future	7.94%		Future	7.94%

Trend Selection Notes:

Calculated Past Trend = 11.73%

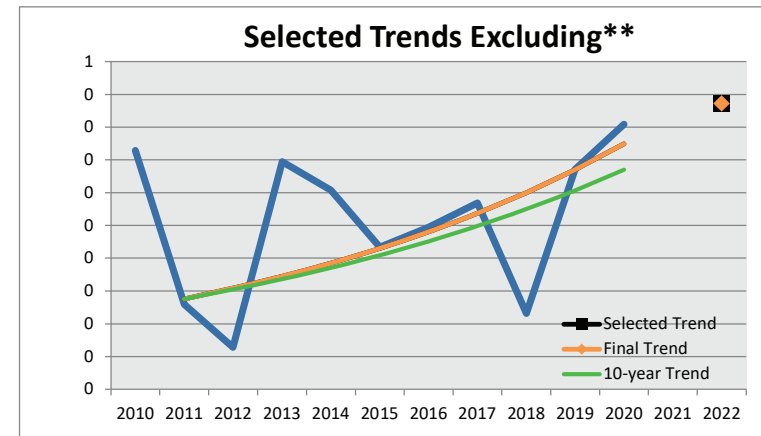
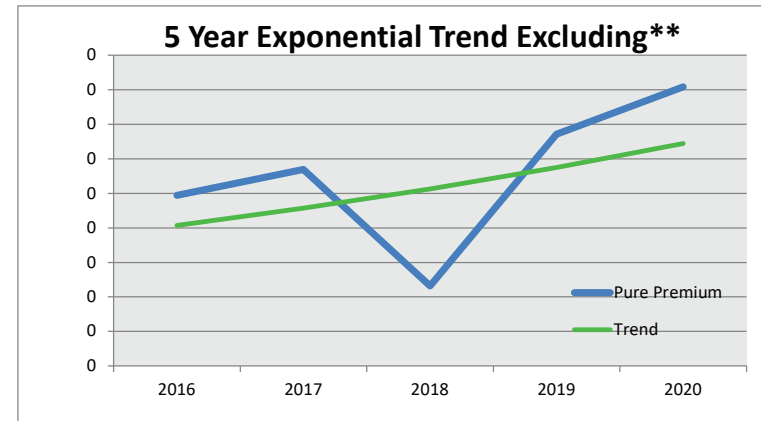
Calculated Future Trend = 7.94%

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Comprehensive Coverage (32)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	5.12%	0.0807
10 -yr exp trend excl **	10.35%	0.2548
9 -yr exp trend excl **	9.78%	0.1826
8 -yr exp trend excl **	-0.21%	0.0002
7 -yr exp trend excl **	3.54%	0.0345
6 -yr exp trend excl **	9.36%	0.1477
5 -yr exp trend excl **	12.18%	0.1428
4 -yr exp trend excl **	23.59%	0.2429
3 -yr exp trend excl **	86.91%	0.8591

** Years excluded: None



Glass Coverage

SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Including Trailers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	1,013,299	3,547	0.9994	1.0000	3,545	892,862	1.0000	1.0202	1.1697	1,065,392	0.35	301	1.05
2010/2011	1,034,805	4,670	0.9998	1.0000	4,669	1,104,406	1.0000	1.0206	1.1622	1,309,917	0.45	281	1.27
2011/2012	1,059,924	6,762	0.9999	1.0000	6,761	1,610,033	0.9999	1.0207	1.1605	1,907,122	0.64	282	1.80
2012/2013	1,094,843	7,653	0.9996	1.0000	7,650	1,814,937	0.9999	1.0212	1.1502	2,131,601	0.70	279	1.95
2013/2014	1,113,002	8,286	0.9996	1.0000	8,283	1,999,739	1.0000	1.0214	1.1291	2,306,234	0.74	278	2.07
2014/2015	1,129,759	9,724	0.9999	1.0000	9,723	2,593,077	0.9999	1.0210	1.0754	2,846,728	0.86	293	2.52
2015/2016	1,145,428	12,667	0.9998	1.0000	12,664	3,239,621	1.0004	1.0211	1.0291	3,405,454	1.11	269	2.97
2016/2017	1,145,211	16,389	1.0001	1.0000	16,391	4,031,199	1.0003	1.0212	1.0004	4,119,687	1.43	251	3.60
2017/2018	1,151,318	18,610	1.0004	1.0000	18,617	4,854,994	1.0019	1.0147	1.0004	4,937,798	1.62	265	4.29
2018/2019	1,150,427	21,063	1.0074	1.0000	21,219	6,206,308	1.0102	1.0110	1.0004	6,341,425	1.84	299	5.51
2019/2020	1,157,115	17,883	1.2895	1.0000	23,061	6,210,121	1.3308	1.0027	1.0000	8,286,903	1.99	359	7.16
Ratio 2011/2010	1.0212				1.3171					1.2295	1.2897	0.9335	1.2040
Ratio 2012/2011	1.0243				1.4481					1.4559	1.4137	1.0054	1.4214
Ratio 2013/2012	1.0329				1.1315					1.1177	1.0954	0.9878	1.0821
Ratio 2014/2013	1.0166				1.0827					1.0819	1.0651	0.9992	1.0643
Ratio 2015/2014	1.0151				1.1739					1.2344	1.1564	1.0516	1.2161
Ratio 2016/2015	1.0139				1.3025					1.1963	1.2847	0.9185	1.1799
Ratio 2017/2016	0.9998				1.2943					1.2097	1.2945	0.9347	1.2100
Ratio 2018/2017	1.0053				1.1358					1.1986	1.1298	1.0553	1.1922
Ratio 2019/2018	0.9992				1.1398					1.2843	1.1407	1.1268	1.2853
Ratio 2020/2019	1.0058				1.0868					1.3068	1.0805	1.2024	1.2992

SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 1-2

Frequency for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	18.80%	0.9806	
10-yr exp trend	17.93%	0.9797	
9-yr exp trend	17.21%	0.9752	
8-yr exp trend	18.17%	0.9757	
7-yr exp trend	18.95%	0.9706	
6-yr exp trend	18.21%	0.9539	
5-yr exp trend	15.40%	0.9529	
4-yr exp trend	11.91%	0.9891	
3-yr exp trend	11.02%	0.9781	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	20.51%	20.51%
Future	20.51%	20.51%

Trend Selection Notes:

Past: The 5-year trend is very similar to long term trends and past selection. Select the 5-year.

Future: Trend is slightly slower in last two years. Could be due to a critical mass of claims exceeding the deductible which would imply a more level growth in the future. New sensors and technology in windshields could increase the amount of claims exceeding the deductible though which would offset the prior point. Leave the same as the past and keep an eye on.

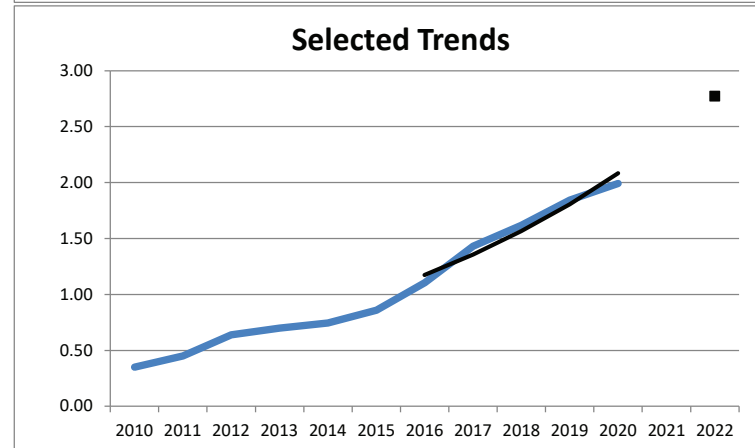
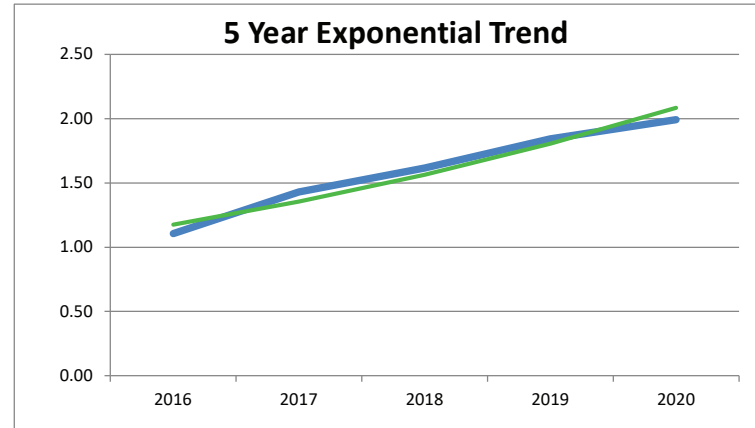
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	15.40%	15.40%
Future	15.40%	15.40%

Trend Selection Notes:

Past: Consistent, increasing trend that has tapered off a little based on shorter term history. Select 5-yr trend.

Future: 2015 and newer models represent half of the glass claims coming in in the last couple of years. These models more often include technology (sensors) in their windshields. These higher costs are expected to push more claims over the damage deductible. We expect this high trend to continue as the fleet continues to renew though we also recognize that the trend has been flattening.



SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

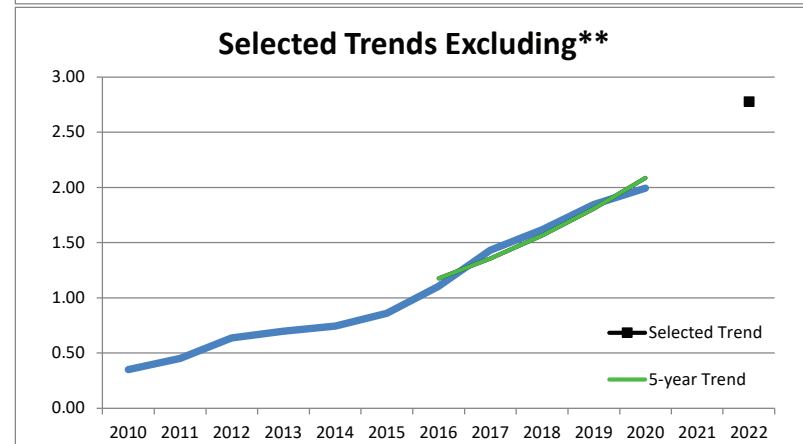
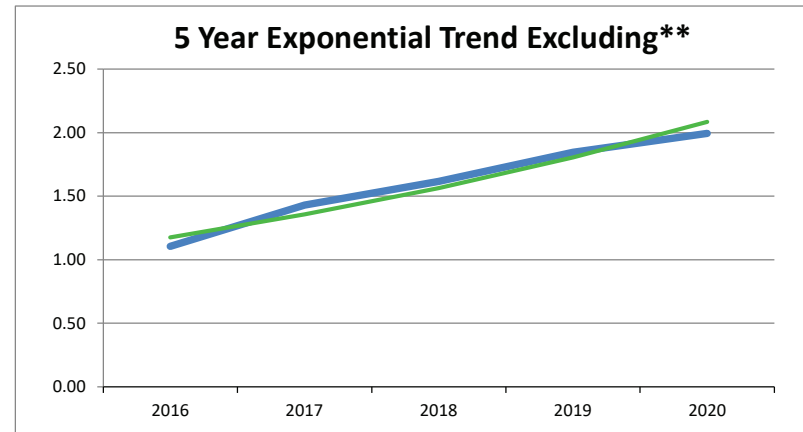
Exhibit 3 - Page 1-3

Frequency for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	18.80%	0.9806
10 -yr exp trend excl **	17.93%	0.9797
9 -yr exp trend excl **	17.21%	0.9752
8 -yr exp trend excl **	18.17%	0.9757
7 -yr exp trend excl **	18.95%	0.9706
6 -yr exp trend excl **	18.21%	0.9539
5 -yr exp trend excl **	15.40%	0.9529
4 -yr exp trend excl **	11.91%	0.9891
3 -yr exp trend excl **	11.02%	0.9781

** Years excluded: None



SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

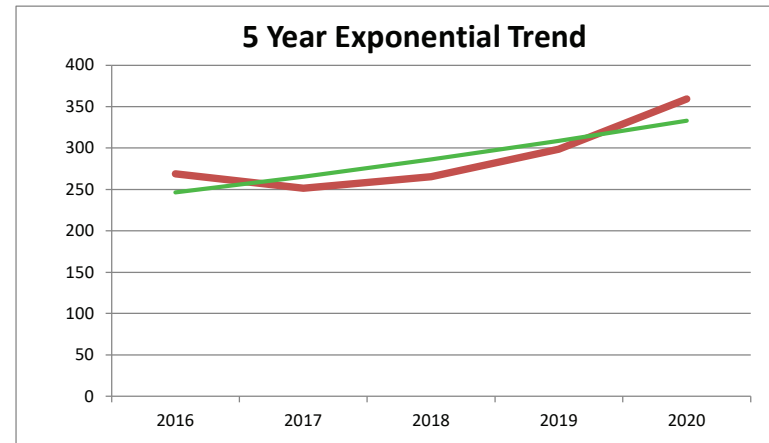
Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 1-4

Severity for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	0.66%	0.0554
10-yr exp trend	1.22%	0.1461
9-yr exp trend	1.56%	0.1749
8-yr exp trend	2.13%	0.2273
7-yr exp trend	2.87%	0.2754
6-yr exp trend	4.07%	0.3448
5-yr exp trend	7.82%	0.7069
4-yr exp trend	12.66%	0.9434
3-yr exp trend	16.40%	0.9850



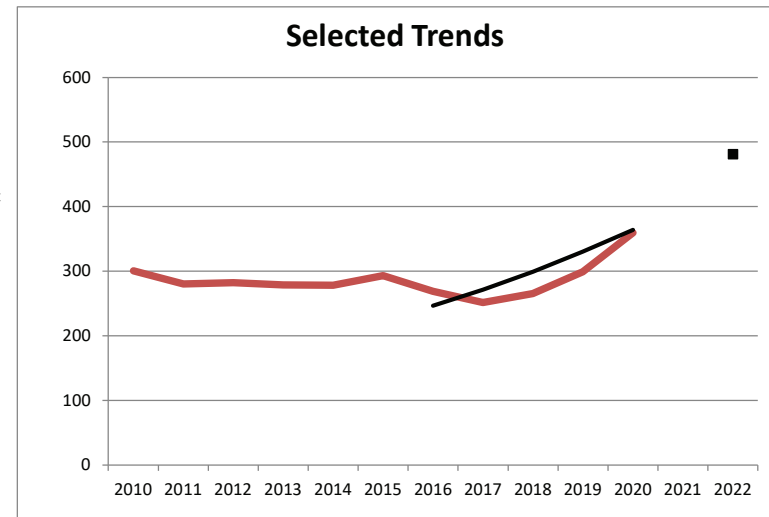
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-0.65%	Past -0.65%
Future	2.00%	Future 2.00%

Trend Selection Notes:

Past: Past is affected by potential reversal of historical declining trend. New claims breaching the deductible would have brought down the historical severity. Most recent two years have surged likely due to the combination of a large number of claims greater than the deductible trending stronger than new claims that just breach the deductible. Select the 5 year trend as a compromise between consistent mid term trends and the recent two years.

Future: In addition to above the SQARP project is expected to add costs as we ensure compliance with the new policies. Due to this we expect the future trend to exceed 0%. Select 2% as a compromise between the past and the 3-year trend.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	10.24%	Past 10.24%
Future	15.00%	Future 15.00%

Trend Selection Notes:

Past: More claims are now breaching the deductible and is more dependent on how many newer vehicles on the fleet. Select an average of the 4-yr and 5-yr trend to align the rating data to historical experience. Will review this trend selection by class where there is enough credibility. Additionally, there may be more development from SQARP policies. Select a subjective 15% based on a softened 3-yr trend.

Future: We do expect the severity to continue to increase as the fleet includes more vehicles with higher cost windshields.

SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

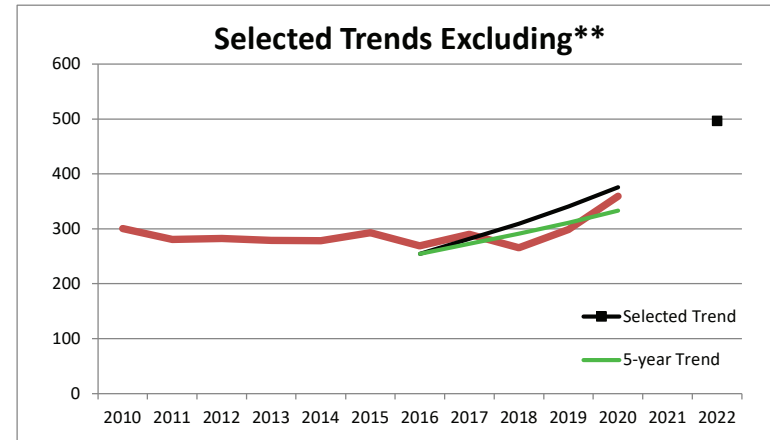
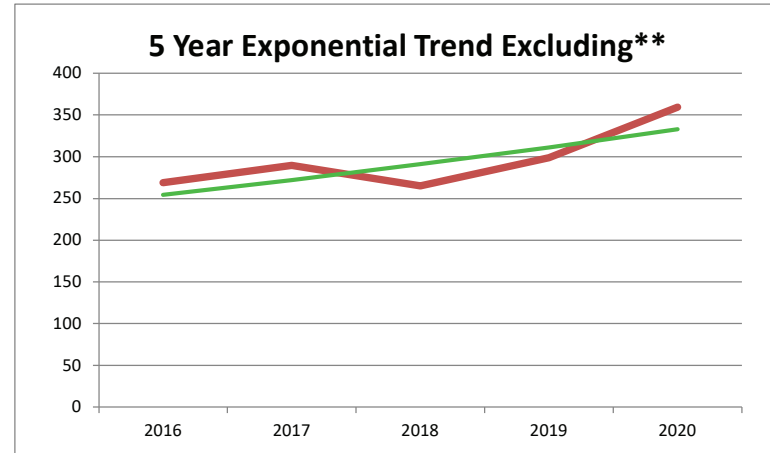
Exhibit 3 - Page 1-5

Severity for All Vehicles Including Trailers

Excluding Years: 2016/2017

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	0.95%	0.1423
10 -yr exp trend excl **	1.51%	0.2762
9 -yr exp trend excl **	1.83%	0.3007
8 -yr exp trend excl **	2.32%	0.3440
7 -yr exp trend excl **	2.87%	0.3625
6 -yr exp trend excl **	3.65%	0.3748
5 -yr exp trend excl **	6.98%	0.6747
4 -yr exp trend excl **	16.40%	0.9850
3 -yr exp trend excl **	16.40%	0.9850

** Years excluded: 2016/2017



SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	19.58%	0.9851
10-yr exp trend	19.36%	0.9802
9-yr exp trend	19.04%	0.9730
8-yr exp trend	20.69%	0.9840
7-yr exp trend	22.37%	0.9930
6-yr exp trend	23.02%	0.9910
5-yr exp trend	24.42%	0.9921
4-yr exp trend	26.07%	0.9924
3-yr exp trend	29.22%	0.9999

2020 Rate Program

Selected Trends

Past	19.73%
Future	22.92%

Credibility
1.0000

Credibility Weighted Trends
Past N/A
Future N/A

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	27.21%
Future	32.71%

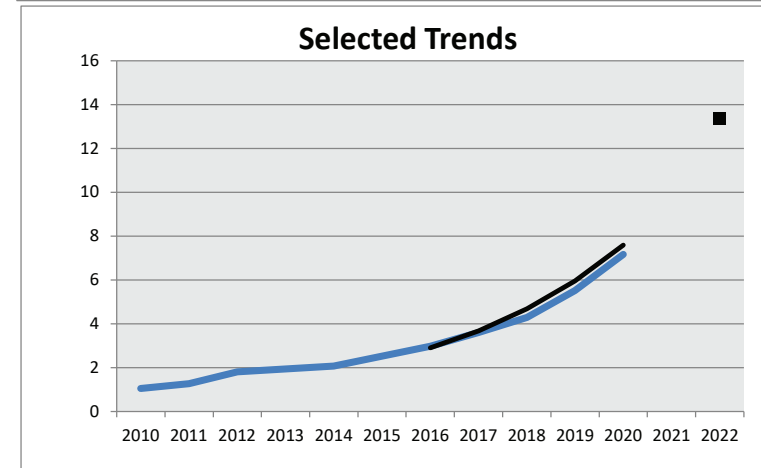
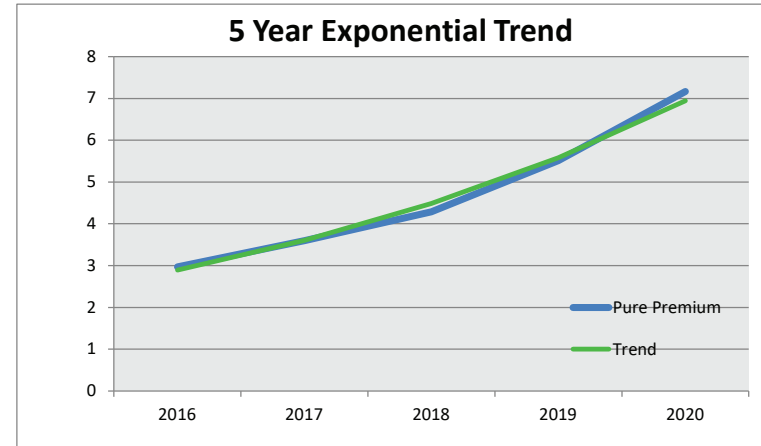
Credibility
1.0000

Final Trends
Past 27.21%
Future 32.71%

Trend Selection Notes:

Calculated Past Trend = 27.21%

Calculated Future Trend = 32.71%



SGI

Class Group: All vehicles that have first party damage coverage, including trailers and permits

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

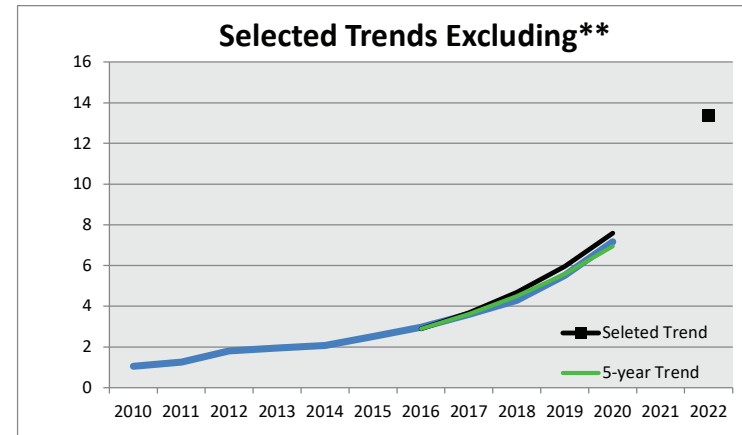
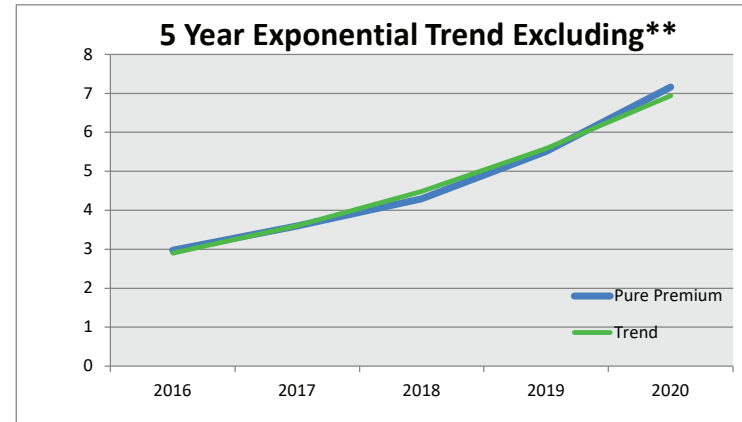
Exhibit 3 - Page 1-7

Pure Premium for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	19.58%	0.9851
10 -yr exp trend excl **	19.36%	0.9802
9 -yr exp trend excl **	19.04%	0.9730
8 -yr exp trend excl **	20.69%	0.9840
7 -yr exp trend excl **	22.37%	0.9930
6 -yr exp trend excl **	23.02%	0.9910
5 -yr exp trend excl **	24.42%	0.9921
4 -yr exp trend excl **	26.07%	0.9924
3 -yr exp trend excl **	29.22%	0.9999

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count		Development Factor	Ultimate		Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor		Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor					
2009/2010	909,234	3,526	0.9994	1.0000	3,524	888,209	1.0000	1.0202	1.1697	1,059,914	0.39	301	1.17
2010/2011	927,864	4,653	0.9998	1.0000	4,652	1,094,799	1.0000	1.0207	1.1622	1,298,680	0.50	279	1.40
2011/2012	948,633	6,729	0.9999	1.0000	6,728	1,598,957	0.9999	1.0208	1.1605	1,894,184	0.71	282	2.00
2012/2013	977,527	7,626	0.9996	1.0000	7,623	1,800,144	0.9999	1.0213	1.1502	2,114,471	0.78	277	2.16
2013/2014	991,558	8,241	0.9996	1.0000	8,238	1,991,794	1.0000	1.0215	1.1291	2,297,202	0.83	279	2.32
2014/2015	1,005,272	9,675	0.9999	1.0000	9,674	2,580,236	0.9999	1.0210	1.0754	2,832,828	0.96	293	2.82
2015/2016	1,020,442	12,604	0.9998	1.0000	12,601	3,223,583	1.0004	1.0212	1.0291	3,388,835	1.23	269	3.32
2016/2017	1,022,093	16,313	1.0001	1.0000	16,315	4,013,898	1.0003	1.0213	1.0004	4,102,260	1.60	251	4.01
2017/2018	1,028,417	18,509	1.0004	1.0000	18,516	4,827,392	1.0019	1.0148	1.0004	4,910,133	1.80	265	4.77
2018/2019	1,027,642	20,973	1.0074	1.0000	21,128	6,180,326	1.0102	1.0111	1.0004	6,315,167	2.06	299	6.15
2019/2020	1,034,555	17,813	1.2895	1.0000	22,971	6,187,581	1.3308	1.0027	1.0000	8,256,906	2.22	359	7.98
Ratio 2011/2010	1.0205				1.3201					1.2253	1.2936	0.9282	1.2007
Ratio 2012/2011	1.0224				1.4463					1.4585	1.4146	1.0085	1.4266
Ratio 2013/2012	1.0305				1.1330					1.1163	1.0995	0.9852	1.0833
Ratio 2014/2013	1.0144				1.0807					1.0864	1.0654	1.0053	1.0710
Ratio 2015/2014	1.0138				1.1743					1.2332	1.1583	1.0501	1.2163
Ratio 2016/2015	1.0151				1.3026					1.1963	1.2832	0.9184	1.1785
Ratio 2017/2016	1.0016				1.2947					1.2105	1.2926	0.9350	1.2086
Ratio 2018/2017	1.0062				1.1349					1.1969	1.1279	1.0546	1.1896
Ratio 2019/2018	0.9992				1.1411					1.2861	1.1420	1.1271	1.2871
Ratio 2020/2019	1.0067				1.0872					1.3075	1.0799	1.2026	1.2987

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	18.85%	0.9805	
10-yr exp trend	17.95%	0.9800	
9-yr exp trend	17.21%	0.9760	
8-yr exp trend	18.12%	0.9759	
7-yr exp trend	18.89%	0.9708	
6-yr exp trend	18.13%	0.9543	
5-yr exp trend	15.33%	0.9535	
4-yr exp trend	11.88%	0.9889	
3-yr exp trend	11.05%	0.9769	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	20.41%	20.41%
Future	20.41%	20.41%

Trend Selection Notes:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.

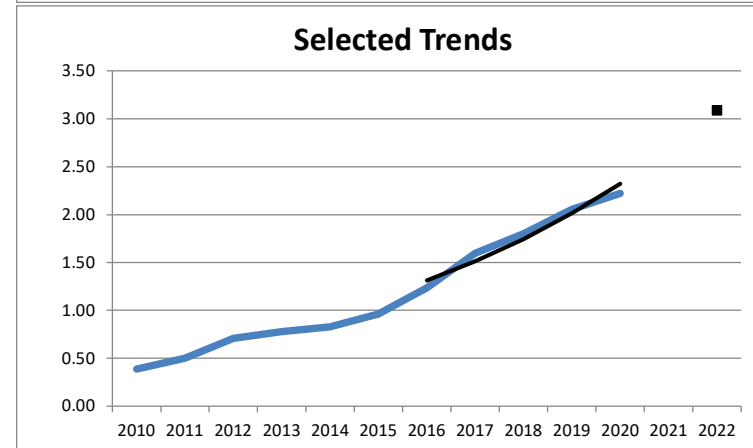
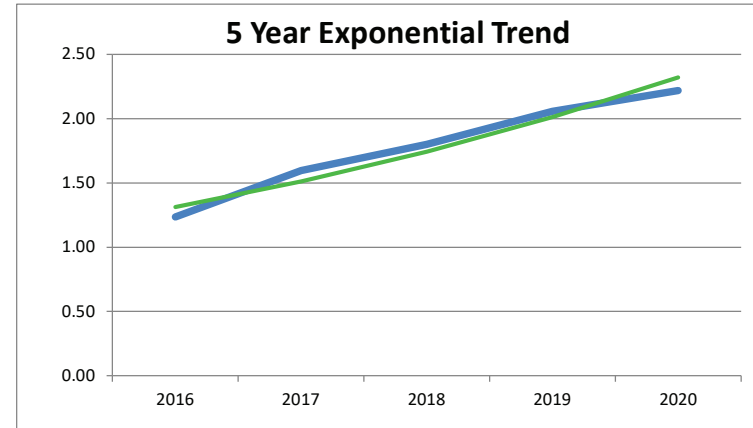
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	15.33%	15.33%
Future	15.33%	15.33%

Trend Selection Notes:

Past: As light vehicles dominate the All incl T group and trends shown are similar select trends with same logic as the All Including Trailers selections.

Future: Same as past.



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

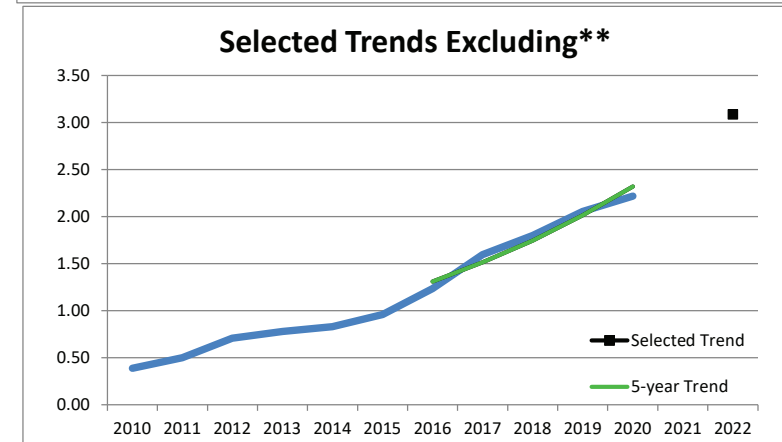
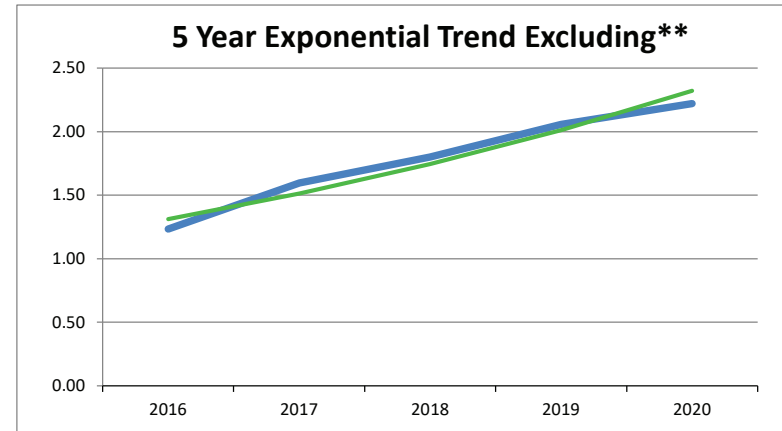
Exhibit 3 - Page 2-3

Frequency for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	18.85%	0.9805
10 -yr exp trend excl **	17.95%	0.9800
9 -yr exp trend excl **	17.21%	0.9760
8 -yr exp trend excl **	18.12%	0.9759
7 -yr exp trend excl **	18.89%	0.9708
6 -yr exp trend excl **	18.13%	0.9543
5 -yr exp trend excl **	15.33%	0.9535
4 -yr exp trend excl **	11.88%	0.9889
3 -yr exp trend excl **	11.05%	0.9769

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

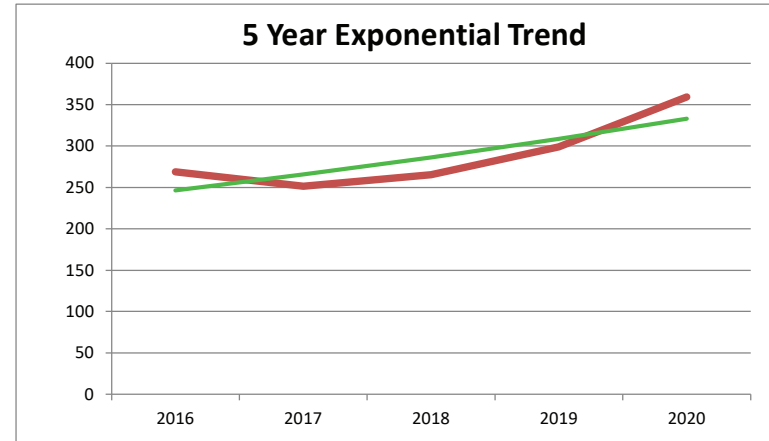
Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	0.69%	0.0600
10-yr exp trend	1.26%	0.1573
9-yr exp trend	1.59%	0.1818
8-yr exp trend	2.16%	0.2334
7-yr exp trend	2.86%	0.2727
6-yr exp trend	4.07%	0.3446
5-yr exp trend	7.82%	0.7066
4-yr exp trend	12.66%	0.9428
3-yr exp trend	16.42%	0.9851



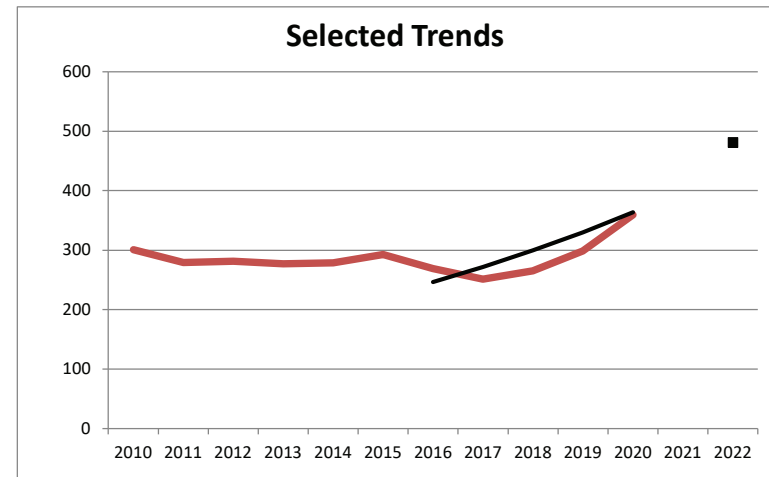
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-0.65%	1.0000
Future	2.00%	2.00%

Trend Selection Notes:

Past: As light vehicles dominate the All incl T group, set equal to All incl T past trend.

Future: Set to All incl T.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	10.24%	1.0000
Future	15.00%	15.00%

Trend Selection Notes:

Past: As light vehicles dominate the All incl T group, use same method as the All incl T past trend.

Future: Set to All incl T.

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

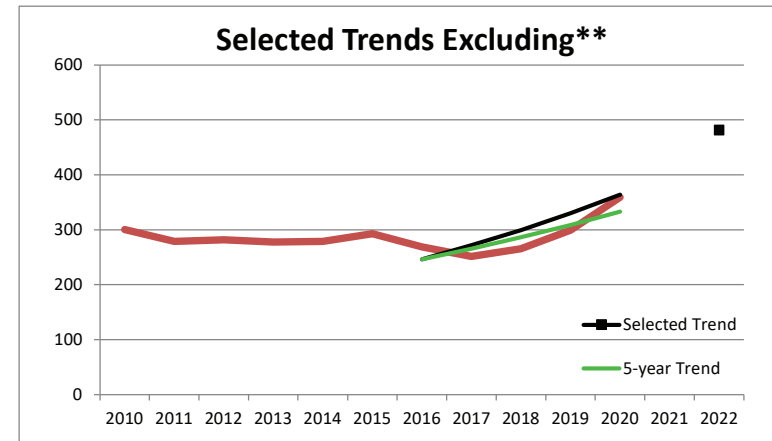
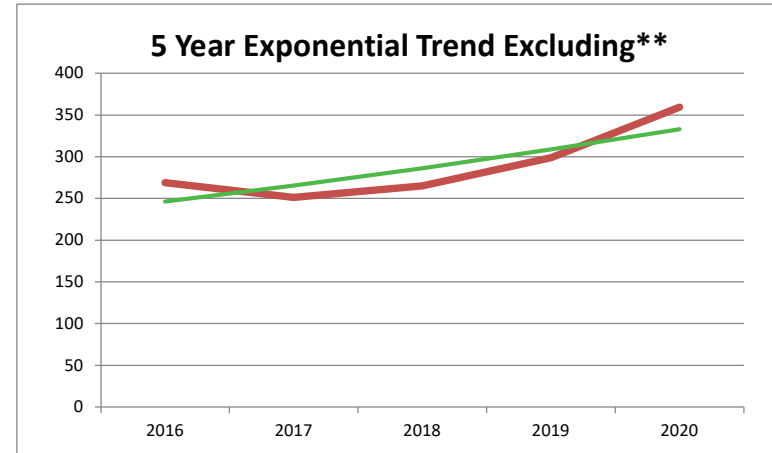
Exhibit 3 - Page 2-5

Severity for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	0.69%	0.0600
10 -yr exp trend excl **	1.26%	0.1573
9 -yr exp trend excl **	1.59%	0.1818
8 -yr exp trend excl **	2.16%	0.2334
7 -yr exp trend excl **	2.86%	0.2727
6 -yr exp trend excl **	4.07%	0.3446
5 -yr exp trend excl **	7.82%	0.7066
4 -yr exp trend excl **	12.66%	0.9428
3 -yr exp trend excl **	16.42%	0.9851

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	19.67%	0.9857
10-yr exp trend	19.44%	0.9811
9-yr exp trend	19.07%	0.9744
8-yr exp trend	20.68%	0.9847
7-yr exp trend	22.28%	0.9927
6-yr exp trend	22.93%	0.9906
5-yr exp trend	24.35%	0.9917
4-yr exp trend	26.04%	0.9920
3-yr exp trend	29.29%	0.9999

2020 Rate Program

Selected Trends

Past	19.63%
Future	22.82%

Credibility

1.0000

Credibility Weighted Trends

Past	19.63%
Future	22.82%

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	27.14%
Future	32.63%

Credibility

1.0000

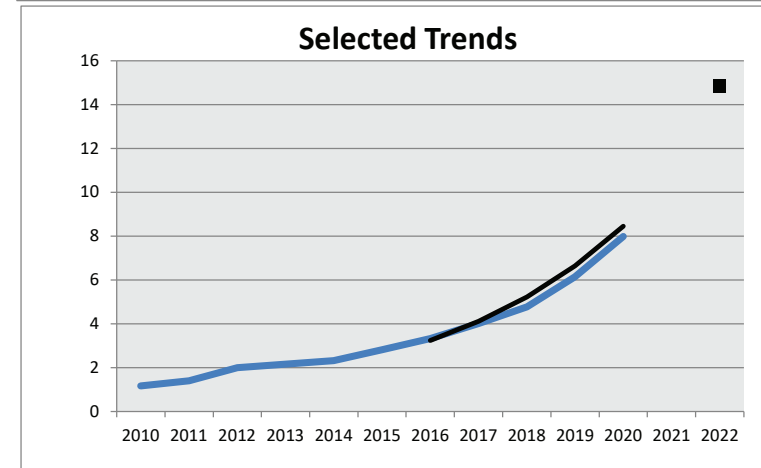
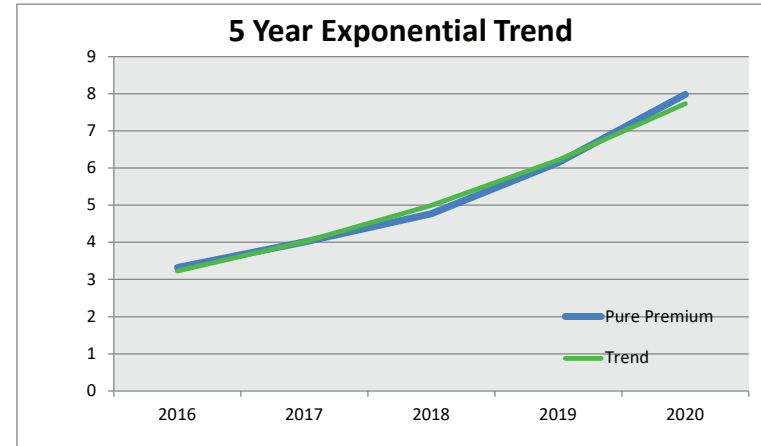
Final Trends

Past	27.14%
Future	32.63%

Trend Selection Notes:

Calculated Past Trend = 27.14%

Calculated Future Trend = 32.63%



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers, 24 Hour Permits, 8 Day Permits, Intransit Permits, TIC

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

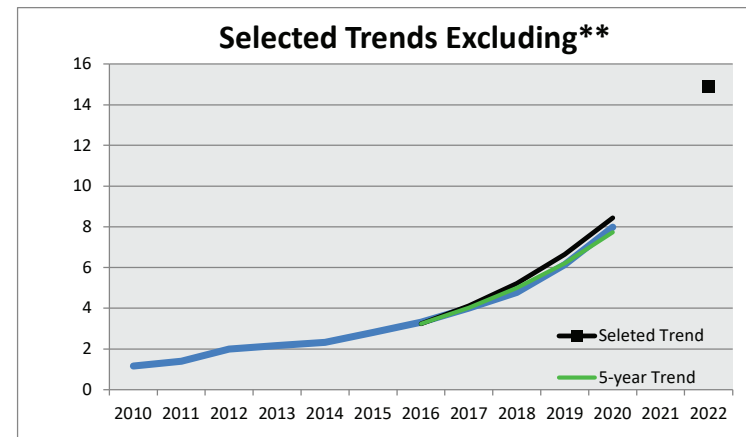
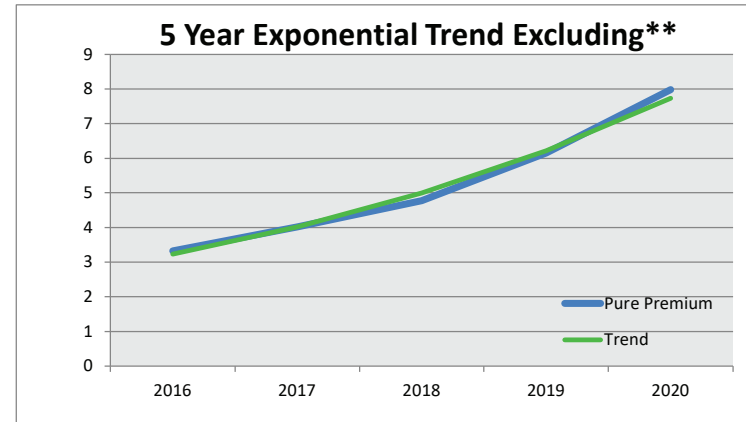
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	19.67%	0.9857
10 -yr exp trend excl **	19.44%	0.9811
9 -yr exp trend excl **	19.07%	0.9744
8 -yr exp trend excl **	20.68%	0.9847
7 -yr exp trend excl **	22.28%	0.9927
6 -yr exp trend excl **	22.93%	0.9906
5 -yr exp trend excl **	24.35%	0.9917
4 -yr exp trend excl **	26.04%	0.9920
3 -yr exp trend excl **	29.29%	0.9999

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles excluding TS - Commercial Trailers

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	65,104	21	0.9994	1.0000	21	4,653	1.0000	1.0065	1.1697	5,478	0.03	261	0.08		
2010/2011	65,354	17	0.9998	1.0000	17	9,607	1.0000	1.0065	1.1622	11,236	0.03	661	0.17		
2011/2012	66,498	33	0.9999	1.0000	33	11,076	0.9999	1.0065	1.1605	12,938	0.05	392	0.19		
2012/2013	68,769	27	0.9996	1.0000	27	14,793	0.9999	1.0068	1.1502	17,130	0.04	635	0.25		
2013/2014	69,888	45	0.9996	1.0000	45	7,946	1.0000	1.0068	1.1291	9,032	0.06	201	0.13		
2014/2015	70,719	49	0.9999	1.0000	49	12,841	0.9999	1.0067	1.0754	13,900	0.07	284	0.20		
2015/2016	70,425	63	0.9998	1.0000	63	16,038	1.0004	1.0065	1.0291	16,618	0.09	264	0.24		
2016/2017	69,444	75	1.0001	1.0000	75	17,107	1.0003	1.0066	1.0004	17,232	0.11	230	0.25		
2017/2018	69,178	101	1.0004	1.0000	101	27,601	1.0019	1.0000	1.0004	27,665	0.15	274	0.40		
2018/2019	68,804	90	1.0074	1.0000	91	25,982	1.0102	1.0000	1.0004	26,258	0.13	290	0.38		
2019/2020	68,793	70	1.2895	1.0000	90	22,540	1.3308	1.0000	1.0000	29,997	0.13	332	0.44		
Ratio 2011/2010	1.0038					0.8099				2.0511	0.8068	2.5325	2.0433		
Ratio 2012/2011	1.0175					1.9408				1.1514	1.9074	0.5933	1.1316		
Ratio 2013/2012	1.0342					0.8180				1.3240	0.7909	1.6187	1.2803		
Ratio 2014/2013	1.0163					1.6667				0.5273	1.6400	0.3164	0.5189		
Ratio 2015/2014	1.0119					1.0893				1.5389	1.0765	1.4128	1.5208		
Ratio 2016/2015	0.9958					1.2858				1.1956	1.2911	0.9298	1.2005		
Ratio 2017/2016	0.9861					1.1905				1.0369	1.2073	0.8710	1.0516		
Ratio 2018/2017	0.9962					1.3470				1.6055	1.3522	1.1919	1.6117		
Ratio 2019/2018	0.9946					0.8974				0.9491	0.9023	1.0576	0.9543		
Ratio 2020/2019	0.9998					0.9955				1.1424	0.9957	1.1475	1.1426		

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

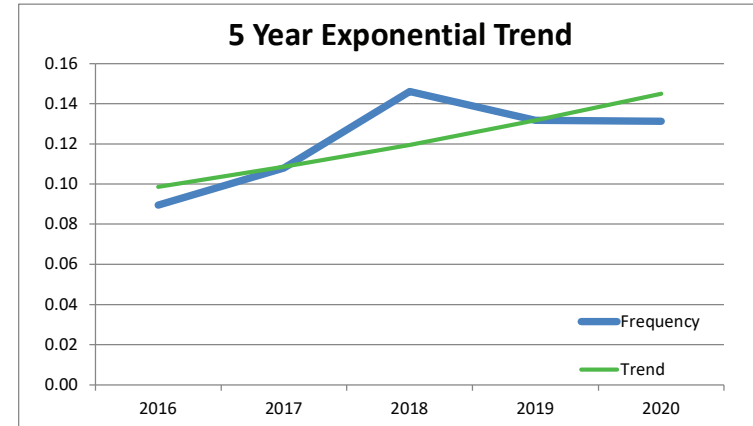
Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles excluding TS - Commercial Trailers

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	18.96%	0.9151
10-yr exp trend	19.78%	0.9019
9-yr exp trend	17.36%	0.8844
8-yr exp trend	18.78%	0.8731
7-yr exp trend	15.00%	0.8549
6-yr exp trend	14.23%	0.7735
5-yr exp trend	10.13%	0.6101
4-yr exp trend	4.93%	0.2427
3-yr exp trend	-5.22%	0.7802



2020 Rate Program

Selected Trends

Past	20.00%
Future	20.00%

Credibility

0.5581

Complement: All Vehicles incl Trailer

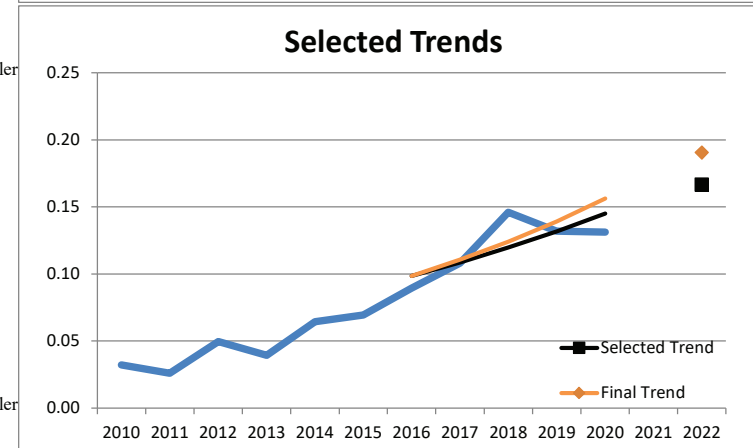
Credibility Weighted Trends

Past	20.22%
Future	20.22%

Trend Selection Notes:

Past: Last year's selection looks too high. Last two data points are both a high and a low for the partial year. Including both helps to offset each other. Focus on the longer term trends for stability and selecting close to the 10 year trend.

Future: Use same as past. The extreme 2018 and 2019 points aren't believed to be indicative of the future.



2021 Rate Program

Selected Trends

Past	10.13%
Future	7.23%

Credibility

0.6073

Complement: All Vehicles incl Trailer

Final Trends

Past	12.20%
Future	10.44%

Trend Selection Notes:

Past: Select the 5-yr trend. There is some uncertainty here but the trend line looks fine in terms of reflecting the latest period.

Future: We don't have a lot of data to rely on yet but it does appear that the trend has flatten recently. Select an average of the 4-yr trend excluding 2018 to select the future.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

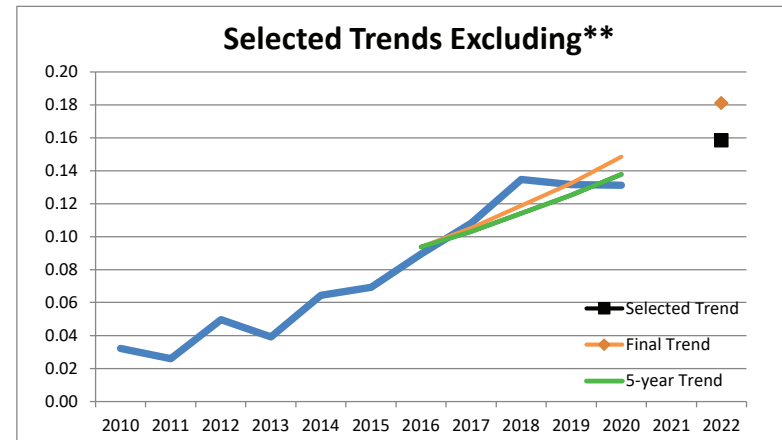
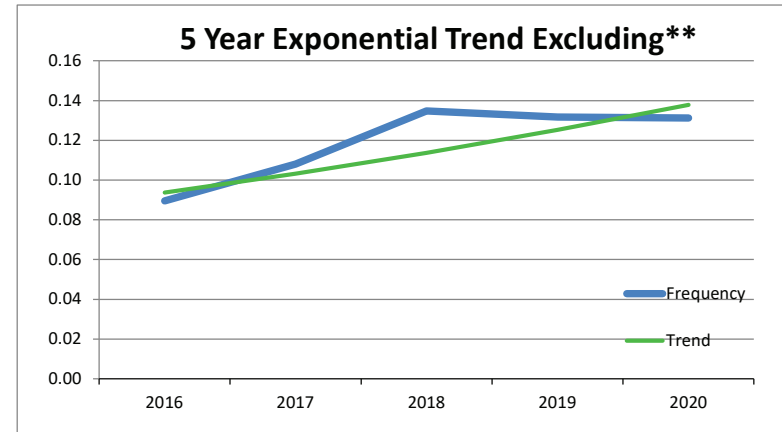
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles excluding TS - Commercial Trailers

Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	18.09%	0.9180
10 -yr exp trend excl **	18.82%	0.9054
9 -yr exp trend excl **	16.27%	0.9026
8 -yr exp trend excl **	17.61%	0.8978
7 -yr exp trend excl **	13.87%	0.9377
6 -yr exp trend excl **	13.34%	0.9029
5 -yr exp trend excl **	10.13%	0.9091
4 -yr exp trend excl **	7.23%	0.8808
3 -yr exp trend excl **	-0.43%	1.0000

** Years excluded: 2017/2018



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

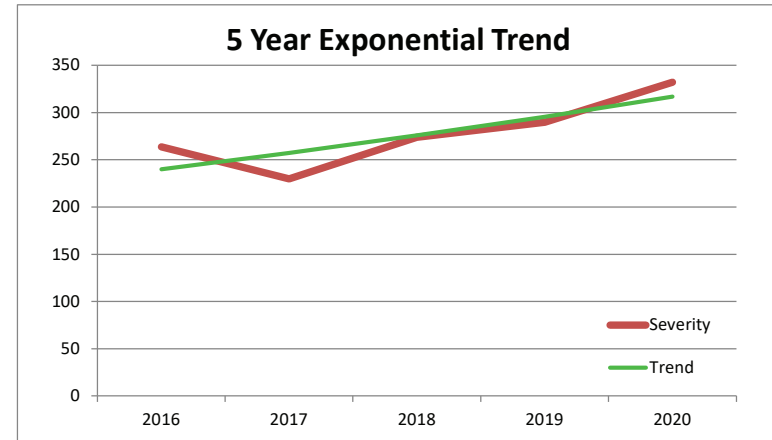
Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles excluding TS - Commercial Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	-4.38%	0.1480
10-yr exp trend	-7.12%	0.3116
9-yr exp trend	-4.25%	0.1253
8-yr exp trend	-3.44%	0.0619
7-yr exp trend	5.85%	0.5569
6-yr exp trend	3.63%	0.3036
5-yr exp trend	7.18%	0.6630
4-yr exp trend	12.34%	0.9660
3-yr exp trend	10.17%	0.9442



2020 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

0.5581

Complement: All Vehicles incl Trailers

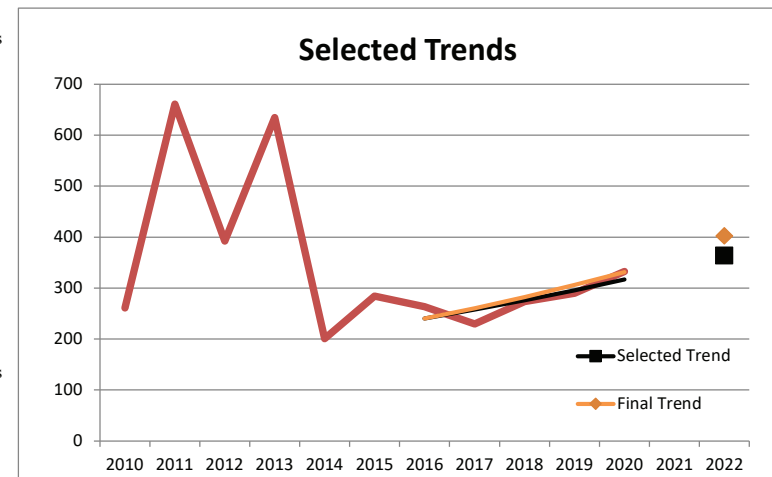
Credibility Weighted Trends

Past	-0.29%
Future	0.88%

Trend Selection Notes:

Past: Two distinct periods are evident in the history. There hasn't been a clear trend before or after the drop in 2014. Selecting zero as recent experience has been flat.

Future: The future expectation is very uncertain given the volatility. Set equal to past selection.



2021 Rate Program

Selected Trends

Past	7.18%
Future	7.18%

Credibility

0.6073

Complement: All Vehicles incl Trailers

Final Trends

Past	8.38%
Future	10.25%

Trend Selection Notes:

Past: Select the 5-yr trend. Consistent experience in the latest period.

Future: Select the same as past. Rely on the complement of credibility to reflect any additional trends that may impact this group of vehicles.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

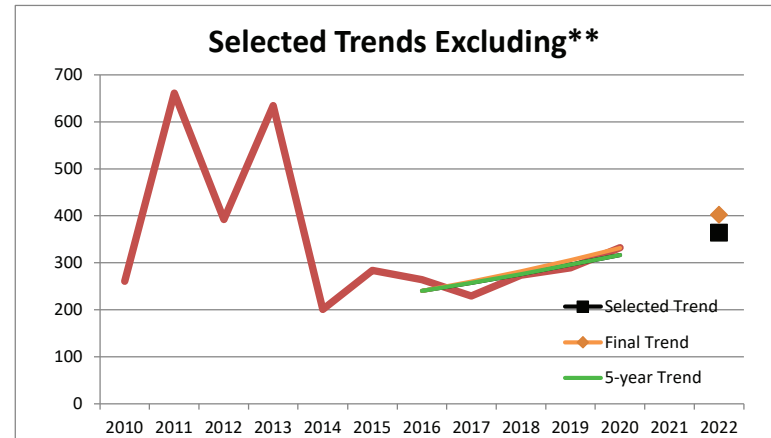
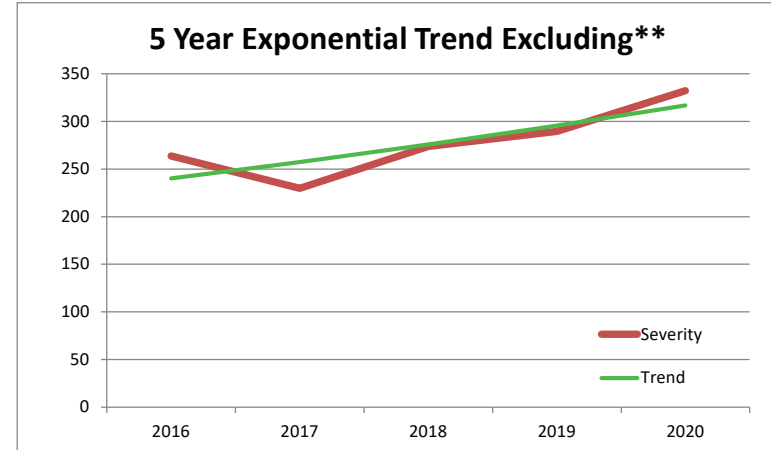
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles excluding TS - Commercial Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	-4.38%	0.1480
10 -yr exp trend excl **	-7.12%	0.3116
9 -yr exp trend excl **	-4.25%	0.1253
8 -yr exp trend excl **	-3.44%	0.0619
7 -yr exp trend excl **	5.85%	0.5569
6 -yr exp trend excl **	3.63%	0.3036
5 -yr exp trend excl **	7.18%	0.6630
4 -yr exp trend excl **	12.34%	0.9660
3 -yr exp trend excl **	10.17%	0.9442

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

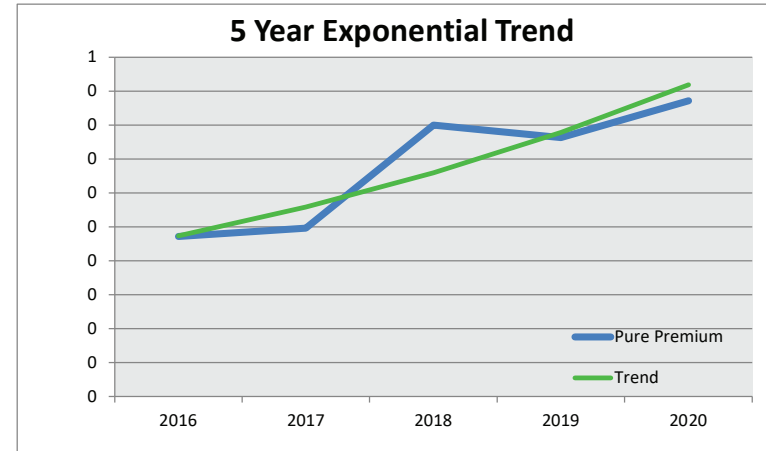
Coverage: Glass Coverage (33)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles excluding TS - Commercial Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	13.75%	0.7434
10-yr exp trend	11.26%	0.6673
9-yr exp trend	12.37%	0.6468
8-yr exp trend	14.69%	0.6706
7-yr exp trend	21.72%	0.9226
6-yr exp trend	18.37%	0.9012
5-yr exp trend	18.04%	0.8349
4-yr exp trend	17.87%	0.7132
3-yr exp trend	4.42%	0.4090



2020 Rate Program

Selected Trends

Past	20.00%
Future	20.00%

Credibility

0.5581

Complement: All Vehicles incl Trailers

Credibility Weighted Trends

Past	19.89%
Future	21.15%

Trend Selection Notes:

2021 Rate Program

Selected Trends

Past	18.04%
Future	14.93%

Credibility

0.6073

Complement: All Vehicles incl Trailers

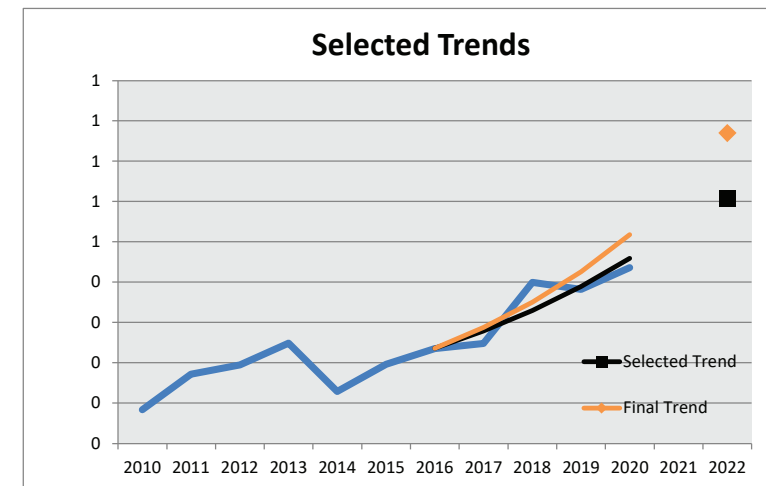
Final Trends

Past	21.64%
Future	21.91%

Trend Selection Notes:

Calculated Past Trend = 18.04%

Calculated Future Trend = 14.93%



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Glass Coverage (33)

Rating year: 17/08/2021

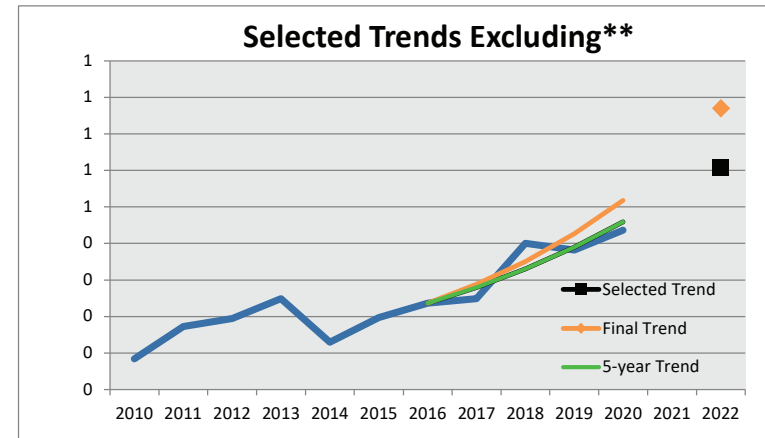
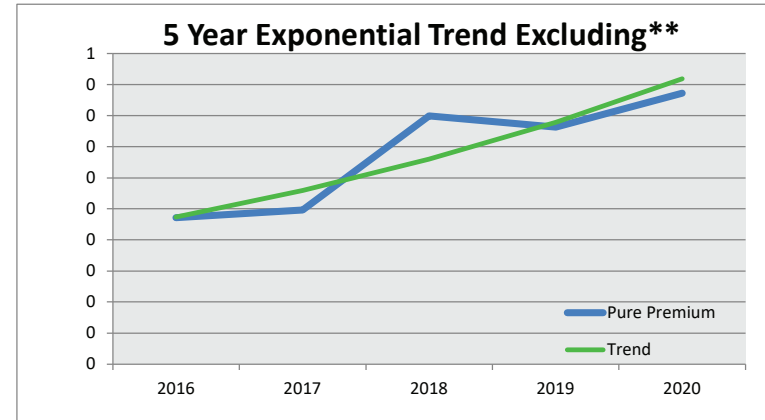
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles excluding TS - Commercial Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	13.75%	0.7434
10 -yr exp trend excl **	11.26%	0.6673
9 -yr exp trend excl **	12.37%	0.6468
8 -yr exp trend excl **	14.69%	0.6706
7 -yr exp trend excl **	21.72%	0.9226
6 -yr exp trend excl **	18.37%	0.9012
5 -yr exp trend excl **	18.04%	0.8349
4 -yr exp trend excl **	17.87%	0.7132
3 -yr exp trend excl **	4.42%	0.4090

** Years excluded: None



SGI
 Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Glass Coverage (33)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Motorhomes

Fiscal Year	Earned Exposures	Number of Claims	Claim Count		Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
			Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	5,457	84	0.9994	1.0000	84	115,939	1.0000	1.0065	1.1697	136,487	1.54	1,625	25.01		
2010/2011	5,323	90	0.9998	1.0000	90	105,536	1.0000	1.0065	1.1622	123,439	1.69	1,371	23.19		
2011/2012	5,089	116	0.9999	1.0000	116	151,338	0.9999	1.0065	1.1605	176,770	2.28	1,524	34.74		
2012/2013	5,115	98	0.9996	1.0000	98	145,507	0.9999	1.0068	1.1502	168,490	1.92	1,720	32.94		
2013/2014	4,955	100	0.9996	1.0000	100	151,284	1.0000	1.0068	1.1291	171,976	2.02	1,720	34.71		
2014/2015	4,769	134	0.9999	1.0000	134	235,426	0.9999	1.0067	1.0754	254,842	2.81	1,902	53.44		
2015/2016	4,749	129	0.9998	1.0000	129	230,813	1.0004	1.0065	1.0291	239,167	2.72	1,854	50.36		
2016/2017	4,600	131	1.0001	1.0000	131	282,013	1.0003	1.0066	1.0004	284,075	2.85	2,168	61.75		
2017/2018	4,420	129	1.0004	1.0000	129	279,947	1.0019	1.0000	1.0004	280,596	2.92	2,174	63.48		
2018/2019	4,178	102	1.0074	1.0000	103	260,564	1.0102	1.0000	1.0004	263,330	2.46	2,562	63.02		
2019/2020	4,050	97	1.2895	1.0000	125	247,716	1.3308	1.0000	1.0000	329,669	3.09	2,636	81.41		
Ratio 2011/2010	0.9754				1.0720					0.9044	1.0990	0.8437	0.9272		
Ratio 2012/2011	0.9561				1.2886					1.4320	1.3478	1.1113	1.4978		
Ratio 2013/2012	1.0051				0.8446					0.9532	0.8403	1.1285	0.9483		
Ratio 2014/2013	0.9688				1.0204					1.0207	1.0533	1.0003	1.0536		
Ratio 2015/2014	0.9624				1.3405					1.4818	1.3928	1.1055	1.5397		
Ratio 2016/2015	0.9958				0.9627					0.9385	0.9668	0.9748	0.9424		
Ratio 2017/2016	0.9686				1.0155					1.1878	1.0484	1.1696	1.2262		
Ratio 2018/2017	0.9608				0.9850					0.9878	1.0251	1.0028	1.0280		
Ratio 2019/2018	0.9453				0.7963					0.9385	0.8424	1.1785	0.9928		
Ratio 2020/2019	0.9692				1.2172					1.2519	1.2558	1.0285	1.2917		

SGI
Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Glass Coverage (33)
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Motorhomes

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	6.39%	0.7452
10-yr exp trend	5.65%	0.6603
9-yr exp trend	4.63%	0.5335
8-yr exp trend	5.50%	0.5508
7-yr exp trend	3.94%	0.3448
6-yr exp trend	0.57%	0.0193
5-yr exp trend	1.11%	0.0412
4-yr exp trend	0.72%	0.0091
3-yr exp trend	2.85%	0.0562

2020 Rate Program

Selected Trends	Credibility	Final Trends
Past	5.63%	5.63%
Future	5.63%	5.63%

Trend Selection Notes:

Past: Excluding the partial year the past five years have been very flat after increasing from 2009 through to 2015. Selecting a 0% trend.

Future: Select same as past based on most recent experience.

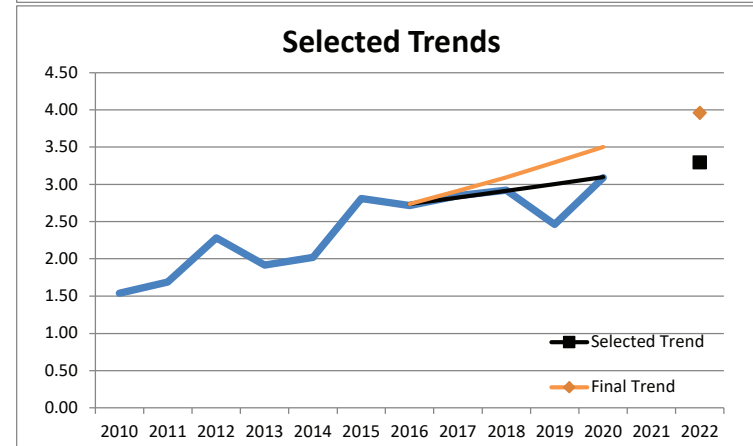
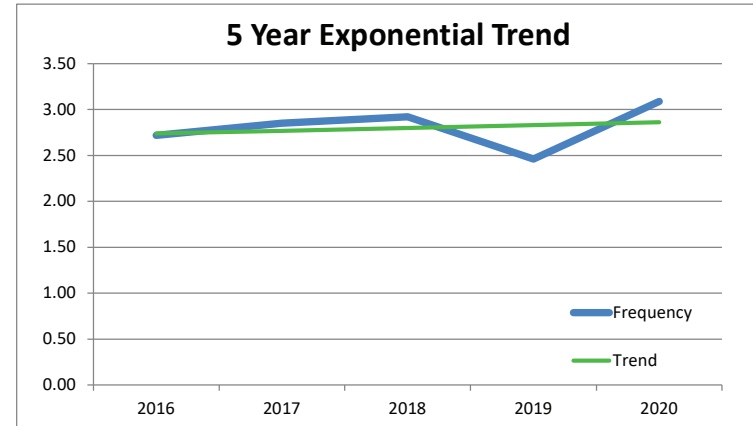
2021 Rate Program

Selected Trends	Credibility	Complement: Light Vehicles
Past	3.15%	6.35%
Future	3.15%	6.35%

Trend Selection Notes:

Past: The fit is very good with the 2019 year excluded. Experience is volatile but this trend is comparable to the longer term trends including all data. Light vehicle selection used as complement of credibility.

Future: Select same as past.

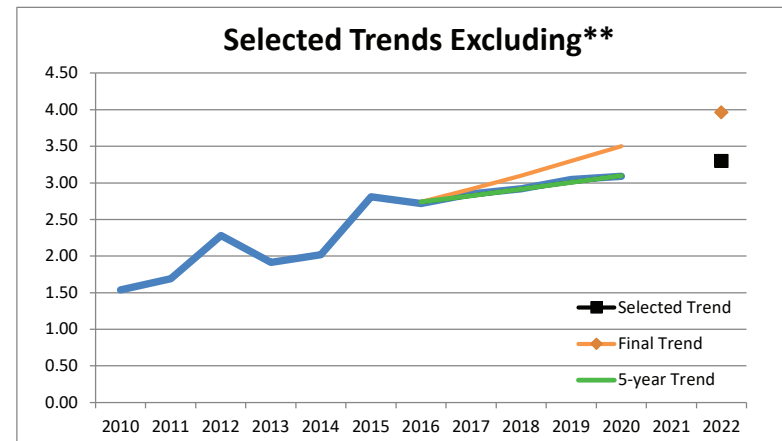
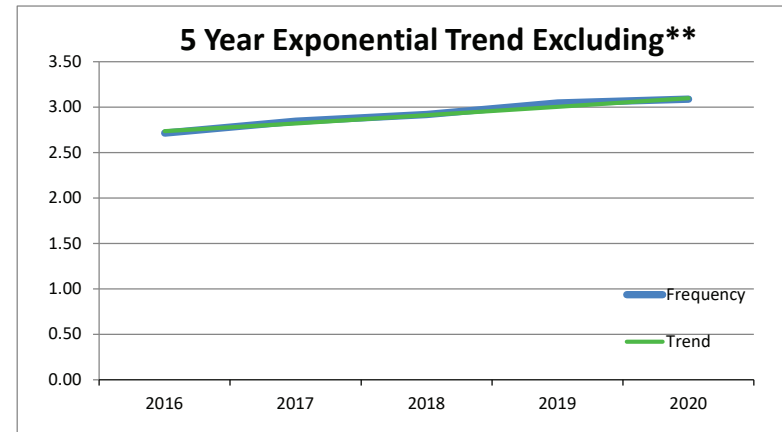


SGI
Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Glass Coverage (33)
Rating year: 17/08/2021
Exhibit 3 - Page 2-3
Frequency for Motorhomes
Excluding Years: 2018/2019

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	7.38%	0.8315
10 -yr exp trend excl **	6.73%	0.7749
9 -yr exp trend excl **	5.80%	0.6904
8 -yr exp trend excl **	7.03%	0.7419
7 -yr exp trend excl **	5.62%	0.6154
6 -yr exp trend excl **	2.28%	0.8157
5 -yr exp trend excl **	3.15%	0.9826
4 -yr exp trend excl **	2.76%	0.9991
3 -yr exp trend excl **	2.85%	1.0000

** Years excluded: 2018/2019



SGI
Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Glass Coverage (33)
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Motorhomes

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.11%	0.8954
10-yr exp trend	7.13%	0.9629
9-yr exp trend	6.87%	0.9505
8-yr exp trend	6.82%	0.9300
7-yr exp trend	7.54%	0.9372
6-yr exp trend	7.73%	0.9085
5-yr exp trend	9.10%	0.9261
4-yr exp trend	7.79%	0.8597
3-yr exp trend	10.10%	0.8570

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	4.16%	1.0000
Future	4.90%	4.90%

Trend Selection Notes:

Past: Trend has been fairly consistent. Select the 5 year trend.

Future: Trend does seem to have flattened slightly in the last few years but this is a thin grouping so relying on the consistent long term trend. Same as past.

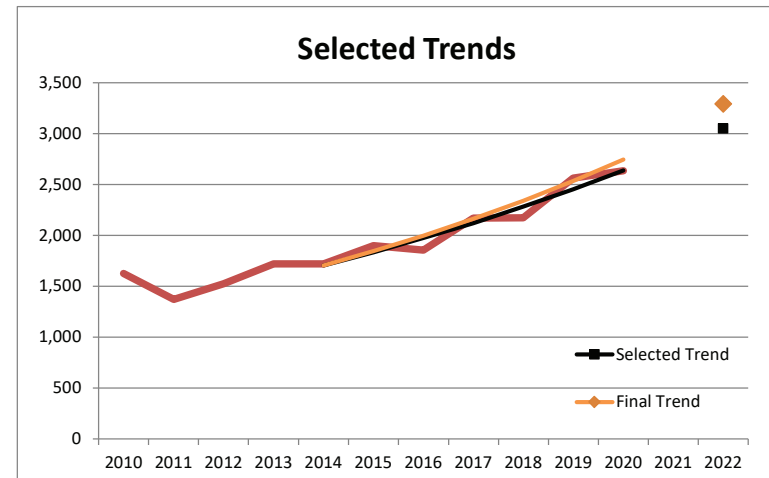
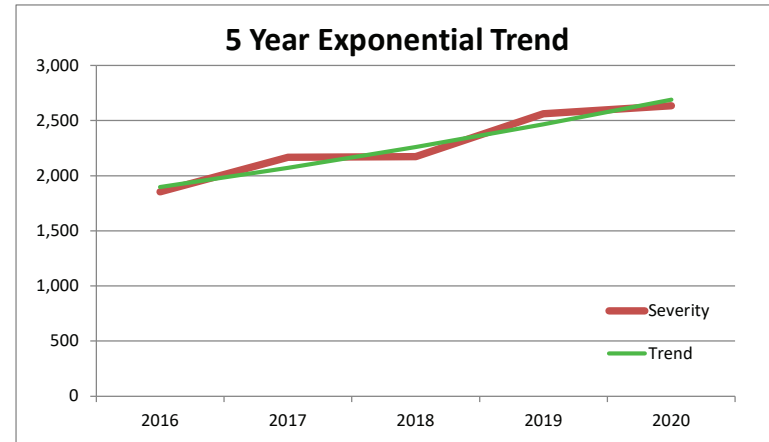
2021 Rate Program

Selected Trends	Credibility	Complement: Light Vehicles
Past	7.54%	0.7372
Future	7.54%	8.25%

Trend Selection Notes:

Past: Overall trend is fairly consistent with a little volatility in the last couple of years. Select a longer term trend to smooth out the recent history. Select a 7-yr trend with Light vehicle selection as complement.

Future: Recent history has some noise in the results. There is no support at this time that the trend is changing. Select same as past.

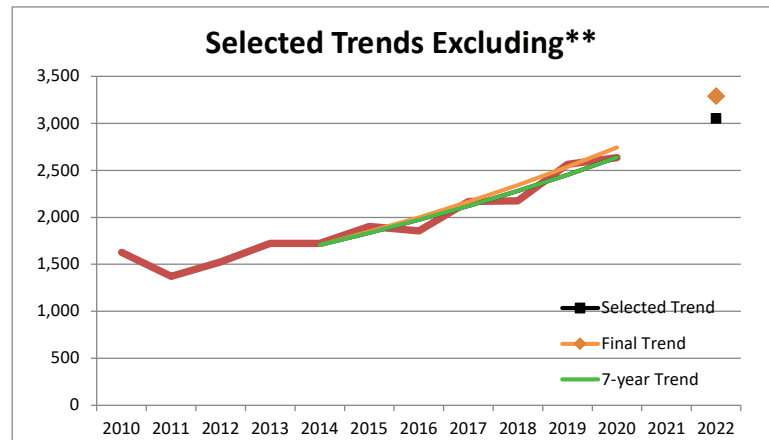
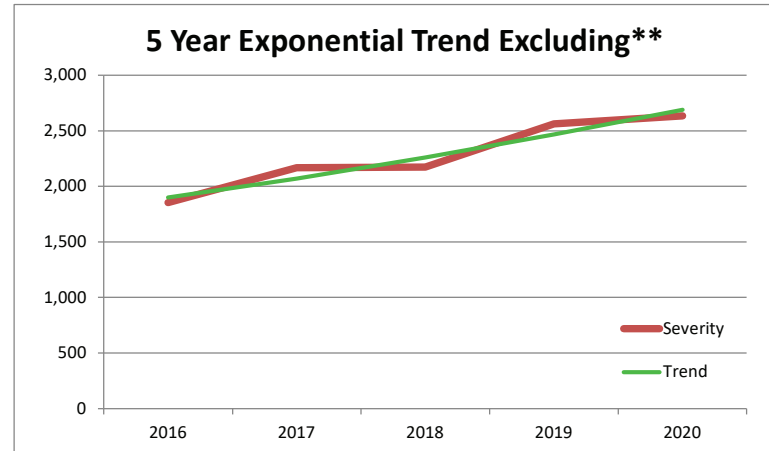


SGI
 Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Glass Coverage (33)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Motorhomes
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	6.11%	0.8954
10 -yr exp trend excl **	7.13%	0.9629
9 -yr exp trend excl **	6.87%	0.9505
8 -yr exp trend excl **	6.82%	0.9300
7 -yr exp trend excl **	7.54%	0.9372
6 -yr exp trend excl **	7.73%	0.9085
5 -yr exp trend excl **	9.10%	0.9261
4 -yr exp trend excl **	7.79%	0.8597
3 -yr exp trend excl **	10.10%	0.8570

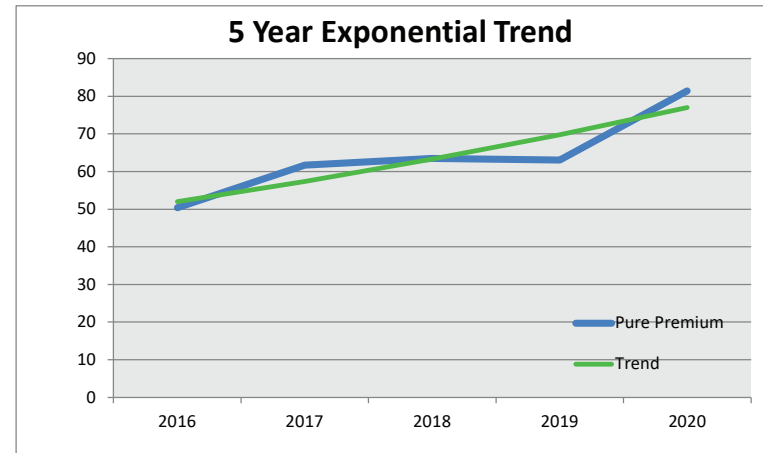
** Years excluded: None



SGI
Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Glass Coverage (33)
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Motorhomes

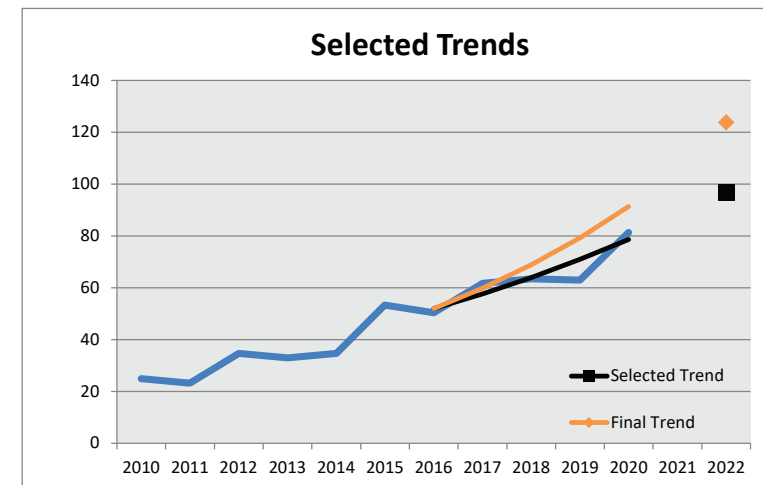
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	12.89%	0.9305
10-yr exp trend	13.17%	0.9142
9-yr exp trend	11.82%	0.8960
8-yr exp trend	12.69%	0.8841
7-yr exp trend	11.78%	0.8262
6-yr exp trend	8.35%	0.8034
5-yr exp trend	10.31%	0.8279
4-yr exp trend	8.56%	0.6590
3-yr exp trend	13.24%	0.7281



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	10.03%	10.03%
Future	10.81%	10.81%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Complement: Light Vehicles
Past	10.93%	Final Trends
Future	10.93%	Past 15.13%
		Future 16.46%

Trend Selection Notes:

Calculated Past Trend = 10.93%

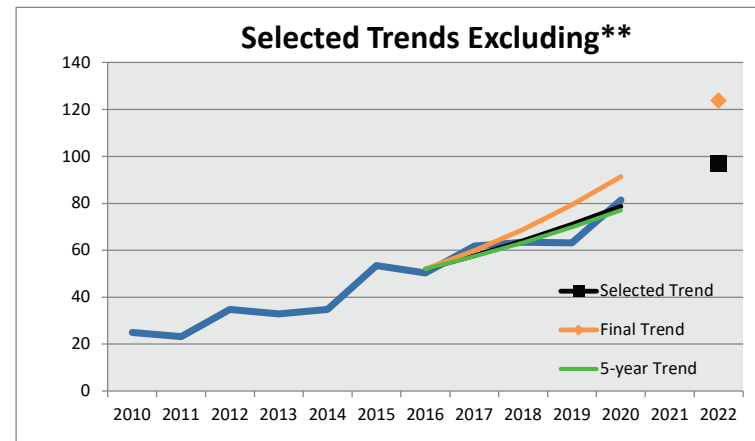
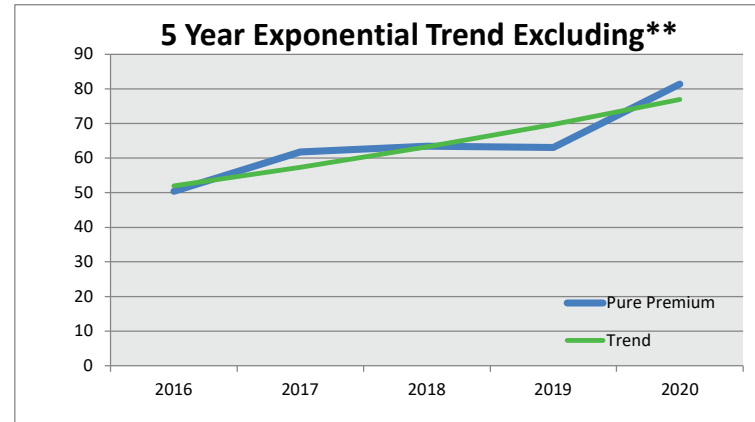
Calculated Future Trend = 10.93%

SGI
 Class Group: LV - Motorhomes

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Glass Coverage (33)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Motorhomes
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	12.89%	0.9305
10 -yr exp trend excl **	13.17%	0.9142
9 -yr exp trend excl **	11.82%	0.8960
8 -yr exp trend excl **	12.69%	0.8841
7 -yr exp trend excl **	11.78%	0.8262
6 -yr exp trend excl **	8.35%	0.8034
5 -yr exp trend excl **	10.31%	0.8279
4 -yr exp trend excl **	8.56%	0.6590
3 -yr exp trend excl **	13.24%	0.7281

** Years excluded: None



Fire, Lightning, and Explosion

SGI

Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Including Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor			Incurred Losses	Development Factor					
2009/2010	1,013,299	835	0.9368	1.0000	782	6,875,044	0.9744	1.0375	7,212,029	0.08	9,223	7.12
2010/2011	1,034,805	716	0.9345	1.0000	669	6,416,659	0.9695	1.0394	6,698,941	0.06	10,013	6.47
2011/2012	1,059,924	699	0.9429	1.0000	659	6,424,910	0.9731	1.0406	6,738,077	0.06	10,225	6.36
2012/2013	1,094,843	690	0.9276	1.0000	640	6,323,185	1.0313	1.0364	6,984,257	0.06	10,913	6.38
2013/2014	1,113,002	672	0.9302	1.0000	625	6,974,960	1.0500	1.0356	7,801,682	0.06	12,483	7.01
2014/2015	1,129,759	707	0.9182	1.0000	649	7,000,456	1.0436	1.0389	7,716,602	0.06	11,890	6.83
2015/2016	1,145,428	667	0.9116	1.0000	608	7,258,535	1.0408	1.0394	7,903,433	0.05	12,999	6.90
2016/2017	1,145,211	692	0.9188	1.0000	636	6,937,737	1.0471	1.0371	7,534,842	0.06	11,853	6.58
2017/2018	1,151,318	717	0.9180	1.0000	658	8,310,324	1.0850	1.0304	9,291,839	0.06	14,119	8.07
2018/2019	1,150,427	735	0.9030	1.0000	664	9,450,269	1.0405	1.0073	9,906,037	0.06	14,926	8.61
2019/2020	1,157,115	597	0.9491	1.0000	567	7,165,619	1.1083	1.0019	7,956,318	0.05	14,043	6.88
Ratio 2011/2010	1.0212					0.8555			0.9289	0.8377	1.0857	0.9096
Ratio 2012/2011	1.0243					0.9851			1.0058	0.9617	1.0211	0.9820
Ratio 2013/2012	1.0329					0.9712			1.0365	0.9402	1.0673	1.0035
Ratio 2014/2013	1.0166					0.9766			1.1170	0.9606	1.1438	1.0988
Ratio 2015/2014	1.0151					1.0384			0.9891	1.0230	0.9525	0.9744
Ratio 2016/2015	1.0139					0.9368			1.0242	0.9240	1.0933	1.0102
Ratio 2017/2016	0.9998					1.0455			0.9534	1.0457	0.9119	0.9535
Ratio 2018/2017	1.0053					1.0353			1.2332	1.0298	1.1911	1.2266
Ratio 2019/2018	0.9992					1.0084			1.0661	1.0092	1.0572	1.0669
Ratio 2020/2019	1.0058					0.8537			0.8032	0.8487	0.9409	0.7985

SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2
Frequency for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-2.82%	0.6551
10-yr exp trend	-1.95%	0.6002
9-yr exp trend	-1.64%	0.4620
8-yr exp trend	-1.27%	0.2860
7-yr exp trend	-1.17%	0.1840
6-yr exp trend	-1.47%	0.1882
5-yr exp trend	-1.22%	0.0839
4-yr exp trend	-3.61%	0.3904
3-yr exp trend	-7.45%	0.7057

2020 Rate Program

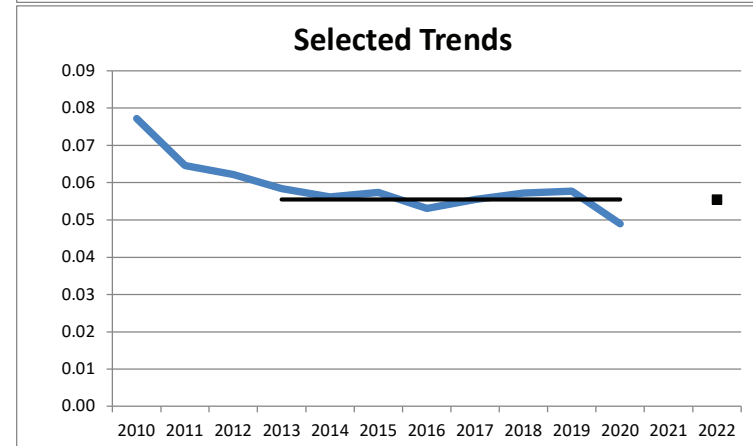
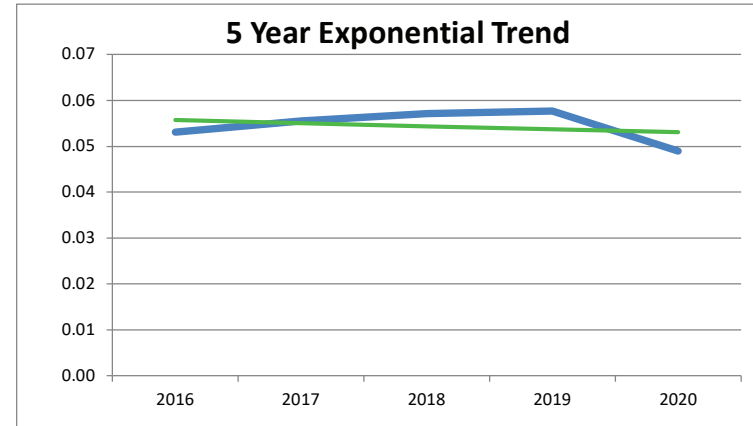
Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:
 Past: Long term trend is negative but recent history is very flat. Clear flat pattern in past.
 Future: Assume the same as recent past.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:
 Past: Long term trend is negative but recent history is positive with the latest year excluded. Continue to assume flat growth.
 Future: Assume the same as recent past.



SGI

Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

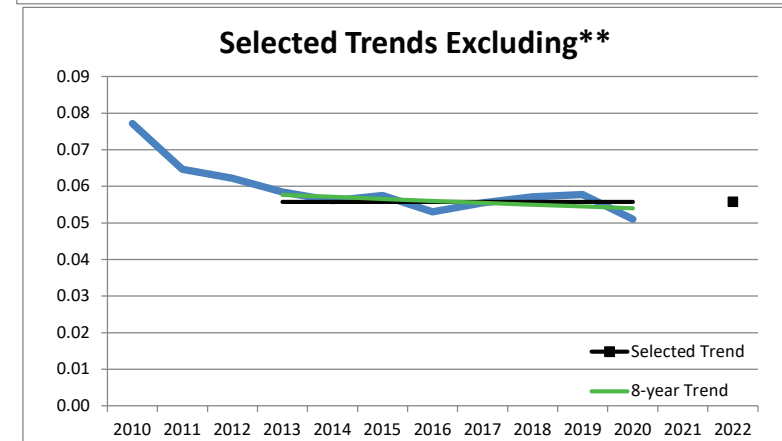
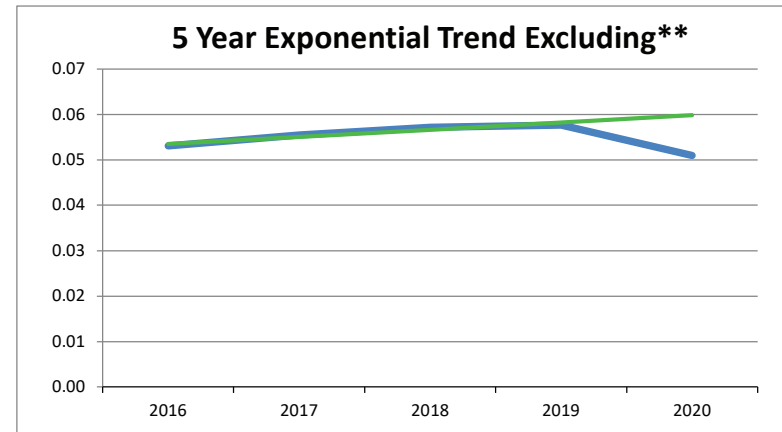
Exhibit 3 - Page 1-3

Frequency for All Vehicles Including Trailers

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.58%	0.5544
10 -yr exp trend excl **	-1.44%	0.4507
9 -yr exp trend excl **	-0.89%	0.2332
8 -yr exp trend excl **	-0.14%	0.0084
7 -yr exp trend excl **	0.47%	0.0798
6 -yr exp trend excl **	0.83%	0.1402
5 -yr exp trend excl **	2.83%	0.9249
4 -yr exp trend excl **	1.95%	0.9161
3 -yr exp trend excl **	0.92%	1.0000

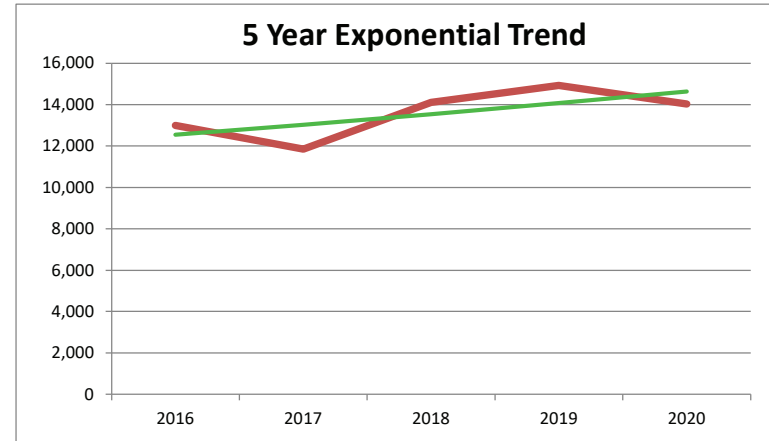
** Years excluded: 2019/2020



SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4
Severity for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	4.53%	0.8873	
10-yr exp trend	4.28%	0.8502	
9-yr exp trend	4.17%	0.7986	
8-yr exp trend	3.74%	0.7123	
7-yr exp trend	3.23%	0.5762	
6-yr exp trend	4.15%	0.6264	
5-yr exp trend	3.93%	0.4641	
4-yr exp trend	5.80%	0.5337	
3-yr exp trend	-0.27%	0.0063	

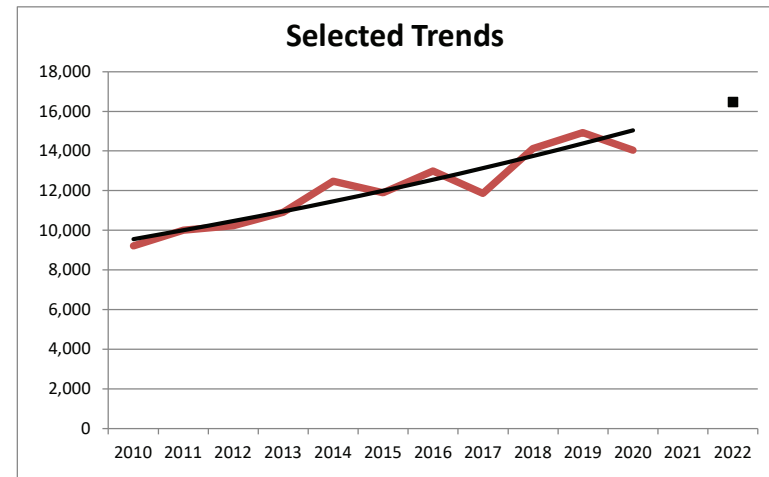


2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 5.09%	1.0000	Past 5.09%
Future 5.09%		Future 5.09%

Trend Selection Notes:

Past: Long term trend is consistent with a more flat trend in recent years. Select the long term trend excluding the partial year. It sits between the 5 year trend with the partial year and the 5 year trend without.
 Future: Set equal to past, also is similar to last year's selection.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 4.64%	1.0000	Past 4.64%
Future 4.64%		Future 4.64%

Trend Selection Notes:

Past: Experience is consistent. 2017 appears to be an outlier and not confident in the drop seen in 2020 is indicative of the future trend. Select the 5-yr trend with these points excluded to reflect the most recent experience, which is comparable to the long term trend with all years considered.
 Future: Select the same as past.

SGI

Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

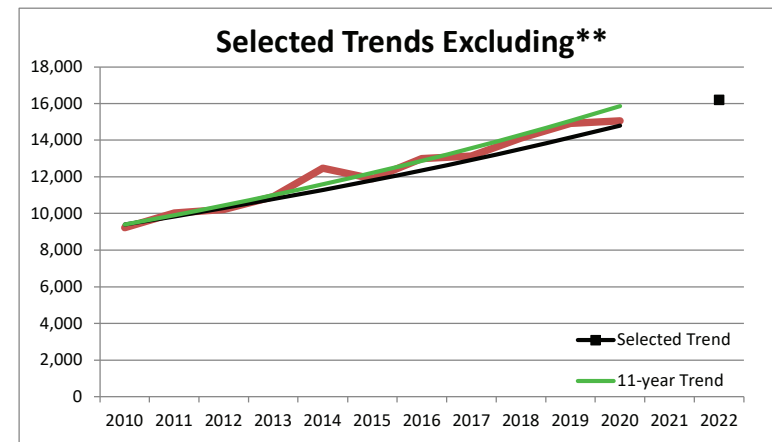
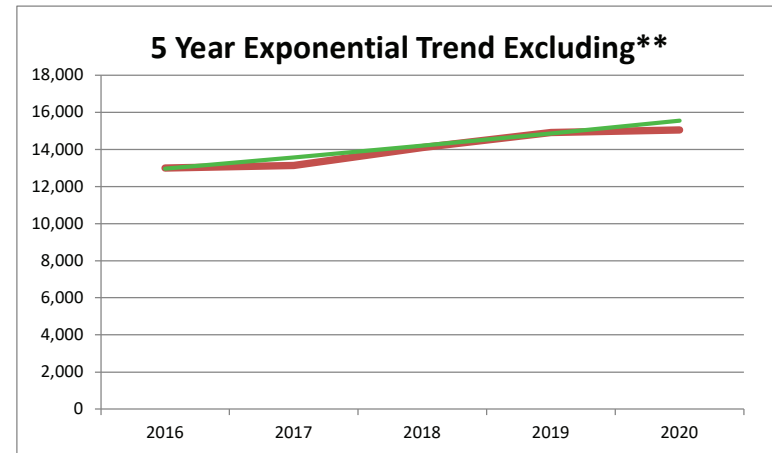
Exhibit 3 - Page 1-5

Severity for All Vehicles Including Trailers

Excluding Years: 2016/2017, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.37%	0.9649
10 -yr exp trend excl **	5.19%	0.9535
9 -yr exp trend excl **	5.21%	0.9363
8 -yr exp trend excl **	4.81%	0.9122
7 -yr exp trend excl **	4.24%	0.8744
6 -yr exp trend excl **	5.52%	0.9774
5 -yr exp trend excl **	4.64%	0.9940
4 -yr exp trend excl **	5.72%	1.0000
3 -yr exp trend excl **	5.72%	1.0000

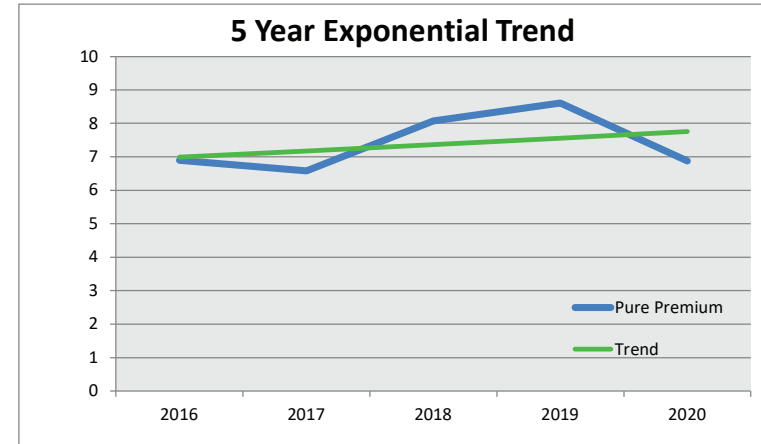
** Years excluded: 2016/2017, 2019/2020



SGI
 Class Group: All vehicles with first party damage, including trailers

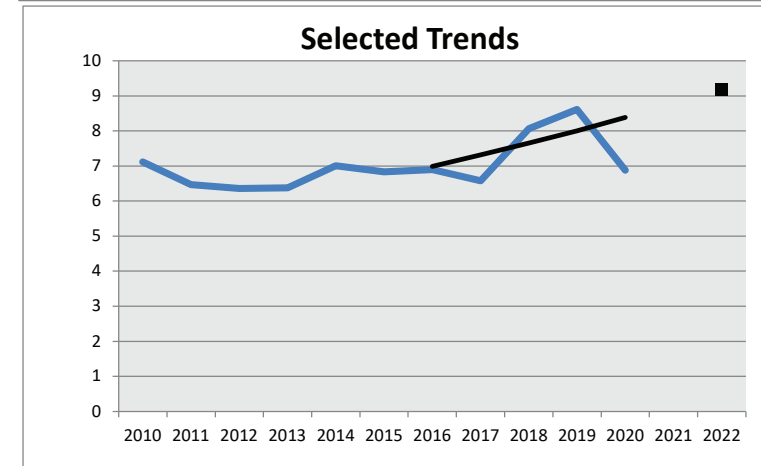
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6
Pure Premium for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.59%	0.2947
10-yr exp trend	2.24%	0.4419
9-yr exp trend	2.46%	0.4130
8-yr exp trend	2.42%	0.3225
7-yr exp trend	2.03%	0.1869
6-yr exp trend	2.61%	0.1962
5-yr exp trend	2.66%	0.1261
4-yr exp trend	1.99%	0.0395
3-yr exp trend	-7.70%	0.4783



2020 Rate Program		Credibility	Credibility Weighted Trends	
Selected Trends			Past	Future
Past	5.09%	1.0000	Past	5.09%
Future	5.09%		Future	5.09%

Trend Selection Notes:



2021 Rate Program		Credibility	Final Trends	
Selected Trends			Past	Future
Past	4.64%	1.0000	Past	4.64%
Future	4.64%		Future	4.64%

Trend Selection Notes:

Calculated Past Trend = 4.64%

Calculated Future Trend = 4.64%

SGI

Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

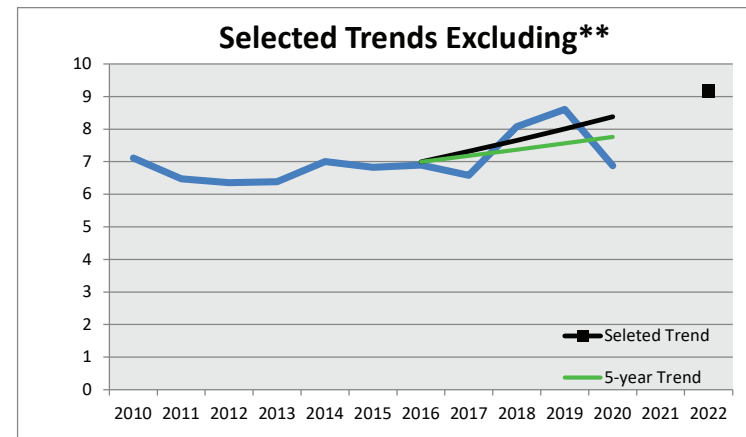
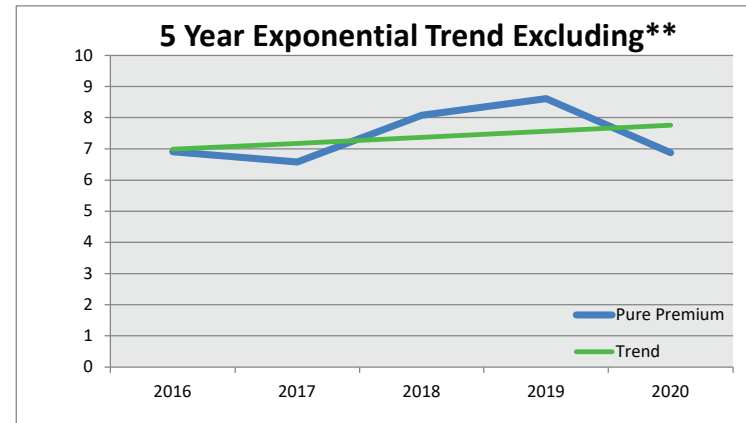
Exhibit 3 - Page 1-7

Pure Premium for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.59%	0.2947
10 -yr exp trend excl **	2.24%	0.4419
9 -yr exp trend excl **	2.46%	0.4130
8 -yr exp trend excl **	2.42%	0.3225
7 -yr exp trend excl **	2.03%	0.1869
6 -yr exp trend excl **	2.61%	0.1962
5 -yr exp trend excl **	2.66%	0.1261
4 -yr exp trend excl **	1.99%	0.0395
3 -yr exp trend excl **	-7.70%	0.4783

** Years excluded: None



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor			Development	Losses			Labour Rate	Change Factor				
2009/2010	909,234	703	0.9368	1.0000	658	4,959,152	0.9744	1.0492	1.0377	5,260,954	0.07	7,991	5.79		
2010/2011	927,864	581	0.9345	1.0000	543	4,863,931	0.9695	1.0497	1.0360	5,128,056	0.06	9,437	5.53		
2011/2012	948,633	582	0.9429	1.0000	549	4,791,630	0.9731	1.0519	1.0356	5,079,857	0.06	9,256	5.35		
2012/2013	977,527	566	0.9276	1.0000	525	4,242,895	1.0313	1.0505	1.0333	4,749,989	0.05	9,040	4.86		
2013/2014	991,558	530	0.9302	1.0000	493	4,444,558	1.0500	1.0515	1.0287	5,047,720	0.05	10,236	5.09		
2014/2015	1,005,272	591	0.9182	1.0000	543	5,196,848	1.0436	1.0499	1.0167	5,789,365	0.05	10,662	5.76		
2015/2016	1,020,442	571	0.9116	1.0000	520	5,550,363	1.0408	1.0492	1.0065	6,100,507	0.05	11,728	5.98		
2016/2017	1,022,093	577	0.9188	1.0000	530	5,103,568	1.0471	1.0476	1.0001	5,599,284	0.05	10,555	5.48		
2017/2018	1,028,417	566	0.9180	1.0000	519	5,828,421	1.0850	1.0430	1.0001	6,596,725	0.05	12,699	6.41		
2018/2019	1,027,642	610	0.9030	1.0000	551	6,977,633	1.0405	1.0099	1.0001	7,333,049	0.05	13,312	7.14		
2019/2020	1,034,555	488	0.9491	1.0000	463	5,340,385	1.1083	1.0025	1.0000	5,933,453	0.04	12,805	5.74		
Ratio 2011/2010	1.0205					0.8254				0.9747	0.8088	1.1809	0.9552		
Ratio 2012/2011	1.0224					1.0100				0.9906	0.9879	0.9808	0.9689		
Ratio 2013/2012	1.0305					0.9574				0.9351	0.9291	0.9767	0.9074		
Ratio 2014/2013	1.0144					0.9386				1.0627	0.9253	1.1323	1.0476		
Ratio 2015/2014	1.0138					1.1011				1.1469	1.0861	1.0416	1.1313		
Ratio 2016/2015	1.0151					0.9580				1.0537	0.9437	1.1000	1.0381		
Ratio 2017/2016	1.0016					1.0198				0.9178	1.0182	0.9000	0.9164		
Ratio 2018/2017	1.0062					0.9792				1.1781	0.9732	1.2031	1.1709		
Ratio 2019/2018	0.9992					1.0604				1.1116	1.0612	1.0483	1.1125		
Ratio 2020/2019	1.0067					0.8412				0.8091	0.8355	0.9619	0.8037		

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-2.87%	0.6298
10-yr exp trend	-1.91%	0.5723
9-yr exp trend	-1.72%	0.4490
8-yr exp trend	-1.28%	0.2654
7-yr exp trend	-1.20%	0.1746
6-yr exp trend	-2.30%	0.4102
5-yr exp trend	-2.24%	0.2745
4-yr exp trend	-3.76%	0.3973
3-yr exp trend	-5.84%	0.4316

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.

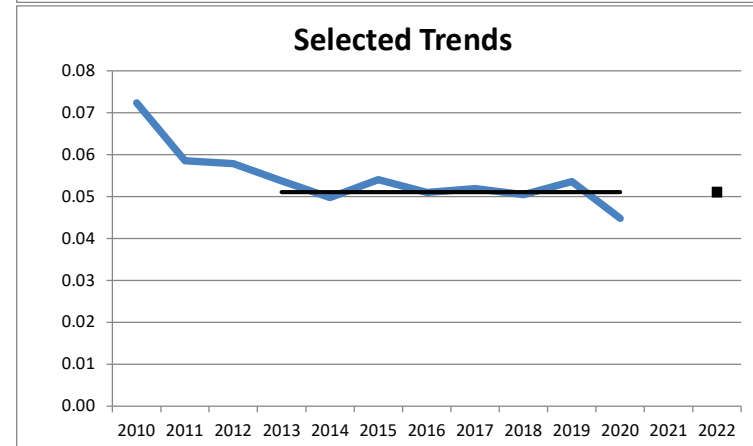
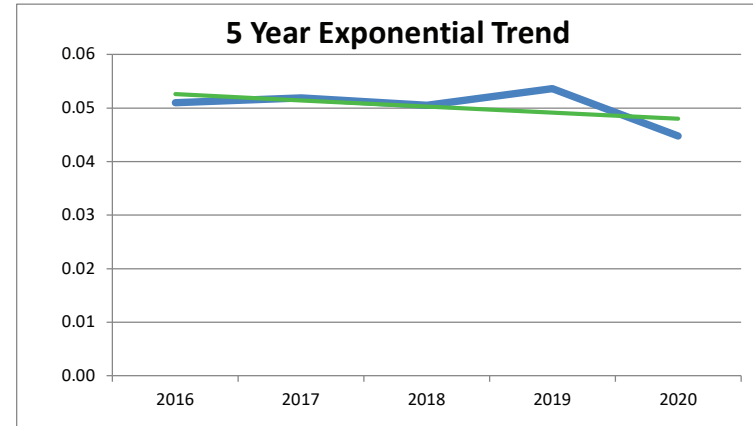
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	1.0000
Future	0.00%	0.00%

Trend Selection Notes:

Past: Trend has flattened out since 2013. Trends have bounced around 0% since then. Selecting no growth.

Future: Assume it continues into the future.



S&I

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

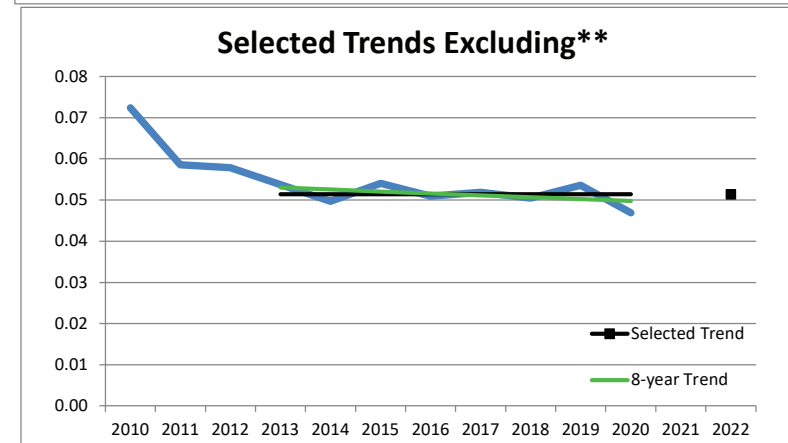
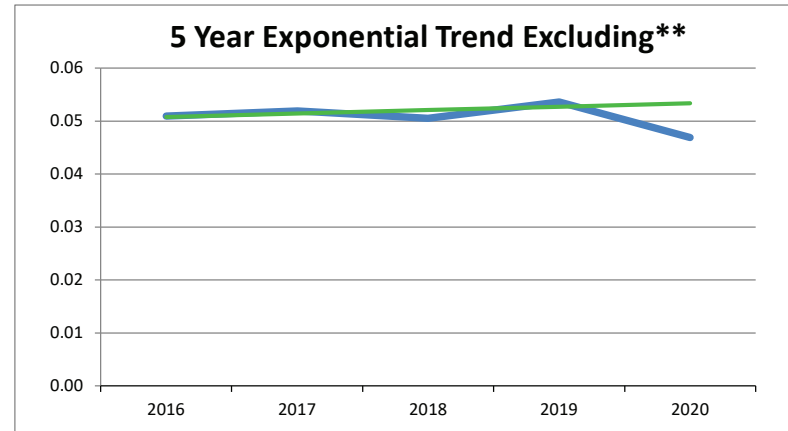
Exhibit 3 - Page 2-3

Frequency for Light Vehicles

Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.61%	0.5231
10 -yr exp trend excl **	-1.33%	0.4130
9 -yr exp trend excl **	-0.92%	0.2167
8 -yr exp trend excl **	-0.06%	0.0015
7 -yr exp trend excl **	0.55%	0.0958
6 -yr exp trend excl **	-0.24%	0.0167
5 -yr exp trend excl **	1.24%	0.3714
4 -yr exp trend excl **	1.63%	0.2942
3 -yr exp trend excl **	6.12%	1.0000

** Years excluded: 2019/2020



SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	4.77%	0.8897
10-yr exp trend	4.45%	0.8552
9-yr exp trend	4.92%	0.8630
8-yr exp trend	5.09%	0.8276
7-yr exp trend	4.36%	0.7446
6-yr exp trend	4.32%	0.6416
5-yr exp trend	4.16%	0.4881
4-yr exp trend	6.47%	0.6085
3-yr exp trend	0.42%	0.0275

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	5.11%	Past 5.11%
Future	5.11%	Future 5.11%

Trend Selection Notes:

Past: Recent growth consistent with long term growth excluding the partial year. Select 11 year trend.

Future: Same as past.

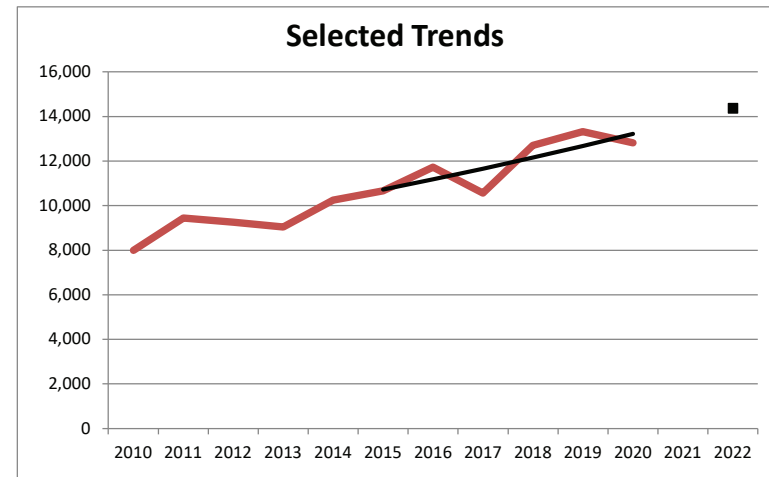
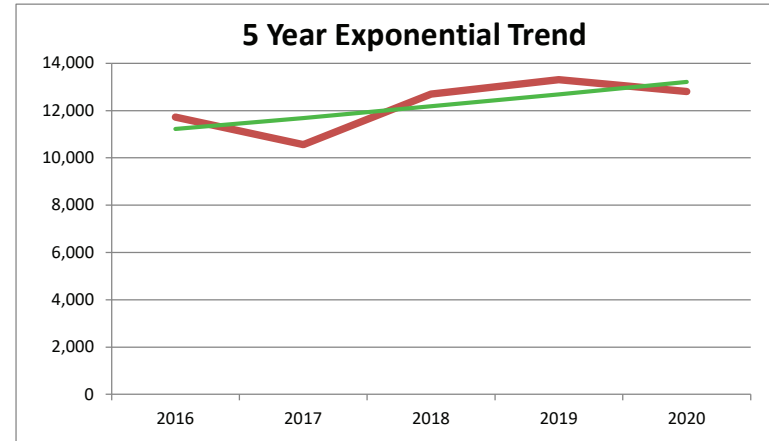
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.28%	Past 4.28%
Future	4.28%	Future 4.28%

Trend Selection Notes:

Past: Historical trends have been consistent. Selecting the 5-yr trend to reflect the latest period and slight flattening of the trend. Excluding the 2017 and 2020 data points to smooth over these jumps. Creates a better fit but is also extremely consistent with the 5-yr trend including all points.

Future: Select same as past.



S&I

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

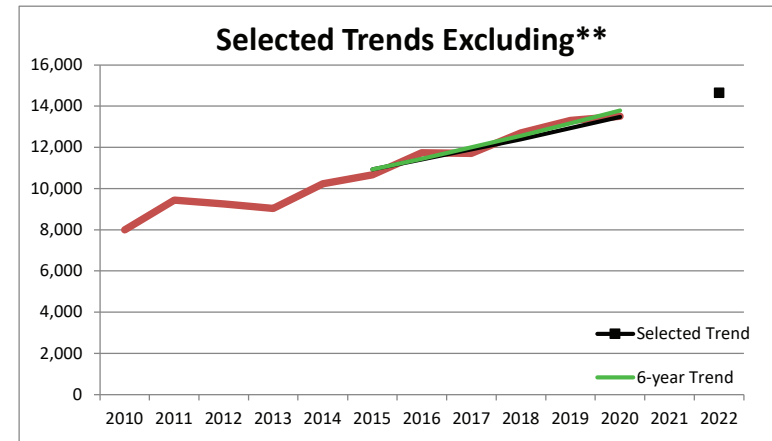
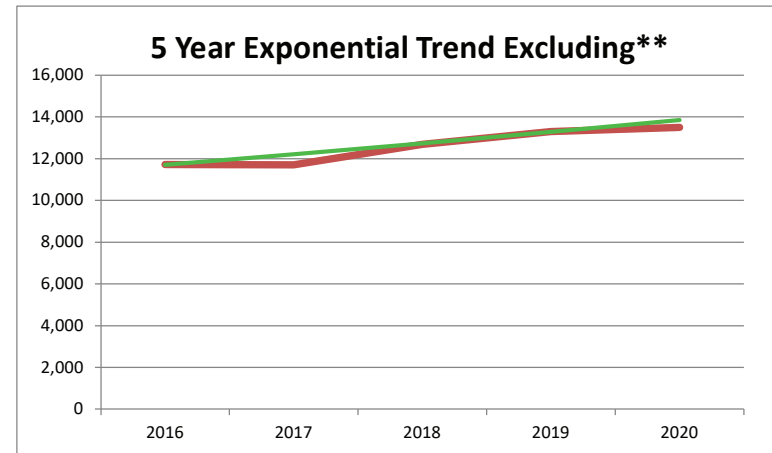
Exhibit 3 - Page 2-5

Severity for Light Vehicles

Excluding Years: 2016/2017, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.47%	0.9409
10 -yr exp trend excl **	5.17%	0.9232
9 -yr exp trend excl **	5.90%	0.9620
8 -yr exp trend excl **	6.30%	0.9623
7 -yr exp trend excl **	5.47%	0.9800
6 -yr exp trend excl **	5.37%	0.9656
5 -yr exp trend excl **	4.28%	0.9981
4 -yr exp trend excl **	4.83%	1.0000
3 -yr exp trend excl **	4.83%	1.0000

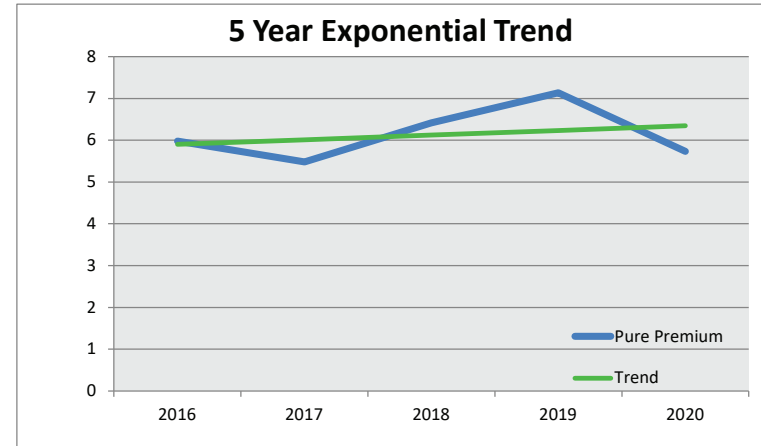
** Years excluded: 2016/2017, 2019/2020



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

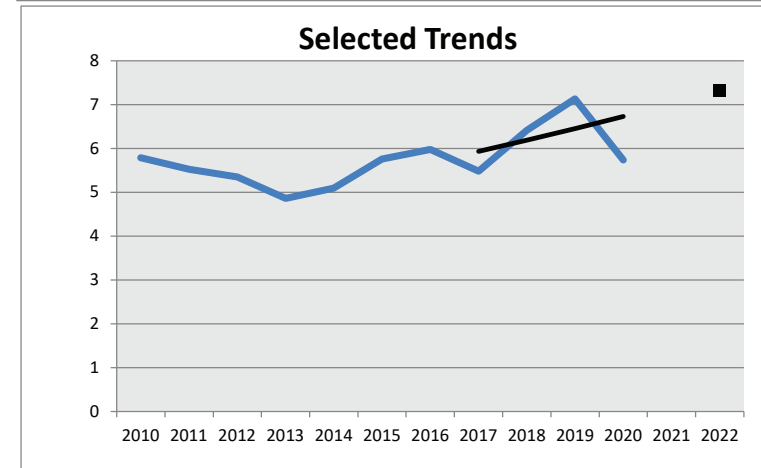
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.76%	0.3000
10-yr exp trend	2.45%	0.4324
9-yr exp trend	3.11%	0.5107
8-yr exp trend	3.74%	0.5367
7-yr exp trend	3.11%	0.3643
6-yr exp trend	1.93%	0.1388
5-yr exp trend	1.83%	0.0768
4-yr exp trend	2.47%	0.0707
3-yr exp trend	-5.44%	0.2623



2020 Rate Program		Credibility	Credibility Weighted Trends	
Selected Trends			Past	Future
Past	5.11%	1.0000	Past	5.11%
Future	5.11%		Future	5.11%

Trend Selection Notes:



2021 Rate Program		Credibility	Final Trends	
Selected Trends			Past	Future
Past	4.28%	1.0000	Past	4.28%
Future	4.28%		Future	4.28%

Trend Selection Notes:

Calculated Past Trend = 4.28%

Calculated Future Trend = 4.28%

SGI

Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility, F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

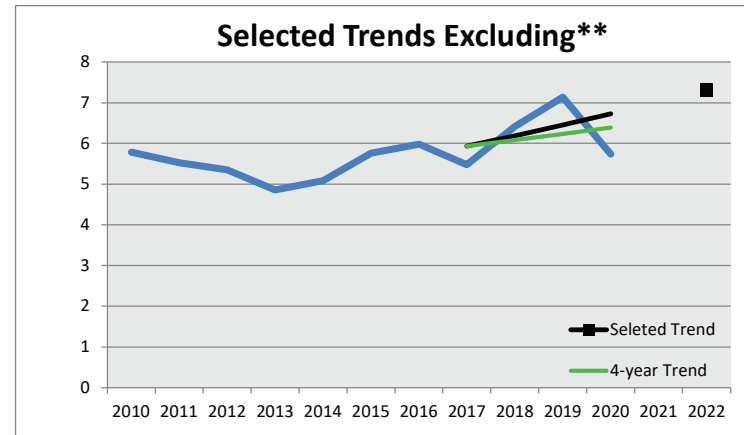
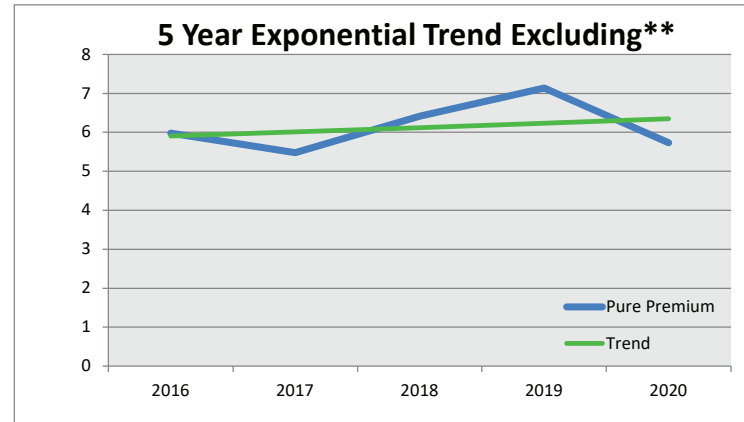
Exhibit 3 - Page 2-7

Pure Premium for Light Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.76%	0.3000
10 -yr exp trend excl **	2.45%	0.4324
9 -yr exp trend excl **	3.11%	0.5107
8 -yr exp trend excl **	3.74%	0.5367
7 -yr exp trend excl **	3.11%	0.3643
6 -yr exp trend excl **	1.93%	0.1388
5 -yr exp trend excl **	1.83%	0.0768
4 -yr exp trend excl **	2.47%	0.0707
3 -yr exp trend excl **	-5.44%	0.2623

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor						
2009/2010	104,064	132	0.9368	1.0000	124	1,915,892	0.9744	1.0072	1.0377	1,951,075	0.12	15,776	18.75		
2010/2011	106,942	134	0.9345	1.0000	126	1,552,729	0.9695	1.0073	1.0360	1,570,885	0.12	12,504	14.69		
2011/2012	111,291	117	0.9429	1.0000	110	1,633,281	0.9731	1.0074	1.0356	1,658,219	0.10	15,049	14.90		
2012/2013	117,317	124	0.9276	1.0000	115	2,080,289	1.0313	1.0078	1.0333	2,234,268	0.10	19,502	19.04		
2013/2014	121,444	142	0.9302	1.0000	132	2,530,402	1.0500	1.0077	1.0287	2,753,962	0.11	20,887	22.68		
2014/2015	124,487	115	0.9182	1.0000	106	1,803,608	1.0436	1.0071	1.0167	1,927,236	0.09	18,182	15.48		
2015/2016	124,986	96	0.9116	1.0000	88	1,708,172	1.0408	1.0076	1.0065	1,802,926	0.07	20,529	14.43		
2016/2017	123,118	114	0.9188	1.0000	105	1,834,170	1.0471	1.0077	1.0001	1,935,558	0.09	18,403	15.72		
2017/2018	122,901	151	0.9180	1.0000	139	2,481,903	1.0850	1.0007	1.0001	2,695,114	0.11	19,439	21.93		
2018/2019	122,784	125	0.9030	1.0000	113	2,472,635	1.0405	1.0000	1.0001	2,572,987	0.09	22,806	20.96		
2019/2020	122,560	109	0.9491	1.0000	103	1,825,234	1.1083	1.0000	1.0000	2,022,864	0.08	19,603	16.51		
Ratio 2011/2010	1.0276					1.0158					0.8051	0.9884	0.7926	0.7835	
Ratio 2012/2011	1.0407					0.8771					1.0556	0.8429	1.2035	1.0143	
Ratio 2013/2012	1.0541					1.0397					1.3474	0.9863	1.2959	1.2782	
Ratio 2014/2013	1.0352					1.1509					1.2326	1.1118	1.0710	1.1907	
Ratio 2015/2014	1.0251					0.8039					0.6998	0.7843	0.8705	0.6827	
Ratio 2016/2015	1.0040					0.8285					0.9355	0.8252	1.1291	0.9318	
Ratio 2017/2016	0.9851					1.1976					1.0736	1.2158	0.8964	1.0899	
Ratio 2018/2017	0.9982					1.3182					1.3924	1.3205	1.0563	1.3949	
Ratio 2019/2018	0.9991					0.8137					0.9547	0.8145	1.1732	0.9556	
Ratio 2020/2019	0.9982					0.9147					0.7862	0.9163	0.8595	0.7876	

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-2.71%	0.3029
10-yr exp trend	-2.22%	0.1862
9-yr exp trend	-1.24%	0.0553
8-yr exp trend	-0.99%	0.0252
7-yr exp trend	-0.49%	0.0042
6-yr exp trend	2.98%	0.1278
5-yr exp trend	4.44%	0.1614
4-yr exp trend	-2.46%	0.0567
3-yr exp trend	-13.61%	0.9487

2020 Rate Program

Selected Trends

Past	-1.14%
Future	-1.14%

Credibility

0.7231

Complement: All Vehicles incl Trailers

Credibility Weighted Trends

Past	-0.82%
Future	-0.82%

Trend Selection Notes:

Past: Experience is volatile. Long term trend is negative. Excluding volatility in 2015-16 and 2017-18, recent experience is slightly negative. Select 8 year.

Future: Same as past.

2021 Rate Program

Selected Trends

Past	0.00%
Future	0.00%

Credibility

0.7419

Complement: All Vehicles incl Trailers

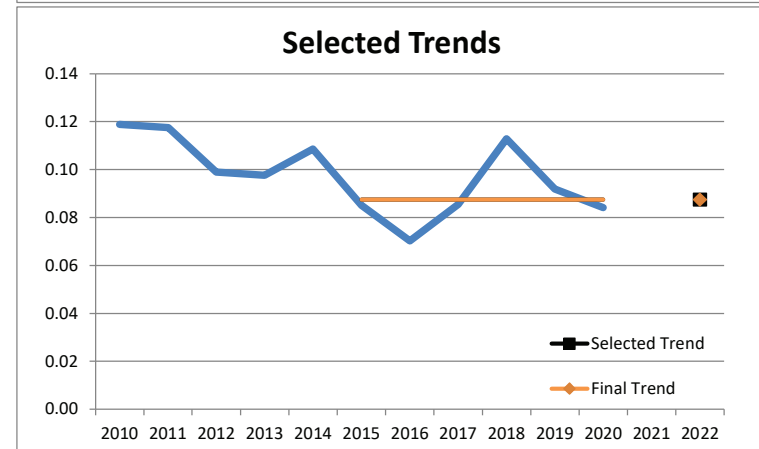
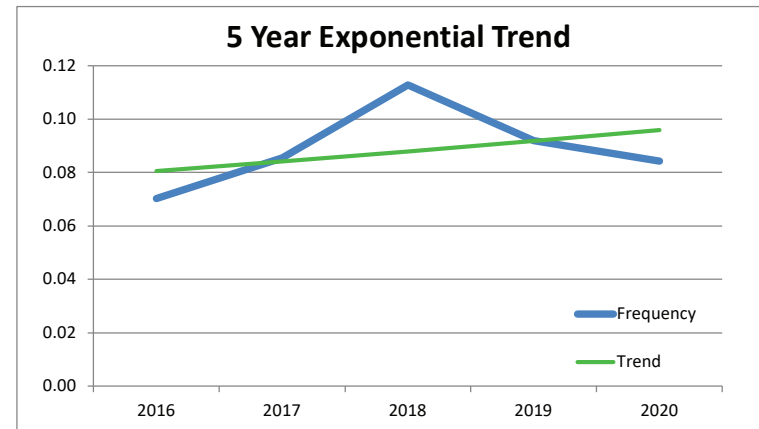
Final Trends

Past	0.00%
Future	0.00%

Trend Selection Notes:

Past: Results do jump around year to year but there is a clear negative trend with the min and max years excluded up to 2015-2016 followed by flat growth in the last five years. Select 0% trend.

Future: Select same as past.



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

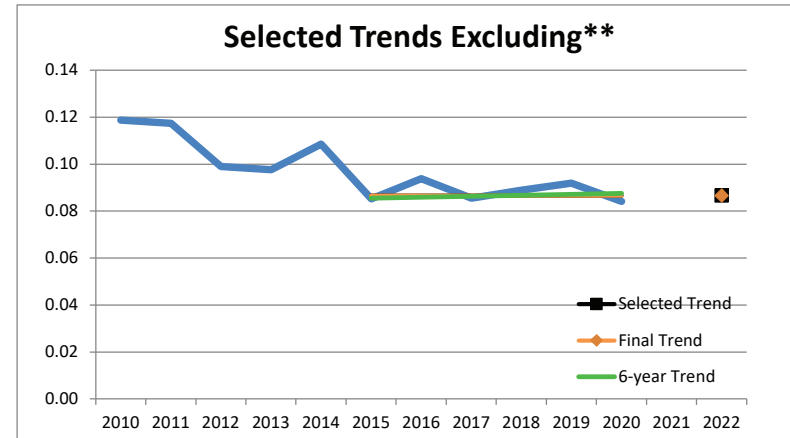
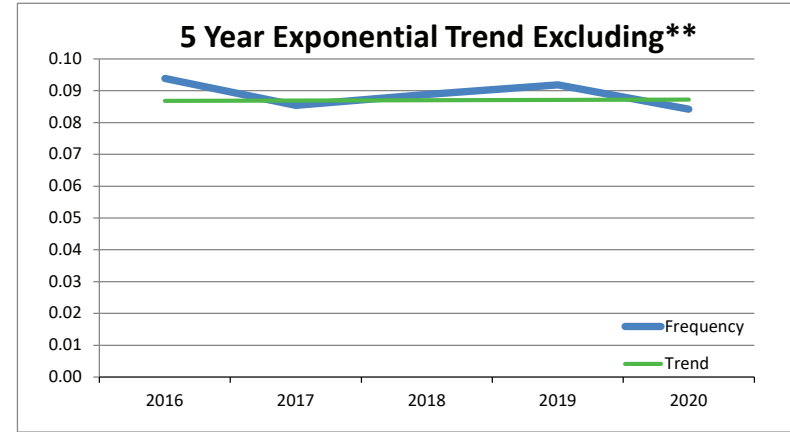
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: 2015/2016, 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-3.12%	0.6731
10 -yr exp trend excl **	-2.79%	0.5751
9 -yr exp trend excl **	-2.04%	0.4263
8 -yr exp trend excl **	-2.16%	0.3738
7 -yr exp trend excl **	-2.32%	0.3142
6 -yr exp trend excl **	0.46%	0.0646
5 -yr exp trend excl **	0.11%	0.0012
4 -yr exp trend excl **	0.11%	0.0012
3 -yr exp trend excl **	-8.37%	1.0000

** Years excluded: 2015/2016, 2017/2018



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	3.82%	0.5214
10-yr exp trend	4.13%	0.4933
9-yr exp trend	2.35%	0.3061
8-yr exp trend	0.68%	0.0513
7-yr exp trend	0.75%	0.0420
6-yr exp trend	2.16%	0.2319
5-yr exp trend	1.23%	0.0576
4-yr exp trend	3.55%	0.2403
3-yr exp trend	0.42%	0.0022

2020 Rate Program

Selected Trends

Past	0.29%
Future	0.29%

Credibility

0.7231

Complement: All Vehicles incl Trailers

Credibility Weighted Trends

Past	1.62%
Future	1.62%

Trend Selection Notes:

Past: Long term trend was positive, but has been very flat since 2012/2013. Select 5 yr trend excluding partial year. Slightly increasing trend without putting much credibility in the latest year.

Future: Same as past. The increase from 2011-2014 appears to be a one time increase/correction so assume recent experience is more indicative but not including the partial year result.

2021 Rate Program

Selected Trends

Past	0.68%
Future	0.68%

Credibility

0.7419

Complement: All Vehicles incl Trailers

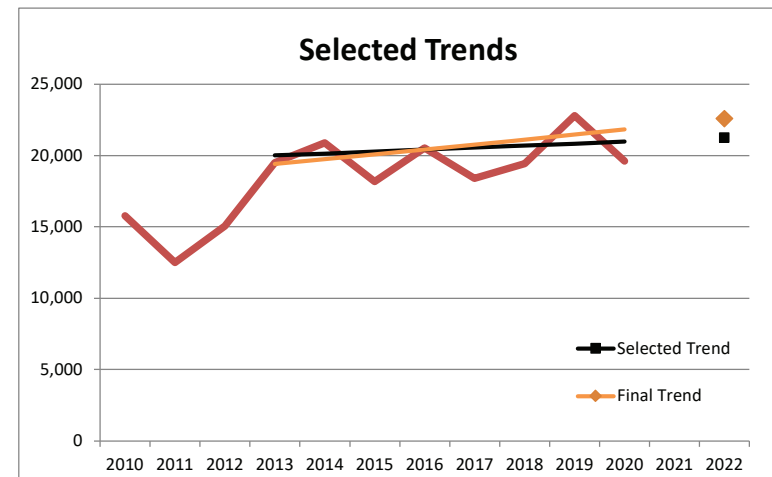
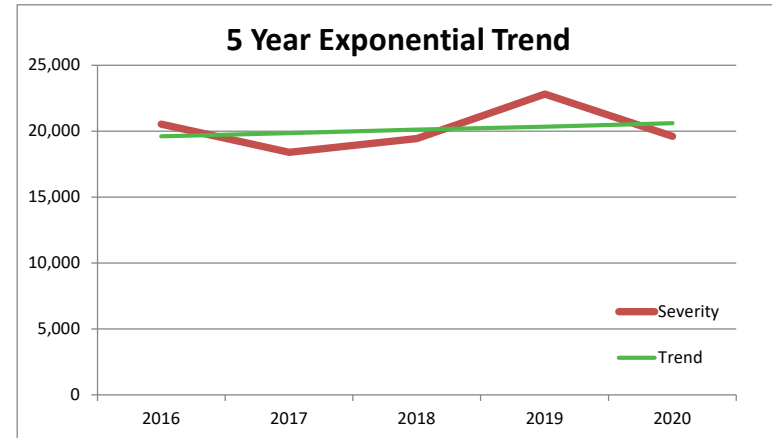
Final Trends

Past	1.70%
Future	1.70%

Trend Selection Notes:

Past: Results are volatile year to year but there does appear to be a solid trend since 2013. Select the 8-yr trend.

Future: Select same as past.



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

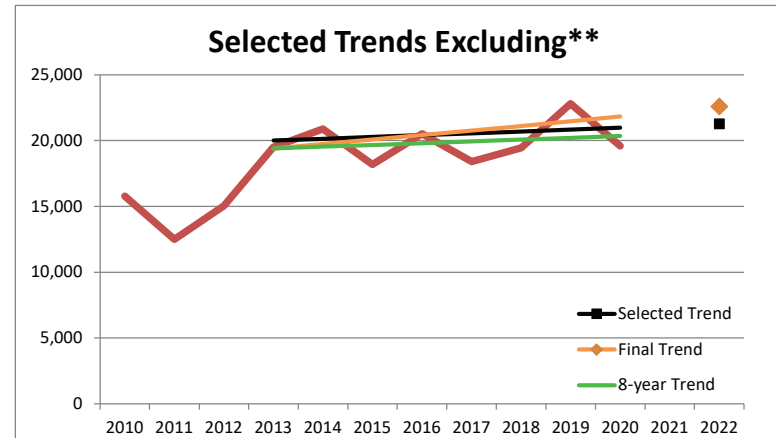
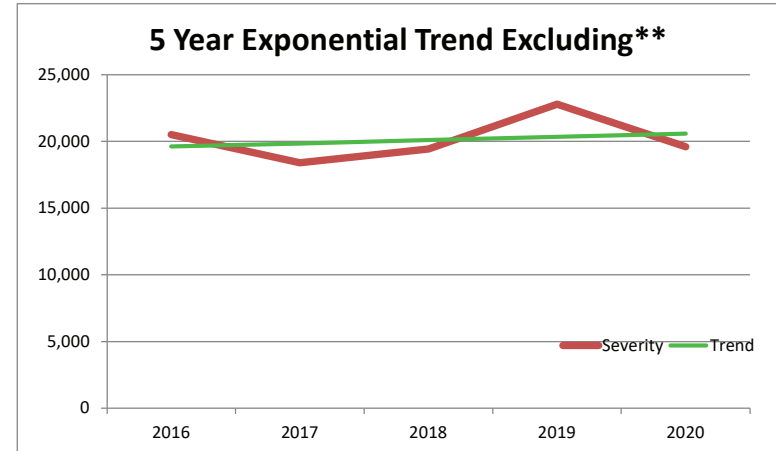
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.82%	0.5214
10 -yr exp trend excl **	4.13%	0.4933
9 -yr exp trend excl **	2.35%	0.3061
8 -yr exp trend excl **	0.68%	0.0513
7 -yr exp trend excl **	0.75%	0.0420
6 -yr exp trend excl **	2.16%	0.2319
5 -yr exp trend excl **	1.23%	0.0576
4 -yr exp trend excl **	3.55%	0.2403
3 -yr exp trend excl **	0.42%	0.0022

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

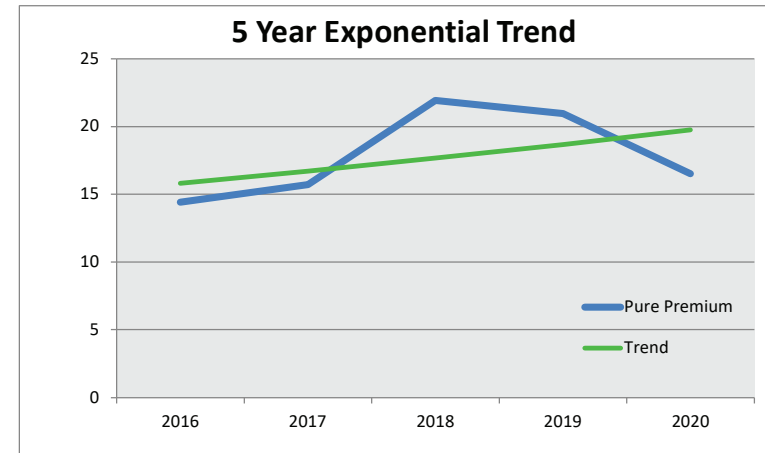
Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	1.01%	0.0389
10-yr exp trend	1.82%	0.0952
9-yr exp trend	1.08%	0.0277
8-yr exp trend	-0.32%	0.0020
7-yr exp trend	0.26%	0.0009
6-yr exp trend	5.20%	0.3001
5-yr exp trend	5.73%	0.2293
4-yr exp trend	1.01%	0.0060
3-yr exp trend	-13.24%	0.8664



2020 Rate Program

Selected Trends

Past	-0.85%
Future	-0.85%

Credibility

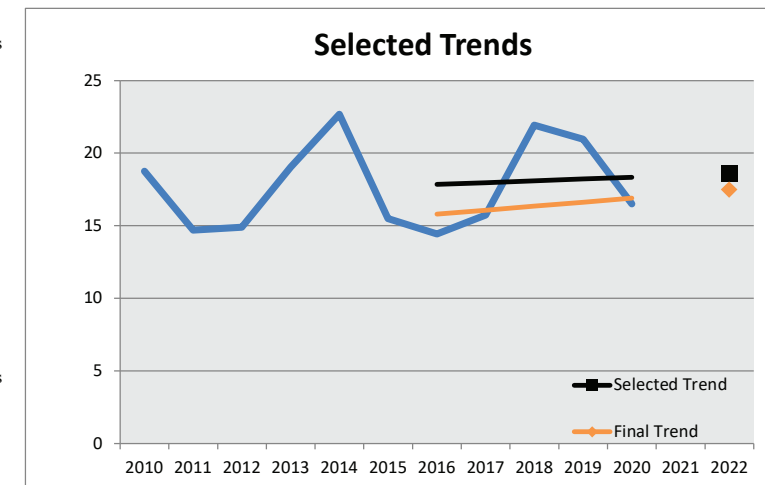
0.7231

Complement: All Vehicles incl Trailers

Credibility Weighted Trends

Past	0.78%
Future	0.78%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	0.68%
Future	0.68%

Credibility

0.7419

Complement: All Vehicles incl Trailers

Final Trends

Past	1.70%
Future	1.70%

Trend Selection Notes:

Calculated Past Trend = 0.68%

Calculated Future Trend = 0.68%

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses, LV - HTV

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

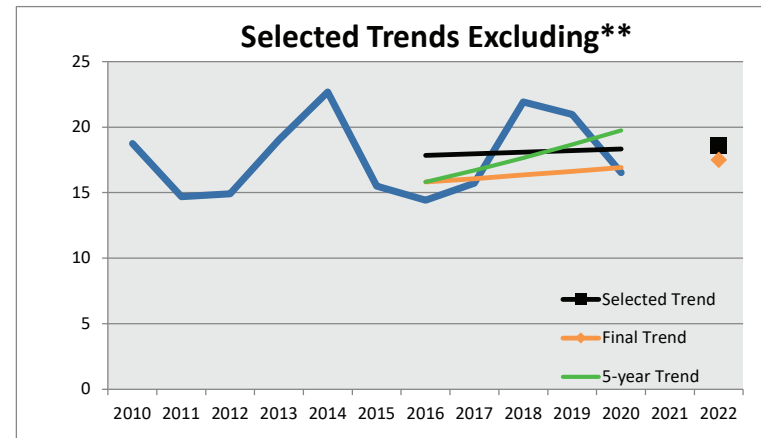
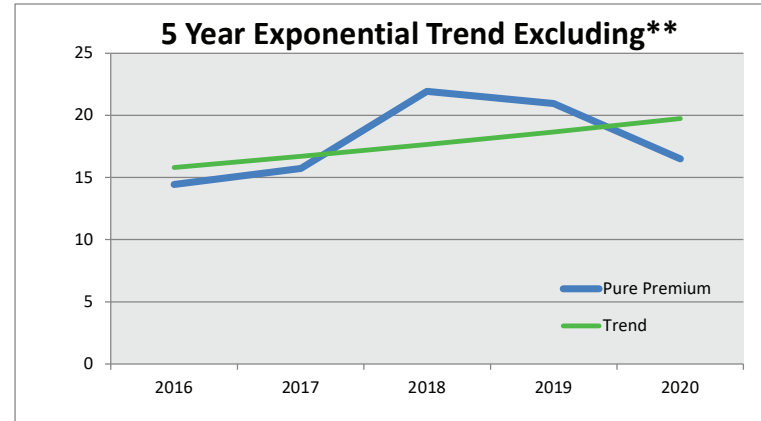
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	1.01%	0.0389
10 -yr exp trend excl **	1.82%	0.0952
9 -yr exp trend excl **	1.08%	0.0277
8 -yr exp trend excl **	-0.32%	0.0020
7 -yr exp trend excl **	0.26%	0.0009
6 -yr exp trend excl **	5.20%	0.3001
5 -yr exp trend excl **	5.73%	0.2293
4 -yr exp trend excl **	1.01%	0.0060
3 -yr exp trend excl **	-13.24%	0.8664

** Years excluded: None



SGI

Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Fire/Lightning/Explosion Coverage (41)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Excess Coverage

Fiscal Year	Earned Exposures	Claim Count		Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor				Development Factor	Incurred Loss Adjustment					
2009/2010	85,258	16	0.9368	1.0000	15	116,659	0.9744	1.0065	1.0377	118,720	0.02	7,800	1.39
2010/2011	90,459	7	0.9345	1.0000	7	33,284	0.9695	1.0065	1.0360	33,647	0.01	5,051	0.37
2011/2012	98,871	3	0.9429	1.0000	3	38,134	0.9731	1.0065	1.0356	38,683	0.00	13,340	0.39
2012/2013	111,015	4	0.9276	1.0000	4	23,935	1.0313	1.0068	1.0333	25,683	0.00	6,781	0.23
2013/2014	126,453	4	0.9302	1.0000	4	122,847	1.0500	1.0068	1.0287	133,584	0.00	35,206	1.06
2014/2015	135,644	10	0.9182	1.0000	9	184,408	1.0436	1.0067	1.0167	196,971	0.01	20,998	1.45
2015/2016	129,908	2	0.9116	1.0000	2	10,724	1.0408	1.0065	1.0065	11,307	0.00	6,051	0.09
2016/2017	128,708	8	0.9188	1.0000	8	101,998	1.0471	1.0066	1.0001	107,522	0.01	14,312	0.84
2017/2018	133,661	4	0.9180	1.0000	4	103,365	1.0850	1.0000	1.0001	112,166	0.00	29,731	0.84
2018/2019	198,467	2	0.9030	1.0000	2	35,836	1.0405	1.0000	1.0001	37,290	0.00	20,162	0.19
2019/2020	136,190	5	0.9491	1.0000	5	74,552	1.1083	1.0000	1.0000	82,624	0.00	17,295	0.61
Ratio 2011/2010	1.0610						0.4377			0.2834	0.4125	0.6475	0.2671
Ratio 2012/2011	1.0930						0.4353			1.1497	0.3982	2.6413	1.0519
Ratio 2013/2012	1.1228						1.3061			0.6639	1.1632	0.5083	0.5913
Ratio 2014/2013	1.1391						1.0018			5.2014	0.8795	5.1918	4.5663
Ratio 2015/2014	1.0727						2.4722			1.4745	2.3047	0.5964	1.3746
Ratio 2016/2015	0.9577						0.1992			0.0574	0.2080	0.2882	0.0599
Ratio 2017/2016	0.9908						4.0205			9.5091	4.0579	2.3652	9.5977
Ratio 2018/2017	1.0385						0.5022			1.0432	0.4836	2.0773	1.0045
Ratio 2019/2018	1.4849						0.4902			0.3325	0.3302	0.6782	0.2239
Ratio 2020/2019	0.6862						2.5831			2.2157	3.7643	0.8578	3.2289

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Heavy Excess Coverage

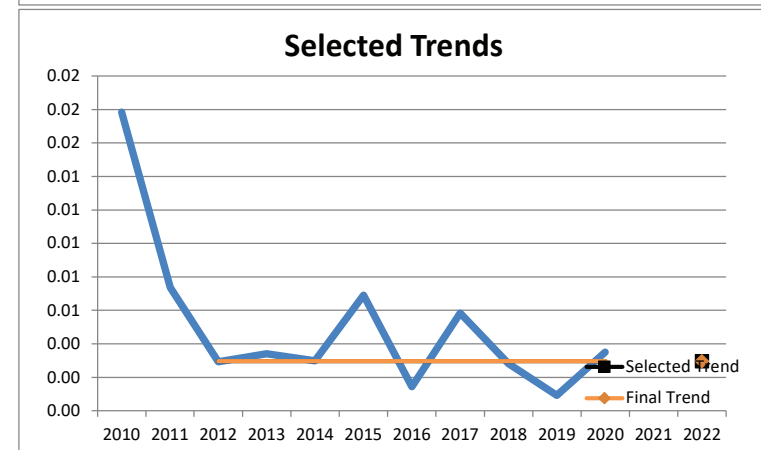
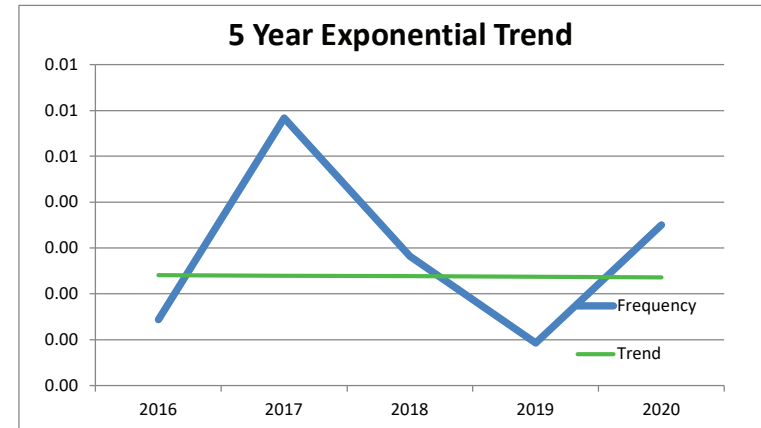
Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-13.68%	0.3650	
10-yr exp trend	-8.81%	0.1823	
9-yr exp trend	-5.62%	0.0649	
8-yr exp trend	-7.93%	0.0928	
7-yr exp trend	-9.73%	0.0958	
6-yr exp trend	-14.35%	0.1373	
5-yr exp trend	-0.52%	0.0001	
4-yr exp trend	-23.17%	0.1934	
3-yr exp trend	11.48%	0.0234	

2020 Rate Program		Credibility	Complement: All Vehicles incl Trailers	
Selected Trends			Credibility Weighted Trends	
Past	-6.54%	0.7231	Past	-0.82%
Future	-6.54%		Future	-0.82%

Trend Selection Notes:
 Past: Very few claims incurred each year so results are volatile. Exclude the spike in 2010 and the partial year, which have too much influence and select the average of 8-year and 9-year trends as a compromise.

2021 Rate Program		Credibility	Complement: Heavy Vehicles	
Selected Trends			Final Trends	
Past	0.00%	0.1407	Past	0.00%
Future	0.00%		Future	0.00%

Trend Selection Notes:
 Experience is too thin. Set to the Heavy selection and keep an eye on.

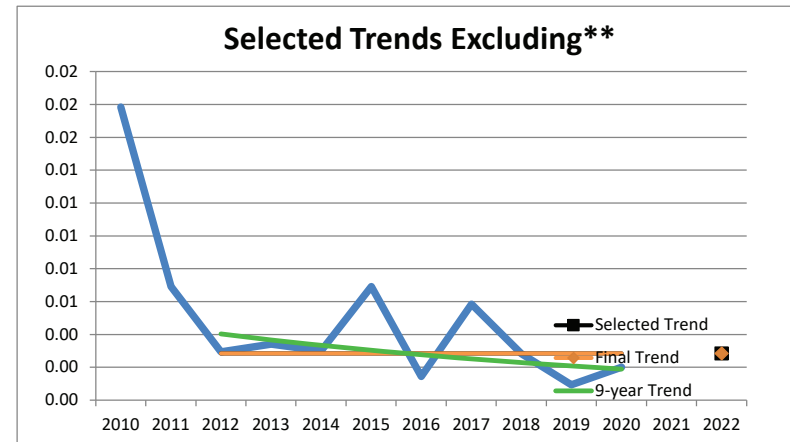
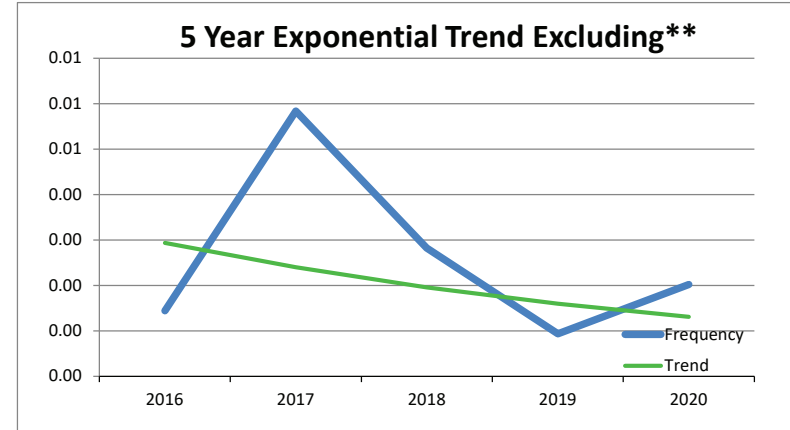


SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Heavy Excess Coverage
Excluding Years: 2010/2011, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-17.45%	0.4207
10 -yr exp trend excl **	-9.67%	0.1425
9 -yr exp trend excl **	-9.67%	0.1425
8 -yr exp trend excl **	-13.88%	0.2050
7 -yr exp trend excl **	-18.44%	0.2411
6 -yr exp trend excl **	-28.35%	0.3696
5 -yr exp trend excl **	-18.36%	0.1065
4 -yr exp trend excl **	-60.04%	0.9858
3 -yr exp trend excl **	-66.98%	1.0000

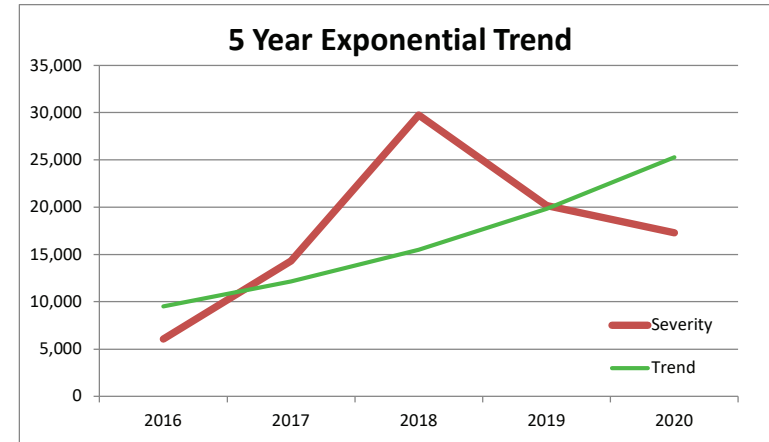
** Years excluded: 2010/2011, 2019/2020



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

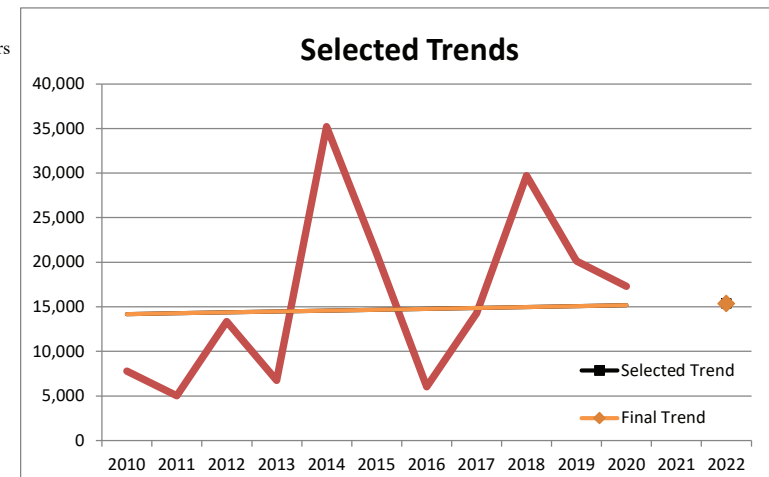
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	11.18%	0.2841
10-yr exp trend	11.13%	0.2280
9-yr exp trend	6.16%	0.0748
8-yr exp trend	6.98%	0.0675
7-yr exp trend	-2.20%	0.0070
6-yr exp trend	10.11%	0.1103
5-yr exp trend	27.67%	0.4274
4-yr exp trend	1.81%	0.0056
3-yr exp trend	-23.73%	0.9410



2020 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	10.00%	0.7231	Past 1.62%
Future	10.00%		Future 1.62%

Trend Selection Notes:
 Past: Exclude the partial year and the spike in 2014. Results are volatile but the trends are extremely positive. Trend results are highly dependent on the starting point being in a valley or on a peak. Select a flat 10% with consideration to the longest term trends.
 Future: Same as past.



2021 Rate Program		Complement: Heavy Vehicles	
Selected Trends	Credibility	Final Trends	
Past	0.68%	0.1407	Past 0.68%
Future	0.68%		Future 0.68%

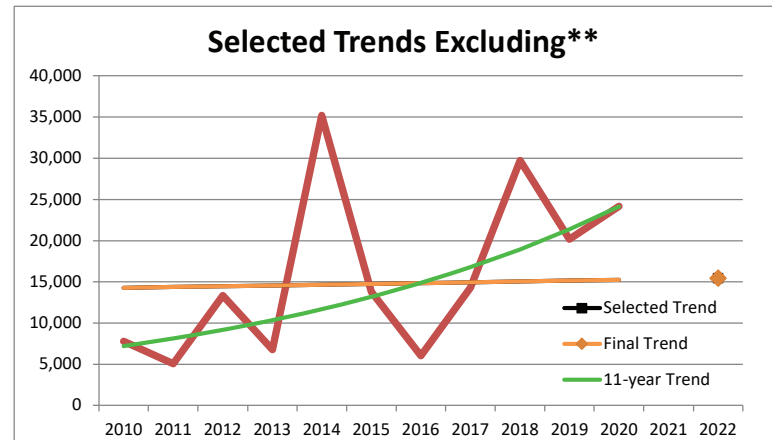
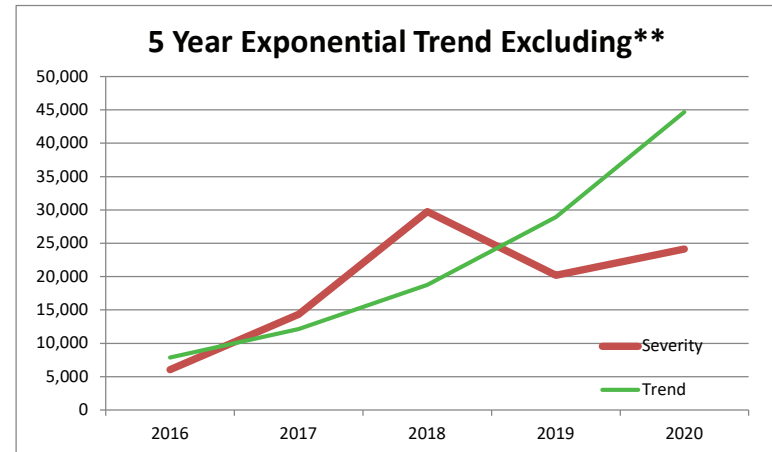
Trend Selection Notes:
 Experience is too thin. Set to the Heavy selection and keep an eye on.

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Heavy Excess Coverage
Excluding Years: 2014/2015, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	12.88%	0.3003
10 -yr exp trend excl **	13.64%	0.2596
9 -yr exp trend excl **	8.33%	0.0971
8 -yr exp trend excl **	11.29%	0.1121
7 -yr exp trend excl **	-1.34%	0.0014
6 -yr exp trend excl **	54.37%	0.6822
5 -yr exp trend excl **	54.37%	0.6822
4 -yr exp trend excl **	18.69%	0.2195
3 -yr exp trend excl **	-32.18%	1.0000

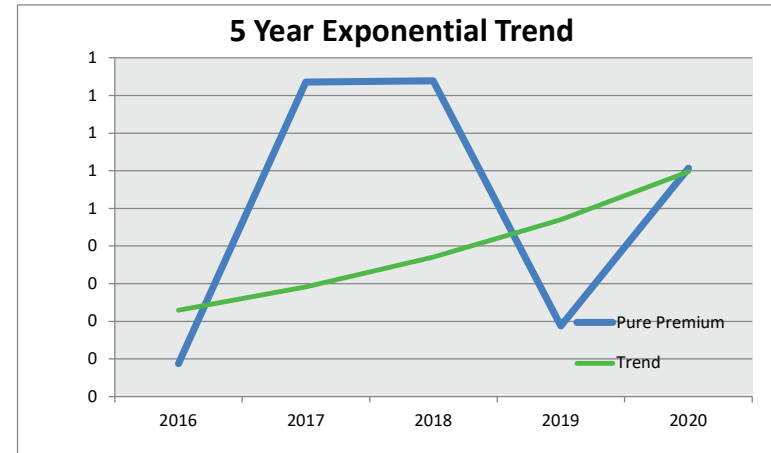
** Years excluded: 2014/2015, 2019/2020



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

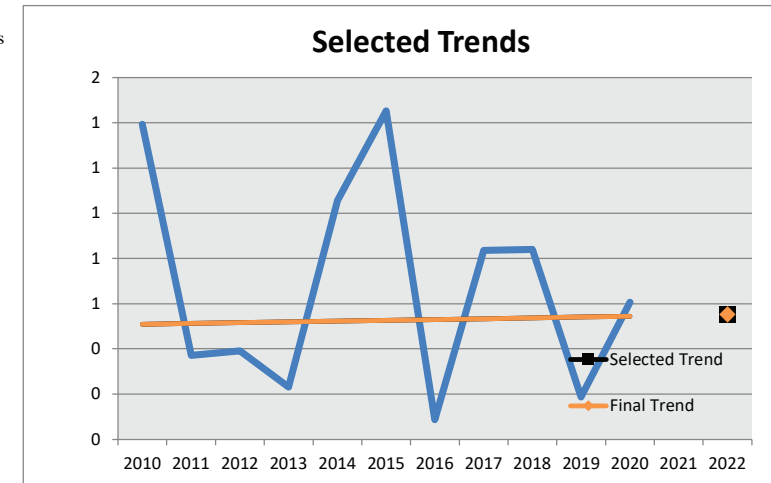
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-4.03%	0.0231
10-yr exp trend	1.34%	0.0021
9-yr exp trend	0.20%	0.0000
8-yr exp trend	-1.50%	0.0014
7-yr exp trend	-11.71%	0.0693
6-yr exp trend	-5.69%	0.0106
5-yr exp trend	27.01%	0.1384
4-yr exp trend	-21.78%	0.1995
3-yr exp trend	-14.97%	0.0425



2020 Rate Program		Credibility	Complement: All Vehicles incl Trailers	
Selected Trends			Credibility Weighted Trends	
Past	2.80%	0.7231	Past	0.78%
Future	2.80%		Future	0.78%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: Heavy Vehicles	
Selected Trends			Final Trends	
Past	0.68%	0.1407	Past	0.68%
Future	0.68%		Future	0.68%

Trend Selection Notes:

Calculated Past Trend = 0.68%

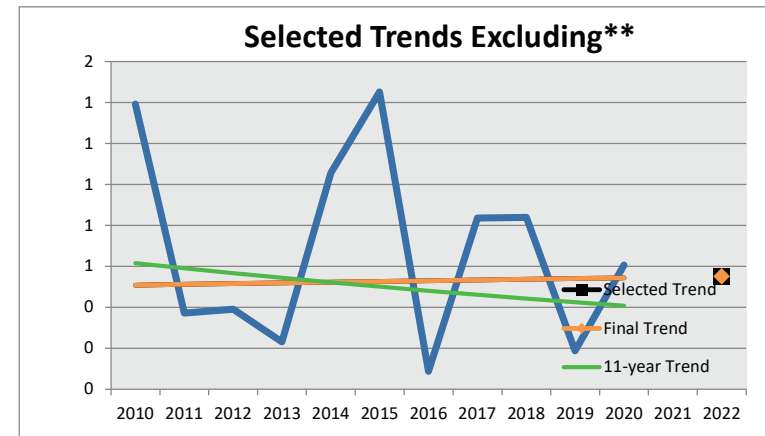
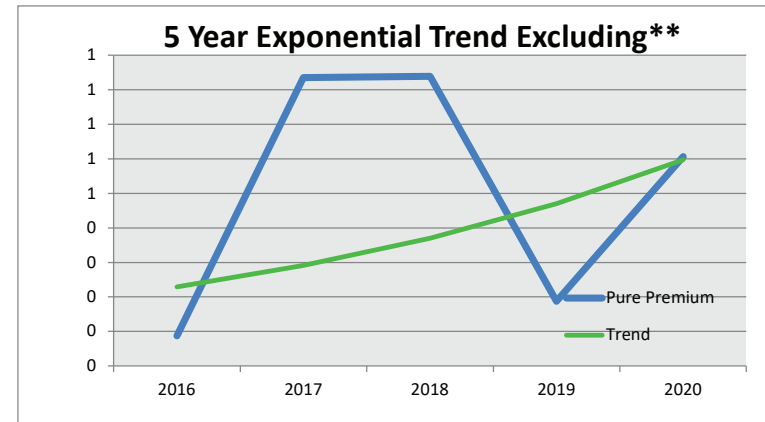
Calculated Future Trend = 0.68%

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Fire/Lightning/Explosion Coverage (41)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-4.03%	0.0231
10 -yr exp trend excl **	1.34%	0.0021
9 -yr exp trend excl **	0.20%	0.0000
8 -yr exp trend excl **	-1.50%	0.0014
7 -yr exp trend excl **	-11.71%	0.0693
6 -yr exp trend excl **	-5.69%	0.0106
5 -yr exp trend excl **	27.01%	0.1384
4 -yr exp trend excl **	-21.78%	0.1995
3 -yr exp trend excl **	-14.97%	0.0425

** Years excluded: None



Theft Coverage

SGI

Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Including Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate		Ultimate Pure Premium
		Number of Claims	Development Factor			Incurred Losses	Development Factor			Ultimate Frequency	Ultimate Severity	
2009/2010	1,013,299	2,867	0.8737	1.0000	2,505	10,905,872	0.9293	1.0504	11,075,641	0.25	4,421	10.93
2010/2011	1,034,805	2,700	0.8685	1.0000	2,345	11,346,706	0.9274	1.0466	11,438,269	0.23	4,878	11.05
2011/2012	1,059,924	2,758	0.8764	1.0000	2,417	11,868,858	0.9511	1.0512	12,318,789	0.23	5,097	11.62
2012/2013	1,094,843	2,104	0.8584	1.0000	1,806	8,190,061	1.0603	1.0502	9,445,597	0.16	5,230	8.63
2013/2014	1,113,002	2,380	0.8609	1.0000	2,049	10,943,499	1.0669	1.0502	12,638,367	0.18	6,168	11.36
2014/2015	1,129,759	2,388	0.8597	1.0000	2,053	12,434,382	1.0783	1.0509	14,343,057	0.18	6,986	12.70
2015/2016	1,145,428	2,970	0.8432	1.0000	2,504	14,844,523	1.1242	1.0523	17,682,475	0.22	7,061	15.44
2016/2017	1,145,211	3,543	0.8525	1.0000	3,021	20,418,480	1.1560	1.0513	24,814,986	0.26	8,215	21.67
2017/2018	1,151,318	3,620	0.8597	1.0000	3,112	20,790,787	1.1368	1.0446	24,691,911	0.27	7,934	21.45
2018/2019	1,150,427	3,725	0.9093	1.0000	3,387	20,562,647	1.2102	1.0107	25,154,340	0.29	7,426	21.87
2019/2020	1,157,115	3,541	0.9491	1.0000	3,361	22,988,831	1.0592	1.0026	24,413,588	0.29	7,264	21.10
Ratio 2011/2010	1.0212				0.9361				1.0327	0.9167	1.1032	1.0113
Ratio 2012/2011	1.0243				1.0307				1.0770	1.0063	1.0449	1.0515
Ratio 2013/2012	1.0329				0.7472				0.7668	0.7234	1.0262	0.7423
Ratio 2014/2013	1.0166				1.1346				1.3380	1.1160	1.1793	1.3162
Ratio 2015/2014	1.0151				1.0020				1.1349	0.9871	1.1327	1.1180
Ratio 2016/2015	1.0139				1.2198				1.2328	1.2031	1.0107	1.2160
Ratio 2017/2016	0.9998				1.2062				1.4034	1.2064	1.1635	1.4036
Ratio 2018/2017	1.0053				1.0303				0.9950	1.0248	0.9658	0.9898
Ratio 2019/2018	0.9992				1.0884				1.0187	1.0892	0.9360	1.0195
Ratio 2020/2019	1.0058				0.9922				0.9706	0.9864	0.9782	0.9649

SGI
 Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2

Frequency for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	3.21%	0.2858	
10-yr exp trend	4.81%	0.4822	
9-yr exp trend	6.62%	0.6525	
8-yr exp trend	9.58%	0.9307	
7-yr exp trend	9.52%	0.8984	
6-yr exp trend	9.77%	0.8544	
5-yr exp trend	7.02%	0.8090	
4-yr exp trend	3.82%	0.8100	
3-yr exp trend	3.66%	0.6117	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	12.47%	12.47%
Future	12.47%	12.47%

Trend Selection Notes:

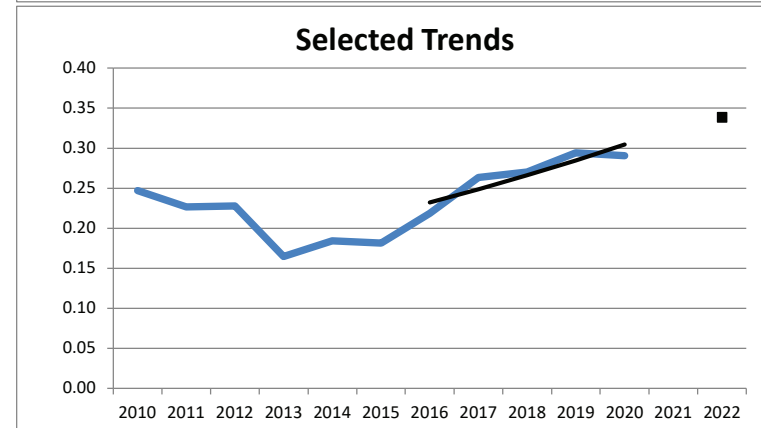
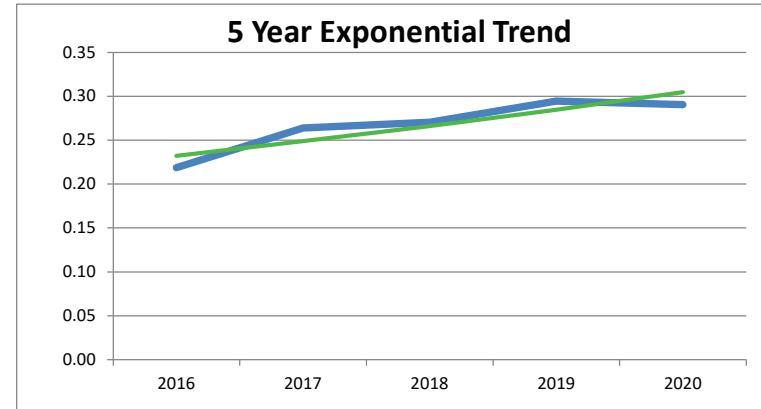
Past: Select the 5 year trend to reflect most recent experience.
 Future: Increased theft trends have continued to be noticed and advertised though they have also continued to increase. The flattening out in 2017/2018 may be reflective of the awareness campaigns gaining more traction. Frequency generally seems to be cyclical so assuming theft counts will flatten out.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	7.02%	7.02%
Future	5.42%	5.42%

Trend Selection Notes:

Past: Select the 5-yr trend to reflect most recent experience.
 Future: Increased theft trends have continued to be noticed and advertised though they have also continued to increase. The flattening out in 2017/2018 may be reflective of the awareness campaigns gaining more traction. Select the average of 4 and 5-yr trends. This bends down the recent trend to a lower expectation going forward.



SGI

Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

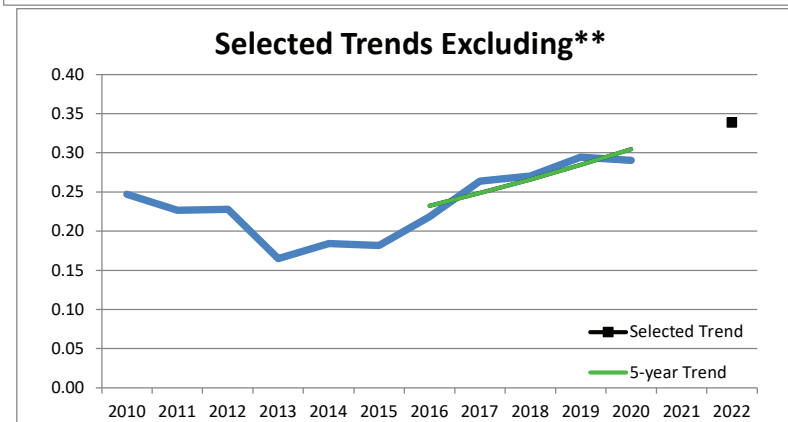
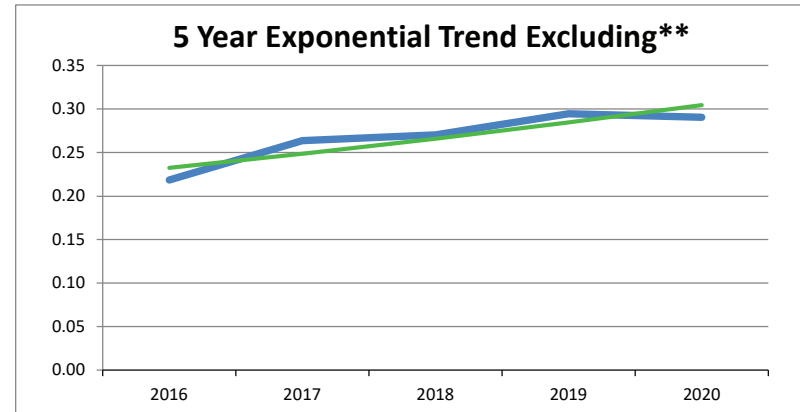
Exhibit 3 - Page 1-3

Frequency for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	3.21%	0.2858
10 -yr exp trend excl **	4.81%	0.4822
9 -yr exp trend excl **	6.62%	0.6525
8 -yr exp trend excl **	9.58%	0.9307
7 -yr exp trend excl **	9.52%	0.8984
6 -yr exp trend excl **	9.77%	0.8544
5 -yr exp trend excl **	7.02%	0.8090
4 -yr exp trend excl **	3.82%	0.8100
3 -yr exp trend excl **	3.66%	0.6117

** Years excluded: None



SGI
 Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4

Severity for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.12%	0.8327
10-yr exp trend	5.72%	0.7769
9-yr exp trend	5.36%	0.6984
8-yr exp trend	4.58%	0.5723
7-yr exp trend	2.64%	0.3621
6-yr exp trend	0.89%	0.0656
5-yr exp trend	-0.44%	0.0123
4-yr exp trend	-4.26%	0.9668
3-yr exp trend	-4.31%	0.9230

2020 Rate Program

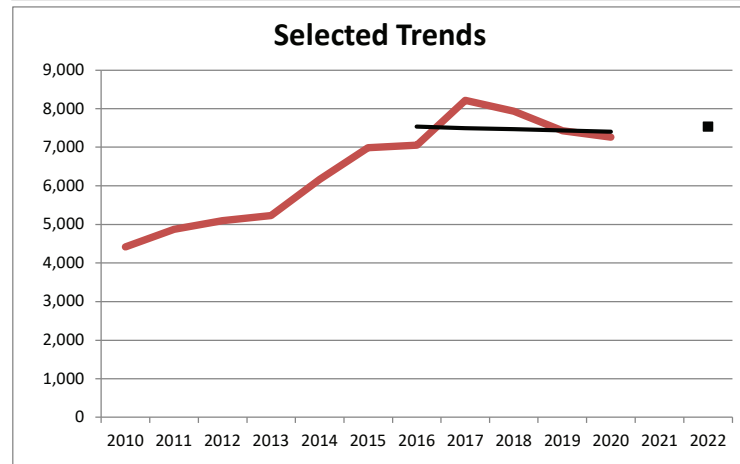
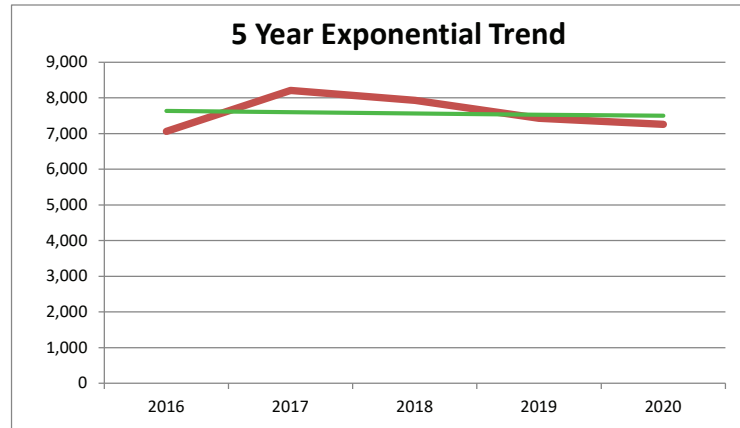
Selected Trends	Credibility	Credibility Weighted Trends
Past 3.07%	1.0000	Past 3.07%
Future 3.07%		Future 3.07%

Trend Selection Notes:
 Some flattening in recent years, select 5 yr trend to rely on mid to recent past.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past -0.44%	1.0000	Past -0.44%
Future 0.89%		Future 0.89%

Trend Selection Notes:
 Past: Select 5-yr trend to reflect experience. There has been a reversion back to 2016 levels but the climb from 2017 to 2018 is also credible.
 Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road. Excluding the spike in 2017 through 2018 severity has remained relatively flat. This spike is largely due to a higher proportion of high cost vehicles being stolen in that year and does not appear to be part of a trend. The threshold for declaring total losses was also lowered in 2016 (2017 fiscal year), which led to more theft claims being deemed total losses and later in 2017 the threshold was increased. Need to keep an eye on in the future but assume a small increasing trend due to the long term positive trends but not at the same level seen from 2010-2015 (more like 2015-2020 excluding the 2017 & 2018 spike).



SGI

Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

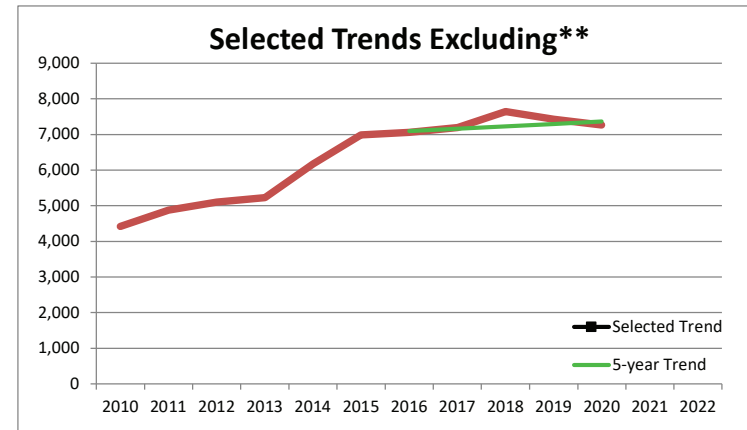
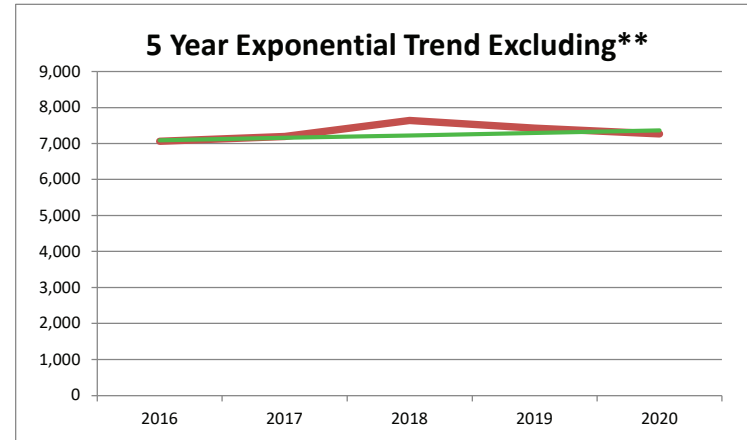
Exhibit 3 - Page 1-5

Severity for All Vehicles Including Trailers

Excluding Years: 2016/2017, 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.48%	0.8552
10 -yr exp trend excl **	5.03%	0.8131
9 -yr exp trend excl **	4.67%	0.7496
8 -yr exp trend excl **	3.96%	0.6549
7 -yr exp trend excl **	2.26%	0.6434
6 -yr exp trend excl **	1.02%	0.7673
5 -yr exp trend excl **	0.94%	0.5915
4 -yr exp trend excl **	-2.18%	1.0000
3 -yr exp trend excl **	-2.18%	1.0000

** Years excluded: 2016/2017, 2017/2018

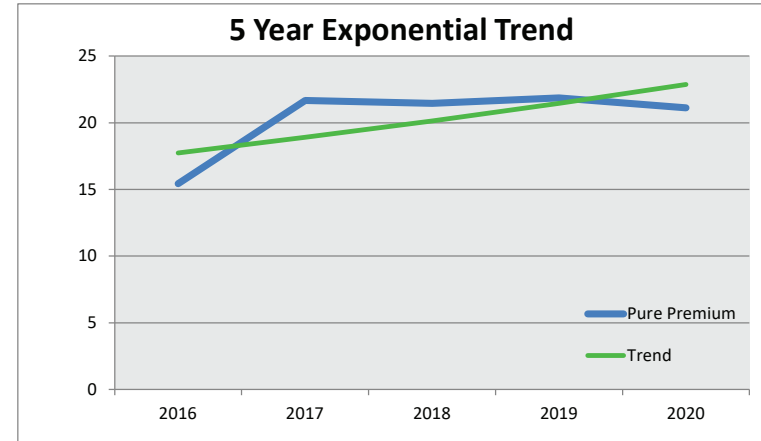


SGI
 Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Including Trailers

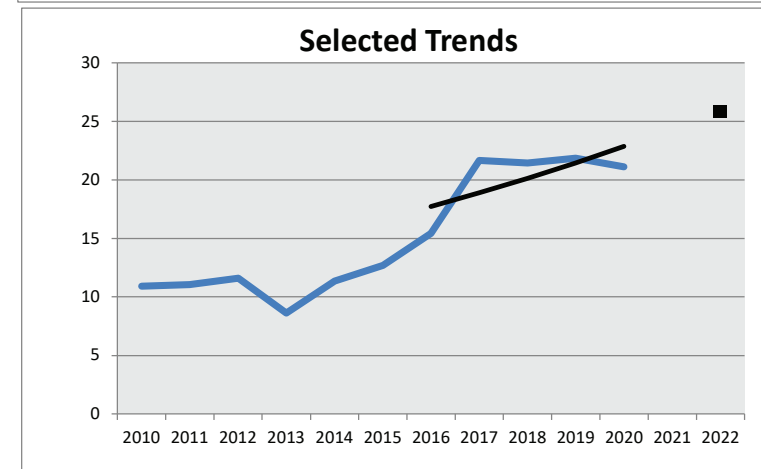
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	9.52%	0.7728
10-yr exp trend	10.80%	0.7959
9-yr exp trend	12.34%	0.8178
8-yr exp trend	14.60%	0.8615
7-yr exp trend	12.41%	0.8029
6-yr exp trend	10.75%	0.6854
5-yr exp trend	6.54%	0.4518
4-yr exp trend	-0.60%	0.2613
3-yr exp trend	-0.81%	0.2096



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 15.93%	1.0000	Past 15.93%
Future 15.93%		Future 15.93%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 6.54%	1.0000	Past 6.54%
Future 6.36%		Future 6.36%

Trend Selection Notes:

Calculated Past Trend = 6.54%

Calculated Future Trend = 6.36%

SGI

Class Group: All vehicles with first party damage coverage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

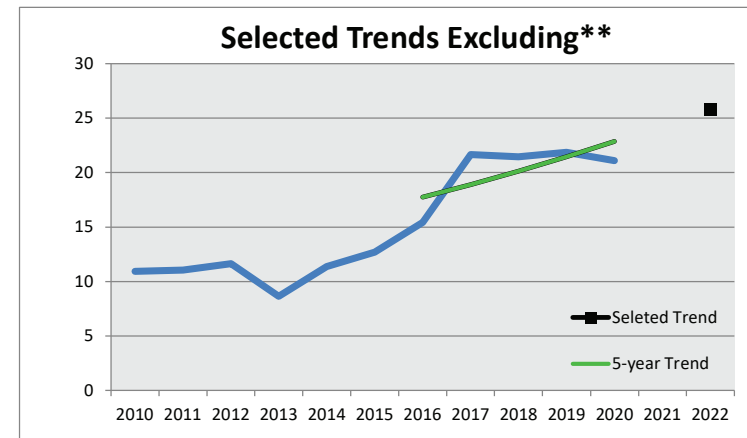
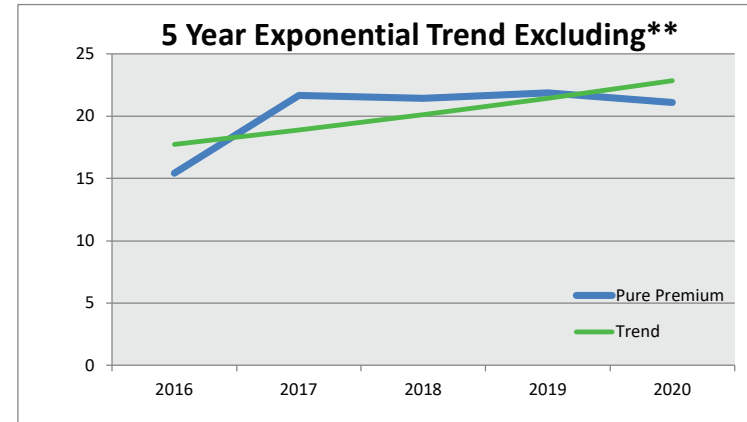
Exhibit 3 - Page 1-7

Pure Premium for All Vehicles Including Trailers

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	9.52%	0.7728
10 -yr exp trend excl **	10.80%	0.7959
9 -yr exp trend excl **	12.34%	0.8178
8 -yr exp trend excl **	14.60%	0.8615
7 -yr exp trend excl **	12.41%	0.8029
6 -yr exp trend excl **	10.75%	0.6854
5 -yr exp trend excl **	6.54%	0.4518
4 -yr exp trend excl **	-0.60%	0.2613
3 -yr exp trend excl **	-0.81%	0.2096

** Years excluded: None



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Light Vehicles

Fiscal Year	Earned Exposures	Claim Count		Claim Count Adjustment	Ultimate		Incurred Loss		On-Level		Ultimate Losses	Percent		Ultimate Premium
		Number of Claims	Development Factor		Number of Claims	Losses	Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor	Ultimate Frequency		Ultimate Severity		
2009/2010	848,130	2,740	0.8737	1.0000	2,394	10,236,637	0.9293	1.0532	1.0404	10,424,007	0.28	4,354	12.29	
2010/2011	863,151	2,580	0.8685	1.0000	2,241	10,771,979	0.9274	1.0487	1.0386	10,880,734	0.26	4,856	12.61	
2011/2012	879,749	2,620	0.8764	1.0000	2,296	11,246,991	0.9511	1.0536	1.0382	11,700,380	0.26	5,097	13.30	
2012/2013	902,075	1,995	0.8584	1.0000	1,712	7,637,971	1.0603	1.0532	1.0357	8,834,676	0.19	5,160	9.79	
2013/2014	911,997	2,279	0.8609	1.0000	1,962	10,369,025	1.0669	1.0525	1.0307	12,001,732	0.22	6,117	13.16	
2014/2015	922,956	2,233	0.8597	1.0000	1,920	11,596,683	1.0783	1.0540	1.0179	13,416,440	0.21	6,989	14.54	
2015/2016	934,909	2,788	0.8432	1.0000	2,351	13,998,721	1.1242	1.0550	1.0069	16,718,117	0.25	7,112	17.88	
2016/2017	934,029	3,310	0.8525	1.0000	2,822	19,048,798	1.1560	1.0544	1.0001	23,219,496	0.30	8,229	24.86	
2017/2018	937,768	3,357	0.8597	1.0000	2,886	19,160,901	1.1368	1.0484	1.0001	22,837,890	0.31	7,912	24.35	
2018/2019	934,931	3,493	0.9093	1.0000	3,176	19,238,751	1.2102	1.0114	1.0001	23,551,962	0.34	7,415	25.19	
2019/2020	939,416	3,322	0.9491	1.0000	3,153	21,441,258	1.0592	1.0028	1.0000	22,774,366	0.34	7,224	24.24	
Ratio 2011/2010	1.0177					0.9358				1.0438	0.9195	1.1154	1.0257	
Ratio 2012/2011	1.0192					1.0246				1.0753	1.0053	1.0495	1.0550	
Ratio 2013/2012	1.0254					0.7458				0.7551	0.7274	1.0124	0.7364	
Ratio 2014/2013	1.0110					1.1459				1.3585	1.1334	1.1856	1.3437	
Ratio 2015/2014	1.0120					0.9784				1.1179	0.9668	1.1426	1.1046	
Ratio 2016/2015	1.0129					1.2246				1.2461	1.2089	1.0176	1.2302	
Ratio 2017/2016	0.9991					1.2004				1.3889	1.2016	1.1570	1.3902	
Ratio 2018/2017	1.0040					1.0229				0.9836	1.0188	0.9615	0.9796	
Ratio 2019/2018	0.9970					1.1004				1.0313	1.1038	0.9372	1.0344	
Ratio 2020/2019	1.0048					0.9925				0.9670	0.9878	0.9742	0.9624	

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	3.25%	0.2983
10-yr exp trend	4.83%	0.4923
9-yr exp trend	6.61%	0.6601
8-yr exp trend	9.51%	0.9305
7-yr exp trend	9.41%	0.8976
6-yr exp trend	9.93%	0.8637
5-yr exp trend	7.20%	0.8292
4-yr exp trend	4.23%	0.8060
3-yr exp trend	4.42%	0.6454

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 12.47%	1.0000	Past 12.47%
Future 12.47%		Future 12.47%

Trend Selection Notes:

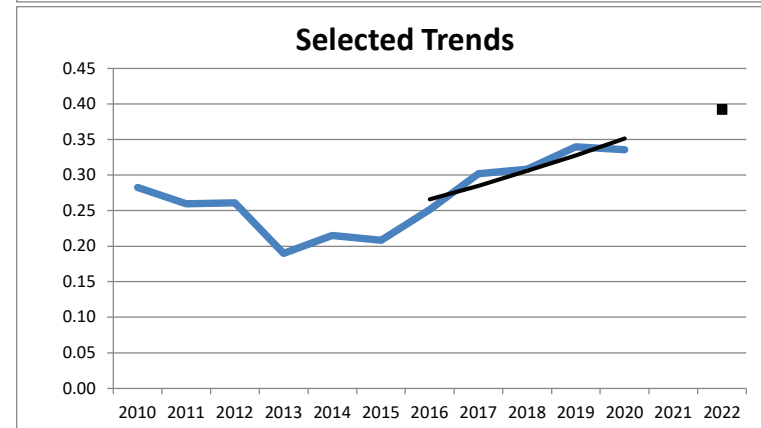
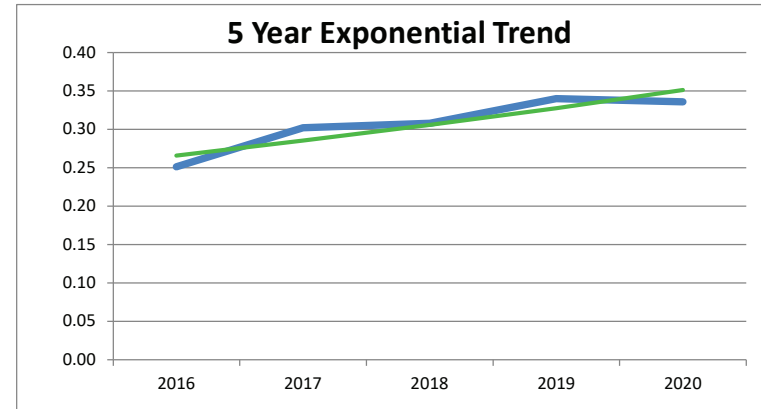
Past: Same trends as All incl T, comments still apply. Set equal to their trend.
 Future: Same trends as All incl T, comments still apply. Set equal to their trend.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 7.20%	1.0000	Past 7.20%
Future 5.71%		Future 5.71%

Trend Selection Notes:

Past: Same approach as All incl T, comments still apply.
 Future: Same approach as All incl T, comments still apply.

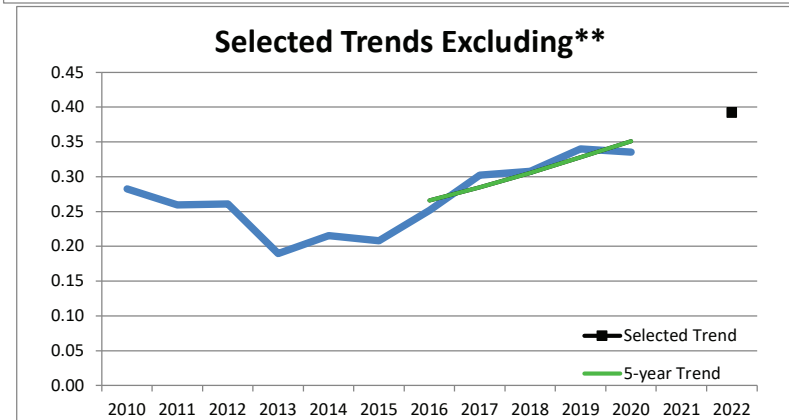
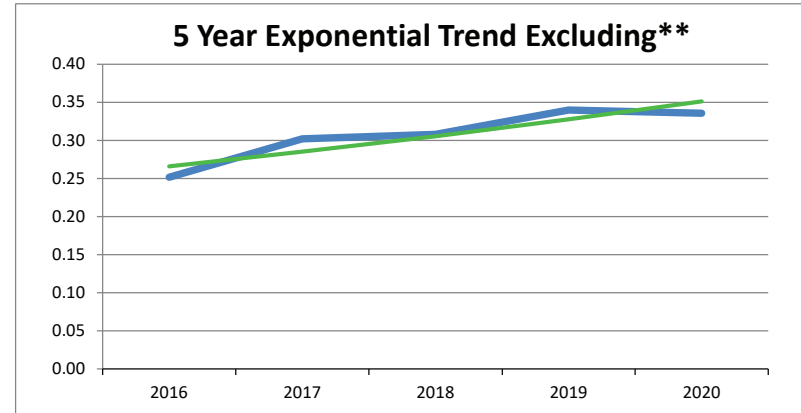


SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Light Vehicles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	3.25%	0.2983
10 -yr exp trend excl **	4.83%	0.4923
9 -yr exp trend excl **	6.61%	0.6601
8 -yr exp trend excl **	9.51%	0.9305
7 -yr exp trend excl **	9.41%	0.8976
6 -yr exp trend excl **	9.93%	0.8637
5 -yr exp trend excl **	7.20%	0.8292
4 -yr exp trend excl **	4.23%	0.8060
3 -yr exp trend excl **	4.42%	0.6454

** Years excluded: None



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Light Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.21%	0.8257
10-yr exp trend	5.76%	0.7676
9-yr exp trend	5.41%	0.6868
8-yr exp trend	4.67%	0.5592
7-yr exp trend	2.62%	0.3416
6-yr exp trend	0.72%	0.0435
5-yr exp trend	-0.73%	0.0345
4-yr exp trend	-4.45%	0.9764
3-yr exp trend	-4.45%	0.9428

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 2.89%	1.0000	Past 2.89%
Future 2.89%		Future 2.89%

Trend Selection Notes:

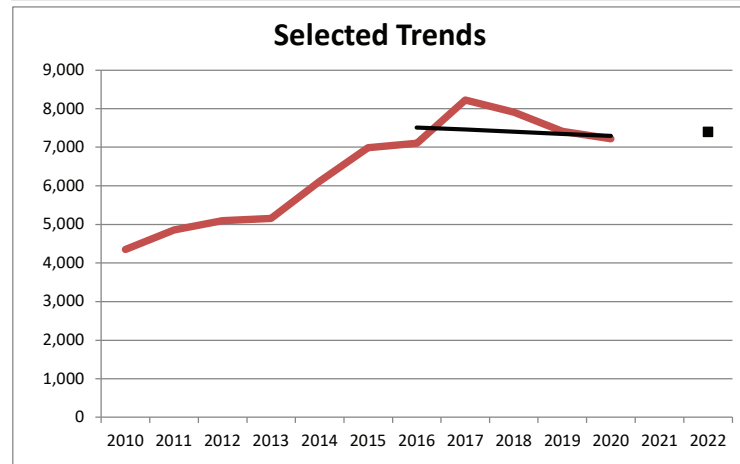
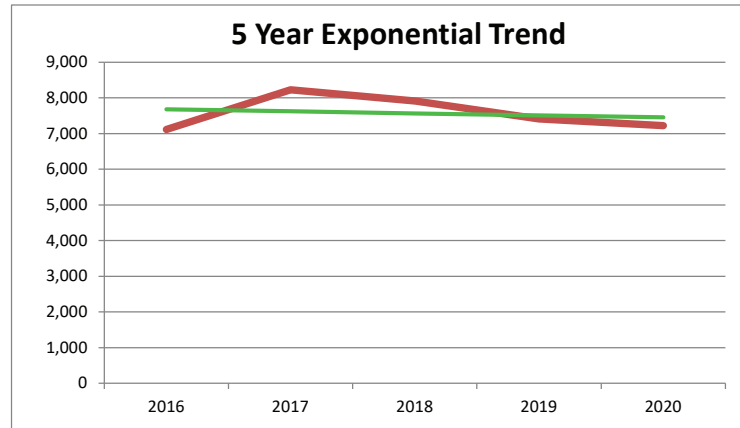
Past: Select 5 year trend to reflect experience. Partial year did reverse but it is credible.
 Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road, but select equal to past for now and keep an eye on it for the future.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past -0.73%	1.0000	Past -0.73%
Future 0.72%		Future 0.72%

Trend Selection Notes:

Past: Select 5-yr trend to reflect experience. There has been a reversion back to 2016 levels but the climb from 2017 to 2018 is also credible.
 Future: Past increases have been attributed to more costly technology in vehicles. That trend is likely to continue as more new vehicles hit the road. Excluding the spike in 2017 through 2018 severity has remained relatively flat. This spike is largely due to a higher proportion of high cost vehicles being stolen in that year and does not appear to be part of a trend. The threshold for declaring total losses was also lowered in 2016 (2017 fiscal year), which led to more theft claims being deemed total losses and later in 2017 the threshold was increased. Need to keep an eye on in the future but assume a small increasing trend due to the long term positive trends but not at the same level seen from 2010-2015 (more like 2015-2020 excluding the 2017 & 2018 spike).



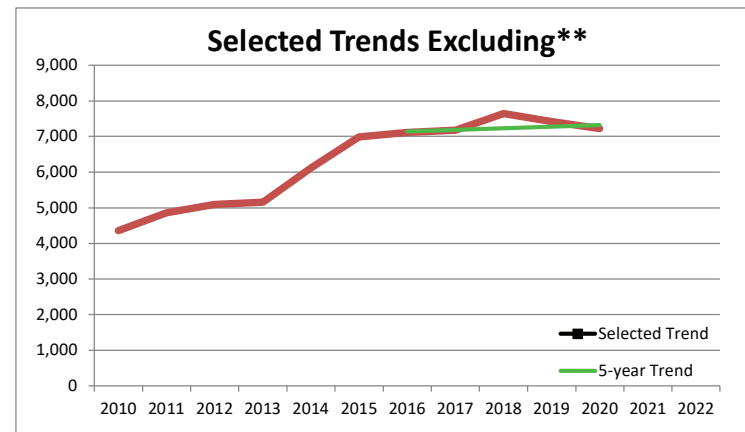
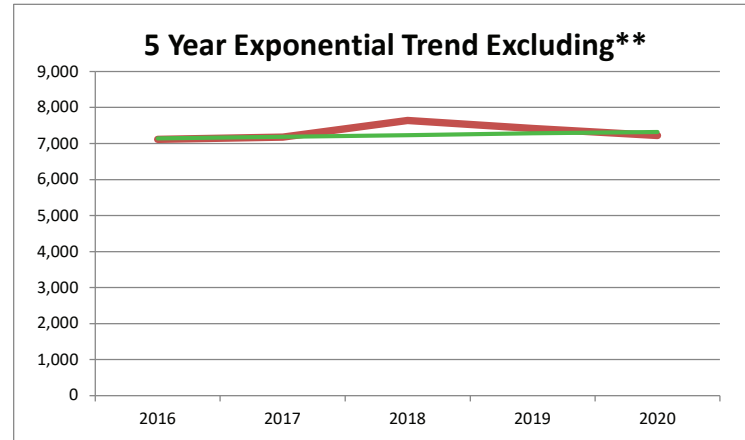
SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5

Severity for Light Vehicles
Excluding Years: 2016/2017, 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	5.57%	0.8451
10 -yr exp trend excl **	5.07%	0.8005
9 -yr exp trend excl **	4.71%	0.7332
8 -yr exp trend excl **	4.05%	0.6310
7 -yr exp trend excl **	2.24%	0.5860
6 -yr exp trend excl **	0.86%	0.6560
5 -yr exp trend excl **	0.62%	0.3762
4 -yr exp trend excl **	-2.58%	1.0000
3 -yr exp trend excl **	-2.58%	1.0000

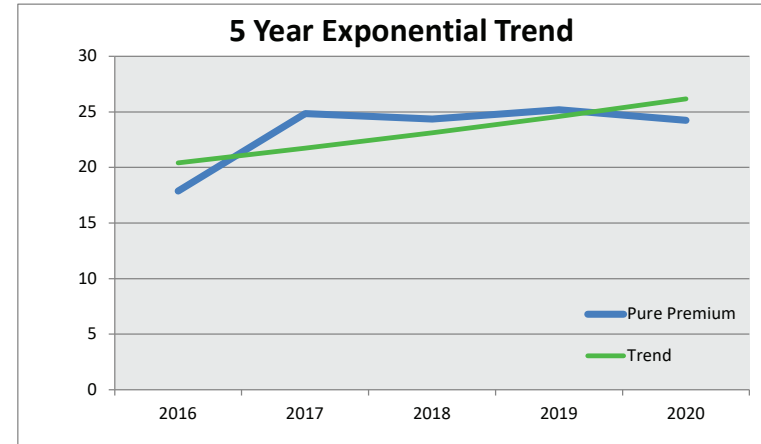
** Years excluded: 2016/2017, 2017/2018



SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Light Vehicles

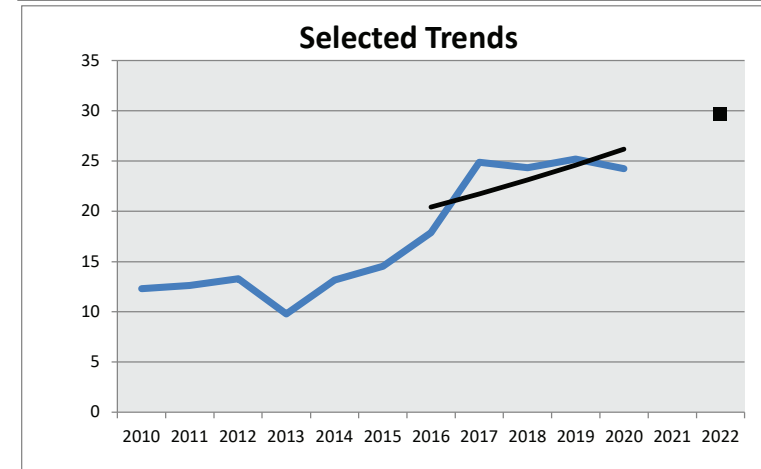
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	9.67%	0.7818
10-yr exp trend	10.87%	0.7982
9-yr exp trend	12.38%	0.8181
8-yr exp trend	14.63%	0.8606
7-yr exp trend	12.27%	0.8055
6-yr exp trend	10.72%	0.6899
5-yr exp trend	6.42%	0.4628
4-yr exp trend	-0.41%	0.0891
3-yr exp trend	-0.23%	0.0117



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	15.72%	15.72%
Future	15.72%	15.72%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	6.42%	6.42%
Future	6.47%	6.47%

Trend Selection Notes:

Calculated Past Trend = 6.42%

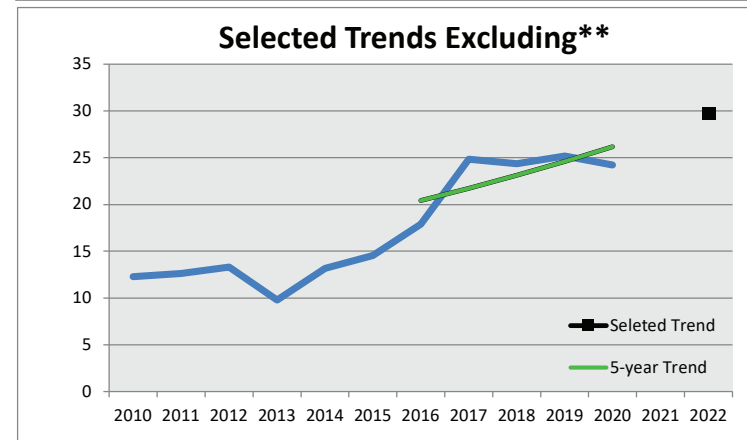
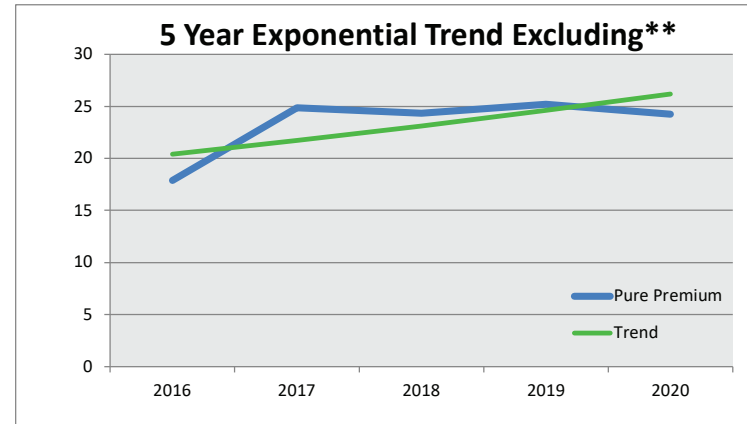
Calculated Future Trend = 6.47%

SGI
 Class Group: CLEAR, Farm Vehicles - Light Trucks - 1993 & Older, LV - Antiques, Hearses, L - Dealer Plates, LV - Motorcycles, LV - Motorhomes, LV - Pedal Cycle, PT - Taxis(Urban), T - Utility

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Light Vehicles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	9.67%	0.7818
10 -yr exp trend excl **	10.87%	0.7982
9 -yr exp trend excl **	12.38%	0.8181
8 -yr exp trend excl **	14.63%	0.8606
7 -yr exp trend excl **	12.27%	0.8055
6 -yr exp trend excl **	10.72%	0.6899
5 -yr exp trend excl **	6.42%	0.4628
4 -yr exp trend excl **	-0.41%	0.0891
3 -yr exp trend excl **	-0.23%	0.0117

** Years excluded: None



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

Heavy Vehicles

Fiscal Year	Earned Exposures	Claim Count		Ultimate Claim Count Adjustment	Ultimate Number of Claims	Incurred Loss		Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor			Incurred Losses	Development Factor			Labour Rate	Change Factor				
2009/2010	104,064	85	0.8737	1.0000	75	486,694	0.9293	1.0065	1.0404	473,633	0.07	6,342	4.55		
2010/2011	106,942	90	0.8685	1.0000	78	388,652	0.9274	1.0065	1.0386	376,808	0.07	4,810	3.52		
2011/2012	111,291	105	0.8764	1.0000	92	437,289	0.9511	1.0065	1.0382	434,595	0.08	4,709	3.91		
2012/2013	117,317	76	0.8584	1.0000	65	350,030	1.0603	1.0069	1.0357	387,048	0.06	5,916	3.30		
2013/2014	121,444	69	0.8609	1.0000	60	325,625	1.0669	1.0069	1.0307	360,575	0.05	6,060	2.97		
2014/2015	124,487	107	0.8597	1.0000	92	474,398	1.0783	1.0069	1.0179	524,343	0.07	5,690	4.21		
2015/2016	124,986	135	0.8432	1.0000	114	588,944	1.1242	1.0066	1.0069	671,069	0.09	5,885	5.37		
2016/2017	123,118	159	0.8525	1.0000	136	749,221	1.1560	1.0067	1.0001	871,946	0.11	6,425	7.08		
2017/2018	122,901	190	0.8597	1.0000	164	1,290,686	1.1368	1.0002	1.0001	1,467,574	0.13	8,965	11.94		
2018/2019	122,784	161	0.9093	1.0000	146	888,331	1.2102	1.0000	1.0001	1,075,192	0.12	7,342	8.76		
2019/2020	122,560	145	0.9491	1.0000	138	1,045,430	1.0592	1.0000	1.0000	1,107,343	0.11	8,033	9.04		
Ratio 2011/2010	1.0276				1.0490					0.7956	1.0207	0.7584	0.7742		
Ratio 2012/2011	1.0407				1.1780					1.1534	1.1320	0.9791	1.1083		
Ratio 2013/2012	1.0541				0.7089					0.8906	0.6725	1.2563	0.8449		
Ratio 2014/2013	1.0352				0.9095					0.9316	0.8786	1.0243	0.8999		
Ratio 2015/2014	1.0251				1.5485					1.4542	1.5107	0.9391	1.4186		
Ratio 2016/2015	1.0040				1.2374					1.2798	1.2325	1.0342	1.2747		
Ratio 2017/2016	0.9851				1.1902					1.2993	1.2082	1.0917	1.3191		
Ratio 2018/2017	0.9982				1.2063					1.6831	1.2084	1.3952	1.6861		
Ratio 2019/2018	0.9991				0.8945					0.7326	0.8954	0.8190	0.7333		
Ratio 2020/2019	0.9982				0.9414					1.0299	0.9431	1.0940	1.0318		

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

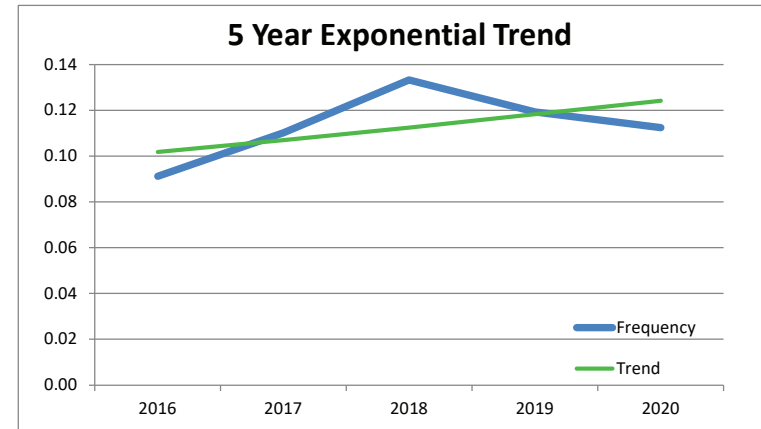
Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-2

Frequency for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	7.16%	0.5157
10-yr exp trend	8.46%	0.5499
9-yr exp trend	10.33%	0.6036
8-yr exp trend	14.41%	0.7954
7-yr exp trend	14.64%	0.7277
6-yr exp trend	9.22%	0.6128
5-yr exp trend	5.10%	0.3246
4-yr exp trend	-0.50%	0.0057
3-yr exp trend	-8.11%	0.9695



2020 Rate Program

Selected Trends

Past	20.00%
Future	20.00%

Credibility

0.8107

Complement: All Vehicles incl Trailers

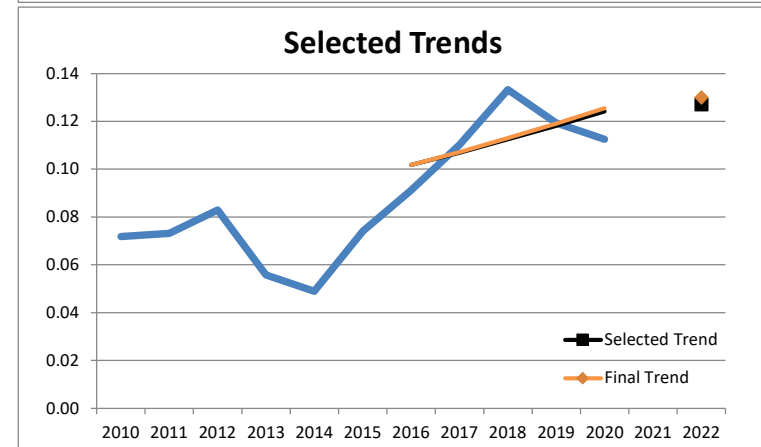
Credibility Weighted Trends

Past	18.58%
Future	18.58%

Trend Selection Notes:

Past: Similar to All Incl T, with steep trend in recent years. Likely the result of increased theft of equipment attached to heavy vehicles. Keep 20% selection which is consistent with the 5 year trend excluding the partial year.

Future: No known reason to deviate from past.



2021 Rate Program

Selected Trends

Past	5.10%
Future	1.15%

Credibility

0.8551

Complement: All Vehicles incl Trailers

Final Trends

Past	5.38%
Future	1.77%

Trend Selection Notes:

Past: Select 5-yr trend to reflect latest experience. The fit of this trend is comparable to the long term trends with the 2018 peak excluded as well. The spike in 2018 is assumed to be due to catalytic converter thefts, which have continued but not to the same extent.

Future: Assume a reduced positive trend for the future based on the underlying 4-yr trend excluding 2018, which is skewed by multiple high cost catalytic filters being stolen from two business compounds.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

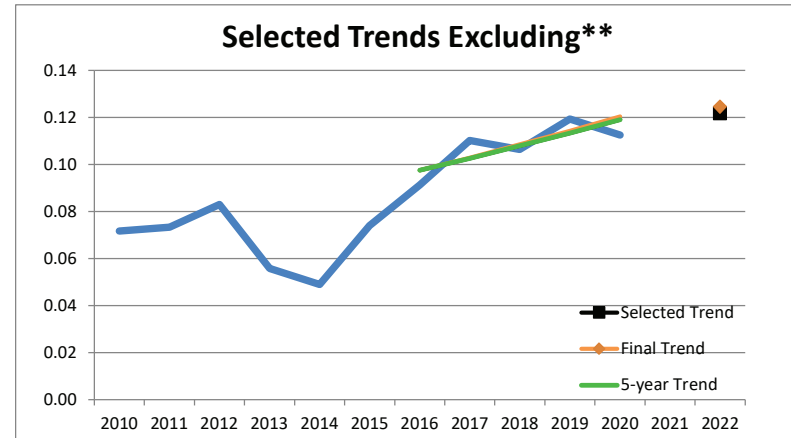
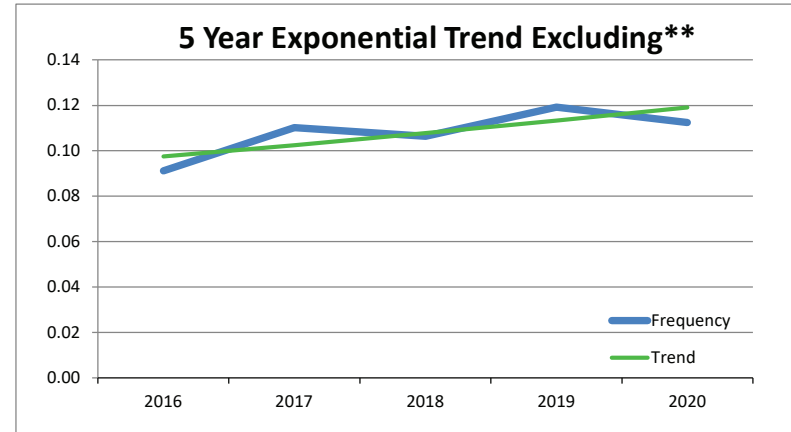
Exhibit 3 - Page 2-3

Frequency for Heavy Vehicles

Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	6.29%	0.4699
10 -yr exp trend excl **	7.53%	0.5126
9 -yr exp trend excl **	9.34%	0.5800
8 -yr exp trend excl **	13.37%	0.8143
7 -yr exp trend excl **	13.59%	0.7552
6 -yr exp trend excl **	8.48%	0.7426
5 -yr exp trend excl **	5.10%	0.6133
4 -yr exp trend excl **	1.15%	0.1814
3 -yr exp trend excl **	-5.69%	1.0000

** Years excluded: 2017/2018



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

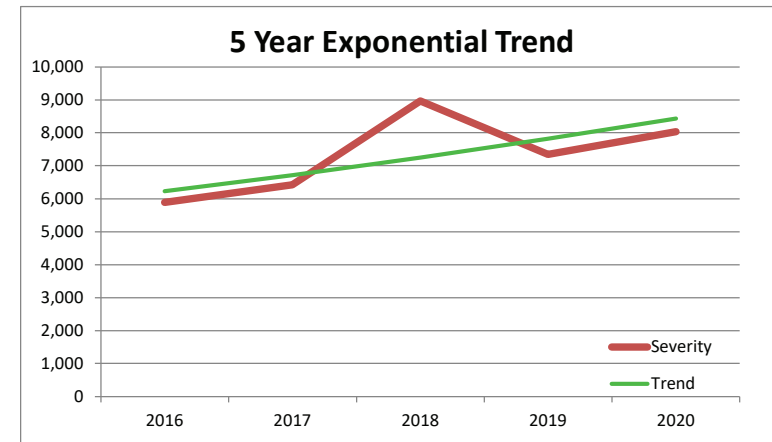
Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-4

Severity for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	4.59%	0.5764
10-yr exp trend	6.26%	0.7892
9-yr exp trend	6.34%	0.7369
8-yr exp trend	5.57%	0.6265
7-yr exp trend	6.55%	0.6293
6-yr exp trend	8.08%	0.6503
5-yr exp trend	7.85%	0.5015
4-yr exp trend	4.81%	0.1854
3-yr exp trend	-5.34%	0.3013



2020 Rate Program

Selected Trends

Past	6.83%
Future	4.08%

Credibility

0.8107

Complement: All Vehicles incl Trailers

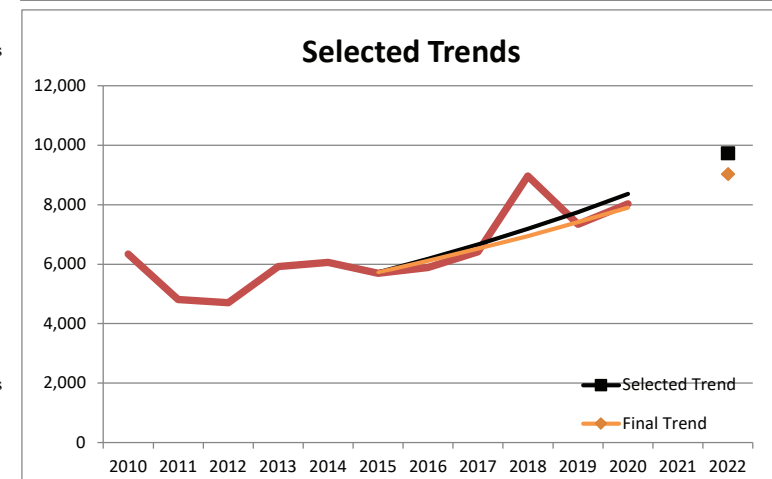
Credibility Weighted Trends

Past	6.11%
Future	3.89%

Trend Selection Notes:

Past: Select 5 year trend incl 2018 to reflect experience. Partial year helps to balance the 2017/2018 costs which were due to catalytic converter (high cost component) thefts.

Future: These high cost component thefts now make up a higher proportion of thefts so wouldn't expect the future severity trends to increase as much (at least due to those thefts). Select the longer term trend (excl. 2017/2018) which has been consistent. The spike is also due to multiple high cost thefts in a few compounds.



2021 Rate Program

Selected Trends

Past	7.85%
Future	7.85%

Credibility

0.8551

Complement: All Vehicles incl Trailers

Final Trends

Past	6.65%
Future	6.84%

Trend Selection Notes:

Past: Select the 5-yr trend. Excluding the 2018 spike (due to multiple catalytic converter thefts from a couple theft events) it is a good fit and reflective of the period.

Future: Select the same as past.

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

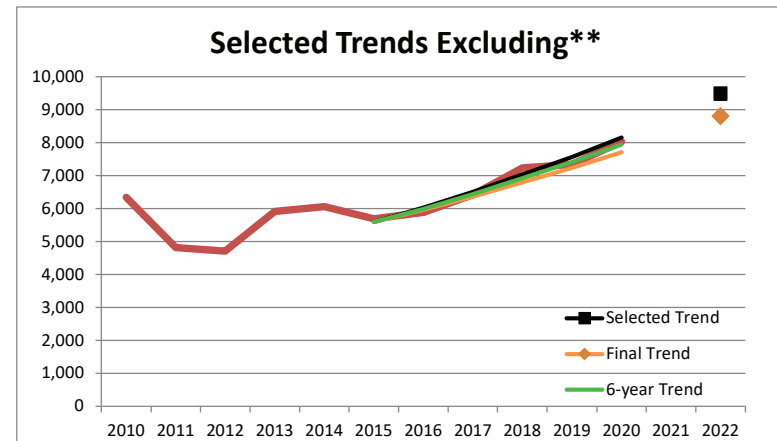
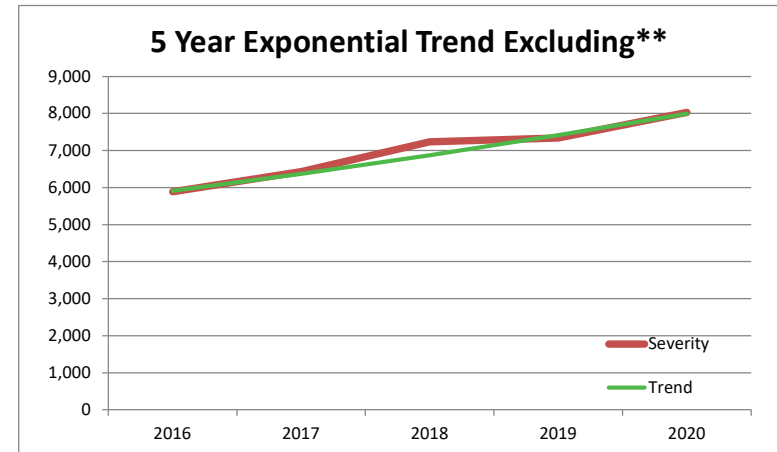
Exhibit 3 - Page 2-5

Severity for Heavy Vehicles

Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.83%	0.5785
10 -yr exp trend excl **	5.45%	0.8804
9 -yr exp trend excl **	5.45%	0.8441
8 -yr exp trend excl **	4.61%	0.7988
7 -yr exp trend excl **	5.58%	0.8589
6 -yr exp trend excl **	7.28%	0.9899
5 -yr exp trend excl **	7.85%	0.9966
4 -yr exp trend excl **	7.61%	0.9939
3 -yr exp trend excl **	9.40%	1.0000

** Years excluded: 2017/2018



SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

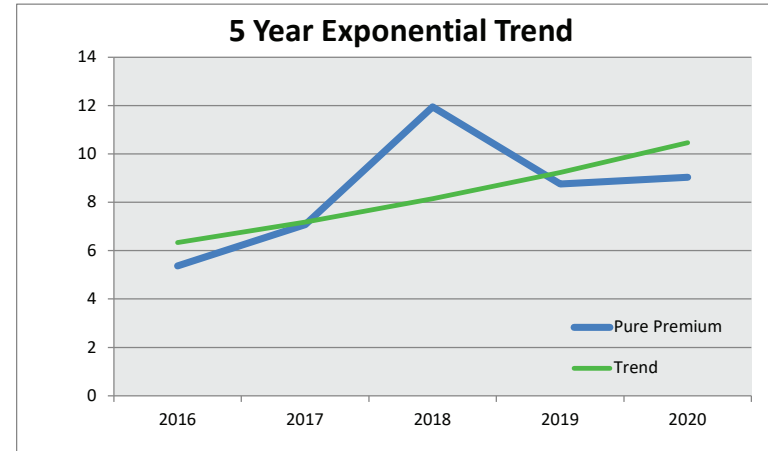
Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for Heavy Vehicles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	12.08%	0.6570
10-yr exp trend	15.24%	0.7719
9-yr exp trend	17.33%	0.7847
8-yr exp trend	20.79%	0.8322
7-yr exp trend	22.15%	0.7936
6-yr exp trend	18.04%	0.6702
5-yr exp trend	13.35%	0.4416
4-yr exp trend	4.29%	0.0640
3-yr exp trend	-13.02%	0.6668



2020 Rate Program

Selected Trends

Past	28.19%
Future	24.90%

Credibility

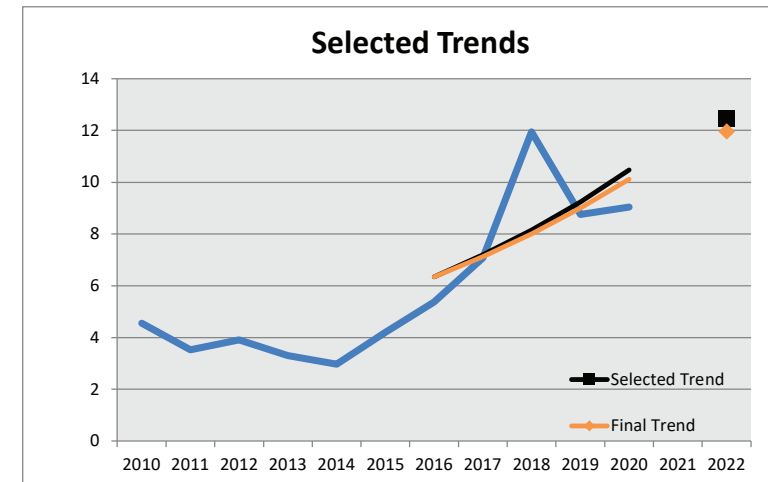
0.8107

Complement: All Vehicles incl Trailers

Credibility Weighted Trends

Past	25.83%
Future	23.19%

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	13.35%
Future	9.09%

Credibility

0.8551

Complement: All Vehicles incl Trailers

Final Trends

Past	12.38%
Future	8.73%

Trend Selection Notes:

Calculated Past Trend = 13.35%

Calculated Future Trend = 9.09%

SGI

Class Group: A - Heavy Trucks IRP, A - Heavy Trucks Non-IRP, A - Power Units IRP, A - Power Units Non-IRP, C&D - Heavy Trucks, C&D - Power Units, C&D - Non Resident, Farm Vehicles - Heavy Trucks, Farm Vehicles - Power Units, Industrial Tracked Vehicles, PV - Heavy Trucks, PV - Power Units, PV - Converted Vehicles, TS - Commercial Trailers, Ambulances, LV - Buses, LV - Buses(restricted), PB - Passenger Inter-City Buses, PC - Passenger City Buses, - PS - Passenger School Buses

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

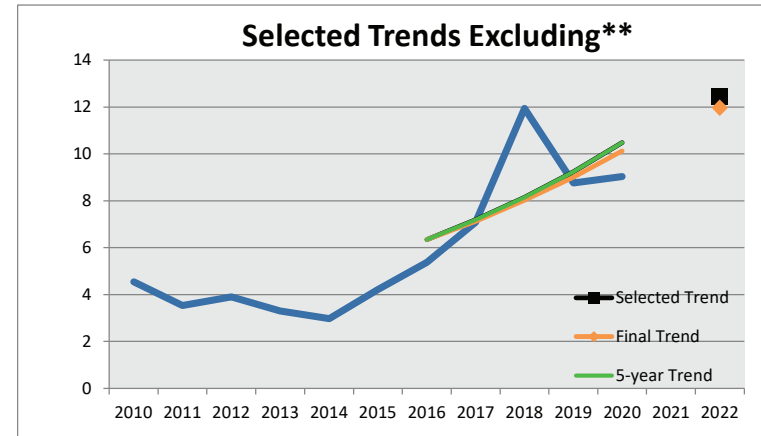
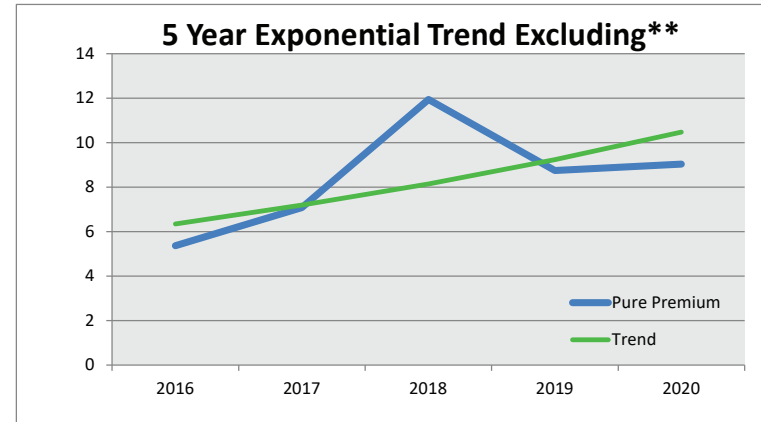
Exhibit 3 - Page 2-7

Pure Premium for Heavy Vehicles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	12.08%	0.6570
10 -yr exp trend excl **	15.24%	0.7719
9 -yr exp trend excl **	17.33%	0.7847
8 -yr exp trend excl **	20.79%	0.8322
7 -yr exp trend excl **	22.15%	0.7936
6 -yr exp trend excl **	18.04%	0.6702
5 -yr exp trend excl **	13.35%	0.4416
4 -yr exp trend excl **	4.29%	0.0640
3 -yr exp trend excl **	-13.02%	0.6668

** Years excluded: None



SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

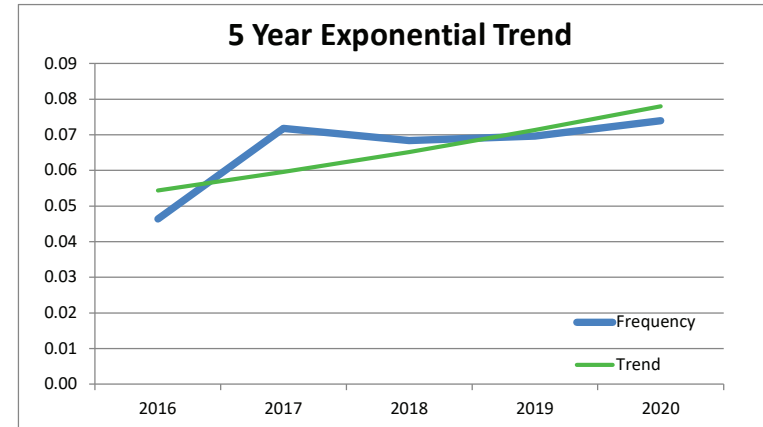
Trailers

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	61,104	41	0.8737	1.0000	36	182,541	0.9293	1.0086	1.0404	178,002	0.06	4,941	2.91
2010/2011	64,713	30	0.8685	1.0000	26	186,076	0.9274	1.0083	1.0386	180,727	0.04	6,921	2.79
2011/2012	68,884	33	0.8764	1.0000	29	184,578	0.9511	1.0086	1.0382	183,814	0.04	6,337	2.67
2012/2013	75,452	33	0.8584	1.0000	28	202,060	1.0603	1.0089	1.0357	223,873	0.04	7,881	2.97
2013/2014	79,561	32	0.8609	1.0000	28	248,849	1.0669	1.0088	1.0307	276,061	0.03	10,004	3.47
2014/2015	82,316	48	0.8597	1.0000	41	363,301	1.0783	1.0088	1.0179	402,273	0.05	9,732	4.89
2015/2016	85,533	47	0.8432	1.0000	40	256,858	1.1242	1.0087	1.0069	293,290	0.05	7,388	3.43
2016/2017	88,064	74	0.8525	1.0000	63	620,461	1.1560	1.0087	1.0001	723,544	0.07	11,456	8.22
2017/2018	90,649	72	0.8597	1.0000	62	339,200	1.1368	1.0021	1.0001	386,447	0.07	6,229	4.26
2018/2019	92,712	71	0.9093	1.0000	65	435,565	1.2102	1.0000	1.0001	527,186	0.07	8,163	5.69
2019/2020	95,139	74	0.9491	1.0000	70	502,142	1.0592	1.0000	1.0000	531,880	0.07	7,560	5.59
Ratio 2011/2010	1.0591				0.7249					1.0153	0.6845	1.4006	0.9587
Ratio 2012/2011	1.0645				1.1107					1.0171	1.0434	0.9157	0.9555
Ratio 2013/2012	1.0953				0.9794					1.2179	0.8942	1.2435	1.1119
Ratio 2014/2013	1.0545				0.9714					1.2331	0.9213	1.2694	1.1694
Ratio 2015/2014	1.0346				1.4979					1.4572	1.4478	0.9728	1.4084
Ratio 2016/2015	1.0391				0.9604					0.7291	0.9242	0.7592	0.7017
Ratio 2017/2016	1.0296				1.5910					2.4670	1.5453	1.5506	2.3961
Ratio 2018/2017	1.0294				0.9822					0.5341	0.9542	0.5438	0.5189
Ratio 2019/2018	1.0228				1.0410					1.3642	1.0178	1.3105	1.3338
Ratio 2020/2019	1.0262				1.0894					1.0089	1.0616	0.9261	0.9832

SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

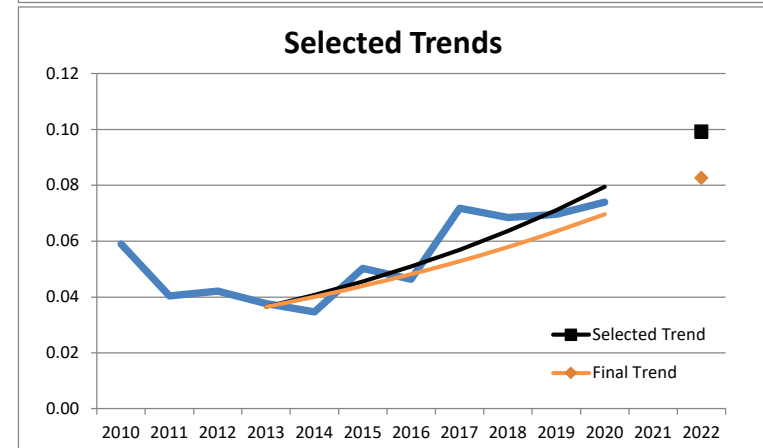
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Trailers

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	5.95%	0.4615
10-yr exp trend	8.90%	0.7699
9-yr exp trend	10.18%	0.7906
8-yr exp trend	12.07%	0.8344
7-yr exp trend	12.56%	0.7861
6-yr exp trend	9.28%	0.6769
5-yr exp trend	9.44%	0.5533
4-yr exp trend	1.10%	0.1726
3-yr exp trend	3.95%	0.9102



2020 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	10.00%	0.5199	Past 11.19%
Future	10.00%		Future 11.19%

Trend Selection Notes:
 Past: Leave as past selection. Comparable to current 5 year trend and long term trend (Excl. first two data points). The most recent two years are not trusted due to very low volume of claims per year.
 Future: Same as Past.



2021 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Final Trends	
Past	11.74%	0.5593	Past 9.66%
Future	11.74%		Future 8.95%

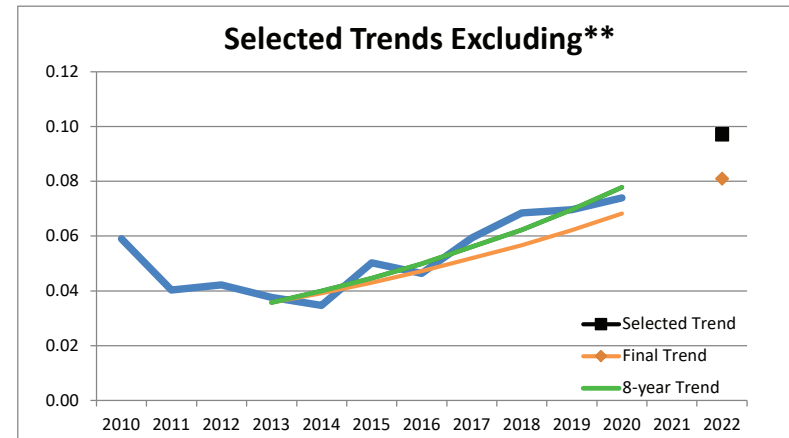
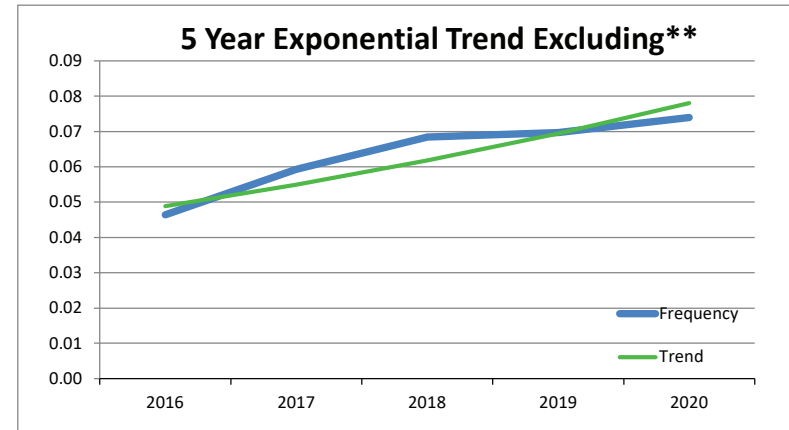
Trend Selection Notes:
 Past: Select the 8-yr trend excluding the 2017 fiscal year. Without that bump the fit of the line is fairly good and also matches up well with the 5-yr trend excluding the same point.
 Future: The latest experience, including 2017, has been flat though the history has been very volatile in this grouping and flat periods have been followed by sharp increases. Select same as past to focus on the long term trend.

SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Trailers
Excluding Years: 2016/2017

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	5.50%	0.4428
10 -yr exp trend excl **	8.44%	0.7995
9 -yr exp trend excl **	9.74%	0.8360
8 -yr exp trend excl **	11.74%	0.9063
7 -yr exp trend excl **	12.56%	0.8900
6 -yr exp trend excl **	9.98%	0.8640
5 -yr exp trend excl **	12.40%	0.8811
4 -yr exp trend excl **	3.95%	0.9102
3 -yr exp trend excl **	3.95%	0.9102

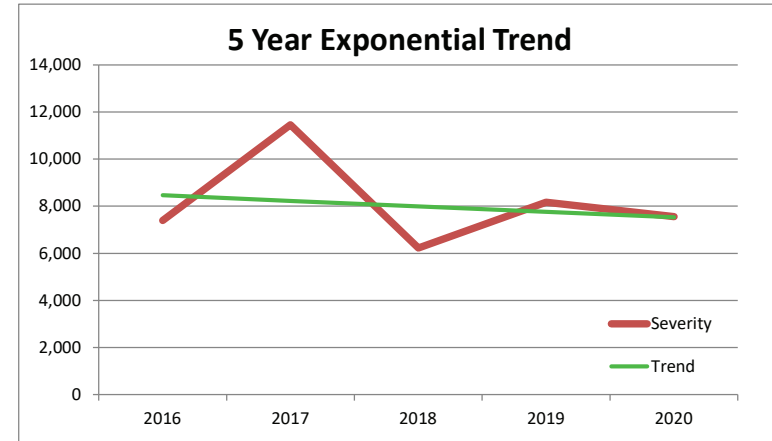
** Years excluded: 2016/2017



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Trailers

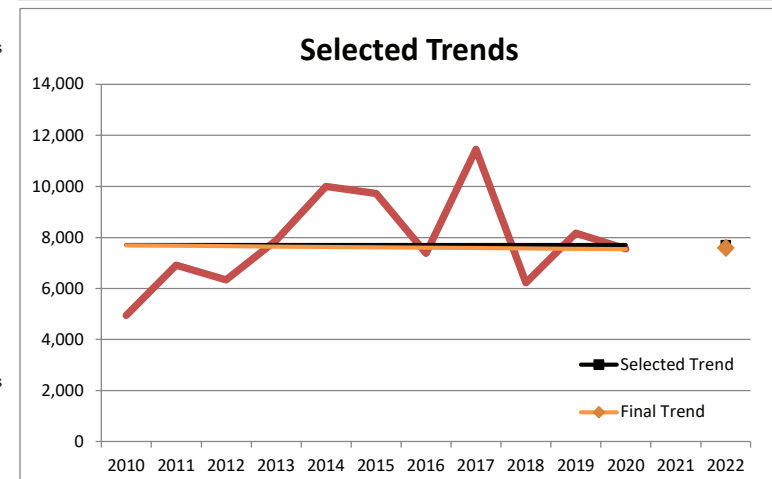
Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	2.93%	0.1591
10-yr exp trend	0.93%	0.0192
9-yr exp trend	0.05%	0.0000
8-yr exp trend	-2.59%	0.1073
7-yr exp trend	-4.75%	0.2496
6-yr exp trend	-4.39%	0.1510
5-yr exp trend	-2.89%	0.0426
4-yr exp trend	-9.30%	0.2460
3-yr exp trend	10.16%	0.4827



2020 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	0.00%	0.5199	Past 1.47%
Future	0.00%		Future 1.47%

Trend Selection Notes:

Past: Volatile, excluding the maximum and minimum the long term trend is near zero. Recent trends have been negative with long term trends on the positive side. Selecting no growth.
 Future: Assume same as past.



2021 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Final Trends	
Past	0.00%	0.5593	Past -0.19%
Future	0.00%		Future 0.39%

Trend Selection Notes:

Past: Volatile, excluding the maximum and minimum the long term trend is near zero. Recent trends have been negative with long term trends on the positive side. Selecting no growth.
 Future: Assume same as past.

SGI

Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

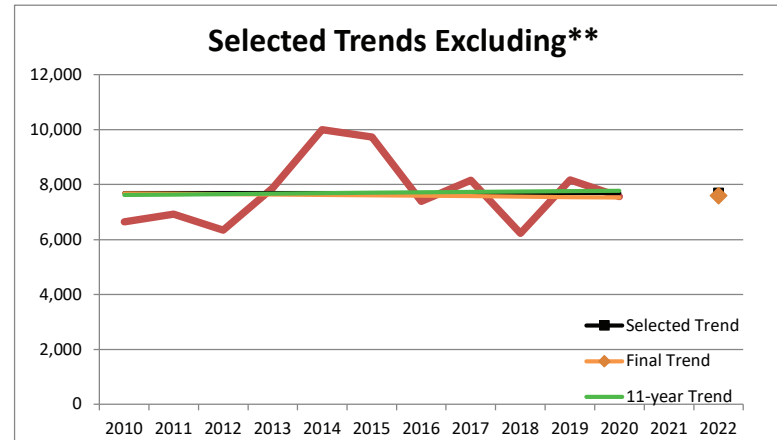
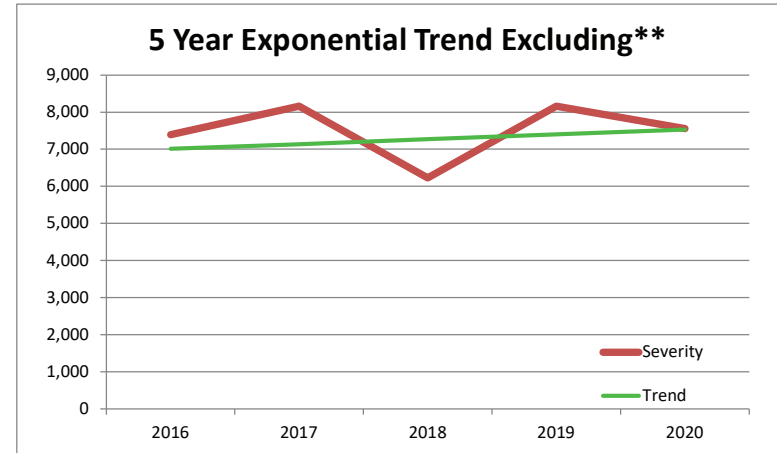
Exhibit 3 - Page 2-5

Severity for Trailers

Excluding Years: 2009/2010, 2016/2017

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	0.21%	0.0015
10 -yr exp trend excl **	0.21%	0.0015
9 -yr exp trend excl **	-0.60%	0.0102
8 -yr exp trend excl **	-3.02%	0.2442
7 -yr exp trend excl **	-4.75%	0.4132
6 -yr exp trend excl **	-3.37%	0.1923
5 -yr exp trend excl **	1.82%	0.0729
4 -yr exp trend excl **	10.16%	0.4827
3 -yr exp trend excl **	10.16%	0.4827

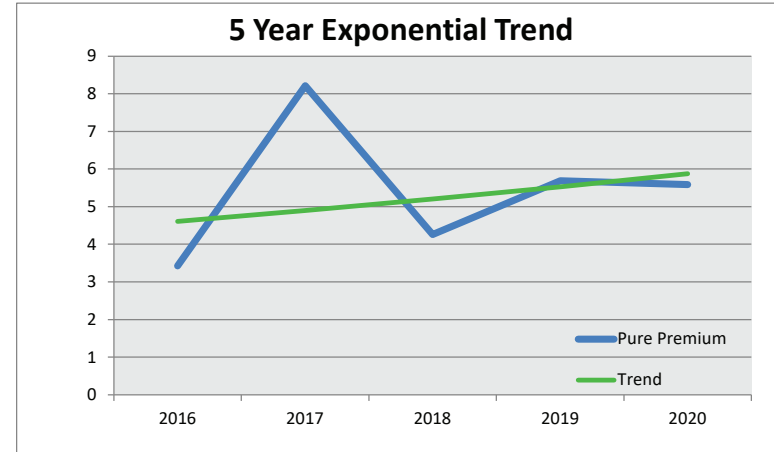
** Years excluded: 2009/2010, 2016/2017



SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

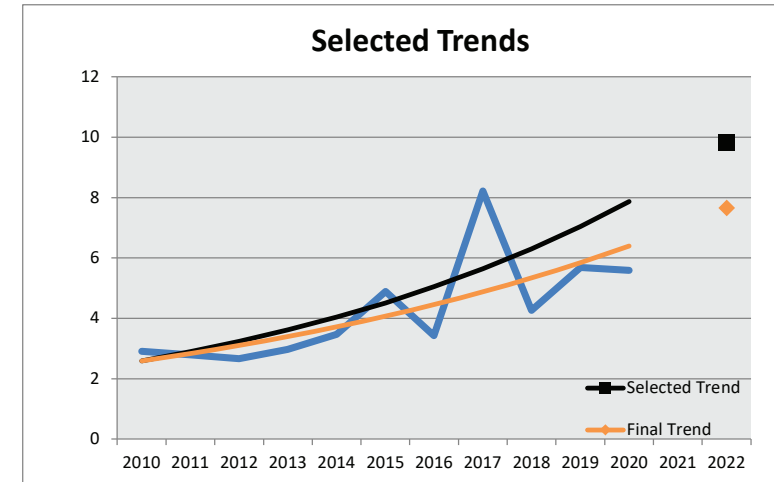
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	9.05%	0.6238
10-yr exp trend	9.91%	0.6061
9-yr exp trend	10.22%	0.5441
8-yr exp trend	9.17%	0.4108
7-yr exp trend	7.22%	0.2377
6-yr exp trend	4.48%	0.0766
5-yr exp trend	6.29%	0.0854
4-yr exp trend	-8.30%	0.1726
3-yr exp trend	14.52%	0.7032



2020 Rate Program		Credibility	Complement: All Vehicles incl Trailers	
Selected Trends			Credibility Weighted Trends	
Past	10.00%	0.5199	Past	12.83%
Future	10.00%		Future	12.83%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: All Vehicles incl Trailers	
Selected Trends			Final Trends	
Past	11.74%	0.5593	Past	9.44%
Future	11.74%		Future	9.38%

Trend Selection Notes:

Calculated Past Trend = 11.74%

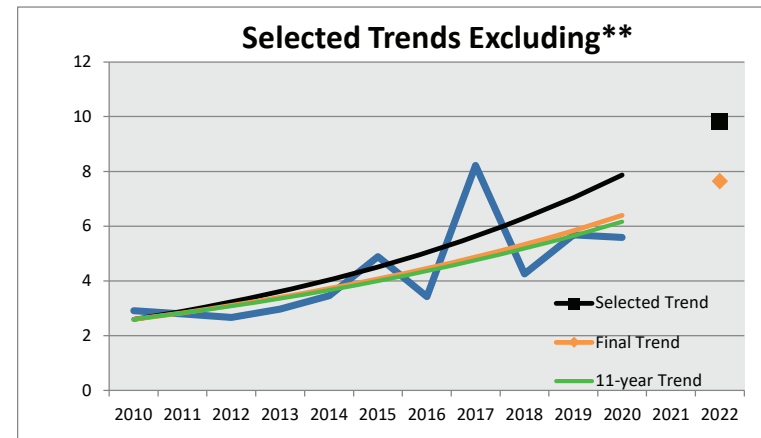
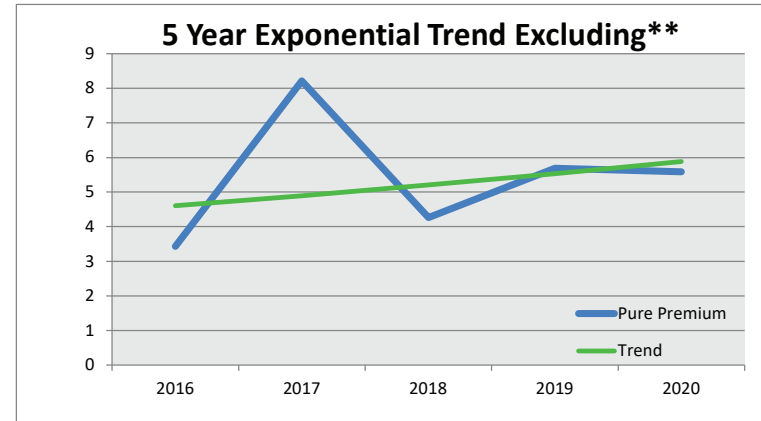
Calculated Future Trend = 11.74%

SGI
 Class Group: F - Trailers, LT - Trailer Dealer/Mover, T - Personal Trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	9.05%	0.6238
10 -yr exp trend excl **	9.91%	0.6061
9 -yr exp trend excl **	10.22%	0.5441
8 -yr exp trend excl **	9.17%	0.4108
7 -yr exp trend excl **	7.22%	0.2377
6 -yr exp trend excl **	4.48%	0.0766
5 -yr exp trend excl **	6.29%	0.0854
4 -yr exp trend excl **	-8.30%	0.1726
3 -yr exp trend excl **	14.52%	0.7032

** Years excluded: None



SGI

Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Theft Coverage (42)

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

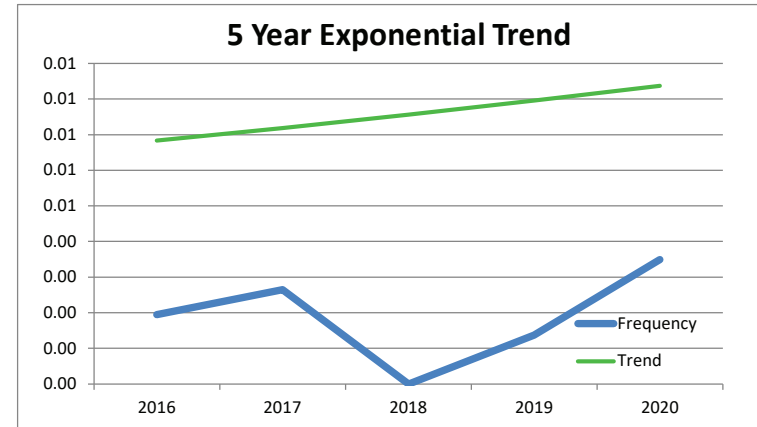
Heavy Excess Coverage

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	On-Level Labour Rate Change Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	85,258	1	0.8737	1.0000	1	1,403	0.9293	1.0065	1.0404	1,365	0.00	1,554	0.02
2010/2011	90,459	1	0.8685	1.0000	1	161	0.9274	1.0065	1.0386	156	0.00	180	0.00
2011/2012	98,871	1	0.8764	1.0000	1	4,764	0.9511	1.0065	1.0382	4,734	0.00	5,386	0.05
2012/2013	111,015	1	0.8584	1.0000	1	2,117	1.0603	1.0068	1.0357	2,341	0.00	2,719	0.02
2013/2014	126,453	1	0.8609	1.0000	1	20,714	1.0669	1.0068	1.0307	22,934	0.00	26,594	0.18
2014/2015	135,644	0	0.8597	1.0000	0	0	1.0783	1.0000	1.0179	0	0.00	0	0.00
2015/2016	129,908	3	0.8432	1.0000	3	16,455	1.1242	1.0065	1.0069	18,748	0.00	7,399	0.14
2016/2017	128,708	4	0.8525	1.0000	3	39,019	1.1560	1.0066	1.0001	45,406	0.00	13,300	0.35
2017/2018	133,661	0	0.8597	1.0000	0	0	1.1368	1.0000	1.0001	0	0.00	0	0.00
2018/2019	198,467	3	0.9093	1.0000	3	26,661	1.2102	1.0000	1.0001	32,269	0.00	11,826	0.16
2019/2020	136,190	5	0.9491	1.0000	5	48,387	1.0592	1.0000	1.0000	51,253	0.00	10,782	0.38
Ratio 2011/2010	1.0610						0.9907			0.1145	0.9337	0.1155	0.1079
Ratio 2012/2011	1.0930						1.0097			30.2927	0.9238	30.0012	27.7154
Ratio 2013/2012	1.1228						0.9794			0.4944	0.8723	0.5048	0.4403
Ratio 2014/2013	1.1391						1.0018			9.7982	0.8795	9.7805	8.6020
Ratio 2015/2014	1.0727						0.0000			0.0000	0.0000	0.0000	0.0000
Ratio 2016/2015	0.9577												
Ratio 2017/2016	0.9908						1.3474			2.4219	1.3599	1.7975	2.4444
Ratio 2018/2017	1.0385						0.0000			0.0000	0.0000	0.0000	0.0000
Ratio 2019/2018	1.4849												
Ratio 2020/2019	0.6862						1.7421			1.5883	2.5387	0.9117	2.3146

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

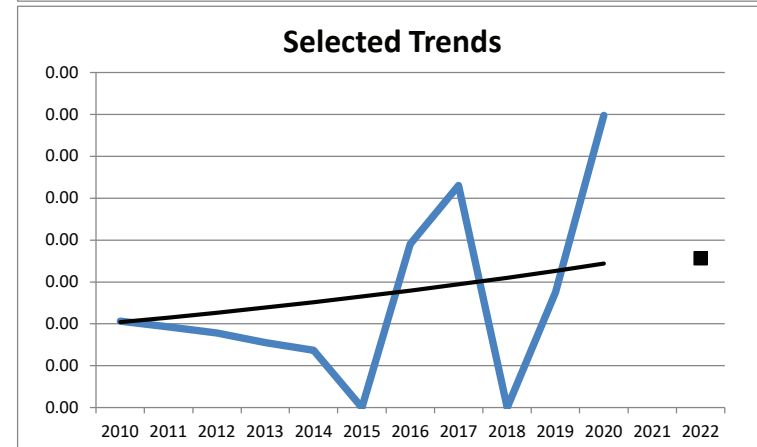
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	33.90%	0.1256
10-yr exp trend	34.00%	0.0977
9-yr exp trend	30.21%	0.0603
8-yr exp trend	18.62%	0.0188
7-yr exp trend	-7.03%	0.0025
6-yr exp trend	-48.76%	0.1560
5-yr exp trend	5.20%	0.0008
4-yr exp trend	-43.82%	0.0594
3-yr exp trend	-94.09%	0.6293



2020 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	18.58%	0.8107	Past 18.58%
Future	18.58%		Future 18.58%

Trend Selection Notes:
 Past: Not enough data to make a credible selection. Use the Heavy selection.
 Future: Same as past.



2021 Rate Program		Complement: Heavy Vehicles	
Selected Trends	Credibility	Final Trends	
Past	5.38%	0.1178	Past 5.38%
Future	1.77%		Future 1.77%

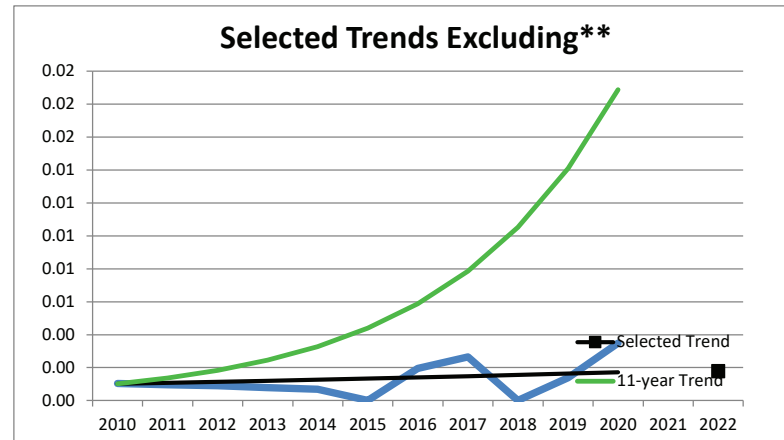
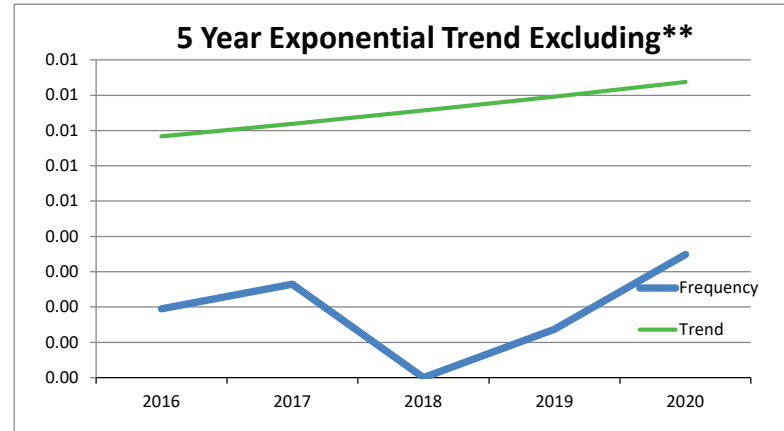
Trend Selection Notes:
 Past: Not enough data to make a credible selection. Use the Heavy selection.
 Future: Same as past.

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	33.90%	0.1256
10 -yr exp trend excl **	34.00%	0.0977
9 -yr exp trend excl **	30.21%	0.0603
8 -yr exp trend excl **	18.62%	0.0188
7 -yr exp trend excl **	-7.03%	0.0025
6 -yr exp trend excl **	-48.76%	0.1560
5 -yr exp trend excl **	5.20%	0.0008
4 -yr exp trend excl **	-43.82%	0.0594
3 -yr exp trend excl **	-94.09%	0.6293

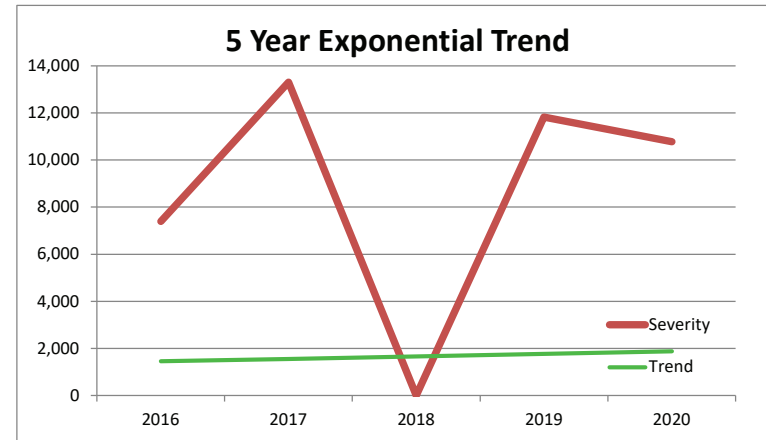
** Years excluded: None



SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

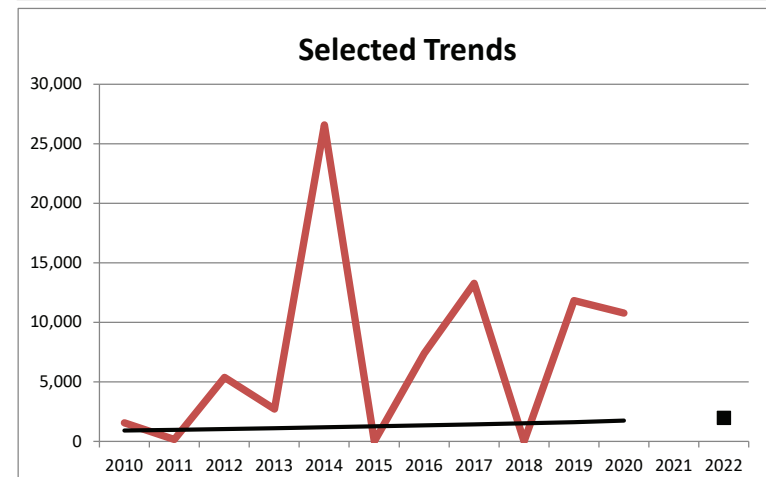
Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for Heavy Excess Coverage

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	2.35%	0.0004
10-yr exp trend	6.02%	0.0021
9-yr exp trend	-5.97%	0.0017
8-yr exp trend	7.63%	0.0018
7-yr exp trend	29.04%	0.0142
6-yr exp trend	199.04%	0.1831
5-yr exp trend	6.56%	0.0006
4-yr exp trend	139.85%	0.0579
3-yr exp trend	10283.52%	0.7425



2020 Rate Program		Complement: All Vehicles incl Trailers	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	6.11%	0.8107	Past 6.11%
Future	3.89%		Future 3.89%

Trend Selection Notes:
 Past: Not enough data to make a credible selection. Use the Heavy selection.
 Future: Same as past.



2021 Rate Program		Complement: Heavy Vehicles	
Selected Trends	Credibility	Final Trends	
Past	6.65%	0.1178	Past 6.65%
Future	6.84%		Future 6.84%

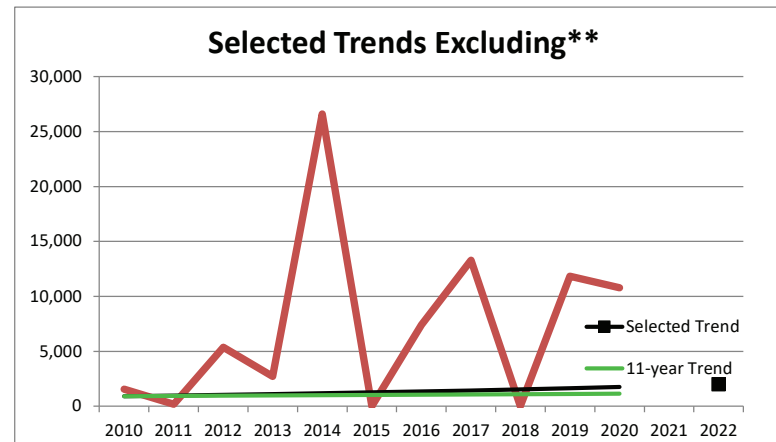
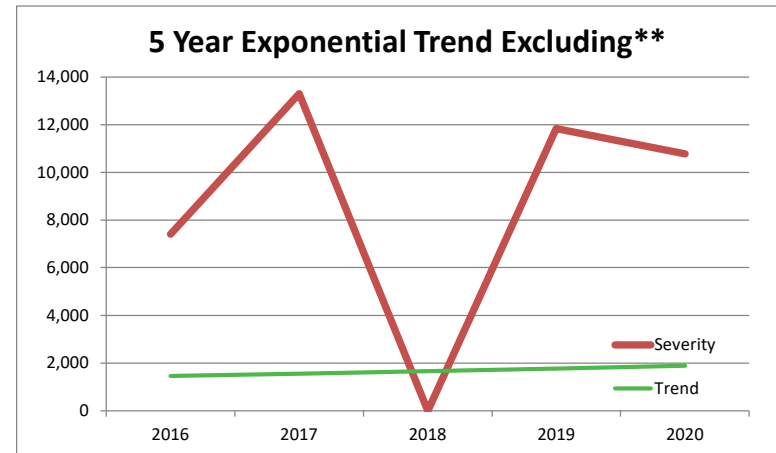
Trend Selection Notes:
 Past: Not enough data to make a credible selection. Use the Heavy selection.
 Future: Same as past.

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.35%	0.0004
10 -yr exp trend excl **	6.02%	0.0021
9 -yr exp trend excl **	-5.97%	0.0017
8 -yr exp trend excl **	7.63%	0.0018
7 -yr exp trend excl **	29.04%	0.0142
6 -yr exp trend excl **	199.04%	0.1831
5 -yr exp trend excl **	6.56%	0.0006
4 -yr exp trend excl **	139.85%	0.0579
3 -yr exp trend excl **	10283.52%	0.7425

** Years excluded: None

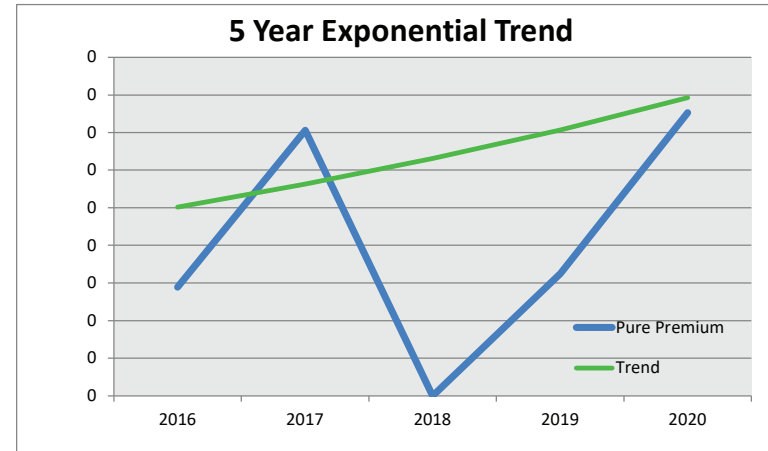


SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6

Pure Premium for Heavy Excess Coverage

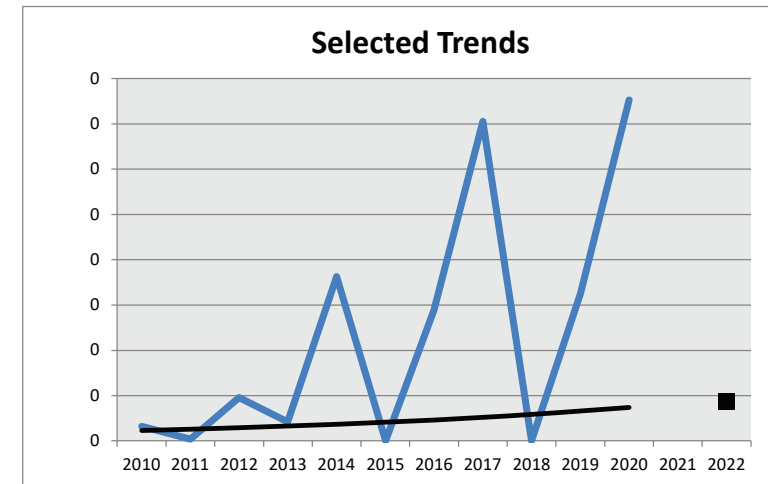
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	55.39%	0.5707
10-yr exp trend	58.86%	0.5262
9-yr exp trend	32.20%	0.3551
8-yr exp trend	27.67%	0.2315
7-yr exp trend	1.77%	0.0022
6-yr exp trend	-9.48%	0.0491
5-yr exp trend	12.10%	0.0538
4-yr exp trend	-14.98%	0.0792
3-yr exp trend	-38.65%	0.2889



2020 Rate Program

Selected Trends	Credibility	Complement: All Vehicles incl Trailers	Credibility Weighted Trends
Past	25.83%	0.8107	Past 25.83%
Future	23.19%		Future 23.19%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Complement: Heavy Vehicles	Final Trends
Past	12.38%	0.1178	Past 12.38%
Future	8.73%		Future 8.73%

Trend Selection Notes:

Calculated Past Trend = 12.38%

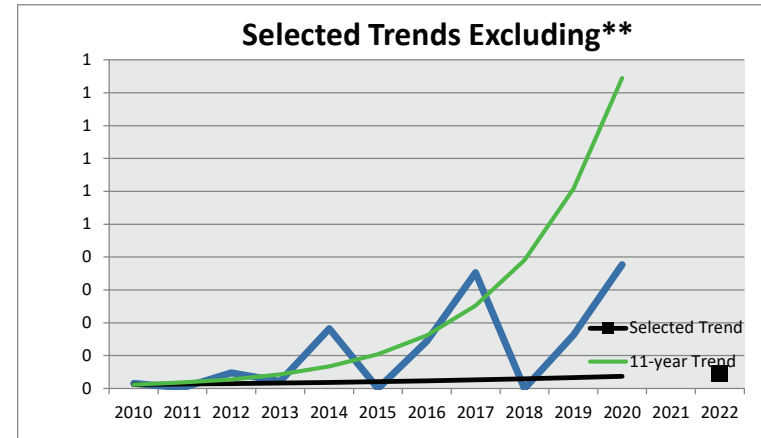
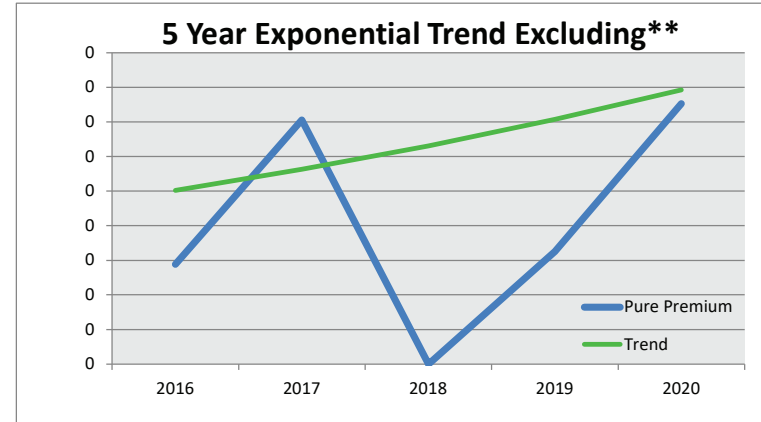
Calculated Future Trend = 8.73%

SGI
 Class Group: Class A-XS, Class CD-XS, Class TS-XS

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Theft Coverage (42)
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for Heavy Excess Coverage
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	55.39%	0.5707
10 -yr exp trend excl **	58.86%	0.5262
9 -yr exp trend excl **	32.20%	0.3551
8 -yr exp trend excl **	27.67%	0.2315
7 -yr exp trend excl **	1.77%	0.0022
6 -yr exp trend excl **	-9.48%	0.0491
5 -yr exp trend excl **	12.10%	0.0538
4 -yr exp trend excl **	-14.98%	0.0792
3 -yr exp trend excl **	-38.65%	0.2889

** Years excluded: None



Damage Catastrophes

SGI

Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Damage Catastrophes

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Including Trailers

Fiscal Year	Earned Exposures	Claim Count		Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss		On-Level		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor				Development Factor	Incurred Loss Adjustment	Labour Rate Change Factor					
2009/2010	1,013,299	159	1.0000	1.0000	159	620,071	1.0000	1.0273	1.1035	702,897	0.02	4,421	0.69	
2010/2011	1,034,805	7,121	1.0000	1.0000	7,121	27,703,232	0.7965	1.0333	1.0989	25,053,307	0.69	3,518	24.21	
2011/2012	1,059,924	14,124	0.9999	1.0000	14,123	51,804,618	0.6636	1.0297	1.0979	38,866,209	1.33	2,752	36.67	
2012/2013	1,094,843	4,281	0.9998	1.0000	4,280	11,950,206	1.0000	1.0290	1.0916	13,423,084	0.39	3,136	12.26	
2013/2014	1,113,002	9,314	0.9999	1.0000	9,313	42,723,920	0.3078	1.0298	1.0788	14,610,956	0.84	1,569	13.13	
2014/2015	1,129,759	3,360	0.9982	1.0000	3,354	17,085,190	1.0000	1.0310	1.0460	18,423,937	0.30	5,493	16.31	
2015/2016	1,145,428	5,496	0.9998	1.0000	5,495	27,806,431	0.9342	1.0312	1.0177	27,263,945	0.48	4,962	23.80	
2016/2017	1,145,211	8,472	1.0006	1.0000	8,477	37,746,588	0.6806	1.0328	1.0003	26,540,886	0.74	3,131	23.18	
2017/2018	1,151,318	10,826	1.0010	1.0000	10,837	37,297,487	0.9193	1.0261	1.0003	35,193,017	0.94	3,247	30.57	
2018/2019	1,150,427	4,932	1.0730	1.0000	5,292	33,152,971	0.7923	1.0095	1.0002	26,523,945	0.46	5,012	23.06	
2019/2020	1,157,115	3,324	1.2751	1.0000	4,238	22,959,911	1.3022	1.0023	1.0000	29,967,378	0.37	7,070	25.90	
Ratio 2011/2010	1.0212				44.7862					35.6429	43.8553	0.7958	34.9022	
Ratio 2012/2011	1.0243				1.9833					1.5513	1.9363	0.7822	1.5146	
Ratio 2013/2012	1.0329				0.3031					0.3454	0.2934	1.1396	0.3344	
Ratio 2014/2013	1.0166				2.1759					1.0885	2.1404	0.5002	1.0707	
Ratio 2015/2014	1.0151				0.3601					1.2610	0.3548	3.5013	1.2423	
Ratio 2016/2015	1.0139				1.6383					1.4798	1.6159	0.9032	1.4596	
Ratio 2017/2016	0.9998				1.5427					0.9735	1.5430	0.6310	0.9737	
Ratio 2018/2017	1.0053				1.2784					1.3260	1.2716	1.0372	1.3190	
Ratio 2019/2018	0.9992				0.4883					0.7537	0.4887	1.5434	0.7543	
Ratio 2020/2019	1.0058				0.8009					1.1298	0.7963	1.4107	1.1233	

SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2

Frequency for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	13.39%	0.1240	
10-yr exp trend	-5.09%	0.1096	
9-yr exp trend	-5.71%	0.1024	
8-yr exp trend	0.54%	0.0010	
7-yr exp trend	-3.26%	0.0268	
6-yr exp trend	3.38%	0.0208	
5-yr exp trend	-9.65%	0.1746	
4-yr exp trend	-24.62%	0.7152	
3-yr exp trend	-37.62%	0.9181	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	8.00%	Past 8.00%
Future	8.00%	Future 8.00%

Trend Selection Notes:

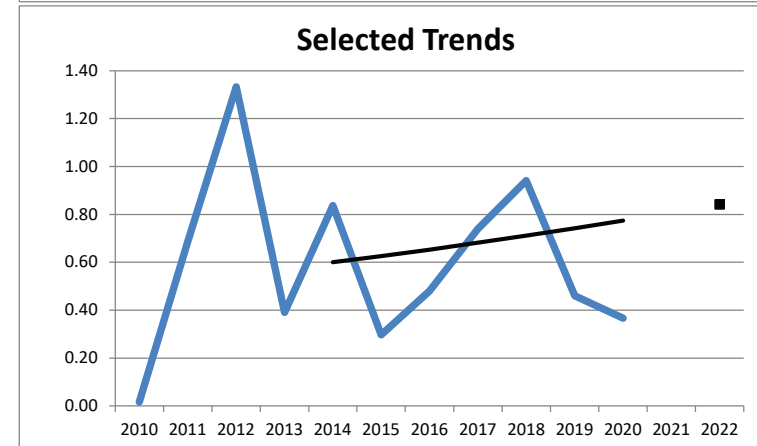
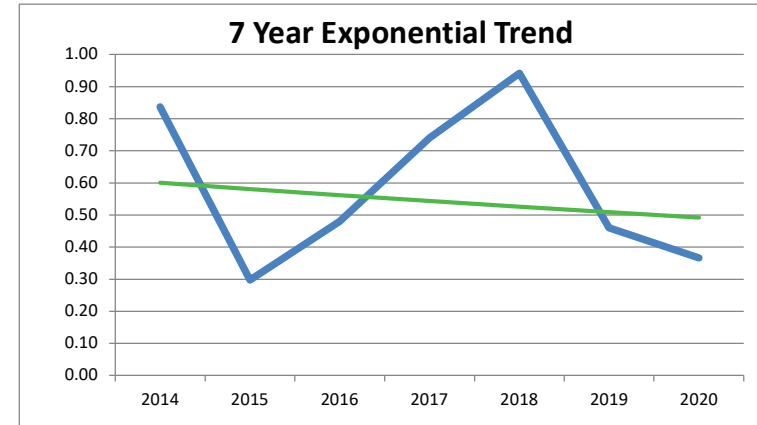
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.32%	Past 4.32%
Future	4.32%	Future 4.32%

Trend Selection Notes:

Past: To reflect the most recent experience and to help smooth over the year to year jumps select an average of the 7-yr and 8-yr trends excluding the latest year. The historical selection of 8% is too high in comparison to all but the 11-yr trend, which is due to an outlier year.

Future: Select same as past.

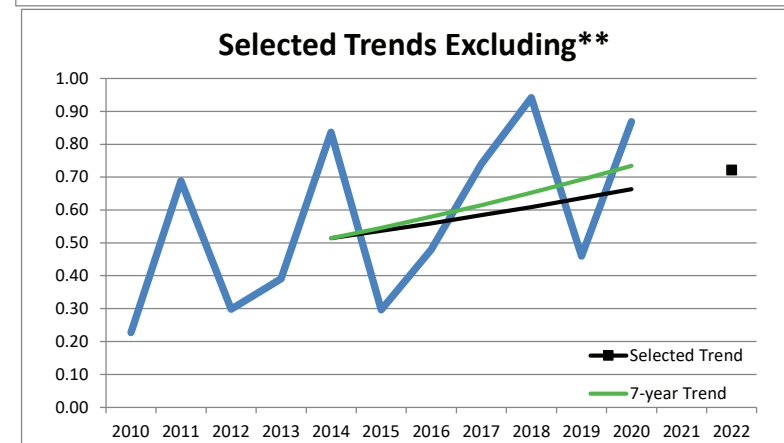
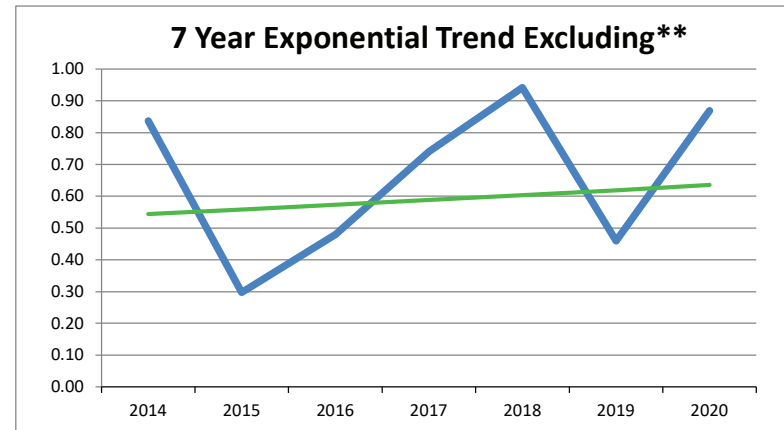


SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Including Trailers
Excluding Years: 2009/2010, 2011/2012, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	1.30%	0.0073
10 -yr exp trend excl **	1.30%	0.0073
9 -yr exp trend excl **	6.02%	0.0870
8 -yr exp trend excl **	6.02%	0.0870
7 -yr exp trend excl **	2.62%	0.0121
6 -yr exp trend excl **	16.76%	0.2981
5 -yr exp trend excl **	1.15%	0.0018
4 -yr exp trend excl **	-21.17%	0.4261
3 -yr exp trend excl **	-51.13%	1.0000

** Years excluded: 2009/2010, 2011/2012, 2019/2020



SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4

Severity for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	5.04%	0.1581
10-yr exp trend	7.95%	0.2923
9-yr exp trend	10.65%	0.3727
8-yr exp trend	11.92%	0.3438
7-yr exp trend	14.98%	0.3636
6-yr exp trend	3.87%	0.0506
5-yr exp trend	12.51%	0.3001
4-yr exp trend	33.35%	0.9210
3-yr exp trend	47.55%	0.9956

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	3.91%	Past 3.91%
Future	3.91%	Future 3.91%

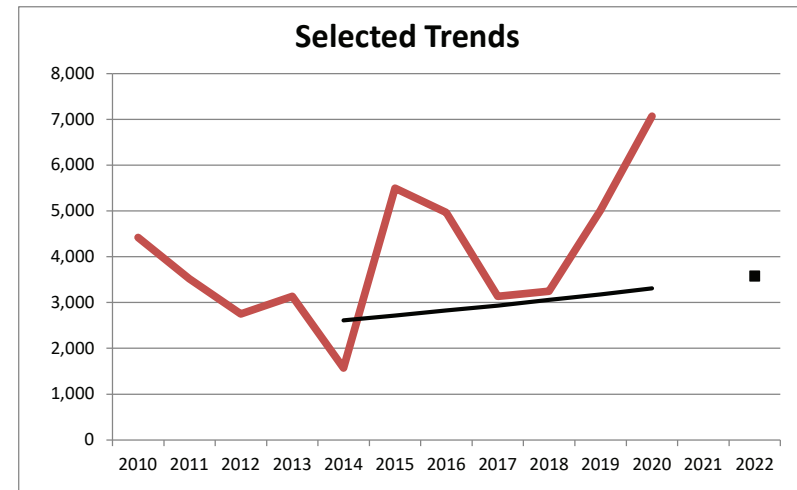
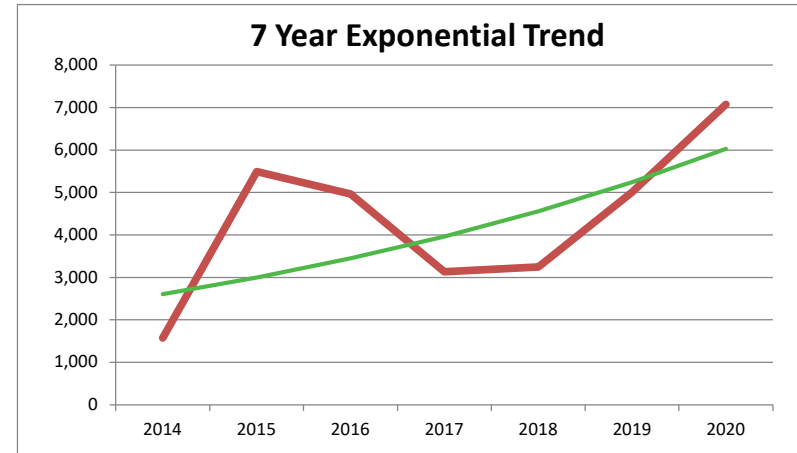
Trend Selection Notes:

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.04%	Past 4.04%
Future	4.04%	Future 4.04%

Trend Selection Notes:

Setting trend equal to the Cover 32 trend, which is expected to reflect the real trend incurred by storm-related costs. Ignores the volatility that is inherent in catastrophic claim experience year to year.

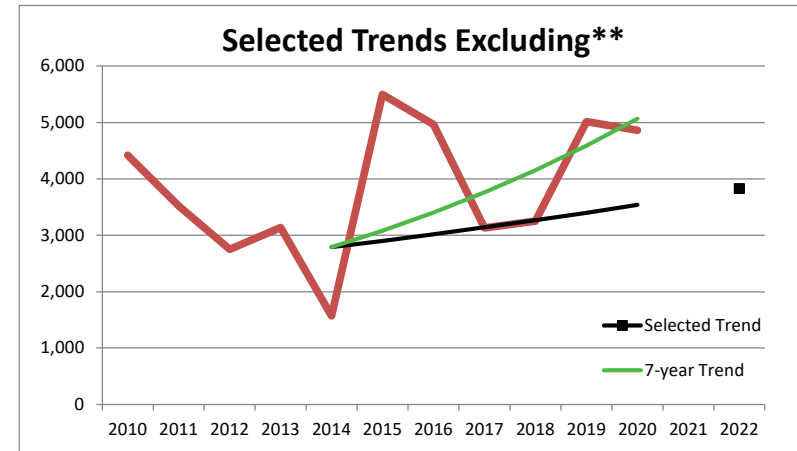
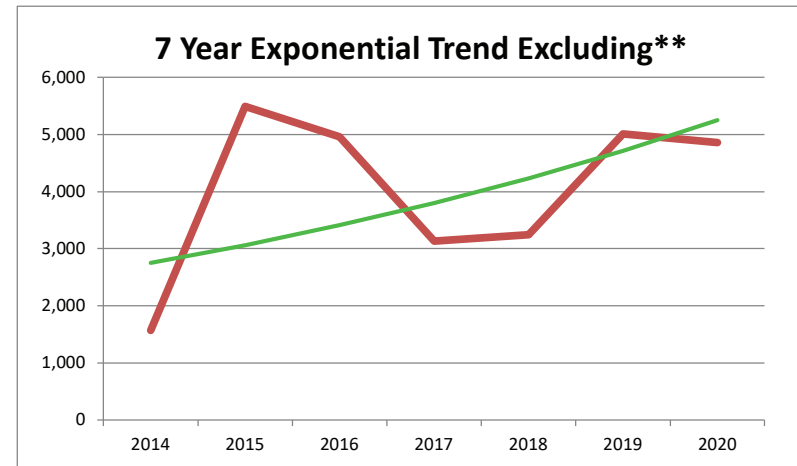


SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Including Trailers
Excluding Years: 2019/2020

Period w Years Excluded	Trends Severity	Coefficient of Determination - R² Severity
11 -yr exp trend excl **	2.36%	0.0361
10 -yr exp trend excl **	5.23%	0.1320
9 -yr exp trend excl **	7.84%	0.2026
8 -yr exp trend excl **	8.56%	0.1675
7 -yr exp trend excl **	11.37%	0.1828
6 -yr exp trend excl **	-5.89%	0.1304
5 -yr exp trend excl **	0.67%	0.0011
4 -yr exp trend excl **	26.52%	0.8079
3 -yr exp trend excl **	54.34%	1.0000

** Years excluded: 2019/2020



SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Including Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	19.10%	0.2825
10-yr exp trend	2.46%	0.0438
9-yr exp trend	4.33%	0.0982
8-yr exp trend	12.52%	0.7519
7-yr exp trend	11.23%	0.6359
6-yr exp trend	7.39%	0.4178
5-yr exp trend	1.65%	0.0476
4-yr exp trend	0.51%	0.0025
3-yr exp trend	-7.95%	0.3419

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	12.22%	Past 12.22%
Future	12.22%	Future 12.22%

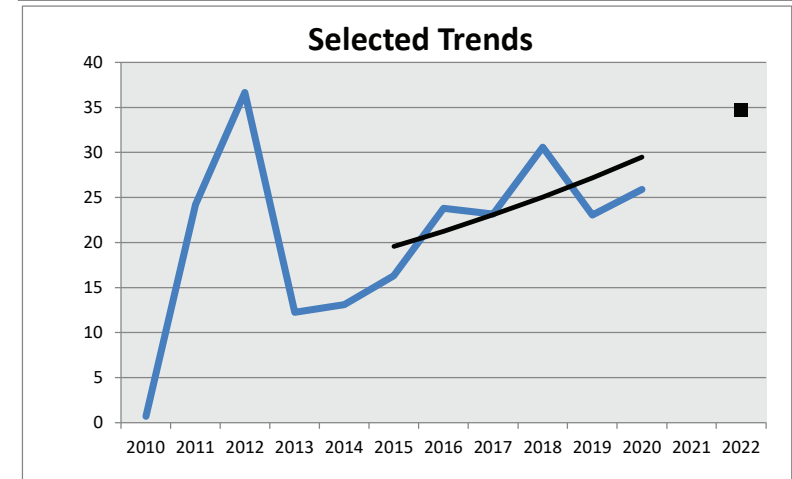
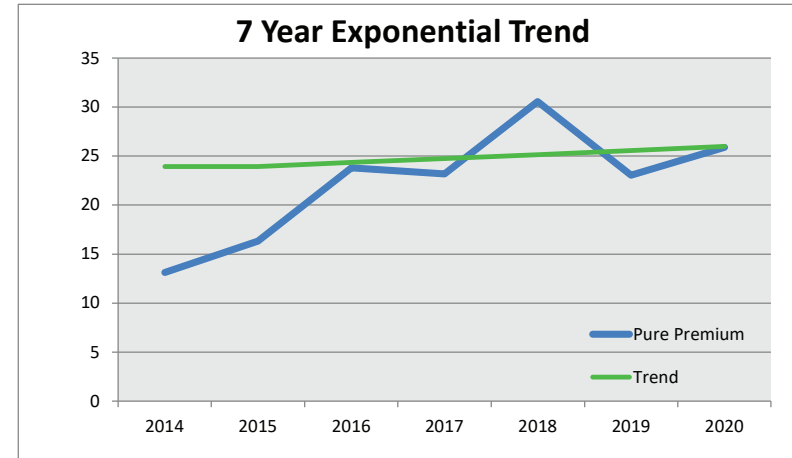
Trend Selection Notes:

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	8.54%	Past 8.54%
Future	8.54%	Future 8.54%

Trend Selection Notes:
 Calculated Past Trend = 8.54%

Calculated Future Trend = 8.54%

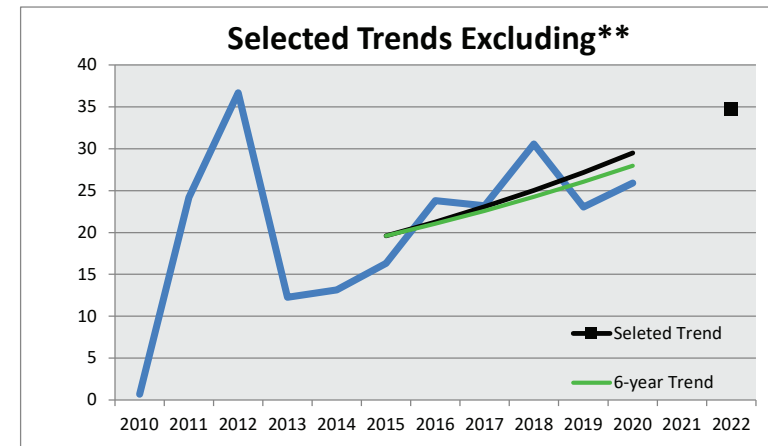
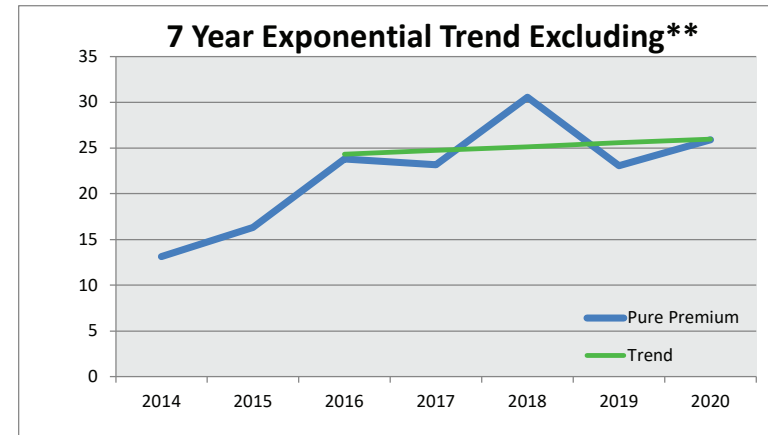


SGI
 Class Group: All vehicles with first party damage, including trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Damage Catastrophes
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Including Trailers
 Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	19.10%	0.2825
10 -yr exp trend excl **	2.46%	0.0438
9 -yr exp trend excl **	4.33%	0.0982
8 -yr exp trend excl **	12.52%	0.7519
7 -yr exp trend excl **	11.23%	0.6359
6 -yr exp trend excl **	7.39%	0.4178
5 -yr exp trend excl **	1.65%	0.0476
4 -yr exp trend excl **	0.51%	0.0025
3 -yr exp trend excl **	-7.95%	0.3419

** Years excluded: None



Appeal

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Appeal

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss			Inflation	Ultimate Losses	Percent		Ultimate Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor		Ultimate Frequency	Ultimate Severity	
2009/2010	847,662	152	1.0580	1.0000	161	390,724	1.8104	1.1795	1.0000	834,343	0.02	5,188	0.98
2010/2011	861,056	148	1.0634	1.0000	157	528,551	1.8060	1.1795	1.0000	1,125,916	0.02	7,154	1.31
2011/2012	875,956	141	1.0671	1.0000	150	395,365	2.0863	1.1795	1.0000	972,936	0.02	6,466	1.11
2012/2013	899,699	133	1.1123	1.0000	148	301,482	2.5493	1.1795	1.0000	906,530	0.02	6,128	1.01
2013/2014	910,068	114	1.1546	1.0000	132	212,084	3.4966	1.1795	1.0000	874,700	0.01	6,645	0.96
2014/2015	923,589	121	1.2440	1.0000	151	282,520	3.6012	1.1795	1.0000	1,200,059	0.02	7,973	1.30
2015/2016	934,560	107	1.3806	1.0000	148	396,935	3.4556	1.1795	1.0000	1,617,869	0.02	10,952	1.73
2016/2017	932,745	98	1.5903	1.0000	156	256,858	5.2487	1.1795	1.0000	1,590,176	0.02	10,203	1.70
2017/2018	936,379	74	2.1390	1.0000	158	131,611	10.2711	1.0000	1.0000	1,351,790	0.02	8,540	1.44
2018/2019	935,554	30	5.2334	1.0000	157	60,500	24.8158	1.0000	1.0000	1,501,346	0.02	9,563	1.60
2019/2020	940,010	2	79.2781	1.0000	159	210	7,611.6244	1.0000	1.0000	1,598,441	0.02	10,081	1.70
Ratio 2011/2010	1.0158					0.9786				1.3495	0.9634	1.3789	1.3285
Ratio 2012/2011	1.0173					0.9560				0.8641	0.9398	0.9039	0.8494
Ratio 2013/2012	1.0271					0.9833				0.9317	0.9573	0.9476	0.9072
Ratio 2014/2013	1.0115					0.8897				0.9649	0.8796	1.0845	0.9539
Ratio 2015/2014	1.0149					1.1435				1.3720	1.1268	1.1998	1.3519
Ratio 2016/2015	1.0119					0.9815				1.3482	0.9699	1.3736	1.3323
Ratio 2017/2016	0.9981					1.0550				0.9829	1.0570	0.9317	0.9848
Ratio 2018/2017	1.0039					1.0156				0.8501	1.0117	0.8370	0.8468
Ratio 2019/2018	0.9991					0.9919				1.1106	0.9928	1.1197	1.1116
Ratio 2020/2019	1.0048					1.0099				1.0647	1.0051	1.0542	1.0596

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Appeal
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2
Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-0.78%	0.1336	
10-yr exp trend	-0.21%	0.0110	
9-yr exp trend	0.54%	0.0806	
8-yr exp trend	1.30%	0.3655	
7-yr exp trend	2.12%	0.6444	
6-yr exp trend	1.04%	0.5475	
5-yr exp trend	1.35%	0.5735	
4-yr exp trend	0.21%	0.2721	
3-yr exp trend	-0.11%	0.0841	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	0.5087
Future	0.00%	N/A

Trend Selection Notes:

Past: Long term trend is flat, with some reduction over time. More recent experience is positive. Excluding 2009-10 and 2013-14 data year the long term trend is closer to zero. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

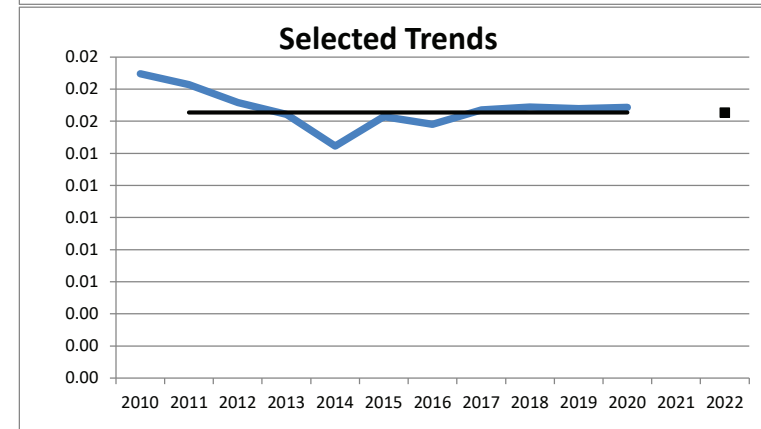
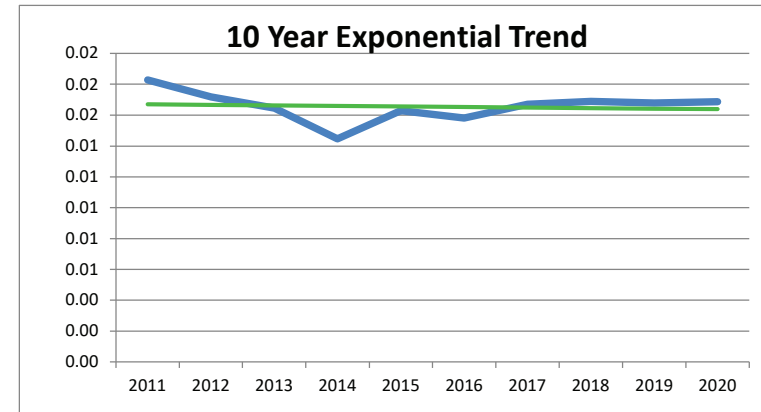
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	0.5361
Future	0.00%	N/A

Trend Selection Notes:

Past: Long term and short term trends are flat. Long term is a little negative while the more medium term has been on the positive side with recent history closer to 0%. Selecting no growth.

Future: No conclusive reason to think that the future will be different from past.

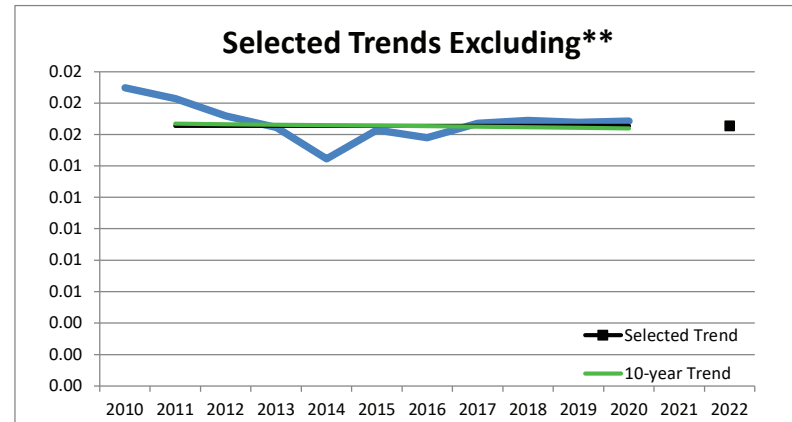
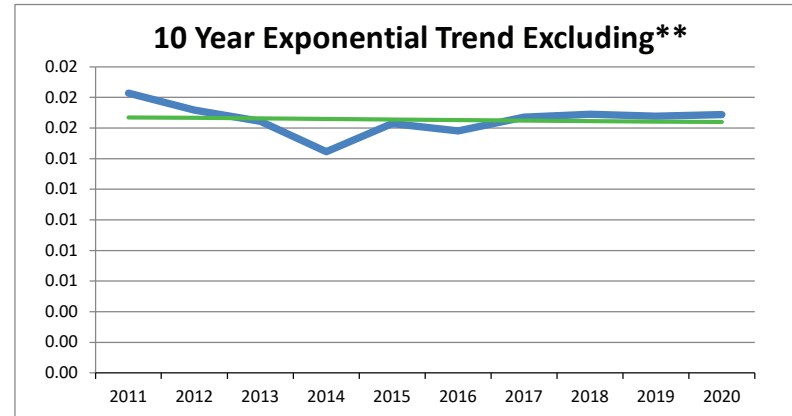


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Appeal
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-0.78%	0.1336
10 -yr exp trend excl **	-0.21%	0.0110
9 -yr exp trend excl **	0.54%	0.0806
8 -yr exp trend excl **	1.30%	0.3655
7 -yr exp trend excl **	2.12%	0.6444
6 -yr exp trend excl **	1.04%	0.5475
5 -yr exp trend excl **	1.35%	0.5735
4 -yr exp trend excl **	0.21%	0.2721
3 -yr exp trend excl **	-0.11%	0.0841

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Appeal
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	6.41%	0.7137	
10-yr exp trend	5.66%	0.6192	
9-yr exp trend	6.64%	0.6475	
8-yr exp trend	6.69%	0.5659	
7-yr exp trend	5.00%	0.3694	
6-yr exp trend	1.70%	0.0697	
5-yr exp trend	-2.28%	0.1551	
4-yr exp trend	0.77%	0.0150	
3-yr exp trend	8.65%	0.9579	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	9.00%	0.5087
Future	9.00%	

Trend Selection Notes:

Past: New years heavily influenced by ELR, which was trended using past 7-8%. Mid term trends hint toward a trend even higher. Select 9%, consistent with long term trends.

Future: No significant reason to think that future will deviate from the past, select 9% as well.

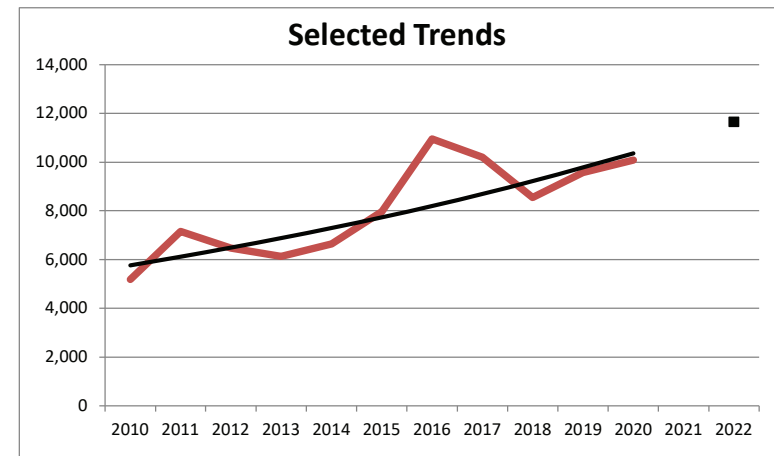
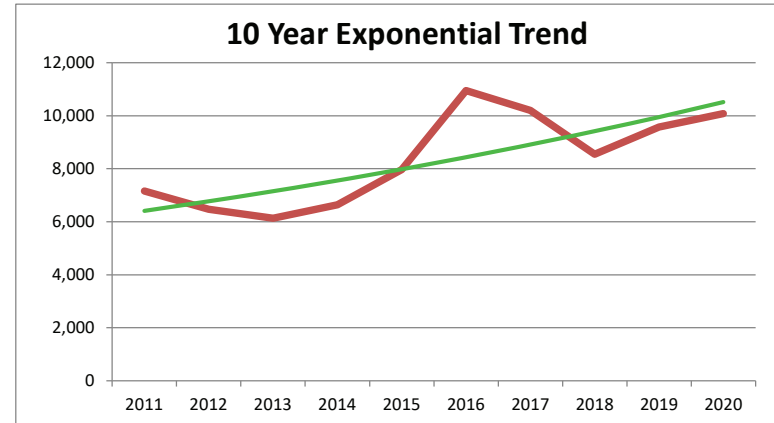
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	6.04%	0.5361
Future	6.04%	

Trend Selection Notes:

Past: Clear increasing trend with some volatility. Selecting an average of the 10-11 yr trends.

Future: No reason to deviate from the past selection.

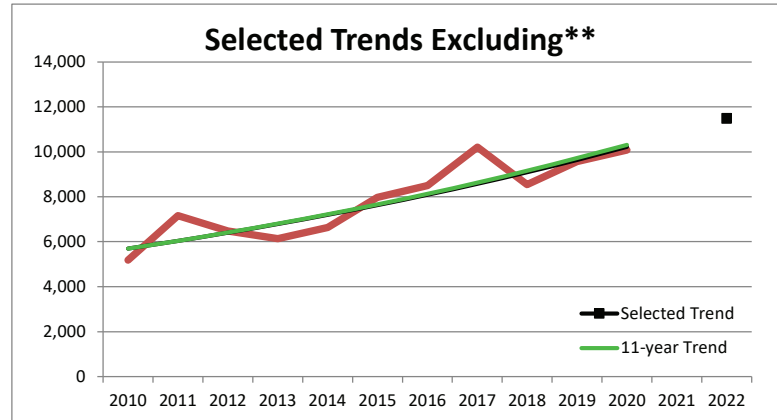
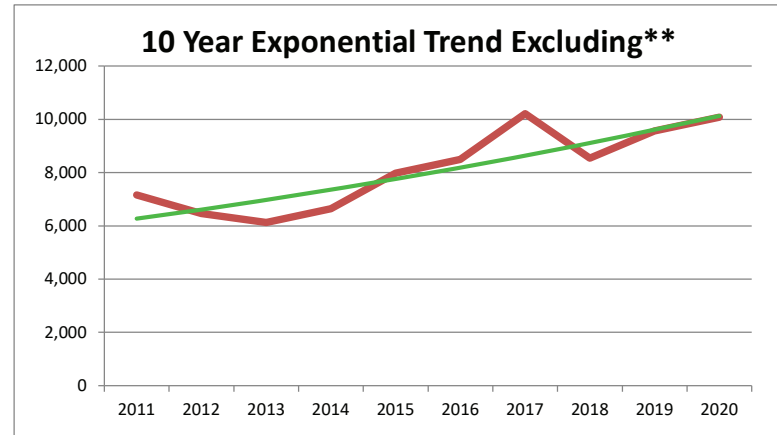


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Appeal
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
 Excluding Years: 2015/2016

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	6.12%	0.8097
10 -yr exp trend excl **	5.48%	0.7501
9 -yr exp trend excl **	6.64%	0.8297
8 -yr exp trend excl **	7.09%	0.8014
7 -yr exp trend excl **	6.11%	0.6913
6 -yr exp trend excl **	3.79%	0.4404
5 -yr exp trend excl **	0.77%	0.0150
4 -yr exp trend excl **	0.77%	0.0150
3 -yr exp trend excl **	8.65%	0.9579

** Years excluded: 2015/2016

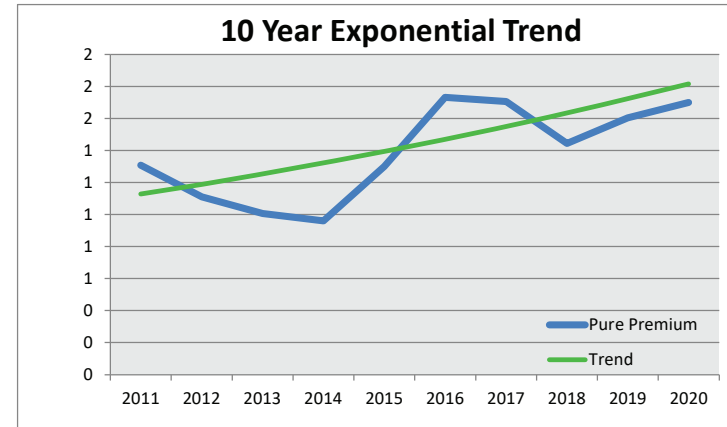


SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Appeal
Rating year: 17/08/2021
Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

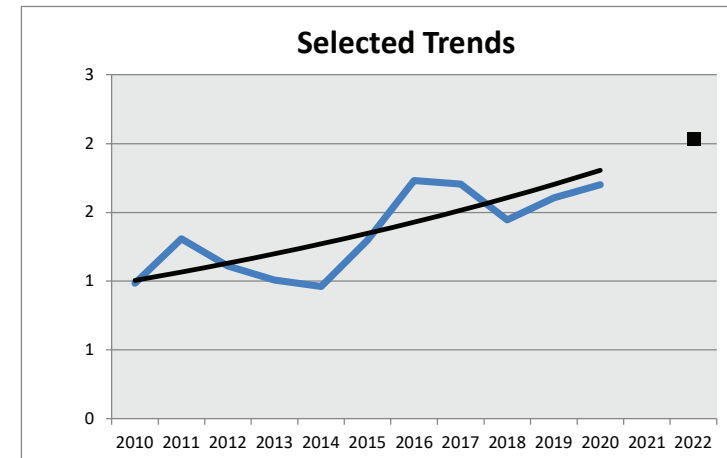
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	5.59%	0.6029
10-yr exp trend	5.44%	0.5205
9-yr exp trend	7.22%	0.6580
8-yr exp trend	8.08%	0.6396
7-yr exp trend	7.22%	0.4974
6-yr exp trend	2.76%	0.1959
5-yr exp trend	-0.96%	0.0414
4-yr exp trend	0.99%	0.0265
3-yr exp trend	8.53%	0.9723



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	9.00%	Past N/A
Future	9.00%	Future N/A

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	6.04%	Past 0.5361
Future	6.04%	Future N/A

Trend Selection Notes:

Calculated Past Trend = 6.04%

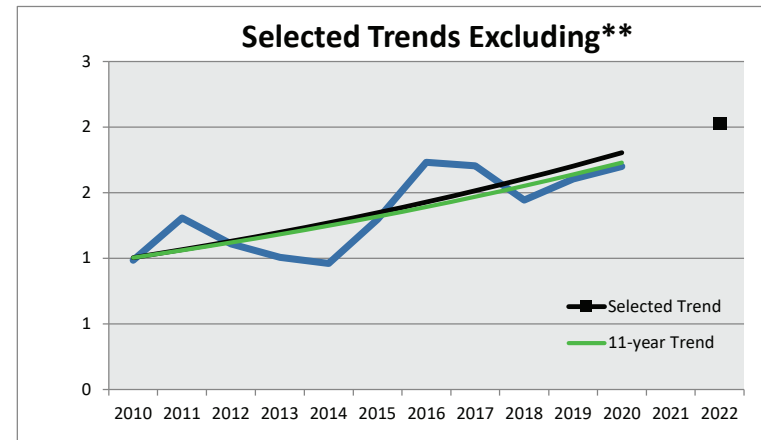
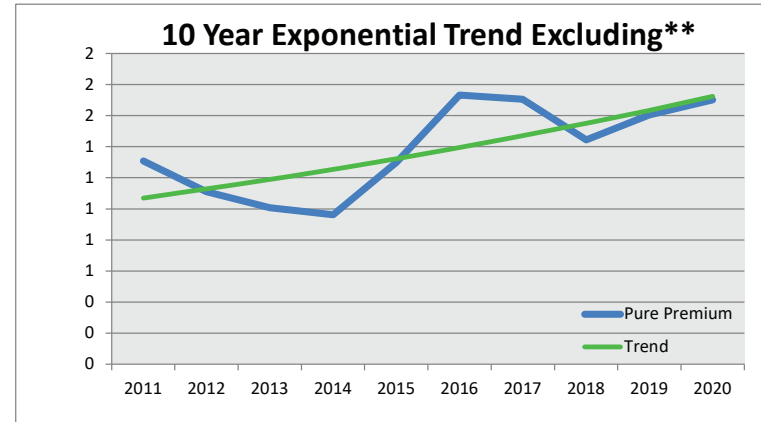
Calculated Future Trend = 6.04%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Appeal
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	5.59%	0.6029
10 -yr exp trend excl **	5.44%	0.5205
9 -yr exp trend excl **	7.22%	0.6580
8 -yr exp trend excl **	8.08%	0.6396
7 -yr exp trend excl **	7.22%	0.4974
6 -yr exp trend excl **	2.76%	0.1959
5 -yr exp trend excl **	-0.96%	0.0414
4 -yr exp trend excl **	0.99%	0.0265
3 -yr exp trend excl **	8.53%	0.9723

** Years excluded: None



Care

SGI
 Class Group: All vehicles excluding trailers and motorcycles
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Care
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1
All Vehicles Excluding Trailers and Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count		Ultimate		Incurred Loss			Inflation	Ultimate Losses	Percent		Ultimate Pure Premium
			Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor	Ultimate Frequency		Ultimate Severity		
2009/2010	836,789	1,154	0.9971	1.0000	1,151	21,783,463	1.1195	1.0010	1.1916	29,087,152	0.14	25,273	34.76	
2010/2011	849,692	1,227	0.9950	1.0000	1,220	16,650,987	1.5732	1.0010	1.1798	30,936,576	0.14	25,350	36.41	
2011/2012	864,608	1,131	0.9938	1.0000	1,124	14,347,493	1.6669	1.0010	1.1510	27,556,061	0.13	24,526	31.87	
2012/2013	888,055	1,146	1.0004	1.0000	1,146	9,962,556	1.9000	1.0010	1.1274	21,361,403	0.13	18,640	24.05	
2013/2014	900,090	1,047	0.9919	1.0000	1,038	10,390,567	1.9429	1.0010	1.1129	22,488,794	0.12	21,656	24.99	
2014/2015	914,623	821	1.0010	1.0000	822	6,227,539	2.8048	1.0010	1.0889	19,039,213	0.09	23,168	20.82	
2015/2016	926,229	902	1.0021	1.0000	904	6,962,992	2.7884	1.0010	1.0707	20,809,662	0.10	23,028	22.47	
2016/2017	925,212	883	1.0031	1.0000	886	6,354,002	3.1754	1.0010	1.0559	21,326,360	0.10	24,077	23.05	
2017/2018	929,487	756	1.0109	1.0000	764	4,770,638	4.2563	1.0000	1.0445	21,208,091	0.08	27,755	22.82	
2018/2019	929,348	669	1.0244	1.0000	686	4,291,765	4.4339	1.0000	1.0170	19,352,562	0.07	28,219	20.82	
2019/2020	934,143	553	1.1682	1.0000	646	7,890,765	2.5262	1.0000	1.0000	19,933,882	0.07	30,852	21.34	
Ratio 2011/2010	1.0154				1.0604					1.0636	1.0443	1.0030	1.0474	
Ratio 2012/2011	1.0176				0.9206					0.8907	0.9048	0.9675	0.8754	
Ratio 2013/2012	1.0271				1.0200					0.7752	0.9931	0.7600	0.7547	
Ratio 2014/2013	1.0136				0.9062					1.0528	0.8940	1.1618	1.0387	
Ratio 2015/2014	1.0161				0.7913					0.8466	0.7788	1.0698	0.8332	
Ratio 2016/2015	1.0127				1.0997					1.0930	1.0859	0.9939	1.0793	
Ratio 2017/2016	0.9989				0.9802					1.0248	0.9813	1.0456	1.0260	
Ratio 2018/2017	1.0046				0.8627					0.9945	0.8587	1.1528	0.9899	
Ratio 2019/2018	0.9999				0.8975					0.9125	0.8976	1.0167	0.9126	
Ratio 2020/2019	1.0052				0.9421					1.0300	0.9373	1.0933	1.0248	

SGL
 Class Group: All vehicles excluding trailers and motorcycles
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Care
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2

Frequency for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Frequency	Coefficient of Determination - R ² Frequency
11-yr exp trend	-7.22%	0.9360
10-yr exp trend	-7.73%	0.9431
9-yr exp trend	-7.71%	0.9231
8-yr exp trend	-7.87%	0.8989
7-yr exp trend	-7.23%	0.8506
6-yr exp trend	-6.36%	0.7618
5-yr exp trend	-9.05%	0.9601
4-yr exp trend	-10.27%	0.9684
3-yr exp trend	-8.28%	0.9796

2020 Rate Program

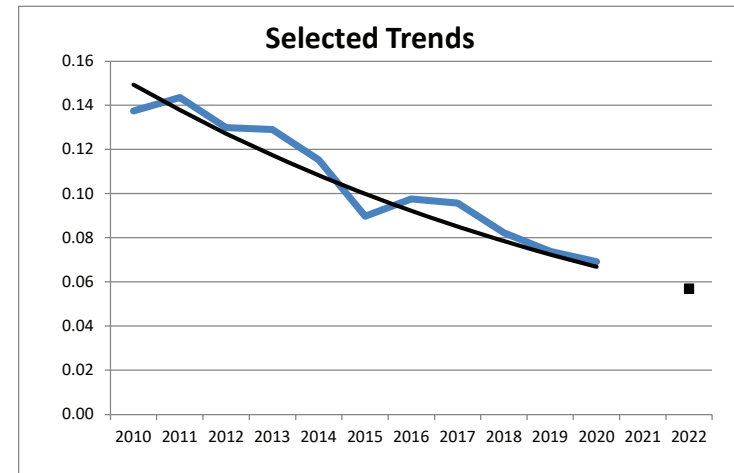
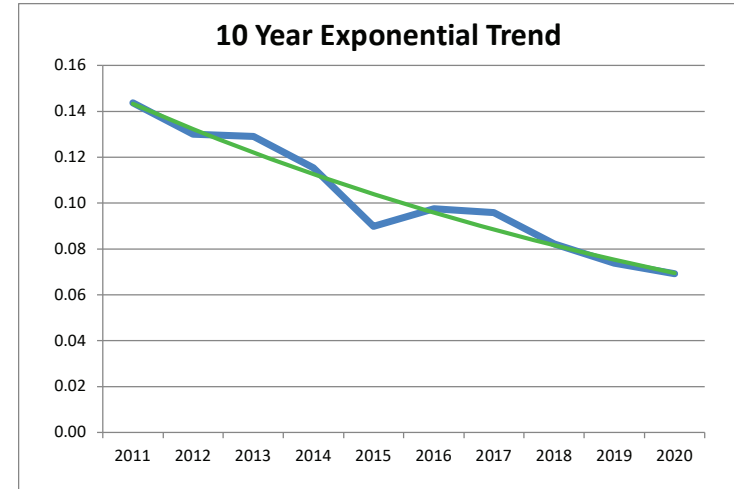
Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -6.50%
Future		Future -6.50%

Trend Selection Notes:
 Past: Long term trends (10 yr) hover around 6-7% including and excluding the partial year consistent with past selections. Go with -6.5%.
 Future: Past experience has been consistent. No reason to deviate from past.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -7.73%
Future		Future -7.73%

Trend Selection Notes:
 Past: Long term trends are consistent though more steep than last year. Continue to select the 10-yr trend.
 Future: Select same as past. No expected changes in the near future.



SGL

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Care

Rating year: 17/08/2021

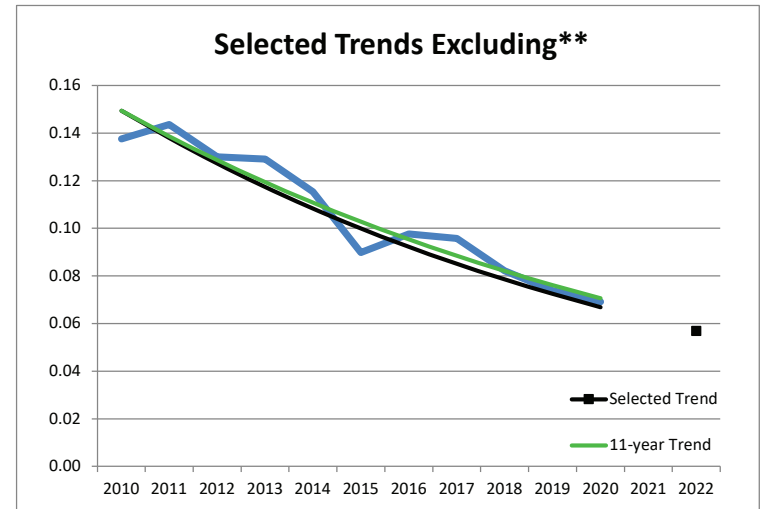
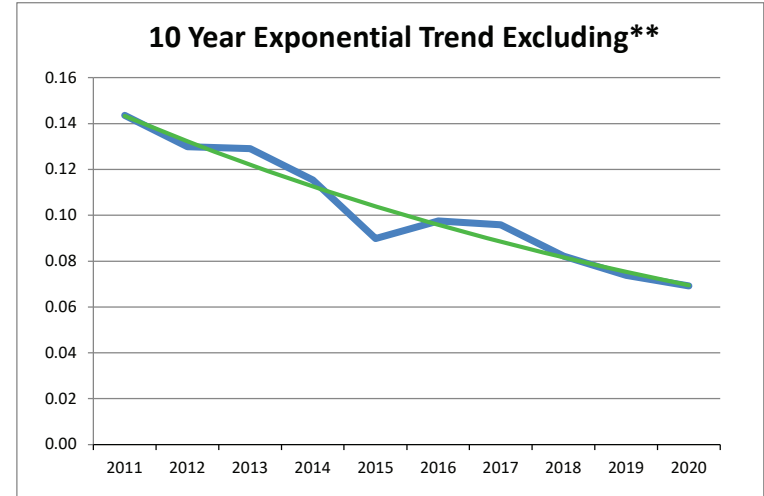
Exhibit 3 - Page 2-3

Frequency for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R² Frequency
11 -yr exp trend excl **	-7.22%	0.9360
10 -yr exp trend excl **	-7.73%	0.9431
9 -yr exp trend excl **	-7.71%	0.9231
8 -yr exp trend excl **	-7.87%	0.8989
7 -yr exp trend excl **	-7.23%	0.8506
6 -yr exp trend excl **	-6.36%	0.7618
5 -yr exp trend excl **	-9.05%	0.9601
4 -yr exp trend excl **	-10.27%	0.9684
3 -yr exp trend excl **	-8.28%	0.9796

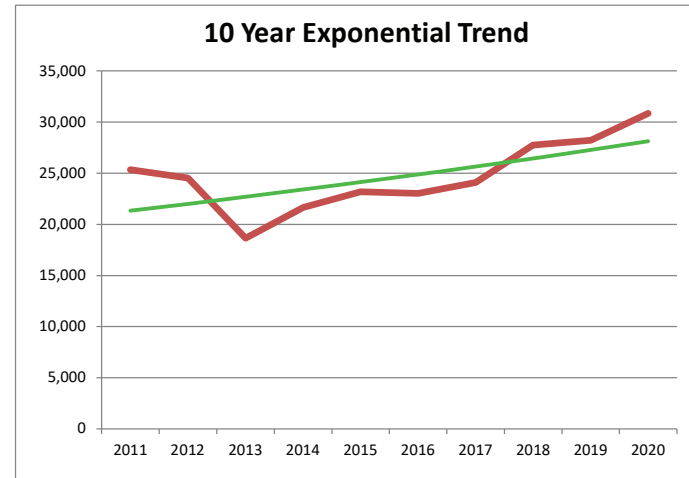
** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles
 Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Care
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4

Severity for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Severity	Coefficient of Determination - R ² Severity
11-yr exp trend	2.18%	0.2718
10-yr exp trend	3.11%	0.4135
9-yr exp trend	4.60%	0.6524
8-yr exp trend	6.69%	0.9474
7-yr exp trend	6.04%	0.9351
6-yr exp trend	6.44%	0.9186
5-yr exp trend	7.72%	0.9536
4-yr exp trend	7.90%	0.9156
3-yr exp trend	5.43%	0.8641



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.00%	Past 0.00%
Future	0.00%	Future 0.00%

Trend Selection Notes:

Past: Recent results have been flat, possibly due to increased safety features reducing severity, which offset rising service costs beyond CPI. Select 0%.

Future: No reason to deviate from past. Only 2017/2018 had a one year jump, which is not trusted as a trend.

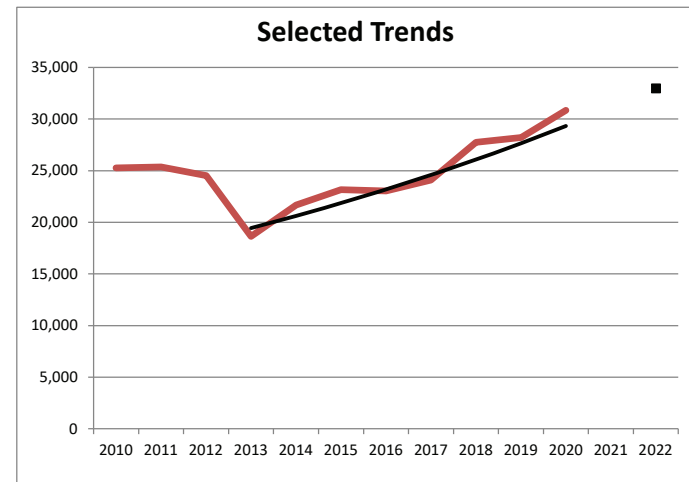
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	6.04%	Past 6.04%
Future	6.04%	Future 6.04%

Trend Selection Notes:

Past: Clear trend starting from the 2013 fiscal year though as a low it may be a bad choice. Select the 7 year trend to reflect the consistency in this period while not using the 2013 data point.

Future: Select same as past. There has been a proposal to increase care benefits but this is not expected to occur in time for the rating year.



SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Care

Rating year: 17/08/2021

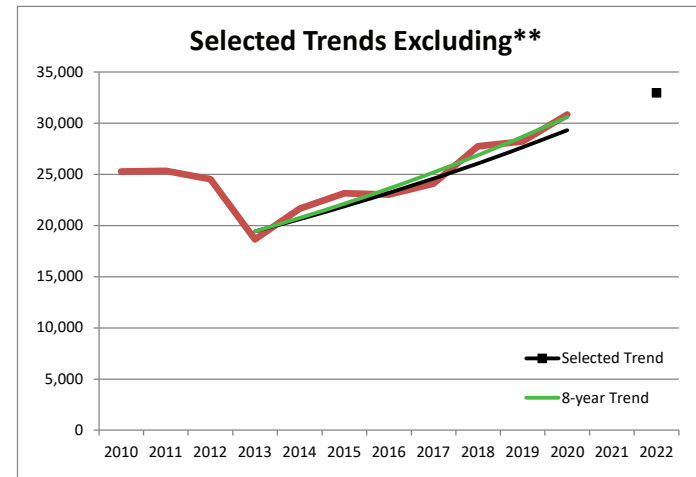
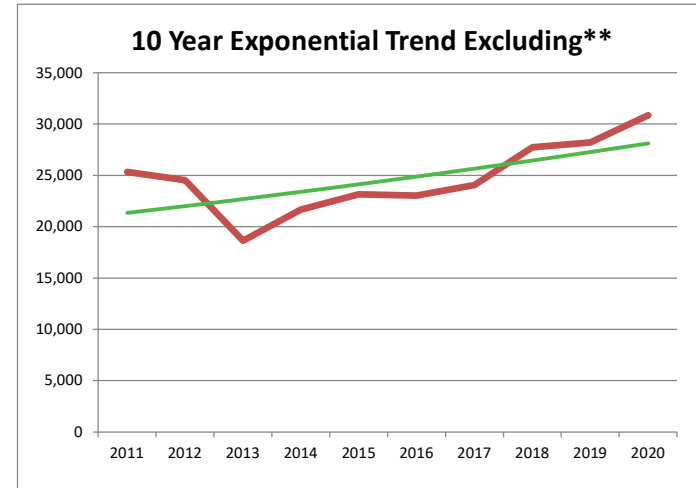
Exhibit 3 - Page 2-5

Severity for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends Severity	Coefficient of Determination - R ²	
		Severity	Severity
11 -yr exp trend excl **	2.18%		0.2718
10 -yr exp trend excl **	3.11%		0.4135
9 -yr exp trend excl **	4.60%		0.6524
8 -yr exp trend excl **	6.69%		0.9474
7 -yr exp trend excl **	6.04%		0.9351
6 -yr exp trend excl **	6.44%		0.9186
5 -yr exp trend excl **	7.72%		0.9536
4 -yr exp trend excl **	7.90%		0.9156
3 -yr exp trend excl **	5.43%		0.8641

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

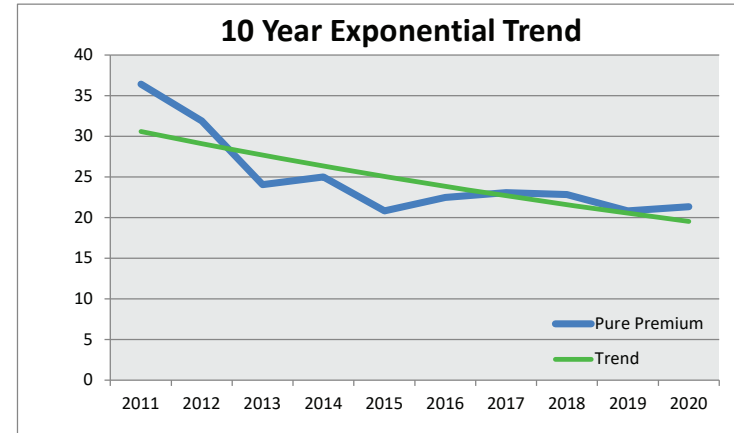
Coverage: Injury - Care

Rating year: 17/08/2021

Exhibit 3 - Page 2-6

Pure Premium for All Vehicles Excluding Trailers and Motorcycles

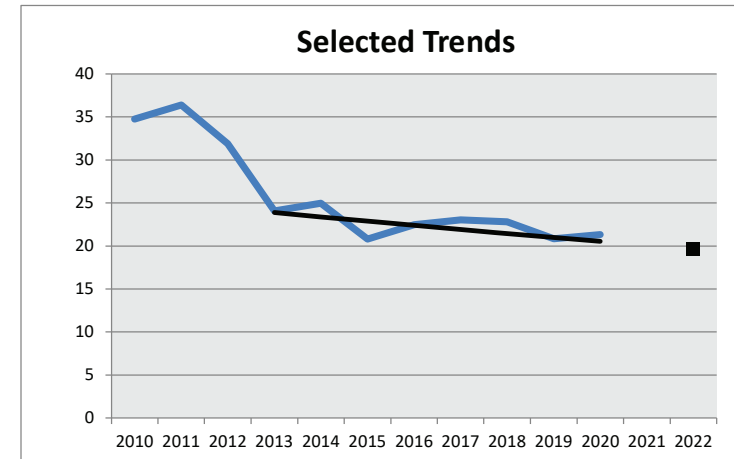
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-5.20%	0.7319
10-yr exp trend	-4.86%	0.6493
9-yr exp trend	-3.47%	0.5380
8-yr exp trend	-1.71%	0.4019
7-yr exp trend	-1.62%	0.2873
6-yr exp trend	-0.33%	0.0173
5-yr exp trend	-2.03%	0.5349
4-yr exp trend	-3.18%	0.6991
3-yr exp trend	-3.29%	0.5005



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past 0.00%
Future		Future 0.00%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -2.15%
Future		Future -2.15%

Trend Selection Notes:

Calculated Past Trend = -2.15%

Calculated Future Trend = -2.15%

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Care

Rating year: 17/08/2021

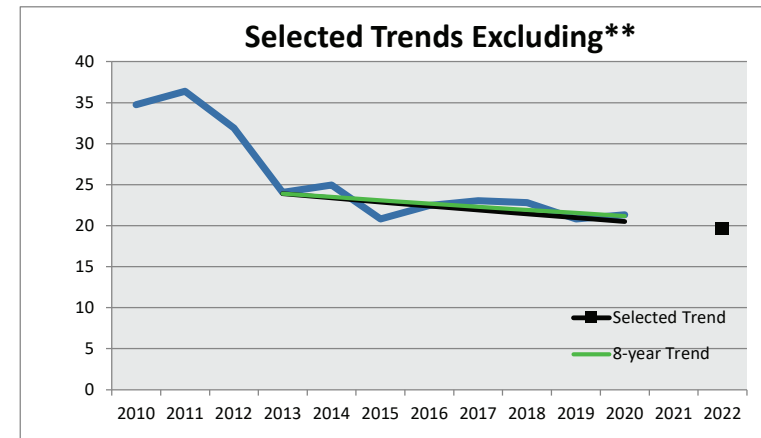
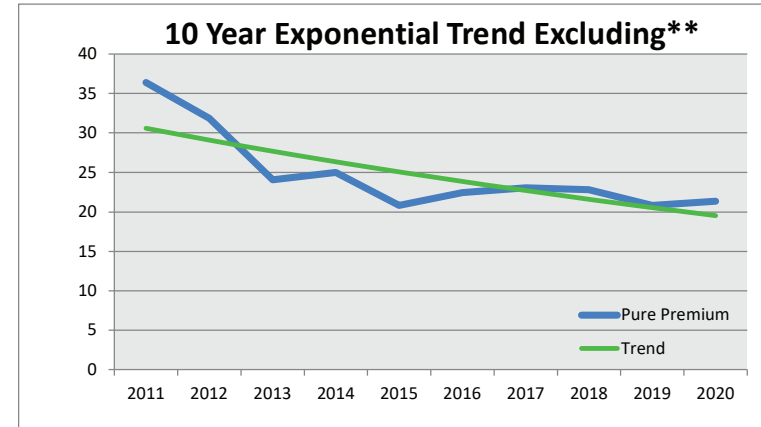
Exhibit 3 - Page 2-7

Pure Premium for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-5.20%	0.7319
10 -yr exp trend excl **	-4.86%	0.6493
9 -yr exp trend excl **	-3.47%	0.5380
8 -yr exp trend excl **	-1.71%	0.4019
7 -yr exp trend excl **	-1.62%	0.2873
6 -yr exp trend excl **	-0.33%	0.0173
5 -yr exp trend excl **	-2.03%	0.5349
4 -yr exp trend excl **	-3.18%	0.6991
3 -yr exp trend excl **	-3.29%	0.5005

** Years excluded: None



SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-1

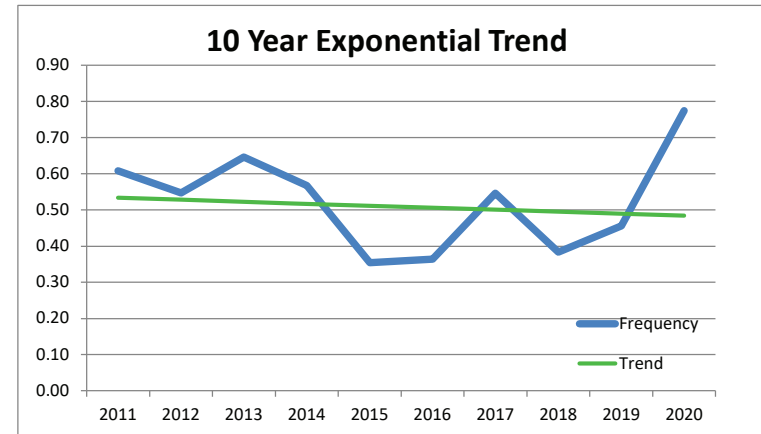
Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	Inflation Adjustment Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	10,873	53	0.9971	1.0000	53	550,970	1.1195	0.8260	1.1916	607,065	0.49	11,414	55.83
2010/2011	11,364	69	0.9950	1.0000	69	329,229	1.5732	0.8260	1.1798	504,735	0.61	7,308	44.41
2011/2012	11,348	62	0.9938	1.0000	62	467,657	1.6669	0.8260	1.1510	741,142	0.55	11,941	65.31
2012/2013	11,644	75	1.0004	1.0000	75	527,548	1.9000	0.8260	1.1274	933,371	0.65	12,399	80.16
2013/2014	9,978	57	0.9919	1.0000	57	478,854	1.9429	0.8260	1.1129	855,192	0.57	15,100	85.70
2014/2015	8,966	32	1.0010	1.0000	32	799,234	2.8048	0.8260	1.0889	2,016,227	0.35	63,503	224.88
2015/2016	8,331	30	1.0021	1.0000	30	306,159	2.7884	0.8260	1.0707	755,004	0.36	24,907	90.62
2016/2017	7,532	41	1.0031	1.0000	41	119,805	3.1754	1.0010	1.0559	402,110	0.55	9,777	53.38
2017/2018	6,892	26	1.0109	1.0000	26	61,765	4.2563	1.0000	1.0445	274,577	0.38	10,398	39.84
2018/2019	6,205	28	1.0244	1.0000	28	281,829	4.4339	1.0000	1.0170	1,270,830	0.46	44,864	204.80
2019/2020	5,867	39	1.1682	1.0000	45	426,046	2.5262	1.0000	1.0000	1,076,289	0.77	23,676	183.46
Ratio 2011/2010	1.0452				1.2986					0.8314	1.2424	0.6403	0.7955
Ratio 2012/2011	0.9986				0.8987					1.4684	0.9000	1.6339	1.4705
Ratio 2013/2012	1.0261				1.2128					1.2594	1.1820	1.0384	1.2274
Ratio 2014/2013	0.8569				0.7524					0.9162	0.8780	1.2178	1.0692
Ratio 2015/2014	0.8985				0.5606					2.3576	0.6239	4.2055	2.6239
Ratio 2016/2015	0.9292				0.9547					0.3745	1.0274	0.3922	0.4030
Ratio 2017/2016	0.9041				1.3568					0.5326	1.5006	0.3926	0.5891
Ratio 2018/2017	0.9149				0.6421					0.6828	0.7018	1.0634	0.7463
Ratio 2019/2018	0.9004				1.0726					4.6283	1.1913	4.3148	5.1404
Ratio 2020/2019	0.9455				1.6049					0.8469	1.6974	0.5277	0.8958

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Motorcycles

Period	Coefficient of Determination - R ²	
	Trends Frequency	Frequency
11-yr exp trend	-0.63%	0.0070
10-yr exp trend	-1.07%	0.0154
9-yr exp trend	-0.01%	0.0000
8-yr exp trend	0.98%	0.0069
7-yr exp trend	5.48%	0.1608
6-yr exp trend	12.88%	0.5610
5-yr exp trend	14.26%	0.4733
4-yr exp trend	13.04%	0.2764
3-yr exp trend	42.20%	0.9223

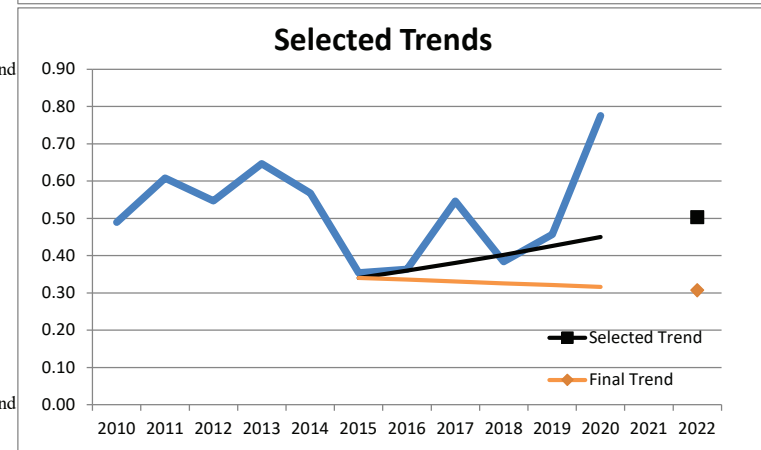


2020 Rate Program		Complement: All Vehicles excl Trailers and	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	-2.16%	0.4725	Past -4.45%
Future	-2.16%		Future -4.45%

Trend Selection Notes:

Past: Experience is very volatile. There could be an impact due to the Reduced No Fault changes and other MC initiatives but it's not clear. Selecting the 10 year trend due to volatility.

Future: Same as past. Some discussion about using the more recent experience with an increasing trend but results are too volatile to trust. Keep an eye on it in the future, and set equal to past for now.



2021 Rate Program		Complement: All Vehicles excl Trailers and	
Selected Trends	Credibility	Final Trends	
Past	5.76%	0.4649	Past -1.46%
Future	5.76%		Future -1.46%

Trend Selection Notes:

Past: Need to recognize the trend has been increasing since the large rate changes in 2012-2014 and in that period the claims experience and environment has been significantly different (large rate changes; Motorcycle graduate program). The latest year could be an outlier so we don't want to give it full credibility. Select 6 year with 2020 excluded.

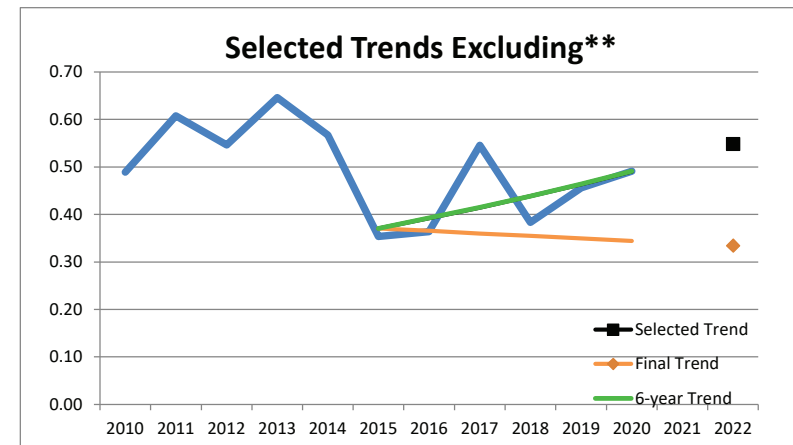
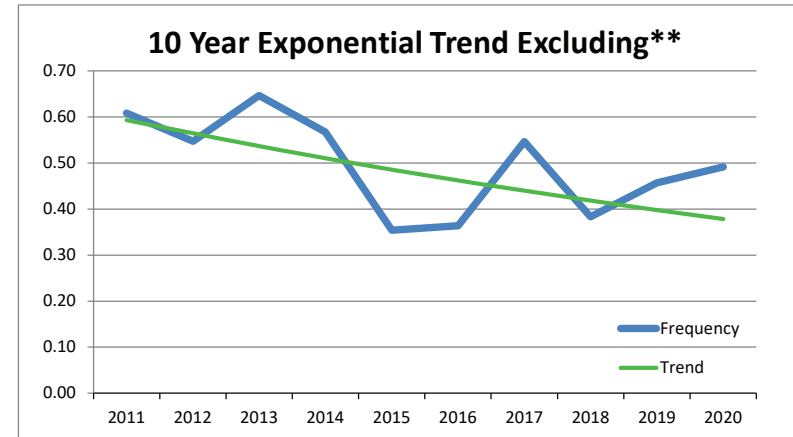
Future: Select same as past.

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-3
Frequency for Motorcycles
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-3.60%	0.2600
10 -yr exp trend excl **	-4.87%	0.3498
9 -yr exp trend excl **	-4.62%	0.2530
8 -yr exp trend excl **	-4.87%	0.2013
7 -yr exp trend excl **	-1.27%	0.0133
6 -yr exp trend excl **	5.76%	0.2352
5 -yr exp trend excl **	3.32%	0.0524
4 -yr exp trend excl **	-8.56%	0.2556
3 -yr exp trend excl **	19.13%	1.0000

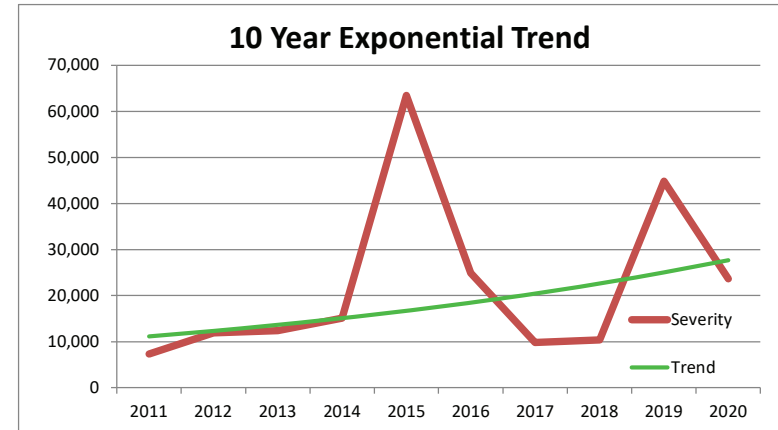
** Years excluded: 2019/2020



SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Motorcycles

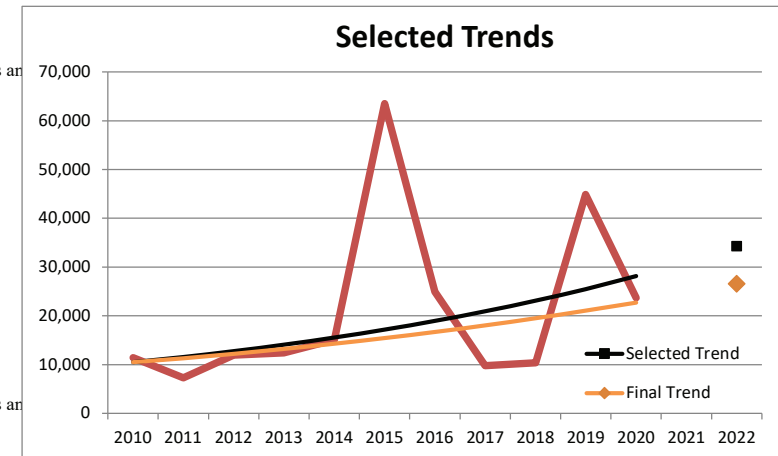
Period	Coefficient of Determination - R ²	
	Trends Severity	Severity
11-yr exp trend	10.03%	0.2190
10-yr exp trend	10.67%	0.1917
9-yr exp trend	6.86%	0.0739
8-yr exp trend	4.39%	0.0234
7-yr exp trend	-0.78%	0.0006
6-yr exp trend	-8.49%	0.0485
5-yr exp trend	15.28%	0.1216
4-yr exp trend	50.91%	0.5350
3-yr exp trend	50.90%	0.3151



2020 Rate Program		Complement: All Vehicles excl Trailers and	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	9.80%	0.4725	Past 4.63%
Future	9.80%		Future 4.63%

Trend Selection Notes:

Past: Trend does differ from the all vehicle selection so there is still a good reason to keep MCs seperated. Reviewed trends including and excluding the 2015 and 2017 extremes. Result will be credibility weighted so selecting the long term trend.
Future: No reason to differ from past.



2021 Rate Program		Complement: All Vehicles excl Trailers and	
Selected Trends	Credibility	Final Trends	
Past	10.38%	0.4649	Past 8.06%
Future	10.38%		Future 8.06%

Trend Selection Notes:

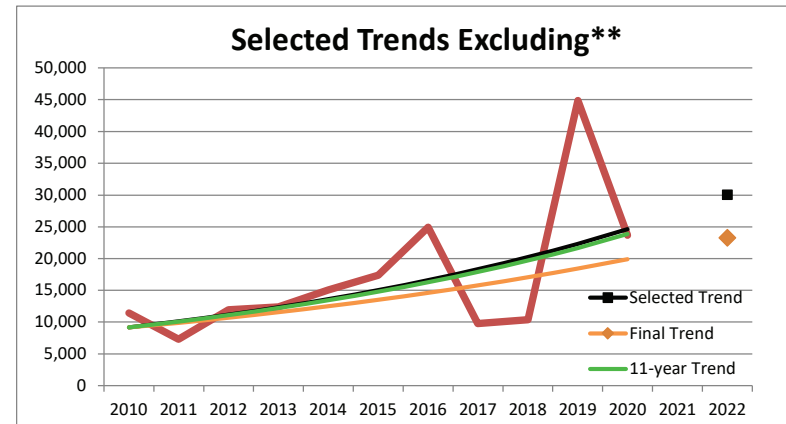
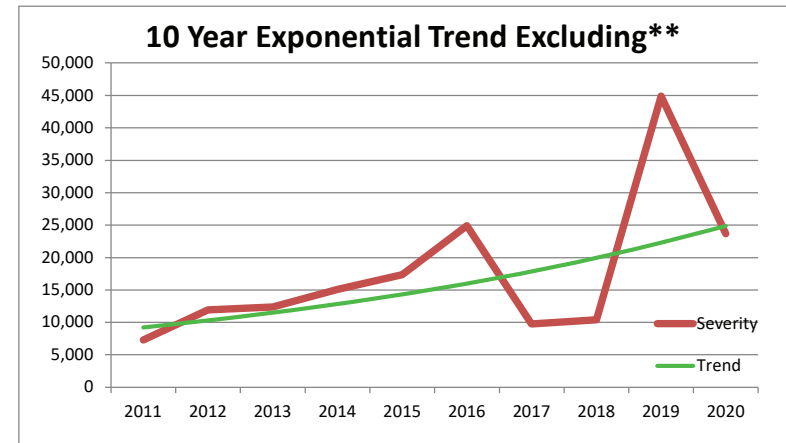
Past: A lot of volatility. Continue to exclude the outlier in 2015 and select an average of the 9, 10 and 11 year trends excluding this point.
Future: Same as past

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-5
Severity for Motorcycles
Excluding Years: 2014/2015

Period w Years Excluded	Coefficient of Determination - R ²	
	Trends Severity	Severity
11 -yr exp trend excl **	10.03%	0.3778
10 -yr exp trend excl **	11.67%	0.3874
9 -yr exp trend excl **	9.45%	0.2423
8 -yr exp trend excl **	9.94%	0.1912
7 -yr exp trend excl **	10.09%	0.1258
6 -yr exp trend excl **	15.28%	0.1216
5 -yr exp trend excl **	15.28%	0.1216
4 -yr exp trend excl **	50.91%	0.5350
3 -yr exp trend excl **	50.90%	0.3151

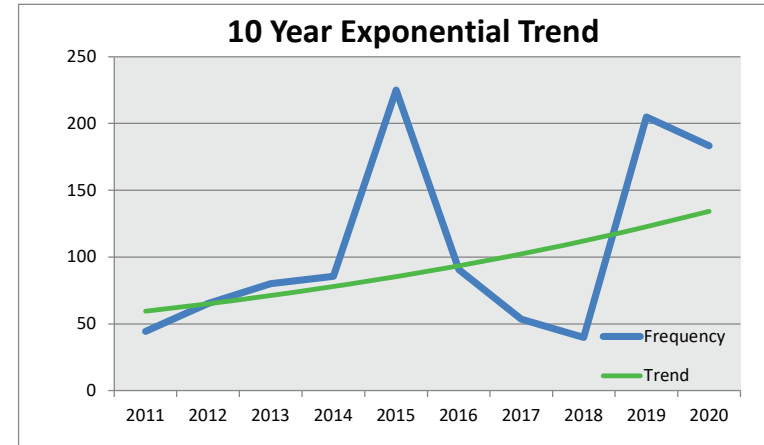
** Years excluded: 2014/2015



SGI
Class Group: Motorcycles

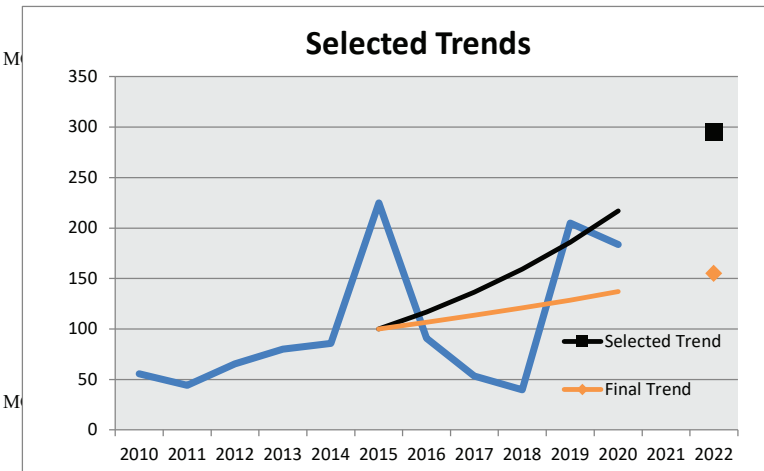
Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	9.34%	0.2322
10-yr exp trend	9.48%	0.1892
9-yr exp trend	6.85%	0.0869
8-yr exp trend	5.42%	0.0408
7-yr exp trend	4.66%	0.0207
6-yr exp trend	3.30%	0.0067
5-yr exp trend	31.72%	0.3594
4-yr exp trend	70.58%	0.6757
3-yr exp trend	114.58%	0.6962



2020 Rate Program		Credibility	Complement: All Vehicles excl Trailers and M
Selected Trends	Credibility Weighted Trends		
Past	7.43%	0.4725	Past -0.03%
Future	7.43%		Future -0.03%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: All Vehicles excl Trailers and M
Selected Trends	Final Trends		
Past	16.74%	0.4649	Past 6.48%
Future	16.74%		Future 6.48%

Trend Selection Notes:

Calculated Past Trend = 16.74%

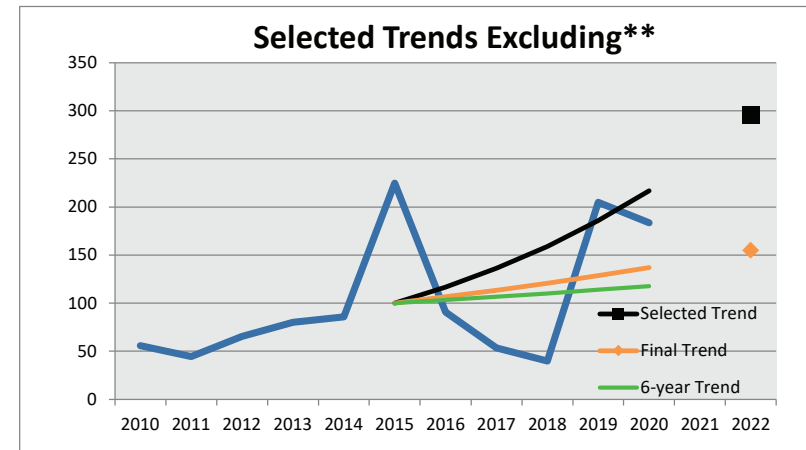
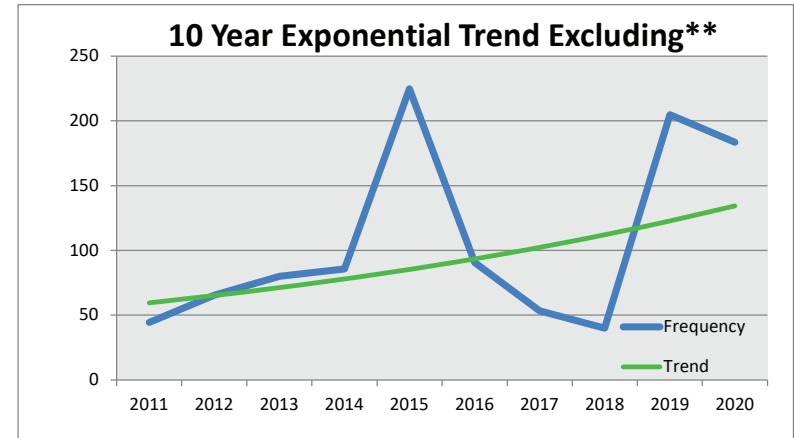
Calculated Future Trend = 16.74%

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Care
Rating year: 17/08/2021
Exhibit 3 - Page 2-7
Pure Premium for Motorcycles
Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	9.34%	0.2322
10 -yr exp trend excl **	9.48%	0.1892
9 -yr exp trend excl **	6.85%	0.0869
8 -yr exp trend excl **	5.42%	0.0408
7 -yr exp trend excl **	4.66%	0.0207
6 -yr exp trend excl **	3.30%	0.0067
5 -yr exp trend excl **	31.72%	0.3594
4 -yr exp trend excl **	70.58%	0.6757
3 -yr exp trend excl **	114.58%	0.6962

** Years excluded: None



Death Benefits

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Death

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss		Inflation		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor				
2009/2010	847,662	146	1.0079	1.0000	147	18,853,865	1.0350	0.9997	1.0000	19,507,532	0.017	132,568	23.01
2010/2011	861,056	188	1.0158	1.0000	191	31,322,080	1.0541	0.9998	1.0000	33,009,210	0.022	173,266	38.34
2011/2012	875,956	161	1.0158	1.0000	164	23,881,056	1.0388	0.9999	1.0000	24,804,176	0.019	151,660	28.32
2012/2013	899,699	159	1.0004	1.0000	159	22,739,208	1.0491	0.9998	1.0000	23,850,859	0.018	149,949	26.51
2013/2014	910,068	139	1.0263	1.0000	143	21,921,190	1.0706	0.9994	1.0000	23,454,298	0.016	164,519	25.77
2014/2015	923,589	146	1.0273	1.0000	150	21,429,669	1.0607	0.9997	1.0000	22,724,156	0.016	151,511	24.60
2015/2016	934,560	120	1.0301	1.0000	124	20,319,392	1.0923	0.9999	1.0000	22,193,587	0.013	179,621	23.75
2016/2017	932,745	115	1.0330	1.0000	119	16,029,713	1.0912	1.0000	1.0000	17,492,150	0.013	147,245	18.75
2017/2018	936,379	110	1.0463	1.0000	115	18,085,341	1.1142	1.0000	1.0000	20,151,212	0.012	175,236	21.52
2018/2019	935,554	119	1.0614	1.0000	126	17,329,997	1.0893	1.0000	1.0000	18,877,687	0.013	149,487	20.18
2019/2020	940,010	86	1.1672	1.0000	100	15,509,111	1.2477	1.0000	1.0000	19,350,789	0.011	193,058	20.59
Ratio 2011/2010	1.0158					1.2947				1.6921	1.2745	1.3070	1.6658
Ratio 2012/2011	1.0173					0.8585				0.7514	0.8439	0.8753	0.7387
Ratio 2013/2012	1.0271					0.9725				0.9616	0.9469	0.9887	0.9362
Ratio 2014/2013	1.0115					0.8963				0.9834	0.8861	1.0972	0.9722
Ratio 2015/2014	1.0149					1.0521				0.9689	1.0367	0.9209	0.9547
Ratio 2016/2015	1.0119					0.8238				0.9767	0.8141	1.1855	0.9652
Ratio 2017/2016	0.9981					0.9615				0.7882	0.9633	0.8198	0.7897
Ratio 2018/2017	1.0039					0.9680				1.1520	0.9642	1.1901	1.1475
Ratio 2019/2018	0.9991					1.0982				0.9368	1.0991	0.8531	0.9376
Ratio 2020/2019	1.0048					0.7937				1.0251	0.7900	1.2915	1.0202

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Death
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2
Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-5.73%	0.8252	
10-yr exp trend	-6.73%	0.9002	
9-yr exp trend	-6.11%	0.8729	
8-yr exp trend	-5.96%	0.8219	
7-yr exp trend	-5.55%	0.7358	
6-yr exp trend	-5.76%	0.6550	
5-yr exp trend	-3.65%	0.3970	
4-yr exp trend	-4.29%	0.3185	
3-yr exp trend	-6.82%	0.3543	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-5.72%	N/A
Future	-5.72%	N/A

Trend Selection Notes:

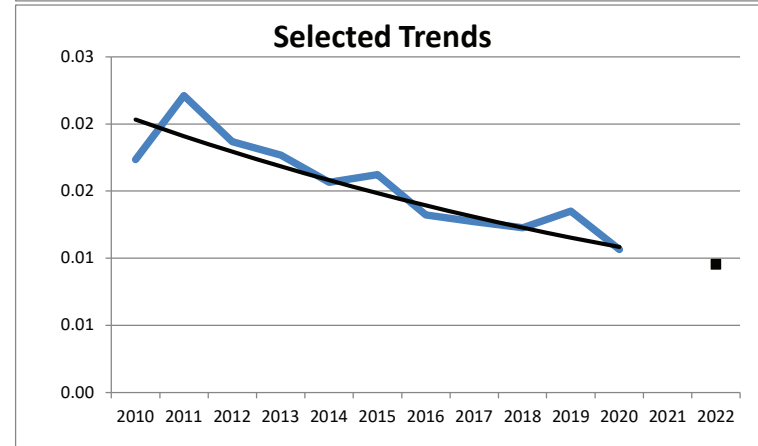
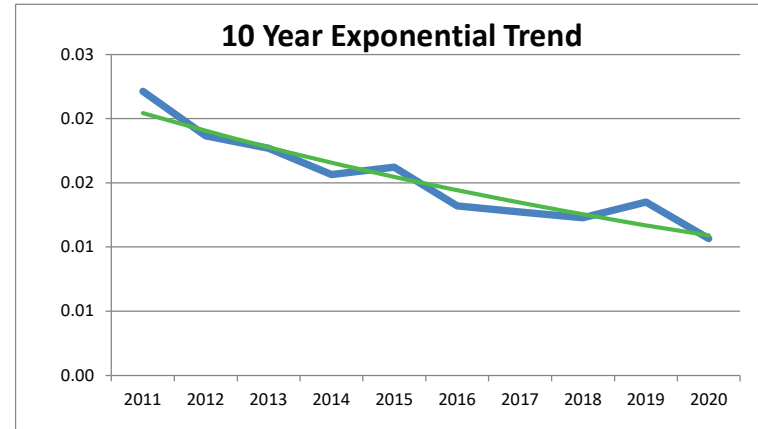
Past: Select the 8 year trend as trend seems consistent after the 2010 and 2011 up/down jumps. Frequency of deaths has been improving even with multi-death events recently. This selection is consistent with the previous selection and is highly correlated.
 Future: Use the past selection. There could be potential impacts from ridesharing but the exact effect is difficult to predict.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-6.11%	N/A
Future	-6.11%	N/A

Trend Selection Notes:

Past: Select long term 9-yr trend. Exclude the tenth year due to it being a high point.
 Future: Select same as past.

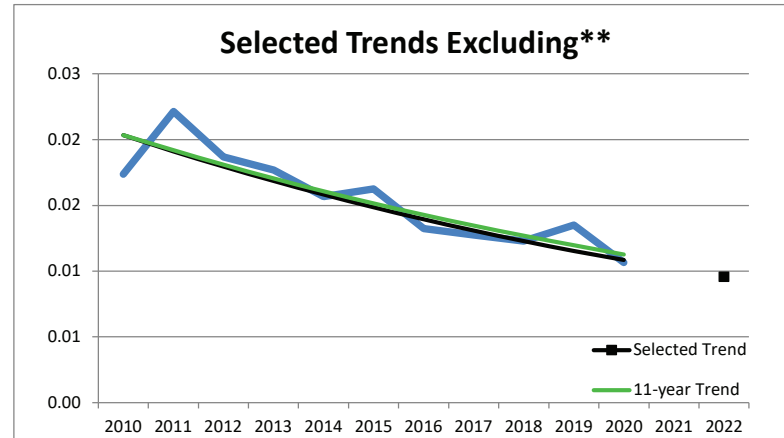
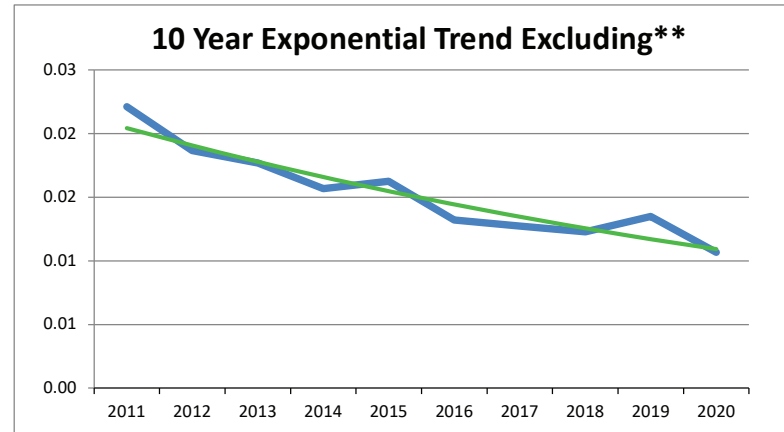


SGL
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Death
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-5.73%	0.8252
10 -yr exp trend excl **	-6.73%	0.9002
9 -yr exp trend excl **	-6.11%	0.8729
8 -yr exp trend excl **	-5.96%	0.8219
7 -yr exp trend excl **	-5.55%	0.7358
6 -yr exp trend excl **	-5.76%	0.6550
5 -yr exp trend excl **	-3.65%	0.3970
4 -yr exp trend excl **	-4.29%	0.3185
3 -yr exp trend excl **	-6.82%	0.3543

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Death
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	1.63%	0.2365
10-yr exp trend	0.91%	0.0815
9-yr exp trend	1.77%	0.2367
8-yr exp trend	1.84%	0.1889
7-yr exp trend	1.54%	0.1000
6-yr exp trend	2.41%	0.1520
5-yr exp trend	1.61%	0.0449
4-yr exp trend	6.76%	0.4191
3-yr exp trend	4.96%	0.1406

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.41%	N/A
Future	0.41%	N/A

Trend Selection Notes:

Past: The long term trend is positive. Excluding the spikes in 2011 and 2016 the long term trends go as high as 3% compared to the past selection of 0%. 10-year trend is consistent with more recent 5 years. Select 1.5%. Could be paying more for these claims as a result of basic CPI inflation on stipulated benefits, or increased wages going into the spousal annuity benefit.

Future: Same as past.

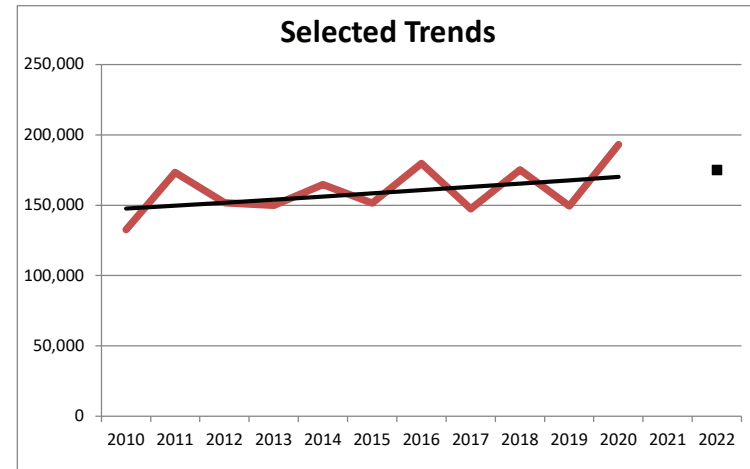
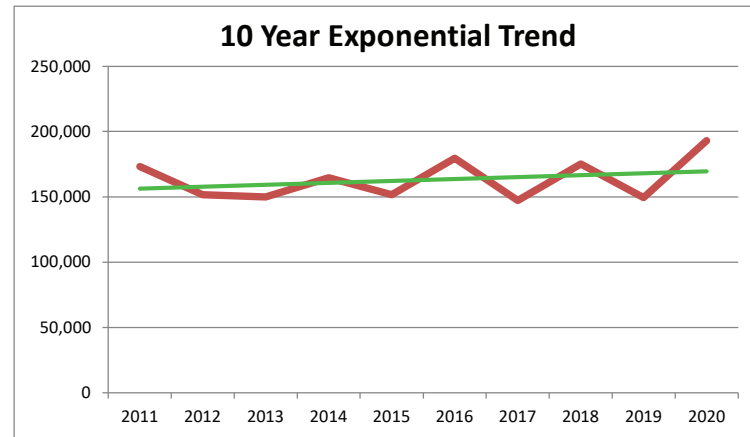
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.43%	N/A
Future	1.43%	N/A

Trend Selection Notes:

Past: Experience fluctuates year to year but overall is fairly consistent. Use an average of the 9,10 and 11-yr trends for a more stable selection. This result is in line with inflation and consistent with the other medium to long term trends.

Future: Select same as past.

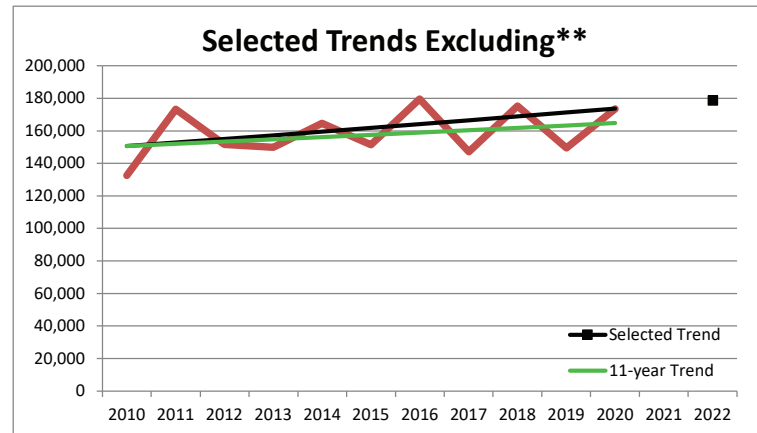
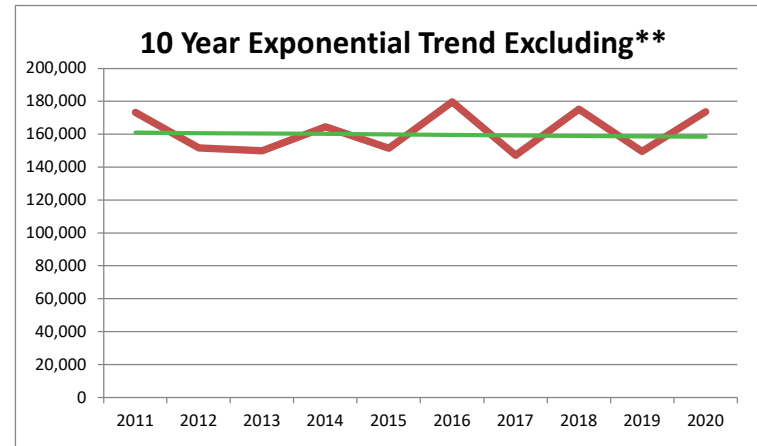


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Death
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
Excluding Years: 2019/2020

<u>Period w Years Excluded</u>	<u>Trends Severity</u>	<u>Coefficient of Determination - R² Severity</u>
11 -yr exp trend excl **	0.90%	0.0802
10 -yr exp trend excl **	-0.18%	0.0037
9 -yr exp trend excl **	0.62%	0.0368
8 -yr exp trend excl **	0.32%	0.0068
7 -yr exp trend excl **	-0.69%	0.0226
6 -yr exp trend excl **	-0.51%	0.0074
5 -yr exp trend excl **	-3.70%	0.2192
4 -yr exp trend excl **	0.76%	0.0061
3 -yr exp trend excl **	-14.69%	1.0000

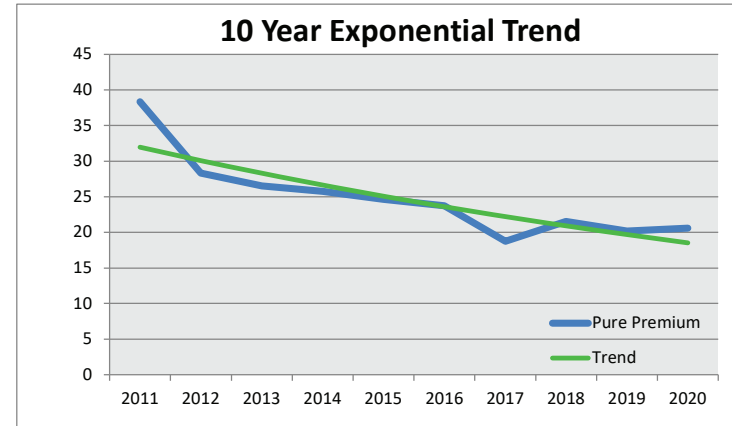
** Years excluded: 2019/2020



SGI
Class Group: All vehicles excluding trailers

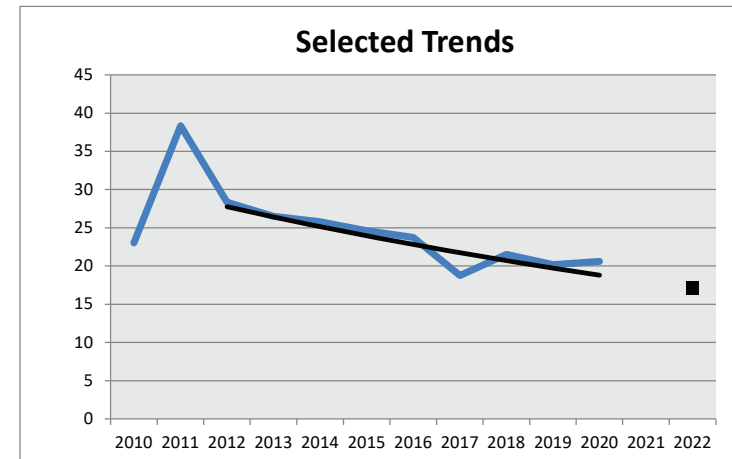
Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Death
Rating year: 17/08/2021
Exhibit 3 - Page 1-6
Pure Premium for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-4.20%	0.5201
10-yr exp trend	-5.88%	0.7832
9-yr exp trend	-4.44%	0.7882
8-yr exp trend	-4.23%	0.7065
7-yr exp trend	-4.09%	0.6009
6-yr exp trend	-3.49%	0.4189
5-yr exp trend	-2.10%	0.1487
4-yr exp trend	2.18%	0.2346
3-yr exp trend	-2.20%	0.4536



2020 Rate Program		Credibility	Credibility Weighted Trends	
Selected Trends			Past	Future
Past	-5.34%	N/A	Past	-5.34%
Future	-5.34%		Future	-5.34%

Trend Selection Notes:



2021 Rate Program		Credibility	Final Trends	
Selected Trends			Past	Future
Past	-4.76%	N/A	Past	-4.76%
Future	-4.76%		Future	-4.76%

Trend Selection Notes:

Calculated Past Trend = -4.76%

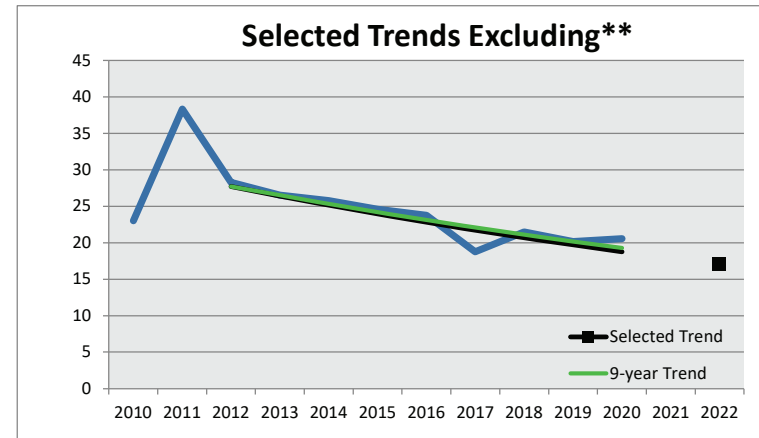
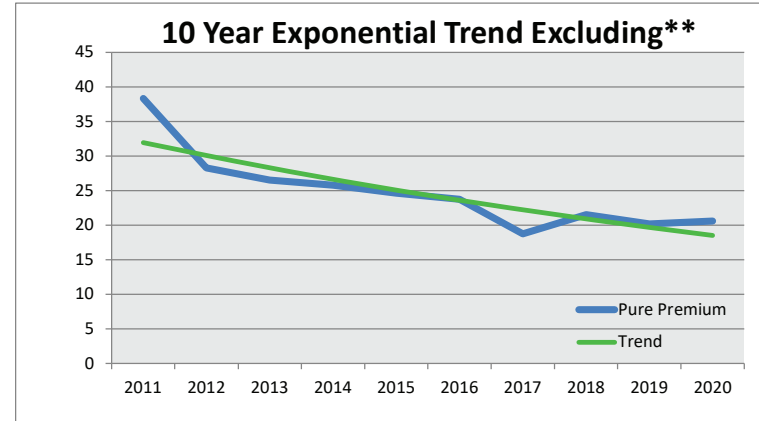
Calculated Future Trend = -4.76%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Death
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-4.20%	0.5201
10 -yr exp trend excl **	-5.88%	0.7832
9 -yr exp trend excl **	-4.44%	0.7882
8 -yr exp trend excl **	-4.23%	0.7065
7 -yr exp trend excl **	-4.09%	0.6009
6 -yr exp trend excl **	-3.49%	0.4189
5 -yr exp trend excl **	-2.10%	0.1487
4 -yr exp trend excl **	2.18%	0.2346
3 -yr exp trend excl **	-2.20%	0.4536

** Years excluded: None



Income Replacement

SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Income Replacement

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

All Vehicles Excluding Trailers and Motorcycles

Fiscal Year	Earned Exposures	Claim Count			Ultimate		Incurred Loss			Inflation	Ultimate Losses	Percent		Ultimate Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor	Ultimate Frequency		Ultimate Severity		
2009/2010	836,789	1,353	0.9981	1.0000	1,350	60,991,181	1.4402	1.0070	1.1916	105,407,969	0.16	78,076	125.97	
2010/2011	849,692	1,390	0.9961	1.0000	1,384	50,994,143	1.4992	1.0070	1.1798	90,832,330	0.16	65,611	106.90	
2011/2012	864,608	1,293	0.9953	1.0000	1,287	51,457,269	1.4588	1.0070	1.1510	87,008,625	0.15	67,629	100.63	
2012/2013	888,055	1,296	0.9994	1.0000	1,295	40,950,409	1.7718	1.0070	1.1274	82,370,689	0.15	63,596	92.75	
2013/2014	900,090	1,193	0.9927	1.0000	1,184	41,891,952	1.6953	1.0070	1.1129	79,592,415	0.13	67,202	88.43	
2014/2015	914,623	1,044	1.0005	1.0000	1,045	33,093,468	2.1787	1.0070	1.0889	79,063,581	0.11	75,671	86.44	
2015/2016	926,229	1,089	1.0043	1.0000	1,094	33,218,301	2.1009	1.0070	1.0707	75,248,612	0.12	68,801	81.24	
2016/2017	925,212	1,082	1.0007	1.0000	1,083	27,838,520	2.4968	1.0070	1.0559	73,911,601	0.12	68,258	79.89	
2017/2018	929,487	1,032	1.0084	1.0000	1,041	23,436,656	2.9534	1.0000	1.0445	72,294,332	0.11	69,461	77.78	
2018/2019	929,348	909	1.0219	1.0000	929	20,228,552	3.3691	1.0000	1.0170	69,311,115	0.10	74,591	74.58	
2019/2020	934,143	737	1.2479	1.0000	920	12,592,069	5.0071	1.0000	1.0000	63,049,881	0.10	68,529	67.49	
Ratio 2011/2010	1.0154				1.0254					0.8617	1.0099	0.8403	0.8486	
Ratio 2012/2011	1.0176				0.9293					0.9579	0.9133	1.0308	0.9414	
Ratio 2013/2012	1.0271				1.0067					0.9467	0.9802	0.9404	0.9217	
Ratio 2014/2013	1.0136				0.9144					0.9663	0.9022	1.0567	0.9534	
Ratio 2015/2014	1.0161				0.8822					0.9934	0.8682	1.1260	0.9776	
Ratio 2016/2015	1.0127				1.0468					0.9517	1.0337	0.9092	0.9398	
Ratio 2017/2016	0.9989				0.9900					0.9822	0.9911	0.9921	0.9833	
Ratio 2018/2017	1.0046				0.9612					0.9781	0.9567	1.0176	0.9736	
Ratio 2019/2018	0.9999				0.8928					0.9587	0.8929	1.0738	0.9589	
Ratio 2020/2019	1.0052				0.9901					0.9097	0.9850	0.9187	0.9050	

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for All Vehicles Excluding Trailers and Motorcycles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-5.16%	0.9471	
10-yr exp trend	-5.28%	0.9359	
9-yr exp trend	-5.01%	0.9145	
8-yr exp trend	-4.87%	0.8783	
7-yr exp trend	-4.16%	0.8367	
6-yr exp trend	-3.60%	0.7395	
5-yr exp trend	-5.07%	0.9053	
4-yr exp trend	-6.11%	0.9251	
3-yr exp trend	-6.21%	0.8367	

2020 Rate Program

Selected Trends		Credibility		Credibility Weighted Trends
Past	-4.87%	1.0000		Past -4.87%
Future	-4.87%			Future -4.87%

Trend Selection Notes:

Past: Long term trend still similar to past selections. Continue to select the 10 year trend. Safety features are expected to continue to reduce the frequency of severe injury claims.

Future: No reason to think future will differ from past.

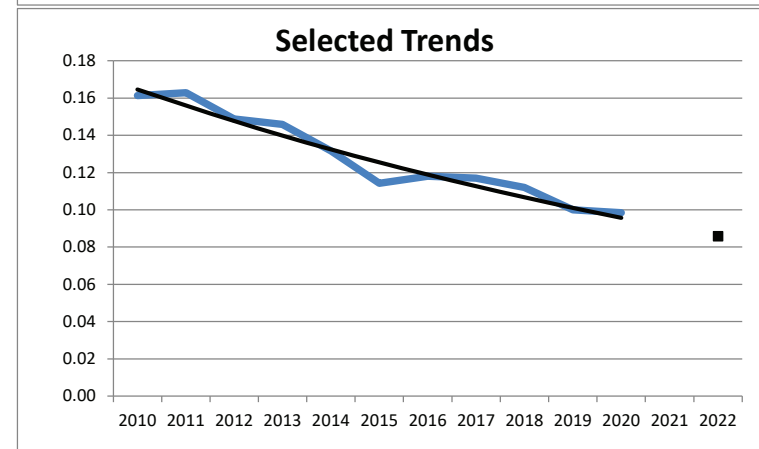
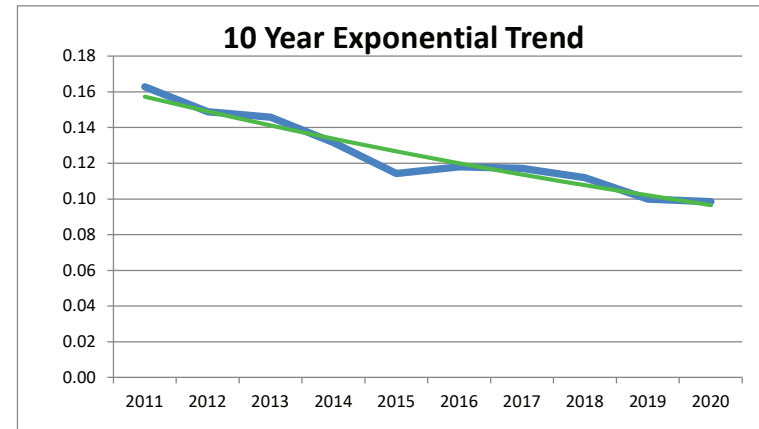
2021 Rate Program

Selected Trends		Credibility		Final Trends
Past	-5.28%	1.0000		Past -5.28%
Future	-5.28%			Future -5.28%

Trend Selection Notes:

Past: Experience is consistent. Continue to select the ten year trend.

Future: Same as past. No expected changes in claim adjudication.

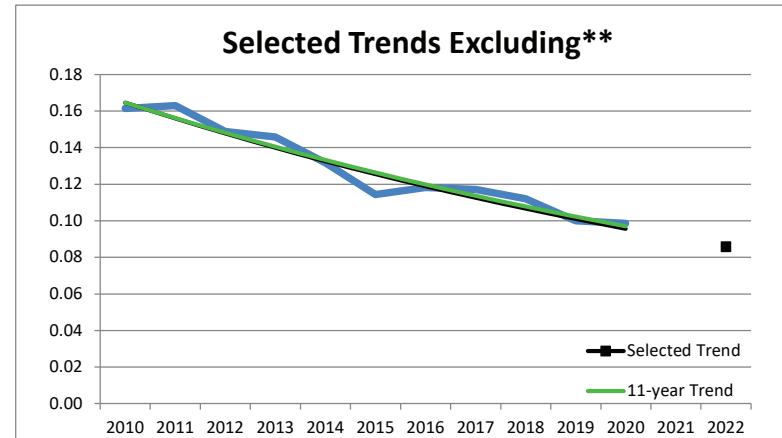
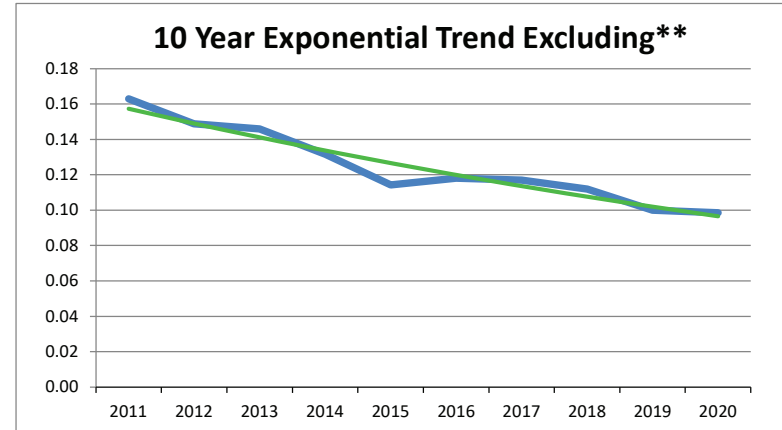


SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-5.16%	0.9471
10 -yr exp trend excl **	-5.28%	0.9359
9 -yr exp trend excl **	-5.01%	0.9145
8 -yr exp trend excl **	-4.87%	0.8783
7 -yr exp trend excl **	-4.16%	0.8367
6 -yr exp trend excl **	-3.60%	0.7395
5 -yr exp trend excl **	-5.07%	0.9053
4 -yr exp trend excl **	-6.11%	0.9251
3 -yr exp trend excl **	-6.21%	0.8367

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4

Severity for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Severity	Coefficient of Determination - R ² Severity
11-yr exp trend	0.10%	0.0026
10-yr exp trend	0.90%	0.2615
9-yr exp trend	0.83%	0.1813
8-yr exp trend	0.93%	0.1655
7-yr exp trend	0.14%	0.0042
6-yr exp trend	-0.67%	0.0740
5-yr exp trend	0.81%	0.1195
4-yr exp trend	0.84%	0.0670
3-yr exp trend	-0.67%	0.0220

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	0.50%	Past 0.50%
Future	0.50%	Future 0.50%

Trend Selection Notes:

Past: Given the long term trends as well as the trends excluding the 2009-10 fiscal year the prior selection of 0.5% continues to look good.

Future: No reason to think future will differ from past.

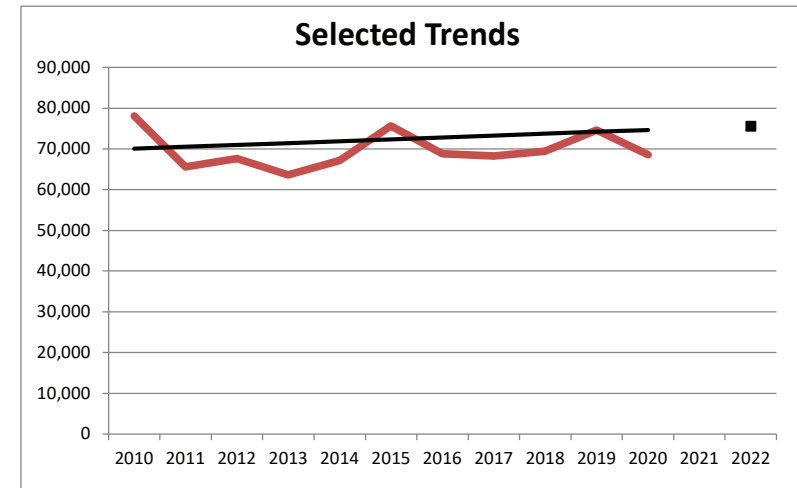
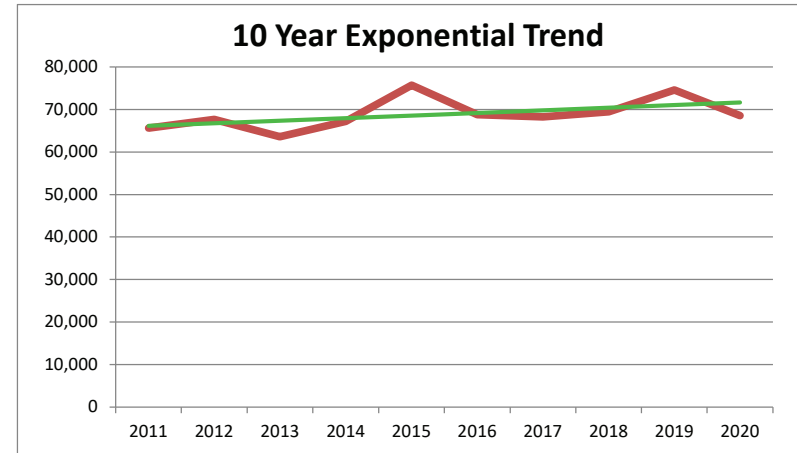
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.64%	Past 0.64%
Future	0.64%	Future 0.64%

Trend Selection Notes:

Past: Exclude the 2015 and 2019 years to smooth the line. Select the 10-yr trend excluding these points. Trend continues to be consistent with past selections.

Future: Same as past.

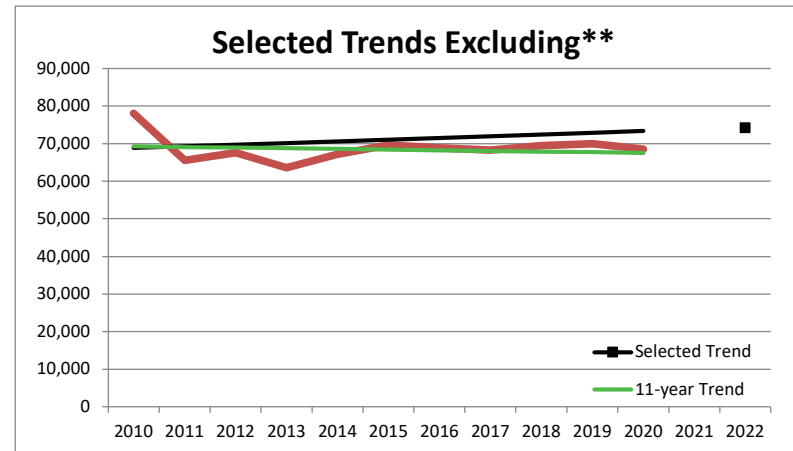
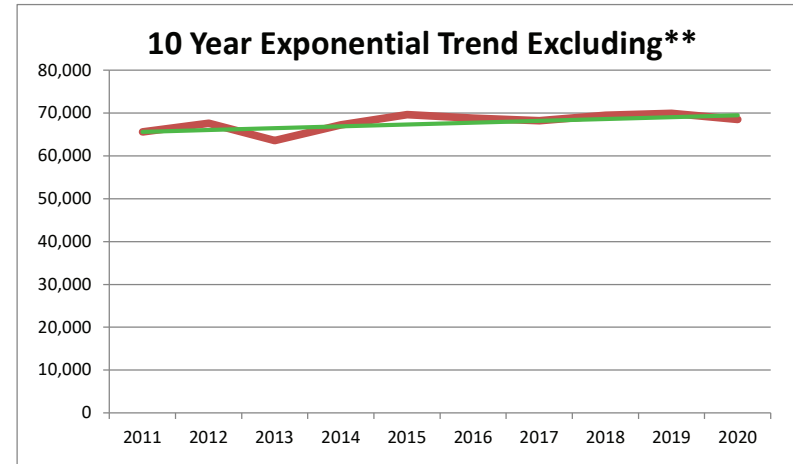


SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: 2014/2015, 2018/2019

Period w Years Excluded	Trends Severity	Coefficient of Determination - R² Severity
11 -yr exp trend excl **	-0.26%	0.0239
10 -yr exp trend excl **	0.64%	0.4701
9 -yr exp trend excl **	0.63%	0.3876
8 -yr exp trend excl **	0.94%	0.5782
7 -yr exp trend excl **	0.34%	0.3951
6 -yr exp trend excl **	-0.01%	0.0002
5 -yr exp trend excl **	-0.01%	0.0002
4 -yr exp trend excl **	0.02%	0.0008
3 -yr exp trend excl **	-0.67%	1.0000

** Years excluded: 2014/2015, 2018/2019



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6

Pure Premium for All Vehicles Excluding Trailers and Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-5.06%	0.9390
10-yr exp trend	-4.43%	0.9721
9-yr exp trend	-4.22%	0.9672
8-yr exp trend	-3.98%	0.9600
7-yr exp trend	-4.02%	0.9426
6-yr exp trend	-4.25%	0.9270
5-yr exp trend	-4.30%	0.8815
4-yr exp trend	-5.33%	0.9132
3-yr exp trend	-6.85%	0.9475

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -4.40%
Future		Future -4.40%

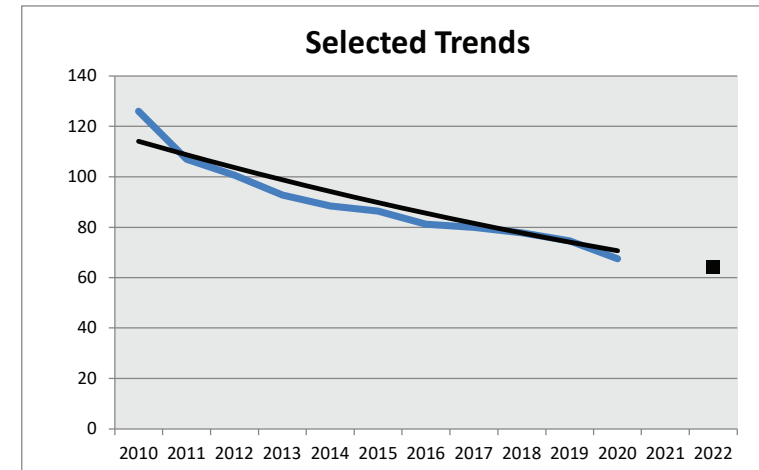
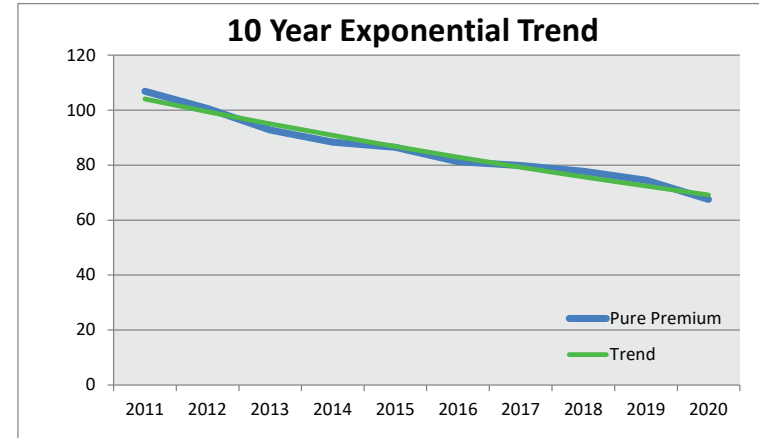
Trend Selection Notes:

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -4.68%
Future		Future -4.68%

Trend Selection Notes:

Calculated Past Trend = -4.68% Calculated Future Trend = -4.68%



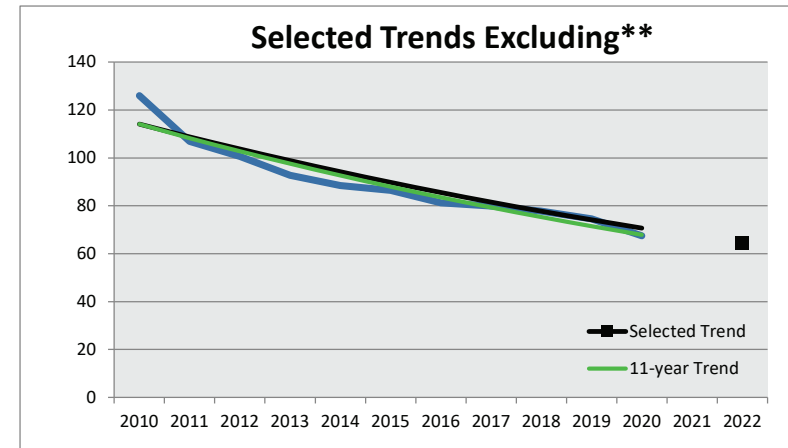
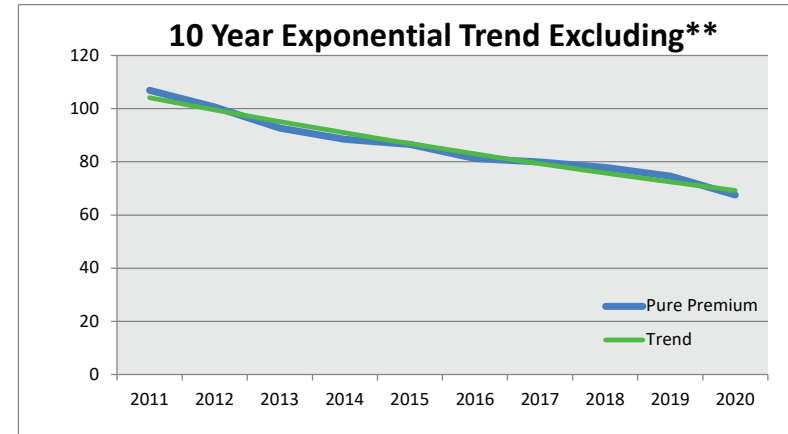
SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7

Pure Premium for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	-5.06%	0.9390
10 -yr exp trend excl **	-4.43%	0.9721
9 -yr exp trend excl **	-4.22%	0.9672
8 -yr exp trend excl **	-3.98%	0.9600
7 -yr exp trend excl **	-4.02%	0.9426
6 -yr exp trend excl **	-4.25%	0.9270
5 -yr exp trend excl **	-4.30%	0.8815
4 -yr exp trend excl **	-5.33%	0.9132
3 -yr exp trend excl **	-6.85%	0.9475

** Years excluded: None



SGI
 Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Income Replacement
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

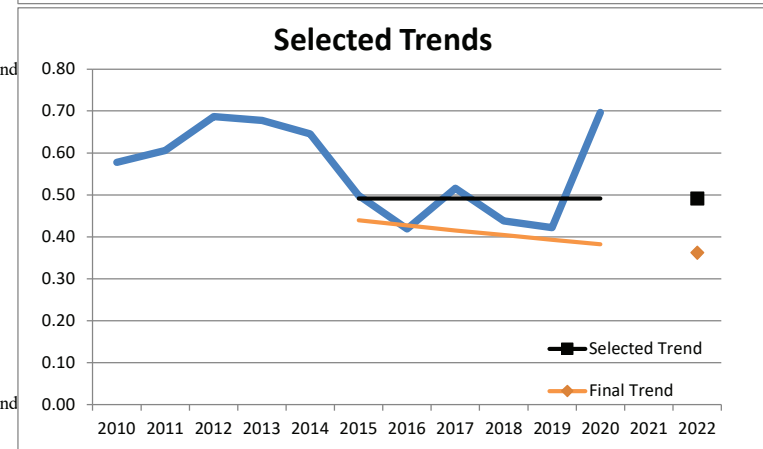
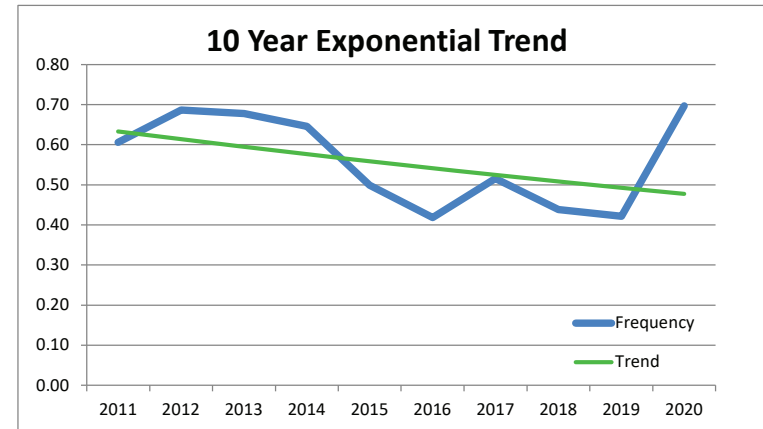
Motorcycles

Fiscal Year	Earned Exposures	Claim Count			Ultimate			Incurred Loss			Inflation Adjustment		Ultimate		Percent Ultimate		Ultimate Pure
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Factor	Losses	Frequency	Severity	Premium				
2009/2010	10,873	63	0.9981	1.0000	63	6,217,873	1.4402	0.8714	1.1916	9,298,729	0.58	147,995	855.22				
2010/2011	11,364	69	0.9961	1.0000	69	4,553,194	1.4992	0.8714	1.1798	7,017,971	0.61	101,929	617.54				
2011/2012	11,348	78	0.9953	1.0000	78	4,346,511	1.4588	0.8714	1.1510	6,359,627	0.69	81,619	560.41				
2012/2013	11,644	79	0.9994	1.0000	79	2,346,080	1.7718	0.8714	1.1274	4,083,501	0.68	51,741	350.69				
2013/2014	9,978	65	0.9927	1.0000	64	5,011,864	1.6953	0.8714	1.1129	8,239,781	0.65	127,921	825.76				
2014/2015	8,966	45	1.0005	1.0000	45	2,955,218	2.1787	0.8714	1.0889	6,109,407	0.50	136,628	681.42				
2015/2016	8,331	35	1.0043	1.0000	35	3,123,893	2.1009	0.8714	1.0707	6,123,398	0.42	175,580	735.00				
2016/2017	7,532	39	1.0007	1.0000	39	1,546,042	2.4968	1.0070	1.0559	4,104,761	0.52	105,671	544.94				
2017/2018	6,892	30	1.0084	1.0000	30	1,253,630	2.9534	1.0000	1.0445	3,867,035	0.44	128,186	561.11				
2018/2019	6,205	26	1.0219	1.0000	26	1,220,337	3.3691	1.0000	1.0170	4,181,362	0.42	159,687	673.85				
2019/2020	5,867	33	1.2479	1.0000	41	1,473,515	5.0071	1.0000	1.0000	7,378,053	0.70	180,532	1,257.60				
Ratio 2011/2010	1.0452					1.0958				0.7547	1.0484	0.6887	0.7221				
Ratio 2012/2011	0.9986					1.1317				0.9062	1.1333	0.8007	0.9075				
Ratio 2013/2012	1.0261					1.0129				0.6421	0.9871	0.6339	0.6258				
Ratio 2014/2013	0.8569					0.8162				2.0178	0.9524	2.4723	2.3547				
Ratio 2015/2014	0.8985					0.6942				0.7415	0.7726	1.0681	0.8252				
Ratio 2016/2015	0.9292					0.7799				1.0023	0.8393	1.2851	1.0786				
Ratio 2017/2016	0.9041					1.1138				0.6703	1.2319	0.6018	0.7414				
Ratio 2018/2017	0.9149					0.7766				0.9421	0.8488	1.2131	1.0297				
Ratio 2019/2018	0.9004					0.8680				1.0813	0.9640	1.2457	1.2009				
Ratio 2020/2019	0.9455					1.5608				1.7645	1.6508	1.1305	1.8663				

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-2.55%	0.1852
10-yr exp trend	-3.09%	0.2067
9-yr exp trend	-3.45%	0.1928
8-yr exp trend	-2.49%	0.0826
7-yr exp trend	-0.22%	0.0005
6-yr exp trend	4.47%	0.1795
5-yr exp trend	8.52%	0.3594
4-yr exp trend	9.04%	0.2393
3-yr exp trend	26.15%	0.6912



2020 Rate Program		Credibility	Complement: All Vehicles excl Trailers and	
Selected Trends	Frequency		Credibility Weighted Trends	Final Trends
Past	-2.59%	0.4994	Past	-3.73%
Future	-2.59%		Future	-3.73%

Trend Selection Notes:
Past: Unsure of the cause for the 2015-2016 decrease. Possibly due to the reduced no fault introduction or a delayed reaction from the 2014 rate increases. Similar to care selections, focus on the long term and select the 10 year trend.
Future: No reason future will deviate from past.

2021 Rate Program		Credibility	Complement: All Vehicles excl Trailers and	
Selected Trends	Frequency		Final Trends	Final Trends
Past	0.00%	0.4837	Past	-2.73%
Future	0.00%		Future	-2.73%

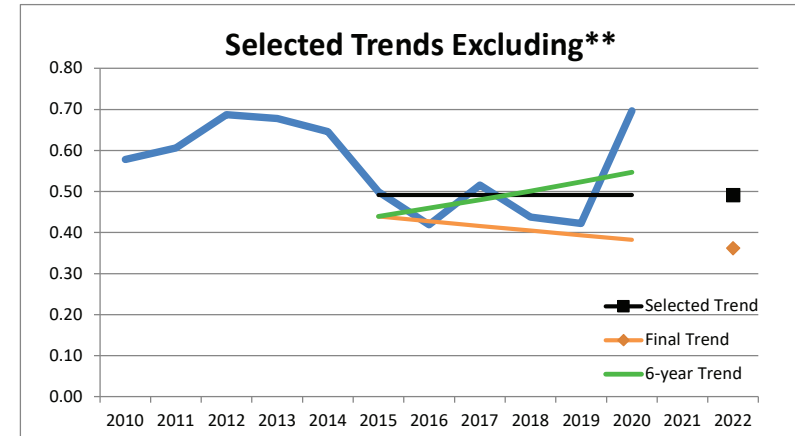
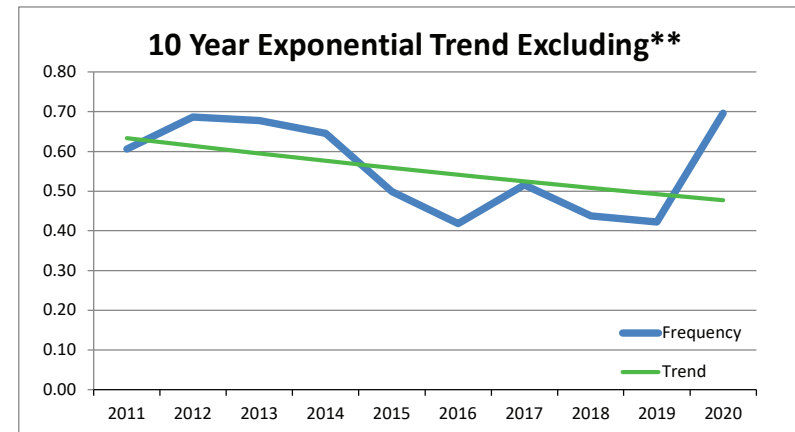
Trend Selection Notes:
Past: The 2020 fiscal year result is very high and we don't have full confidence in it. Similar to the Care trend selections, select a trend starting around the 2015 year and assume flat growth.
Future: Same as past. No valid reason to differ due to uncertainty in trend.

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-3
Frequency for Motorcycles
Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.55%	0.1852
10 -yr exp trend excl **	-3.09%	0.2067
9 -yr exp trend excl **	-3.45%	0.1928
8 -yr exp trend excl **	-2.49%	0.0826
7 -yr exp trend excl **	-0.22%	0.0005
6 -yr exp trend excl **	4.47%	0.1795
5 -yr exp trend excl **	8.52%	0.3594
4 -yr exp trend excl **	9.04%	0.2393
3 -yr exp trend excl **	26.15%	0.6912

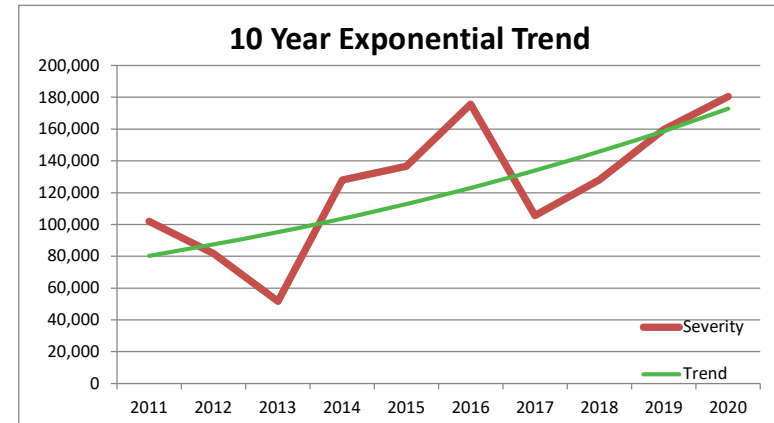
** Years excluded: None



SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	5.50%	0.2315
10-yr exp trend	8.89%	0.4556
9-yr exp trend	11.08%	0.5130
8-yr exp trend	11.52%	0.4434
7-yr exp trend	3.75%	0.1675
6-yr exp trend	3.79%	0.1138
5-yr exp trend	4.80%	0.1053
4-yr exp trend	20.04%	0.9881
3-yr exp trend	18.67%	0.9739

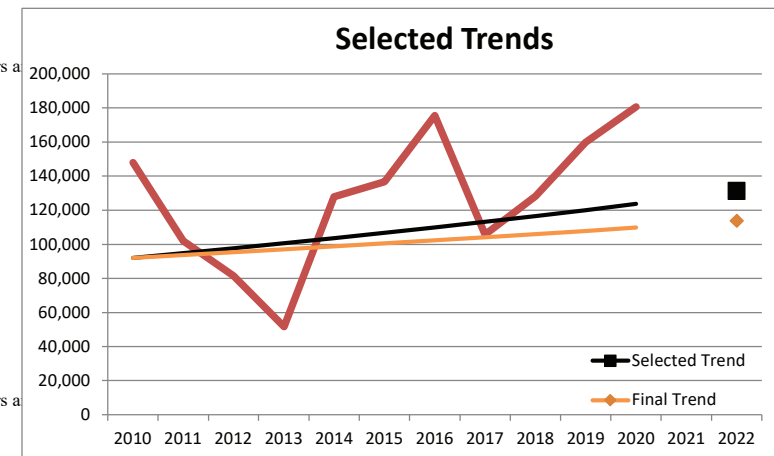


2020 Rate Program		Complement: All Vehicles excl Trailers a	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	0.50%	0.4994	Past 0.50%
Future	0.50%		Future 0.50%

Trend Selection Notes:

Past: The all vehicle severity was used last year as the trend wasn't significantly different. This observation has not materially changed with the new data. Select trend equal to the All Vehicle selection.

Future: Same as past.



2021 Rate Program		Complement: All Vehicles excl Trailers a	
Selected Trends	Credibility	Final Trends	
Past	3.00%	0.4837	Past 1.78%
Future	3.00%		Future 1.78%

Trend Selection Notes:

Past: Experience is volatile and jumps around. The high severity from earlier years is dropping off and indicating a more positive trend then has been selected in the past. There are a low number of claims here and so results are also not fully credible. Select a subjective 3% trend to reflect the higher trend.

Future: Select same as past.

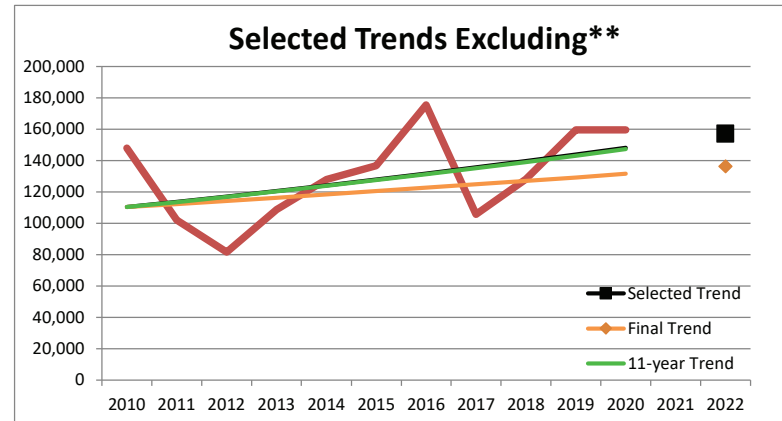
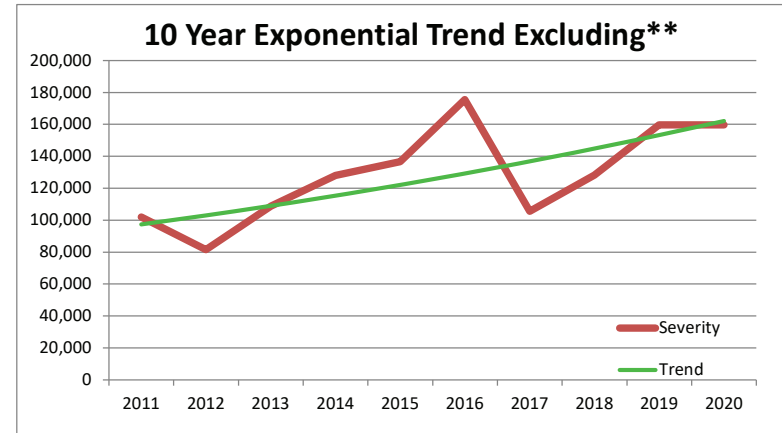
SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-5

Severity for Motorcycles
Excluding Years: 2012/2013, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	2.94%	0.1448
10 -yr exp trend excl **	5.84%	0.4107
9 -yr exp trend excl **	6.53%	0.3558
8 -yr exp trend excl **	1.18%	0.0149
7 -yr exp trend excl **	1.18%	0.0149
6 -yr exp trend excl **	-0.03%	0.0000
5 -yr exp trend excl **	-0.91%	0.0027
4 -yr exp trend excl **	22.93%	0.9986
3 -yr exp trend excl **	24.57%	1.0000

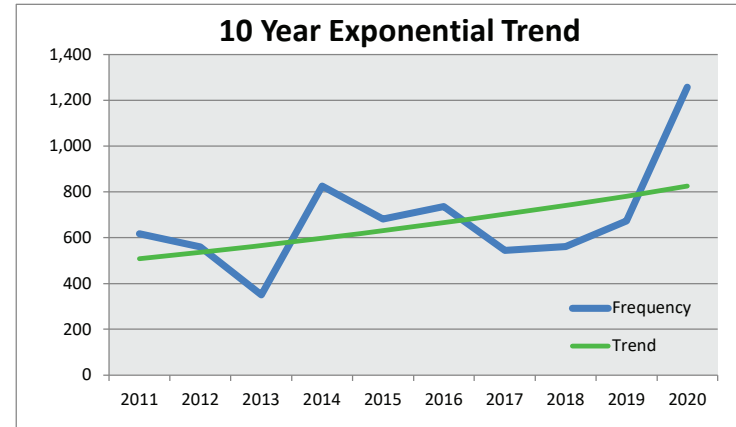
** Years excluded: 2012/2013, 2019/2020



SGI
Class Group: Motorcycles

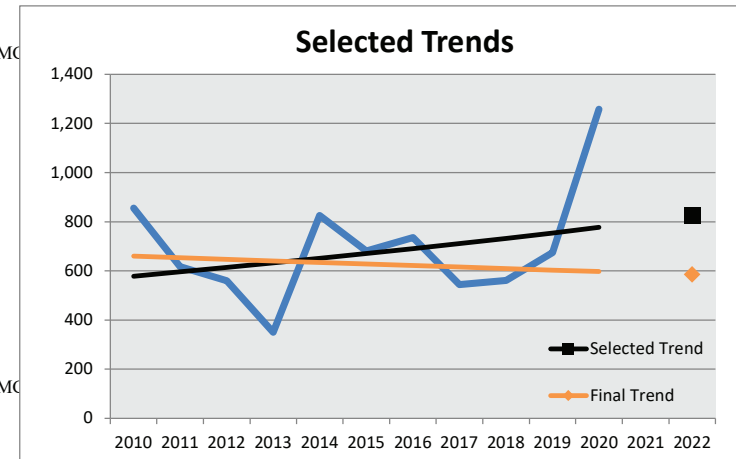
Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	2.81%	0.0811
10-yr exp trend	5.52%	0.2459
9-yr exp trend	7.24%	0.3035
8-yr exp trend	8.74%	0.3134
7-yr exp trend	3.52%	0.0704
6-yr exp trend	8.43%	0.2504
5-yr exp trend	13.73%	0.3633
4-yr exp trend	30.89%	0.7966
3-yr exp trend	49.71%	0.9095



2020 Rate Program		Credibility	Complement: All Vehicles excl Trailers and MC	
Selected Trends			Credibility Weighted Trends	
Past	-2.10%	0.4994	Past	-3.25%
Future	-2.10%		Future	-3.25%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: All Vehicles excl Trailers and MC	
Selected Trends			Final Trends	
Past	3.00%	0.4837	Past	-1.00%
Future	3.00%		Future	-1.00%

Trend Selection Notes:

Calculated Past Trend = 3%

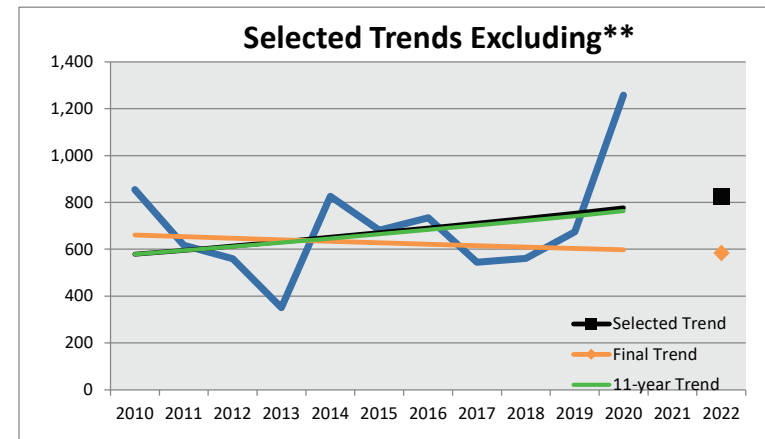
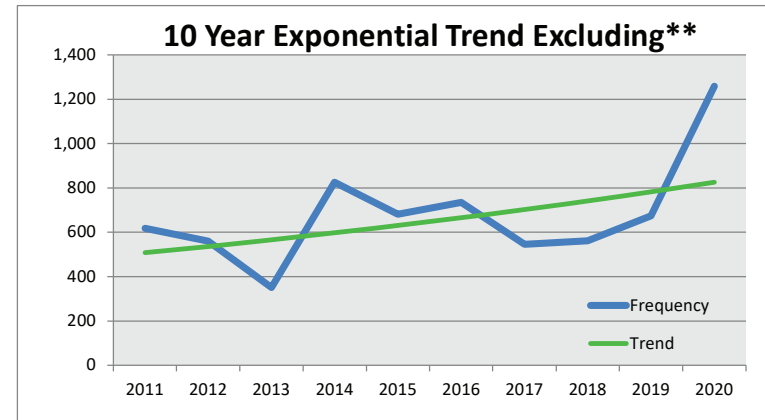
Calculated Future Trend = 3%

SGL
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Income Replacement
Rating year: 17/08/2021
Exhibit 3 - Page 2-7
Pure Premium for Motorcycles
Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	2.81%	0.0811
10 -yr exp trend excl **	5.52%	0.2459
9 -yr exp trend excl **	7.24%	0.3035
8 -yr exp trend excl **	8.74%	0.3134
7 -yr exp trend excl **	3.52%	0.0704
6 -yr exp trend excl **	8.43%	0.2504
5 -yr exp trend excl **	13.73%	0.3633
4 -yr exp trend excl **	30.89%	0.7966
3 -yr exp trend excl **	49.71%	0.9095

** Years excluded: None



Medical Excluding Funding

SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Medical Excluding Funding

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

All Vehicles Excluding Trailers and Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count Development Factor	Claim Count Adjustment	Ultimate Number of Claims	Incurred Losses	Incurred Loss Development Factor	Incurred Loss Adjustment	Inflation Adjustment Factor	Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
2009/2010	836,789	4,998	0.9973	1.0000	4,984	37,151,783	1.2008	1.0324	1.0000	46,055,714	0.60	9,241	55.04
2010/2011	849,692	5,676	0.9969	1.0000	5,659	36,975,814	1.2924	1.0324	1.0000	49,334,705	0.67	8,718	58.06
2011/2012	864,608	5,086	0.9967	1.0000	5,069	31,126,890	1.3747	1.0324	1.0000	44,174,832	0.59	8,714	51.09
2012/2013	888,055	5,216	0.9974	1.0000	5,202	32,195,483	1.3603	1.0324	1.0000	45,213,892	0.59	8,691	50.91
2013/2014	900,090	4,670	0.9927	1.0000	4,636	33,115,017	1.3094	1.0324	1.0000	44,766,121	0.52	9,656	49.74
2014/2015	914,623	4,336	0.9970	1.0000	4,323	24,416,014	1.5287	1.0324	1.0000	38,534,266	0.47	8,913	42.13
2015/2016	926,229	4,387	0.9983	1.0000	4,380	29,840,822	1.3565	1.0324	1.0000	41,788,857	0.47	9,542	45.12
2016/2017	925,212	4,617	0.9965	1.0000	4,601	27,608,109	1.5579	1.0324	1.0000	44,404,275	0.50	9,650	47.99
2017/2018	929,487	4,661	0.9973	1.0000	4,649	26,234,014	1.5654	1.0011	1.0000	41,111,821	0.50	8,844	44.23
2018/2019	929,348	4,323	1.0006	1.0000	4,325	24,825,192	1.5197	1.0000	1.0000	37,727,081	0.47	8,722	40.60
2019/2020	934,143	4,375	1.0483	1.0000	4,587	27,124,887	1.5099	1.0000	1.0000	40,956,227	0.49	8,929	43.84
Ratio 2011/2010	1.0154				1.1354					1.0712	1.1182	0.9435	1.0549
Ratio 2012/2011	1.0176				0.8958					0.8954	0.8804	0.9995	0.8800
Ratio 2013/2012	1.0271				1.0263					1.0235	0.9992	0.9973	0.9965
Ratio 2014/2013	1.0136				0.8911					0.9901	0.8792	1.1111	0.9769
Ratio 2015/2014	1.0161				0.9325					0.8608	0.9177	0.9231	0.8471
Ratio 2016/2015	1.0127				1.0130					1.0845	1.0003	1.0705	1.0709
Ratio 2017/2016	0.9989				1.0506					1.0626	1.0518	1.0114	1.0638
Ratio 2018/2017	1.0046				1.0103					0.9259	1.0057	0.9164	0.9216
Ratio 2019/2018	0.9999				0.9304					0.9177	0.9306	0.9863	0.9178
Ratio 2020/2019	1.0052				1.0604					1.0856	1.0550	1.0237	1.0800

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2
Frequency for All Vehicles Excluding Trailers and Motorcycles

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-2.95%	0.6879	
10-yr exp trend	-3.13%	0.6588	
9-yr exp trend	-2.32%	0.5423	
8-yr exp trend	-1.80%	0.3662	
7-yr exp trend	-0.42%	0.0613	
6-yr exp trend	0.42%	0.0678	
5-yr exp trend	0.09%	0.0020	
4-yr exp trend	-1.10%	0.1877	
3-yr exp trend	-0.92%	0.0609	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -3.47%
Future		Future -0.93%

Trend Selection Notes:

Past: There has been a long term negative trend but recent years have had a credible flattening out. Select the 10 year trend as it is what is used for the pure premium projection.

Future: Select the 6 year trend to reflect the trend in the most recent years but with the expectation that the overall negative trend will continue.

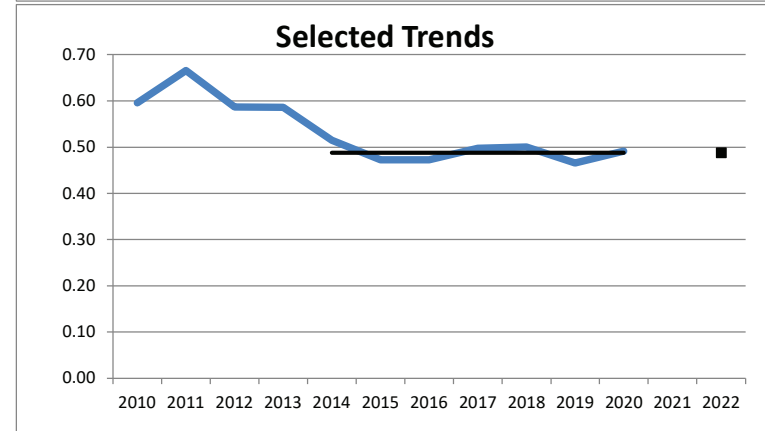
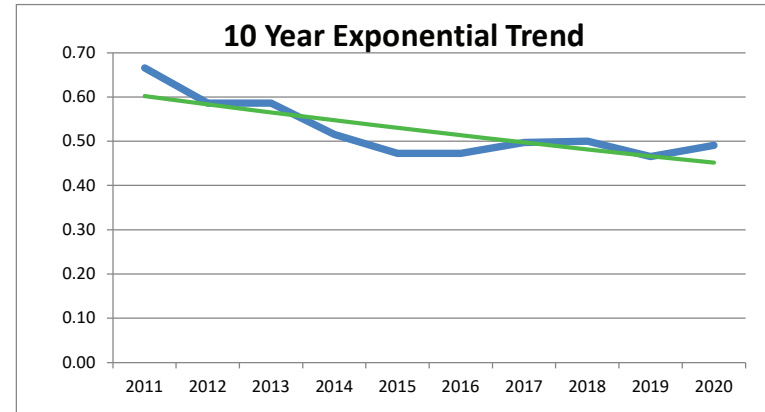
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past 0.00%
Future		Future 0.00%

Trend Selection Notes:

Past: Latest history has been consistent. Reduce number of years considered in pure premium calculation to seven years and select 0% trend. Will review large rate classes to consider whether a specific class should deviate from this selection.

Future: Select same as past based on recent history.

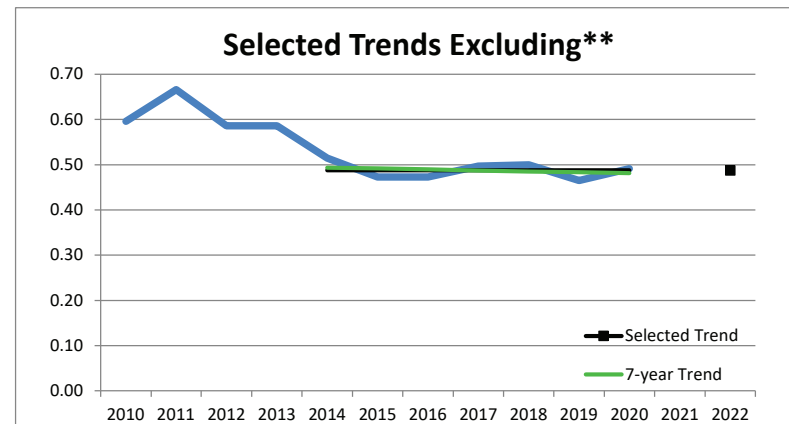
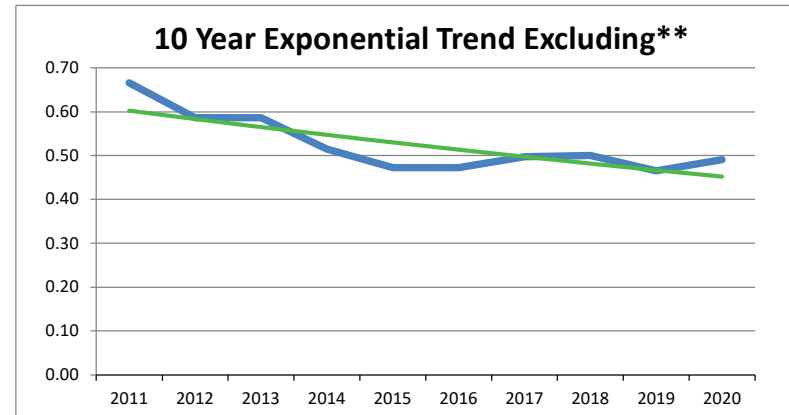


SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-3
Frequency for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.95%	0.6879
10 -yr exp trend excl **	-3.13%	0.6588
9 -yr exp trend excl **	-2.32%	0.5423
8 -yr exp trend excl **	-1.80%	0.3662
7 -yr exp trend excl **	-0.42%	0.0613
6 -yr exp trend excl **	0.42%	0.0678
5 -yr exp trend excl **	0.09%	0.0020
4 -yr exp trend excl **	-1.10%	0.1877
3 -yr exp trend excl **	-0.92%	0.0609

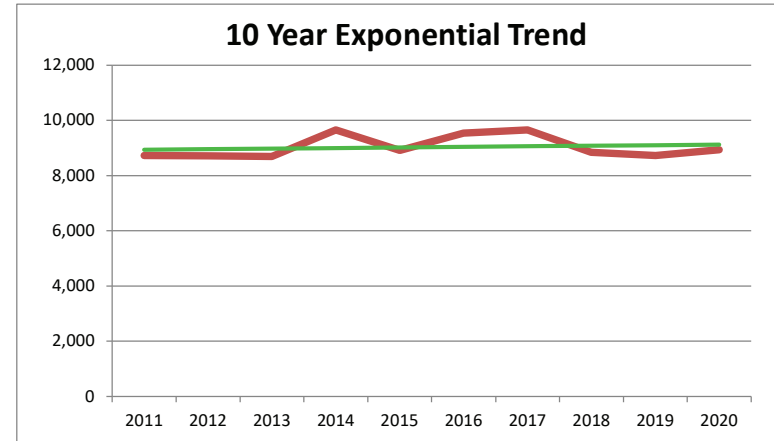
** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4
Severity for All Vehicles Excluding Trailers and Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	0.07%	0.0026
10-yr exp trend	0.23%	0.0240
9-yr exp trend	0.02%	0.0002
8-yr exp trend	-0.39%	0.0443
7-yr exp trend	-1.26%	0.3673
6-yr exp trend	-0.99%	0.1899
5-yr exp trend	-2.31%	0.6344
4-yr exp trend	-2.44%	0.4929
3-yr exp trend	0.48%	0.1674



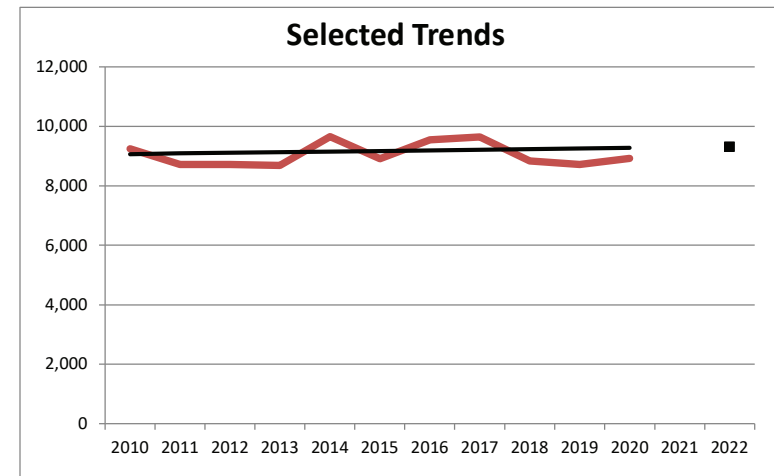
2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.25%	Past 1.25%
Future	1.25%	Future 1.25%

Trend Selection Notes:

Past: Have seen increases in payments for prosthetics, wheel chair expenses, etc. but trend isn't increasing. Trends show that selection last year was too high. Revision in ultimate selections from the valuation could be impacting these trends. Select average of 10 and 11 year exponential trends.

Future: No reason to think future will be too different from past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.23%	Past 0.23%
Future	0.23%	Future 0.23%

Trend Selection Notes:

Past: Ten year period is consistent. No reason to deviate.

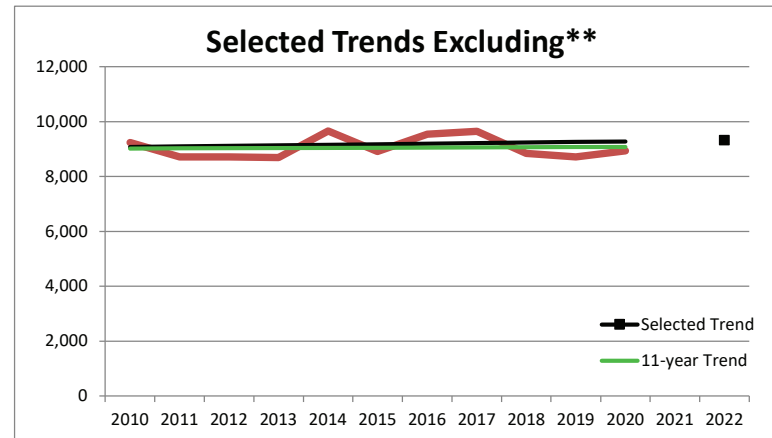
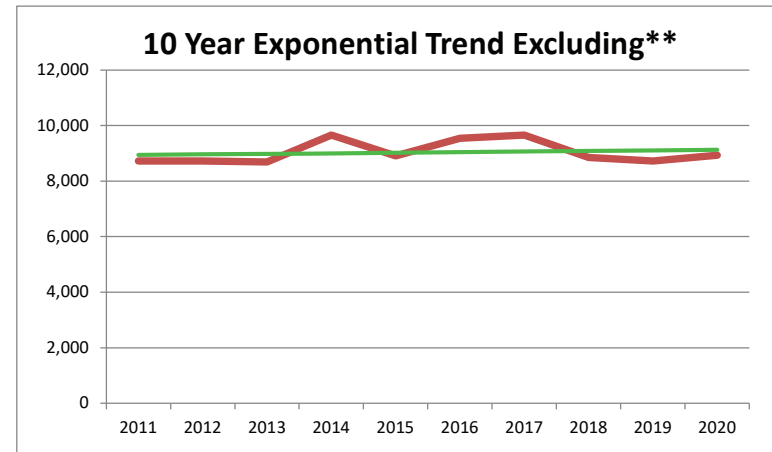
Future: Same as past.

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-5
Severity for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	0.07%	0.0026
10 -yr exp trend excl **	0.23%	0.0240
9 -yr exp trend excl **	0.02%	0.0002
8 -yr exp trend excl **	-0.39%	0.0443
7 -yr exp trend excl **	-1.26%	0.3673
6 -yr exp trend excl **	-0.99%	0.1899
5 -yr exp trend excl **	-2.31%	0.6344
4 -yr exp trend excl **	-2.44%	0.4929
3 -yr exp trend excl **	0.48%	0.1674

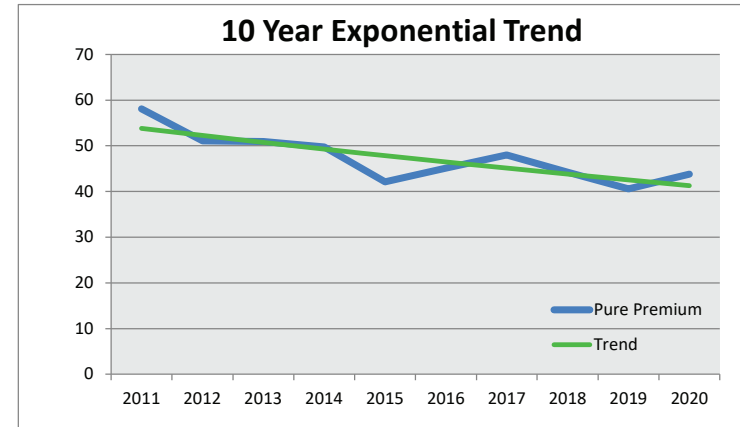
** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6
Pure Premium for All Vehicles Excluding Trailers and Motorcycles

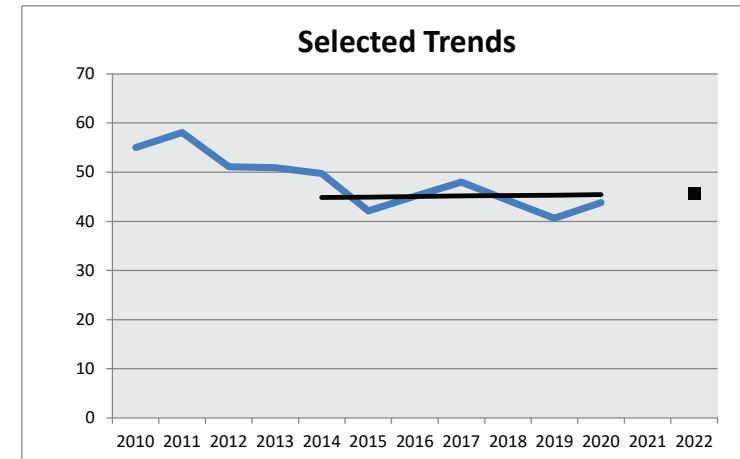
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-2.88%	0.7397
10-yr exp trend	-2.91%	0.6858
9-yr exp trend	-2.30%	0.5719
8-yr exp trend	-2.18%	0.4591
7-yr exp trend	-1.67%	0.2674
6-yr exp trend	-0.57%	0.0342
5-yr exp trend	-2.22%	0.3485
4-yr exp trend	-3.51%	0.4535
3-yr exp trend	-0.44%	0.0087



2020 Rate Program

Selected Trends		Credibility		Credibility Weighted Trends
Past	-2.27%	1.0000		Past -2.27%
Future	0.31%			Future 0.31%

Trend Selection Notes:



2021 Rate Program

Selected Trends		Credibility		Final Trends
Past	0.23%	1.0000		Past 0.23%
Future	0.23%			Future 0.23%

Trend Selection Notes:

Calculated Past Trend = 0.23%

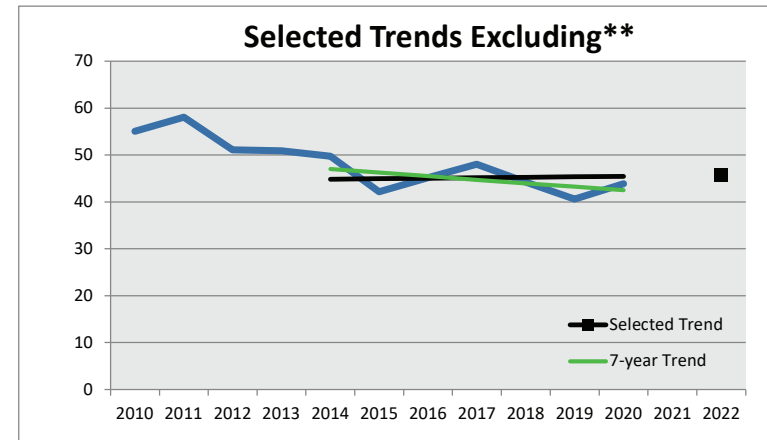
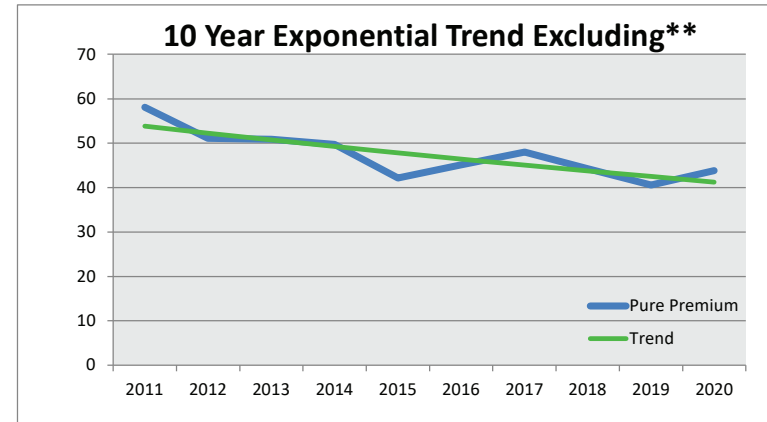
Calculated Future Trend = 0.23%

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-7
Pure Premium for All Vehicles Excluding Trailers and Motorcycles
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-2.88%	0.7397
10 -yr exp trend excl **	-2.91%	0.6858
9 -yr exp trend excl **	-2.30%	0.5719
8 -yr exp trend excl **	-2.18%	0.4591
7 -yr exp trend excl **	-1.67%	0.2674
6 -yr exp trend excl **	-0.57%	0.0342
5 -yr exp trend excl **	-2.22%	0.3485
4 -yr exp trend excl **	-3.51%	0.4535
3 -yr exp trend excl **	-0.44%	0.0087

** Years excluded: None



SGI
 Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Medical Excluding Funding
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

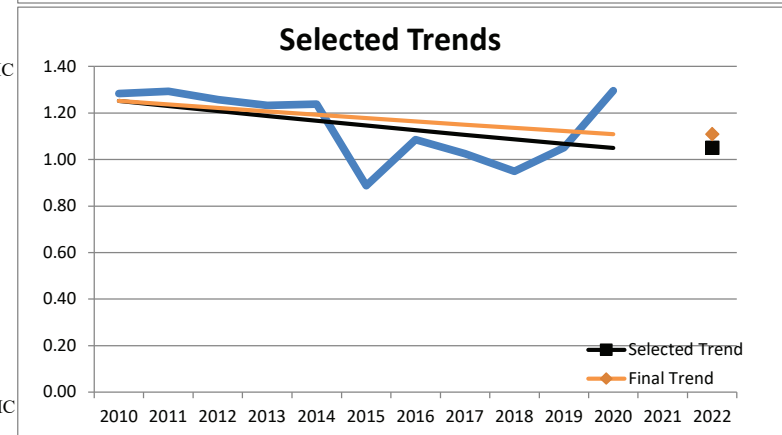
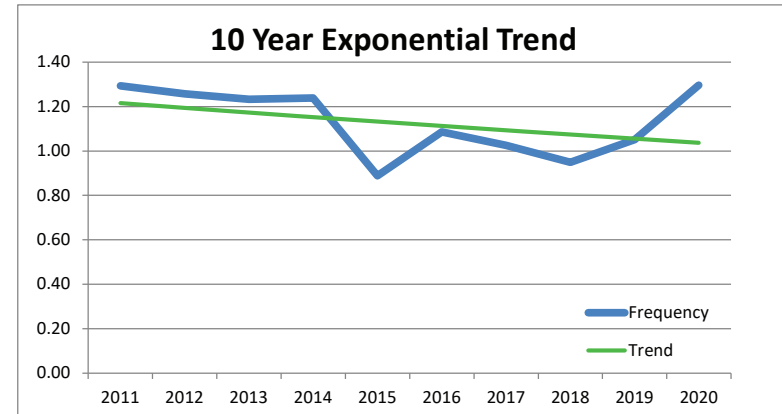
Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim Count Adjustment	Ultimate	Incurred Losses	Incurred Loss	Incurred Loss Adjustment	Inflation	Ultimate Losses	Percent	Ultimate Severity	Ultimate
			Development Factor		Number of Claims		Development Factor		Adjustment Factor		Ultimate Frequency		Pure Premium
2009/2010	10,873	140	0.9973	1.0000	140	2,046,072	1.2008	0.9646	1.0000	2,369,900	1.28	16,967	217.96
2010/2011	11,364	147	0.9969	1.0000	147	1,867,260	1.2924	0.9646	1.0000	2,327,796	1.29	15,836	204.83
2011/2012	11,348	143	0.9967	1.0000	143	1,655,587	1.3747	0.9646	1.0000	2,195,313	1.26	15,392	193.45
2012/2013	11,644	144	0.9974	1.0000	143	1,318,047	1.3603	0.9646	1.0000	1,729,471	1.23	12,053	148.53
2013/2014	9,978	125	0.9927	1.0000	124	2,811,182	1.3094	0.9646	1.0000	3,550,738	1.24	28,726	355.84
2014/2015	8,966	80	0.9970	1.0000	80	2,188,714	1.5287	0.9646	1.0000	3,227,501	0.89	40,543	359.98
2015/2016	8,331	91	0.9983	1.0000	90	939,458	1.3565	0.9646	1.0000	1,229,227	1.09	13,590	147.55
2016/2017	7,532	78	0.9965	1.0000	77	999,498	1.5579	1.0324	1.0000	1,607,570	1.03	20,814	213.42
2017/2018	6,892	66	0.9973	1.0000	65	1,473,422	1.5654	1.0011	1.0000	2,309,027	0.95	35,292	335.04
2018/2019	6,205	65	1.0006	1.0000	65	1,215,541	1.5197	1.0000	1.0000	1,847,269	1.05	28,326	297.70
2019/2020	5,867	73	1.0483	1.0000	76	1,282,550	1.5099	1.0000	1.0000	1,936,540	1.30	25,468	330.09
Ratio 2011/2010	1.0452				1.0524					0.9822	1.0069	0.9333	0.9397
Ratio 2012/2011	0.9986				0.9703					0.9431	0.9717	0.9720	0.9444
Ratio 2013/2012	1.0261				1.0061					0.7878	0.9805	0.7830	0.7678
Ratio 2014/2013	0.8569				0.8614					2.0531	1.0052	2.3834	2.3958
Ratio 2015/2014	0.8985				0.6440					0.9090	0.7168	1.4114	1.0116
Ratio 2016/2015	0.9292				1.1362					0.3809	1.2228	0.3352	0.4099
Ratio 2017/2016	0.9041				0.8539					1.3078	0.9444	1.5316	1.4464
Ratio 2018/2017	0.9149				0.8471					1.4363	0.9259	1.6956	1.5699
Ratio 2019/2018	0.9004				0.9968					0.8000	1.1071	0.8026	0.8885
Ratio 2020/2019	0.9455				1.1659					1.0483	1.2332	0.8991	1.1088

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-1.92%	0.2221
10-yr exp trend	-1.74%	0.1516
9-yr exp trend	-1.23%	0.0629
8-yr exp trend	-0.39%	0.0049
7-yr exp trend	1.22%	0.0374
6-yr exp trend	5.03%	0.5016
5-yr exp trend	3.86%	0.2694
4-yr exp trend	8.38%	0.6088
3-yr exp trend	16.84%	0.9615



2020 Rate Program		Complement: All Vehicles excl Trailers & MC	
Selected Trends	Credibility	Credibility Weighted Trends	
Past	-3.03%	0.7139	Past -3.16%
Future	-3.03%		Future -2.43%

Trend Selection Notes:
Past: The long term trend is consistent though it is impacted by the uptick in the most recent partial year. Select the average of the 10 year trend both including and excluding the partial year.
Future: Set equal to the past.

2021 Rate Program		Complement: All Vehicles excl Trailers & MC	
Selected Trends	Credibility	Final Trends	
Past	-1.74%	0.6890	Past -1.20%
Future	0.00%		Future 0.00%

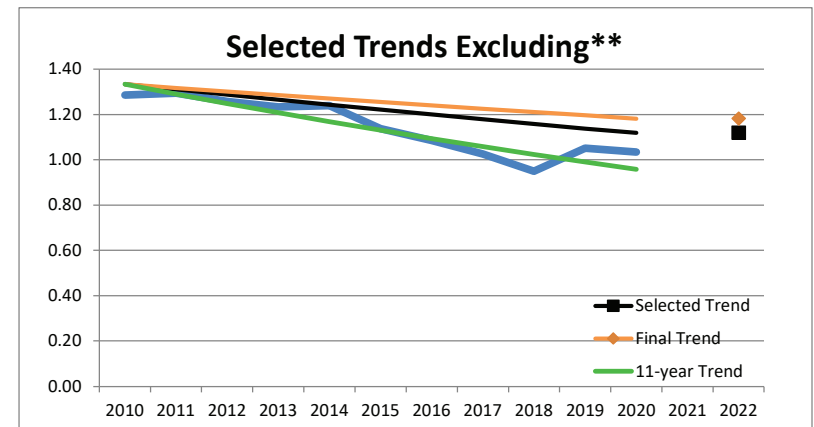
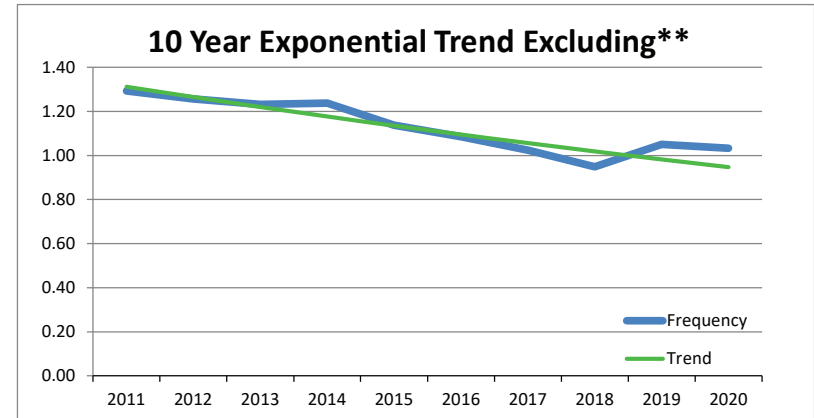
Trend Selection Notes:
Past: Discussion between using the longer term trend or the shorter period consistent with Care and IRB selections. Both 2015 and 2020 fiscal year results are questionable. Use the ten year trend to align the past.
Future: We don't expect the future costs to decrease at the same rate based on the shorter term results. Subjective 0% trend selected

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-3
Frequency for Motorcycles
Excluding Years: 2014/2015, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-3.26%	0.8530
10 -yr exp trend excl **	-3.55%	0.8544
9 -yr exp trend excl **	-3.70%	0.8198
8 -yr exp trend excl **	-3.92%	0.7716
7 -yr exp trend excl **	-4.06%	0.6681
6 -yr exp trend excl **	-1.73%	0.1554
5 -yr exp trend excl **	-1.73%	0.1554
4 -yr exp trend excl **	1.24%	0.0540
3 -yr exp trend excl **	10.71%	1.0000

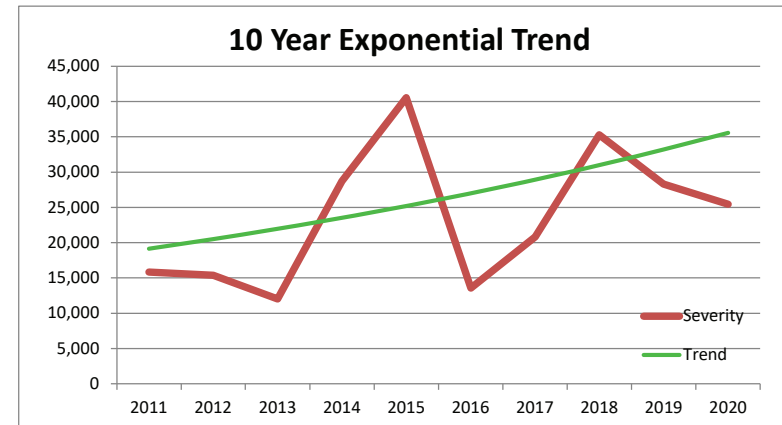
** Years excluded: 2014/2015, 2019/2020



SGI
Class Group: Motorcycles

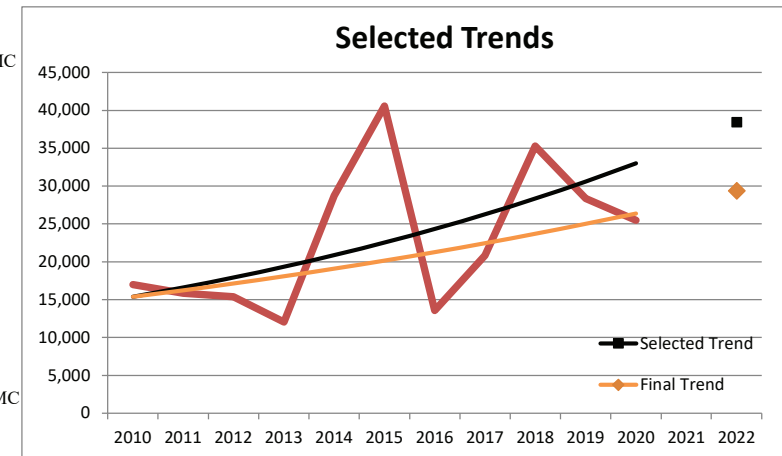
Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.75%	0.2859
10-yr exp trend	7.45%	0.2687
9-yr exp trend	7.47%	0.2117
8-yr exp trend	6.36%	0.1223
7-yr exp trend	-0.44%	0.0007
6-yr exp trend	1.17%	0.0031
5-yr exp trend	16.93%	0.4694
4-yr exp trend	3.93%	0.0512
3-yr exp trend	-15.05%	0.9612



2020 Rate Program		Credibility	Complement: All Vehicles excl Trailers & MC	
Selected Trends			Credibility Weighted Trends	
Past	5.00%	0.7139	Past	3.93%
Future	5.00%		Future	3.93%

Trend Selection Notes:
Past: The prior selection still looks reasonable with the 2015 outlier removed. Ten year trend is 5.13% with all years in consideration, and is 4.47% with 2015 excluded. Keep last year's 5% trend selection.
Future: No reason to deviate from past.



2021 Rate Program		Credibility	Complement: All Vehicles excl Trailers & MC	
Selected Trends			Final Trends	
Past	7.93%	0.6890	Past	5.53%
Future	7.93%		Future	5.53%

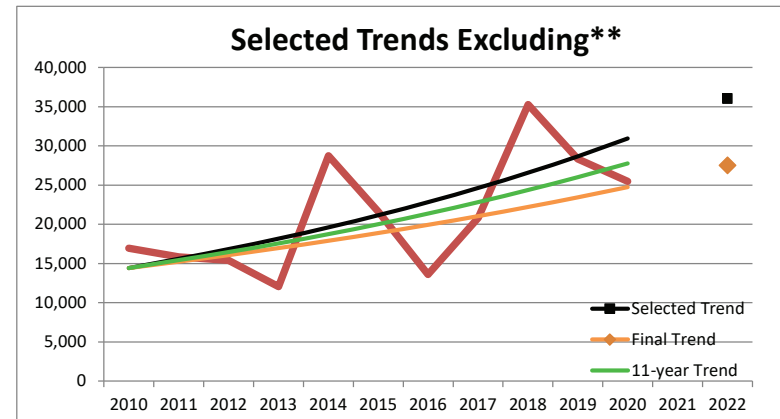
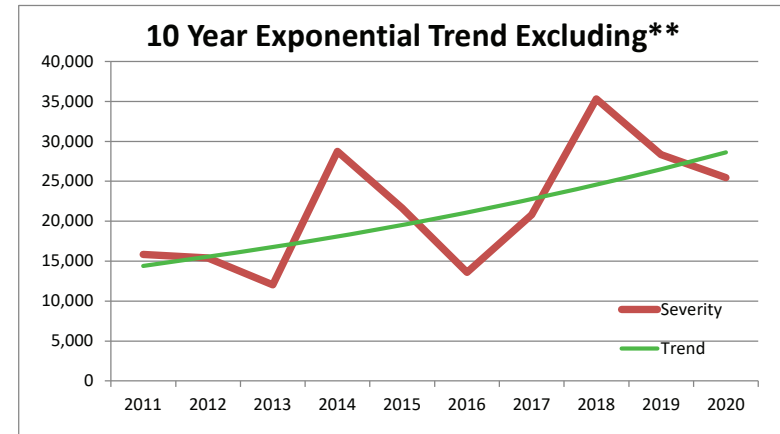
Trend Selection Notes:
Past: Exclude the 2015 data year as an outlier and select the long term ten year trend. Year to year results bounce around but the ten year trend appears to be a good fit overall.
Future: Select same as past. No reason to deviate.

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-5
Severity for Motorcycles
Excluding Years: 2014/2015

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	6.75%	0.3947
10 -yr exp trend excl **	7.93%	0.4124
9 -yr exp trend excl **	8.82%	0.3867
8 -yr exp trend excl **	9.30%	0.3190
7 -yr exp trend excl **	3.92%	0.0623
6 -yr exp trend excl **	16.93%	0.4694
5 -yr exp trend excl **	16.93%	0.4694
4 -yr exp trend excl **	3.93%	0.0512
3 -yr exp trend excl **	-15.05%	0.9612

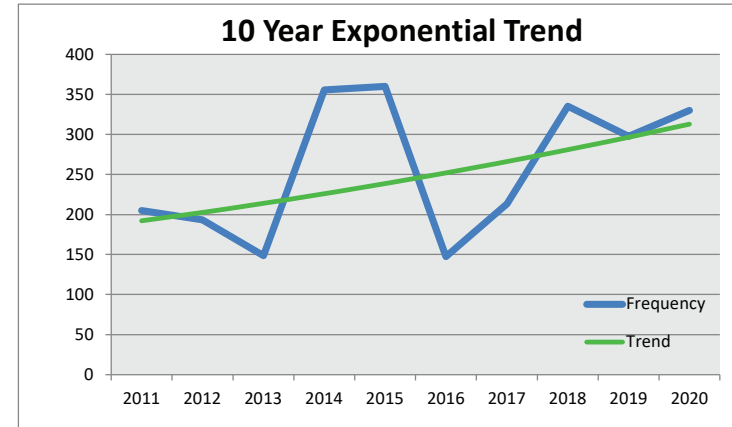
** Years excluded: 2014/2015



SGI
Class Group: Motorcycles

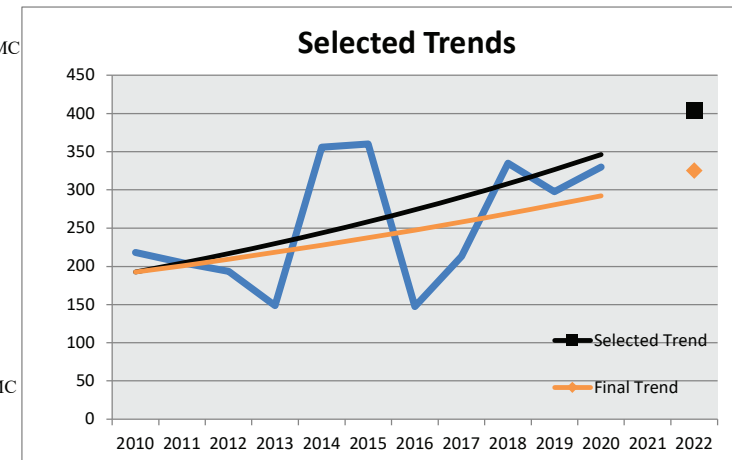
Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	4.71%	0.2046
10-yr exp trend	5.58%	0.2156
9-yr exp trend	6.15%	0.1958
8-yr exp trend	5.95%	0.1378
7-yr exp trend	0.77%	0.0025
6-yr exp trend	6.25%	0.1074
5-yr exp trend	21.45%	0.7616
4-yr exp trend	12.64%	0.5353
3-yr exp trend	-0.74%	0.0134



2020 Rate Program		Credibility	Complement: All Vehicles excl Trailers and MC	
Selected Trends			Credibility Weighted Trends	
Past	1.82%	0.7139	Past	0.64%
Future	1.82%		Future	1.40%

Trend Selection Notes:



2021 Rate Program		Credibility	Complement: All Vehicles excl Trailers and MC	
Selected Trends			Final Trends	
Past	6.04%	0.6890	Past	4.26%
Future	7.93%		Future	5.53%

Trend Selection Notes:

Calculated Past Trend = 6.04%

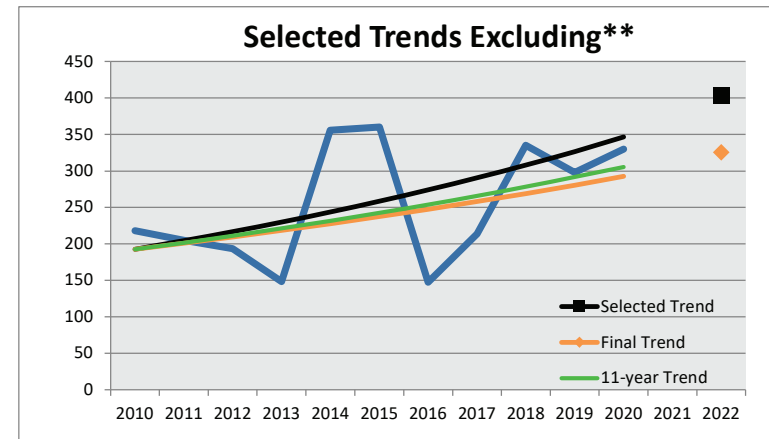
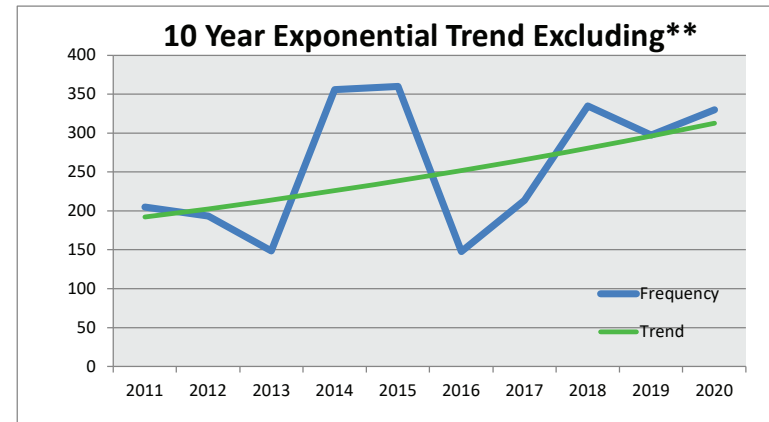
Calculated Future Trend = 7.93%

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Medical Excluding Funding
Rating year: 17/08/2021
Exhibit 3 - Page 2-7
Pure Premium for Motorcycles
Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	4.71%	0.2046
10 -yr exp trend excl **	5.58%	0.2156
9 -yr exp trend excl **	6.15%	0.1958
8 -yr exp trend excl **	5.95%	0.1378
7 -yr exp trend excl **	0.77%	0.0025
6 -yr exp trend excl **	6.25%	0.1074
5 -yr exp trend excl **	21.45%	0.7616
4 -yr exp trend excl **	12.64%	0.5353
3 -yr exp trend excl **	-0.74%	0.0134

** Years excluded: None



Permanent Impairment

SGL

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Permanent Impairment

Rating year: 17/08/2021

Exhibit 3 - Page 2-1

All Vehicles Excluding Trailers and Motorcycles

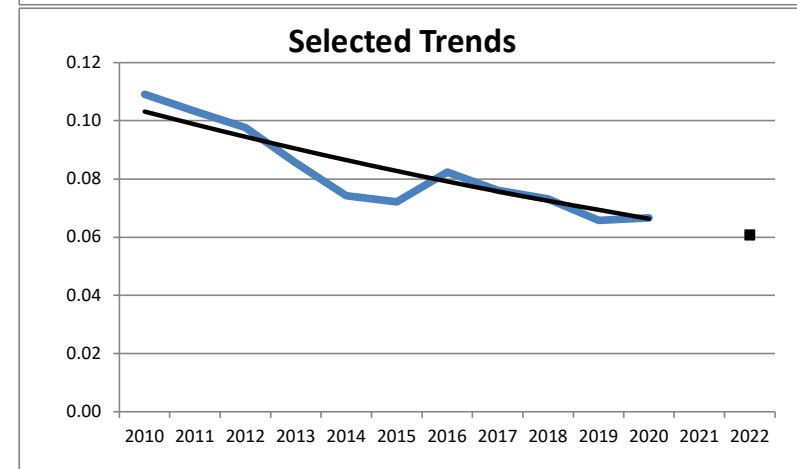
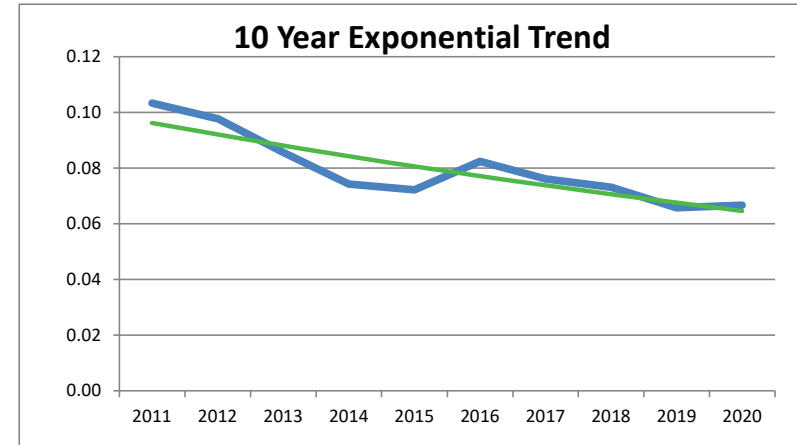
Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim Count Adjustment	Ultimate	Incurred Losses	Incurred Loss	Incurred Loss Adjustment	Inflation	Ultimate Losses	Percent	Ultimate Severity	Ultimate
			Development Factor		Number of Claims		Development Factor		Adjustment Factor		Ultimate Frequency		Pure Premium
2009/2010	836,789	912	1.0016	1.0000	913	18,617,807	1.0333	1.0905	1.0000	20,978,249	0.11	22,978	25.07
2010/2011	849,692	875	1.0025	1.0000	878	18,373,802	1.0374	1.0905	1.0000	20,785,534	0.10	23,686	24.46
2011/2012	864,608	840	1.0052	1.0000	844	17,839,279	1.0480	1.0905	1.0000	20,387,311	0.10	24,142	23.58
2012/2013	888,055	755	1.0074	1.0000	760	15,078,563	1.0632	1.0905	1.0000	17,482,274	0.09	22,994	19.69
2013/2014	900,090	666	1.0033	1.0000	668	13,348,809	1.0909	1.0905	1.0000	15,879,032	0.07	23,765	17.64
2014/2015	914,623	650	1.0145	1.0000	660	14,501,889	1.0894	1.0905	1.0000	17,226,818	0.07	26,117	18.83
2015/2016	926,229	751	1.0165	1.0000	763	15,814,944	1.1203	1.0905	1.0000	19,319,639	0.08	25,315	20.86
2016/2017	925,212	689	1.0223	1.0000	704	14,772,225	1.1881	1.0905	1.0000	19,137,711	0.08	27,189	20.68
2017/2018	929,487	656	1.0369	1.0000	680	15,949,073	1.1876	1.0000	1.0000	18,941,542	0.07	27,857	20.38
2018/2019	929,348	588	1.0398	1.0000	611	13,479,487	1.2478	1.0000	1.0000	16,819,144	0.07	27,521	18.10
2019/2020	934,143	546	1.1411	1.0000	623	13,064,097	1.4851	1.0000	1.0000	19,402,028	0.07	31,152	20.77
Ratio 2011/2010	1.0154				0.9612					0.9908	0.9466	1.0308	0.9758
Ratio 2012/2011	1.0176				0.9623					0.9808	0.9457	1.0192	0.9639
Ratio 2013/2012	1.0271				0.9003					0.8575	0.8765	0.9525	0.8349
Ratio 2014/2013	1.0136				0.8789					0.9083	0.8671	1.0335	0.8961
Ratio 2015/2014	1.0161				0.9872					1.0849	0.9715	1.0990	1.0676
Ratio 2016/2015	1.0127				1.1570					1.1215	1.1425	0.9693	1.1074
Ratio 2017/2016	0.9989				0.9223					0.9906	0.9233	1.0740	0.9917
Ratio 2018/2017	1.0046				0.9660					0.9897	0.9616	1.0246	0.9852
Ratio 2019/2018	0.9999				0.8988					0.8880	0.8989	0.9879	0.8881
Ratio 2020/2019	1.0052				1.0191					1.1536	1.0139	1.1319	1.1476

SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Permanent Impairment
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-2

Frequency for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Frequency	Coefficient of Determination - R ² Frequency
11-yr exp trend	-4.68%	0.8329
10-yr exp trend	-4.32%	0.7775
9-yr exp trend	-3.75%	0.6960
8-yr exp trend	-2.81%	0.5768
7-yr exp trend	-2.21%	0.3904
6-yr exp trend	-3.12%	0.4965
5-yr exp trend	-5.53%	0.9176
4-yr exp trend	-4.90%	0.8366
3-yr exp trend	-4.53%	0.6405



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	1.0000	Past -4.69%
Future		Future -4.69%

Trend Selection Notes:

Past: Volatility overall, but it seems to be maintaining an underlying downward trend. New Criminal code conviction change. Additional offenses give rise to non-economic claims and loss collection (cannot collect PI any more in those cases). Other changes came through in 2017 as part of the injury coverage changes, but none affecting the frequency of PI claims. Select long term trends.
 Future: Assume long term past trend continues into future.

2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -4.32%
Future		Future -4.32%

Trend Selection Notes:

Past: Fairly consistent downward trend with a small blip between 2014 and 2015. New Criminal code conviction change. Additional offenses give rise to non-economic claims and loss collection (cannot collect PI any more in those cases). Other changes came through in 2017 as part of the injury coverage changes, but none affecting the frequency of PI claims. Select long term trends.
 Future: Assume long term past trend continues into future.

SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Permanent Impairment

Rating year: 17/08/2021

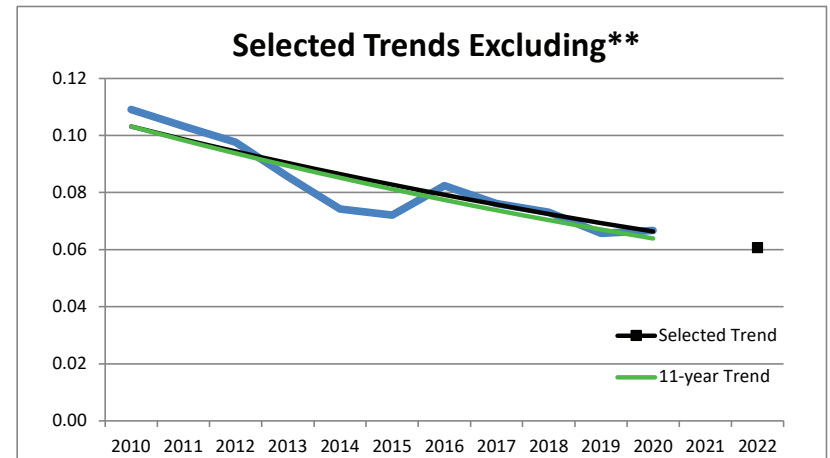
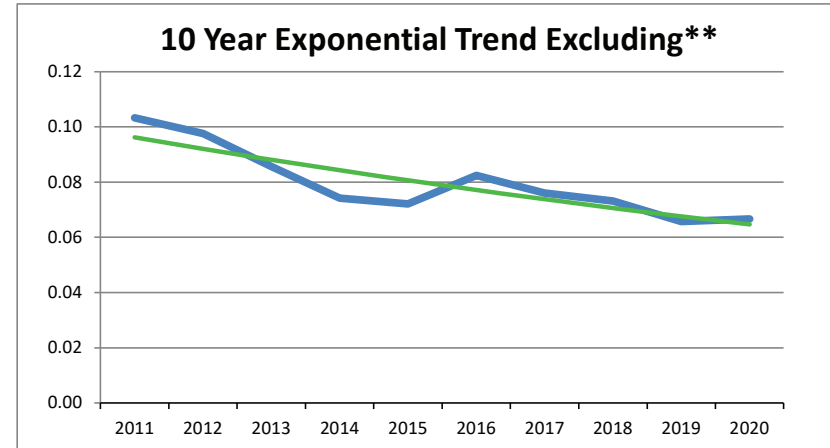
Exhibit 3 - Page 2-3

Frequency for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R ² Frequency
11 -yr exp trend excl **	-4.68%	0.8329
10 -yr exp trend excl **	-4.32%	0.7775
9 -yr exp trend excl **	-3.75%	0.6960
8 -yr exp trend excl **	-2.81%	0.5768
7 -yr exp trend excl **	-2.21%	0.3904
6 -yr exp trend excl **	-3.12%	0.4965
5 -yr exp trend excl **	-5.53%	0.9176
4 -yr exp trend excl **	-4.90%	0.8366
3 -yr exp trend excl **	-4.53%	0.6405

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Permanent Impairment
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-4

Severity for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Severity	Coefficient of Determination - R ² Severity
11-yr exp trend	2.72%	0.8481
10-yr exp trend	2.90%	0.8367
9-yr exp trend	3.25%	0.8520
8-yr exp trend	3.79%	0.8953
7-yr exp trend	3.68%	0.8453
6-yr exp trend	3.36%	0.7536
5-yr exp trend	4.36%	0.8178
4-yr exp trend	4.04%	0.6640
3-yr exp trend	5.75%	0.6695

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	2.07%	Past 2.07%
Future	2.07%	Future 2.07%

Trend Selection Notes:

Past: Select long-term trend since it is pretty consistent over the past 10 years (slight increase to it in recent years). Excluding 2015 and 2019, we still get a very similar 10 year trend, so confident that it is an appropriate estimate of the long term underlying trend.

Future: New 2017 and onward injury coverage changes regarding application of pre-judgment interest and revisions to how PI amounts are calculated. Expectation was that we would see an increase to amounts paid out, but doesn't seem to be emerging. Continue to select past for future.

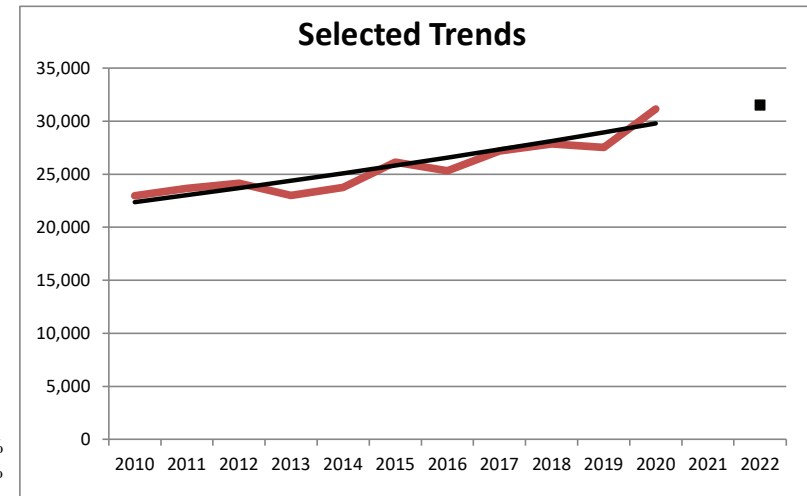
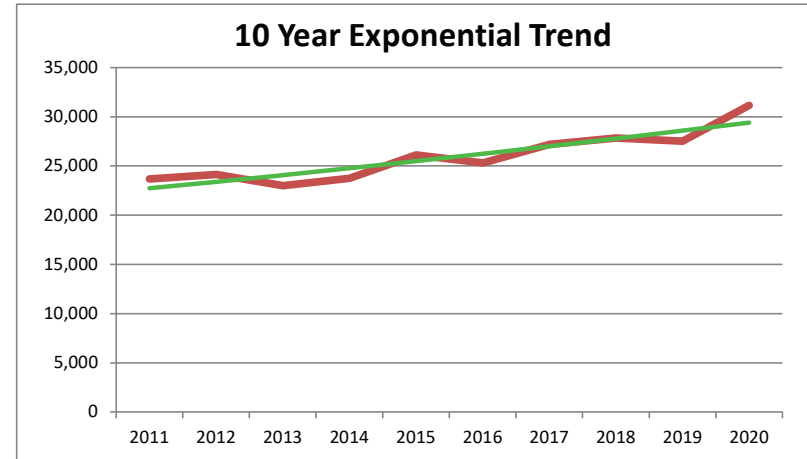
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	2.90%	Past 2.90%
Future	2.90%	Future 2.90%

Trend Selection Notes:

Past: Select long-term trend since it is consistent over the past 10 years.

Future: From 2017 and onward there have been injury coverage changes regarding application of pre-judgment interest and revisions to how PI amounts are calculated. Expectation was that we would see an increase to amounts paid out. 2020 data year may be a sign of that expectation emerging but it's not a strong indicator and we have on-leveled expected impact on prior years. Continue to select past for future.



SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Permanent Impairment

Rating year: 17/08/2021

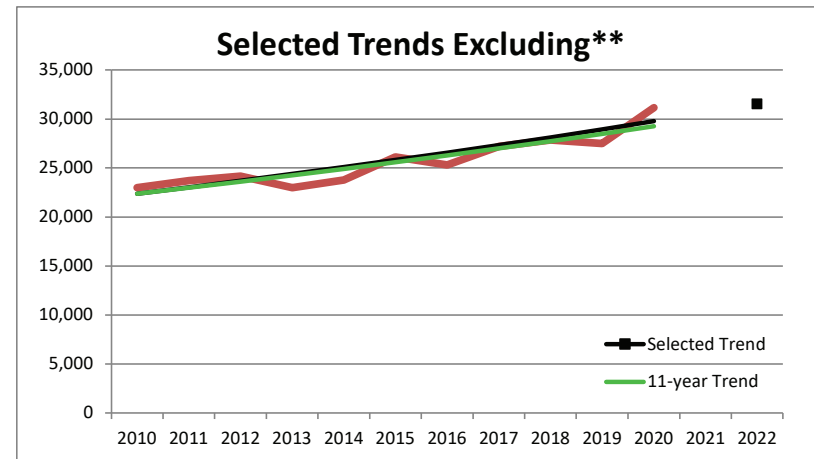
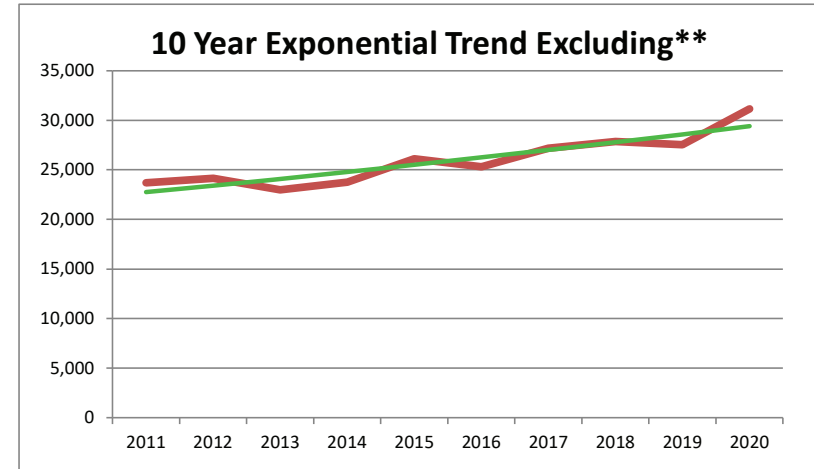
Exhibit 3 - Page 2-5

Severity for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends Severity	Coefficient of Determination - R ² Severity
11 -yr exp trend excl **	2.72%	0.8481
10 -yr exp trend excl **	2.90%	0.8367
9 -yr exp trend excl **	3.25%	0.8520
8 -yr exp trend excl **	3.79%	0.8953
7 -yr exp trend excl **	3.68%	0.8453
6 -yr exp trend excl **	3.36%	0.7536
5 -yr exp trend excl **	4.36%	0.8178
4 -yr exp trend excl **	4.04%	0.6640
3 -yr exp trend excl **	5.75%	0.6695

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Permanent Impairment
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-6

Pure Premium for All Vehicles Excluding Trailers and Motorcycles

Period	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11-yr exp trend	-2.08%	0.3571
10-yr exp trend	-1.55%	0.2045
9-yr exp trend	-0.63%	0.0388
8-yr exp trend	0.87%	0.1036
7-yr exp trend	1.39%	0.1741
6-yr exp trend	0.14%	0.0018
5-yr exp trend	-1.41%	0.1397
4-yr exp trend	-1.06%	0.0439
3-yr exp trend	0.96%	0.0162

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	N/A	Past -2.71%
Future		Future -2.71%

Trend Selection Notes:

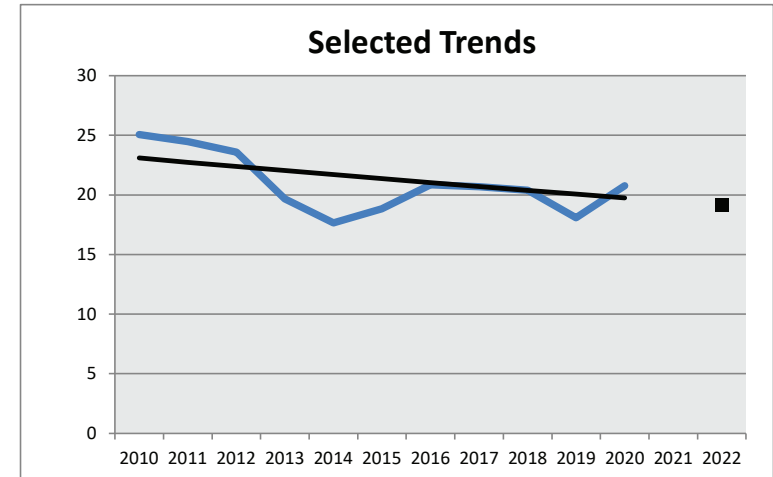
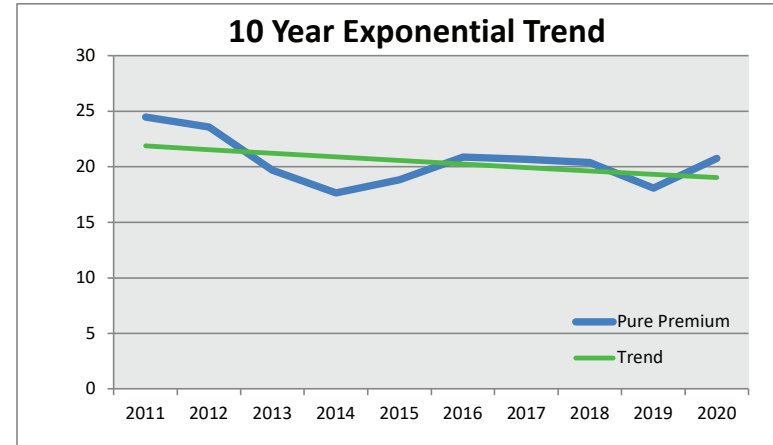
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	1.0000	Past -1.55%
Future		Future -1.55%

Trend Selection Notes:

Calculated Past Trend = -1.55%

Calculated Future Trend = -1.55%



SGI

Class Group: All vehicles excluding trailers and motorcycles

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Injury - Permanent Impairment

Rating year: 17/08/2021

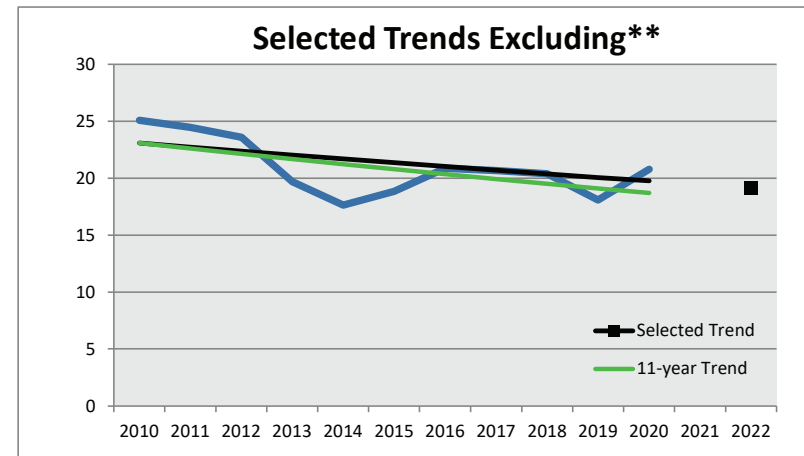
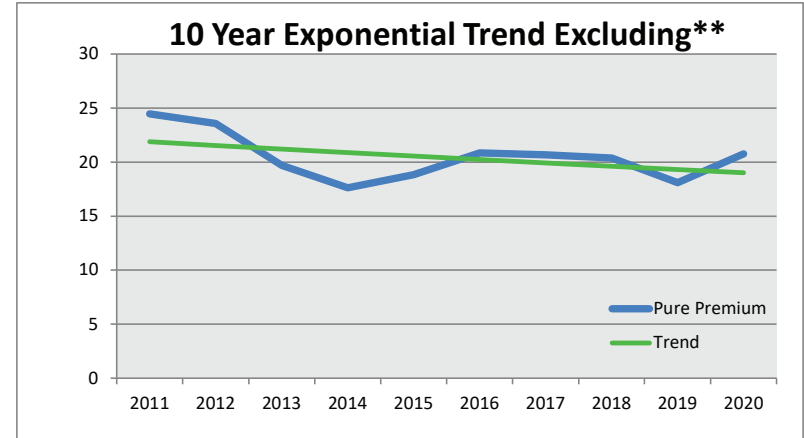
Exhibit 3 - Page 2-7

Pure Premium for All Vehicles Excluding Trailers and Motorcycles

Excluding Years: None

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	-2.08%	0.3571
10 -yr exp trend excl **	-1.55%	0.2045
9 -yr exp trend excl **	-0.63%	0.0388
8 -yr exp trend excl **	0.87%	0.1036
7 -yr exp trend excl **	1.39%	0.1741
6 -yr exp trend excl **	0.14%	0.0018
5 -yr exp trend excl **	-1.41%	0.1397
4 -yr exp trend excl **	-1.06%	0.0439
3 -yr exp trend excl **	0.96%	0.0162

** Years excluded: None



SGL
 Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Injury - Permanent Impairment
 Rating year: 17/08/2021
 Exhibit 3 - Page 2-1

Motorcycles

Fiscal Year	Earned Exposures	Number of Claims	Claim Count	Claim Count Adjustment	Ultimate	Incurred Losses	Incurred Loss	Incurred Loss Adjustment	Inflation	Ultimate Losses	Percent	Ultimate Severity	Ultimate
			Development Factor		Number of Claims		Development Factor		Adjustment Factor		Ultimate Frequency		Pure Premium
2009/2010	10,873	74	1.0016	1.0000	75	1,502,577	1.0333	0.9907	1.0000	1,538,192	0.69	20,614	141.47
2010/2011	11,364	74	1.0025	1.0000	75	1,485,429	1.0374	0.9907	1.0000	1,526,678	0.66	20,453	134.34
2011/2012	11,348	83	1.0052	1.0000	84	1,630,054	1.0480	0.9907	1.0000	1,692,457	0.74	20,198	149.14
2012/2013	11,644	86	1.0074	1.0000	87	1,612,031	1.0632	0.9907	1.0000	1,698,027	0.75	19,534	145.83
2013/2014	9,978	72	1.0033	1.0000	72	1,723,248	1.0909	0.9907	1.0000	1,862,355	0.72	25,960	186.64
2014/2015	8,966	40	1.0145	1.0000	41	944,954	1.0894	0.9907	1.0000	1,019,822	0.45	25,132	113.75
2015/2016	8,331	44	1.0165	1.0000	45	947,085	1.1203	0.9907	1.0000	1,051,123	0.54	23,239	126.17
2016/2017	7,532	43	1.0223	1.0000	44	1,083,699	1.1881	1.0905	1.0000	1,403,953	0.58	31,867	186.39
2017/2018	6,892	34	1.0369	1.0000	35	931,994	1.1876	1.0000	1.0000	1,106,861	0.51	31,208	160.61
2018/2019	6,205	38	1.0398	1.0000	39	1,138,271	1.2478	1.0000	1.0000	1,420,287	0.64	36,025	228.89
2019/2020	5,867	44	1.1411	1.0000	50	1,136,885	1.4851	1.0000	1.0000	1,688,435	0.86	33,470	287.80
Ratio 2011/2010	1.0452				1.0003					0.9925	0.9570	0.9922	0.9496
Ratio 2012/2011	0.9986				1.1226					1.1086	1.1242	0.9875	1.1102
Ratio 2013/2012	1.0261				1.0374					1.0033	1.0110	0.9671	0.9778
Ratio 2014/2013	0.8569				0.8253					1.0968	0.9631	1.3290	1.2799
Ratio 2015/2014	0.8985				0.5656					0.5476	0.6295	0.9681	0.6095
Ratio 2016/2015	0.9292				1.1146					1.0307	1.1995	0.9247	1.1092
Ratio 2017/2016	0.9041				0.9740					1.3357	1.0773	1.3713	1.4773
Ratio 2018/2017	0.9149				0.8050					0.7884	0.8799	0.9793	0.8617
Ratio 2019/2018	0.9004				1.1116					1.2832	1.2346	1.1543	1.4252
Ratio 2020/2019	0.9455				1.2795					1.1888	1.3533	0.9291	1.2574

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-2
Frequency for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11-yr exp trend	-0.78%	0.0189
10-yr exp trend	-0.56%	0.0075
9-yr exp trend	-0.48%	0.0040
8-yr exp trend	0.99%	0.0129
7-yr exp trend	4.24%	0.1728
6-yr exp trend	10.68%	0.7420
5-yr exp trend	10.54%	0.6159
4-yr exp trend	14.65%	0.6541
3-yr exp trend	29.26%	0.9894

2020 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	-3.50%	Credibility Weighted Trends
Future	-3.50%	Past -4.06%
		Future -4.06%

Trend Selection Notes:

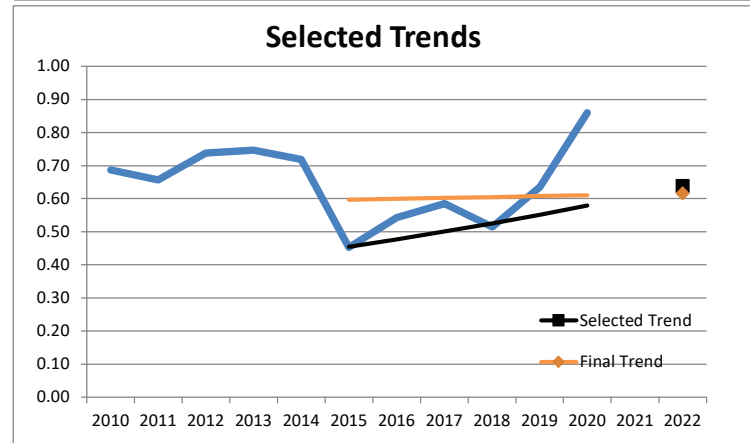
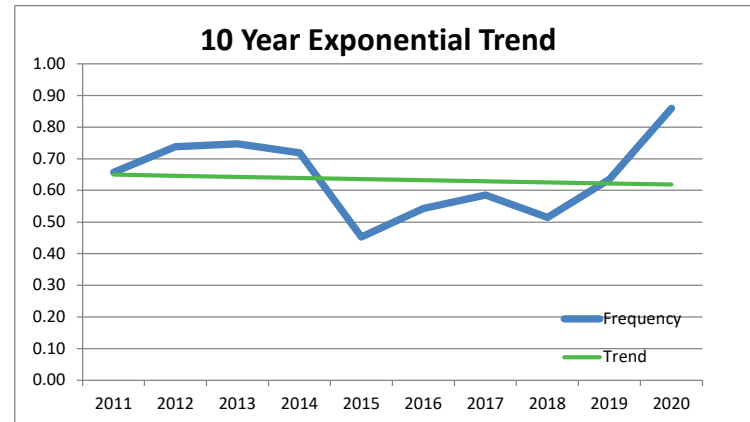
Past: Data is thin and volatile, but still see a negative long term trend similar to All Excl MC. Select -3.5% consistent with long term trends excluding the 2019 point (to be cred weighted against All Excl MC).
Future: Has been increasing past couple of years but no reason to expect that to continue. It's volatile, assume long term past trend continues.

2021 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	4.97%	Final Trends
Future	4.97%	Past 0.45%
		Future 0.45%

Trend Selection Notes:

Past: Data is thin and volatile. Don't have full confidence in the 2020 data year and the 2015 year appears to be a bit of an outlier as well. As with the other injury coverages there is a noticeable difference since 2014. Select an average of the 5-yr and 6-yr trends excluding 2020 to put less reliance on the 2015 low.
Future: Select same as past.

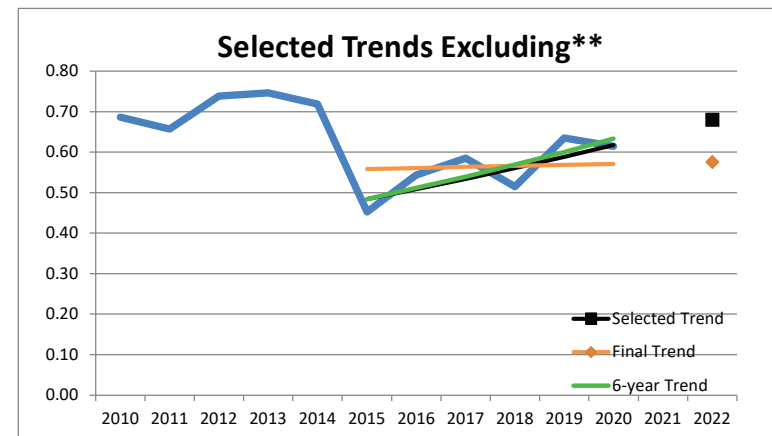
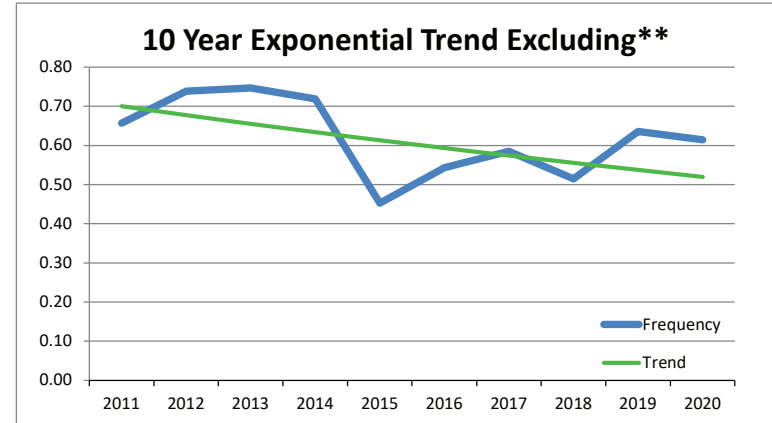


SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-3
Frequency for Motorcycles
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.98%	0.2942
10 -yr exp trend excl **	-3.25%	0.2685
9 -yr exp trend excl **	-3.91%	0.2791
8 -yr exp trend excl **	-3.15%	0.1464
7 -yr exp trend excl **	-0.45%	0.0027
6 -yr exp trend excl **	6.45%	0.5896
5 -yr exp trend excl **	3.50%	0.2346
4 -yr exp trend excl **	4.23%	0.1520
3 -yr exp trend excl **	23.46%	1.0000

** Years excluded: 2019/2020



SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-4
Severity for Motorcycles

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.44%	0.8355
10-yr exp trend	7.13%	0.8476
9-yr exp trend	7.72%	0.8390
8-yr exp trend	7.88%	0.7923
7-yr exp trend	6.55%	0.6909
6-yr exp trend	8.10%	0.7227
5-yr exp trend	8.90%	0.6477
4-yr exp trend	2.95%	0.3465
3-yr exp trend	3.56%	0.2377

2020 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	7.01%	Credibility Weighted Trends
Future	7.01%	Past 4.68%
		Future 4.68%

Trend Selection Notes:

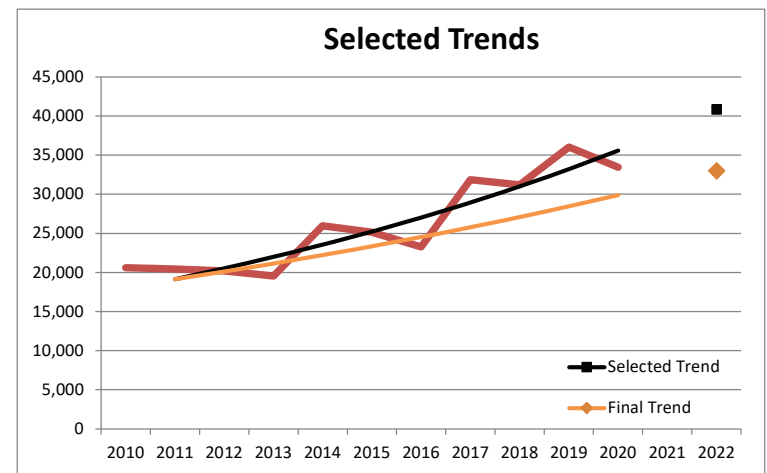
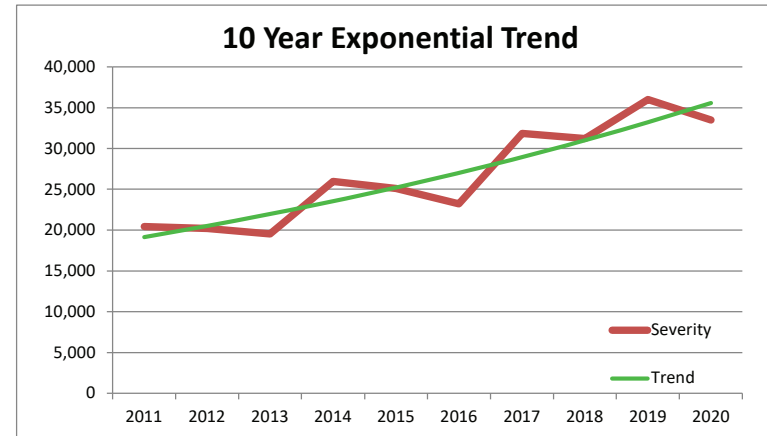
Past: Data is thin and volatile, but still see a positive long term trend. Select 10 year trend excluding partial year
Future: Same injury coverage changes as mentioned in All Excl MC, with the addition of reduced no fault option for MC (more likely to affect severity than frequency). Assume latest experience is more indicative of the future including the partial year.

2021 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	7.13%	Final Trends
Future	7.13%	Past 5.07%
		Future 5.07%

Trend Selection Notes:

Past: Long term trends are pretty consistent considering how thin the data is. Select the 10-yr trend.
Future: No reason to deviate from the historical selection.

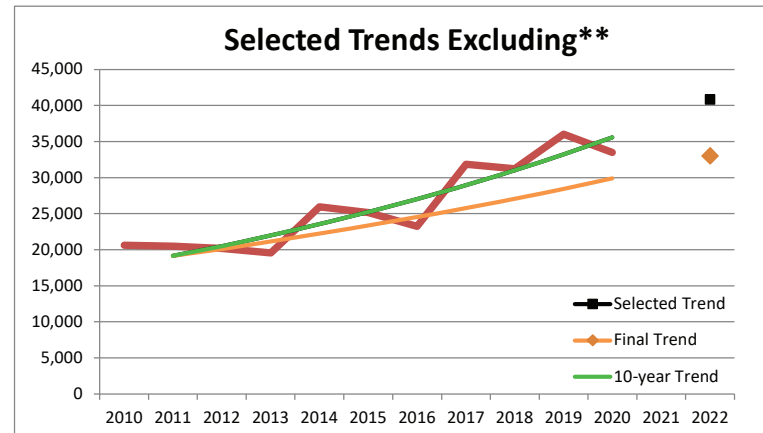
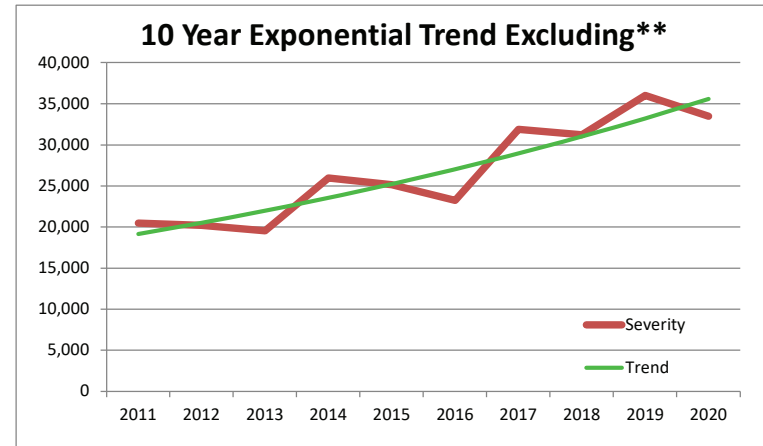


SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-5
Severity for Motorcycles
Excluding Years: None

<u>Period w Years Excluded</u>	<u>Trends Severity</u>	<u>Coefficient of Determination - R² Severity</u>
11 -yr exp trend excl **	6.44%	0.8355
10 -yr exp trend excl **	7.13%	0.8476
9 -yr exp trend excl **	7.72%	0.8390
8 -yr exp trend excl **	7.88%	0.7923
7 -yr exp trend excl **	6.55%	0.6909
6 -yr exp trend excl **	8.10%	0.7227
5 -yr exp trend excl **	8.90%	0.6477
4 -yr exp trend excl **	2.95%	0.3465
3 -yr exp trend excl **	3.56%	0.2377

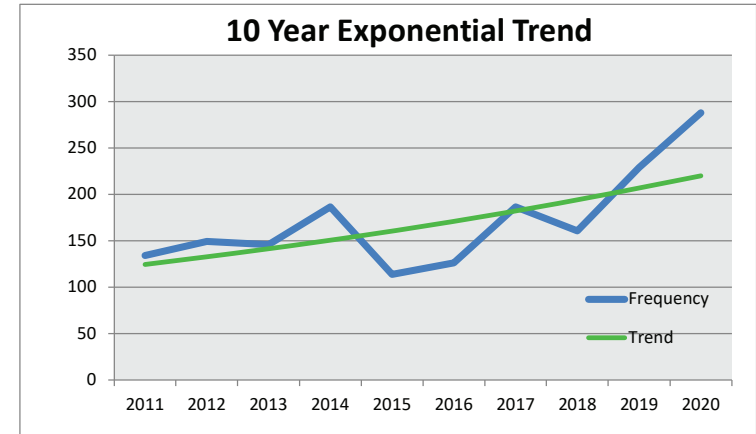
** Years excluded: None



SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-6
Pure Premium for Motorcycles

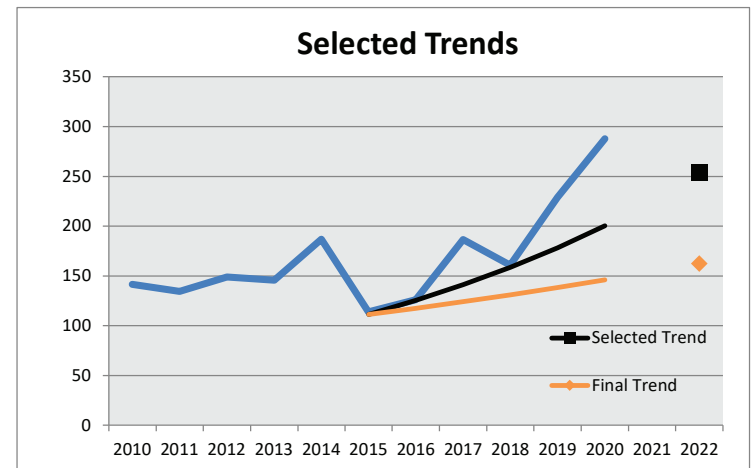
Period	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11-yr exp trend	5.61%	0.4382
10-yr exp trend	6.53%	0.4551
9-yr exp trend	7.21%	0.4292
8-yr exp trend	8.96%	0.4690
7-yr exp trend	11.07%	0.4918
6-yr exp trend	19.65%	0.9035
5-yr exp trend	20.38%	0.8529
4-yr exp trend	18.03%	0.7125
3-yr exp trend	33.86%	0.9849



2020 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	3.27%	Credibility Weighted Trends
Future	3.27%	Past 0.43%
		Future 0.43%

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Complement: All Vehicles excl Trailers and MC
Past	12.46%	Final Trends
Future	12.46%	Past 5.54%
		Future 5.54%

Trend Selection Notes:

Calculated Past Trend = 12.46%

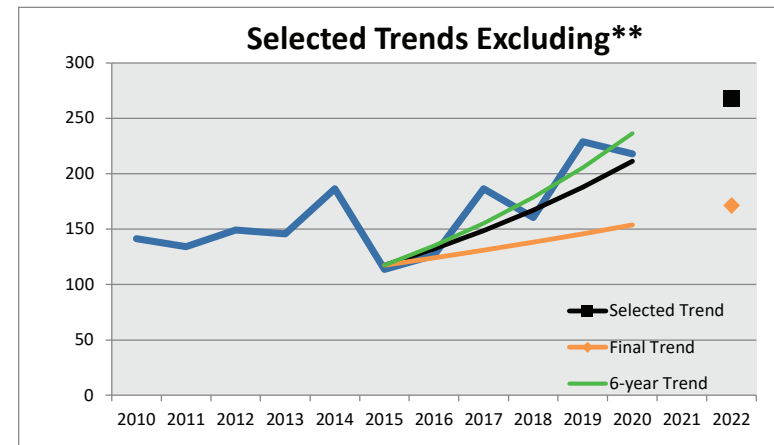
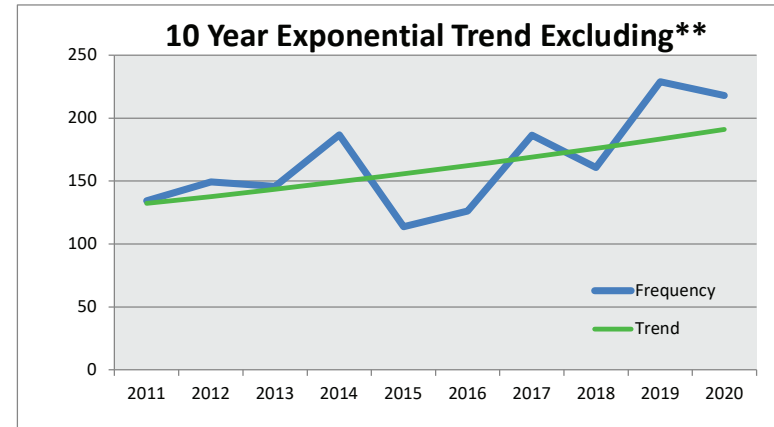
Calculated Future Trend = 12.46%

SGI
Class Group: Motorcycles

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Injury - Permanent Impairment
Rating year: 17/08/2021
Exhibit 3 - Page 2-7
Pure Premium for Motorcycles
Excluding Years: 2019/2020

Period w Years Excluded	Trends Pure Premium	Coefficient of Determination - R ² Pure Premium
11 -yr exp trend excl **	3.56%	0.2560
10 -yr exp trend excl **	4.17%	0.2603
9 -yr exp trend excl **	4.36%	0.2114
8 -yr exp trend excl **	5.68%	0.2393
7 -yr exp trend excl **	7.24%	0.2464
6 -yr exp trend excl **	17.82%	0.8311
5 -yr exp trend excl **	17.80%	0.7106
4 -yr exp trend excl **	10.82%	0.3333
3 -yr exp trend excl **	42.52%	1.0000

** Years excluded: 2019/2020



Economic Loss

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss		Inflation Adjustment		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Factor				
2009/2010	847,558	9	0.9934	1.0000	9	737,663	1.1543	1.0000	1.0000	851,512	0.01	95,245	1.00
2010/2011	860,116	19	0.9934	1.0000	19	483,079	1.3647	1.0000	1.0000	659,268	0.02	34,930	0.77
2011/2012	874,905	21	1.0119	1.0000	21	823,414	1.2646	1.0000	1.0000	1,041,302	0.02	49,002	1.19
2012/2013	898,638	21	1.0005	1.0000	21	1,094,655	1.2218	1.0000	1.0000	1,337,457	0.02	63,656	1.49
2013/2014	908,876	18	1.0144	1.0000	18	1,042,335	1.3212	1.0000	1.0000	1,377,127	0.02	75,419	1.52
2014/2015	922,263	22	1.0421	1.0000	23	823,581	1.5400	1.0000	1.0000	1,268,285	0.02	55,318	1.38
2015/2016	933,016	13	1.1180	1.0000	15	371,325	2.5716	1.0000	1.0000	954,889	0.02	65,703	1.02
2016/2017	930,998	11	1.2029	1.0000	13	307,297	3.3251	1.0000	1.0000	1,021,789	0.01	77,222	1.10
2017/2018	934,603	11	1.3828	1.0000	15	249,488	4.5692	1.0000	1.0000	1,139,967	0.02	74,943	1.22
2018/2019	933,709	4	3.0920	1.0000	12	267,000	5.4094	1.0000	1.0000	1,444,312	0.01	116,776	1.55
2019/2020	938,124	1	13.1370	1.0000	13	70,005	20.7502	1.0000	1.0000	1,452,617	0.01	110,574	1.55
Ratio 2011/2010	1.0148				2.1111					0.7742	2.0803	0.3667	0.7629
Ratio 2012/2011	1.0172				1.1259					1.5795	1.1069	1.4028	1.5528
Ratio 2013/2012	1.0271				0.9887					1.2844	0.9626	1.2991	1.2505
Ratio 2014/2013	1.0114				0.8691					1.0297	0.8593	1.1848	1.0181
Ratio 2015/2014	1.0147				1.2556					0.9210	1.2374	0.7335	0.9076
Ratio 2016/2015	1.0117				0.6339					0.7529	0.6266	1.1877	0.7442
Ratio 2017/2016	0.9978				0.9104					1.0701	0.9124	1.1753	1.0724
Ratio 2018/2017	1.0039				1.1496					1.1157	1.1452	0.9705	1.1114
Ratio 2019/2018	0.9990				0.8131					1.2670	0.8139	1.5582	1.2682
Ratio 2020/2019	1.0047				1.0622					1.0057	1.0572	0.9469	1.0010

SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Economic Loss
Rating year: 17/08/2021
Exhibit 3 - Page 1-2
Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	-2.74%	0.1021	
10-yr exp trend	-6.79%	0.7347	
9-yr exp trend	-7.82%	0.7683	
8-yr exp trend	-8.03%	0.7116	
7-yr exp trend	-7.88%	0.6129	
6-yr exp trend	-8.79%	0.5641	
5-yr exp trend	-2.79%	0.2876	
4-yr exp trend	-2.47%	0.1368	
3-yr exp trend	-7.24%	0.4979	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-3.47%	0.2084
Future	-3.47%	N/A

Trend Selection Notes:

Past: Volatile but appears to be declining over time. Select the long term trend excluding the earlier high and low points (note this excludes the partial year data point as well since there were no claims in that period). This fitted curve even looks more negative than the history, but strikes the balance of the flatter 2009-2015 period and the decline seen since 2015.

Future: Assume same as past

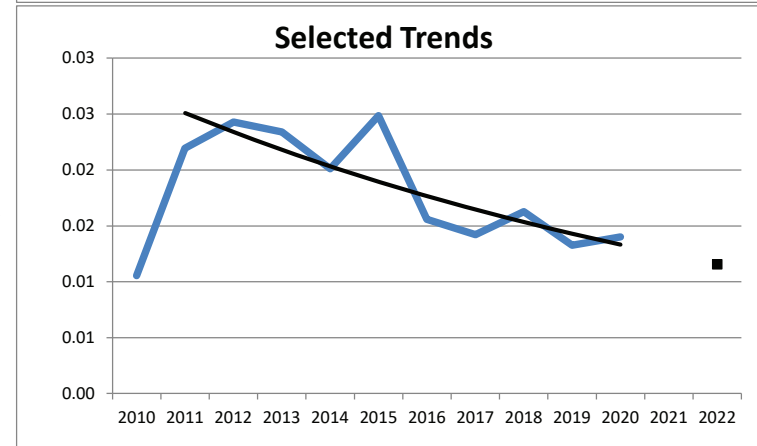
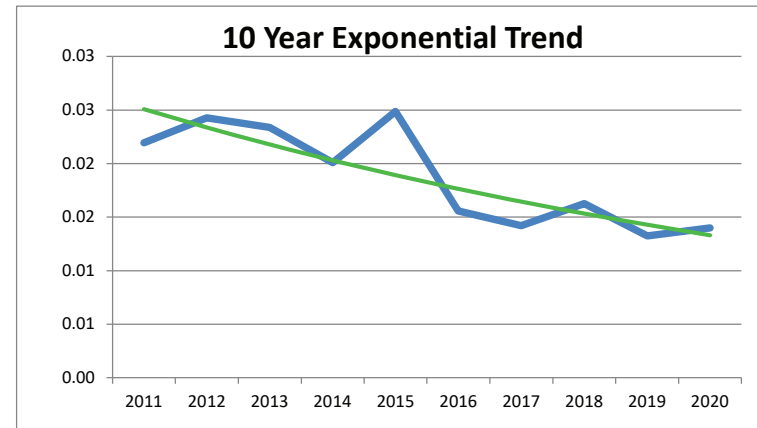
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-6.79%	0.1923
Future	-6.79%	N/A

Trend Selection Notes:

Past: Volatile but clearly declining strongly over the history. Select the long term trend.

Future: Same as past.

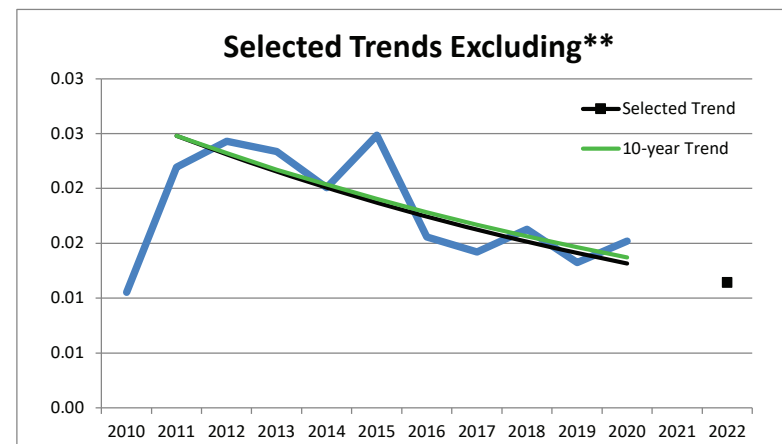
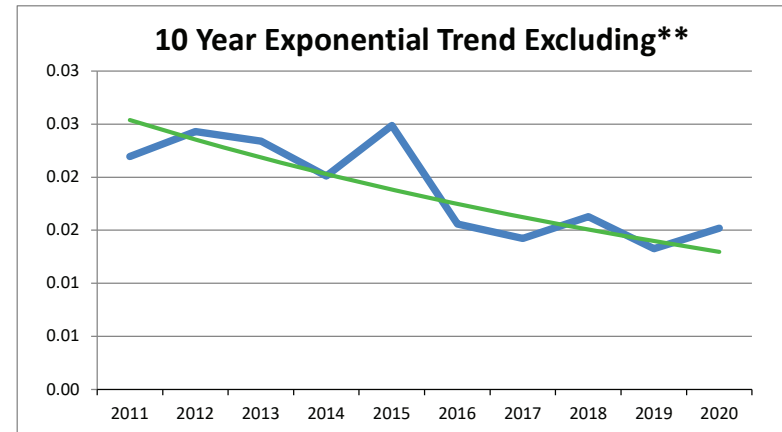


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-2.23%	0.0541
10 -yr exp trend excl **	-7.18%	0.6989
9 -yr exp trend excl **	-8.61%	0.7560
8 -yr exp trend excl **	-9.14%	0.7066
7 -yr exp trend excl **	-9.37%	0.6139
6 -yr exp trend excl **	-11.44%	0.6106
5 -yr exp trend excl **	-3.45%	0.2403
4 -yr exp trend excl **	-3.46%	0.1131
3 -yr exp trend excl **	-18.61%	1.0000

** Years excluded: 2019/2020



SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Economic Loss
Rating year: 17/08/2021
Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	
11-yr exp trend	6.66%	0.3622	
10-yr exp trend	11.19%	0.7980	
9-yr exp trend	9.41%	0.7321	
8-yr exp trend	8.85%	0.6347	
7-yr exp trend	10.41%	0.6367	
6-yr exp trend	15.88%	0.8881	
5-yr exp trend	15.66%	0.8158	
4-yr exp trend	16.42%	0.7094	
3-yr exp trend	21.47%	0.6466	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 3.50%	0.2084	Past N/A
Future 3.50%		Future N/A

Trend Selection Notes:

Past: Tweak prior selection up to 3.5%. Results are volatile but this is consistent with the 7 and 11 year trends when excluding outlier points.

Future: Assume same as past, as this will be expected to grow as it is largely derived from incomes (which have positive severities in IRB).

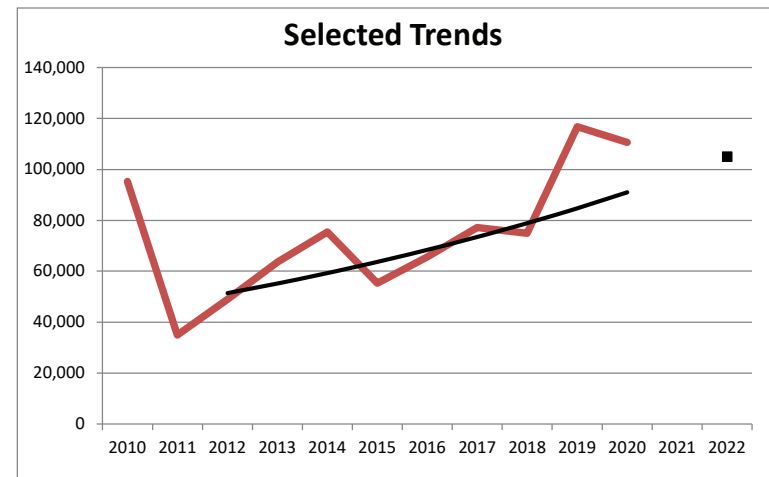
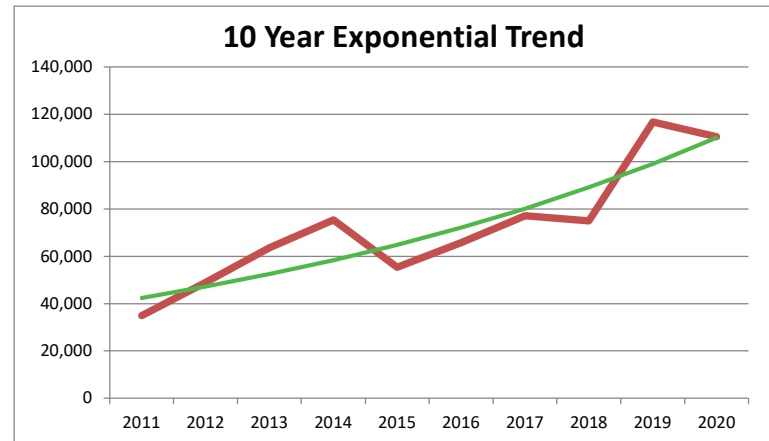
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 7.40%	0.1923	Past N/A
Future 7.40%		Future N/A

Trend Selection Notes:

Past: Select the average of the 9 and 10-yr trends excluding the two recent years. It is a good fit and while the more recent history does show a more steep trend it's also fairly volatile and based on a few claims which are sensitive to development.

Future: Select same as past

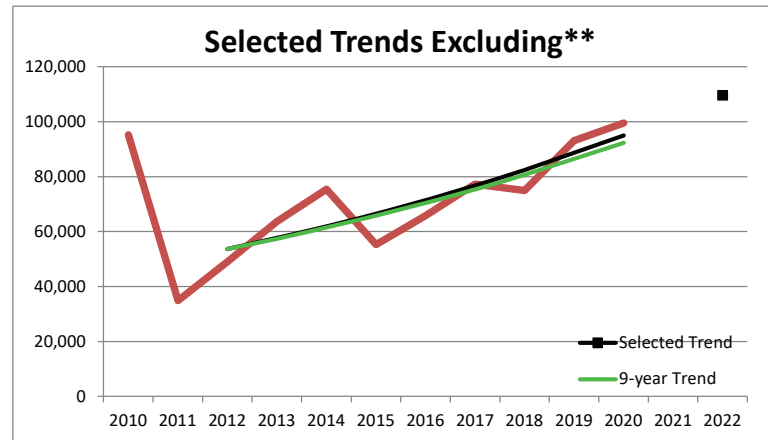
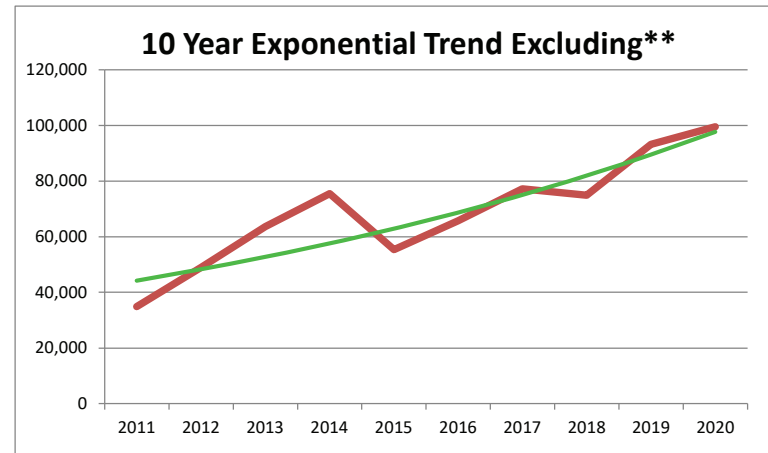


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
Excluding Years: 2018/2019, 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	3.16%	0.0825
10 -yr exp trend excl **	9.21%	0.6305
9 -yr exp trend excl **	5.59%	0.4643
8 -yr exp trend excl **	3.07%	0.1898
7 -yr exp trend excl **	3.26%	0.1310
6 -yr exp trend excl **	11.32%	0.8293
5 -yr exp trend excl **	6.80%	0.5861
4 -yr exp trend excl **	-2.95%	1.0000
3 -yr exp trend excl **	#DIV/0!	#DIV/0!

** Years excluded: 2018/2019, 2019/2020

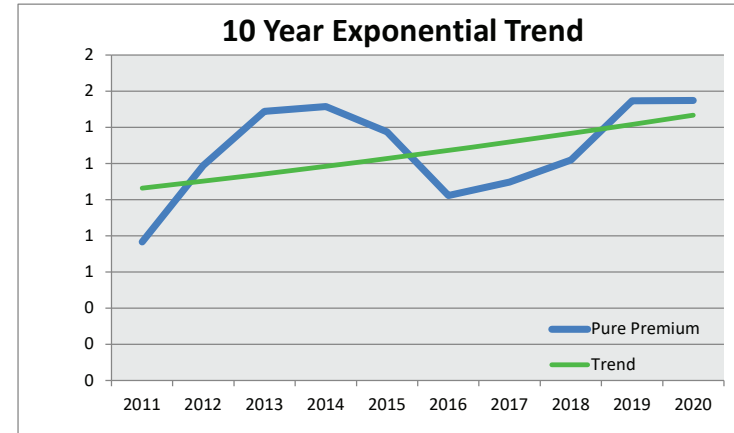


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

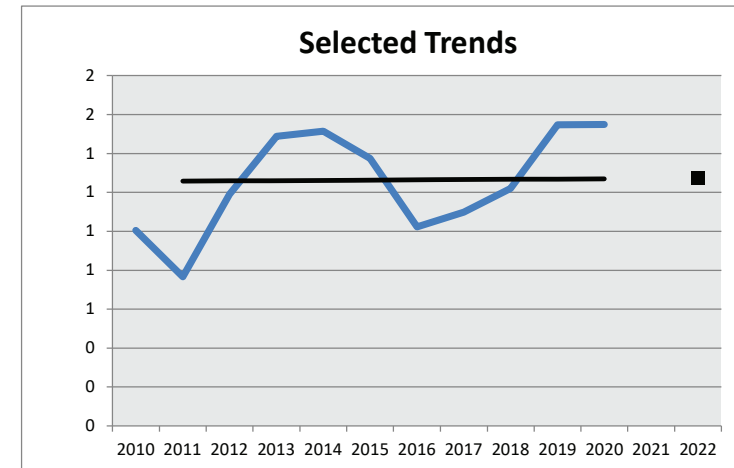
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	3.74%	0.2913
10-yr exp trend	3.64%	0.2263
9-yr exp trend	0.85%	0.0214
8-yr exp trend	0.11%	0.0003
7-yr exp trend	1.71%	0.0459
6-yr exp trend	5.69%	0.3503
5-yr exp trend	12.43%	0.9289
4-yr exp trend	13.54%	0.8944
3-yr exp trend	12.67%	0.7532



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-0.10%	0.2084
Future	-0.10%	

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.11%	0.1923
Future	0.11%	

Trend Selection Notes:

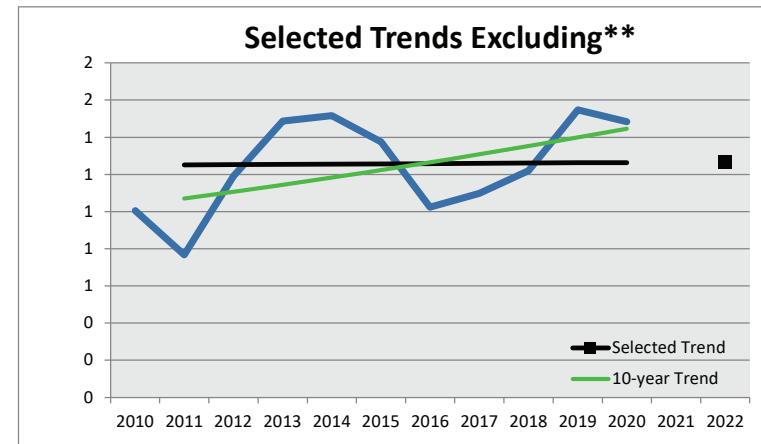
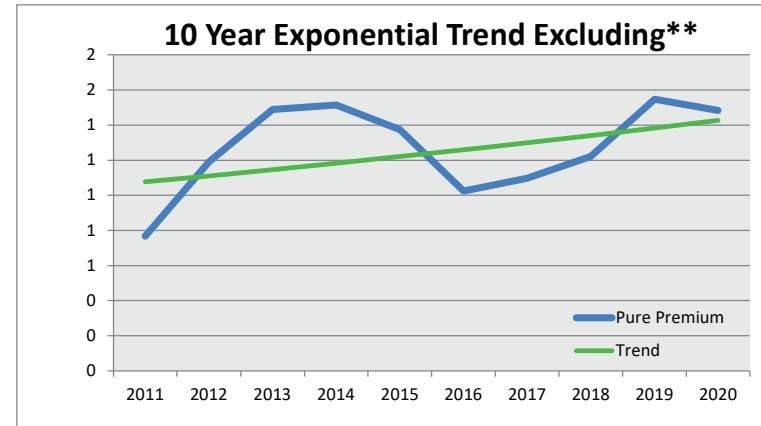
Calculated Past Trend = 0.11% Calculated Future Trend = 0.11%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
Excluding Years: 2019/2020

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	3.40%	0.2045
10 -yr exp trend excl **	3.18%	0.1417
9 -yr exp trend excl **	-0.50%	0.0062
8 -yr exp trend excl **	-1.92%	0.0641
7 -yr exp trend excl **	-0.53%	0.0034
6 -yr exp trend excl **	4.19%	0.1512
5 -yr exp trend excl **	14.39%	0.9234
4 -yr exp trend excl **	18.72%	0.9530
3 -yr exp trend excl **	26.82%	1.0000

** Years excluded: 2019/2020



Non-Economic Loss

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Liability - Non-Economic Loss

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count			Ultimate			Incurred Loss			Inflation Adjustment		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Factor	Factor						
2009/2010	847,662	56	1.0117	1.0000	57	2,308,246	0.8579	1.0500	1.0000	2,079,286	0.01	36,702	2.45			
2010/2011	861,056	77	1.0177	1.0000	78	2,096,223	1.0866	1.0500	1.0000	2,391,568	0.01	30,520	2.78			
2011/2012	875,956	83	1.0234	1.0000	85	2,645,288	0.9556	1.0500	1.0000	2,654,321	0.01	31,248	3.03			
2012/2013	899,699	100	1.0427	1.0000	104	3,728,043	0.7210	1.0500	1.0000	2,822,158	0.01	27,066	3.14			
2013/2014	910,068	99	1.0482	1.0000	104	2,643,030	1.0986	1.0500	1.0000	3,048,823	0.01	29,381	3.35			
2014/2015	923,589	87	1.0456	1.0000	91	3,435,056	0.9295	1.0500	1.0000	3,352,652	0.01	36,857	3.63			
2015/2016	934,560	95	1.0433	1.0000	99	2,186,028	1.3429	1.0500	1.0000	3,082,302	0.01	31,100	3.30			
2016/2017	932,745	93	1.0575	1.0000	98	2,035,341	0.7642	1.0500	1.0000	1,633,193	0.01	16,607	1.75			
2017/2018	936,379	88	1.0429	1.0000	92	4,049,315	0.6927	1.0000	1.0000	2,804,832	0.01	30,561	3.00			
2018/2019	935,554	65	1.0776	1.0000	70	3,453,219	0.6566	1.0000	1.0000	2,267,513	0.01	32,373	2.42			
2019/2020	940,010	53	1.6644	1.0000	88	3,199,712	0.8294	1.0000	1.0000	2,653,980	0.01	30,085	2.82			
Ratio 2011/2010	1.0158					1.3832					1.1502	1.3617	0.8316	1.1323		
Ratio 2012/2011	1.0173					1.0840					1.1099	1.0656	1.0239	1.0910		
Ratio 2013/2012	1.0271					1.2275					1.0632	1.1951	0.8662	1.0352		
Ratio 2014/2013	1.0115					0.9952					1.0803	0.9839	1.0855	1.0680		
Ratio 2015/2014	1.0149					0.8766					1.0997	0.8638	1.2544	1.0836		
Ratio 2016/2015	1.0119					1.0895					0.9194	1.0767	0.8438	0.9086		
Ratio 2017/2016	0.9981					0.9923					0.5299	0.9942	0.5340	0.5309		
Ratio 2018/2017	1.0039					0.9332					1.7174	0.9296	1.8403	1.7107		
Ratio 2019/2018	0.9991					0.7632					0.8084	0.7639	1.0593	0.8091		
Ratio 2020/2019	1.0048					1.2595					1.1704	1.2535	0.9293	1.1649		

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Non-Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2

Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	0.63%	0.0153	
10-yr exp trend	-1.52%	0.1369	
9-yr exp trend	-2.76%	0.3481	
8-yr exp trend	-4.20%	0.5774	
7-yr exp trend	-4.23%	0.4813	
6-yr exp trend	-3.81%	0.3220	
5-yr exp trend	-5.70%	0.4263	
4-yr exp trend	-6.00%	0.2927	
3-yr exp trend	-2.15%	0.0226	

2020 Rate Program

Selected Trends		Credibility	Credibility Weighted Trends
Past	-0.50%	0.5942	Past N/A
Future	0.00%		Future N/A

Trend Selection Notes:

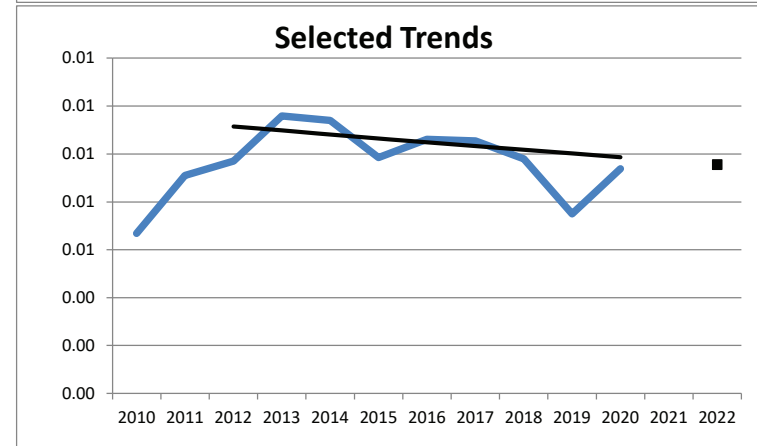
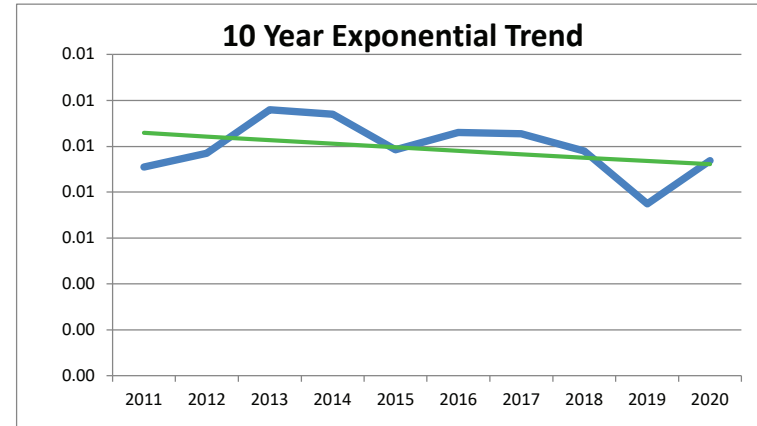
Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently but slightly negative. Select 5 year trend excluding the partial year.
 Future: Longer term trends are slightly positive compared to recent decreases. Assume small reversion in the current trend (with consideration to the coverage changes) and select 0%.

2021 Rate Program

Selected Trends		Credibility	Final Trends
Past	-1.52%	0.6034	Past N/A
Future	-1.52%		Future N/A

Trend Selection Notes:

Past: Low counts. It was noted that there are now more ways to sue for economic loss due to changes in the criminal code, which could lead to more claims, but it hasn't appeared in the data yet. Impaired driving initiatives could also lead to lower claims. Recent trends are consistently negative. Select the 10-yr trend. Comparable to the mid term trends excluding 2019, which appears to be an outlier.
 Future: Select same as past.

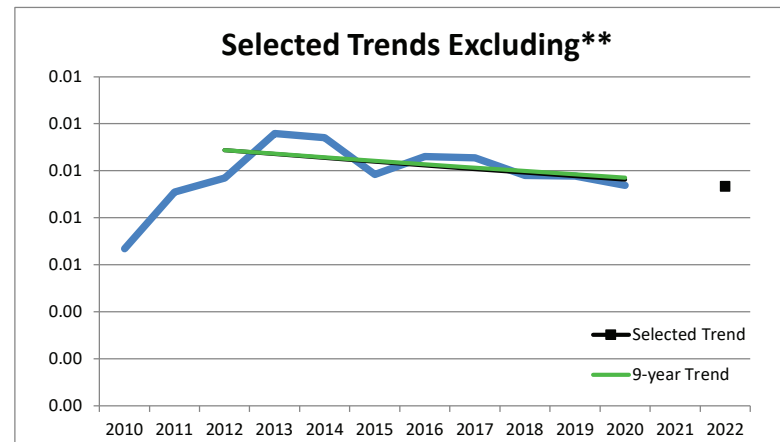
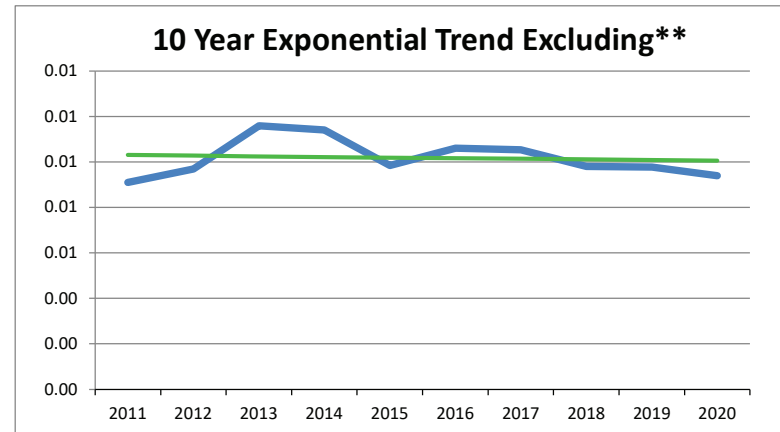


SGL
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Non-Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
Excluding Years: 2018/2019

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	1.91%	0.1531
10 -yr exp trend excl **	-0.27%	0.0091
9 -yr exp trend excl **	-1.41%	0.2389
8 -yr exp trend excl **	-2.75%	0.7190
7 -yr exp trend excl **	-2.47%	0.5934
6 -yr exp trend excl **	-1.62%	0.3620
5 -yr exp trend excl **	-3.26%	0.9187
4 -yr exp trend excl **	-3.57%	0.8915
3 -yr exp trend excl **	-2.15%	1.0000

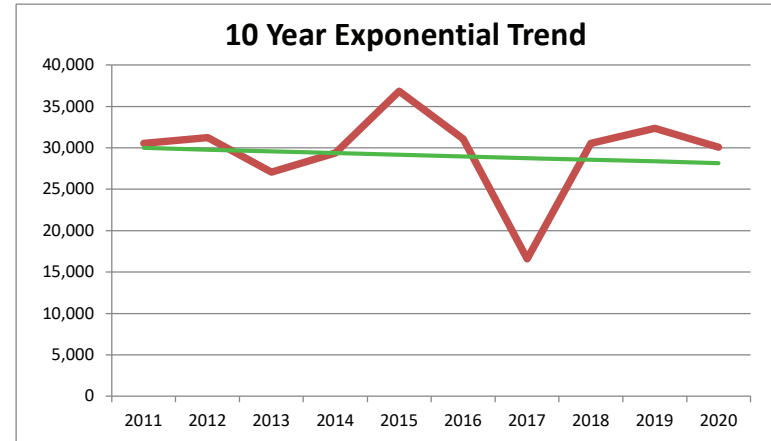
** Years excluded: 2018/2019



SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Non-Economic Loss
Rating year: 17/08/2021
Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	-1.57%	0.0612	
10-yr exp trend	-0.70%	0.0101	
9-yr exp trend	-0.55%	0.0046	
8-yr exp trend	0.04%	0.0000	
7-yr exp trend	-0.73%	0.0039	
6-yr exp trend	-0.81%	0.0030	
5-yr exp trend	6.20%	0.1146	
4-yr exp trend	20.21%	0.5742	
3-yr exp trend	-0.78%	0.0413	



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-1.00%	0.5942
Future	-1.00%	N/A

Trend Selection Notes:

Past: Big changes in 2019 RP compared to past years due to change in ultimate selection methodology in valuation. If the outliers (2015 & 2017) are excluded, the trend is more consistent. Volatile results so selecting -1% based on the long term trends with excluded years.

Future: Same as past.

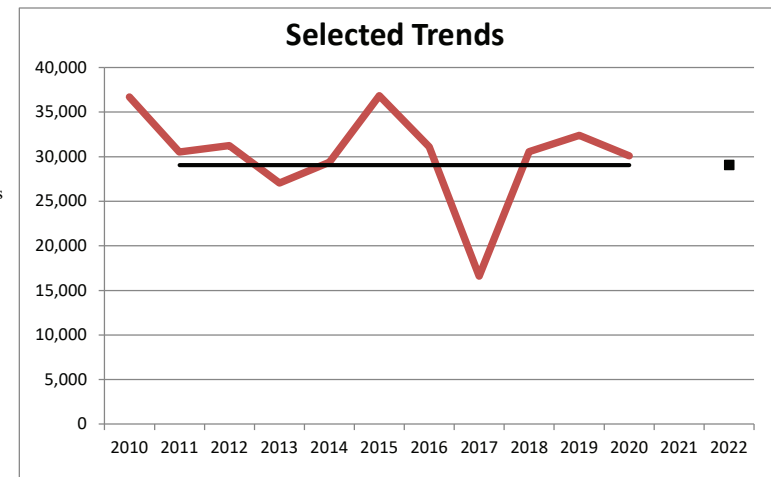
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	0.6034
Future	0.00%	N/A

Trend Selection Notes:

Past: Continue to exclude the 2015 and 2017 outliers to smooth over the experience. When included the long term is slightly negative while when excluded the long term is slightly positive with a small decreasing trend in the short term. Select flat growth.

Future: Select same as past.

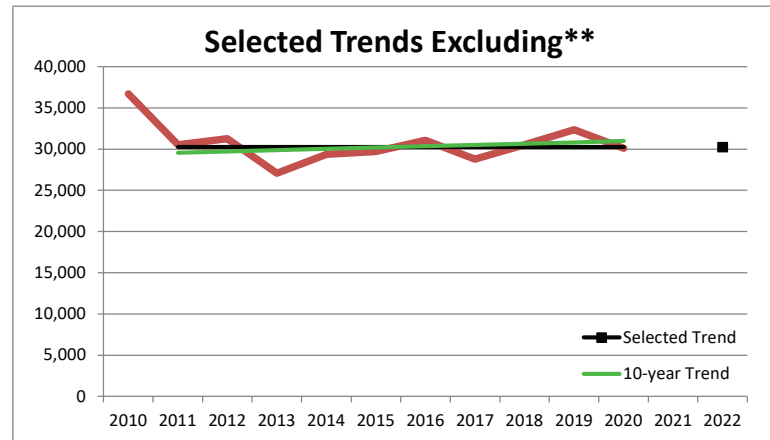
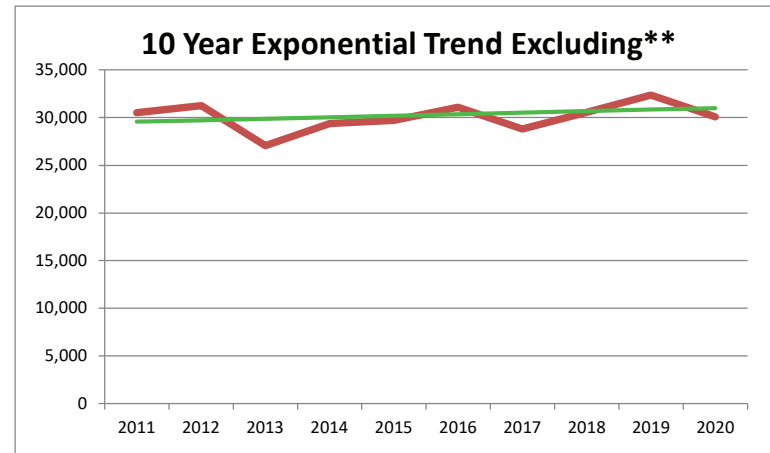


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Non-Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
Excluding Years: 2014/2015, 2016/2017

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	-0.47%	0.0451
10 -yr exp trend excl **	0.53%	0.1116
9 -yr exp trend excl **	0.80%	0.1879
8 -yr exp trend excl **	1.59%	0.5308
7 -yr exp trend excl **	0.70%	0.2086
6 -yr exp trend excl **	-0.27%	0.0213
5 -yr exp trend excl **	-0.27%	0.0213
4 -yr exp trend excl **	-0.78%	0.0413
3 -yr exp trend excl **	-0.78%	0.0413

** Years excluded: 2014/2015, 2016/2017

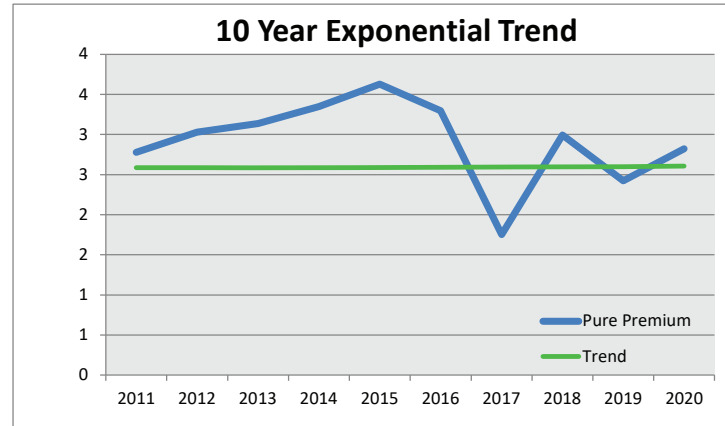


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Non-Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

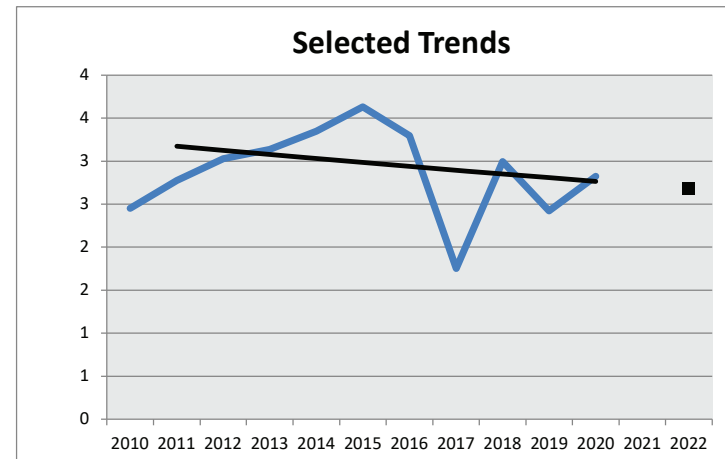
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-0.96%	0.0250
10-yr exp trend	-2.21%	0.1070
9-yr exp trend	-3.29%	0.1752
8-yr exp trend	-4.16%	0.1985
7-yr exp trend	-4.94%	0.1931
6-yr exp trend	-4.59%	0.1143
5-yr exp trend	0.14%	0.0001
4-yr exp trend	12.99%	0.4301
3-yr exp trend	-2.91%	0.0733



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	-1.49%	N/A
Future	-1.00%	N/A

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	-1.52%	0.6034
Future	-1.52%	N/A

Trend Selection Notes:

Calculated Past Trend = -1.52%

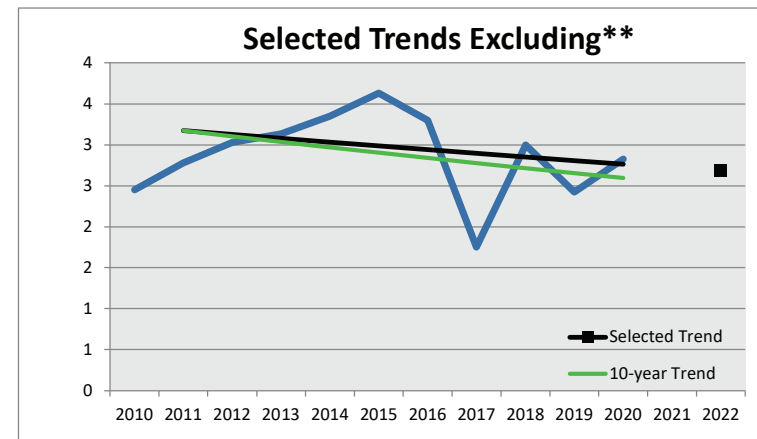
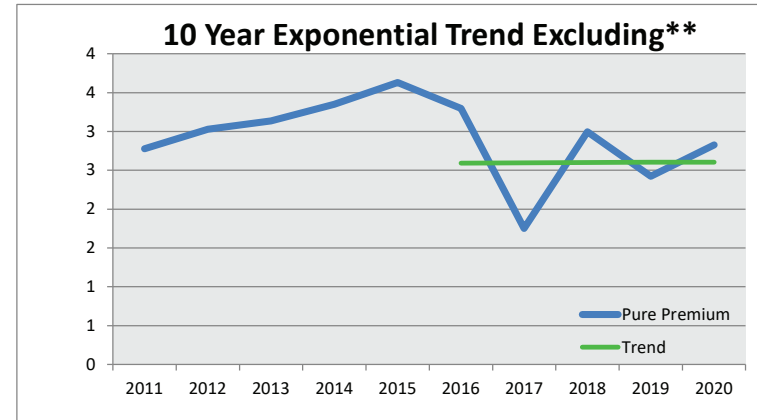
Calculated Future Trend = -1.52%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Non-Economic Loss
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-0.96%	0.0250
10 -yr exp trend excl **	-2.21%	0.1070
9 -yr exp trend excl **	-3.29%	0.1752
8 -yr exp trend excl **	-4.16%	0.1985
7 -yr exp trend excl **	-4.94%	0.1931
6 -yr exp trend excl **	-4.59%	0.1143
5 -yr exp trend excl **	0.14%	0.0001
4 -yr exp trend excl **	12.99%	0.4301
3 -yr exp trend excl **	-2.91%	0.0733

** Years excluded: None



Out of Province

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Out of Province
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss			Inflation Adjustment		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor					
2009/2010	847,662	150	0.9997	1.0000	150	7,527,097	1.0077	1.0000	1.0000	7,584,949	0.02	50,580	8.95	
2010/2011	861,056	165	0.9988	1.0000	165	8,505,848	1.0109	1.0000	1.0000	8,598,230	0.02	52,172	9.99	
2011/2012	875,956	177	0.9998	1.0000	177	7,246,492	1.0435	1.0000	1.0000	7,562,073	0.02	42,731	8.63	
2012/2013	899,699	164	1.0019	1.0000	164	8,997,127	1.0488	1.0000	1.0000	9,435,750	0.02	57,425	10.49	
2013/2014	910,068	195	1.0025	1.0000	195	10,434,720	1.0544	1.0000	1.0000	11,002,473	0.02	56,281	12.09	
2014/2015	923,589	157	1.0109	1.0000	159	10,034,173	1.1179	1.0000	1.0000	11,217,236	0.02	70,678	12.15	
2015/2016	934,560	149	1.0144	1.0000	151	7,839,960	1.1798	1.0000	1.0000	9,249,516	0.02	61,194	9.90	
2016/2017	932,745	189	1.0268	1.0000	194	12,000,893	1.2051	1.0000	1.0000	14,462,252	0.02	74,526	15.51	
2017/2018	936,379	257	1.0370	1.0000	267	18,967,642	1.1418	1.0000	1.0000	21,657,121	0.03	81,264	23.13	
2018/2019	935,554	256	1.0248	1.0000	262	18,374,753	1.1356	1.0000	1.0000	20,865,656	0.03	79,534	22.30	
2019/2020	940,010	186	1.3125	1.0000	244	16,697,911	1.2797	1.0000	1.0000	21,367,827	0.03	87,530	22.73	
Ratio 2011/2010	1.0158					1.0990				1.1336	1.0819	1.0315	1.1160	
Ratio 2012/2011	1.0173					1.0738				0.8795	1.0555	0.8190	0.8645	
Ratio 2013/2012	1.0271					0.9285				1.2478	0.9040	1.3439	1.2148	
Ratio 2014/2013	1.0115					1.1897				1.1660	1.1762	0.9801	1.1528	
Ratio 2015/2014	1.0149					0.8118				1.0195	0.8000	1.2558	1.0046	
Ratio 2016/2015	1.0119					0.9524				0.8246	0.9412	0.8658	0.8149	
Ratio 2017/2016	0.9981					1.2839				1.5636	1.2863	1.2179	1.5666	
Ratio 2018/2017	1.0039					1.3733				1.4975	1.3680	1.0904	1.4917	
Ratio 2019/2018	0.9991					0.9844				0.9635	0.9853	0.9787	0.9643	
Ratio 2020/2019	1.0048					0.9305				1.0241	0.9261	1.1005	1.0192	

SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Out of Province
Rating year: 17/08/2021
Exhibit 3 - Page 1-2

Frequency for All Vehicles Excluding Trailers

Period	Trends Frequency	Coefficient of Determination - R ² Frequency
11-yr exp trend	4.13%	0.4638
10-yr exp trend	4.40%	0.4259
9-yr exp trend	5.21%	0.4445
8-yr exp trend	6.85%	0.5358
7-yr exp trend	7.84%	0.5116
6-yr exp trend	12.20%	0.7457
5-yr exp trend	13.27%	0.6683
4-yr exp trend	6.72%	0.3371
3-yr exp trend	-4.48%	0.8677

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 4.88%	0.9080	Past N/A
Future 6.00%		Future N/A

Trend Selection Notes:

Past: Very large increase in frequency in recent years. More injury claims being classified above "minor" status in Alberta leading to no cap on the claim amount as well as troubles with ICBC and the current system in BC could serve as explanations for the recent trend. Referenced the Oliver Wyman AIRB benchmark trends and actuarial analysis and noted a flat industry experience for frequency. While the Auto Fund experience does show support for growth, knowing that the industry experience is flat, the recent years are likely too extreme assuming 2014-15 and 2015-16 are unusually low. Surge in claims has been verified as being primarily Alberta & BC claims.

Future: While the 2014-15 and 2015-16 years are unusually low, we do have the subsequent two full years and a partial year to

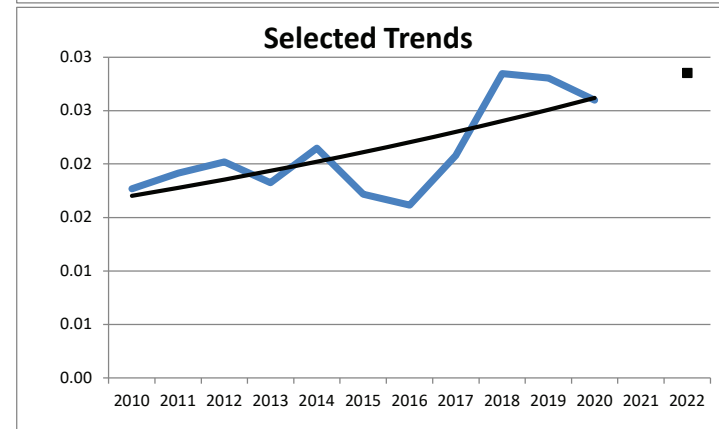
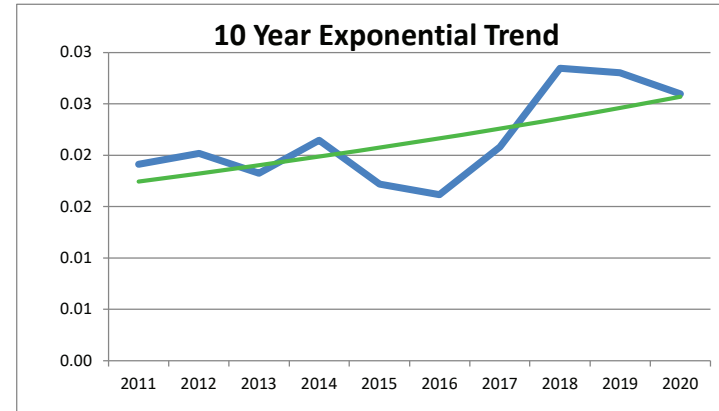
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 4.40%	0.9790	Past N/A
Future 4.40%		Future N/A

Trend Selection Notes:

Past: Similar long term trends when 2015-16 low and 2017-18 high points are excluded.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.



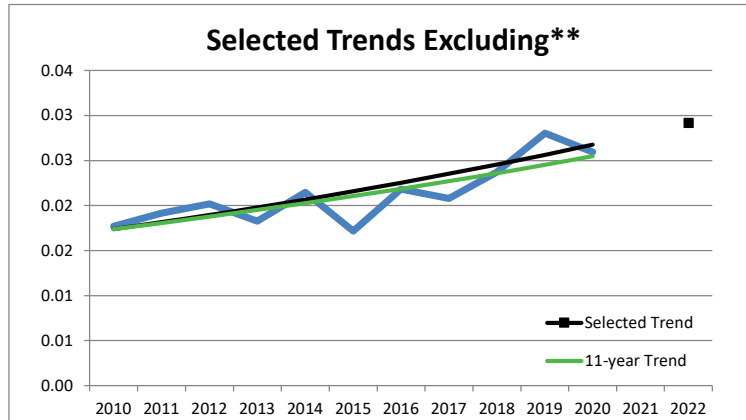
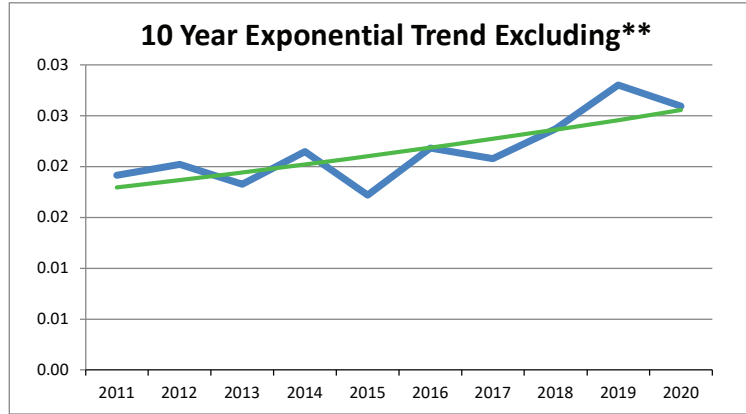
SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Out of Province
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3

Frequency for All Vehicles Excluding Trailers
 Excluding Years: 2015/2016, 2017/2018

Period w Years Excluded	Trends Frequency	Coefficient of Determination - R ² Frequency
11 -yr exp trend excl **	3.89%	0.6295
10 -yr exp trend excl **	4.00%	0.5797
9 -yr exp trend excl **	4.57%	0.5884
8 -yr exp trend excl **	5.82%	0.6834
7 -yr exp trend excl **	6.14%	0.6159
6 -yr exp trend excl **	9.94%	0.8965
5 -yr exp trend excl **	8.84%	0.6963
4 -yr exp trend excl **	8.84%	0.6963
3 -yr exp trend excl **	-7.39%	1.0000

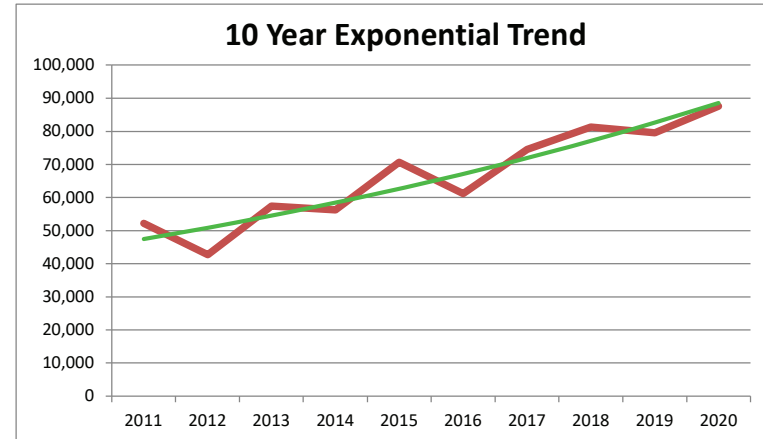
** Years excluded: 2015/2016, 2017/2018



SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Out of Province
Rating year: 17/08/2021
Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	6.53%	0.8394	
10-yr exp trend	7.18%	0.8459	
9-yr exp trend	8.03%	0.8593	
8-yr exp trend	6.51%	0.8458	
7-yr exp trend	6.81%	0.8033	
6-yr exp trend	5.71%	0.6856	
5-yr exp trend	8.12%	0.8265	
4-yr exp trend	4.72%	0.8057	
3-yr exp trend	3.78%	0.5460	



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	6.30%	0.9080
Future	6.30%	N/A

Trend Selection Notes:

Past: Severity has been consistently increasing over time. Select the four year trend to reflect the experience to be trended in the indication and the consistent long term trends. Avoid 5-year trend because it appears to be lower than all other trends around it (high-ish point in 2015).

Future: Same as past.

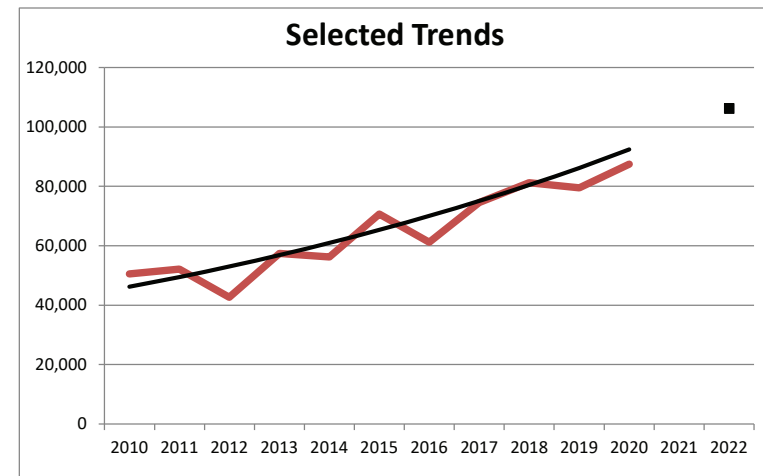
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	7.18%	0.9790
Future	7.18%	N/A

Trend Selection Notes:

Past: 10-yr trend fits the data well.

Future: We know that Alberta is planning on changing their benefit levels but we don't know when this will happen or what it will look like. Manitoba has also changed but there is no expected change with our knock for knock arrangement, which is what would influence these numbers.



SGL

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Liability - Out of Province

Rating year: 17/08/2021

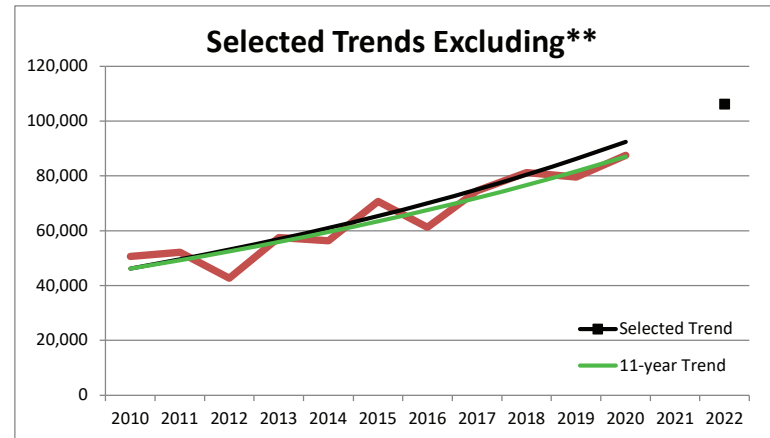
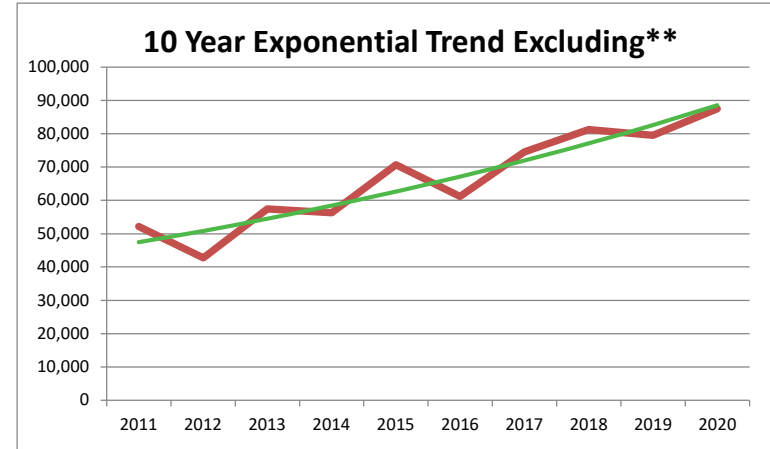
Exhibit 3 - Page 1-5

Severity for All Vehicles Excluding Trailers

Excluding Years: None

<u>Period w Years Excluded</u>	<u>Trends Severity</u>	<u>Coefficient of Determination - R² Severity</u>
11 -yr exp trend excl **	6.53%	0.8394
10 -yr exp trend excl **	7.18%	0.8459
9 -yr exp trend excl **	8.03%	0.8593
8 -yr exp trend excl **	6.51%	0.8458
7 -yr exp trend excl **	6.81%	0.8033
6 -yr exp trend excl **	5.71%	0.6856
5 -yr exp trend excl **	8.12%	0.8265
4 -yr exp trend excl **	4.72%	0.8057
3 -yr exp trend excl **	3.78%	0.5460

** Years excluded: None

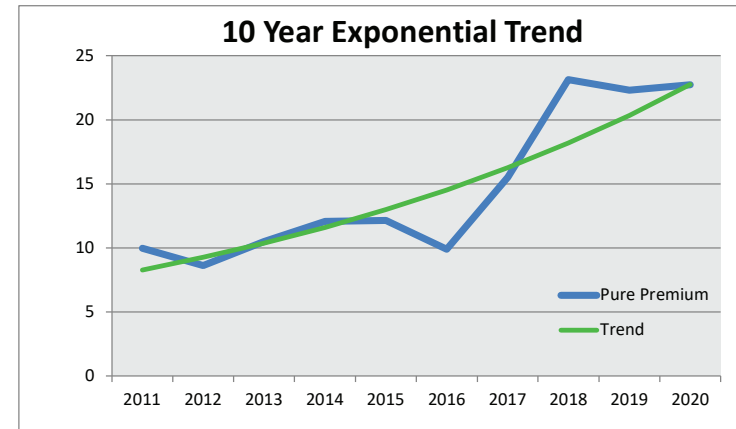


SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Liability - Out of Province
Rating year: 17/08/2021
Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

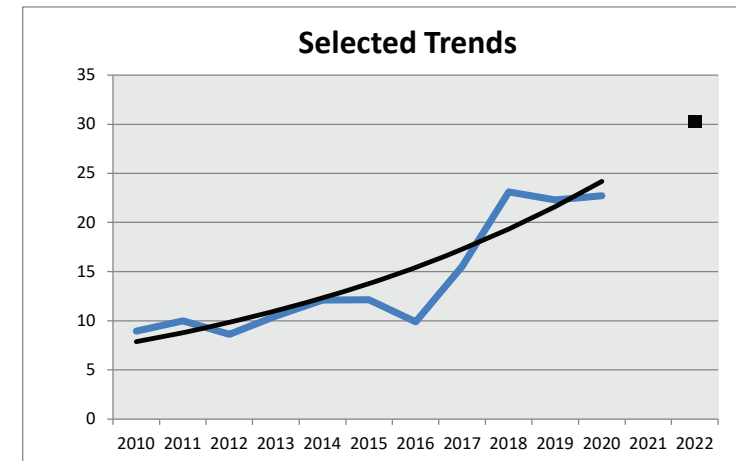
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	10.93%	0.8053
10-yr exp trend	11.89%	0.7991
9-yr exp trend	13.65%	0.8249
8-yr exp trend	13.80%	0.7711
7-yr exp trend	15.19%	0.7407
6-yr exp trend	18.60%	0.7655
5-yr exp trend	22.47%	0.7566
4-yr exp trend	11.76%	0.5609
3-yr exp trend	-0.86%	0.2268



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	11.49%	0.9080
Future	12.68%	N/A

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	11.89%	0.9790
Future	11.89%	N/A

Trend Selection Notes:

Calculated Past Trend = 11.89%

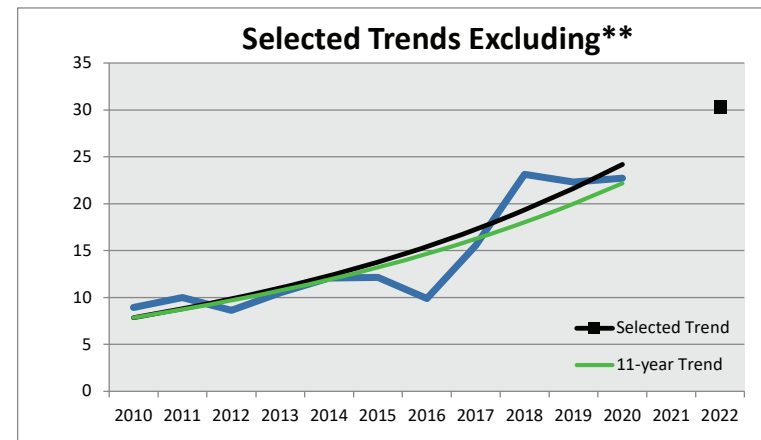
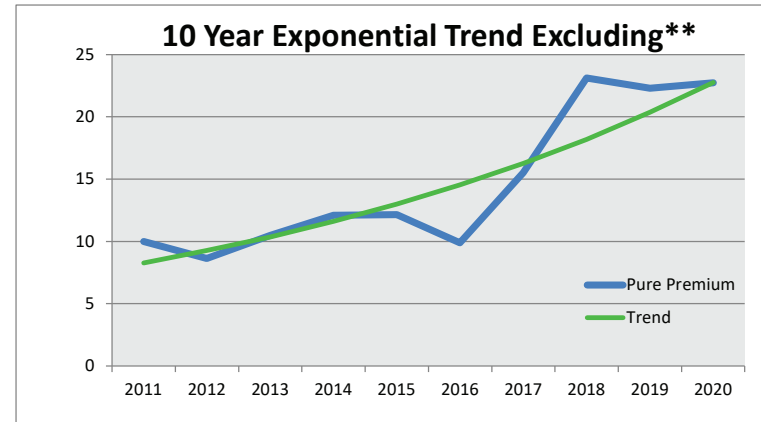
Calculated Future Trend = 11.89%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Liability - Out of Province
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	10.93%	0.8053
10 -yr exp trend excl **	11.89%	0.7991
9 -yr exp trend excl **	13.65%	0.8249
8 -yr exp trend excl **	13.80%	0.7711
7 -yr exp trend excl **	15.19%	0.7407
6 -yr exp trend excl **	18.60%	0.7655
5 -yr exp trend excl **	22.47%	0.7566
4 -yr exp trend excl **	11.76%	0.5609
3 -yr exp trend excl **	-0.86%	0.2268

** Years excluded: None



Tort Injury

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Tort - Injury

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss		Inflation		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor				
2009/2010	847,662	68	1.0000	1.0000	68	446,413	1.0079	1.0120	1.0000	455,340	0.01	6,696	0.54
2010/2011	861,056	74	1.0000	1.0000	74	553,652	1.0043	1.0120	1.0000	562,721	0.01	7,604	0.65
2011/2012	875,956	90	0.9889	1.0000	89	464,426	1.0357	1.0120	1.0000	486,810	0.01	5,470	0.56
2012/2013	899,699	82	1.0000	1.0000	82	600,235	1.0263	1.0120	1.0000	623,407	0.01	7,603	0.69
2013/2014	910,068	76	1.0000	1.0000	76	645,492	1.0271	1.0120	1.0000	670,933	0.01	8,828	0.74
2014/2015	923,589	64	0.9844	1.0000	63	1,017,246	1.0160	1.0120	1.0000	1,045,901	0.01	16,650	1.13
2015/2016	934,560	65	1.0000	1.0000	65	773,957	1.0183	1.0120	1.0000	797,616	0.01	12,271	0.85
2016/2017	932,745	90	0.9778	1.0000	88	630,701	1.0427	1.0120	1.0000	665,537	0.01	7,563	0.71
2017/2018	936,379	82	1.0000	1.0000	82	982,446	1.0352	1.0000	1.0000	1,017,070	0.01	12,403	1.09
2018/2019	935,554	79	0.9900	1.0000	78	921,717	1.0587	1.0000	1.0000	975,846	0.01	12,477	1.04
2019/2020	940,010	84	1.0482	1.0000	88	802,693	1.2466	1.0000	1.0000	1,000,620	0.01	11,365	1.06
Ratio 2011/2010	1.0158					1.0882				1.2358	1.0713	1.1356	1.2166
Ratio 2012/2011	1.0173					1.2027				0.8651	1.1822	0.7193	0.8504
Ratio 2013/2012	1.0271					0.9213				1.2806	0.8970	1.3899	1.2468
Ratio 2014/2013	1.0115					0.9268				1.0762	0.9163	1.1612	1.0640
Ratio 2015/2014	1.0149					0.8265				1.5589	0.8144	1.8861	1.5361
Ratio 2016/2015	1.0119					1.0348				0.7626	1.0226	0.7370	0.7537
Ratio 2017/2016	0.9981					1.3538				0.8344	1.3565	0.6163	0.8360
Ratio 2018/2017	1.0039					0.9318				1.5282	0.9282	1.6400	1.5223
Ratio 2019/2018	0.9991					0.9538				0.9595	0.9546	1.0060	0.9603
Ratio 2020/2019	1.0048					1.1258				1.0254	1.1205	0.9108	1.0205

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2
Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	Frequency
11-yr exp trend	0.09%	0.0007	
10-yr exp trend	-0.24%	0.0033	
9-yr exp trend	-0.27%	0.0030	
8-yr exp trend	1.51%	0.0832	
7-yr exp trend	3.59%	0.3335	
6-yr exp trend	6.12%	0.5921	
5-yr exp trend	4.86%	0.3649	
4-yr exp trend	-0.68%	0.0233	
3-yr exp trend	3.42%	0.3460	

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	7.62%	0.5720
Future	0.00%	

Trend Selection Notes:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles is very similar to those for tort injury. Select the 5 year trend to bring the average frequency up to the current expected level.

Future: For beyond 2019, we do not expect claims to continue to trend as strongly (since the addition / inclusion of these claims caused the rise), and the frequency is not as likely to decline as it had in the past with the addition of RNF claims. select 0%.

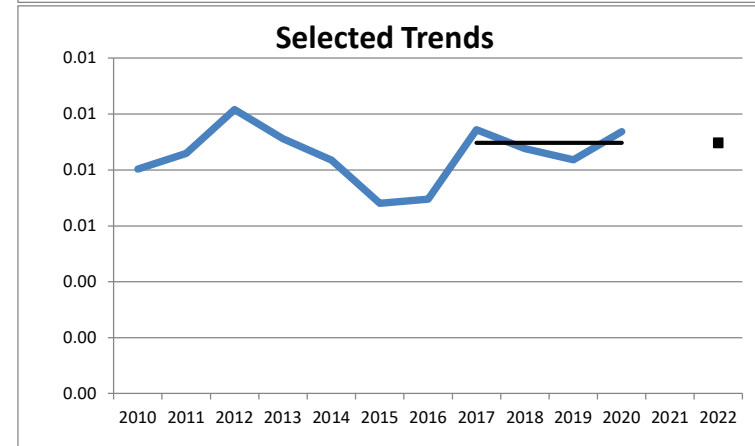
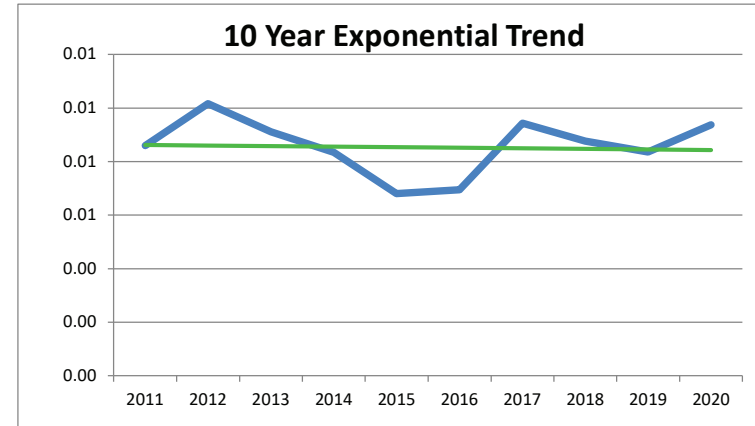
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	0.00%	0.6080
Future	0.00%	

Trend Selection Notes:

Past: Long term volatility but was declining. However, starting in 2017 this line included reduced no fault (RNF) claims by motorcycles who elected that option, which is likely the cause of the rise in frequency. This was done because the benefit levels for reduced no fault motorcycles are very similar to those for tort injury. Select flat growth based on the four years including RNF claims as well as the overall long term trend.

Future: Select same as past.

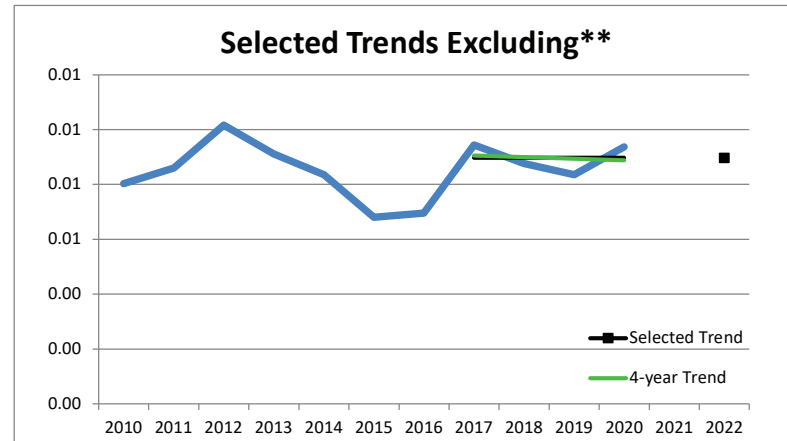
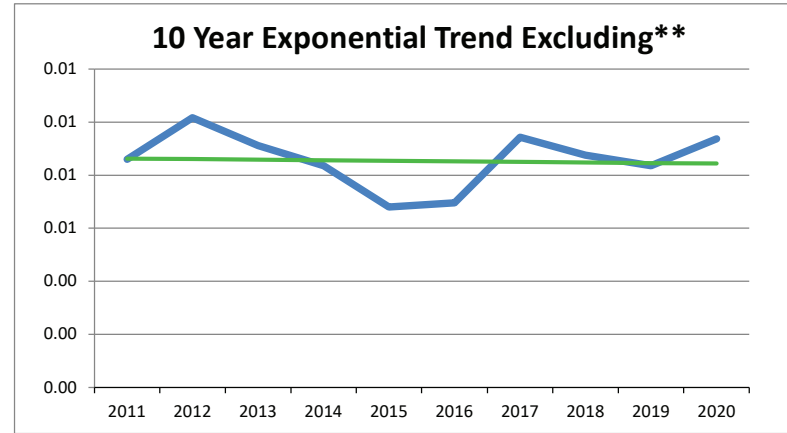


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	0.09%	0.0007
10 -yr exp trend excl **	-0.24%	0.0033
9 -yr exp trend excl **	-0.27%	0.0030
8 -yr exp trend excl **	1.51%	0.0832
7 -yr exp trend excl **	3.59%	0.3335
6 -yr exp trend excl **	6.12%	0.5921
5 -yr exp trend excl **	4.86%	0.3649
4 -yr exp trend excl **	-0.68%	0.0233
3 -yr exp trend excl **	3.42%	0.3460

** Years excluded: None



SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²
	Severity	Severity
11-yr exp trend	6.96%	0.4366
10-yr exp trend	6.94%	0.3662
9-yr exp trend	7.43%	0.3260
8-yr exp trend	3.85%	0.1118
7-yr exp trend	0.69%	0.0033
6-yr exp trend	-3.82%	0.0819
5-yr exp trend	3.53%	0.0657
4-yr exp trend	13.06%	0.4449
3-yr exp trend	-4.28%	0.6991

2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past 10.00%	0.5720	Past N/A
Future 10.00%		Future N/A

Trend Selection Notes:

Past: Clear long term positive trend, but with significant volatility. Longer term trends are consistently around 13-16%. This remains the case when excluding 2015, 2016 and 2019. Motorcycle reduced no fault claims added in 2017 may have an effect on severity here, though it was strong even before then, so select 10%.

Future: The strong positive severity trend appears to be continuing. Select the same as past trend.

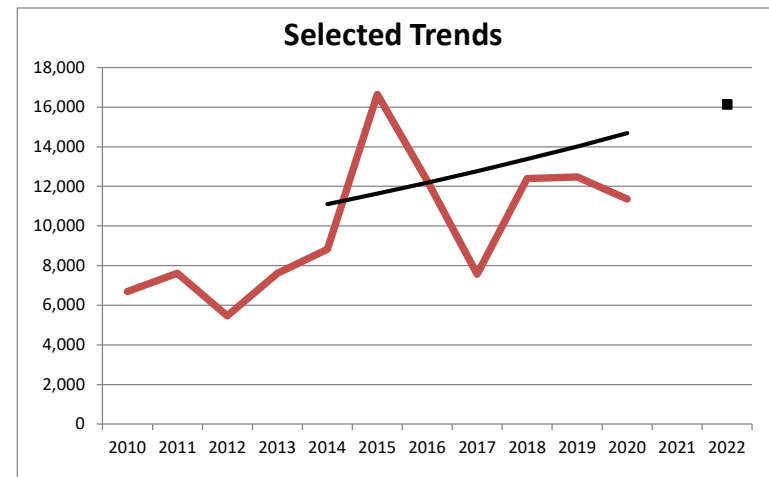
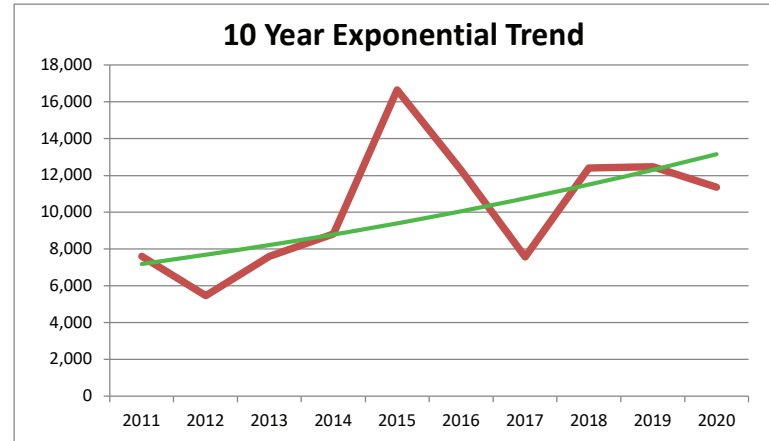
2021 Rate Program

Selected Trends	Credibility	Final Trends
Past 4.78%	0.6080	Past N/A
Future 4.78%		Future N/A

Trend Selection Notes:

Past: Clear long term positive trend, but with significant volatility. Motorcycle reduced no fault claims added in 2017 may have a stabilizing effect on severity at higher levels, excluding 2017, the trend since 2016 has been extremely flat. Select the 7-yr trend excluding the 2015 outlier. This group does not have high credibility and this period strikes a balance between the low and high ends of the common severity levels.

Future: Too much volatility to deviate from past, but keep an eye on the recent apparent flattening.

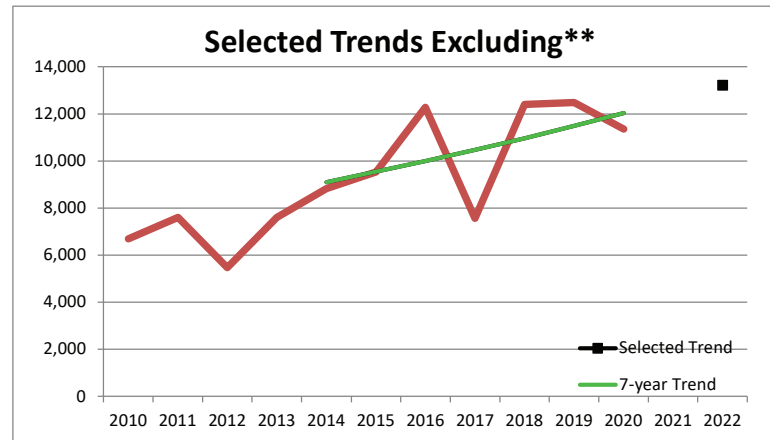
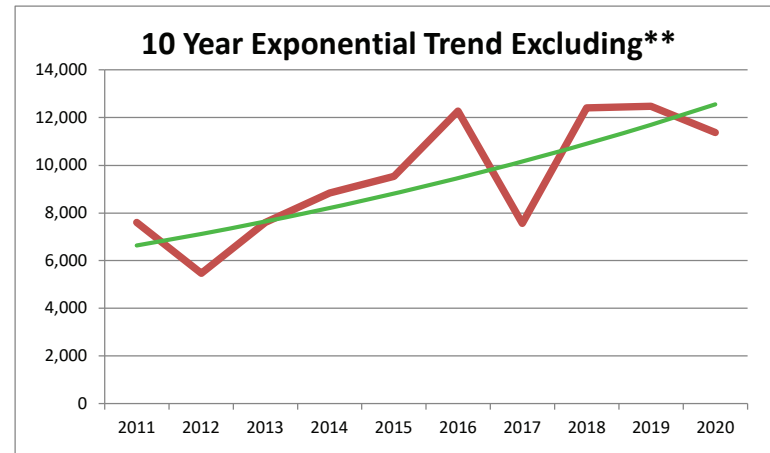


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
Excluding Years: 2014/2015

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	6.96%	0.6373
10 -yr exp trend excl **	7.35%	0.5972
9 -yr exp trend excl **	8.63%	0.6179
8 -yr exp trend excl **	6.10%	0.4301
7 -yr exp trend excl **	4.78%	0.2261
6 -yr exp trend excl **	3.53%	0.0657
5 -yr exp trend excl **	3.53%	0.0657
4 -yr exp trend excl **	13.06%	0.4449
3 -yr exp trend excl **	-4.28%	0.6991

** Years excluded: 2014/2015

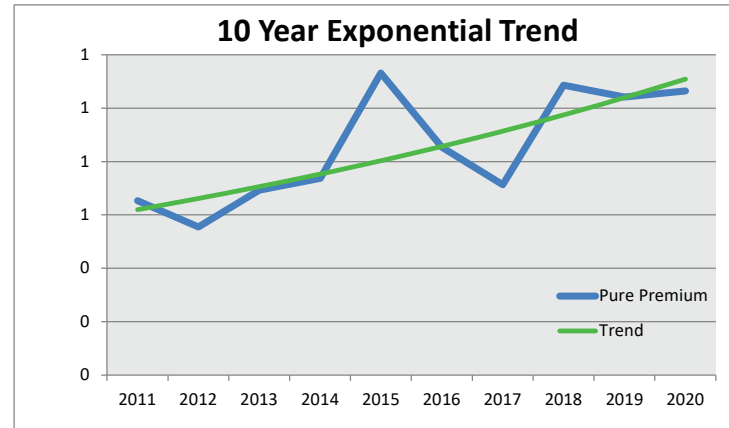


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

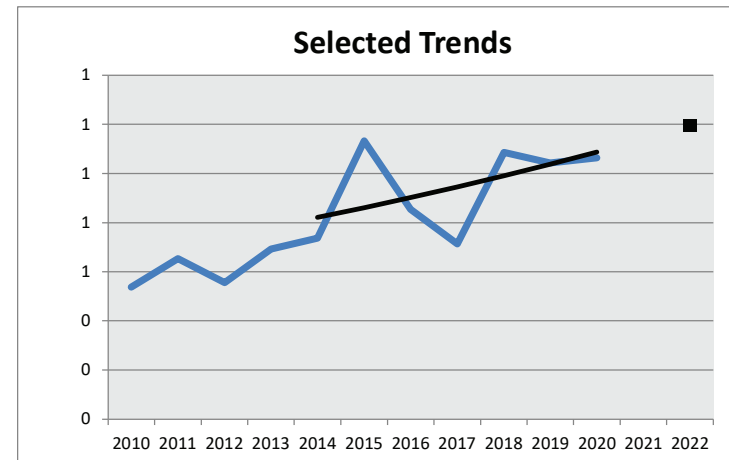
Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	7.06%	0.6892
10-yr exp trend	6.68%	0.6033
9-yr exp trend	7.14%	0.5622
8-yr exp trend	5.42%	0.3867
7-yr exp trend	4.30%	0.2198
6-yr exp trend	2.06%	0.0450
5-yr exp trend	8.56%	0.5094
4-yr exp trend	12.29%	0.5565
3-yr exp trend	-1.00%	0.2482



2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	18.38%	Past N/A
Future	10.00%	Future N/A

Trend Selection Notes:



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	4.78%	Past 0.6080
Future	4.78%	Future N/A

Trend Selection Notes:

Calculated Past Trend = 4.78%

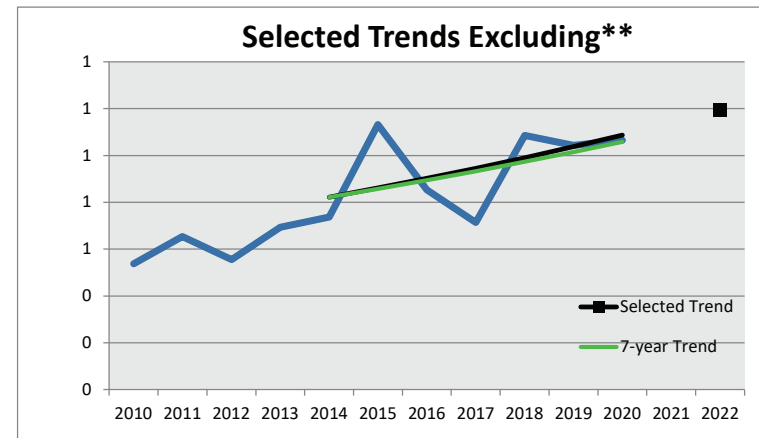
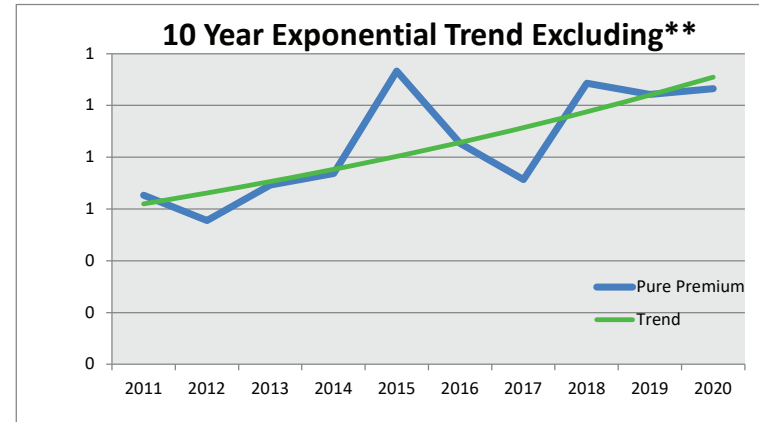
Calculated Future Trend = 4.78%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Injury
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	7.06%	0.6892
10 -yr exp trend excl **	6.68%	0.6033
9 -yr exp trend excl **	7.14%	0.5622
8 -yr exp trend excl **	5.42%	0.3867
7 -yr exp trend excl **	4.30%	0.2198
6 -yr exp trend excl **	2.06%	0.0450
5 -yr exp trend excl **	8.56%	0.5094
4 -yr exp trend excl **	12.29%	0.5565
3 -yr exp trend excl **	-1.00%	0.2482

** Years excluded: None



Tort Liability

SGI

Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

Coverage: Tort - Liability

Rating year: 17/08/2021

Exhibit 3 - Page 1-1

All Vehicles Excluding Trailers

Fiscal Year	Earned Exposures	Claim Count		Ultimate		Incurred Loss		Inflation		Ultimate Losses	Percent Ultimate Frequency	Ultimate Severity	Ultimate Pure Premium
		Number of Claims	Development Factor	Claim Count Adjustment	Number of Claims	Incurred Losses	Development Factor	Incurred Loss Adjustment	Adjustment Factor				
2009/2010	847,662	67	1.0000	1.0000	67	1,423,954	1.0000	1.0000	1.0000	1,423,954	0.01	21,253	1.68
2010/2011	861,056	63	1.0000	1.0000	63	1,507,137	1.0000	1.0000	1.0000	1,507,137	0.01	23,923	1.75
2011/2012	875,956	82	1.0000	1.0000	82	1,836,224	1.0000	1.0000	1.0000	1,836,224	0.01	22,393	2.10
2012/2013	899,699	93	1.0000	1.0000	93	2,101,279	1.0175	1.0000	1.0000	2,138,122	0.01	22,991	2.38
2013/2014	910,068	78	1.0000	1.0000	78	1,810,378	1.0265	1.0000	1.0000	1,858,423	0.01	23,826	2.04
2014/2015	923,589	61	0.9974	1.0000	61	1,316,141	1.0359	1.0000	1.0000	1,363,401	0.01	22,409	1.48
2015/2016	934,560	58	0.9896	1.0000	57	1,565,518	1.0322	1.0000	1.0000	1,616,005	0.01	28,155	1.73
2016/2017	932,745	73	0.9690	1.0000	71	1,880,761	0.9964	1.0000	1.0000	1,873,943	0.01	26,491	2.01
2017/2018	936,379	63	0.9269	1.0000	58	2,246,135	0.9428	1.0000	1.0000	2,117,631	0.01	36,264	2.26
2018/2019	935,554	50	0.8802	1.0000	44	1,740,408	0.8237	1.0000	1.0000	1,433,548	0.00	32,574	1.53
2019/2020	940,010	45	1.0850	1.0000	49	1,464,750	1.0723	1.0000	1.0000	1,570,580	0.01	32,168	1.67
Ratio 2011/2010	1.0158					0.9403				1.0584	0.9257	1.1256	1.0420
Ratio 2012/2011	1.0173					1.3016				1.2184	1.2794	0.9361	1.1976
Ratio 2013/2012	1.0271					1.1341				1.1644	1.1042	1.0267	1.1337
Ratio 2014/2013	1.0115					0.8387				0.8692	0.8292	1.0363	0.8593
Ratio 2015/2014	1.0149					0.7800				0.7336	0.7686	0.9405	0.7229
Ratio 2016/2015	1.0119					0.9434				1.1853	0.9323	1.2564	1.1714
Ratio 2017/2016	0.9981					1.2325				1.1596	1.2349	0.9409	1.1619
Ratio 2018/2017	1.0039					0.8255				1.1300	0.8223	1.3689	1.1257
Ratio 2019/2018	0.9991					0.7536				0.6770	0.7543	0.8983	0.6776
Ratio 2020/2019	1.0048					1.1094				1.0956	1.1042	0.9875	1.0904

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Liability
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-2
Frequency for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Frequency	Frequency	
11-yr exp trend	-5.34%	0.5710	
10-yr exp trend	-6.37%	0.6309	
9-yr exp trend	-8.32%	0.8019	
8-yr exp trend	-8.84%	0.7698	
7-yr exp trend	-7.43%	0.6553	
6-yr exp trend	-6.05%	0.4678	
5-yr exp trend	-7.81%	0.4883	
4-yr exp trend	-13.22%	0.7548	
3-yr exp trend	-8.74%	0.4086	

2020 Rate Program

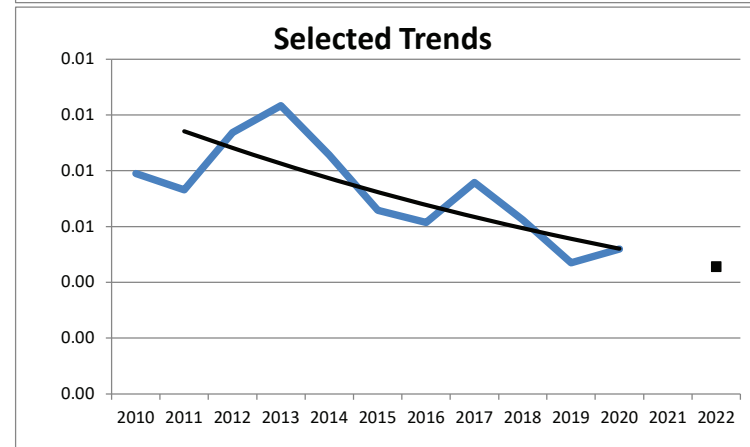
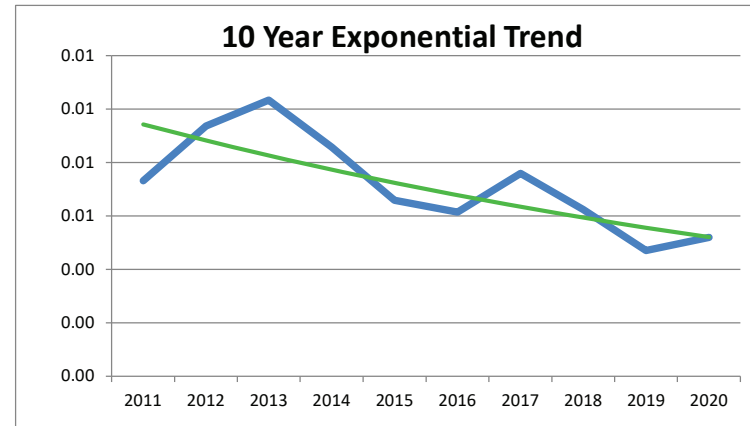
Selected Trends		Credibility		Credibility Weighted Trends
Past	-4.48%	0.5141		Past N/A
Future	-4.48%			Future N/A

Trend Selection Notes:
 Past: Long term volatility, but has a negative trend. Select long term trend 10 year trend as best estimate of the trend underlying the most recent 5 years to smooth out volatility.
 Future: Set equal to 10 year trend.

2021 Rate Program

Selected Trends		Credibility		Final Trends
Past	-6.37%	0.5168		Past N/A
Future	-6.37%			Future N/A

Trend Selection Notes:
 Past: Long term volatility, but has a negative trend. Select long term 10 year trend, to smooth out volatility, as the best estimate of the underlying trend for the most recent 5 years.
 Future: Set equal to 10 year trend.

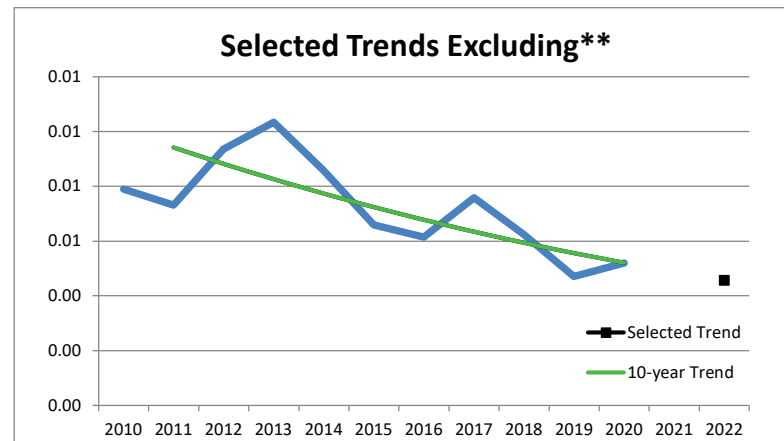
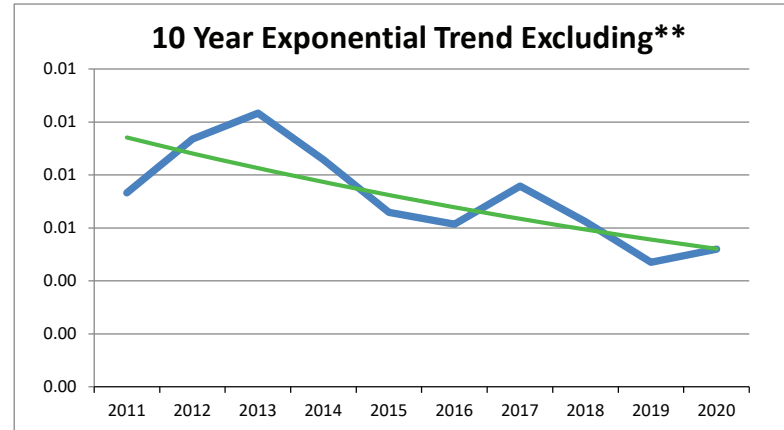


SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Liability
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-3
Frequency for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Frequency	Frequency
11 -yr exp trend excl **	-5.34%	0.5710
10 -yr exp trend excl **	-6.37%	0.6309
9 -yr exp trend excl **	-8.32%	0.8019
8 -yr exp trend excl **	-8.84%	0.7698
7 -yr exp trend excl **	-7.43%	0.6553
6 -yr exp trend excl **	-6.05%	0.4678
5 -yr exp trend excl **	-7.81%	0.4883
4 -yr exp trend excl **	-13.22%	0.7548
3 -yr exp trend excl **	-8.74%	0.4086

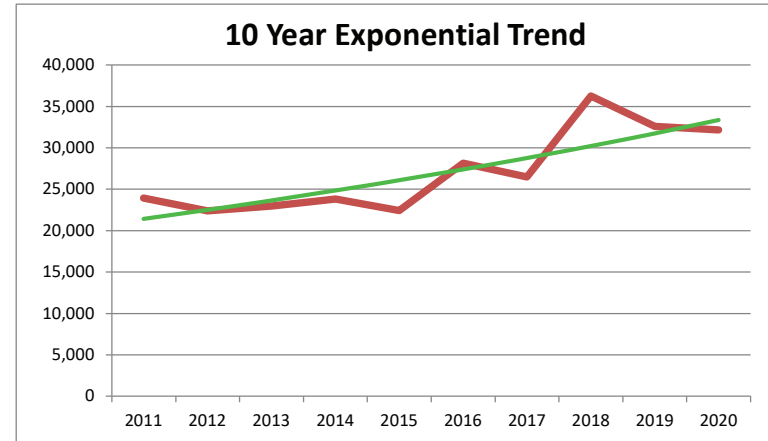
** Years excluded: None



SGI
Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
Data Source: Internal Data
Coverage: Tort - Liability
Rating year: 17/08/2021
Exhibit 3 - Page 1-4
Severity for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²	
	Severity	Severity	Severity
11-yr exp trend	4.84%	0.7511	
10-yr exp trend	5.04%	0.7127	
9-yr exp trend	6.01%	0.7677	
8-yr exp trend	6.51%	0.7399	
7-yr exp trend	7.03%	0.6947	
6-yr exp trend	7.59%	0.6276	
5-yr exp trend	4.85%	0.3590	
4-yr exp trend	4.87%	0.2202	
3-yr exp trend	-5.82%	0.8277	

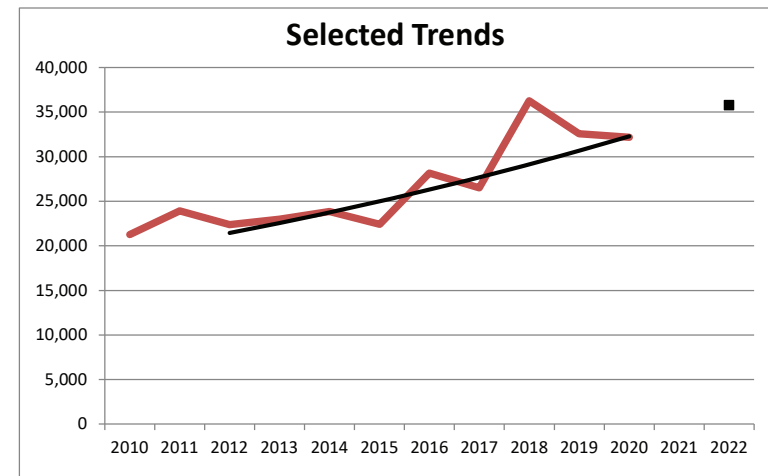


2020 Rate Program

Selected Trends	Credibility	Credibility Weighted Trends
Past	7.17%	0.5141
Future	7.17%	N/A

Trend Selection Notes:

Past: Clear progression in severity. Continue with prior year selections. Consistent with the mid term trends.
Future: Same as past.



2021 Rate Program

Selected Trends	Credibility	Final Trends
Past	5.26%	0.5168
Future	5.26%	N/A

Trend Selection Notes:

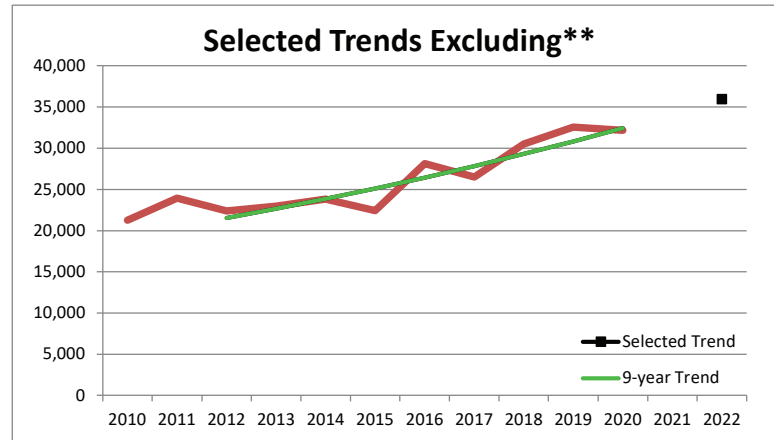
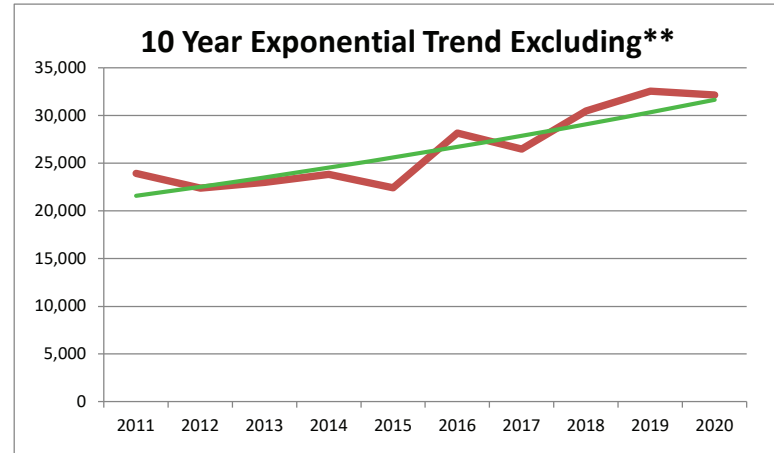
Past: Severity has a consistent positive trend excluding the impact due to the spike in 2018. Select the 10-yr trend excluding this point.
Future: Same as past.

SGL
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Liability
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-5
Severity for All Vehicles Excluding Trailers
Excluding Years: 2017/2018

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Severity	Severity
11 -yr exp trend excl **	4.21%	0.8071
10 -yr exp trend excl **	4.34%	0.7722
9 -yr exp trend excl **	5.26%	0.8574
8 -yr exp trend excl **	5.71%	0.8481
7 -yr exp trend excl **	6.22%	0.8317
6 -yr exp trend excl **	6.93%	0.8137
5 -yr exp trend excl **	4.85%	0.7263
4 -yr exp trend excl **	7.28%	0.8571
3 -yr exp trend excl **	-1.25%	1.0000

** Years excluded: 2017/2018



SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020

Data Source: Internal Data

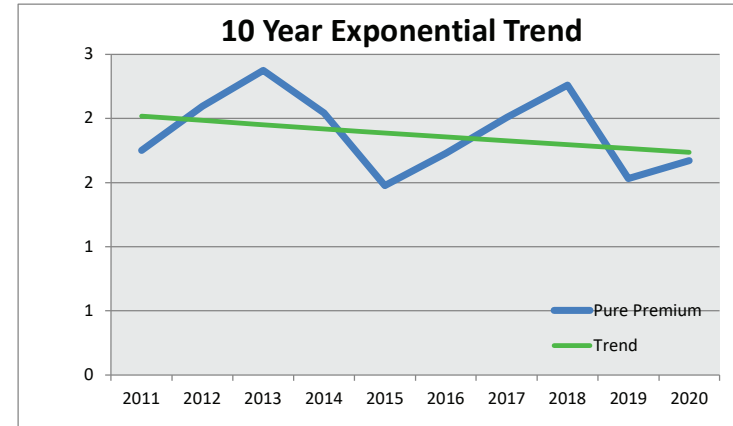
Coverage: Tort - Liability

Rating year: 17/08/2021

Exhibit 3 - Page 1-6

Pure Premium for All Vehicles Excluding Trailers

Period	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11-yr exp trend	-0.76%	0.0254
10-yr exp trend	-1.65%	0.0962
9-yr exp trend	-2.81%	0.2093
8-yr exp trend	-2.90%	0.1649
7-yr exp trend	-0.92%	0.0157
6-yr exp trend	1.08%	0.0150
5-yr exp trend	-3.34%	0.1195
4-yr exp trend	-8.99%	0.4774
3-yr exp trend	-14.05%	0.5484



2020 Rate Program

Selected Trends

Past	2.37%
Future	2.37%

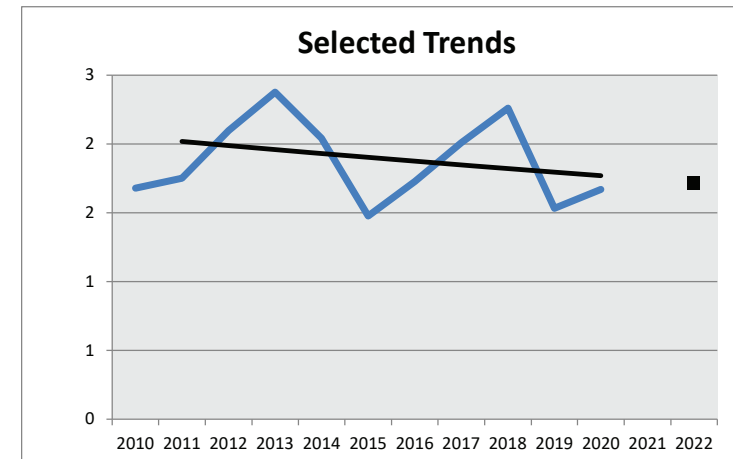
Credibility

N/A

Credibility Weighted Trends

Past	N/A
Future	N/A

Trend Selection Notes:



2021 Rate Program

Selected Trends

Past	-1.45%
Future	-1.45%

Credibility

0.5168

Final Trends

Past	N/A
Future	N/A

Trend Selection Notes:

Calculated Past Trend = -1.45%

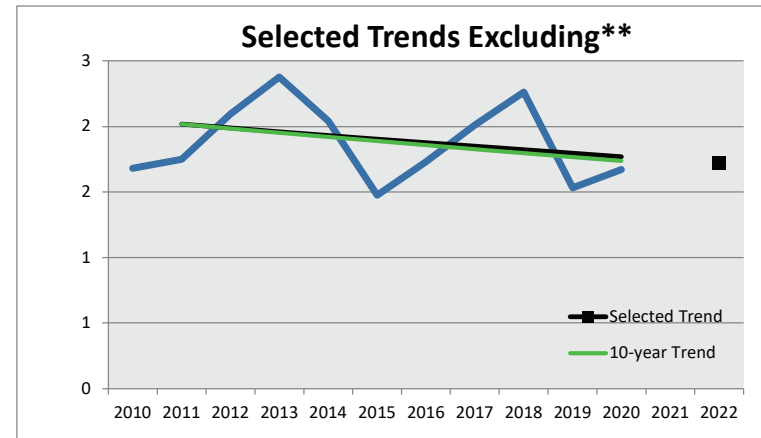
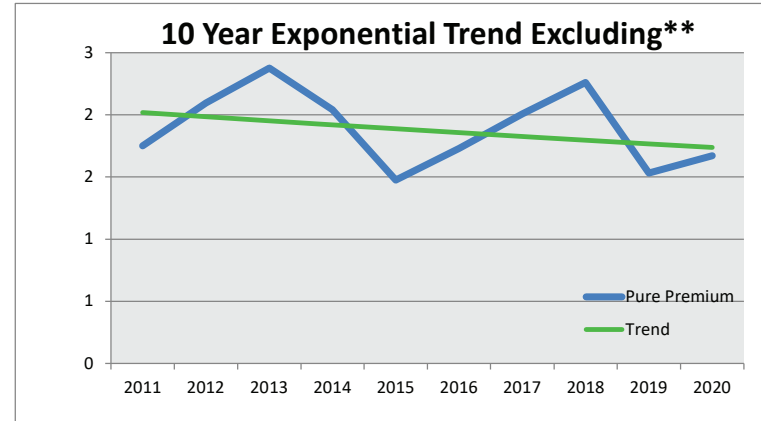
Calculated Future Trend = -1.45%

SGI
 Class Group: All vehicles excluding trailers

Ratemaking date as of: 31/03/2020
 Data Source: Internal Data
 Coverage: Tort - Liability
 Rating year: 17/08/2021
 Exhibit 3 - Page 1-7
Pure Premium for All Vehicles Excluding Trailers
 Excluding Years: None

Period w Years Excluded	Trends	Coefficient of Determination - R ²
	Pure Premium	Pure Premium
11 -yr exp trend excl **	-0.76%	0.0254
10 -yr exp trend excl **	-1.65%	0.0962
9 -yr exp trend excl **	-2.81%	0.2093
8 -yr exp trend excl **	-2.90%	0.1649
7 -yr exp trend excl **	-0.92%	0.0157
6 -yr exp trend excl **	1.08%	0.0150
5 -yr exp trend excl **	-3.34%	0.1195
4 -yr exp trend excl **	-8.99%	0.4774
3 -yr exp trend excl **	-14.05%	0.5484

** Years excluded: None



8. Rate Rebalancing Measures Proposed

Rating variables vary by class and coverage. To calculate and select relativities for each rating variable, the Auto Fund's loss history is divided into the applicable rating groups. Generally, 5 years of loss experience is used for damage, and 10 years for injury and liability. The pure premium for each rating group is calculated relative to a stable base group, with sufficient exposures and claims, using a Poisson-Gamma model for frequency and severity. The results are then credibility-weighted using the current relativity as a complement, and selections are made based on these and actuarial judgment. More detailed information is found in section 6 of this application.

Starting in May 21, 2017, revenue-neutral rebalancing of light vehicles occurs annually, even in the absence of a full rate program. This is achieved through updates to the newest available Canadian Loss Experience Automobile Rating (CLEAR) table, and changes are capped individually according to a 5% structure of dollar and percentage caps. Due to the pandemic in 2020 the rates were not rebalanced.

The following information measures the number of rate programs to attain the required rates in the 2021 rate indication. The estimate assumes the application of the current capping guideline. Future changes in these estimates may lead to increases or decreases in the required time to achieve adequate rates. Adequacy is measured as being within 5% of the indicated rate. Currently, 21% of all vehicles are within their adequate rate, and if the proposed changes are implemented, then 93% of vehicles would be considered adequate.

Saskatchewan Government Insurance
2021 Rate Program
Adequacy Summary

Vehicle Class	2021 Indicated Average Rate Change	2021 Proposed Average Rate Change	2021 Proposed Average Rate Change with Capital Amounts	% of Class Currently within +/-5% of Adequate	% of Class That Will Be within +/-5% of Adequate with Proposed Rates	# of Rate Programs Until 95% of Vehicles are Adequate	# of Rate Programs Until All Vehicles are Adequate	# of Rate Programs Until Class is Adequate
CLEAR Rated Vehicles	1.0%	0.8%	-0.9%					
A - Commercial Light Trucks		19.1%	17.1%	0.0%	0.9%	3	3	3
F - Farm Light Truck - 1994 - 2003		-17.8%	-19.2%	6.6%	91.1%	2	4	3
F - Farm Light Truck - 2004 & Newer		4.0%	2.3%	31.5%	93.7%	2	3	2
LV - Private Passenger Vehicles (PPV)		0.7%	-1.0%	27.9%	95.7%	2	3	2
LV - PPV - Farm Cars, SUVs and Vans		7.1%	5.3%	24.4%	96.9%	2	2	2
LV - Police Cars		-10.8%	-12.2%	32.1%	97.2%	2	2	2
LV - Police Trucks, Vans & SUVs		22.5%	20.5%	0.0%	0.0%	9	9	9
LV - U Drives		5.6%	3.9%	26.9%	95.6%	2	2	2
PT - Taxis (Rural)		0.9%	-0.7%	34.2%	95.5%	2	2	2
Conventionally Rated Vehicles								
Ambulances	18.3%	15.1%	13.2%	0.0%	100.0%	2	2	2
A - Commercial Vehicles:								
Heavy Trucks and Vans IRP Reg. Ded.	8.3%	7.1%	5.4%	31.7%	88.0%	2	3	2
Heavy Trucks and Vans IRP \$15K Ded.	8.9%	8.9%	7.0%	15.7%	100.0%	1	1	1
Heavy Trucks and Vans Non-IRP	12.0%	10.4%	8.5%	22.7%	94.0%	2	2	2
Power Units IRP Reg. Ded.	36.6%	15.0%	13.1%	0.0%	0.0%	3	5	4
Power Units IRP \$15K Ded.	73.3%	15.0%	13.1%	0.0%	0.0%	5	6	5
Power Units Non-IRP	10.6%	8.9%	7.1%	17.1%	86.2%	2	3	3
C & D - Commercial Vehicles:								
Heavy Trucks and Vans	-6.6%	-6.5%	-8.0%	32.2%	99.3%	1	2	2
Power Units	-8.2%	-8.1%	-9.7%	15.4%	92.9%	1	3	2
F - Farm Vehicles:								
Heavy Trucks and Vans	-5.1%	-0.3%	-2.0%	1.5%	89.4%	1	3	3
Light Trucks - 1993 & Older	-14.5%	-14.5%	-15.9%	0.0%	100.0%	1	1	1
Power Units	14.3%	12.1%	10.3%	28.1%	88.4%	2	3	2
Hearses	6.0%	6.1%	4.3%	0.0%	100.0%	1	1	1
L - Automobile & Motorcycle Dealer Plates	5.9%	5.9%	4.1%	0.0%	100.0%	1	1	1
L - Snowmobile Dealers	0.0%	0.0%	-1.6%	100.0%	100.0%	1	1	1
LV - Antiques	11.2%	10.8%	9.4%	0.0%	100.0%	1	1	1
LV - Buses	2.8%	2.7%	1.1%	20.7%	100.0%	1	1	1
LV - Buses (Restricted)	12.2%	12.2%	10.3%	0.0%	100.0%	1	1	1
LV - Motorcycles:	34.2%	11.9%	10.1%	9.2%	30.5%	8	8	9
Cruiser/Touring	35.0%	12.7%	10.9%	7.4%	29.6%	6	7	7
Dual Purpose/Other	25.9%	6.5%	4.8%	16.7%	35.7%	6	6	5
Sport	33.8%	8.4%	6.6%	10.6%	27.3%	8	8	8
LV - Motorhomes	134.6%	21.9%	19.9%	0.0%	0.0%	7	7	7
MT - Snowmobiles	-6.0%	-6.5%	-8.9%	0.0%	100.0%	1	1	1
PB - Passenger Inter-city Buses	16.2%	11.1%	9.3%	10.6%	55.6%	2	2	2
PC - Passenger City Buses	21.2%	4.7%	3.0%	49.5%	49.7%	6	6	6
PS - Passenger School Buses	13.3%	13.3%	11.4%	0.0%	100.0%	1	1	1
PT - Taxis	37.9%	15.0%	13.1%	0.0%	26.8%	6	6	6
Trailers								
F - Trailers	15.9%	15.9%	13.4%	7.9%	100.0%	1	1	1
LT - Trailer Dealers/Movers	-2.6%	1.0%	-0.5%	0.0%	10.3%	4	4	4
T - Personal Trailers	76.8%	29.7%	27.5%	0.0%	57.2%	4	4	4
T - Utility	-7.5%	-7.7%	-10.0%	0.0%	100.0%	1	1	1
TS - Commercial Trailers	2.1%	2.1%	-0.2%	0.0%	100.0%	1	1	1
Miscellaneous Classes								
A - Excess Value	-6.2%	0.0%	0.0%	0.0%	0.0%	2	2	2
C&D - Non-Resident	0.0%	0.0%	-2.6%	100.0%	100.0%	1	1	1
C&D - Excess Value	-17.3%	0.0%	0.0%	0.0%	0.0%	2	2	2
Industrial Tracked Vehicles	0.0%	0.0%	-1.4%	100.0%	100.0%	1	1	1
LV - Motorized Bicycle	0.0%	0.0%	-1.6%	100.0%	100.0%	1	1	1
PV - Converted Vehicles	-1.4%	-1.4%	-3.0%	98.3%	100.0%	1	1	1
PV - Heavy Trucks and Vans	-7.9%	-7.0%	-8.6%	25.3%	95.8%	2	3	2
PV - Power Units	-5.0%	-4.6%	-6.1%	10.7%	60.6%	3	4	4
TS - Excess Value	-12.0%	0.0%	0.0%	0.0%	0.0%	2	2	2
24 Hour Permit	123.7%	120.0%	120.0%	0.0%	100.0%	1	1	1
8 Day Permit	175.1%	104.2%	104.2%	0.0%	0.0%	2	2	2
Intransit Permit	76.6%	76.5%	76.5%	0.0%	100.0%	1	1	1
TIC	149.7%	145.5%	145.5%	0.0%	100.0%	1	1	1
Total								
All Vehicles Excluding Trailers & Misc.	0.8%	1.3%	-0.3%	25.6%	94.1%	2	9	9
All Vehicles	1.7%	1.7%	0.0%	21.0%	93.1%	2	9	9

9. Changes to CLEAR-Rated Vehicle Categories

Farm light trucks older than 1994 are charged a flat rate in a separate rating class, regardless of model or model year. Models 1994 and newer follow the CLEAR rating structure. This difference can potentially cause large rate jumps for customers upgrading their vehicle to a newer model. To mitigate these rate jumps, this CLEAR category is now represented by two new categories split by model year. Model years 1994 to 2003 receive a larger discount based on claim experience and vehicles newer than 2003 are separated into their own class and receive a reduced discount.

10. Changes to Conventionally-Rated Vehicle Categories

Auto Fund conventionally-rated vehicles are those that are not rated based on the Insurance Bureau of Canada's (IBC) Canadian Automobile Loss Experience Rating (CLEAR) program.

Permits

The rating method for permit classes has changed in the 2021 rate program. Prior to this permit fees had not been changed in more than 20 years. The permit fee for each of the four permit classes (24-hour, 8-day, in-transit and temporary insurance cards) is now based on claim experience as with other conventional classes. The rate continues to be a flat fee which varies by permit type. For more details on the proposed changes, refer to section 6.1.

Transportation Network Company (TNC)

In 2018, regulations allowing ridesharing took effect in Saskatchewan. Rideshare drivers use their private passenger vehicles to transport passengers for compensation and are not required to purchase additional insurance beyond their basic plate coverage within the light vehicle class. The ridesharing company (TNC) must purchase insurance that covers its affiliated drivers and vehicles while ridesharing.

From the moment a rideshare driver accepts a fare using the TNC's mobile application until the trip is completed or the fare is cancelled, drivers are engaged in ridesharing and the TNC's insurance coverage applies. Otherwise, the driver's basic plate insurance is in effect. The TNC's insurance premium is calculated and charged based on the number of kilometers travelled while drivers are engaged in ridesharing.

The derivation of the 11 cent per kilometer rate on the following pages made use of the indicated adequate rates from the 2018 analysis of Auto Fund taxi rates and publicly available information from the Livery Transport Advisory Committee (LTAC). The LTAC provided summaries on the number of trips, taxis and distance travelled within Calgary. It was used to estimate the per kilometer rate of 11 cents which was established for the new TNC class. The LTAC has disbanded and as of January 1, 2018 no longer exists, nor provides the information that was used in our analysis.

Saskatchewan Adequate - 2018 Rate Indication*

Model Year	Vehicle Description	Saskatoon	Regina	Prince Albert	Other Large City	Small City	Rural
2009	TOYOTA CAMRY 4 CYL 4DR	\$5,533	\$5,310	\$5,613	\$4,679	\$4,679	\$2,138
2012	TOYOTA CAMRY HYBRID	\$5,533	\$5,310	\$5,613	\$4,679	\$4,679	\$2,190
2010	DODGE GRAND CARAVAN SE	\$5,533	\$5,310	\$5,613	\$4,679	\$4,679	\$2,102
	Average (1)	\$5,533	\$5,310	\$5,613	\$4,679	\$4,679	\$2,143

*rates shown include a \$700 deductible

Taxi Statistics as Reported by the Livery Transportation Advisory Committee of Calgary:

Number of Total Taxi Trips Per Month (2)			
Month	2015	2016	2017
January	621,648	578,192	590,669
February	602,940	523,274	542,847
March	674,147	548,750	606,009
April	653,668	552,107	541,646
May	655,110	571,428	525,070
June	557,503	558,024	515,566
July	710,609	705,369	622,165
August	575,579	548,439	473,020
September	573,119	575,116	522,169
October	624,207	625,494	Not Available
November	587,669	561,683	Not Available
December	636,168	674,214	Not Available

**Average Distance Travelled by a Taxi in a Trip
Per Month in Kilometres (3)**

Month	2015	2016	2017
January	8.50	7.60	7.90
February	7.90	7.90	7.80
March	7.30	7.93	7.96
April	8.10	7.90	7.80
May	7.40	8.10	8.10
June	8.60	7.80	8.10
July	8.30	7.90	7.90
August	8.30	8.00	8.10
September	8.80	8.20	8.00
October	8.40	7.93	Not Available
November	8.40	7.93	Not Available
December	8.40	7.93	Not Available

Number of Total Operating Taxis Per Month (4)

Month	2015	2016	2017
January	1,205	1,165	1,110
February	1,205	1,165	1,093
March	1,205	1,165	1,170
April	1,205	1,165	1,165
May	1,205	1,165	1,122
June	1,205	1,165	1,131
July	1,205	1,165	1,146
August	1,205	1,165	1,066
September	1,205	1,165	1,127
October	1,205	1,165	Not Available
November	1,205	1,165	Not Available
December	1,205	1,165	Not Available

**Estimated Number of Kilometres Travelled by a
Single Taxi Per Month = (2)*(3)/(4)**

Month	2015	2016	2017
January	4,387	3,771	4,205
February	3,954	3,548	3,875
March	4,085	3,732	4,124
April	4,395	3,743	3,625
May	4,024	3,972	3,792
June	3,980	3,735	3,691
July	4,896	4,782	4,288
August	3,966	3,765	3,594
September	4,187	4,047	3,705
October	4,353	4,254	Not Available
November	4,098	3,820	Not Available
December	4,436	4,585	Not Available

Average (5) 4,043

Final Estimated Rate Per Kilometre Per Month:

Estimated Rate Based on Saskatchewan Annual Adequate Premium for Taxis = (1)/(5)/12

Saskatoon	Regina	Prince Albert	Other Large City	Small City	Rural
\$0.11	\$0.11	\$0.12	\$0.10	\$0.10	\$0.04

<p>Selected Final Rate \$0.11</p>
--

In addition to the basic insurance coverage of \$200,000 provided by the Auto Fund for third-party liability, TNCs must also purchase additional coverage to meet the minimum required limit of \$1 million to cover all its affiliated drivers and vehicles.

One year of TNC claims have been captured within the PPV indication and TNC premiums were added in the 2019/2020 premiums for the PPV indication to account for this. During our next analysis, TNC will be analyzed separately but is currently included with PPV due to credibility issues.

11. Changes to Vehicle Classification Systems

The following changes have been made to vehicle classification since the 2014 rate program.

CLEAR-Rated Vehicles Older Model Year Rate Groups

The Insurance Bureau of Canada (IBC) annually produces a table of damage rate group assignments and relativities using the loss experience of insurers across Canada. The CLEAR table is used by the Auto Fund to sort light vehicles into one of 99 different rate groups. Saskatchewan Auto Fund loss experience is used to determine damage rate group relativities with IBC relativities serving as a complement of credibility.

In the past, this table has listed different makes and models of vehicles for the latest 16 model years. All vehicles that had model years older than the 16 years had their rate group reduced by 1 for each extra year. For example, if the most recent, known model year was 1999 with an IBC rate group assignment of 10, then a 1994 model year of the same vehicle would receive a rate group of 5 in the Auto Fund's rate system. This was a practice unique to the Auto Fund. However, the earliest model year in the table produced by IBC is actually intended as an average rate group for the next 10 older model years. In the 1999 model year rate group example above, IBC included all model years 1990-1999 in the determination of the rate group of 10.

In 2015, IBC changed to a larger table with 21 model years listed (oldest year 1995). This means that vehicles that had once been assigned a rate group using the logic of -1 per rate group older than 16 were instead directly assigned a rate group from IBC's table. The Auto Fund adopted the newest 21 year table and shifted to using the oldest 21st rate group for the prior 10 model years as IBC had originally intended. Beyond the 31st year, the practice of reducing rate groups for each older model year is applied.

The specific vehicles affected by the change to the new rate table are the ones with model years older than 1999 as they would have continued to have their rate group reduced using the logic of -1 per model year older than 16 years if the table had not been expanded. Older model year vehicles that have retained their value are most affected by the change as they are now directly assigned a higher rate group, on average, instead of having their rate group reduced by -1 per older year.

For unassigned Auto Fund vehicles, whether they are beyond the 31st year, or the make and model is not listed at all, rate groups are manually assigned based on judgment and similar

makes and models which do appear in the CLEAR table. Prior to the 2021 rate program, these manual assignments would stay with that vehicle and the rate group would be carried forward into each annual analysis. Starting with the 2021 rate program, these unassigned vehicles are revisited to check for updated rate group assignments of the similar makes and models to recalculate and update rate groups accordingly.

Conventional Classes Model Year Groups

A number of conventionally-rated classes use model years as a rating variable. When new model year ranges were added to these tables, it was noted that the oldest range for many of these classes (i.e., 1976 and older) contained few to no exposures. Therefore, the oldest model year group was collapsed into the next oldest model year group for the following classes:

- Class A Heavy Trucks and Vans (IRP and non-IRP)
- Class A Power Units (IRP and non-IRP)
- Class CD Heavy Trucks and Vans
- Class PB: Inter-City Buses
- Class PC: Passenger City Buses
- Class PS: Passenger School Buses
- Class PV Converted Vehicle
- Class PV Power Units

In other classes, where rate increases were more significant, the oldest model year groups were maintained and new groups were added by expanding the tables.

Class LV Motorcycles

Two changes, which were discussed during the motorcycle review in 2013, are to expand the number of engine size rate groups and to adjust the model year groupings. In order to satisfy current capping rules a few additional relativity groupings were added. The proposed groupings are as follows:

Body Style	Engine Size		Model Year		
	Current (No Proposed Changes)	Current	Proposed	Current	Proposed
Cruiser/Touring	100 CC & Less	0 - 100 CC	1982 & Older	1982 & Older	
Sport	101 - 400 CC	101 - 200 CC	1983 - 1986	1983 - 1986	
Dual Purpose/Other	401 - 750 CC 751 - 1100 CC 1101 CC & Greater	201 - 300 CC	1987 - 1992	1987	
		301 - 400 CC	1993 - 1996	1988 - 1989	
		401 - 500 CC	1997 - 2000	1990 - 1992	
		501 - 600 CC	2001 - 2004	1993 - 1995	
		601 - 700 CC	2005 - 2007	1996	
		701 - 750 CC	2008 - 2010	1997 - 2000	
		751 - 800 CC	2011 - 2013	2001	
		801 - 900 CC	2014 - 2016	2002 - 2004	
		901 - 1000 CC	2017 - 2019	2005 - 2007	
		1001 - 1100 CC		2008 - 2010	
		1101 - 1200 CC		2011 - 2013	
		1201 - 1300 CC		2014 - 2016	
		1301 CC & Greater		2017 - 2019	
			2020 - 2022		

Another change to the motorcycle class is the addition of a Reduced No-Fault Injury coverage option. Discounts are applied according to engine size. Reduced no Fault is discussed in more detail in the rate proposal document and minimum filing requirement 6.

Class PS School Buses

In 2014, seating capacity was removed as a rating variable because rates between the two seating capacity groups (24 & Less and 25 or More) were very similar and 90% of the exposures for this class were in one group. In 2018, the analysis showed that this variable is significant in predicting severity, particularly in dealing with more recent claims data. Therefore, this variable has been re-introduced in this class.

Antiques

The model year threshold on antique vehicles has changed; the qualifying model year for an antique vehicle is now 1987 and older instead of the prior rule where the vehicle had to be at least 30 years old in order to qualify.

12. Most Recent Parameters of SDR and BR Incentive Programs

SAFE DRIVER RECOGNITION

Safe Driver Recognition is an incentive program for safe driving. Offering discounts on basic vehicle insurance is our way of thanking motorists for driving safely.

If you own or lease a vehicle registered in Class LV, PV or F (light), you may qualify for a discount on your insurance depending on your driving history. That discount will apply to every qualifying vehicle you insure.

At the same time, drivers with a history of unsafe driving (at-fault collisions, traffic tickets, licence suspensions) may have to pay a financial penalty for each incident they are responsible for.

Since the 2014 Rate Program, the Safe Driver Recognition Program has undergone an extensive review based on analysis of loss experience and customer feedback. Following this review, changes to the program affecting customer discounts and financial penalties went into effect October 12, 2016.

Discounts

The Safe Driver Recognition program considers driving history since 1995 and every year you drive incident-free, you earn a safety rating point. Every positive point corresponds to a 2% discount on basic insurance up to 10 points, which is a 20% discount. From 11 to 20 points the discount remains at 20%. Effective October 12, 2016, customers are able to earn a maximum of 25 safety rating points, and a maximum discount of 25% (transitioned in by 1% per year until 2020). Safety rating points of 21 through 25 correspond to discounts of 21 to 25 per cent.

Even if you do not own or lease a vehicle, a safety rating in the Safety Zone is beneficial. It protects you from financial penalties if you are involved in future incidents.

Financial penalties

Drivers lose points for unsafe driving – such as being at fault for a collision, certain traffic convictions and roadside suspensions (-3 or -4 points). Traffic-related Criminal Code convictions automatically move drivers to at least -20 on the scale, regardless of their position before the incident. Effective October 12, 2016, drivers will lose two points for less severe speeding infractions such as speeding 20 km/h over the posted speed limit.

Financial penalties are assessed for incidents that result in a safety rating of less than zero. Each step in the Penalty Zone means a \$50 penalty, so the more incidents drivers have the larger the penalty. Prior to October 12, 2016, the financial penalty was \$25 per point in the penalty zone.

Also effective October 12, 2016 the at-fault collision threshold was increased from \$305 to \$700. At-fault collisions where the Auto Fund pays out less than \$700 will result in a loss of 4 points. At-fault collisions resulting in a loss of \$700 or more will result in a deduction of 6 points. Previously no points were lost if the Auto Fund paid out less than \$305; 6 points were lost if the Auto Fund paid out \$305 or more.

SAFE DRIVER RECOGNITION

When incidents result in a safety rating of -20 or lower, the maximum financial penalty is charged. This is \$1,000, except for Criminal Code convictions where financial penalties range from \$1,000 to a maximum of \$2,500 for incidents that cause injury or death.

Motorists are assessed penalties immediately and have 90 days to pay. After 90 days, payment must be made before new transactions with SGI can occur.

Please note: Financial penalties in Safe Driver Recognition are in addition to fines required by law enforcement for traffic convictions. Those at fault for collisions also pay the insurance deductibles.

Drivers with Positive Points

Drivers with a safety rating of 1 to 10 points are known as being in the Good Drivers zone on the safety rating scale. They qualify for a discount of 2% to 20% depending on their position on the scale. Drivers with 11 to 20 points are included in the Great Drivers zone and qualify for a 20% discount. Drivers with 21 to 25 points are referred to as being in the Safest Drivers zone and qualify for a 21% to 25% discount on their basic insurance. As drivers earn points, they build a cushion in the event of a driving incident.

How motorists move on the scale

The Safety Rating Scale is based on points and a motorist's safety rating moves up and down from zone to zone based on their driving record.

If a motorist is at +10, they receive a 20% discount on the base premium of every private-use passenger vehicle they insure.

If a motorist is at +11 and loses 3 points for failing to yield, they move to +8 and lose 4% of their discount. If the motorist didn't have the 1 point cushion, they would have moved to +7 and lost 6% of their discount.

For a new driver, they are placed at zero (neutral) on the scale. On any vehicles they insure, they pay the base premium.

If a motorist is at +7 and loses 3 points for insufficient signaling, they move to +4. However, they still qualify for a discount (8%) on their vehicle insurance.

If a motorist is at +4 and is found at fault for a collision, they lose 6 points. This moves them to -2 in the Penalty Zone, resulting in a financial penalty of \$100. The motorist would pay the base premium upon renewal. If they have another incident that causes them to lose more points, they pay another financial penalty that corresponds to their new position on the scale.

If a motorist is at -5 and drives with no incidents over the next year, they will move 1 point towards the Safety Zone, to -4. The motorist does not pay another financial penalty at this position. Upon renewal of their vehicle insurance, they continue to pay the base insurance premium.

Leaving the Penalty Zone

Each year of incident-free driving moves a motorist one step towards the Safety Zone. As long as they are moving towards the Safety Zone, they do not pay another financial penalty – they pay only the base premium on their vehicle insurance.

After three consecutive years of safe driving, drivers still in the Penalty Zone automatically return to neutral (the starting point) and begin earning points towards a discount.

Appeals

The following explains the appeal process for Safe Driver Recognition.

SGI has found me at fault for a collision and reduced my safety rating. I feel this is unfair. What can I do?

Drivers can appeal SGI's assessment of demerit points for a collision. Appeal outcomes are decided by the Highway Traffic Board, which is independent of SGI. There is a \$100 fee for each appeal.

A safety rating appeal deals with the safety rating movement as a result of a motor vehicle collision. It does not address fault, recovery of a deductible, other insured loss or traffic convictions.

If your appeal is successful, your safety rating will be amended, and provided you are not indebted to SGI, the \$100 appeal fee and any financial penalty you paid as a result of the collision, will be reimbursed to you.

Can I appeal traffic tickets to the Highway Traffic Board?

No. Drivers who wish to contest traffic tickets or convictions must do so through the court system.

What is the effect of a safety rating appeal?

This appeal deals strictly with safety rating movement; it does not change collision responsibility. For that reason, your driver's abstract will continue to indicate a collision for which you were at least 50 per cent responsible.

What if I want to appeal collision responsibility?

Drivers involved in a collision with another vehicle where damage has been sustained and wish to contest fault must do so through the court system.

How do I initiate a safety rating appeal?

To initiate a safety rating appeal, please contact an SGI motor licence issuer. For information on what to expect at an appeal hearing, visit www.highwaytrafficboard.sk.ca. Remember that there is a \$100 fee for each appeal.

How much time do I have to initiate a safety rating appeal?

SAFE DRIVER RECOGNITION

Safety rating appeals must be made within 90 days of receiving your safety rating change notice. If you are facing a financial penalty as a result of the safety rating change, appealing may mean avoiding the penalty altogether if your appeal is successful.

How does the appeal process work?

The hearings are informal, take place during the day, and last 15 to 20 minutes. Participation is by telephone. You will be asked to explain the collision circumstances and why you feel your safety rating should not be affected by the collision. You will not require a lawyer.

Hearings are usually scheduled within a few weeks of the date the appeal is filed. You will be contacted by telephone regarding the date and time of your hearing.

Members of the Highway Traffic Board will deliberate over the collision circumstances and provide you a decision shortly after the hearing.

What should I do if I am unable to participate at the scheduled time and date of my appeal hearing?

If you are unable to participate at the scheduled date and time, please call the Highway Traffic Board in Regina at 1-855-775-8336 and ask to reschedule.

If you do not reschedule and you do not participate, your appeal will be heard in your absence and a decision will be made from the information provided in the claim file.

What if I disagree with the decision made by the independent board?

The decision made by the Highway Traffic Board is final and cannot be appealed.

What happens if my appeal is successful?

Once SGI receives a decision from the Highway Traffic Board, your safety rating will be adjusted accordingly. Provided you are not indebted to SGI, you will also be reimbursed the \$100 appeal fee and any financial penalty you paid for being at fault for the collision.

Please note: Traffic convictions related to the collision may still affect your safety rating.

If my appeal is successful and I am in a second collision, what will happen to my safety rating?

Although the first collision remains on your driving record, it does not affect your safety rating. Any impact on your safety rating from the second collision will be solely due to that second incident.

Frequently asked questions

What if I own more than one vehicle – are they all eligible for my discount?

Yes. Each vehicle you insure in classes LV, PV or F (light) qualifies for your discount.

If someone else is at fault for a collision while driving my vehicle, do I lose my discount?

SAFE DRIVER RECOGNITION

No. The discount applied to your vehicle is based on your driving record. The driver at fault for the collision will lose safety rating points and may be subject to a financial penalty.

Can I appeal movement on the Safety Rating Scale?

Drivers can appeal SGI's assessment of demerit points for a collision. For more information, please read the earlier section titled "Appeals".

What's the maximum penalty?

When incidents result in a safety rating of -20 or lower, the maximum financial penalty is charged. This is \$1000, except for Criminal Code convictions where financial penalties range from \$1,000 to a maximum of \$2,500 for incidents that cause injury or death.

When are financial penalties payable?

Financial penalties are assessed immediately following an incident, but motorists have 90 days to pay. After 90 days, payment must be made before new transactions with SGI can occur.

Why am I being assessed a (higher) financial penalty for a driving incident SGI assessed previously?

Financial penalties are assessed immediately following an incident, based on the driver's history to date. Later if we become aware of a new incident that occurred before another in the driver's history, it may result in a reassessment of the more recent incident.

After a driving incident, when can I expect to earn a new safety rating point?

One year (365 days) from the date the incident occurred, your safety rating will automatically increase by one point. This is your clear-year date. For at-fault collisions, this is one year from the date of loss. For roadside suspensions, it's one year from the suspension effective date. For convictions applied to driving history on or after April 1, 2009, it's one year from the date of the offence.

Are co-owners of vehicles eligible for a discount in Safe Driver Recognition?

Yes. The discount for a co-owned vehicle is based on the average safety rating of the individual owners' safety ratings.

Co-owners continue to have the option of registering their vehicles in the name of one individual, if they prefer.

What happens when an at-fault collision and traffic conviction(s) occur at the same time?

As of Nov. 8, 2008, the answer depends on where the collision places you on the Safety Rating Scale.

Safety Zone

If you remain at zero or above after the collision is applied, you will not be penalized (lose additional safety points) for the traffic conviction(s).

SAFE DRIVER RECOGNITION

Penalty Zone

If you fall below zero after the collision is applied, you will receive a financial penalty for the collision (based on your safety rating at this point). Then your safety rating will be reduced for the traffic conviction(s). You will not be charged financial penalties for the traffic conviction(s).

Please note: This does not pertain to Criminal Code convictions, suspensions or multiple traffic convictions.

Demerit points

The number of points assessed for each driving incident depends on how likely the behaviour is to cause a collision. The exception is failing to wear a seatbelt, which is assessed points because of the increased chance of injury.

- 2 points

- Speeding:
 - over 80 km/h on a road or highway without a speed limit sign posted (eg. gravel road)
 - over the max. speed limit posted on highway signs of signs at a park entrance
 - in a marked speed zone
 - in a park
 - while passing animals
- being 50% responsible for a motor vehicle collision (where SGI pays less than \$700)

- 3 points

- driver fail to wear seatbelt
- exceed speed limit in school zone
- drive while passenger unrestrained
- turn left across traffic
- fail to yield or proceed before safe
- proceed contrary to signage
- exceed 60 km/h when passing
 - emergency vehicles with emergency lights flashing
 - highway worker, flag person or marked highway equipment
 - tow truck stopped with lights flashing
- disobey amber light
- fail to yield to driver on the right
- insufficient signaling
- fail to yield to pedestrian
- fail to yield when entering highway
- fail to yield when leaving lane or alley
- allow rider on vehicle exterior
- fail to yield to pedestrian on amber light
- passing a vehicle stopped for pedestrians

SAFE DRIVER RECOGNITION

- fail to yield on green arrow
- fail to stop for peace officer
- disobey directions of flag person or peace officer
- impede traffic
- drive unsafely when being passed
- radar warning device in commercial vehicle
- overcrowded steering compartment
- turn left or right on red light when prohibited by sign
- proceed contrary to green arrow
- proceeding the wrong way on a 1-way highway
- being 50% responsible for a motor vehicle collision (where SGI pays \$700 or more)
- changing lanes at unsafe time
- disobeying licence restriction or endorsement
- following too closely
- being an improperly equipped motorcycle driver
- MGD Lerner and Novice 1 – transporting passengers
- MGD Lerner – driving a motorcycle between the ½ hour before sunset and the ½ hour after sunrise
- MGD L – failing to display a placard (N or L)
- MGD L Novice 1 – operating a motorcycle between midnight at 5am CST
- MGD L – towing a vehicle while operating a motorcycle
- MGD L – failing to wear required gear
- MGD L – driving a motorcycle without authorization to operate

– 4 points

- operating a vehicle while holding, viewing, using or manipulating a cellphone or other electronic communications device
- fail to stop at stop sign or proceeding before safe
- drive without due care or reasonable consideration
- disobey red light
- drive while licence suspended or cancelled, or refused issue
- driving as a learner without a qualified driver
- getting a roadside administrative suspension (experienced and new drivers)
- getting a roadside suspension (experienced and new drivers)
- stunting
- exceed a safe, reasonable speed
- fail to report collision
- exceed speed limit by more than 50 km/h
- exceed speed limit by more than 35 km/h
- driving faster than speed limit by double or more over the speed limit
- disobey traffic control device
- contest of speed
- pass to the right
- fail to stop for railway crossing signal
- disobey school bus signal

SAFE DRIVER RECOGNITION

- disobey flashing red light or proceed before safe
- giving a false statement
- driving while prohibited from driving
- drive left of median
- fail to yield to emergency vehicle
- fail to stop for railway crossing signal/guard
- Fail to stop for level railway crossing (bus/dangerous goods vehicle)
- drive over median
- enter or leave controlled access highway unlawfully
- racing
- insecure load
- fail to activate school bus signal
- responsible for a collision (where SGI pays less than \$700)

– 6 points

- being responsible for a collision (where SGI pays \$700 or more)

For the following incidents, drivers will automatically move to -20 on the Safety Rating Scale, regardless of their position on the scale before the incident. In cases where drivers are already at -20 or less on the scale before the incident, drivers will move an additional -10 points. Depending on the offence, the driver will have to pay a financial penalty of \$1000, \$1250, \$2250 or \$2500.

- combination alcohol and drugs (less than 0.16 BAC)
- combination alcohol and drugs (0.16 BAC and over)
- impaired driving
- drive while disqualified (federal offence)
- drive while disqualified (provincial offence)
- refusal or failure to comply with demand
- dangerous driving
- flight
- leave scene of collision
- over drug legal limit
- over alcohol legal limit (less than 0.16 BAC)
- over alcohol legal limit (0.16 BAC and over)
- impaired driving (injury)
- dangerous driving (injury)
- impaired driving (death)
- criminal negligence (injury)
- dangerous driving (death)
- criminal negligence (death)
- vehicular manslaughter
- criminal negligence
- flight (injury)
- flight (death)

SAFE DRIVER RECOGNITION

- fail to comply with demand (injury)
- fail to comply with demand (death)

In the event of a discrepancy between the above wording and the governing legislation, the legislation will prevail.

BUSINESS RECOGNITION PROGRAM

Business Recognition rewards safe driving Saskatchewan businesses with basic insurance discounts. Since the 2014 Rate Program, the Business Recognition Program has undergone a review to ensure the program continues to be effective and fair for customers. As of May 1, 2016, the program reflects new changes affecting the Business Recognition (BR) scale and loss ratio determination.

The changes to the BR scale include a reduction in the maximum surcharge of 200% to 25% and effective May 1, 2017 allows customers to achieve the maximum discount of 15% without being claims free (0% - 15% loss ratio). Prior to May 1, 2017, a business that owned and operated vehicles and had no claims in the last five calendar years was eligible for a maximum discount of 10%. IRP customers will also experience a reduction of their maximum surcharge of 400% to 200% with the implementation of the May 1, 2016 changes.

Another key change to the program is the change of claims capping to the lower of 3 times the business' premium or \$50,000. This change will continue to benefit customers with a small premium base, but with the addition of the \$50,000 cap, it will also benefit larger businesses.

If your business has claims for which you or your drivers are considered responsible, you may receive a lesser discount or pay a surcharge.

The level of discount or surcharge applied to your business's vehicles is called your Business Recognition "assessment".

Also as part of the May 1, 2016 changes, SGI began pro-rating the customer's BR discount or surcharge based on the number of years the business has vehicles registered in the 5-year assessment period. Only businesses that have vehicles registered for the full 5-year assessment period will be eligible to receive the full BR discount or surcharge.

International Registration Plan (IRP) customers are also eligible for the BR program. IRP customers follow the same framework with one exception. For any customers with a loss ratio greater than 70% and multiple collisions, the surcharge can be increased at the underwriter's discretion up to a maximum of 200%.

Who qualifies for this program?

Business Recognition includes heavy vehicles in the commercial and farm classes, and any vehicles registered to a company. Specifically, this includes:

- Vehicles in classes A, C and D (commercial)
- Heavy vehicles in Class F (farm plate)
- Vehicles in Class L (dealer plate)
- Vehicles in classes PB, PC and PS (bus)
- Vehicles in Class PT (taxi)
- International Registration Plan (IRP) vehicles
- Police vehicles, ambulances, hearses and restricted buses
- Rental vehicles

BUSINESS RECOGNITION PROGRAM

- Vehicles registered to a limited or incorporated company
- Vehicles in Class LV that are affiliated with a Transportation Network Company (TNC) and have a TNC (Rideshare) indicator.

How does the program work?

If your business has a loss ratio over the last five calendar years of 60% or less, it's eligible for a basic insurance discount of up to 15%. Businesses with a loss ratio between 61% and 70% will pay the base insurance rate. Businesses with a loss ratio of 71% or higher are subject to surcharges.

Prior to May 1, 2016, when determining your business's loss ratio, no single loss could exceed two times the business' premium for the year in which the loss occurred. This was to protect small businesses, for which even a single, excessive loss could dramatically affect the calculated loss ratio. As noted above, this cap has been changed to the lower of 3 times the business's premium in the year the loss happened or \$50,000.

As of May 1, 2016, IRP customers with any number of registered vehicles and a loss ratio greater than 80% on an individual loss will be subject to the surcharges described previously. Prior to the changes, fleets with 5 or less vehicles were not subject to these additional surcharges which created an unfair advantage for them. These carriers are subject to varying financial penalties and the cap on losses may not apply.

SGI does not consider traffic convictions when determining your Business Recognition assessment.

What is a loss ratio?

Your loss ratio is calculated by dividing the amount SGI has paid out in claims where your company was at fault in a collision in the last five calendar years by the amount you've paid in base premium (excludes discounts and surcharges) to SGI in the last five calendar years.

For example: If, in the last five years, SGI has paid \$1,000 in claims where your company was held responsible and for the same time period you've paid \$4,000 in premiums to SGI, divide \$1,000 by \$4,000 to determine your loss ratio of 25 per cent. You qualify for a discount.

What is a "capped" loss ratio?

For businesses with a small premium base, one claim could take the customer from the largest discount to the largest penalty. To avoid this situation, SGI "caps" each claim at no more than three times the base premium (excludes discounts and surcharges) paid by the customer for the year the loss occurred or \$50,000, whichever is lower.

For example: For the past five years you've paid \$5,000 in insurance premiums – \$1,000 per year. In those five years, you were claims-free in every year except one, when you were responsible for one major collision where SGI paid \$15,000.

BUSINESS RECOGNITION PROGRAM

Instead of having a loss ratio of 300% for that year and a large surcharge as a result, SGI caps that one large claim at a value of \$3,000, or three times the premium paid for that year. Your resulting “capped” loss ratio is 60%, which qualifies for a discount.

What kind of assessment will I receive?

Depending on your business’s five-year loss ratio, the following chart outlines the discount or surcharge you can expect.

Loss Ratio	Discount / Surcharge
0% - 15%	-15%
16% - 30%	-12%
31% - 40%	-9%
41% - 50%	-6%
51% - 60%	-3%
61% - 70%	0%
71% - 80%	3%
81% - 90%	8%
91% - 100%	10%
101% - 125%	13%
126% - 175%	15%
176% - 200%	20%
201% +	25%

Each January, your business’s assessment is calculated on the five-year period ending last December 31. You will be notified of your assessment by mail each March.

The assessment will apply to vehicles registered on or after May 1 of that year. The assessment will remain in place until the following May 1, by which time an updated assessment will be available.

International Registration Plan (IRP) carriers are assessed separately from other commercial vehicles due to risks associated with inter-provincial travel. As a result, surcharges for IRP vehicles may differ from those charged for non-IRP vehicles. Companies that register both IRP and non-IRP vehicles will receive separate assessments for each group.

SGI periodically monitors your business’s loss history, and if you experience a significant change in your loss ratio, you may be contacted. SGI will explain any consequences and may encourage you to improve your loss performance. One outcome may be an immediate adjustment of your assessment.

If I own a new business

If you have never registered a commercial vehicle in Saskatchewan, your business may be required to submit its claims history, as well as that of the vehicles to be insured.

BUSINESS RECOGNITION PROGRAM

If at least 50% of your new business's vehicles or drivers were previously registered with another company, the claims history of the previous company will be considered when assessing your business's risk.

For new IRP carriers, an inexperience adjustment may apply to the insurance premium.

Can I appeal my assessment?

Yes. If you believe claims in your assessment should be excluded because of the circumstances surrounding the incidents, you may appeal to the Highway Traffic Board (HTB).

The HTB is independent of SGI. Appeals are conducted over the telephone.

A fee of \$100 will be charged for each claim you appeal. SGI will refund this fee if your appeal is successful.

To appeal your non-IRP assessment, simply identify the claims you believe should not be included and visit any SGI motor licence issuer. To appeal an IRP assessment, call Branch and IRP Issuing Services in Regina at 751-1250, or toll free at 1-800-667-8015 (ext. 1250).

For information on what to expect at an appeal hearing, please visit www.highwaytrafficboard.sk.ca.

If one of my drivers wins his appeal under Safe Driver Recognition, will it still be included on my Business Recognition assessment?

If your driver wins an appeal under Safe Driver Recognition the claim will continue to impact your Business Recognition assessment. You would have to appeal the claim under Business Recognition separately if you wanted to try to have the claim removed from your assessment.

What happens if my business's vehicles are registered to an individual?

Effective May 1, 2016, at-fault claims will impact both the Safe Driver Recognition and Business Recognition programs for individuals. This change was made to level the playing field between individuals and companies in the Business Recognition program.

Prior to May 1, 2016, heavy vehicles in the commercial and farm classes registered to individuals were eligible for discounts under Business Recognition. However, since individuals responsible for collisions were assessed financial penalties under SGI's Safe Driver Recognition program, they did not face surcharges under Business Recognition.

IRP vehicles registered to individuals fall under the same rules as all other IRP commercial registrations.

I'm the sole operator of a business vehicle. Why can't I benefit from my 20 per cent discount under Safe Driver Recognition?

Even though some business vehicles are registered to individuals, SGI cannot determine if a sole operator or other employees of the business operate the vehicles. Therefore, using an employee's personal driving record, which is how Safe Driver Recognition discounts and penalties are determined, is not an accurate way to determine if a discount or surcharge should be applied to a business.

For these reasons, commercial vehicles are excluded from Safe Driver Recognition. Business Recognition uses the at-fault claims recorded against the company to determine the assessment, which we believe is a more appropriate way to measure the insurance risk posed by the business.

I just moved my business to Saskatchewan from another jurisdiction. If I provide my previous claims history, will it be considered so I can receive a discount?

New businesses from outside Saskatchewan pay the base premium until December 31. In January the business's assessment will be calculated based on the loss history accumulated in Saskatchewan. If the claims performance is not favourable, a surcharge may apply the following May 1. If the claims performance is and continues to be favourable, a discount will apply one year later.

Where appropriate, SGI may consider your claims experience from other jurisdictions.

All new IRP operations to Saskatchewan are subject to the IRP Inexperience Surcharge.

SDR AND BR REVIEW

As mentioned in the previous sections, the SDR, BR and IRP BR programs seek to provide drivers with an additional incentive to drive safely. In 2016, both programs were reviewed based on customer feedback, which resulted in an amendment to each program's scale and penalties.

The objective of these programs is to promote safe driving behaviour, as opposed to pure actuarial soundness. Therefore, the discounts and surcharges have never been modified to be based on actuarial methodology since the inception of the programs (SDR in 2002 and BR in 2004). SGI proposes to maintain the current structure of the SDR and BR programs, however, to get an idea of what the SDR and BR scales would look like based on actuarial methods, an analysis of each incentive program will be performed as part of the Rate Program. The emerging relativities represent the indicated discounts and surcharges for these programs.

The attached exhibit summarizes the resulting relativities along each program's respective scale. Loss data from 2011 through to March 31, 2020 for both CLEAR and Conventional vehicle classes were used for the analysis. Note that for the BR program relativities, both SASK BR and IRP BR specific experience was considered. IRP BR surcharges also have a 200% maximum surcharge at the underwriter's discretion compared to the 25% maximum under the SASK BR program.

Prior to fitting the data to an actuarial model, the data was normalized; CLEAR data was normalized using body style and damage code relativity variables and the damage rate groups within CLEAR while Conventional data was normalized to CLEAR using pure premium. The frequency and severity of claims were fit to a Poisson/Gamma model and the rating units under each scale (safety rating points for SDR and loss ratios for BR/IRP) were used as predictive variables. Exposures for safety rating units below -25 were aggregated into the -25 group.

Overall, both the indicated SDR and BR discount relativities are much lower than the current discounts, while the indicated surcharges are much higher than the current malus fees.

SDR Relativities

Safety Rating Unit	2011-2020 Claim	2011-2020 Earned	2011-2020 Incurred	2011-2020 Pure	Current	2011-2020 Premium	Poisson/Gamma Pure	Poisson/Gamma	Credibility	Credibility Weighted	Credibility Weighted	Selected
	Counts	Exposures	Losses	Premiums		Relativities	Premiums	Relativities		Pure Premiums	PG Relativities	
-25	15,281	44,109	\$111,754,752	\$2,533.61	1.2314	1.6926	\$2,535.38	1.6938	100.00%	\$2,535.38	1.6938	1.6500
-24	1,516	4,590	\$9,112,775	\$1,985.29	1.2206	1.3263	\$1,985.25	1.3263	100.00%	\$1,985.25	1.3263	1.4500
-23	1,489	5,022	\$9,500,897	\$1,891.74	1.1981	1.2638	\$1,891.83	1.2639	100.00%	\$1,891.83	1.2639	1.3000
-22	1,715	5,575	\$11,073,019	\$1,986.11	1.2055	1.3268	\$1,986.24	1.3270	100.00%	\$1,986.24	1.3270	1.3000
-21	1,720	5,734	\$12,686,537	\$2,212.44	1.2004	1.4780	\$2,212.33	1.4780	100.00%	\$2,212.33	1.4780	1.3000
-20	3,001	12,747	\$19,070,274	\$1,496.11	1.1573	0.9995	\$1,497.42	1.0004	100.00%	\$1,497.42	1.0004	1.3000
-19	3,700	14,499	\$23,868,729	\$1,646.18	1.1620	1.0997	\$1,646.16	1.0998	100.00%	\$1,646.16	1.0998	1.3000
-18	3,768	15,074	\$25,596,549	\$1,698.03	1.1503	1.1344	\$1,697.99	1.1344	100.00%	\$1,697.99	1.1344	1.3000
-17	2,321	7,415	\$15,892,471	\$2,143.40	1.1778	1.4319	\$2,143.51	1.4320	100.00%	\$2,143.51	1.4320	1.3000
-16	2,726	8,677	\$19,464,007	\$2,243.20	1.1679	1.4986	\$2,243.29	1.4987	100.00%	\$2,243.29	1.4987	1.3000
-15	3,173	10,203	\$19,276,160	\$1,889.35	1.1558	1.2622	\$1,889.37	1.2623	100.00%	\$1,889.37	1.2623	1.3000
-14	3,864	11,885	\$22,976,633	\$1,933.26	1.1520	1.2915	\$1,933.14	1.2915	100.00%	\$1,933.14	1.2915	1.3000
-13	4,077	13,331	\$24,979,375	\$1,873.80	1.1328	1.2518	\$1,873.76	1.2518	100.00%	\$1,873.76	1.2518	1.2500
-12	4,834	15,770	\$28,947,054	\$1,835.60	1.1229	1.2263	\$1,835.73	1.2264	100.00%	\$1,835.73	1.2264	1.2500
-11	5,496	18,379	\$35,174,518	\$1,913.86	1.1099	1.2786	\$1,915.05	1.2794	100.00%	\$1,915.05	1.2794	1.2500
-10	6,775	23,021	\$41,555,546	\$1,805.09	1.0983	1.2059	\$1,805.15	1.2060	100.00%	\$1,805.15	1.2060	1.2500
-9	7,871	27,282	\$53,727,784	\$1,969.36	1.0867	1.3156	\$1,969.23	1.3156	100.00%	\$1,969.23	1.3156	1.2500
-8	8,857	32,164	\$54,229,232	\$1,686.03	1.0736	1.1264	\$1,685.98	1.1264	100.00%	\$1,685.98	1.1264	1.2000
-7	9,410	34,148	\$61,389,005	\$1,797.74	1.0644	1.2010	\$1,797.77	1.2011	100.00%	\$1,797.77	1.2011	1.1750
-6	13,076	46,287	\$81,678,446	\$1,764.60	1.0566	1.1789	\$1,764.64	1.1789	100.00%	\$1,764.64	1.1789	1.1750
-5	15,550	56,871	\$89,978,110	\$1,582.14	1.0457	1.0570	\$1,582.56	1.0573	100.00%	\$1,582.56	1.0573	1.0500
-4	19,148	73,051	\$122,620,174	\$1,678.56	1.0350	1.1214	\$1,678.57	1.1214	100.00%	\$1,678.57	1.1214	1.0500
-3	19,828	78,756	\$128,842,694	\$1,635.96	1.0252	1.0929	\$1,638.60	1.0947	100.00%	\$1,638.60	1.0947	1.0500
-2	20,114	84,412	\$126,440,384	\$1,497.00	1.0159	1.0007	\$1,497.87	1.0007	100.00%	\$1,497.87	1.0007	1.0000
-1	18,692	81,565	\$109,537,263	\$1,342.95	1.0077	0.8972	\$1,342.92	0.8972	100.00%	\$1,342.92	0.8972	1.0000
0	71,787	305,179	\$456,815,363	\$1,496.88	1.0000	1.0000	\$1,496.82	1.0000	100.00%	\$1,496.82	1.0000	1.0000
1	64,060	278,400	\$394,308,242	\$1,416.34	0.9800	0.9462	\$1,416.30	0.9462	100.00%	\$1,416.30	0.9462	0.9462
2	58,952	274,750	\$352,219,458	\$1,281.96	0.9600	0.8564	\$1,282.03	0.8565	100.00%	\$1,282.03	0.8565	0.8565
3	54,704	271,553	\$318,741,878	\$1,173.77	0.9400	0.7841	\$1,173.92	0.7843	100.00%	\$1,173.92	0.7843	0.7843
4	50,486	264,515	\$291,690,322	\$1,102.74	0.9200	0.7367	\$1,102.68	0.7367	100.00%	\$1,102.68	0.7367	0.7367
5	46,366	260,101	\$256,704,129	\$986.94	0.9000	0.6593	\$986.93	0.6594	100.00%	\$986.93	0.6594	0.6594
6	42,492	251,506	\$243,079,101	\$966.50	0.8800	0.6457	\$966.52	0.6457	100.00%	\$966.52	0.6457	0.6457
7	39,718	243,826	\$214,002,807	\$877.69	0.8600	0.5863	\$877.70	0.5864	100.00%	\$877.70	0.5864	0.6293
8	41,539	264,294	\$242,468,462	\$917.42	0.8400	0.6129	\$917.45	0.6129	100.00%	\$917.45	0.6129	0.6129
9	44,958	289,279	\$253,434,219	\$876.09	0.8200	0.5853	\$876.12	0.5853	100.00%	\$876.12	0.5853	0.5853
10	42,689	287,784	\$231,900,353	\$805.82	0.8000	0.5383	\$805.85	0.5384	100.00%	\$805.85	0.5384	0.5384
11	42,971	295,772	\$230,290,420	\$778.61	0.8000	0.5202	\$778.60	0.5202	100.00%	\$778.60	0.5202	0.5202
12	38,550	275,710	\$204,937,037	\$743.31	0.8000	0.4966	\$743.30	0.4966	100.00%	\$743.30	0.4966	0.4966
13	33,977	250,184	\$170,953,862	\$683.31	0.8000	0.4565	\$683.35	0.4565	100.00%	\$683.35	0.4565	0.4903
14	36,188	277,841	\$201,259,915	\$724.37	0.8000	0.4839	\$724.37	0.4839	100.00%	\$724.37	0.4839	0.4839
15	53,957	417,313	\$308,117,163	\$738.34	0.8000	0.4933	\$738.41	0.4933	100.00%	\$738.41	0.4933	0.4659
16	46,737	377,629	\$253,127,442	\$670.31	0.8000	0.4478	\$670.28	0.4478	100.00%	\$670.28	0.4478	0.4478
17	42,521	348,202	\$213,852,892	\$614.16	0.8000	0.4103	\$614.19	0.4103	100.00%	\$614.19	0.4103	0.4103
18	32,719	282,493	\$163,245,414	\$577.87	0.8000	0.3861	\$577.84	0.3860	100.00%	\$577.84	0.3860	0.3860
19	24,810	229,885	\$116,312,344	\$505.96	0.8000	0.3380	\$506.03	0.3381	100.00%	\$506.03	0.3381	0.3500
20	21,284	201,240	\$99,927,214	\$496.56	0.8000	0.3317	\$496.56	0.3317	100.00%	\$496.56	0.3317	0.3400
21	19,997	173,001	\$87,773,912	\$507.36	0.7900	0.3389	\$507.35	0.3390	100.00%	\$507.35	0.3390	0.3400
22	16,321	145,788	\$66,268,724	\$454.56	0.7800	0.3037	\$454.55	0.3037	100.00%	\$454.55	0.3037	0.3100
23	13,460	127,474	\$55,575,600	\$435.97	0.7700	0.2913	\$435.98	0.2913	100.00%	\$435.98	0.2913	0.3000
24	7,553	88,580	\$35,946,242	\$405.80	0.7600	0.2711	\$405.82	0.2711	100.00%	\$405.82	0.2711	0.2900
25	144	3,558	\$790,656	\$222.25	0.7500	0.1485	\$227.76	0.1522	36.48%	\$224.26	0.1498	0.2800

Notes

Progression in the discounts groupings looks reasonable, some smoothing required for steady progression.

The surcharges are more volatile and relativities were selected somewhat based on weighted averages of ranges with the ranges broadening as the safety ratings worsened. At the high end, some judgement required as -24 doesn't have as many claims and -25 groups further negative ratings.

BR Relativities
SASK BR

Loss Ratio	2011-2020 Claim	2011-2020 Earned	2011-2020 Incurred	2011-2020 Pure	Current Relativities	2011-2020 Premium	Poisson/Gamma Pure	Poisson/Gamma	Credibility	Credibility Weighted	Credibility Weighted	Selected Relativities
	Counts	Exposures	Losses	Premiums		Relativities	Premiums	Relativities		Pure Premium	Poisson/Gamma Relativities	
0%	43,816	669,942	\$485,185,626	\$724.22	0.8500	0.7351	\$890.43	0.5615	100.00%	\$890.43	0.5615	0.7436
0.01-15.99%	18,727	204,262	\$125,027,793	\$612.09	0.8500	0.6213	\$1,179.33	0.7436	100.00%	\$1,179.33	0.7436	0.7436
16.00-30.99%	22,154	205,400	\$149,327,452	\$727.01	0.8800	0.7380	\$1,366.22	0.8615	100.00%	\$1,366.22	0.8615	0.8615
31.00-40.99%	11,870	93,965	\$74,684,442	\$794.81	0.9100	0.8068	\$1,387.70	0.8750	100.00%	\$1,387.70	0.8750	0.8750
41.00-50.99%	11,748	70,943	\$61,868,784	\$872.10	0.9400	0.8852	\$1,612.92	1.0170	100.00%	\$1,612.92	1.0170	0.8852
51.00-60.99%	8,111	48,140	\$45,217,602	\$939.29	0.9700	0.9535	\$1,528.28	0.9637	100.00%	\$1,528.28	0.9637	0.9637
61.00-70.99%	6,205	33,697	\$33,197,112	\$985.15	1.0000	1.0000	\$1,585.89	1.0000	100.00%	\$1,585.89	1.0000	1.0000
71.00-80.99%	4,640	24,359	\$27,469,366	\$1,127.69	1.0300	1.1447	\$1,615.02	1.0184	100.00%	\$1,615.02	1.0184	1.1447
81.00-90.99%	3,650	15,965	\$21,547,208	\$1,349.63	1.0800	1.3700	\$1,941.86	1.2245	100.00%	\$1,941.86	1.2245	1.2245
91.00-100.99%	2,138	9,015	\$12,138,328	\$1,346.46	1.1000	1.3668	\$2,424.06	1.5285	100.00%	\$2,424.06	1.5285	1.4000
101.00-125.99%	2,590	12,370	\$17,089,821	\$1,381.55	1.1300	1.4024	\$1,966.09	1.2397	100.00%	\$1,966.09	1.2397	1.5000
126.00-150.99%	1,189	5,107	\$8,828,982	\$1,728.72	1.1500	1.7548	\$2,535.64	1.5989	100.00%	\$2,535.64	1.5989	1.5500
151.00-175.99%	544	2,138	\$4,486,416	\$2,098.44	1.1500	2.1301	\$2,311.84	1.4578	70.91%	\$2,249.76	1.4186	1.6000
176.00-200.99%	443	1,617	\$3,306,299	\$2,044.31	1.2000	2.0751	\$2,892.57	1.8239	63.99%	\$2,587.08	1.6313	1.7000
201.00%+	388	1,422	\$3,312,378	\$2,328.89	1.2500	2.3640	\$3,658.83	2.3071	59.88%	\$3,125.30	1.9707	1.9000

Notes

Selections based on pure premium and Poisson/Gamma relativities with some smoothing required to maintain strictly increasing progression. Smoothed 151% to 200% based on the full curve. The data isn't fully credible for this loss ratio range.

IRP BR

Loss Ratio	2011-2020 Claim	2011-2020 Earned	2011-2020 Incurred	2011-2020 Pure	Current Relativities	2011-2020 Premium	Poisson/Gamma Pure	Poisson/Gamma	Credibility	Credibility Weighted	Credibility Weighted	Selected Relativities
	Counts	Exposures	Losses	Premiums		Relativities	Premiums	Relativities		Pure Premium	Poisson/Gamma Relativities	
0%	1,504	11,584	\$9,986,981	\$862.17	0.8500	0.8310	\$1,636.48	2.2023	100.00%	\$1,636.48	2.0546	1.0000
0.01-15.99%	662	6,920	\$3,940,054	\$569.36	0.8500	0.5488	\$610.09	0.8210	78.22%	\$601.22	0.7548	1.0000
16.00-30.99%	1,188	8,832	\$7,950,043	\$900.15	0.8800	0.8677	\$789.11	1.0619	100.00%	\$789.11	0.9907	1.0000
31.00-40.99%	971	6,134	\$5,403,572	\$880.88	0.9100	0.8491	\$839.75	1.1301	94.73%	\$841.91	1.0570	1.0000
41.00-50.99%	1,096	5,731	\$6,094,858	\$1,063.48	0.9400	1.0251	\$846.32	1.1389	100.00%	\$846.32	1.0626	1.0000
51.00-60.99%	1,106	5,833	\$4,664,094	\$799.56	0.9700	0.7707	\$835.47	1.1243	100.00%	\$835.47	1.0490	1.0000
61.00-70.99%	725	4,106	\$4,259,995	\$1,037.45	1.0000	1.0000	\$743.08	1.0000	81.86%	\$796.48	1.0000	1.0000
71.00-80.99%	472	2,361	\$1,826,623	\$773.75	1.0300	0.7458	\$819.01	1.1022	66.05%	\$803.64	1.0737	1.0737
81.00-90.99%	315	1,532	\$1,384,494	\$903.83	1.0800	0.8712	\$785.09	1.0565	53.96%	\$839.76	1.1339	1.1339
91.00-100.99%	350	1,234	\$2,354,950	\$1,908.01	1.1000	1.8391	\$1,044.61	1.4058	56.87%	\$1,416.95	1.4587	1.4587
101.00-125.99%	235	936	\$1,066,262	\$1,139.57	1.1300	1.0984	\$1,019.64	1.3722	46.60%	\$1,083.67	1.3015	1.3015
126.00-150.99%	198	577	\$827,726	\$1,435.56	1.1500	1.3837	\$1,620.19	2.1804	42.78%	\$1,514.54	1.8476	1.8476
151.00-175.99%	119	464	\$462,341	\$996.85	1.1500	0.9609	\$1,354.92	1.8234	33.16%	\$1,115.60	1.5790	1.5790
176.00-200.99%	54	166	\$193,312	\$1,164.14	1.2000	1.1221	\$1,781.30	2.3972	22.34%	\$1,302.01	1.9520	1.9520
201.00%+	128	531	\$629,659	\$1,185.12	1.2500	1.1423	\$1,352.49	1.8201	34.39%	\$1,242.68	2.1396	2.1396

Notes

There is less exposure in IRP compared to SASK BR and hence more volatility. No clear sign that lower past loss ratios translate to lower future loss ratios, so select 1.0 for ranges up to 70.99%. After that, use P/G relativities credibility-weighted against the BR group's selected relativities.

13. Provisions for Adverse Deviations

See the March 2020 reserve valuation, found in Section #6, for the historically selected margins for adverse deviation (MfADs) for claims, reinsurance and interest rates by year. These margins are not used in the rate analysis and are only factored into the valuation. The method used in selecting the margins has not changed since the 2014 rate program but changes in coverage, loss experience and the industry have caused some shifts in the selected margins.

14. Traffic Safety Programs

There are two sections to this minimum filing requirement: an evaluation of implemented initiatives and detail of major safety initiative costs (actual and budgeted).

Traffic Safety Monitor

2014 New Initiatives Evaluation Report 2020

The Traffic Safety Monitor is a recurring survey to assess changes in public awareness of traffic safety initiatives over time. It also monitors perceptions and attitudes towards traffic safety in Saskatchewan, as well as self-reported behaviors related to traffic safety. The Traffic Safety Monitor was initially developed as a product of legislative and regulatory changes which came into effect in the Summer of 2014.

In June 2014, SGI introduced several new traffic safety initiatives in Saskatchewan. The initiatives focused on alcohol and drug impaired driving sanctions (i.e., increased licence suspensions, vehicle impoundment, ignition interlock, zero drug and alcohol tolerance for new drivers), excessive speed and photo speed enforcement and booster seat restraints. Measuring the effectiveness of the campaign in changing driver behaviour was a key component of the plan; therefore, SGI carried out a series of public opinion surveys before and after the 2014 traffic safety initiatives.

In 2020, this survey was conducted twice (Spring and Fall) to evaluate all of SGI's existing programs. In the Spring 2020 survey, a total of 1,014 individuals responded, while the Fall 2020 survey had a total of 1,024 individuals responded. With approximately 1000 respondents each year, a binomial response on a given survey question will yield a maximum confidence interval of plus or minus 3.15% 19 times out of 20 that the survey is repeated. That is, if one were to repeatedly administer this survey 20 times to 1000 people in Saskatchewan, one would find the same distribution of binomial responses within 3.15% in 19 out of 20 of those surveys.

Highlights of the Safety Survey

Awareness of initiatives

- In Fall 2020, 31% of respondents indicated some general awareness of SGI's initiatives. This level of awareness is higher than the pre-launch awareness of 23% respondents in Spring 2014. Awareness of the initiatives peaked at 64% in the fall of 2014 but gradually reduced over time.

Safer Roads

The introduction of new initiatives in 2014 was meant to make Saskatchewan roads safer. Consequently, we tracked the perception that Saskatchewan roads are becoming safer due the new initiatives.

- In the 2020 version of the evaluations, respondents were asked about the overall safety on Saskatchewan roads since the introduction of the new initiatives. An average of 86.5% of the respondents indicated that Saskatchewan roads are safer or somewhat safer.
- A quarter indicated that Saskatchewan roads have improved since 2014.

Distracted Driving

Cell phone distraction is by far the largest concern for traffic safety, followed by alcohol and drugs. About 4 in 5 believe a collision is likely with distracted driving.

- Nearly all respondents find browsing the phone and texting the most distracting behaviors while driving, followed by answering and locating a phone. One in fifteen report browsing their phone and 1 in 9 report texting and answering the phone sometimes too often.
- Talking with passengers, adjusting the radio, and eating/ drinking were the most often occurring distractions.

Alcohol and Drugs

- About eight percent report driving within two hours of consuming three or more drinks of alcohol in the last six months, though more than 20 percent believe a collision is likely with impaired driving,
- About 62% know of the federal limit of .08, but 24% confuse the Saskatchewan lower limit of .04 for the federal limit.
- Fines, licence suspension, and vehicle impoundment were the three biggest concerns associated with impaired driving.
- Marijuana use has increased since legalization. About 25% of respondents reported using marijuana within the last 5 years, up 3% since Spring 2019.
- While about a quarter report driving within two hours of consuming marijuana, about half of the respondents believe a collision is likely with marijuana use.
- About 1 in 3 respondents felt the same penalties should apply to marijuana impairment as alcohol impairment, although the perceived likelihood of a collision is greater for marijuana use than alcohol use.

Graduated Driver Licence Drivers

- In 2020, about 7 in 10 respondents are aware that GDL drivers have different penalties for impairment, an increase from 6 in 10 respondents when the initiatives were put in place in 2014.
- About 4 in 10 are aware of the zero tolerance of impairment rule for GDL drivers under 21 years. This is still an increase over the 3 in 10 respondents that indicated awareness of same law at pre-launch in Spring 2014.

Photo Speed Enforcement

- About 7 in 10 respondents are aware of the permanent photo radar program while 56% support the continuation of the program.
- 36% were aware SDR points are reduced for all speeding convictions except for PSE convictions (down 6%).
- About 36% indicate that they speed less because of the speed cameras.

Enhanced Traffic Safety Enforcement

- A third of respondents feel there was an increase in police presence this past year, with most indicating the increase was in Saskatoon (47%, up 5%) or Regina (30%, down 6%). Of those aware of the program, 60% (down 1%) support the program's continuation (16% oppose).

Conclusions

Awareness of the new initiatives launched in 2014 has reduced somewhat from the initial stages but are still higher than the pre-launch. This is expected after 6 years of having the initiatives in place. A good number of respondents indicate that they have changed their driving behaviour since becoming aware of the new initiatives, increased penalties, and the reduction of SDR points for speeding violations. From the most recent results, there is a need to revamp awareness to the 2014 levels by targeting:

- Cell phone distraction risks, penalties, and new laws.
- Importance of reporting impaired and distracted driving.
- Laws concerning BAC in Saskatchewan vs Canada and penalties.
- The risks and penalties associated with Marijuana impairment.
- SDR points loss with certain speeds over the limit and not with PSE.
- Location and increased police presence with the Dedicated Traffic Unit.

MAJOR SAFETY INITIATIVES

Year	2016-2017			Notes	2017-2018			Notes
	2016 (Budget)	2016-17 (Actual)	2016-17 (Variance)		2017-18 (Budget)	2017-18 (Actual)	2017-18 (Variance)	
TRAFFIC SAFETY PROMOTION								
(education, public awareness, community involvement, partnership building, enforcement programs, infrastructure improvements)								
Child Passenger Safety Training Program	\$ 6,000	\$ 5,291	\$ (709)		\$ 6,000	\$ 2,961	\$ (3,039)	
Ride's On Us a.k.a. Wing in the New Year WNY	\$ 55,000	\$ 72,566	\$ 17,566		\$ 55,000	\$ 88,489	\$ 33,489	
SADD	\$ 102,069	\$ 102,064	\$ (5)		\$ 105,069	\$ 71,200	\$ (33,869)	
Saskatchewan Safety Council	\$ 55,000	\$ 55,000	\$ -		\$ 56,500	\$ 35,000	\$ (21,500)	
Saskatchewan Wildlife Federation	\$ 20,000	\$ 20,000	\$ -		\$ 20,000	\$ 20,000	\$ -	
Server Intervention	\$ 5,000	\$ -	\$ (5,000)	1	\$ 5,000	\$ -	\$ (5,000)	
Community Grants	\$ 25,000	\$ 121,051	\$ 96,051	2	\$ 25,923	\$ 25,564	\$ (359)	
First Nation School Contest/SBC	\$ 165,000	\$ 63,000	\$ (102,000)		\$ 165,000	\$ -	\$ (165,000)	
Enforcement Overdrive (Merged with HVE for 2021-22)	\$ 112,000	\$ 84,807	\$ (27,193)		\$ 132,000	\$ 12,000	\$ (120,000)	
No Regrets Program (Parachute)	\$ 16,500	\$ 20,000	\$ 3,500		\$ 16,500	\$ 20,000	\$ 3,500	
Police Partnership - Training	\$ 10,000	\$ -	\$ (10,000)	3	\$ 10,000	\$ -	\$ (10,000)	
Police Partnership - Vehicles	\$ 19,200	\$ 21,600	\$ 2,400		\$ 19,200	\$ 21,600	\$ 2,400	
Safe Saskatchewan	\$ 20,000	\$ 24,675	\$ 4,675		\$ -	\$ 21,000	\$ 21,000	
Report Impaired Drivers	\$ -	\$ 33,429	\$ 33,429		\$ 125,000	\$ 2,295	\$ (122,705)	
Winter Road Maintenance	\$ 25,000	\$ -	\$ (25,000)	4	\$ 25,000	\$ -	\$ (25,000)	1
55 Alive	\$ 70,000	\$ 35,000	\$ (35,000)	5	\$ 70,000	\$ 35,000	\$ (35,000)	
First Nation Role Model Tour	\$ -	\$ 44,000	\$ 44,000		\$ -	\$ -	\$ -	
John Chick school presentations	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Infrastructure Improvements	\$ -	\$ -	\$ -		\$ 238,500	\$ 222,500	\$ (16,000)	
Traffic Safety Scholarship	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Seat Belt Challenge	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Pedestrian Safety Project	\$ 10,000	\$ -	\$ (10,000)		\$ 10,000	\$ -	\$ (10,000)	2
Impaired Driving Projects (MADD, Operation Red Nose, Designated Driver, NTDSW)	\$ 87,996	\$ 61,873	\$ (26,123)	6	\$ 87,996	\$ 36,455	\$ (51,541)	
First Nations Traffic Safety Positions	\$ 380,825	\$ 356,540	\$ (24,285)		\$ 593,775	\$ 512,239	\$ (81,536)	3
Child Traffic Safety Position	\$ 84,500	\$ 91,347	\$ 6,847		\$ 84,500	\$ 92,260	\$ 7,760	
Atoskata Youth Camp	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Red Feather Spirit Lodge	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
PA Intersection Enforcement	\$ 50,000	\$ 35,647	\$ (14,353)		\$ 50,000	\$ -	\$ (50,000)	
Enhanced enforcement - intersections	\$ -	\$ 35,647	\$ 35,647		\$ -	\$ 49,565	\$ 49,565	
NAS Partnership	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Science Centre Project	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Multi-Agency Seat Belt Team/Monthly blitzes	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Automatic Licence Plate Recognition	\$ 110,000	\$ 745,910	\$ 635,910	7	\$ 2,200,000	\$ 2,182,823	\$ (17,177)	
Selective Traffic Enforcement Program	\$ 25,000	\$ 26,346	\$ 1,346		\$ 25,000	\$ 21,299	\$ (3,701)	
Safety Awareness - Corporate Relations (19600)	\$ 40,000	\$ 31,763	\$ (8,237)		\$ 66,000	\$ 62,044	\$ (3,956)	
Highway Safety signs	\$ 120,000	\$ -	\$ (120,000)		\$ 120,000	\$ -	\$ (120,000)	
Wildlife Solutions	\$ -	\$ -	\$ -		\$ 399,997	\$ -	\$ (399,997)	4
DDCATS	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Distracted Driving Simulator	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Virtual Reality Tool	\$ -	\$ -	\$ -		\$ 150,000	\$ 85,664	\$ (64,336)	5
Saskatchewan Snomobile Association	\$ -	\$ 25,000	\$ 25,000		\$ -	\$ 25,000	\$ 25,000	6
Combined Traffic Services Saskatchewan, RPT and Crime Reduction Team	\$ 4,354,372	\$ 4,229,702	\$ (124,670)		\$ 4,965,000	\$ 5,426,773	\$ 461,773	7
Road Side Alcohol Screening & Oral Fluid Devices	\$ 91,892	\$ 2,413	\$ (89,479)		\$ 91,892	\$ -	\$ (91,892)	
Law Enforcement Equipment/Training-NEW	\$ -	\$ 28,425	\$ 28,425		\$ 150,000	\$ 47,344	\$ (102,656)	
Photo Radar (work zone and pilot)	\$ (469,413)	\$ (40,764)	\$ 428,649		\$ 263,313	\$ 241,654	\$ (21,659)	
High Visibility Enforcement(HVE)-NEW (merged with Enforcement Overdrive for 2021-22)	\$ -	\$ 2,355	\$ 2,355		\$ -	\$ 347,638	\$ 347,638	8
Wingman in rural areas (Pilot)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
eForms	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Drug Recognition Expert and Standardized Field Sobriety Test Training	\$ -	\$ 66,642	\$ 66,642		\$ 220,000	\$ 72,435	\$ (147,565)	
TOTAL	\$ 5,590,941	\$ 6,401,329	\$ 810,388		\$ 10,552,165	\$ 9,780,802	\$ (771,363)	

TRAFFIC SAFETY PROGRAM EVALUATION (program evaluation, program development, research)							
Research - booster seat and young drivers	\$ 25,600	\$ -	\$ (25,600)		\$ -	\$ -	\$ -
Strategic Initiatives--Traffic Safety Monitor	\$ 35,000	\$ 33,970	\$ (1,030)		\$ 35,000	\$ 34,028	\$ (972)
eCollision Support to Police	\$ -	\$ -	\$ -		\$ 30,000	\$ -	\$ (30,000)
Canabis Research (Brubacher)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Alcohol Prevalence Roadside Survey	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
GIS Development	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
TOTAL	\$ 60,600	\$ 33,970			\$ 65,000	\$ 34,028	\$ (30,972)
DRIVER PROGRAMS (impaired driving, driver improvement)							
Medical Payments	\$ 436,100	\$ 469,487	\$ 33,387	8	\$ 518,456	\$ 491,730	\$ (26,726)
District Health Funding	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Alzheimer sponsorship/Fitness to Drive	\$ 24,835	\$ 27,180	\$ 2,345		\$ 29,835	\$ 25,000	\$ (4,835)
Rehabilitation Assessment	\$ 600,000	\$ 600,000	\$ -		\$ 600,000	\$ 630,000	\$ 30,000
Ignition Interlock Incentive Program	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
TOTAL	\$ 1,060,935	\$ 1,096,667	\$ 35,732		\$ 1,148,291	\$ 1,146,730	\$ (1,561)
DRIVER DEVELOPMENT (driver education)							
Aboriginal Driver Education	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Immigrant Driver Education	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Translation services for driver testing	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
High School Driver Education	\$ 8,512,540	\$ 8,804,697	\$ 292,157	9	\$ 8,092,000	\$ 9,100,146	\$ 1,008,146
Leamer Driver signs	\$ 5,000	\$ -	\$ (5,000)		\$ 5,000	\$ 5,000	\$ -
Annual Driver Educator Seminar	\$ 45,000	\$ 40,000	\$ (5,000)		\$ 46,000	\$ 40,000	\$ (6,000)
Commerical Entry Level Training Program (excluding salaries and benefits)	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
TOTAL	\$ 8,562,540	\$ 8,844,697			\$ 8,143,000	\$ 9,145,146	
CARRIER SAFETY SERVICES (carrier safety audits, services)							
Safety Seminars	\$ 9,000	\$ 4,527	\$ (4,473)		\$ 9,000	\$ 3,341	\$ (5,659)
TOTAL	\$ 9,000	\$ 4,527			\$ 9,000	\$ 3,341	
TRAFFIC SAFETY ADVERTISING							
Booster Seats	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Child Restraint	\$ 115,000	\$ 60,985	\$ (54,015)		\$ 115,000	\$ 57,670	\$ (57,330)
Community Bystander - Wingman	\$ -	\$ -	\$ -		\$ 675,000	\$ -	\$ (675,000)
Impaired Driving	\$ 400,000	\$ 1,093,401	\$ 693,401		\$ 2,325,000	\$ 1,466,297	\$ (858,703)
Distracted Driving	\$ 400,000	\$ 246,934	\$ (153,066)		\$ 475,000	\$ 88,684	\$ (386,316)
Road Safety - Y.L.	\$ -	\$ 931,800.08	\$ 931,800		\$ -	\$ 281,419	\$ 281,419
Miscellaneous	\$ -	\$ 27,154	\$ 27,154		\$ -	\$ 26,573	\$ 26,573
Slow to 60	\$ -	\$ -	\$ -		\$ -	\$ 219,614	\$ 219,614
Wildlife	\$ 100,000	\$ -	\$ (100,000)		\$ -	\$ -	\$ -
Long Weekend	\$ -	\$ -	\$ -		\$ -	\$ 19,926	\$ 19,926
Motorcycle	\$ 200,000	\$ 115,345	\$ (84,655)		\$ 250,000	\$ 131,600	\$ (118,400)
Commercial Vehicles	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Road Safety Challenge	\$ 950,000	\$ -	\$ (950,000)		\$ 725,000	\$ -	\$ (725,000)
Safety Squad	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Expansion of Photo Radar	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
RID	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
High Driving / Cannabis	\$ -	\$ -	\$ -		\$ -	\$ 15,880	\$ 15,880
Keys in Vehicle	\$ -	\$ -	\$ -		\$ -	\$ 36,599	\$ 36,599
Law Chages - Impaired	\$ -	\$ 530,139	\$ 530,139		\$ -	\$ -	\$ -
Law Chages - Other	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Board's decision to add \$5M to Traffic Safety	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
Safety Awareness - Brochures	\$ 180,000	\$ -	\$ (180,000)		\$ 220,000	\$ -	\$ (220,000)
TOTAL	\$ 2,345,000	\$ 3,005,758	\$ 714,773	10	\$ 4,785,000	\$ 2,344,263	\$ (2,440,737)

Variances 2016-2017

1. \$5,000 server intervention funding is no longer required (program is mandatory and is paying for itself).
2. More than usual Community Grants returned this year.
3. Police training was not required this year.
4. No invoices received for winter road maintenance
5. Only one invoice received for 55 Alive.
6. Only spent approximaely \$30k on impaired driver.
7. Government initiative to purchase 17 ALPR units.
8. More requests for payment than anticipated.
9. Projections from First Nation schools were not yet in when the budget was created.
10. This is due primarily with the increased advertising due to changes in drinking and driving law that took effect January 1, 2017.

Variances 2017-2018

1. Did not have the need to spend on Winter Maintenance this year
2. Funds not spent this year.
3. Underspent on the Tribal Council position in Battlefords.
4. Not yet spent. Was allocated for the Large Animal Detection System (LADS) project.
5. One machine and licence purchased.
6. Missed being budgeted for.
7. High Visibility Enforcement (HVE) not budgeted for.
8. Was not budgeted for.
9. Traffic Safety Monitor deferred to Q1 2018-2020
10. Timing of payments fluctuates throughout the year, difficult to budget for (This is for payment for requested medical information)
11. The approved contracts included higher fees than anticipated.
12. The bulk of this variance is due to restraint and law change campaigns that were then not required. Funds from the the Bystander campaign evolved into the Wingman campaign under Drinki

MAJOR SAFETY INITIATIVES

Year	2018-19			Notes	2019-20			Notes
	(Budget)	(Actual)	(Variance)		(Budget)	(Actual)	(Variance)	
TRAFFIC SAFETY PROMOTION								
(education, public awareness, community involvement, partnership building, enforcement programs, infrastructure improvements)								
Child Passenger Safety Training Program	\$ 6,000	\$ 58,768	\$ 52,768		\$ 69,740	\$ 59,667	\$ (10,073)	
Ride's On Us a.k.a. Wing in the New Year WNY	\$ 75,000	\$ 59,449	\$ (15,551)		\$ 75,000	\$ 54,190	\$ (20,810)	
SADD	\$ 106,120	\$ 74,074	\$ (32,046)		\$ 108,985	\$ 120,393	\$ 11,408	
Saskatchewan Safety Council	\$ 57,065	\$ 92,505	\$ 35,440		\$ 120,000	\$ 120,440	\$ 440	
Saskatchewan Wildlife Federation	\$ 25,000	\$ 25,000	\$ -		\$ 25,000	\$ 25,000	\$ -	
Server Intervention	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Community Grants	\$ 50,000	\$ 28,242	\$ (21,759)		\$ 50,000	\$ 36,156	\$ (13,844)	
First Nation School Contest/SBC	\$ 165,000	\$ 3,250	\$ (161,750)		\$ 115,000	\$ 9,925	\$ (105,075)	
Enforcement Overdrive (Merged with HVE for 2021-22)	\$ 80,000	\$ 59,483	\$ (20,517)		\$ 80,000	\$ -	\$ (80,000)	
No Regrets Program (Parachute)	\$ 20,000	\$ 20,000	\$ -		\$ 20,000	\$ 20,000	\$ -	
Police Partnership – Training	\$ 7,600	\$ 2,583	\$ (5,017)		\$ 2,200	\$ 11,189	\$ 8,989	
Police Partnership – Vehicles	\$ 21,600	\$ 24,000	\$ 2,400		\$ 27,000	\$ 21,400	\$ (5,600)	
Safe Saskatchewan	\$ 21,000	\$ -	\$ (21,000)		\$ 21,000	\$ 42,000	\$ 21,000	
Report Impaired Drivers	\$ 125,000	\$ 5,386	\$ (119,614)		\$ 125,000	\$ 7,650	\$ (117,350)	
Winter Road Maintenance	\$ 25,000	\$ -	\$ (25,000)		\$ -	\$ -	\$ -	
55 Alive	\$ 70,000	\$ 52,500	\$ (17,500)		\$ 70,000	\$ 21,000	\$ (49,000)	
First Nation Role Model Tour	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
John Chick school presentations	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Infrastructure Improvements	\$ 238,500	\$ -	\$ (238,500)	1	\$ 238,500	\$ 82,384	\$ (156,116)	
Traffic Safety Scholarship	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Seat Belt Challenge	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Pedestrian Safety Project	\$ 10,000	\$ -	\$ (10,000)		\$ 10,000	\$ -	\$ (10,000)	
Impaired Driving Projects (MADD, Operation Red Nose, Designated Driver, NTDSDW)	\$ 112,996	\$ 579,636	\$ 466,640	2	\$ 162,996	\$ 105,063	\$ (57,933)	
First Nations Traffic Safety Positions	\$ 512,916	\$ 344,277	\$ (168,639)		\$ 527,567	\$ 289,914	\$ (237,653)	1
Child Traffic Safety Position	\$ 93,183	\$ 93,183	\$ -		\$ 95,699	\$ 97,391	\$ 1,692	
Atoskata Youth Camp	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Red Feather Spirit Lodge	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
PA Intersection Enforcement	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Enhanced enforcement - intersections	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
NAS Partnership	\$ -	\$ -	\$ -		\$ -	\$ 115,418	\$ 115,418	
Science Centre Project	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Multi-Agency Seat Belt Team/Monthly blitzes	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Automatic Licence Plate Recognition	\$ 250,000	\$ 615,037	\$ 365,037	3	\$ 650,000	\$ 469,878	\$ (180,122)	
Selective Traffic Enforcement Program	\$ 25,000	\$ 37,297	\$ 12,297		\$ 66,000	\$ 68,398	\$ 2,398	
Safety Awareness - Corporate Relations (19600)	\$ 66,000	\$ 65,938	\$ (62)		\$ 66,000	\$ 67,200	\$ 1,200	
Highway Safety signs	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Wildlife Solutions	\$ 399,997	\$ -	\$ (399,997)	4	\$ 199,997	\$ -	\$ (199,997)	2
DDCATS	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Distracted Driving Simulator	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -	
Virtual Reality Tool	\$ -	\$ 17,378	\$ 17,378		\$ -	\$ -	\$ -	
Saskatchewan Snomobile Association	\$ -	\$ 25,000	\$ 25,000		\$ 25,000	\$ 25,000	\$ -	
Combined Traffic Services Saskatchewan, RPT and Crime Reduction Team	\$ 9,941,686	\$ 7,690,664	\$ (2,251,022)	5	\$ 8,888,396	\$ 8,645,013	\$ (243,383)	
Road Side Alcohol Screening & Oral Fluid Devices	\$ 91,892	\$ 10,044	\$ (81,848)		\$ 396,000	\$ -	\$ (396,000)	3
Law Enforcement Equipment/Training-NEW	\$ 100,000	\$ -	\$ (100,000)		\$ 388,182	\$ 92,673	\$ (295,509)	4
Photo Radar (work zone and pilot)	\$ (35,123)	\$ (89,611)	\$ (54,488)		\$ (90,006)	\$ 49,756	\$ 139,762	
High Visibility Enforcement(HVE)-NEW (merged with Enforcement Overdrive for 2021-22)	\$ -	\$ 340,626	\$ 340,626	6	\$ 322,000	\$ 398,709	\$ 76,709	
Wingman in rural areas (Pilot)	\$ 50,000	\$ 149,286	\$ 99,286		\$ 50,000	\$ -	\$ (50,000)	
eForms	\$ 102,000	\$ -	\$ (102,000)	7	\$ 102,000	\$ -	\$ (102,000)	5
Drug Recognition Expert and Standardized Field Sobriety Test Training	\$ 220,000	\$ 66,949	\$ (153,051)		\$ -	\$ -	\$ -	
TOTAL	\$ 13,033,432	\$ 10,450,944	\$ (2,582,488)		\$ 13,007,256	\$ 11,055,806	\$ (1,951,450)	

TRAFFIC SAFETY PROGRAM EVALUATION (program evaluation, program development, research)						
Research - booster seat and young drivers	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Strategic Initiatives--Traffic Safety Monitor	\$ 35,000	\$ 8,265	\$ (26,735)	\$ 35,000	\$ 33,060	\$ (1,940)
eCollision Support to Police	\$ 105,000	\$ -	\$ (105,000)	\$ 90,000	\$ -	\$ (90,000)
Canabis Research (Brubacher)	\$ 50,000	\$ 75,000	\$ 25,000	\$ 50,000	\$ 60,000	\$ 10,000
Alcohol Prevalence Roadside Survey	\$ -	\$ -	\$ -	\$ 100,000	\$ -	\$ (100,000)
GIS Development	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 190,000	\$ 83,265	\$ (106,735)	\$ 275,000	\$ 93,060	\$ (181,940)
DRIVER PROGRAMS (impaired driving, driver improvement)						
Medical Payments	\$ 480,001	\$ 540,764	\$ 60,763	\$ 590,076	\$ 547,989	\$ (42,087)
District Health Funding	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Alzheimer sponsorship/Fitness to Drive	\$ 35,000	\$ 34,343	\$ (657)	\$ 51,500	\$ 47,589	\$ (3,911)
Rehabilitation Assessment	\$ 630,000	\$ 187,500	\$ (442,500)	8 \$ 660,000	\$ 690,000	\$ 30,000
Ignition Interlock Incentive Program	\$ -	\$ -	\$ -	\$ 264,000	\$ -	\$ (264,000)
TOTAL	\$ 1,145,001	\$ 762,607	\$ (382,394)	\$ 1,565,576	\$ 1,285,578	\$ (279,998)
DRIVER DEVELOPMENT (driver education)						
Aboriginal Driver Education			\$ -			\$ -
Immigrant Driver Education			\$ -			\$ -
Translation services for driver testing	\$ -	\$ -	\$ -	\$ 200	\$ 690	\$ 490
High School Driver Education	\$ 9,170,629	\$ 6,615,856	\$ (2,554,773)	9 \$ 9,354,036	\$ 7,695,097	\$ (1,658,939)
Leamer Driver signs	\$ 5,000	\$ 2,383	\$ (2,617)	\$ 5,000	\$ 2,856	\$ (2,144)
Annual Driver Educator Seminar	\$ 45,000	\$ 30,162	\$ (14,838)	\$ 46,000	\$ 42,598	\$ (3,402)
Commercial Entry Level Training Program (excluding salaries and benefits)	\$ -	\$ -	\$ -	\$ 144,662	\$ 123,000	\$ (21,662)
TOTAL	\$ 9,220,629	\$ 6,648,401		\$ 9,549,898	\$ 7,864,241	\$ (1,685,657)
CARRIER SAFETY SERVICES (carrier safety audits, services)						
Safety Seminars	\$ 9,000	\$ 5,025	\$ (3,975)	\$ 9,000	\$ 8,745	\$ (255)
TOTAL		\$ 5,025			\$ 8,745	
TRAFFIC SAFETY ADVERTISING						
Booster Seats	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Child Restraint	\$ 200,000	\$ 119,413	\$ (80,587)	\$ 200,000	\$ 95,839	\$ (104,161)
Community Bystander - Wingman	\$ 1,189,714	\$ 927,145	\$ (262,569)	\$ 142,758	\$ 170,365	\$ 27,607
Impaired Driving	\$ 1,100,000	\$ 995,434	\$ (104,566)	\$ 1,525,000	\$ 1,265,503	\$ (259,497)
Distracted Driving	\$ 1,000,000	\$ 720,731	\$ (279,269)	\$ 1,658,540	\$ 1,676,470	\$ 17,930
Road Safety - Y.L.	\$ 228,265	\$ 227,182	\$ (1,083)	\$ 40,585	\$ 40,585	\$ 0
Miscellaneous	\$ 165,000	\$ -	\$ (165,000)	\$ 25,000	\$ -	\$ (25,000)
Slow to 60	\$ -	\$ -	\$ -	\$ 138,035	\$ 136,639	\$ (1,396)
Wildlife	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Long Weekend	\$ 500,000	\$ 145,930	\$ (354,070)	\$ 500,000	\$ 275,019	\$ (224,981)
Motorcycle	\$ 500,000	\$ 120,188	\$ (379,812)	\$ 200,000	\$ 144,856	\$ (55,144)
Commercial Vehicles	\$ -	\$ -	\$ -	\$ 500,000	\$ -	\$ (500,000)
Road Safety Challenge	\$ 500,000	\$ -	\$ (500,000)	\$ -	\$ -	\$ -
Safety Squad	\$ -	\$ -	\$ -	\$ 140,000	\$ -	\$ (140,000)
Expansion of Photo Radar	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
RID	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
High Driving / Cannabis	\$ 1,100,000	\$ 925,344	\$ (174,656)	\$ 750,000	\$ 96,951	\$ (653,049)
Keys in Vehicle	\$ 750,000	\$ 463,061	\$ (286,939)	\$ 350,000	\$ 177,145	\$ (172,855)
Law Chages - Impaired	\$ -	\$ -	\$ -	\$ 350,000	\$ -	\$ (350,000)
Law Chages - Other	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Board's decision to add \$5M to Traffic Safety	\$ 3,150,000	\$ -	\$ (3,150,000)	\$ -	\$ -	\$ -
Safety Awareness - Brochures	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 10,382,979	\$ 4,644,429	\$ (5,738,550)	\$ 6,519,918	\$ 4,079,372	\$ (2,440,546)

Variations 2018-2019

1. Funds not spent this year
2. Funding for MADD SmartWheels bus
3. Higher costs than anticipated for ALPR
4. Wildlife Project not started as expected.
5. Less CTSS staffing expenses and some delays in the RCMP's internal processes
6. HVE not budgeted for
7. eForms not yet implemented
8. A correction was made for a double payment from 2015-16 resulting in a favourable variance.
9. The accrual process for this account was found to be inaccurate so there was \$1.4M outstanding in a payables account that needed to be removed due to the new accrual process.

Variations 2019-2020

1. Payments for one of the Tribal Councils had not gone through as of yet.
2. Wildlife project not yet started
3. Anticipated cost for a new Alcohol/Oral Fluid machine. The machine was not purchased
4. Less training / equip needed than required
5. eForms not yet implemented
6. Ignition Interlock Incentive Program not implemented as it is under review.
7. The accrual process for this account was found to be inaccurate as historical data was gathered and analyzed. The budget was created before the inaccuracy was discovered.

15. Capital Management Policy and Historical MCT Ratios

The Capital Management Policy for the Saskatchewan Auto Fund (SAF) was first approved by the Board effective January 1, 2010. In January 2014, the Office of the Superintendent of Financial Institutions (OSFI) issued Guideline A-4, Internal Target Capital Ratio for Insurance Companies. This, along with OSFI's Supervisory Framework, last updated in 2010, provided context for insurance industry best practice as it relates to capital management.

The OSFI Guideline specifies the use of Financial Conditioning Testing (FCT) to establish capital targets. As such, SAF revised its Capital Management Policy to address these changes.

A new target MCT of 140% has been set, the previous target was 100%.

Capital Management Policy

Saskatchewan Auto Fund Rate Stabilization Reserve

April 29, 2021

1. Purpose

This document constitutes the Capital Management Policy for the Saskatchewan Auto Fund (SAF). It has been prepared using guidance from Guideline A-4, *Regulatory Capital and Internal Capital Targets*, which the Office of the Superintendent of Financial Institutions (“OSFI”) issued in January 2014.

The primary objective of the Capital Management Policy is to maintain a level of capital in the Rate Stabilization Reserve (RSR) sufficient to cushion SAF from the volatility inherent in investment and underwriting operations and ensure a positive RSR without the need for excessive rate increases for SAF customers.

2. Context

The context for the guideline is OSFI’s *Supervisory Framework*, a document it first introduced in 1999 and last updated in 2010, in which it sets out its approach to assessing the safety and soundness of a financial institution. Capital is a cornerstone of this assessment process. While SAF is not regulated by OSFI, the guideline provides a useful reference as evidence of industry best practices.

The guideline provides OSFI’s views and requirements with respect to capital and capital management before then setting out its framework for the capital management policy. This section summarizes OSFI’s views and requirements. SAF’s capital management policy follows in the next section.

a) Overview

The guideline states that the level and quality of an insurer’s capital and its capital management is expected to be appropriate to its circumstances, including its risk profile, tolerance for risk, and operating environment. It also notes that past and emerging trends, including the outlook for capital, earnings and liquidity, as well as the insurer’s preparedness to deal with potential capital deficiencies, are also relevant in assessing the adequacy of the insurer’s current capital position.

b) Capital Management

The guideline defines capital management as the on-going process of determining and maintaining the quantity and quality of capital appropriate for an insurer to support planned operations. It notes that capital management should be integrated with both the insurer’s enterprise risk management program and its regular planning cycle, with capital being managed to withstand adverse economic conditions, maintain financial strength, allow for growth opportunities, and meet other risk management and business objectives.

c) Required Capital

i) Minimum capital requirements

OSFI has established minimum capital requirements for all federally regulated property & casualty insurance companies. These requirements are expressed as a ratio, with the numerator comprising risk-adjusted capital and the denominator comprising various risk-factor charges against assets, loss provisions, unearned premiums, and exposure to unlicensed reinsurers. This ratio is known as the Minimum Capital Test (MCT).

OSFI's stated Minimum and Supervisory Target MCT requirements are 100% and 150%. If a federally regulated insurer's MCT approached 150% OSFI would intervene, and it would take all action necessary to prevent the MCT falling below 100%, including assumption of control.

It is important to note that as long as the MCT is positive, the insurer is solvent as its assets exceed its liabilities. As such, with OSFI's stated minimum and target MCTs of 100% and 150%, the regulator has built in an excess capital buffer to protect consumers should an insurer encounter financial difficulty. The determination of SAF's excess capital buffer should consider its monopoly position.

ii) Target MCT

OSFI recognizes that the risks specific to a particular insurer cannot be addressed by industry-wide tests alone. It therefore requires each insurer to establish a Target MCT by considering its own risk appetite and risk profile. Two factors influence SAF's risk analysis: its monopoly position; and, that it generates positive cash flow.

iii) Establishing the Internal Target MCT

The Target MCT is to be established by applying rigorous stress testing using scenarios incorporating plausible adverse events against the insurer's base case financial projections. The plausible events would range from relatively likely, one in 10-year occurrences to exceptional, one in 100-year situations. OSFI recommends using the Financial Condition Test (FCT) process and reverse stress testing (using the Minimum and Supervisory MCT ratios as the applicable bases) for this purpose, along with any other approaches management considers appropriate.

As a monopoly, SAF's Internal capital target should represent that level required to remain solvent in all plausible maximum loss events.

iv) Operating target

OSFI states that capital levels should fall below the Internal Target only on unusual and infrequent occasions. To ensure this, insurance industry practice establishes an operating target MCT that provides a cushion above the Internal Target MCT to at least absorb the impact of a relatively likely, one in 10-year occurrence.

d) Board Involvement

Ultimate responsibility for the establishment of the Target MCT rests with SGI's Board of Directors. Consequently, the Board is expected to oversee the process for determining the Target MCT and confirm its appropriateness. The process is expected to include the identification and assessment of all material risks faced by the insurer. For SAF, risk identification and assessment is conducted in conjunction with the FCT process.

Management is required to provide a formal report to the Board detailing how the Internal Target was determined. It must be presented in the context of the insurer's risk appetite, strategic and business plans and capital management policy, and is to be updated at the completion of each FCT report and more frequently if warranted.

3. Capital Management Policy

a) Target MCT

Based on the work performed in accordance with the procedures set out in this policy, SAF's Internal Target MCT has been set at 90%. This ratio is subject to review following the completion of each FCT report to confirm its continuing appropriateness. More frequent reviews will be conducted if circumstances warrant.

SAF's Operating Target MCT has been set at 140% and has been calculated in accordance with the procedures set out in this policy as 125% plus an additional buffer of 15% to appropriately reflect the risk tolerance of the shareholder. For management purposes, this Operating Target has been selected as being considered sufficient to absorb at least a one in 10-year adverse event without bringing SAF's MCT below its Internal Target.

There are two components of a process designed to move capital towards the policy level, a Capital Build and Release Provision and a Capital Maintenance Provision. These are outlined below:

i. Capital Build and Release Provision

The capital build and release provisions are intended to build or release capital through rates in a measured way thereby reducing rate volatility that would arise if the full amount of any shortfall or excess were accounted for in the rates in a single rate change. The capital build provision requires that SAF recover 1/5 of the deficiency in capital below the Operating MCT Target every year in the base insurance rate. Similarly, for the capital release provision, SAF would release 1/5 of the surplus above the Operating MCT Target into the basic insurance rate every year. SAF will include a capital build or release provision as part of the ongoing rating process.

Should SAF's MCT fall below the Internal Target, management is required to bring a plan forward to the Board of Directors on how it will restore capital to the Internal Target level.

ii. Capital Maintenance Provision

As SAF's business volume grows through inflationary pressures and vehicle population, an

additional amount of capital is required in order to ensure the level of capital won't slip over time. Specifically, the denominator in the MCT calculation (capital required) is increased by factors such as higher claim costs and growth in investments. Correspondingly the numerator (capital available) must also grow in order to maintain the same level of capital. Put another way, even if SAF were able to break even on rates every year, MCT would erode over time as the growth in capital required outpaced the growth in capital available.

To address this, a Capital Maintenance Provision will be added to the base rate, designed to offset the decline in MCT arising from the overall growth in SAF's business.

b) Identification and assessment of material risks

The identification and assessment of material risks to which SAF is exposed, and which factor into the determination of its Target Capital Ratios, will take place in the course of conducting the FCT.

c) Capital adequacy

The scenarios resulting from the preceding material risks will be used to stress test SAF's capital, both at its current level and at the level selected as its Internal Target. This stress testing will be done as part of the FCT, using SAF's base case five-year financial projections. These financial projections will be based on SAF's strategic and business plans for the period covered.

SAF's Chief Financial Officer will be responsible for ensuring the risks and scenarios identified and selected are adequately documented and reviewed by other members of senior management for confirmation. This documentation, along with the results of the FCT, will be presented to the Board at the completion of each FCT report for its approval.

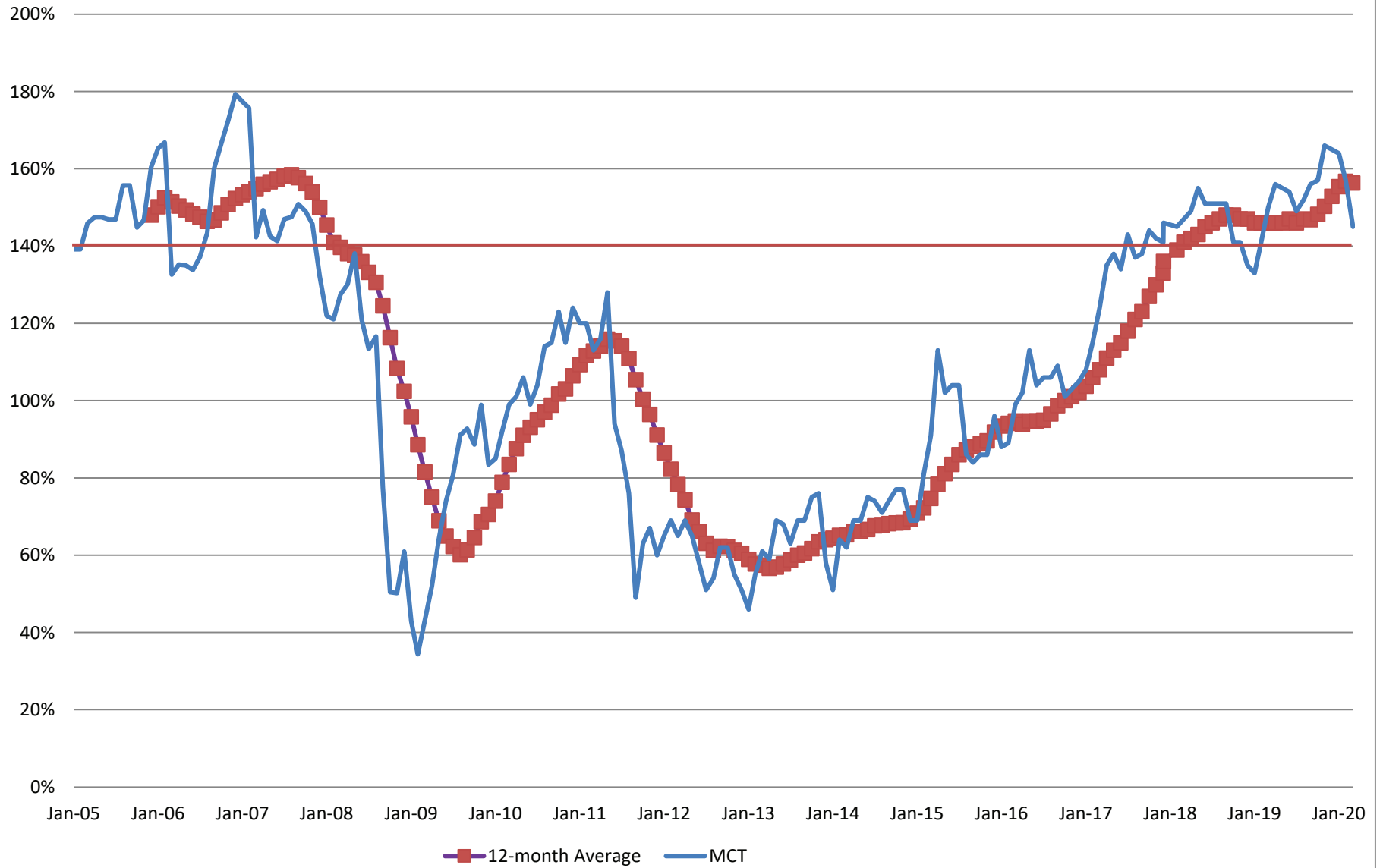
d) Board role and responsibility

At the completion of each FCT report, or more frequently if warranted by the circumstances, management will present the Board with a formal report documenting the analysis used to support the determination of SAF's Internal and Operating Target MCT, along with the supporting assumptions and context. The information provided will be sufficient to enable the Board to assess the work performed, the overall result, and the appropriateness of the Targets.

Notwithstanding the specific procedures set out above, final authority as to what, if any, rate action is to be taken, is reserved to the Board and the Board may in its discretion decide to deviate from the specified actions because of the circumstances prevailing at the time.

The Board will review and approve this policy at least annually.

Auto Fund Minimum Capital Test Results 2005-2020



*SAF's operating target changed from 100% to 140% in the 2018/2019 Capital Margin Policy

17. Statement of Investment Policies and Goals

**Statement of
Investment
Policies and
Goals**

Saskatchewan Auto
Fund

December 2019

Contents

Section 1—Overview	1
1.01 Purpose of Statement	1
1.02 General	1
1.03 Nature of the Auto Fund	2
1.04 Liability Characteristics	2
1.05 Investment and Risk Philosophy	3
Section 2—Asset Mix Policy	5
2.01 Asset Mix	5
Section 3—Permitted and Prohibited Investments	8
3.01 General Investment Guidelines	8
3.02 Permitted Investments	8
3.03 Minimum Quality and Quantity Guidelines	10
3.04 Prior Permission Required	13
3.05 Prohibited Investments	13
3.06 Securities Lending	13
Section 4—Monitoring and Control	15
4.01 Responsibility of an Investment Manager	15
4.02 Compliance Reporting	15
4.03 Performance Measurement	15
4.04 Soft Dollars	17
4.05 Dismissal of an Investment Manager	17
4.06 Standard of Professional Conduct	17
Section 5—Administration	18
5.01 Conflicts of Interest	18
5.02 Related Party Transactions	19
5.03 Selecting an Investment Manager	19
5.04 Monitoring of an Investment Manager	19
5.05 Voting Rights	19
5.06 Valuation of Investments not Regularly Traded	20
5.07 Annual Review	20

Appendix A – Compliance Reports

Appendix B – Return Seeking Portfolio Benchmark Portfolio Weights

Section 1—Overview

1.01 Purpose of Statement

The purpose of this policy statement is to provide a framework for the prudent investment and administration of the Saskatchewan Auto Fund investment portfolio (the Fund). This policy provides an investment manager with a written statement of specific quality, quantity, and rate of return standards for the corporation's investment portfolio.

A major goal of this policy is to establish ongoing communication between Saskatchewan Government Insurance (“SGI” or the “Company”) and an investment manager. Effective communication will contribute to management of the portfolio in a manner that is consistent with market conditions and with the objectives of the Company. Consultation between the parties will take the form of regular meetings supplemented, from time to time, by informal contact requested by any of the parties.

1.02 General

The Saskatchewan Auto Fund was established to provide compulsory automobile insurance to Saskatchewan people. The Fund is self-sustaining with the objective of breaking even over the long term.

Section 87(3) of *The Automobile Accident Insurance Act* (Act) authorizes the Fund to hold property of every nature and kind.

Section 92(1) of the Act authorizes investment of monies of the Fund in:

- investments authorized for Crown corporations pursuant to *The Crown Corporations Act*, which references similar principles contained in the *Pension Benefits Standards Act and Regulations*; or
- investments authorized pursuant to Part IX of the *Insurance Companies Act (Canada)*.

The overall standard guiding investment of the portfolio is the “prudent person rule” which is set out in section 492 of the *Insurance Companies Act (Canada)*. This standard requires that investments be made in a manner that “a reasonable and prudent person would apply in respect of a portfolio of investments to avoid undue risk of loss and to obtain a reasonable return.”

Both the *Insurance Companies Act (Canada)* and the *Pension Benefits Standards Act and Regulations* follow this “prudent person portfolio approach.”

Given the structure of the Auto Fund, the quantitative restrictions included in the *Insurance Companies Act* are not applicable. However, the Auto Fund is monitored against the quantitative guidelines established by the *Pension Benefits Standards Act and Regulations*. These guidelines are:

- Maximum 10% of the market value of total assets in any one corporation or two or more affiliated corporations
- Maximum 30% of the voting shares of any one corporation

Responsibility for the investment policy rests with the Board of Directors. The Board has delegated day to day implementation and monitoring to management.

SGI has delegated its investment authority to professional investment managers to invest in accordance with this policy. In addition, a trust company has been appointed as custodian with responsibilities for safekeeping of investments, income collection, and settlement of investment transactions. The Investment Committee (Committee) of the Board makes recommendations on policy matters contained in this document and monitors the performance of the investment assets.

1.03 Nature of the Auto Fund

The Auto Fund, as the compulsory automobile insurance program for Saskatchewan residents, provides vehicle registrations, driver's licenses, the basic minimum liability insurance required to operate a vehicle and coverage for damage to or loss of an insured's vehicle, subject to a deductible. Uncertain claim levels due to driving conditions, storm activity and court awards leads to cyclical profits from underwriting activities. Due to this instability of profits from underwriting, stability from investment income is an important objective along with safety of capital. Investment capital is used to cover policyholder liabilities.

1.04 Liability Characteristics

The Auto Fund's injury program pays for medical, rehabilitation, living assistance and income replacement benefits, which have the potential to be paid for the remaining lifetime of the most severely injured claimants, estimated as long as 55 years. The payments on current claims expected to be made later than 20 years into the future exceed \$1 billion. Such estimates have a large amount of uncertainty from inflation rates, customer rehabilitation rates, mortality rates and future benefit levels. The long tailed nature of these injury claims results in a high overall claims duration relative to other P&C insurance companies. The most significant characteristics of the Auto Fund's assets and liabilities, which impact on the investment strategy, are:

- Unpaid claims and unearned premiums account for 96% of total liabilities. At March 31, 2019, the liability for these two items was \$2.1 billion, up from \$2.0 billion last year.
- The duration of the unpaid claims liability increased to approximately 9.8 years as at March 31, 2019 up from 9.7 years the previous year. With the addition of expected losses in unearned premiums the duration on the total unpaid liabilities is 8.3 years (2018 – 8.3 years).
- At March 31, 2019, the market value of investments was \$2.7 billion, up from \$2.5 billion last year. As measured by the Minimum Capital Test at March 31, 2019, assets were 150% of required capital and above the operating target level of 140%.

- At March 31, 2019 the Rate Stabilization Reserve balance was at \$853 million, up from \$776 million the previous year.

Projected liability cash flows up to 20 years are matched off with fixed income securities. A partial cash flow matching approach has been adopted for the portfolio which allows some diversification into equities, real estate and infrastructure in order to match longer-dated liabilities. This diversification into other asset classes serves to increase the long-term return on investment potential while controlling overall portfolio risk.

1.05 Investment and Risk Philosophy

(a) Investment Beliefs

The Policy sets out the parameters under which the Fund is managed, which are influenced by several basic assumptions about the characteristics and trends in capital markets. The key investment beliefs that shape the Policy are:

- (i) Asset allocation is the most important determining factor in the investment performance of the Fund.
- (ii) In the long term, equities will outperform bonds to compensate for their higher risk.
- (iii) Accepting mismatch risk between portfolio assets and liabilities provides an opportunity to enhance long term returns but introduces specific risks like interest rate risk, credit risk and equity market risk. A liability sensitive approach to investing reduces these risks somewhat by matching both the size and duration of claims liabilities with fixed income securities. Investing the remaining assets in asset classes with long term return expectations greater than fixed income investments provides the potential to improve overall returns.
- (iv) Market movements between asset classes are not perfectly correlated as equity, bond and other asset class portfolios respond differently to economic factors. In addition, Canadian and foreign asset classes are not perfectly correlated due to different economic environments and the underlying composition of the capital markets. As a result, diversification across different asset classes and markets offers the opportunity to improve risk-adjusted returns.
- (v) Foreign currency exposure gained from holding investments outside of Canada has historically provided diversification benefits. SGI monitors foreign currency exposure, and where seen appropriate from a risk management perspective and where cost effective, may hedge some or all of the Auto Fund's foreign currency exposure.
- (vi) The success of active management varies based on efficiency of capital markets. Where markets are efficient, the quick dissemination of information limits the ability of investment professionals to consistently add value to the broad market indices.

(b) Investment Philosophy

Fund assets should be prudently managed to assist in avoiding excessive volatility in annual rates of return.

The prudent management of investment portfolios requires that the Company adhere to investment and lending policies that a reasonable and prudent person would apply in respect of a portfolio of investments and loans to avoid undue risk of loss and obtain a reasonable return.

Assessment of the risk profile of the Fund considers the nature of the industry and liability characteristics as outlined above. Based on these factors, the Fund can assume a moderate level of investment risk (defined as the volatility of returns). Accordingly, a diversified long-term asset mix strategy which includes allocations to both liability hedging assets and return seeking assets is warranted. Further, the fixed income allocation and target benchmark indices are set with regard to the structure of the claims liabilities.

(c) Risk Philosophy

In order to achieve the long-term investment goals, the Fund must invest in assets that have uncertain returns, such as Canadian equities, foreign equities, bonds, real estate and infrastructure. Interest rate risk, one of the primary risks faced by the portfolio, is addressed by matching the size and duration of the claims liabilities with fixed income securities. Equity market risk is partially managed through diversification by sector and country. Credit risk is addressed by ensuring broad diversification by sector in a high quality (investment grade) portfolio.

The Fund accepts foreign currency exposure in its equity and infrastructure portfolios, as foreign currency exposure provides diversification benefits without accepting undue risk.

The Fund is invested relative to a Benchmark Portfolio. The return from the benchmark portfolio represents an achievable return for the Fund given the capital market conditions in which it is invested. The specific weights for each asset class are set based on the risk profile of the Fund. Risk profile is assessed through a detailed review of the Fund and the investment markets that considers:

- Liability structure
- Investment time horizon
- Liquidity needs
- Regulatory environment
- Other unique factors
- Historical and prospective risk (volatility) and return of various asset classes and benchmark portfolios.

Section 2—Asset Mix Policy

2.01 Asset Mix

The following guidelines are based on the total market value of each of the investment portfolios. The Committee may consider and approve temporary deviations from these guidelines, or other policy constraints, based on changing market conditions and/or investment manager requests. Should an investment manager wish to deviate from these guidelines or the quantity and quality guidelines, or revise them, a written request will be forwarded to the Company.

(a) Matching Portfolio

The Matching Portfolio will be constructed to match the anticipated liability cash flows as provided by SGI to an investment manager from time to time. Annual estimated liability cash flows will be supplied from 0 through 20 years. (Liability cash flows beyond the Matching Portfolio will be backed by the Return Seeking Portfolio which is outlined next). The Matching Portfolio will be constructed to match the liability cash flows in the following term groupings (buckets):

Liability Cash Flow Buckets*

Up to 2 years (short-term investments)
Over 2 years to 5 years
Over 5 years to 10 years
Over 10 years to 15 years
Over 15 years to 20 years (or as far out as assets allow)

* *For Liability Cash Flow Buckets with terms over 2 years, asset cash flows are to be matched to within +/- 5% of the estimated liability cash flow for each bucket. The Up to 2 years Liability Cash Flow Bucket, is to be matched to within +/- 10% of the estimated liability cash flow for the bucket.*

The Matching Portfolio will be comprised of:

- Short-term investments and cash;
- Bonds of Canadian issuers; and
- Mortgages, to a maximum of 20% of the Matching Portfolio (distributions from the Mortgage Investment Fund are to be received as cash in the Matching Portfolio).

(b) Return Seeking Portfolio

	Minimum ⁽²⁾ %	Benchmark ⁽²⁾⁽³⁾ %	Maximum ⁽²⁾ %
Canadian equities	16.0/9.0	21.0/13.0	26.0/17.0
Global equities	32.0	42.0	52.0
Global small cap equities	10.0	15.0	20.0
Foreign equities	<u>42.0</u>	<u>57.0</u>	<u>72.0</u>
Total equities ⁽¹⁾	60.0	78.0/70.0	80.0
Real estate	10.0	15.0	20.0
Infrastructure	6.0/10.0	<u>7.0/15.0</u>	20.0
		100	

⁽¹⁾ Convertible securities and preferred shares are considered to be equities in the asset mix guidelines.

⁽²⁾ Where two figures are shown, the first represents the current benchmark, while the second represents the long term target benchmark. Transition to the long term target benchmark will occur incrementally as the Auto Fund's commitment to the infrastructure manager is drawn down.

⁽³⁾ The current benchmark was effective January 1, 2019.

The Return Seeking Portfolio is managed under a specialist structure, where each asset class is a separate mandate. It is expected that each asset class would be fully invested with cash and short term investments not to exceed 10% of the market value of the asset class.

(c) Canadian Equity Rebalancing

The Return Seeking Portfolio uses two managers that have different but complementary styles. Each manager has a current benchmark weight of 10.5% and long term target benchmark weight of 6.5%. The range for each manager shall be within +/- 5% of their benchmark weight and shall be rebalanced consistent with the cash flow and rebalancing policy set out in Section 2.01(e).

(d) Global Equity Rebalancing

The Return Seeking Portfolio uses two managers that have different but complementary styles. Each manager has a current and long term target benchmark weight of 21%. The range for each manager shall be +/-7% of their benchmark weight and shall be rebalanced consistent with the cash flow and rebalancing policy set out in Section 2.01(e).

(e) Cash Flow and Rebalancing

Cash generated in each of the Matching and Return Seeking Portfolios will typically be reinvested in those portfolios, while net external cash flows will typically be drawn from or invested in the Matching Portfolio. SGI shall, however, exercise judgment in allocating and drawing cash flows based on:

- i) the magnitude of the cash flow;
 - ii) liquidity considerations;
 - iii) transaction cost considerations;
 - iv) the necessity to rebalance assets between the Matching Portfolio and the Return Seeking Portfolio;
 - v) the necessity to rebalance assets within the Return Seeking Portfolio;
- and

- vi) in order to meet cash commitments related to investment in any new asset class that may be introduced to the benchmark.

Unless otherwise instructed, external cash flows in the Matching Portfolio will be invested in, or drawn from, the short-term investment (up to two years) bucket.

The Matching Portfolio will be rebalanced, as necessary, in conjunction with the Auto Fund's quarterly actuarial valuations, to align the asset cash flows with the revised liability cash flows and to allocate assets between the Matching and Return Seeking Portfolios.

For the Return Seeking Portfolio, the assets allocated to each manager will be reviewed subsequent to each month end. Should any manager's range be breached, SGI Management will initiate a rebalancing and advise the Investment Committee of the rebalancing at its next meeting.

Section 3—Permitted and Prohibited Investments

3.01 General Investment Guidelines

The investments must comply with the requirements and restrictions imposed by the applicable legislation, including but not limited to, the *Insurance Companies Act (Canada)* and *The Crown Corporations Act*.

3.02 Permitted Investments

Provisions respecting permitted investments as may be applicable for each of the Matching and Return Seeking Portfolios are outlined in this section. In general, and subject to Section 3.04 and the restrictions in Section 2 and 3, an investment manager may, within its mandate, invest the investment assets in the following asset classes and any of the investment instruments listed below.

(a) Canadian and Foreign Equities

- (i) Common and preferred stock, traded through a marketplace as defined in the Pension Benefits Standards Regulations.
- (ii) Debentures convertible into common or convertible preferred stock.
- (iii) Rights, warrants and special warrants for common or preferred stock.
- (iv) Installment receipts, American Depository Receipts and Global Depository Receipts.
- (v) Exchange traded index participation units (i.e., iUnits and Standard and Poor's Depository Receipts).
- (vi) Income trusts registered as reporting issuers under the *Securities Act*, domiciled in jurisdictions that provide limited liability protection to unitholders.
- (vii) TSX exchange-traded limited partnerships.
- (viii) Private placement equity where an Investment Manager determines the security will become eligible for trading through a marketplace within a reasonable and defined time frame, not to exceed six months, and the issuing company is publicly listed through a marketplace.
- (ix) Private Placement equities (subject to section 3.04(a)).

(b) Bonds, Mortgages and Real Estate

- (i) Bonds, debentures, notes, and other evidence of indebtedness denominated and payable in Canadian dollars. Issuers may be Canadian, supranational or foreign if domiciled in developed markets.
- (ii) Mortgages secured against Canadian real estate subject to Section 3.03 below.
- (iii) Mortgage-backed securities of Canadian issuers.
- (iv) Asset-backed securities of Canadian issuers.
- (v) Term deposits and guaranteed investment certificates.
- (vi) Private placements of bonds subject to Section 3.03.
- (vii) Real Estate investment fund units subject to 3.03(e) below.

(c) Cash and Short-Term Investments

- (i) Cash on hand and demand deposits.
- (ii) Treasury bills issued by the federal and provincial governments and their agencies.
- (iii) Obligations of trust companies and Canadian and foreign banks chartered to operate in Canada, including bankers' acceptances.
- (iv) Commercial paper and term deposits.
- (v) Non-bank asset backed commercial paper is not permitted.

(d) Infrastructure

- (i) Indirect infrastructure investment via independently managed investment funds, limited partnerships or specialist corporate structures (eg. LLCs). The mandate of each fund, partnership or corporate structure will vary with the long-term goal of assembling a diversified portfolio.
- (ii) Permitted and prohibited investments in infrastructure will be governed by the terms and conditions set out in the respective investment fund contract, Offering Memorandum, Trust Agreement or similar document that is applicable to each Investment Manager.

(e) Other Investments

- (i) Investments in open-or closed-ended investment funds provided that the assets of such funds are permissible investments under the Policy.
- (ii) Deposit accounts of the custodian can be used to invest surplus cash holdings.

(f) Derivatives

The use of derivatives (such as options, futures and forward contracts) is permitted with prior approval by the Committee to protect against losses from changes in exchange rates, interest rates and market indices; and for non-hedging purposes, as a substitute for direct investment. Sufficient assets or cash must be held to cover commitments due to the derivatives transactions. No derivatives can be used for speculative trading or to create a portfolio with leverage. Derivative use in investment funds is subject to the investment fund guidelines.

(g) Investment Funds

Investment in investment funds is permissible.

Investment funds are governed by the policies for each fund. The Committee shall review the guidelines for any investment fund investment to determine if they are appropriate. Any change to the investment fund policy shall be communicated to the Company at least 30 days prior to the change. However, the managers will endeavor to provide 90 days notice of material change to the policy.

3.03 Minimum Quality and Quantity Guidelines

Provisions respecting quality and quantity guidelines as may be applicable for each of the Matching and Return Seeking Portfolios are outlined in this section.

Investments of any kind (stocks, bonds, real estate, mortgages, short term investments) of any one issuer in the aggregate (other than the Government of Canada or a Canadian province) should not exceed 10% of the market value of the related Matching or Return Seeking portfolio.

(a) Capital Stock

- (i) An investment manager is expected to maintain a relatively high quality portfolio. In general, investments should be limited to stocks that are publicly traded through a marketplace.
- (ii) No single issuer's equities, private or public, shall represent more than 10% of the market value of each equity portfolio managed on a segregated basis.
- (iii) No one holding can represent more than 10% of the voting shares of any corporation, except for substantial investments, as defined by the *Insurance Companies Act* (no substantial investments can be made without prior approval).
- (iv) Total private placement equities shall not exceed 10% of the equity portfolio market value at the time of purchase.
- (v) As well, in accordance with subsection 9(3) of Schedule III of the regulations of the *Pension Benefits Standards Act*, the 10% limit referred to

in the preceding paragraph does not apply to investments in an investment corporation, real estate corporation or resource corporation.

- (vi) Investments in equities may be held in an investment fund vehicle, subject to 3.02(e)(i) and 3.02(g). The investment guidelines of the investment fund, as updated from time to time, shall be disclosed to SGI.
- (vii) The minimum quality standard for individual preferred shares is P-1 or equivalent, as rated by a recognized credit rating service at the time of purchase.

(b) Bonds

- (i) The minimum quality standard for purchase of bonds and debentures is “BBB” or equivalent rating, as rated by a recognized credit rating service (includes all sub-rating levels within the overall “BBB” rating). In cases where the credit rating services do not agree on the credit rating of an issue, the rating is classified in accordance with the rules established by FTSE Russell for the FTSE Canada Universe and Maple Bond Indexes.
- (ii) “BBB” bonds may not be purchased if it would result in raising holdings rated “BBB” or lower to more than 15% of the market value of the bond portfolio.
- (iii) An investment manager will take the following steps in the event of a downgrade in the credit rating of a portfolio asset by a recognized bond rating agency to below the purchase standards set out in Section 3.03(b)(i):
 - (A) The Company will be notified of the downgrade at the earliest possible opportunity;
 - (B) Within five business days of the downgrade, an investment manager will advise the Company in writing of the course of action taken or to be taken by the investment manager, and its rationale; and
 - (C) An investment manager will provide regular reporting on the status of the asset until such time as it matures, is sold or is upgraded to a level consistent with the purchase quality standards as expressed in the above guidelines.
- (iv) An investment manager shall report to the Company, along with the recommended strategy for bringing the portfolio into line with the policy restrictions, should the total exposure to “BBB” or lower bonds move above 15% of the market value of the bond portfolio.
- (v) The minimum quality rating for mortgage backed and asset backed securities is “AA” or equivalent.

- (vi) Unrated bonds should be assigned a rating by an investment manager before purchase.
- (vii) No more than 10% of the market value of the bond portfolio shall be invested in bonds of foreign issuers.
- (viii) Holdings for any one issuer, other than the Government of Canada or a province, should not exceed 10% of the market value of the combined bond and short-term investment portfolios.
- (ix) Holdings for any one province should not exceed 20% of the market value of the bond portfolio.
- (x) Private bond placements should not exceed 15% of the market value of the bond portfolio and are subject to the following conditions.
 - (A) The issues acquired must be minimum 'BBB' or equivalent rated
 - (B) The investment portfolio may not hold more than 5% of the market value of any one private placement.
 - (C) An investment manager must be satisfied that there is sufficient liquidity to ensure sale at a reasonable price.

(c) Rating Agencies

For the purposes of this Policy, the following rating agencies shall be considered to be 'recognized bond rating agencies':

- (i) DBRS;
- (ii) Standard and Poor's;
- (iii) Moody's Investors Services; and
- (iv) Fitch Ratings

(d) Mortgages

- (i) Investments in mortgages are held in an investment fund vehicle subject to 3.02 (e)(i) and 3.02 (g). The investment guidelines of the investment fund, as updated from time to time, shall be disclosed to SGI.

(e) Real Estate

When considering investment in real estate investment funds, the following are attributes favoured by the Company:

- (i) Canadian real estate capable of yielding overall rates of return in excess of current and projected levels of inflation in the long term.
- (ii) A portfolio capable of providing a stable long term income flow.

(f) Short Term Investments

- (i) Short-term investments for the purpose of this Statement are defined as securities purchased with a maturity of one year or less.
- (ii) It is anticipated that an investment manager will invest only in instruments of the highest quality. Securities with an “R-1” or equivalent rating, as rated by a recognized credit rating service, are permissible investments (includes all sub-rating levels within the overall “R-1” rating).
- (iii) Holdings for any one issuer, other than the Government of Canada or a Canadian province, should not exceed 10% of the market value of the combined short-term investment and bond portfolios in the Matching Portfolio and 10% of the market value of the short-term investment portfolio in each equity mandate of, and overall, within the Return Seeking Portfolio.

(g) Exceptions

When applying the Quality and Quantity Guidelines, it is recognized that there may be occasions during which these guidelines are not met temporarily for valid investment reasons. It is the responsibility of an investment manager to report any violations to the Company immediately, and to recommend an appropriate course of action.

3.04 Prior Permission Required

The following investments are permitted provided that prior permission for such investments has been obtained from the Committee:

- (a) Investments in private placement equities, other than those permitted in Section 3.02 (a)(viii);
- (b) Derivatives, as per Section 3.02(f) above;
- (c) Any other investments not expressly permitted by this policy statement.

3.05 Prohibited Investments

An investment manager shall not:

- (a) Directly invest in companies for the purpose of managing them;
- (b) Purchase securities on margin or engage in short sales, except as allowed in 3.02(f); or,
- (c) Make any investment not specifically permitted by this Policy.

3.06 Securities Lending

The investments of the assets may be loaned, for the purpose of generating revenue for the Fund assets, subject to the provisions of the applicable legislation.

Such loans must be secured by cash and/or readily marketable government bonds, treasury bills and/or letters of credit, discount notes and banker's acceptances of Canadian chartered banks. The amount of collateral taken for securities lending should reflect best practices in local markets. In Canada, the current market practice is to obtain collateral of at least 102% of the market value of the securities lent. This market relationship must be calculated at least daily.

If the assets are invested in an investment fund, security lending will be governed by the terms and conditions set out in the investment fund contract. The investment fund manager shall disclose whether the fund uses securities lending.

Section 4—Monitoring and Control

4.01 Responsibility of an Investment Manager

The overall responsibility of an investment manager is to provide competitive returns over time, measured against specified market-oriented standards.

An investment manager will have full discretion in managing the portfolio subject to the general guidelines presented in this policy statement, and any amendments, that may be made from time to time, by SGI's Board of Directors.

An investment manager will report to SGI as requested by the Company. The meetings will allow the managers to report on investment performance, and to advise the Company of the investment strategy that is being followed, and any changes in the strategy.

An investment manager should, within 30 business days of each quarter-end, forward a written report to the Company each quarter on the performance of the assets under management and on the firm's investment outlook.

An investment manager will notify the Board immediately, in writing, of any legal or regulatory proceedings or charges of which the manager may be aware, against the manager's firm or investment personnel, or against any sub-advisor or that firm's investment personnel.

The investment standards outlined in this policy statement provide a framework for management of the portfolio within levels of risk acceptable to the Company. If a manager believes the Asset Mix Guidelines are inappropriate for anticipated economic conditions, the manager is responsible for advising the Company that a change in guidelines is desirable, and the reasons therefore.

4.02 Compliance Reporting

A report on compliance with the investment policy, directed to Management, will be completed quarterly. The report format is included as part of this policy. The Company must be notified immediately of any deviation from the investment policy.

4.03 Performance Measurement

Investment results will be monitored on a quarterly basis. Performance will be evaluated over moving four-year periods.

Return objectives include realized and unrealized capital gains and losses plus income from all sources. Investment returns are measured on a time-weighted basis.

(a) Matching Portfolio Benchmark

The primary objective is to exceed the return of the least risk portfolio (LRP). The LRP is a portfolio of investable federal government bonds, meeting the quality and quantity guidelines set out in this policy, structured to match the annual liability cash flows as calculated by SGI and provided to an investment manager from time to time. A hurdle rate will be added to the return of the LRP based on the average yield spread for a portfolio constructed with an approximate weight of 1/3 in each of the federal, provincial and corporate sectors. It is expected that the structure of the LRP will change up to three times per year as updated cash flows are provided based on tri-annual actuarial valuations.

(b) Return Seeking Portfolio Benchmark

The primary objective is to outperform a benchmark portfolio consisting of the following market index total returns weighted as follows:

Asset Class	Representative Index	Weight ⁽¹⁾⁽²⁾ %
Canadian equities	S&P/TSX Capped Composite	21.0/13.0
Global equities	MSCI All Country World Index (\$C)	42.0
Global small cap equities	MSCI All Country World Small Cap Index (\$C)	15.0
Real estate	IPD Canada Property Fund Index	15.0
Infrastructure	Canadian CPI + 5%	7.0/15.0
		<u>100.0</u>

⁽¹⁾ The current benchmark was effective January 1, 2019. Historical benchmark portfolio weights are shown in Appendix B.

⁽²⁾ Where two figures are shown, the first represents the current benchmark, while the second represents the long term target benchmark. Transition to the long term target benchmark will occur incrementally as the Auto Fund's commitment to the infrastructure manager is drawn down.

(c) Asset Class Benchmarks

A secondary objective is to earn asset class returns that exceed the benchmark index for each of the asset classes in which an investment manager invests. In addition, the following value added objectives have been set, which will be monitored over rolling four-year periods.

Asset Class	Representative Index	Value added target basis points⁽¹⁾
Canadian equities	S&P/TSX Capped Composite	125
Global equities	MSCI All Country World Index (\$C)	150
Global small cap equities	MSCI All Country World Small Cap Index (\$C)	150
Real Estate	IPD Canada Property Fund Index	n/a
Infrastructure	Canadian CPI + 5%	n/a
Short term investments	FTSE Canada 91-Day T-Bills	n/a

⁽¹⁾ Asset class value added targets are before fees.

The market indices referred to in this section may be changed by the Committee to match the specific investment mandates for an investment manager selected to manage the portfolio, recognizing that at all times the Fund must be managed in accordance with the asset mix guidelines set out in Section 2 and permitted and prohibited investments set out in Section 3 above.

4.04 Soft Dollars

The Fund does not use soft dollars (directed commissions) to pay for any goods or services. An investment manager may use soft dollars to pay for research and other investment-related services with disclosure to the Company, provided they comply with the Soft Dollar Standards promulgated by the CFA Institute.

4.05 Dismissal of an Investment Manager

Reasons for reviewing and considering the termination of the services of an investment manager include, but are not limited to, the following factors:

- (a) Performance results, which over a reasonable period of time, are below the stated performance benchmarks;
- (b) Changes in the overall structure of the Fund such that an investment manager's services are no longer required;
- (c) Change in personnel, firm structure and investment philosophy, style or approach which might adversely affect the potential return and/or risk level of the portfolio;
- (d) Legal or regulatory proceedings against an investment manager or its investment personnel, or any sub-advisor firm or that firm's investment personnel;
- (e) Failure to adhere to this Policy; and/or
- (f) Performance consistently falling below the median of an investment manager peer group.

4.06 Standard of Professional Conduct

An investment manager is expected to comply, at all times and in all respects, with the Code of Ethics and Standards of Professional Conduct as promulgated by the CFA Institute or such other internal code of conduct as considered acceptable by SGI. An investment manager will manage the assets with the care, diligence and skill that a prudent person skilled as a professional investment manager would use in dealing with an investment portfolio. An investment manager will also use all relevant knowledge and skill that it possesses or ought to possess as a prudent investment manager.

Section 5—Administration

5.01 Conflicts of Interest

(a) Fiduciary Responsibilities

This standard applies to Board members, members of the Committee, management advisors and all agents employed by the Company.

An agent is defined to mean a company, organization, association or individual retained by the Committee to provide services to the Company.

In carrying out their fiduciary responsibilities, these parties must act at all times in the best interest of the Company.

(b) Disclosure

In execution of their duties, Board members, Committee members, management advisors and agents shall disclose any material conflict of interest relating to them, or any material ownership of securities, which could impair their ability to render unbiased decisions as it relates to administration of the Fund.

Parties affected by this Statement shall not make any personal financial gain (direct or indirect) because of their fiduciary position. However, normal and reasonable fees and expenses incurred in the discharge of their responsibilities are permitted if documented and approved by the Committee.

Any party affected by this Statement who believes that he/she may have a conflict of interest, or who is aware of any conflict of interest, must notify the Chair of the Board and the Chair of the Committee. Disclosure should be made promptly after the affected person becomes aware of the conflict. The Chairs will decide what action is appropriate under the circumstances, but at a minimum, will table the matter at the next regularly scheduled meeting of the Committee.

No affected person who has or is required to make a disclosure which is determined to be in conflict as contemplated by this policy shall participate in any discussion, decision or vote relating to any proposed investment or transaction in respect of which he or she has made or is required to make disclosure.

No affected person shall accept a gift or gratuity or other personal favour, other than one of nominal value, from an individual or entity that the person deals with in performing responsibilities for the Company.

5.02 Related Party Transactions

The Fund may not enter into a transaction with a related party unless permitted under the *Insurance Companies Act* and *The Crown Corporations Act*, which takes into consideration the *Pension Benefits Standards Act and Regulations*.

Related party includes any officer, director or employee of the Company. It also includes the investment managers and their employees, a union representing employees of the Company, a spouse or child of the persons named previously, or a corporation that is directly or indirectly controlled by the persons named previously, among others.

Under the preceding conflict of interest guidelines, it is incumbent on any person to notify the Committee Chair if a conflict arises. Such conflict includes related party transactions.

5.03 Selecting an Investment Manager

If a new investment manager is to be selected or additional investment manager(s) added to the existing investment managers, the Committee will undertake an investment manager search. The criteria used for selecting an investment manager will be consistent with the investment and risk philosophy set out in Section 1.05 (Investment and Risk Philosophy).

5.04 Monitoring of an Investment Manager

To enable the Committee to fulfill its responsibility of monitoring and reviewing an investment manager, the investment consultant will assist the Committee, on an ongoing basis, in considering:

- (a) Investment manager's staff turnover, consistency of style and record of service;
- (b) Investment manager's current economic outlook and investment strategies;
- (c) Investment manager's compliance with this Policy, where a manager is required to complete and sign a compliance report; and,
- (d) Investment performance of the assets of the Fund in relation to the rate of return expectations outlined in this Policy.

5.05 Voting Rights

The Company has delegated voting rights acquired through investments to the custodian of the securities to be exercised in accordance with investment manager instructions.

An investment manager is expected to exercise all voting rights related to investments held by the Fund in the best interests of the Fund.

The Company reserves the right to direct the custodian to vote in a specified manner.

An investment manager should disclose their proxy voting policies and report annually on (1) whether all eligible proxies were voted on the Fund's behalf and (2) if the proxy voting guidelines were followed and report on any deviations.

5.06 Valuation of Investments not Regularly Traded

The following principles will apply for the valuation of investments that are not traded regularly:

(a) Equities

Average of bid-and-ask prices from two major investment dealers, at least once every calendar quarter.

(b) Bonds

Same as for equities.

(c) Mortgages

Unless in arrears, at the outstanding principal.

(d) Infrastructure

Value based on the manager(s) internal appraisal process, with ultimate values determined upon sale of assets.

(e) Real Estate

Real estate is valued at fair value as estimated by an annual independent appraisal. Real estate acquired within the year is recorded at cost, which approximates its fair value.

(f) Others

Securities that are not publicly traded and for which no external transaction or other evidence of market value exists, will be valued at cost.

5.07 Annual Review

This policy is open to review at any time, but must be reviewed annually.

Appendix A – Compliance Reports

**Saskatchewan Auto Fund
Matching Portfolio**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines	Policy Complied With Yes/No*
Matching Portfolio	Asset cash flows matched in term buckets greater than 1 year within +/- 5% of liability cash flows and +/-10% of liability cash flows for the Up to 2 Years term bucket		
Constraints			
Permitted and Prohibited Investments	- Bonds and Mortgages	Only as permitted in Section 3.02 (b)	
	- Cash and Short-Term Investments	Only as permitted in Section 3.02 (c)	
	- Derivatives	Only as permitted in Section 3.02 (f)	
	- Foreign Currency Exposure	Securities denominated and payable in Canadian dollars	
Bonds	- Single Issuer	Max 10% of short-term and bond portfolio market value other than Government of Canada or a province	
	- Quality	Min "BBB" for bonds Min "AA" for asset-backed and mortgage-backed "BBB" ineligible for purchase if it would raise "BBB" or lower holdings above 15% of the market value of the bond portfolio Minimum "A" for private placement bonds	
	- Foreign Issuer	Max 10% of bond portfolio market value	
	- Concentration	Max 20% of total bond portfolio market value in any one province	
	- Private bond placements	Max 15% of market value of bond portfolio, 5% in a single private placement security and considered to have sufficient liquidity	
Short Term Investments	- Maximum term	One year or less	
	- Minimum Quality	"R-1" or equivalent	
	- Single Issuer	Max 10% other than Government of Canada or a province	
Investment Funds	- Compliance	Investment funds in compliance with their investment policies	
	- Disclosure	Changes to investment fund policies disclosed to SGI	
Other	- Statutory Requirements	Compliance with the <i>Insurance Companies Act (Canada)</i> and <i>The Crown Corporations Act</i>	
	- Proxy Voting	All eligible voting rights voted in best interest of Fund	
	- Soft Dollars	Manager uses Soft Dollars (yes/no)? If yes, manager complies with CFA Institute Soft Dollar Standards	
Conflicts of Interest	- Disclosure	Conflicts of interest (if any) disclosed to the Chair of the Board and Chair of the Investment Committee.	
Policy Violations	- Disclosure	All circumstances that either are or may potentially be in violation to the Statement of Investment Policies and Goals disclosed to SGI	

*If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

TD Greystone Asset Management

Company Name

**Saskatchewan Auto Fund
Canadian Equity Management**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Canadian Equity Portfolio	- Strategy	Triasima Canadian All Cap Equity	
	- Objective	Outperform the return of the S&P/TSX Composite Index over rolling four-year periods; add value of at least 125 basis points.	
Constraints			
Equities	- Public traded through a marketplace		
	- Diversification	Max 10% of the market value in any single issuer's equities	
	- Concentration	Max 10% of the voting shares of a single company	
		Max is the greater of 10% the equity portfolio or 2.0 times the S&P/TSX industry weighting	
		No more than 10% of the market value of the portfolio in private placement issues, at the time of purchase	
	- Quality	Min quality standard of preferred shares is P-1	
		Private placements allowed where security will be eligible for trading through a marketplace within 6 months and the issuing company is publicly listed	
Short Term Investments	- Minimum Quality	"R-1"	
	- Single Issuer	Max 10% in issues of a single issuer other than the Government of Canada or a Canadian province	
Derivatives	- Permitted in accordance with Section 3.02 (f) of the Statement of Investment Policies and Goals		
Other Investments	- Prior Approval Required		
Other	- Statutory Requirements	Compliance with the <i>Insurance Companies Act (Canada)</i> and <i>The Crown Corporations Act</i>	
	- Proxy Voting	All eligible voting rights voted in best interest of Fund	
	- Soft Dollars	Manager uses Soft Dollars (yes/no)?	
		If yes, manager complies with CFA Institute Soft Dollar Standards	
Conflicts of Interest	- Disclosure	Conflicts of interest (if any) disclosed to the Chair of the Board and Chair of the Investment Committee.	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

Triasima Portfolio Management Inc.
Company Name

**Saskatchewan Auto Fund
Canadian Equity Management**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Canadian Equity Portfolio	- Strategy	Sionna All Cap Canadian Equity	
	- Objective	Outperform the return of the S&P/TSX Composite Index over rolling four-year periods; add value of at least 125 basis points.	
Constraints			
Equities	- Public traded through a marketplace		
	- Diversification	Max 10% of the market value in any single issuer's equities	
	- Concentration	Max 10% of the voting shares of a single company	
		Max is the greater of 10% the equity portfolio or 2.0 times the S&P/TSX industry weighting	
		No more than 10% of the market value of the portfolio in private placement issues, at the time of purchase	
	- Quality	Min quality standard of preferred shares is P-1	
		Private placements allowed where security will be eligible for trading through a marketplace within 6 months and the issuing company is publicly listed	
Short Term Investments	- Minimum Quality	"R-1"	
	- Single Issuer	Max 10% in issues of a single issuer other than the Government of Canada or a Canadian province	
Derivatives	- Permitted in accordance with Section 3.02 (f) of the Statement of Investment Policies and Goals		
Other Investments	- Prior Approval Required		
Other	- Statutory Requirements	Compliance with the <i>Insurance Companies Act (Canada)</i> and <i>The Crown Corporations Act</i>	
	- Proxy Voting	All eligible voting rights voted in best interest of Fund	
	- Soft Dollars	Manager uses Soft Dollars (yes/no)?	
		If yes, manager complies with CFA Institute Soft Dollar Standards	
Conflicts of Interest	- Disclosure	Conflicts of interest (if any) disclosed to the Chair of the Board and Chair of the Investment Committee.	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

Sionna Investment Managers Inc.

Company Name

**Saskatchewan Auto Fund
Global Equity Management**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Global Equity Portfolio	- Strategy	Arrowstreet Capital	
	- Objective	Outperform the return of the C\$ MSCI ACW Index over rolling four-year periods; add value of at least 150 basis points.	
Other	- Statutory Requirements	Must meet requirements for eligible investments outlined in the <i>Pension Benefits Act</i> .	
		Must meet requirements for eligible investments outlined in the <i>Income Tax Act</i> .	
Investment Fund	- Compliance	Compliance with Investment Fund guidelines	
Conflicts of Interest	- Disclosure	Conflicts of interest (if any) disclosed to the Chair of the Board and Chair of the Investment Committee.	
CFA Institute Code of Ethics and Standards of Professional Conduct	- Compliance	CFA Institute Code of Ethics and Standards of Professional Conduct complied with	
Voting Rights	- Compliance	All proxies voted in compliance with the manager's proxy voting guidelines	
Soft Dollars	- Compliance	Compliance with CFA Institute or internal guidelines as applicable	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

Arrowstreet Capital L.P.

Company Name

**Saskatchewan Auto Fund
Global Equity Management**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Global Equity Portfolio	- Strategy	Fiera Capital	
	- Objective	Outperform the return of the C\$ MSCI ACW Index over rolling four-year periods; add value of at least 150 basis points.	
Other	- Statutory Requirements	Must meet requirements for eligible investments outlined in the <i>Pension Benefits Act</i> .	
		Must meet requirements for eligible investments outlined in the <i>Income Tax Act</i> .	
Investment Fund	- Compliance	Compliance with Investment Fund guidelines	
Conflicts of Interest	- Disclosure	Conflicts of interest (if any) disclosed to the Chair of the Board and Chair of the Investment Committee.	
CFA Institute Code of Ethics and Standards of Professional Conduct	- Compliance	CFA Institute Code of Ethics and Standards of Professional Conduct complied with	
Voting Rights	- Compliance	All proxies voted in compliance with the manager's proxy voting guidelines	
Soft Dollars	- Compliance	Compliance with CFA Institute or internal guidelines as applicable	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

Fiera Capital Inc.

Company Name

**Saskatchewan Auto Fund
Canadian Real Estate Management**
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Asset Mix (at Market Value)			
Real Estate	Canadian Real Estate	90 – 100	
	Short-term investments	0 – 10	
Constraints			
Real Estate	- Leverage	Reasonable (indicate %)	
Other Investments		None	
Other	- Statutory Requirements	Must meet requirements for eligible investments outlined in the <i>Pension Benefits Act</i> .	
		Must meet requirements for eligible investments outlined in the <i>Income Tax Act</i> .	
Conflicts of Interest	- Disclosure	Conflicts of interest disclosed to the Chair of the Board and Chair of the Investment Committee.	
CFA Institute Code of Ethics and Standards of Professional Conduct	- Compliance	CFA Institute Code of Ethics and Standards of Professional Conduct complied with	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Goals throughout the reporting period.

Signature and Title

TD Greystone Asset Management

Company Name

Saskatchewan Auto Fund
Global Small Cap Specialty Equity Management
Compliance Report for the Period from _____ to _____
(date) (date)

		Guidelines %	Policy Complied With Yes/No*
Global Small Cap Equity Portfolio	- Strategy	Invesco Global Small Cap Equity	
	- Objective	Outperform the return of the C\$ MSCI ACWI Small Cap Index over rolling four-year periods; add value of at least 150 basis points.	
Constraints			
Investment Fund	- Concentration	Max 10% of the market value of the investment fund	
Compliance		The investment fund has been managed as outlined in its investment policy. If "No" please specify variations	
Other	- Form ADV	Any material changes to the investment policy since the prior quarter have been reported to SGI	
Firm Proceedings	- Disclosure	Change in personnel, firm structure and investment philosophy, style or approach that might adversely affect the potential return and/or risk level of the portfolio have been communicated to SGI	
		Legal or regulatory proceedings against the manager or its investment personnel, or any sub-advisor firm or that firms' investment personnel have been communicated to SGI	
Conflicts of Interest	- Disclosure	Conflicts of interest disclosed to the Chair of the Board and Chair of the Investment Committee.	
Code of Ethics	- Compliance	The manager has adhered to their internal Code of Ethics and has disclosed any material Code of Ethics changes made since the prior quarter	

* Provide actual weight or range where appropriate. If policy not complied with, comment on specifics.

I believe this to be a factual representation of compliance with the Statement of Investment Policies and Procedures throughout the reporting period.

Signature and Title

Invesco Canada Ltd.

Company Name

**Saskatchewan Auto Fund
Infrastructure Management Compliance**

Compliance Report

A letter confirming compliance with the investment policies and procedures as set out in the Limited Partnership Agreement and related documents shall be periodically completed when requested by SGI. Deviations, if any, from the investment policies and procedures and explanation for such deviations, along with any changes to the investment policies and procedures shall be provided to SGI.

Appendix B – Return Seeking Portfolio Benchmark Portfolio Weights

Return Seeking Portfolio Benchmark Portfolio Weights

Return Seeking Portfolio Current Benchmark Portfolio Weights⁽¹⁾

Asset Class ⁽²⁾	Representative Index	Weight ⁽³⁾ %
Canadian equities	S&P/TSX Capped Composite	21.0/13.0
Global equities	MSCI All Country World Index (\$C)	42.0
Global small cap equities	MSCI All Country World Small Cap Index (\$C)	15.0
Real estate	IPD Canada Property Fund Index	15.0
Infrastructure	CPI + 5%	7.0/15.0
		<u>100.0</u>

⁽¹⁾ Effective January 1, 2019

⁽²⁾ Convertible securities and preferred shares are considered to be equities in the asset mix guidelines.

⁽³⁾ Where two figures are shown, the first represents the current benchmark, while the second represents the long term target benchmark. Transition to the long term target benchmark will occur incrementally as the Auto Fund's commitment to the infrastructure manager is drawn down.

Historical Benchmark Portfolio Weights

Asset Class	Prior to Oct 1 1991	Oct 1 1991	Jan 1 1995	Aug 1 1996	Jan 1 1999	Feb 1 2003	Feb 1 2004	Jan 1 2006	Apr 1 2006	Oct 1 2006	Dec 1 2008	Oct 1 2010	Apr 1 2012	Sep 13 2013
Canadian equities	22	20	15	15	15	15	15	15	15	15	15	50	37.5	38.0
U.S. equities	5	5	5	5	5	5	5	5	5	5	5	16	15.0	15.5
NNA equities	-	-	5	5	5	5	5	5	5	5	5	16	12.5	13.0
Global SC equities	-	-	-	-	-	-	-	-	-	-	-	-	12.5	13.0
Real estate	-	-	-	2	2	2	1	1	3	5	5	16	20.0	20.5
Infrastructure	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0
"Universe" bonds	58	55	55	58	63	32	38	69	67	65	62	-	-	-
Short-term bonds	-	-	-	-	-	31	31	-	-	-	-	-	-	-
Mortgages	-	5	5	5	-	-	-	-	-	-	5	-	-	-
Short-term investments	<u>15</u>	<u>15</u>	<u>15</u>	<u>10</u>	<u>10</u>	<u>10</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>5</u>	<u>3</u>	<u>2</u>	<u>2.5</u>	-
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100.0</u>	<u>100.0</u>

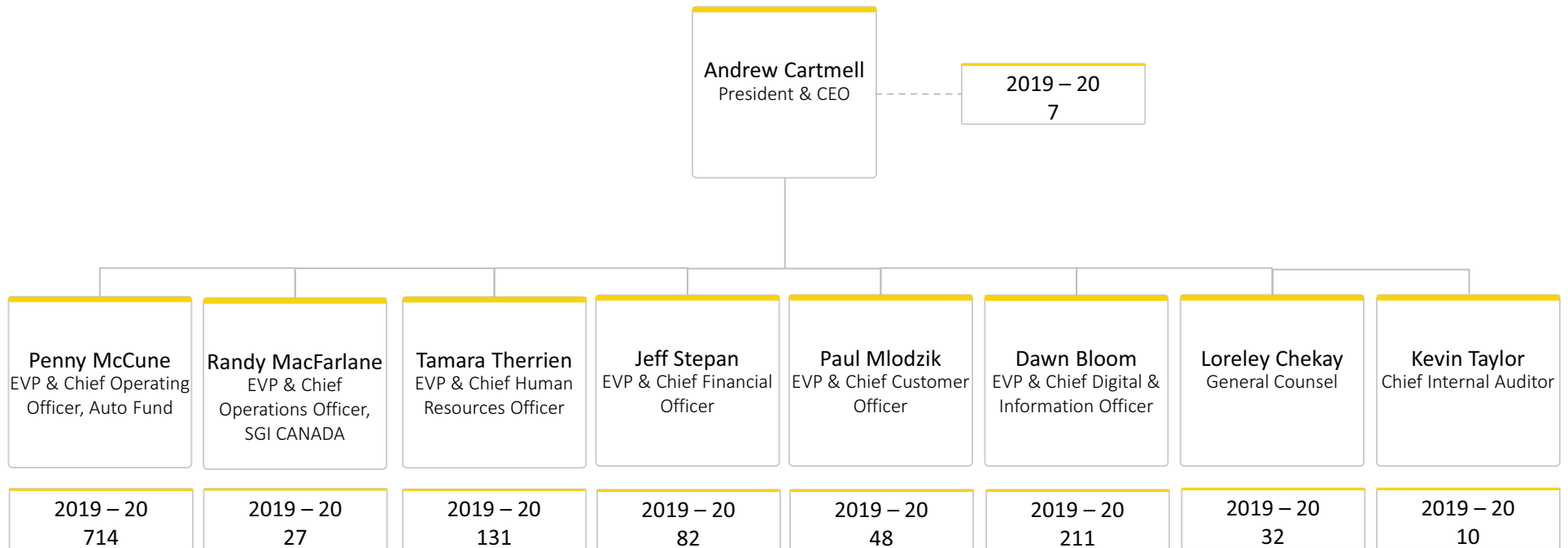
Total Fund historical benchmark weights to September 30, 2010 and Return Seeking historical benchmark weights thereafter.

Asset Class	Oct 1 2013	July 1 2014	Sept 1 2014	Apr 1 2015	Apr 1 2016	Dec 1 2016	Feb 1 2017	Apr 1 2017	Dec 1 2017	Oct 1 2018
Canadian equities	38	36	34	24	23	25	22	20	23	22
U.S. equities	15.5	15.5	15.5	-	-	-	-	-	-	-
NNA equities	13.0	13.0	13.0	-	-	-	-	-	-	-
Global equities	-	-	-	42	42	42	42	42	42	42
Global SC equities	13	13	13	10	10	10	13	15	15	15
Real estate	20.5	20.5	20.5	20	20	18	18	18	15	18
Infrastructure	-	2	4	4	5	5	5	5	5	6
	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>	<u>100</u>

19. Past, Current and Future Staffing Levels

SGI

Executive and Direct Reports to President



Out-of-Scope vs Inscope

	2012	2013	2014	2015	2016-17	2017-18	2018-19	Actual 2019-20	Budget 2020-21	Budget 2021-22
In-scope	1,229	1,260	1,062	1,040	1,034	993	965	994	1,028	1,010
Management	229	243	230	236	237	250	260	268	297	334
Total	1,458	1,503	1,292	1,276	1,270	1,243	1,225	1,262	1,325	1,344

20) Staffing Levels	2012	2013	2014	2015	2016-17	2017-18	2018-19	Actual 2019-20	Budget 2020-21	Budget 2021-22
Andrew Cartmell - President & CEO	11	10	10	9	8	8	7	7	8	7
Kevin Taylor - Chief Internal Auditor	10	9	9	9	9	9	10	10	12	10
Paul Miodzik - EVP & Chief Customer Officer	27	31	33	34	28	31	46	48	56	56
Loreley Chekay - General Counsel	28	30	33	32	34	35	31	32	35	36
Penny McCune - EVP & COO Auto Fund	279	293	297	281	276	713	675	714	718	733
Randy MacFarlane - EVP & COO SGI CANADA	34	36	38	36	38	37	36	27	39	43
Penny McCune - EVP Claims & Salvage (merged under Auto Fund)	748	763	532	516	471	-	-	0	-	-
Jeff Stepan - EVP & Chief Financial Officer	49	51	51	45	59	63	62	82	97	102
Tamara Erhardt - EVP & CHRO HR & Corporate Services	69	71	84	80	115	113	120	131	131	141
Kim Hambleton - Corporate Affairs (discontinued in 2018-19)	-	-	-	1	13	13	-	0	-	-
Dawn Bloom - EVP & CDIO Information Services (Systems)	203	209	205	233	219	221	238	211	229	216
Total	1,458	1,503	1,292	1,276	1,270	1,243	1,225	1,262	1,325	1,344

Notes:

2012 Legal positions now reported separately under Tim MacLeod (formerly were in Claims)

2012 Marketing Communications positions split between Corporate Affairs and Customer & Distribution Strategy.

2014 Claims (starting in 2014 reporting only FTE's that are 100% affiliated with Auto fund. In comparison to add 230 for 2014 and 241 for 2015)

2014 Highway Traffic Board positions reported under Barbara Cross until 2014 when they were moved under Earl Cameron in Auto Fund Division

2015 FPO moved under Corporate Affairs. Positions reported under Marketing & Communications (2009 & 2010); under Barbara Cross in 2011-2015.

2015 Solutions Analyst re-org June 1, 2015 to Systems, which accounts for the large increase in FTE that year.

2015 Effective December 1, 2015, Product Management, Operations and two Claims departments were consolidated under SGI CANADA.

2015 Effective December 1, 2015, Strategy, Marketing & Communications (SM&C) consolidated along with some departments from Customer & Distribution Strategy.

2015 Effective December 1, 2015, Corporate Affairs was established, which was previously reported under Strategy, Marketing & Communications

2016-17 Fiscal year was changed in 2016 to March 31st annually, which previously was based on the calendar year. Figures for 2015 and all prior years are for

2016-17 Facilities was transferred out of Systems to Corporate Services resulting in an increase of FTE for Human Resources & Corporate Services.

2016-17 Systems division was renamed to Information Services and was merged with Customer & Digital Services under one EVP (Dawn Bloom).

2016-17 Central Recovery Unit was transferred out of Claims to Finance resulting in an increase of FTE for Finance.

2017-18 Penny McCune retained Claims & Salvage and also took over Auto Fund. Reporting changed to combine Auto Fund, Claims & Salvage together under Auto Fund.

2018-19 Corporate Affairs was merged into Strategy, Marketing & Communications reporting.

2019-20 Strategy, Marketing & Communications renamed to Customer, Communications & Marketing. Customer and Corp BD were moved in but those FTE are not reported on.

2019-20 Corporate Insurance Division was created. Corporate Claims & UW, Prod Mgmt, Analytics & Pricing (previously reported under Auto Fund & SGI CANADA) were moved to this new division.

2019-20 Corporate Claims was previously reported under Auto Fund using a percentage to split between SAF and SGI. This same % was applied to the entire Corporate Insurance FTE as well.

2019-20 Human Resources budgeted for an additional 20 FTE as compared to the previous year.

2019-20 Information Services reported FTE significantly lower due to many employees being pulled to work on Digital Transformation focused on SGI CAN applications this year.

Note: Executive Offices of 8 Positions comprised of (See Breakdown below)

Executive Offices	
Executive	6
CEO	1
Total	7

Executive Breakdown:	
AF	1
SGIC	1
Other	5
Total	7

20. Taxes

As part of the Reciprocal Tax Agreement, expenses for Crown corporations such as SGI are exempt from paying GST.

The Auto Fund pays a 5% premium (income) tax into the general revenue fund (GRF).

Effective August 1, 2017, 6 % PST is charged on all insurance premiums in Saskatchewan. The amount of PST collected is calculated on the insurance premium portion only, after discounts/surcharges have been applied.

In 2018, another change regarding PST was put into practice; effective April 11, 2018, PST applies on all used vehicle sales including light vehicles (previously exempt if PST was paid at least once for that vehicle). However, vehicles with a purchase price, or Red Book value (whichever is greater) of \$5,000 or less will be exempt from PST.

In terms of claim payments, if the claimant is subject to GST or PST and incurs this cost, then the Auto Fund will indemnify the customer/claimant. If the claimant is not subject to taxes or can claim an Input Tax Credit (ITC) for GST, then the customer/claimant's net loss is indemnified and the Auto Fund would not pay the GST as they are eligible for the ITC.

If the vehicle is deemed to be a total loss, then the Auto Fund will indemnify the GST and PST if it has been incurred originally and if incurred again upon replacement. Customers replacing total loss vehicles will be indemnified more often, which increases claim costs now that PST applies to the purchase of most used vehicles. Various rules and guidelines exist based on who is selling the vehicle.

21. Shared Service Costs

There are three parts to this section: a summary of changes to the administration fees to be on a cost per use basis, the SGI Cost Allocation and the assignment of and cost allocation of inter and intra company common costs; The latter two parts are confidential.

Auto Fund Administration Fee Changes

Prior to 2017, many of the administration fees charged for services delivered by the Auto Fund had not changed in more than ten years. As part of the 2014 rate program consultant's report it was suggested the Auto Fund review these fees. The fees were reviewed in 2016 and updated so that the associated costs are primarily covered by the customer using the service. Fee changes were capped at \$75 to limit potential financial hardship to customers.

Most of the fee changes became effective January 1, 2017 with certain changes becoming effective later that year. The media backgrounder summarizing the fee changes has been provided on the next page. No further changes have been made since 2017.

Auto Fund Administrative Fee Changes

Media backgrounder – December 2016

SGI is making changes to Auto Fund fees to better reflect what it costs to deliver the services. Most of the fee changes take effect Jan. 1, 2017, with some changes being phased-in mid-2017, as detailed below.

		Fee Description	Current	New
Driver Testing Fees	1	Class 1, 2 or 3 licence – road test	\$40	\$100
	2	Class 4 or 5 licence – road test	\$22	\$55
	3	School bus endorsement – road test	\$20	\$40
	4	Air brake endorsement – practical test	\$15	\$55
	5	Well service rig endorsement – road test	\$40	\$75
	6	Well service rig air brake test	–	\$25
	7	Heavy trailer endorsement – road test	\$40	\$100
	8	Motorcycle basic ability road test	\$22	\$55
	9	Motorcycle endorsement – road test	\$22	\$55
	10	Written examinations for all licence classes	\$10	\$25
	11	Pre-trip inspection test	–	\$55
	12	Oral examination if unable to complete a written examination ¹	\$10	\$85
	13	Driver ability assessment – road test or practical vision test ²	–	\$75
	14	Driver ability assessment – written examination ²	–	\$25
	15	Other driver tests	\$15	\$55
Driver's Licence Fees	16	Cancel driver's licence	\$10	\$15
	17	New photograph – existing driver's licence	\$10	\$15
	18	Change driver's licence class, endorsement or restriction	\$10	\$15
	19	Change customer name – existing driver's licence	\$10	\$15
	20	Reprint driver's licence	\$10	\$15
	21	Reprint temporary driver's licence	\$10	\$15
	22	Driver's abstract	\$10	\$15
	23	Non-driver photo ID	\$10	\$15
Driver Program Fees	24	Driving Without Impairment (DWI) course	\$150	\$170
	25	Ignition interlock program fee	\$30	\$105
	26	Vehicle impoundment release certificate	\$50	\$125
	27	Driver's licence reinstatement fee (new fee for Criminal Code charges) ²	–	\$75
Driver Training Fees	28	Driver instructor's certificate of certification	\$30	\$100
	29	Driver training school certificate of certification	\$30	\$100
	30	Fee for each training school instructor	\$8	\$15
	31	Replacement of a driver instructor or training school certificate	\$7	\$40
	32	Transfer of a driver instructor or driver training school certificate	\$5	\$40
	33	Written exam to become a driver instructor	\$10	\$85

¹ The oral examination fee will increase to \$25 on Jan. 1, 2017 and to \$85 mid-2017

² Fee change will take effect mid-2017

³ All International Registration Plan fees will increase to \$15 on Jan. 1, 2017; some will increase to \$35 mid-2017

⁴ Permit fees will increase to \$15 on Jan. 1, 2017; new permit fees will be \$15 starting mid-2017

	Fee Description		Current	New
Appeal Fees	34	Safe Driver Recognition appeal	\$25	\$100
	35	Business Recognition appeal	\$25	\$100
	36	Roadside suspension appeals (written or oral)	\$100	\$175
	37	Ignition interlock appeal	\$100	\$175
	38	Ignition interlock exemption appeal	\$100	\$175
	39	Vehicle impoundment appeal	\$100	\$175
	40	Chair review appeal	\$100	\$175
	41	Restricted licence appeal	\$100	\$175
	42	Commercial vehicle impoundment appeal	\$100	\$175
	43	Driver Improvement Program appeal ²	–	\$75
	44	Graduated Driver's Licensing Improvement program (GDL) appeal ²	–	\$75
	45	Medical appeal ²	–	\$75
	46	Fraudulent ID appeal ²	–	\$75
	47	Safety fitness certificate appeal ²	–	\$75
Vehicle Registration Fees	48	Transfer vehicle registration	\$10	\$15
	49	Change of vehicle information	\$10	\$15
	50	Licence plate replacement	\$10	\$15
	51	Replace vehicle registration certificate	\$10	\$15
	52	Cancel vehicle registration	\$10	\$15
	53	Fee for new licence plate when existing licence plate is less than two years old ²	–	\$15
	54	Change vehicle registration	\$10	\$15
	55	Change registration term	\$10	\$15
	56	Lease buyout	\$10	\$15
	57	Change renewal day	\$10	\$15
	58	Plate transfer to another registrant	\$10	\$15
International Registration Plan (IRP) Fees³	59	New/renew IRP registration	\$10	\$35
	60	Registration and issue of IRP cab card	\$10	\$35
	61	Replace IRP cab card	\$10	\$15
	62	Change of vehicle information resulting in fee recalculation	\$10	\$35
	63	Change of vehicle information with no fee recalculation	\$10	\$15
	64	Each addition to a fleet on any one occasion	\$10	\$35
	65	Each replacement of a vehicle in a fleet	\$10	\$35
	66	Each replacement plate	\$10	\$15

¹ The oral examination fee will increase to \$25 on Jan. 1, 2017 and to \$85 mid-2017

² Fee change will take effect mid-2017

³ All International Registration Plan fees will increase to \$15 on Jan. 1, 2017; some will increase to \$35 mid-2017

⁴ Permit fees will increase to \$15 on Jan. 1, 2017; new permit fees will be \$15 starting mid-2017

	Fee Description		Current	New
Search Fees	67	Registration search by name	\$10	\$20
	68	Registration search by licence plate	\$10	\$20
	69	Confirmation of driver's licence or vehicle registration record	\$10	\$20
	70	Registration search by Vehicle Information Number (VIN) when 25 or fewer VIN searches are requested (fee is per VIN search)	\$10	\$20
	71	List of active licence plates and corresponding registration information when 10 or fewer searches are requested (fee is per search)	\$10	\$20
	72	List of current licence plates and corresponding vehicle information when 10 or fewer vehicle searches are completed (fee is per search)	\$10	\$20
	73	Certified copy of a driver record or vehicle registration record	\$10	\$40
	74	Fee for letter to verify payment of vehicle registration fees and insurance premiums (up to three vehicles for up to three years)	\$10	\$20
	75	Each additional three vehicles in letter	\$10	\$20
	76	Each additional three years in letter	\$10	\$20
	77	Each separate letter covering a single vehicle for up to three years	\$10	\$20
	78	Each separate letter covering up to three vehicles for a single year	\$10	\$20
	79	Cross Canada VIN search if the number of searches is 25 or fewer (fee is per search)	\$10	\$20
80	Cross Canada VIN search for each search after 25 (fee is per search) ²	–	\$5	
National Safety Code Fees	81	New safety fitness certificate	\$50	\$125
	82	Reprint safety fitness certificate	\$10	\$15
	83	Renew safety fitness certificate ²	–	\$50
Permit Fees⁴	84	Permits issued by the Central Permit Office	\$2	\$15
Vehicle Inspection Fees	85	Yellow vehicle decals	\$3	\$15
	86	Orange vehicle decals	\$3	\$15
	87	Liquid propane gas/compressed natural gas decals	\$3	\$15
	88	Red and white body integrity decals	\$3	\$15
	89	Inspection mechanic certificate – annual fee	\$25	\$100
	90	Signing officer certificate – annual fee	\$25	\$100
	91	Inspection station certificate – annual fee	\$100	\$175

¹ The oral examination fee will increase to \$25 on Jan. 1, 2017 and to \$85 mid-2017

² Fee change will take effect mid-2017

³ All International Registration Plan fees will increase to \$15 on Jan. 1, 2017; some will increase to \$35 mid-2017

⁴ Permit fees will increase to \$15 on Jan. 1, 2017; new permit fees will be \$15 starting mid-2017

22. Auto Fund Programs Introduced or Eliminated, by Type

During 2014-2020, the Saskatchewan Auto Fund introduced the following programs:

- New Traffic Safety laws with tougher consequences for impaired and distracted driving, among other changes (2014)
- Carrier Safety introduces predictive modelling to identify high risk drivers/carriers based on high-risk past behaviour. (2014)
- Motorcycle reduced no fault coverage option – reduced premium for reduced injury coverage when owner is involved in an at-fault or single-vehicle collision on that motorcycle (2016)
- Auto claims processes streamlined – vehicle damage estimates performed by accredited auto repair firms (2015)
- Photo speed enforcement two-year pilot (2014 with ticketing starting in 2015) – Announcement to make this program permanent in 2018. Ticket revenue will be collected effective January 1, 2019:
 - Ring Road in Regina
 - Circle Drive in Saskatoon
 - Intersection of Highway 1 and 9th Ave N in Moose Jaw
 - Selected school zones in Regina, Saskatoon, and Moose Jaw
 - Highway 1 East between Pilot Butte and White City
 - Highway 12 at Martensville
- Combined Traffic Services Saskatchewan (CTSS) (2014)
 - Two Dedicated Traffic Safety Enforcement Units started operating in central and southeast Saskatchewan in 2014 in partnership with the RCMP and Saskatoon Police Service. In 2015, Estevan Police Service and Weyburn Police Service joined the CTSS. In 2018, it was expanded to Prince Albert Police Service, Moose Jaw Police Service and Regina Police Service.
- Funding automatic licence plate readers for RCMP and municipal police agencies (2014)
- Business Recognition Program Enhancements (May 2016)
 - Reduced surcharges
 - Extended maximum discount to customers with loss ratios 15% or less
- Licencing facial recognition (2016)
- Implemented Permit Mapping system to automate vehicle routing at the permit office (2016)
- Safe Driver Recognition Program Enhancements (Oct 2016)
 - Increased the maximum discount. Drivers with the safest records can earn up to 25% discount on their basic vehicle insurance.

- Financial penalties for each point in the Penalty Zone doubled from \$25 to \$50 per point.
- Speeding tickets (for example, driving 60km in a 50km zone) now count for 2 points on the SDR scale
- Driver Licence Reinstatement Fee (Feb 2017)
 - Customers that have a Criminal Code conviction with a conviction date on or after January 1, 2017 are required to pay a \$75 Driver Licence Reinstatement Fee prior to reinstating their driver's licence.
- Annual CLEAR Rate filings began (May 2017)
- Protection and Response Team (Aug 2017)
 - SGI provides funding for the PRT which is a team consisting of 258 armed officers who will have arrest and detention powers. Comprised of 120 police officers, 40 Highway Commercial Vehicle Enforcement Officers, and 98 Conservation Officers, the team will:
 - Improve police response to emergency calls for services, including property crimes that are in progress.
 - Enhance uniform visibility and presence in rural Saskatchewan.
 - Increase the enforcement of drug trafficking on Saskatchewan's roadways.
 - Enhance the safety of Saskatchewan roads by reducing the number of serious collisions and fatalities.
- Started charging PST on insurance premiums (August 2017)
- Introduced Saskatchewan Rush specialty licence plate (Nov 2017)
- Introduced Society for the Prevention of Cruelty to Animals (SPCA) specialty licence plate (Mar 2018)
- Introduced the Vehicles for Hire program (December 2018)
 - Introduced ridesharing in Saskatchewan.
 - Changes made to the taxi industry to keep a level playing field for all vehicles for hire services.
 - Class 5 driver's licence permitted to operate taxis provided additional requirements are met. Prior, taxi drivers required a class 4 driver's licence.
 - Annual criminal record checks must be submitted to SGI for review.
 - Mandatory annual vehicle inspections on all vehicles operating as a taxi.
 - TNC Appeal Process implemented July 17, 2019
- Saskatchewan Alzheimer's Society Funding (2019-2023)
 - Funding \$145K to develop an online tool that addresses gaps in interventions that support persons with dementia, families/support persons and health care professionals in decision-making about driving and how to transition to non-driving
- Chameleon Carrier Project
 - Phase 1 – April 2020
 - Introduced an NSC review process that prevented NSC monitored carriers from immediately obtaining their NSC at an issuing office.
 - Introduced a formal NSC application
 - Phase 2 – May 2020
 - Introduced an NSC knowledge exam that is mandatory for all new NSC commercial carriers to pass prior to obtaining their NSC certificate.
 - Phase 3 – Sept 2020

- Introduced a renewal process for all NSC certificates.
- Mandatory Entry Level Training (MELT) – Class 1 Drivers (March 15, 2019)
 - Any Class 1 Driver not eligible to be grandfathered is required to complete 121.5 hours of mandatory training.
 - F Endorsement also introduced allowing Class 1 driving privileges for those operating Farm plated vehicles in Sask. Without the requirement to complete the mandatory training.
 - Training requirements scheduled to be phased in.
 - Discontinued before training requirements took effect.
 - Introduced 12-month safety monitoring program for all new Class 1 drivers (including F endorsement).
- Introduction of unspecified sex identifier – X (March 19, 2019)
- Outstanding Receivables sent to Collections service provider. (August 2019)
 - Trial period prior to *Request for Proposal*
- MGDL (Motorcycle Graduated Driver Licensing Program) \$450 Rebates (Effective September 18, 2019).
- Expired Plate notification emails (October 11, 2019)
 - Courtesy email notifying customers that their plates have expired if they have an email on file.
- Introduction of VIN Verification Services – Third party VIN assignment service provider (March 16, 2020)
 - Issuers no longer responsible for VIN assignment.
- Introduction of photo capture requirement when assigning a Customer Number (February 24, 2020)
- Introduction of Registration Vehicle Service (RVS) Application Programming Interface (API) (February 2020)
 - Developed a new application programming interface that allows issuing offices to integrate their own commercial fleet management systems with Auto Fund vehicle information.
- Introduction of 24-hour & 8-Day Permits in MySGI (May 27, 2020).

During 2014-2020, the Saskatchewan Auto Fund changed the following programs:

- Photo Speed Enforcement
 - The cameras located at Highway locations were moved to Regina and Moose Jaw (2017)
 - A camera is placed on the highway near Wakaw. This is a considered a highway location (2019)
 - Distribution of ticket revenue changed (Jan 1, 2019)
 - Provincial Traffic Safety Fund (PTSF) is established
 - 10% of all ticket revenue on tickets issued & paid on or after January 1, 2019 is put into the PTSF
 - Municipalities receive 10% (instead of approx. 75%) of ticket revenue for tickets issued and paid on or after January 1, 2019

- SGI receives remaining 65% (approx.) of all ticket revenue for municipalities to be used for cost recovery to run the program
 - At the end of the fiscal year, any surplus of cost recovery funds is split evenly between the municipalities and the PTSF
 - All ticket revenue from Highway locations is put directly into the PTSF. All expenses are paid from the PTSF.
- Increased Administration Fees for Auto Fund products and services based on a user-pay model (January 2017-see section 21 for details)
- Antique Vehicle Use – Change (Nov 2017)
 - Definition of an antique vehicle changed from vehicles 30 years and older to vehicles with a model year of 1987 and older.
- Carrier & Vehicle Safety Services amended audit criteria to address drivers trying to avoid safety compliance by jumping from one carrier to another (early 2018)
 - If a high-risk driver is hired on at another carrier, that new carrier is audited.
- Business Recognition Program Enhancements (May 2017)
- Vehicle Standards & Inspections and Carrier Safety were combined near the end of the 2016/2017 fiscal year
 - Allowed for better communication and collaboration between the two departments.
- Vehicle Standards & Inspection made updates to the Body Integrity Inspection Program as part of the Safe Quality Auto Repair Project which included a brand-new manual and station requirement changes.
- Vehicle Impoundment Appeal Criteria Changes (September 2018)
 - Customers with impaired driving related offences in the last 10 years impacted.
 - New criteria for acceptable grounds for appealing when impoundment related to Impaired Driving Offences.
 - Driver did not have a passenger under 16 years of age at the time of the seizure.
- Vehicle Registration Policy & Permit Services made enhancements to the permit self-issuer program in 2019-2020.
 - Revised contracts and had each issuer sign the updated version and implemented an updated audit process.
 - Introduced monitoring for customers with overdue receivables and sharing user login credentials.
- Light Vehicle GVW increase allowance for vehicles registered at full 15,000 kg GVWR. Permits now available at \$75/1000KG over the table limit of 15,000 to a max of 20,000kg (Feb 2019). This allows vehicles 15,000kg and over to remain in LV instead of having to register under a commercial class.
- Change to Commercial Driver’s Licence W restriction. (January 2020)
 - Insulin-dependent diabetes operators authorized to operate commercially in the U.S.
- Change in eligibility for 15-year-old to test and obtain a Class 7 driver’s licence (January 24, 2020)
 - Attending or intending to attend High School Driver Education.

- CLEAR Rate updates 2020-2021 cancellation (May 14, 2020).
- Change to GDL driver restrictions with new restriction for operating right-hand-drive vehicles. (December 16, 2020)
- Change to distracted driving vehicle impoundments (December 16, 2020)
 - Without Due Care and Attention or Reasonable Consideration changed from the 3rd offence to the 2nd offence in 12 months for a 7-day impoundment.
- Effective December 16, 2020, drivers who were convicted of impaired driving offences had increased options to get their licence reinstated including:
 - Pre-conviction voluntary ignition interlock (for drivers who have served 90-days of their indefinite roadside suspension who want to drive while they wait for their criminal charges to be resolved)
 - Post-conviction grace period to complete impaired driving education requirements (120 days for DWI, 180 days for ADE).
 - Post-conviction immediate eligibility to participate in mandatory Ignition Interlock program for first time offenders.

During 2014-2020, the Saskatchewan Auto Fund eliminated the following programs:

- The re-location or renewal of the SGI head office building in Regina has been postponed (2014)
- Motorcycle telematics pilot (2014)
- The requirement for Class PB vehicles to have an Operating Authority Certificate approved by the Highway Traffic Board was eliminated from the Traffic Safety Act. Instead Class PB vehicles will be monitored under the National Safety Code. (May 2018)
- MELT F-endorsement training requirement (July 2020). The endorsement to be phased out by March 1, 2021.
- Commercial Driver Improvement Program ended December 31, 2020

23. Productivity and Efficiencies

Initiative	Initiative Description	2015 Savings	2016-2017 Savings	2017-2018 Savings	2018-2019 Projected Savings	2018-2019 Actual Savings	2019-2020 Savings	2020-2021 Projected Savings
MySGI Transactions	Several transactions processed through MySGI have a lower remuneration rate than transactions processed directly through an issuer. As a result, the Auto Fund saves remuneration expenses when these transactions are processed through MySGI.	(933,000)	(1,220,607)	(1,485,297)	(1,812,062)	(1,824,559)	(2,109,288)	(2,829,315)
Print vehicle registrations and temporary driver's licences on plain paper (IN-OFFICE)	The Auto Fund no longer requires vehicle registrations and temporary driver's licences to be printed on a specific type of paper. Customers can now print their registrations and temporary driver's licences from home or issuers can print them at their offices using plain white paper. This also removes the need to mail these documents to customers.	n/a	(127,982)	(126,281)	(126,000)	(127,964)	(125,598)	(122,000)
Increased email usage	Instead of mailing out hard copies of letters, the Auto Fund is increasing its usage of email to communicate with customers.	(36,000)	(48,455)	(52,445)	(64,462)	(63,627)	(71,483)	(79,616)
Vision Testing	In 2015, a pilot program started to allow certified high school driver educators to complete vision testing instead of having SGI staff travel and administer the tests. This change results in significant savings when coupled with changes to ID checking during the high school vision checks.	n/a	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)	(70,000)
Inspection decals	SGI is changing its vehicle inspection decal format. The decals will be organized in sheet form, rather than bundled in booklets, and can be used (on a one-time basis) to validate inspection certificates for up to six years. The current decals must be used by the station within a three-year window before they become stale dated.	n/a	(60,000)	Reverted back to stickers in booklets.				
Driver Development Clerical Staff Reduction	Reduced number of temporary part-time Clerk 4 staff in Driver Development from four to three. These staff answer phones for scheduling exams. The option is available for customers to book via MySGI.	n/a	(40,500)	(45,000)	(45,000)	(40,000)	(41,000)	0 (we rehired clerk 4's)
Vendor Switch (Driver's Licences & ID Cards)	In 2016, the vendor for driver's licence and photo ID production changed from Canadian Bank Note to Veridos.	n/a	(228,021)	(62,117)	172,090	(11,065)	4,260	(217,391)
Receivables	In May 2016, the logic surrounding when a customer with receivables can purchase certain products was tightened. This resulted in a total of \$18,244,252.70 collected in additional receivables. Baseline: 2015-2016: \$22,546,216.23 collected (total # of deferrals: 12,431) 2016-2017: \$22,456,342.03 (difference of +\$89,874.20) (total # of deferrals: 5,155) 2017-2018: \$37,771,256.59 (difference of \$15,225,040.36) (total # of deferrals: 4,903) 2018-2019: \$43,006,963.07 (difference of \$20,460,747) (total # of deferrals: 5,083) 2019-2020: \$45,445,276.64 (difference of 22,899,060.41) (total # of deferrals: 4,637)	n/a	89,874	(15,225,040)	(15,000,000)	(20,460,747)	(22,899,060)	(18,300,000)
Admin Fee Changes	Increases to numerous administration fees resulted in additional cost recovery in 2017-2018	n/a	(1,806,339)	(6,602,228)	(6,762,796)	(7,611,757)	(7,521,452)	(6,206,343)

Automated Routing	Implemented in June 2016 to automatically generate a route for a carrier to take them through Saskatchewan. Takes into account all structures for weight and dimension as well as identifying the highway system. Allows for auto approving of permits where the route does not contain any bridges. Saves staff time not needing to involve the engineers. In late-April 2018, the Ministry of Highways and Infrastructure Bridge Branch increased the threshold from 70T to 80T gross weight. This increased the permits that the Permit Office can auto approve. Saves staff time not needing to involve the engineers.	n/a	(16,502)	(31,922)	(46,920)	(14,799)	(24,619)	(9,679)
Appraisal Transition Project	The appraisal transition project began in 2013 and was phased in over three years. The project enabled qualifying members of the repair industry to prepare the initial vehicle damage appraisal on certain classifications of claims via an electronic appraisal process. Note: 35-40% of estimates are being completed by repair firms, which has resulted in savings of 6 FTEs. These savings were gradually realized over time and have been estimated based on salary and benefits.	n/a	(74,894)	(414,259)	(414,259)			
VIN Decals	Implemented VIN Verification Services (VVS) to help identify vehicles that didn't have serial numbers or could not be located. By implementing this it reduced fraud and due to this we recovered a stolen trailer valued at \$19,000. We also reduced the number of VIN decals needed due this change by \$2,500.	n/a	n/a	n/a	n/a	n/a	n/a	(21,500)
Virtual Issuer Training	All new issuer training for 2020/2021 budget year was virtual - starting in July 2020. As of December 31, 2020 we have only spent \$710 out of our \$18,500 budget for Issuer and Broker Training. This also includes the cancellations of Spring Seminars in 2020. In 2021 these seminars will all be virtual as well which will eliminate the added cost for the 2021/2022 budget year.	n/a	n/a	n/a	n/a	n/a	n/a	(17,790)
Enterprise National Car Rental	A national rental car contract was put in place in Sept 2019. Average rental rates were reduced from \$66.67 in 2019 to \$57.70 in 2020.	n/a	n/a	n/a	n/a	n/a	(1,500,000)	(1,390,000)

24. Capital Improvements Spending Plans

The impact of depreciation on all capital expenditure projects was an increase to the overall indicated rates of 4%. Information technology accounted for approximately 53% of this amount, with all other projects combined accounting for the rest.

The following table provides the capital expenditure projects, with their depreciation, by year.

Saskatchewan Auto Fund Capital Improvements Spending Plans with Depreciation

	Capital Purchases 2017-18	Capital Purchases 2018-19	Capital Purchases 2019-20	Projected Capital Purchases 2020-21	Budget Capital Purchases 2021-22	Depreciation in:			
						2017-18	2018-19	2019-20	2020-21
Buildings									
Estevan Claims Centre	24,222	-	246,170	110,000		430	860	5,563	12,452
Moose Jaw Claims		-	23,967		420,000	-	-	1,423	2,846
Moose Jaw Salvage					500,000	-	-	-	-
North Battleford Claims	-	134,965	-			-	5,661	11,323	11,323
North Battleford Salvage	-	204,821	3,367	295,000		-	7,492	15,116	27,888
Prince Albert Claims	188,026	-				3,525	7,050	7,050	7,050
Prince Albert Salvage	164,149	37,064	8,681			11,860	26,851	30,864	31,746
Regina Driver Testing	-	-	-	-	40,000	-	-	-	-
Regina East Claims	-	-		120,000	175,000	-	-	-	2,250
Regina Expansion Space	-	-	2,717,520			-	-	196,353	392,705
Regina Fleet Street	-	445,088	502,625	30,000	570,000	-	-	21,535	44,476
Regina Legal	-	338,194				-	21,351	42,701	42,701
Regina Operations Centre (ROC)	(10,003)	573,713	2,850	603,754	270,000	(594)	37,472	76,354	132,273
Regina Property Claims (HL)		723,774				-	47,182	94,364	94,364
Regina South Claims	-	46,090	9,132	275,000	2,570,000	-	-	-	-
Saskatoon Central Claims	265	40,006	(1,591)		4,000,000	-	-	-	-
Saskatoon Central Claims - Land					10,000,000				
Saskatoon East Claims	-	-			55,000	-	-	-	-
Saskatoon West Claims	-	-			45,000	-	-	-	-
Saskatoon Salvage	-	437,426	108,011		125,000	-	8,125	18,333	20,416
Yorkton Claims	188,106	4,616,686	270,965	20,000	200,000	2,480	67,483	133,778	137,836
Yorkton Salvage*		29,448		50,000	550,000	-	1,021	2,042	4,055
	554,765	7,627,275	3,891,697	1,503,754	19,520,000	17,702	230,548	656,799	964,381
Information Technology	1,911,852	5,947,465	17,606,554	9,201,433	24,830,000	191,185.16	977,116.81	3,332,518.70	6,013,317.39
Other Equipment & Vehicles	1,679,931	3,014,306	5,364,825	2,083,650	2,371,000	167,993.11	637,416.81	1,475,329.93	2,220,177.45
Total	\$ 4,146,547	\$ 16,589,046	\$ 26,863,076	\$ 12,788,837	\$ 46,721,000	\$ 376,880	\$ 1,845,082	\$ 5,464,648	\$ 9,197,876

26. Implementation of Previous Panel Recommendations

Recommendation 1

That the overall general rate increase (before the capital amount) be 3.4%, to take effect August 31, 2014.

Response:

SGI implemented the 3.4% general rate increase on August 31, 2014.

Recommendation 2

That all vehicle classes be included in rate rebalancing, and that rate capping be set at a maximum 10% on premiums over \$1000, and at two-thirds of the proposed rate cap in dollar amounts on premiums less than \$1000.

Response:

SGI applied rate rebalancing to all classes, including motorcycles. The capping policy applied was capped at 10% for premiums over \$1000, and at the recommended two-thirds dollar amounts for all other premiums.

Recommendation 3

a) That a total capital amount of 2.23% be approved, to take effect August 31, 2014, which is one percentage point greater than the 1.23% Rate Stabilization Reserve surcharge in the current rate.

Response:

SGI implemented the recommended 2.23% capital amount on August 31, 2014.

b) That SAF bring forward rate adjustments based on the Capital Management Policy annually, regardless of whether there is a rate Application, so that the capital amount embedded in rates can be recalibrated to reflect changes in circumstances over the year. These rate adjustments could be contained in a confirmation submission to the Saskatchewan Rate Review Panel, which would verify the change to the Rate Stabilization Reserve.

Response:

SGI is committed to bringing forward annual rate adjustments based on the Capital Management Policy.

c) That SAF include as part of the Minimum Filing Requirements in future Applications discussion regarding any recent, pending or proposed changes to the Minimum Capital Test, and how these have affected or may affect recent or forecasted Minimum Capital Test ratios and the Capital Management Policy.

Response:

Please see MFR #15.

Recommendation 4

That the Auto Fund track and report budget and actual Traffic Safety initiatives on a line-by-line basis, and provide specific detail respecting any over- or under-expenditures as part of the Minimum Filing Requirements and that each safety initiative be evaluated for anticipated benefits on an annual basis.

Response:

Please see MFR #14 for traffic safety initiatives report.

Recommendation 5

That reviews by SAF of the Safe Driver Recognition and Business Recognition programs be included in the Minimum Filing Requirements of future Applications.

Response:

Please see MFR #12 section 3 for SDR/BR review, and two reports are included at the end of this MFR #26 section on SDR and BR program reviews.

Recommendation 6

2014-2016 Auto Body Shop Labour Rate Increases - That SAF file a report on the efficiencies and customer service enhancements that are anticipated to occur, and to provide an updated status report regarding the number of closures or additions of body shops in the province, especially in the rural areas, as well as an evaluation of the success in attracting body repair journeyman into the industry, including how many successful candidates are employed in rural areas.

Response:

No cost savings were anticipated to arise due to the 2014 to 2016 year-over-year 10% increase to auto body labour rates. A portion of this shop compensation strategy was intended to assist shops staff and tool-up in preparation for the Appraisal Transition Project (ATP). The ATP launched in 2014 and was operationalized in 2017, and provided for remote approval of shop generated supplements and has resulted in approximately 35% of estimates being done by shops and remotely approved by SGI. The main goal of the project was to position the SGI Appraisal team to handle a projected increase in claims without increasing any internal appraisal staff that could otherwise serve as technicians to the industry. At the onset of the ATP, there were 283 accredited body shops operating throughout the province. When the project wrapped up, 255 shops successfully made the transition and 28 dropped out of the accreditation program. Beyond isolated incidents of technicians wanting to get “off the bench” and obtain employment with SGI in an appraisal capacity, industry has not continued to raise concerns with technician recruitment.

Since the implementation of the Appraisal Transition Project, the collision repair industry has fundamentally changed due to an increased focus on fuel economy and vehicle safety features. These changes are driving up claims costs and have highlighted gaps in industry knowledge and capabilities. In response, SGI launched the Safe and Quality Auto Repair Project (SQARP) set to “go-live” in July 2021. As part of this program, SGI has reinvented its accreditation program and added new minimum training and tooling requirements. These changes are necessary to ensure customers vehicles are being repaired correctly and will provide protection in the event of a subsequent claim. It is projected that these changes will result in some consolidation, though it is expected that repairers representing approximately 95% of repair volumes will remain accredited and are positioned to deliver all repairs required provincially.

Recommendation 7

That the Auto Fund include, as part of its Minimum Filing Requirements, a Statement of Operations for four potential scenarios, including separate line items for Rate Stabilization Reserve components

for the capital build/release program and capital maintenance provisions, and also showing resulting Minimum Capital Test ratios. The four scenarios are:

10% increase or decrease in investment income;
0.5% increase or decrease in vehicle volume;
0.5% increase or decrease in vehicle drift; and
10% increase or decrease in Traffic Safety costs.

Response:

Please see MFR 27 for the results of the scenario testing.

Business Recognition Program Report on Proposed Scale

Introduction

Previously, analysis of the Business Recognition (BR) program had come up with the actuarially indicated ideal structure for the program, as well as some possible concepts for a Small Business Recognition Program for businesses whose smaller number of vehicles made a loss ratio fleet program less appropriate.

New direction has indicated interest to keep all current customers in the existing loss ratio structured BR program and to reduce the surcharge level from a maximum 200% to a 25% surcharge. The maximum discount level is to be increased over time to 25%. Analysis has been performed and the results are summarized in this document with the intent of answering the following questions:

- What are the ideal type(s) and level(s) of caps for claims in the determination of loss ratios for business assessments?
- How should assessments for businesses with less than five years of past vehicle registrations be modified?
- How should International Registration Plan (IRP) vehicles be handled?
- What should the 10% discount/25% surcharge scale look like and what changes should be made to the discount/surcharge determination at this time?
- How should we move to the 25% discount/25% surcharge scale and what should it look like?

For the quick answers to these questions, feel free to skip to the conclusion.

The analysis for this paper used BR experience from 2001-2010, with impacts reflected for the 2011 assessment year. The data was originally intended to be analysed sooner, but was delayed due to other corporate priorities. The analysis is still valid, but dollar impacts should be increased for growth of premiums since 2011.

Capping in a program of all fleet sizes

When the BR program was originally planned to exclude fleets of less than 10 vehicles, analysis concluded that only a dollar surcharge would be needed. Now that all fleet sizes

are being included in the program, developing appropriate caps for claims that are included in a business's assessment is more of a challenge.

After study of various possible dollar caps and premium multiple caps (denoted as a number followed by "x", so the 2x cap would be a cap of double the business's annual premium), we have the following results:

	R Squared
2x Cap	94.63%
3x Cap	95.12%
40k Cap	94.13%
50k Cap	93.77%
2x & 40k	95.40%
3x & 30k	95.75%
3x & 40k	95.91%
4x & 40k	92.81%
3x & 50k	95.30%
No Cap	93.86%

The R Squared is a measure of how much the future undiscounted loss ratio of a business is explained by the relationship that we're fitting to their past capped loss ratio. In other words, it measures the predictive power of their capped past claims that are entering the system in being able to tell what kind of future claims experience they'll have. A higher R Squared means that it's a stronger relationship. As you can see from the table above, the relationship is strongest with caps at the lower of three times the annual premium or \$40,000.

Notice that the relationship is stronger with these caps than with no cap at all. It makes sense that claims of hundreds of thousands of dollars don't necessarily mean that the business is a terrible risk; more likely, the business was particularly unlucky. For example, they may have severely injured a person, injured someone that had a large income to replace, or hit a bridge. Adding all those extra dollars into their assessment would lead to an excessively high surcharge that has little relevance to their future expected claims experience.

An important step in deciding on a cap level to implement will be testing the impact on specific businesses. For large businesses, the impact of a new \$40,000 cap would impact only a handful of assessments where the business was at fault for a large dollar claim.

For small businesses, the increase in the cap from two times their annual premium to three times their annual premium will be significant but fair; their assessment would be excluding almost all claims dollars otherwise.

A single-vehicle business that is claims free will currently receive the maximum discount of 10%. In the current system, if that vehicle has a large dollar claim it will be capped at 2 times the annual premium for their assessment. Since they have 5 years of premium in their assessment, and assuming they've paid around the same amount each year for that vehicle's premium, it means that their loss ratio must be around 40% (two times premium divided by five times premium = 40%, regardless of how large the premium happens to be). In both the current and likely future BR system, that will still qualify them for a discount.

If the cap is three times the annual premium then the same math results in a 60% loss ratio for the business, which will remove virtually all discounts. This makes more sense because if a single vehicle is expected to have a \$3,000 - \$7,000 claim every five years then they should not be getting a discount on their registrations.

With the introduction of a dollar cap, removal of the "one claim rule" is recommended. It never helped small businesses; a single large claim for them would end up being capped and wouldn't lead to a surcharge anyway. The new dollar cap does a very similar job of limiting the impact of a single large claim than the old rule, except it also will help businesses that had more than one large claim in their five-year history.

Businesses with less than five past years

One of the earlier models considered used a points system to account for businesses that lacked a full history in the assessment. While we've moved away from that model, I would like to propose another version of it be included with the other BR changes.

This version uses a simple rule to scale down the business's assessed surcharge/discount. First, measure how many of the business's past five years included at least 0.5 earned exposures (call these years a name such as "active years"). Then add one step to the end of the assessment where the final discount/surcharge = original discount/surcharge multiplied by active years / 5.

If a business has all five years with at least 0.5 earned exposures, then the surcharge/discount remains the same (since multiplying by 5/5 doesn't change the

original number). If they had two active years, then it gets scaled down by 2/5ths. This rule is an expansion of the currently active control that requires a business to have at least one full past year of information before an assessed surcharge/discount is applied. The new “scale down” rule could replace this older “must have at least one year” control. Some examples follow:

Business	Original	Earned Exposures				
	Disc/Surch	2008	2009	2010	2011	2012
A	-10%	1	1	1	1	1
B	5%	0	0.3	2	2	2
C	-8%	0	0	0	0	5

Business A has a full 5 year history, so the final discount is a full 10%.

Business B has only 3 years with at least 0.5 earned exposures, so its surcharge becomes $5\% \times 3/5 = 3\%$.

Business C has only one year with at least 0.5 earned exposures, so its discount becomes $8\% \times 1/5 = 1\%$ (rounded).

IRP Vehicles

IRP vehicles were excluded from the original analysis of indicated discounts and surcharges for BR vehicles in the previous report. A similar analysis to that one was performed for IRP vehicles, and came up with the following loss ratios:

Past Loss Ratio	Future Capped Loss Ratios				Uncapped Actual Loss Ratio
	Actual Loss Ratio	Indicated Loss Ratio	Smoothed Loss Ratio	Discount/Surcharge	
0-15%	17.65%	20.00%	20.00%	-20.00%	22.42%
15-25%	23.51%	20.00%	20.00%	-20.00%	23.51%
25-35%	27.49%	20.00%	25.00%	0.00%	27.85%
35-45%	16.53%	20.00%	25.00%	0.00%	16.53%
45-55%	39.38%	40.00%	35.00%	40.00%	39.38%
55-75%	37.57%	40.00%	35.00%	40.00%	37.57%
75-95%	37.83%	40.00%	40.00%	60.00%	39.60%
95-145%	36.68%	40.00%	40.00%	60.00%	38.98%
145-195%	35.79%	40.00%	40.00%	60.00%	35.79%
195-300%	96.53%	70.00%	60.00%	140.00%	97.81%
300%+	58.69%	70.00%	60.00%	140.00%	71.25%

Just like the previous BR analysis, customers with IRP vehicles were stratified by the loss ratios those IRP vehicles experienced in the past. Those groups are separated by row and listed in the first column. The future performance of those groups were then summarized (the Actual Loss Ratio column and the Uncapped Actual Loss Ratio column). Then, the loss ratios were selected and smoothed to try to highlight any underlying trend and then converted to an appropriate discount/surcharge.

The table shows an odd result for IRP vehicles. It doesn't seem to matter if their past loss ratio is 0-15% or 35-45% or somewhere in between, their future loss ratio is expected to be 20%. Then there is a sudden jump where any past loss ratio from 45% to 200% has a future loss ratio expected to be around 40%. I'm not sure if this is because there aren't enough IRP vehicles to trust the results (total of 800 customers with IRP vehicles who registered them for the full 10 years according to the data). Or it could be due to the unique nature of the industry having possibly two distinct types of companies registering IRP vehicles, one lower risk and one higher risk. Overall, the capped loss ratio for IRP vehicles as a whole is a good 14% higher than the BR vehicles at 36%, but this is accounted for in our rating scheme as IRP vehicles get their own class and base rate. The analysis shows that their loss ratio is getting even worse in recent years despite rate increases they've received in 2007, 2009 and 2013 which compound to more than 20%.

The above table shows that if the safest IRP vehicles (loss ratios under 25%) were assessed on their own, they should receive a 20% discount. The least safe IRP vehicles (loss ratios of 200% and greater) should be surcharged more than 100%.

Because of the process where IRP vehicle assessments can be modified to have surcharges and discounts other than what is stipulated by the BR scale, it is possible that this underwriting process correctly accounts for the uniqueness of IRP vehicle loss ratios. I tested this theory by using the same process that generated the above table, but adjusting the future loss ratio to use the future premium adjusted for the discount/surcharge paid on the IRP registration. Theoretically, if the assessed discounts/surcharges were appropriate, then regardless of a business's past unadjusted loss ratio they should be expected to have the same future loss ratio after adjustment for discounts/surcharges. The following table has these future adjusted loss ratios:

Past Loss Ratio	Capped Adjusted Actual Future Loss Ratio	Uncapped Adjusted Actual Future Loss Ratio
0-15%	19.20%	24.39%
15-25%	24.93%	24.93%
25-35%	29.00%	29.38%
35-45%	17.36%	17.36%
45-55%	40.80%	40.80%
55-75%	38.13%	38.13%
75-95%	34.46%	36.07%
95-145%	33.46%	35.56%
145-195%	29.94%	29.94%
195-300%	86.02%	87.17%
300%+	46.25%	56.16%

The increasing relationship between the past loss ratios and the future adjusted loss ratios (actual loss ratios) clearly shows that the assessed discounts and surcharges for IRP vehicles are not appropriate. The safest IRP vehicles should be getting a larger discount and the least safe IRP vehicles should be getting a larger surcharge.

Overall, the assessment system developed for BR vehicles isn't a great fit for IRP vehicles, but there really aren't enough of them to justify developing a separate system. If they are kept in the same assessment system as BR, then the assessments should be further modified to give larger discounts (up to 20%) and surcharges (even over 100%) to businesses who deserve them based on their past loss ratio experience.

10% Discount to 25% Surcharge Model

Based on the previous sections and analyses performed at previous stages of this BR project, I recommend making the following changes to the loss ratio assessment process at the same time as the scale is changed to a 10% discount/25% surcharge model:

- Loss ratio fixed to use premium before adjusting for actual past BR/IRP discounts or surcharges that formed the premium paid by the business. Premium from other discounts/surcharges (such as farm discount or police surcharge) should still be included.

- Past claims included in the loss ratio calculation should be capped at the lower of three times the business’s premium for that year or \$40,000.
- Removal of the “One Claim Rule” that halved the surcharge applied to businesses with only one claim in their five-year history.
- Businesses should have their assessed discount or surcharge scaled down by the proportion of active years out of the maximum 5 years possible, as explained earlier in this document. The results below show the discounts and surcharges if the new program requires at least 0.5 earned exposures in a year for it to be an active year (EE > 0.5), or any exposures at all (EE > 0).
- Apply surcharges and discounts equally to both individuals and companies in the BR program.
- Extend the maximum discount to apply to businesses that have loss ratios up to 15% instead of only those whose loss ratio is 0%.

Given the direction to first reduce the surcharge to a 25% maximum, and to keep the maximum discount at 10% in the short term, I recommend the following scale of discounts and surcharges:

Past 5-Year Loss Ratio	Discount / Surcharge Scale	Business Customer Distribution	Premium Before Disc/Surch	Discount / Surcharge Dollars EE > 0.5	Discount / Surcharge Dollars EE > 0
0% - 15%	-10%	42,913	50,332,282	(4,369,898)	(4,523,613)
16% - 30%	-8%	1,561	18,352,501	(1,460,782)	(1,455,834)
31% - 40%	-6%	804	6,896,953	(439,175)	(402,398)
41% - 50%	-4%	735	4,386,018	(204,095)	(171,119)
51% - 60%	-4%	817	6,394,728	(167,568)	(252,390)
61% - 70%	-2%	788	2,903,000	(83,036)	(56,330)
71% - 80%	0%	446	2,301,873	-	-
81% - 90%	5%	304	1,512,106	82,150	73,703
91% - 100%	5%	244	879,029	41,036	41,008
101% - 125%	10%	435	1,801,500	125,197	169,813
126% - 150%	15%	269	779,445	68,441	102,686
151% - 175%	15%	121	311,656	18,605	41,385
176% - 200%	20%	72	148,644	5,033	22,566
201% +	25%	172	264,870	16,471	45,112
Total		49,681	97,264,607	(6,367,621)	(6,365,412)

Because the lower loss ratio businesses are not getting enough discount (50% indicated) and the higher loss ratio business are not getting enough surcharge (approx. 80-100%

indicated), there is the desire to give the higher discounts and higher surcharges to those businesses near the ends of the scale. At the same time, though, the scale must be fair to those in the middle. This scale balances these priorities by giving at least an 8% discount to those with less than a 30% loss ratio, giving the full 25% surcharge to those with greater than 200% loss ratios, and keeping the 0% range at the current 71-80% level.

The table above also shows the distribution of BR customers according to this new scale, as well as the premium and discount/surcharge distribution. Notice that the discount/surcharge dollars in a given row are no longer equal to the premium before discount/surcharge multiplied by the discount/surcharge of the row. This is because of the new adjustment proposed for businesses with less than five years of past registration information.

Overall, the total discounts net of surcharges of \$6,365,412 are more than what is given out under the current scale (approximately \$5.8 million). This is due to the maximum discount being given to businesses with loss ratios of up to 15% and because of the additional \$40,000 cap. The increase in net discount is mitigated by increasing the two times annual premium cap to three times annual premium, by adjusting for businesses with less than five years of past registration information, and by applying surcharges to individuals. The additional net discount proposed would require less than a 0.2% increase to the overall base rate. Some classes will receive larger impacts than this on their rate, and others may actually have a reduction to their overall base rate. Although the impact was not studied to that level of detail it is small enough that this change will not need to coincide with a rate program.

The table above in this section excluded vehicles which were registered in the IRP program. The following table displays only the results for IRP vehicles and customers who registered those vehicles. It is clear that they are significantly affected by the decision to require at least 0.5 earned exposures to include a year in the business's assessment:

Past 5-Year Loss Ratio	Discount / Surcharge Scale	Business Customer Distribution	Premium Before Disc/Surch	Discount / Surcharge Dollars EE > 0.5	Discount / Surcharge Dollars EE > 0
0% - 15%	-10%	518	2,261,748	(189,875)	(199,818)
16% - 30%	-8%	55	1,542,890	(78,268)	(122,729)
31% - 40%	-6%	44	2,184,442	(75,934)	(123,280)
41% - 50%	-4%	25	402,381	(44,025)	(15,771)
51% - 60%	-4%	38	563,863	(26,743)	(21,763)
61% - 70%	-2%	37	1,093,409	(15,068)	(21,294)
71% - 80%	0%	19	408,254	-	-
81% - 90%	5%	11	151,410	23,847	7,571
91% - 100%	5%	6	113,065	6,480	5,653
101% - 125%	10%	24	247,072	25,371	23,847
126% - 150%	15%	11	145,743	14,627	19,850
151% - 175%	15%	2	41,801	25,987	6,270
176% - 200%	20%	3	18,299	65,047	3,265
201% +	25%	4	34,024	4,739	7,830
Total		797	9,208,403	(263,815)	(430,369)

25% Discount to 25% Surcharge Model

Longer-term, the BR program has been proposed to move to a scale similar to the one in the previous section but with a maximum discount of 25%. Because the original analysis of the indicated BR scale showed that the break-even point should be lower, I have proposed that this also be changed at the same time. It partially offsets the additional discounts being given out and will prevent giving discounts to businesses in the 50-70% capped, assessed loss ratio range since those businesses are expected to cause the Auto Fund to lose money. For detail on why this is true, please refer to the document detailing the indicated discount/surcharge scale.

The eventual 25% discount/25% surcharge scale recommended is:

Past 5-Year Loss Ratio	Discount / Surcharge Scale	Business Customer Distribution	Premium Before Disc/Surch	Discount / Surcharge Dollars
0% - 10%	-25%	42,241	44,336,679	(9,826,093)
11% - 20%	-20%	1,255	17,139,929	(3,403,934)
21% - 30%	-15%	978	7,208,176	(1,066,502)
31% - 40%	-10%	804	6,896,953	(670,664)
41% - 50%	-5%	735	4,386,018	(213,898)
51% - 60%	0%	817	6,394,728	-
61% - 70%	5%	788	2,903,000	140,826
71% - 80%	5%	446	2,301,873	110,457
81% - 90%	10%	304	1,512,106	147,406
91% - 100%	10%	244	879,029	82,015
101% - 125%	15%	435	1,801,500	254,719
126% - 150%	15%	269	779,445	102,686
151% - 175%	15%	121	311,656	41,385
176% - 200%	20%	72	148,644	22,566
201% +	25%	172	264,870	45,112
Total		49,681	97,264,607	(14,233,920)

Notice that the results for those with 125% loss ratios and higher are exactly the same as the previous 10% discount/25% surcharge scale. Also, for both of these tables, please keep in mind that while the distribution is representative of what we would see, the absolute dollar amounts of premium and discounts/surcharges will be larger as the above impacts are measured as at 2011.

Also, notice that the proposed scale only gives the maximum discount to businesses with past loss ratios of 10% or less, which differs from the 15% or less option in the previous section. This is to allow a smooth progression up to the 51% - 60% break-even range. The change may be viewed negatively by customers; however those businesses in the 11-15% range actually get a significantly bigger discount with the new model.

The eventual impact to the combined SDR and BR base rates of the above changes is estimated at an increase of approximately 2.0%. This will cause significant changes by class, with some classes receiving decreases to their base rate and others receiving more than 2.0% increases. This has not been studied by class yet, but any movement toward this new scale will need to coincide with the next rate program as the impact on overall rate adequacy is significant. The impact of these changes also needs to be considered along with the simultaneous impact of moving BR vehicles to use their own base rate separate from SDR vehicles – another change planned to be implemented with the next

rate program. Once the BR vehicles use their own base rate, the impact of the change to the 25% discount/25% surcharge scale is an increase to the BR-only base rate of over 9%.

How to transition to this next scale, be it all during the next rate program or piecewise over the next two to three rate programs, is a question that cannot be answered until the analysis on the impact of separating BR and SDR vehicles is complete. Once we know the combined impact of that separation change along with the by-class impact of the scale change, then we can evaluate the true impact that customers will feel in the next rate program. The Auto Fund rating data is currently being moved into the new Business Intelligence environment, with testing expected to start this spring and continue into summer. The earliest that these impacts could be measured on new relevant data would be fall of 2014. Additionally, the timing of the next rate program following the 2014 rate program is also unknown as 2015 and 2016 federal and provincial elections may delay the next rate program until as late as 2017.

Other Possible Models

If the maximum discount is increased to only 15% or 20%, while the surcharge maximum is 25%, we would see the following results:

Past 5-Year Loss Ratio	Discount / Surcharge Scale	Business Customer Distribution	Premium Before Disc/Surch	Discount / Surcharge Dollars
0% - 10%	-15%	42,241	44,336,679	(5,895,656)
11% - 20%	-12%	1,255	17,139,929	(2,042,360)
21% - 30%	-9%	978	7,208,176	(639,901)
31% - 40%	-6%	804	6,896,953	(402,398)
41% - 50%	-3%	735	4,386,018	(128,339)
51% - 60%	0%	817	6,394,728	-
61% - 70%	5%	788	2,903,000	140,826
71% - 80%	5%	446	2,301,873	110,457
81% - 90%	10%	304	1,512,106	147,406
91% - 100%	10%	244	879,029	82,015
101% - 125%	15%	435	1,801,500	254,719
126% - 150%	15%	269	779,445	102,686
151% - 175%	15%	121	311,656	41,385
176% - 200%	20%	72	148,644	22,566
201% +	25%	172	264,870	45,112
Total		49,681	97,264,607	(8,161,483)

Past 5-Year Loss Ratio	Discount / Surcharge Scale	Business Customer Distribution	Premium Before Disc/Surch	Discount / Surcharge Dollars
0% - 10%	-20%	42,241	44,336,679	(7,860,874)
11% - 20%	-16%	1,255	17,139,929	(2,723,147)
21% - 30%	-12%	978	7,208,176	(853,202)
31% - 40%	-8%	804	6,896,953	(536,531)
41% - 50%	-4%	735	4,386,018	(171,119)
51% - 60%	0%	817	6,394,728	-
61% - 70%	5%	788	2,903,000	140,826
71% - 80%	5%	446	2,301,873	110,457
81% - 90%	10%	304	1,512,106	147,406
91% - 100%	10%	244	879,029	82,015
101% - 125%	15%	435	1,801,500	254,719
126% - 150%	15%	269	779,445	102,686
151% - 175%	15%	121	311,656	41,385
176% - 200%	20%	72	148,644	22,566
201% +	25%	172	264,870	45,112
Total		49,681	97,264,607	(11,197,701)

The impacts of these possible models on the SDR and BR combined base rate would be an approximate increase of 1.5% for the 20% maximum discount model and an approximate 0.8% increase for the 15% maximum discount model. The impacts on the BR-only base rates would be an approximate increase of 6% for the 20% maximum discount model and an approximate 3% increase for the 15% maximum discount model.

Conclusion

The analysis in this paper set out to answer a number of questions listed in the introduction. The answers to these questions follow:

- The ideal cap for claims in the BR loss ratio calculation is the lower of three times the annual premium or \$40,000. It maximizes the predictability of the past loss ratio in determining the future loss ratio of a business being assessed.
- The assessed discounts/surcharges for businesses with less than five years of past vehicle registrations should be scaled down using the ratio of the number of active years / 5 years.
- IRP vehicles don't fit perfectly into the scale developed for the BR vehicles, but there aren't enough of them to justify a new, stand-alone program. One possible solution is to modify their unique assessment process to more readily give larger discounts and surcharges to businesses that deserve them based on past loss ratios.
- The 10% discount and 25% surcharge scale with all proposed changes to the loss ratio would only require less than a 0.2% increase to the base rate, meaning it can be implemented without requiring a rate program.
- The 25% discount and 25% surcharge scale with all proposed changes to the loss ratio would require about a 2.0% increase to the overall base rate, with significant dislocation by class. This means that it will require a rate program, and the process of transitioning to it will need to be studied along with the change of moving BR and SDR vehicles to separate based rates.



Safe Driver Recognition Review Findings

Authors: Chris McCulloch & Nathan Wollbaum

Date: April 21, 2014



Table of Contents

Introduction.....	3
Registrants & Drivers.....	3
Complications for Analysis	5
At-Fault Claims & Severity.....	5
\$305 Threshold.....	7
Speeding Tickets.....	9
Summary Offence Tickets.....	10
Indicated SDR Scale	13
Actuarially Predictive Model	13
Scale Upper Bound	13
Scale Maximum Discount	15
Scale Lower Bound	16
Scale Maximum Surcharge	18
Snap-Back	18
SDR Event Steps.....	20
Penalty Zone Consequences.....	20
Indicated Adjustments	22
Conclusion	23



Introduction

As the current individualized rating system of the Auto Fund, the Safe Driver Recognition (SDR) program affects every Saskatchewan licensed driver. The current scale was originally established in July 2002 and was subsequently adjusted in January 2005 to double the discounts to a maximum of 20%. Actuarial analysis was not performed at either of these times to determine the indicated discounts and surcharges for individual drivers.

This paper seeks to evaluate a number of features of the current SDR program, and investigate the possibility of including new ones. The analysis looks at:

- Loss experience of vehicle registrants and vehicle drivers;
- Predictability of claims severity;
- The current penalty points for Summary Offence Tickets;
- The possible incorporation of speeding tickets;
- The ideal actuarially predictive model; and,
- Adjustments to the existing SDR scale to better price the risk of safe and unsafe drivers.

For a brief summary of the results of all analyses, please skip to the “Indicated Adjustments” section.

Registrants & Drivers

It is well known in the Auto Fund that the person driving a vehicle is often not the same person who registered it. So long as the person who registered the vehicle has a financial interest in the vehicle, the Auto Fund permits the registration. Often this means that a family of several teenagers owning multiple vehicles will register all of these vehicles in the name of the parent with the best SDR discount.

This practice is an obstacle to matching the risk of the person operating the vehicle to the insurance premium paid to cover the future claims associated with that vehicle. A vehicle may get registered with a 20% discount even when an unsafe driver, who is expected to have significant future claims, operates that vehicle.



The 2004-2012 past average annual claims experience of the SDR program reinforces this theory:

2004-2012 Average Annual Experience	Averages		Relative to Driver	
	Driver	Registrant	Driver	Registrant
At-Fault Incurred / Person - Damage	156	177	1.00	1.14
At-Fault Incurred / Person - Injury	147	175	1.00	1.19
At-Fault Incurred / Person - Liability	5	7	1.00	1.27
At-Fault Incurred / Person - Total	309	359	1.00	1.16
At-Fault Incurred / Earned Exposure - Damage	198	224	1.00	1.14
At-Fault Incurred / Earned Exposure - Injury	187	222	1.00	1.19
At-Fault Incurred / Earned Exposure - Liability	7	9	1.00	1.27
At-Fault Incurred / Earned Exposure - Total	391	455	1.00	1.16
At-Fault Incurred / Premium - Damage	23.56%	26.74%	1.00	1.14
At-Fault Incurred / Premium - Injury	22.25%	26.44%	1.00	1.19
At-Fault Incurred / Premium - Liability	0.81%	1.04%	1.00	1.27
At-Fault Incurred / Premium - Total	46.62%	54.22%	1.00	1.16
At-Fault Claims / Person	0.038	0.043	1.00	1.11
At-Fault Claims over 500 / Person	0.035	0.039	1.00	1.11
At-Fault Claims over 1,000 / Person	0.029	0.033	1.00	1.12
At-Fault Claims over 2,000 / Person	0.020	0.023	1.00	1.14
At-Fault Claims over 10,000 / Person	0.004	0.005	1.00	1.15

When measuring the relative claims experience of the SDR customers who register vehicles as compared to SDR customers who drive vehicles, the average annual incurred claims are decidedly larger for the registrants. As they are registering the vehicles for themselves as well as vehicles for less safe drivers, the claims experience for those policies is worse than their specific claims experience as drivers. The fact that the claims experience is only 10% - 15% worse means that it's not a rampant, widespread problem. More, it indicates that a significant minority of SDR drivers are taking advantage of the loophole.

In private sectors, each vehicle insured by a household must have a declared driver. Each member of the household is matched up to a vehicle, using the very reasonable assumption that each one will generally be driven by a different family member. If there are more licensed drivers than vehicles, then they are considered occasional operators of the vehicles. The insurance premiums for the vehicles are then calculated using the driving record of all primary and occasional operators of those vehicles.



At the Insurance Company of British Columbia (ICBC), a similar declared driver system is used. At Manitoba Public Insurance (MPI), the system is very similar to the Auto Fund. A shift toward the ICBC system would better match the risk of the driver to the premium paid for the vehicle's insurance.

Complications for Analysis

Generally, when comparing the loss experience of two separate groups, scaling that loss experience to a basis of risk is an important step. For example, the Business Recognition (BR) program evaluates each business on its loss ratio; the premium denominator in the loss ratio provides the basis for the risk. All the risk factors that go into determining the insurance rates for each vehicle are factored into that premium denominator.

Another possible basis could be losses per year of earned exposure/insured year. This ratio is also known as pure premium.

In the SDR data, every time someone registers a vehicle that another person is driving, we do not have any earned exposure or premium information associated with that driver. We do, however, have the losses associated with that driver. To make matters worse, there are a number of customers in the SDR program who have stopped driving for a variety of reasons but are still accumulating points, moving them toward the top of the scale. Clearly, the lack of matching drivers to vehicles is an obstacle to achieving quality analysis.

The analysis in this paper looks at both the future claims experience per person, as well as per year of earned exposure and per dollar of premium. By comparing the results on these different bases, it allows us to develop the range of possible results.

Finally, due to the fact that the Auto Fund's SDR program does not vary the penalty points depending on other past incidents in the individual's history, and due to time constraints, the predictability and interaction of multiple infractions has not been studied in this paper.

At-Fault Claims & Severity

There is now interest in the possibility of varying the penalty for an at-fault claim depending on the size of that claim. Both the existing no-penalty threshold and a possible reduced-penalty threshold require analysis on the predictability of claims severity.



To analyse the possible predictive value of the severity of past claims, we first looked at the past claims experience of all SDR drivers from 2004-2008. Depending on the types of claims those individuals had, they were segregated and the “future” claims experience from 2009-2012 for the groups was compared. The first table below compares various measures of future experience in each row for individuals fitting the criteria in each column. The second table takes each measure as a ratio to the 2009-2012 experience of all drivers, also known as a relativity. Please note that the definition of “liability” in the tables is only economic loss, non-economic loss, and out of province claims while damage liability is included in “damage”.

2009-2012 Experience - Average	All Drivers	One 2004-2008 At Fault Claim as Driver						
		Any Value	Over 500	Over 1,000	Over 2,000	Over 10,000	Injury	Fatality
At-Fault Incurred / Person - Damage	571	1,036	1,061	1,103	1,178	1,312	1,270	1,326
At-Fault Incurred / Person - Injury	541	1,072	1,119	1,144	1,407	1,526	2,032	3,247
At-Fault Incurred / Person - Liability	18	31	32	34	36	54	33	0
At-Fault Incurred / Person - Total	1,130	2,139	2,212	2,281	2,621	2,892	3,334	4,573
At-Fault Incurred / Earned Exposure - Damage	171	268	277	289	311	360	359	469
At-Fault Incurred / Earned Exposure - Injury	162	278	292	299	371	419	574	1,149
At-Fault Incurred / Earned Exposure - Liability	5	8	8	9	10	15	9	0
At-Fault Incurred / Earned Exposure - Total	339	554	578	597	692	793	942	1,618
At-Fault Incurred / Premium - Damage	18.70%	28.55%	29.51%	30.73%	32.96%	37.51%	38.00%	51.46%
At-Fault Incurred / Premium - Injury	17.71%	29.56%	31.12%	31.86%	39.39%	43.64%	60.81%	126.00%
At-Fault Incurred / Premium - Liability	0.59%	0.85%	0.90%	0.95%	1.01%	1.54%	0.97%	0.00%
At-Fault Incurred / Premium - Total	36.99%	58.96%	61.54%	63.54%	73.36%	82.69%	99.78%	177.46%
At-Fault Claims / Person	0.133	0.233	0.235	0.240	0.247	0.259	0.265	0.276
At-Fault Claims over 500 / Person	0.121	0.213	0.215	0.220	0.228	0.240	0.245	0.263
At-Fault Claims over 1,000 / Person	0.105	0.184	0.186	0.191	0.199	0.212	0.215	0.224
At-Fault Claims over 2,000 / Person	0.075	0.134	0.136	0.141	0.148	0.162	0.160	0.171
At-Fault Claims over 10,000 / Person	0.016	0.031	0.031	0.033	0.036	0.042	0.042	0.013

2009-2012 Experience - Relativities	All Drivers	One 2004-2008 At Fault Claim as Driver						
		Any Value	Over 500	Over 1,000	Over 2,000	Over 10,000	Injury	Fatality
At-Fault Incurred / Person - Damage	1.00	1.81	1.86	1.93	2.06	2.30	2.22	2.32
At-Fault Incurred / Person - Injury	1.00	1.98	2.07	2.12	2.60	2.82	3.76	6.00
At-Fault Incurred / Person - Liability	1.00	1.71	1.81	1.90	2.00	2.99	1.81	0.00
At-Fault Incurred / Person - Total	1.00	1.89	1.96	2.02	2.32	2.56	2.95	4.05
At-Fault Incurred / Earned Exposure - Damage	1.00	1.57	1.62	1.69	1.82	2.10	2.09	2.74
At-Fault Incurred / Earned Exposure - Injury	1.00	1.71	1.80	1.85	2.29	2.58	3.54	7.08
At-Fault Incurred / Earned Exposure - Liability	1.00	1.48	1.57	1.66	1.76	2.74	1.70	0.00
At-Fault Incurred / Earned Exposure - Total	1.00	1.64	1.70	1.76	2.04	2.34	2.78	4.78
At-Fault Incurred / Premium - Damage	1.00	1.53	1.58	1.64	1.76	2.01	2.03	2.75
At-Fault Incurred / Premium - Injury	1.00	1.67	1.76	1.80	2.22	2.46	3.43	7.12
At-Fault Incurred / Premium - Liability	1.00	1.44	1.53	1.62	1.71	2.61	1.65	0.00
At-Fault Incurred / Premium - Total	1.00	1.59	1.66	1.72	1.98	2.24	2.70	4.80
At-Fault Claims / Person	1.00	1.75	1.76	1.80	1.85	1.94	1.99	2.07
At-Fault Claims over 500 / Person	1.00	1.75	1.77	1.81	1.88	1.98	2.02	2.17
At-Fault Claims over 1,000 / Person	1.00	1.75	1.78	1.83	1.90	2.03	2.05	2.14
At-Fault Claims over 2,000 / Person	1.00	1.78	1.81	1.88	1.98	2.17	2.13	2.28
At-Fault Claims over 10,000 / Person	1.00	1.88	1.93	2.02	2.19	2.56	2.58	0.81
Selected	1.00	1.80	1.85	1.90	2.00	2.25	2.25	2.50

For example, all drivers in the SDR program incurred an average of \$1,130 per person in total at-fault claims over the 2009-2012 period on an average 0.133 at-fault claims per person. Drivers who had an at-fault claim in 2004-2008 incurred an average of \$2,139



per person in total at-fault claims over the 2009-2012 period on an average 0.233 at-fault claims per person.

The results clearly show that individuals who have had past severe claims are expected to have more at-fault claims in the future and more severe at-fault claims in the future. The total at-fault incurred per person grows from \$2,139 for those who had any at fault claim in the past to \$2,892 for those who had an at-fault claim of over \$10,000 in the past. Similarly, the number of at-fault claims per person over \$10,000 for an individual who had any at-fault claim in the past is 0.031, while the number of at-fault claims per person over \$10,000 for those who had an at-fault claim over \$10,000 in the past is 0.042.

From the relativities, we can see that having claims in the past, especially severe claims, increases the likelihood of being at fault for an injury in the future even more than the likelihood of being at fault for a damage claim in the future. Although there is more volatility in the injury claims, they are still larger from a statistically significant perspective when compared to the “All Drivers” column, though not when compared to the “Any Value” claim column. The damage increase in each severity column is larger from a statistically significant perspective than in the column preceding it.

Individuals who were at fault for a claim that involved an injury in the past seemed to have similar experience to those that had an at-fault claim over \$10,000 in the past. This is potentially due to the fact that claims costing more than \$10,000 will generally involve one or more injuries. Individuals with past claims involving a fatality seem to have even worse future experience; however there is not enough experience available for this group to be statistically significant. We can only conclude that individuals who have been at fault for a fatality probably have worse future experience than those who were at fault for an injury.

The future claims experience of those who had past severe claims isn't much worse than those who have had any past claim. If the at-fault claim penalty stays at six demerit points, then it would only make sense to increase that to seven or eight demerit points for events where there was at least \$10,000 in incurred losses or where an injury or fatality occurred.

\$305 Threshold

Since 2002, at-fault claims where the Auto Fund pays out less than \$305 have not resulted in demerit points for the driver in the SDR. However, this threshold has not



been indexed for inflation since its inception. Had it been indexed over time, it would currently be \$429 in 2014.

To see whether it makes sense to continue with a threshold for at-fault claims, the predictability for individuals with claims of less than \$500 was studied. Similar to the table in the previous section, individuals with an at-fault claim less than \$500 in 2004-2008 had their future 2009-2012 claims experience compared to the 2009-2012 claims experience of all drivers in the SDR program.

2009-2012 Experience	All Drivers	At-Fault Claim < 500	Relativity
At-Fault Incurred / Person - Damage	571	1,133	1.98
At-Fault Incurred / Person - Injury	541	618	1.14
At-Fault Incurred / Person - Liability	18	34	1.87
At-Fault Incurred / Person - Total	1,130	1,784	1.58
At-Fault Incurred / Earned Exposure - Damage	171	289	1.69
At-Fault Incurred / Earned Exposure - Injury	162	158	0.97
At-Fault Incurred / Earned Exposure - Liability	5	9	1.59
At-Fault Incurred / Earned Exposure - Total	339	456	1.35
At-Fault Incurred / Premium - Damage	18.70%	29.97%	1.60
At-Fault Incurred / Premium - Injury	17.71%	16.36%	0.92
At-Fault Incurred / Premium - Liability	0.59%	0.89%	1.51
At-Fault Incurred / Premium - Total	36.99%	47.22%	1.28
At-Fault Claims / Person	0.133	0.283	2.12
At-Fault Claims over 500 / Person	0.121	0.250	2.06
At-Fault Claims over 1,000 / Person	0.105	0.213	2.04
At-Fault Claims over 2,000 / Person	0.075	0.151	2.02
At-Fault Claims over 10,000 / Person	0.016	0.034	2.07

The increase in damage is statistically significant, but the differences in injury and liability are not. From the results, we can conclude that individuals who have at-fault claims costing less than \$500 do tend to be involved in more claims in the future, but that those claims tend not to cause injuries.

The results indicate that it makes sense for there to be lower penalty points assigned to claims of less than \$500, but points should still be charged. If the demerits for an at-fault claim remain at six, then it would make sense for claims under \$500 to have three or four demerit points.



The data available do not permit analysis by the specific circumstances of the accident. It could make sense to continue to provide exemptions from SDR demerit points for very specific accident circumstances, such as damaging a car by striking it with a car door.

Speeding Tickets

The current SDR model does not impose penalty points for regular speeding tickets. Only convictions for speeding in school zones, in work zones, or excessive speeding are currently included in the program.

Drivers with one or more speeding tickets from 2004-2008 were grouped and their 2009-2012 claims experience was studied:

2009-2012 Claims Experience - Average	All Drivers	2004-2008 Speeding Tickets			2004-2008 One Speeding Ticket		
		1	2-4	5+	Over 25kph	Over 35kph	Over 50kph
At-Fault Incurred / Person - Damage	571	945	1,372	2,088	1,201	1,533	1,762
At-Fault Incurred / Person - Injury	541	851	1,692	1,489	1,288	2,475	3,668
At-Fault Incurred / Person - Liability	18	25	56	117	45	67	60
At-Fault Incurred / Person - Total	1,130	1,821	3,120	3,695	2,534	4,075	5,490
At-Fault Incurred / Earned Exposure - Damage	171	222	322	484	282	360	414
At-Fault Incurred / Earned Exposure - Injury	162	200	397	345	303	582	862
At-Fault Incurred / Earned Exposure - Liability	5	6	13	27	11	16	14
At-Fault Incurred / Earned Exposure - Total	339	428	732	857	596	958	1,290
At-Fault Incurred / Premium - Damage	18.70%	23.38%	33.06%	48.34%	29.71%	37.91%	43.56%
At-Fault Incurred / Premium - Injury	17.71%	21.04%	40.76%	34.47%	31.84%	61.21%	90.72%
At-Fault Incurred / Premium - Liability	0.59%	0.62%	1.36%	2.72%	1.12%	1.65%	1.48%
At-Fault Incurred / Premium - Total	36.99%	45.03%	75.17%	85.52%	62.67%	100.77%	135.76%
At-Fault Claims / Person	0.133	0.213	0.283	0.357	0.251	0.281	0.310
At-Fault Claims over 500 / Person	0.121	0.194	0.263	0.339	0.231	0.260	0.289
At-Fault Claims over 1,000 / Person	0.105	0.169	0.233	0.307	0.203	0.231	0.261
At-Fault Claims over 2,000 / Person	0.075	0.124	0.176	0.245	0.153	0.180	0.208
At-Fault Claims over 10,000 / Person	0.016	0.027	0.042	0.070	0.036	0.048	0.067

2009-2012 Claims Experience - Relativities	All Drivers	2004-2008 Speeding Tickets			2004-2008 One Speeding Ticket		
		1	2-4	5+	Over 25kph	Over 35kph	Over 50kph
At-Fault Incurred / Person - Damage	1.00	1.66	2.40	3.66	2.10	2.69	3.09
At-Fault Incurred / Person - Injury	1.00	1.57	3.13	2.75	2.38	4.58	6.78
At-Fault Incurred / Person - Liability	1.00	1.39	3.14	6.53	2.52	3.72	3.32
At-Fault Incurred / Person - Total	1.00	1.61	2.76	3.27	2.24	3.61	4.86
At-Fault Incurred / Earned Exposure - Damage	1.00	1.30	1.88	2.83	1.65	2.10	2.42
At-Fault Incurred / Earned Exposure - Injury	1.00	1.23	2.45	2.13	1.87	3.59	5.32
At-Fault Incurred / Earned Exposure - Liability	1.00	1.09	2.45	5.05	1.98	2.91	2.60
At-Fault Incurred / Earned Exposure - Total	1.00	1.26	2.16	2.53	1.76	2.83	3.81
At-Fault Incurred / Premium - Damage	1.00	1.25	1.77	2.59	1.59	2.03	2.33
At-Fault Incurred / Premium - Injury	1.00	1.19	2.30	1.95	1.80	3.46	5.12
At-Fault Incurred / Premium - Liability	1.00	1.05	2.31	4.61	1.90	2.81	2.51
At-Fault Incurred / Premium - Total	1.00	1.22	2.03	2.31	1.69	2.72	3.67
At-Fault Claims / Person	1.00	1.60	2.12	2.67	1.88	2.11	2.32
At-Fault Claims over 500 / Person	1.00	1.60	2.17	2.79	1.91	2.14	2.38
At-Fault Claims over 1,000 / Person	1.00	1.61	2.23	2.94	1.94	2.21	2.50
At-Fault Claims over 2,000 / Person	1.00	1.65	2.35	3.27	2.04	2.40	2.77
At-Fault Claims over 10,000 / Person	1.00	1.67	2.56	4.32	2.22	2.94	4.12

The results are dramatic. Even just one speeding ticket reveals the future high risk of claims for the driver. There are enough data to have a high level of comfort with the



results for those drivers with up to four speeding tickets; virtually all results for these columns are statistically significant.

Less data are available for individuals with instances of speeding of 25, 35 or 50 km/h over the speed limit; however, it's clear that drivers with these convictions have decidedly worse future claims experience than drivers who receive lower speeding tickets. In fact, drivers with one ticket for speeding more than 35 km/h over the speed limit seem to have around the same future claims experience as drivers with five or more speeding tickets.

It's clear that speeding tickets should definitely count against a driver's record, and that the penalty for high levels of speeding should be even higher. This decision must be approached with caution, however. Recently, ICBC attempted to modify their driver record program to penalize drivers for their first speeding ticket and public reaction forced them to revisit the entire proposal. It might be more palatable to impose SDR penalties for the second or third speeding ticket in a span of five years, or for higher speeds. Having said that, however, MPI does currently apply two demerit points for each speeding ticket and there has been no uproar in Manitoba.

Summary Offence Tickets

There is a long list of Summary Offence Tickets currently included in the program; some impose penalty points of -3 per infraction, and others impose -4. As with other features of the SDR program, there is no record of analysis behind the determination of the penalty points for each infraction.

Unfortunately, we do not have enough data on many of the convictions to draw meaningful conclusions about the predictability they have on future claims. The following five infractions have enough data to report in the same level of detail as the analyses above. As before, individuals with one of each of these infractions in 2004-2008 were grouped and their 2009-2012 claims experience is compared to all drivers.



2009-2012 Claims Experience - Average	All Drivers	One At-Fault Claim	Driver Fail to Wear SB	Proceed Contrary to Sign	Fail to Stop	Without Due Care	Disobey Red Light
At-Fault Incurred / Person - Damage	571	1,036	1,131	1,447	1,150	1,473	1,328
At-Fault Incurred / Person - Injury	541	1,072	1,177	1,977	1,068	4,820	1,457
At-Fault Incurred / Person - Liability	18	31	42	120	53	107	10
At-Fault Incurred / Person - Total	1,130	2,139	2,350	3,544	2,271	6,400	2,796
At-Fault Incurred / Earned Exposure - Damage	171	268	266	383	294	436	370
At-Fault Incurred / Earned Exposure - Injury	162	278	277	524	273	1,426	406
At-Fault Incurred / Earned Exposure - Liability	5	8	10	32	13	32	3
At-Fault Incurred / Earned Exposure - Total	339	554	553	939	580	1,893	779
At-Fault Incurred / Premium - Damage	18.70%	28.55%	30.19%	40.21%	31.36%	47.04%	39.28%
At-Fault Incurred / Premium - Injury	17.71%	29.56%	31.41%	54.94%	29.14%	153.92%	43.09%
At-Fault Incurred / Premium - Liability	0.59%	0.85%	1.12%	3.33%	1.44%	3.42%	0.30%
At-Fault Incurred / Premium - Total	36.99%	58.96%	62.71%	98.47%	61.94%	204.39%	82.67%
At-Fault Claims / Person	0.133	0.233	0.231	0.283	0.239	0.276	0.275
At-Fault Claims over 500 / Person	0.121	0.213	0.216	0.260	0.222	0.261	0.256
At-Fault Claims over 1,000 / Person	0.105	0.184	0.193	0.232	0.196	0.233	0.224
At-Fault Claims over 2,000 / Person	0.075	0.134	0.146	0.178	0.146	0.183	0.166
At-Fault Claims over 10,000 / Person	0.016	0.031	0.034	0.046	0.035	0.046	0.042

Other infractions have enough data to evaluate their predictive effect on frequency, but not on severity. Please note that the format of this table has changed to list the various infractions in the rows as opposed to columns and higher severity claims experience is excluded for some infractions due to lack of data.

2009-2012 Claims Experience - Average	At-Fault Claims per Person			
	Any Claim	Over 500	Over 1,000	Over 2,000
All Drivers	0.133	0.121	0.105	0.075
One At-Fault Claim	0.233	0.213	0.184	0.134
Exceeding 60kph When Passing	0.207	0.185	0.163	0.121
Exceeding Reasonable Speed	0.288	0.271	0.246	0.193
Speeding in School Zone	0.275	0.255	0.218	0.161
Turn Left Across Traffic	0.265	0.247	0.212	0.159
Fail to Yield	0.253	0.235	0.210	0.159
Disobey Amber Light	0.247	0.232	0.202	0.157
Unrestrained Passenger	0.231	0.213	0.186	0.131
Driving While Suspended	0.239	0.218	0.197	0.153
Stunting	0.299	0.281	0.259	0.219
Fail to Report Accident	0.287	0.263	0.237	0.187
Fail to Yield to Driver on the Right	0.256			
Insufficient or No Signal	0.318			
Fail to Yield to Pedestrian/Crosswalk	0.255			
Disobey Traffic Control Device	0.177			
Drive Left of Median	0.240			



Some of the convictions were grouped for the analysis:

- Proceed Contrary to Sign includes improper turn, u-turn at traffic lights, proceed contrary to signage and illegal u-turn.
- Exceeding 60kph When Passing includes when the driver exceeded 60 km/h when passing a highway worker, emergency vehicle or tow truck.
- Driving While Suspended includes when the driver was suspended for 24 hours or if he/she was unauthorized to drive due to a longer suspension or cancelled licence.
- Drive Left of Median includes driving left of centre and crossing solid line infractions.

These results seem to indicate that all convictions are generally at least as predictive as an at-fault claim in determining a driver's future claims experience (except for Disobey Traffic Control Device and Exceeding 60kph When Passing). However, these results are likely complicated by the fact that many of the convictions occur for events that also led to an at-fault accident, and it may be the occurrence of the at-fault claim that drives the expected higher future claims.

The results do hint towards which infractions are the most dangerous though. As can be seen above, the worst infractions include:

- Proceed Contrary to Sign
- Driving Without Due Care and Consideration
- Disobey Red Light
- Exceeding Reasonable Speed
- Speeding in a School Zone
- Stunting
- Insufficient or No Signal

Fail to report accident is excluded from this list as it is definitely accompanied by an at-fault claim.



Indicated SDR Scale

Actuarially Predictive Model

The review of the Auto Fund’s SDR program, as currently planned, is not expected to have major sweeping changes. However, this section will briefly cover how an individual’s rates would ideally be modified for their past driving history.

The ideal actuarially predictive model would study the driver’s past history of claims, tickets and infractions and fit a generalized linear model (GLM) to all predictive variables. This GLM would produce a single score for the driver given all the past incidents and their recency. Each score would have an associated relativity which would be applied to their rate (acting like a discount or surcharge). The driving record could also be studied in conjunction with other rating variables, such as the vehicle driven and other predictive characteristics of the insured.

It is important, however, that the Auto Fund’s individualized rating system be understandable to the general public. The model described in this section would be complex and customers would not easily see how incidents or years of safe driving affect their rates.

Another important feature of this actuarially predictive model is to require declaration of all individuals who will be regularly operating the vehicle being insured. As described in the section on registrants and drivers, this is an important feature in competitive jurisdictions as well as in BC.

Scale Upper Bound

In the Auto Fund’s history, the top of the scale has grown by one point each year to a current maximum SDR rating of 19 in 2014. The scale has continued to grow so that customers who have not had any at-fault claims or convictions since 1995 have not yet hit a ceiling. Whether or not the scale should continue to grow should be determined by the relative experience of individuals who have been at the top of the scale in the past. The following table shows the average future claims experience for drivers who were at the maximum SDR rating in each historical year.



Following Year Experience	Maximum SDR Rating In Year						
	2004	2005	2006	2007	2008	2009	2010
At-Fault Incurred / Person - Damage	77	76	81	77	83	81	82
At-Fault Incurred / Person - Injury	66	49	96	69	58	92	68
At-Fault Incurred / Person - Liability	4	1	2	1	1	1	2
At-Fault Incurred / Person - Total	147	127	178	148	142	174	152
At-Fault Incurred / Earned Exposure - Damage	102	100	104	99	106	106	109
At-Fault Incurred / Earned Exposure - Injury	88	64	124	88	75	119	91
At-Fault Incurred / Earned Exposure - Liability	5	2	3	2	2	1	2
At-Fault Incurred / Earned Exposure - Total	195	166	230	189	182	226	203
At-Fault Incurred / Premium - Damage	13.65%	12.74%	13.23%	12.51%	12.82%	11.93%	11.79%
At-Fault Incurred / Premium - Injury	11.79%	8.12%	15.74%	11.19%	8.99%	13.47%	9.82%
At-Fault Incurred / Premium - Liability	0.72%	0.25%	0.35%	0.24%	0.21%	0.12%	0.25%
At-Fault Incurred / Premium - Total	26.16%	21.11%	29.32%	23.94%	22.03%	25.53%	21.85%
At-Fault Claims / Person	0.023	0.022	0.023	0.023	0.023	0.022	0.021
At-Fault Claims over 500 / Person	0.020	0.019	0.020	0.020	0.020	0.020	0.019
At-Fault Claims over 1,000 / Person	0.016	0.016	0.016	0.016	0.017	0.016	0.016
At-Fault Claims over 2,000 / Person	0.010	0.010	0.010	0.010	0.011	0.011	0.011
At-Fault Claims over 10,000 / Person	0.002	0.002	0.002	0.002	0.002	0.002	0.002

For example, customers who had the maximum possible SDR rating of 14 at the end of 2009 were at fault for an average of \$174 of incurred claims per person and 0.022 at fault claims per person in 2010. The results from 2011 have been excluded as the single-year claims are too immature to compare to prior years. There is no development in the above numbers.

Looking across the at-fault incurred per person, at-fault incurred per earned exposure, at-fault incurred per dollar of premium, and number of at-fault claims per person in the table, we see that the results are relatively constant. The injury results are somewhat volatile, as is to be expected since one or two large claims can have a swing on the group. Overall, the trend is flat. This implies that there is no additional future claims reduction expected for a customer who has been claims free for 15 years as opposed to a customer who has been claims free for 10 years. They are both very safe drivers.

As a result, the conclusion is that the top of the scale should not be significantly increased from its current level, and in fact could be rolled back to 15. It should not be rolled back as far as 10 until more data is collected for future analysis of individuals with more than 20 years of driving history. It will be informative at that time to compare the experience of safer drivers who have one at-fault claim to those of newer drivers in the 10-15 range who have never had an at-fault claim or conviction to see if there is any difference in future claims experience.

As an additional note, MPI revised its Driver Safety Rating program a few years ago, and the merits for safe driving have a limit of +15.



Scale Maximum Discount

The current maximum discount is available to all drivers in the SDR program who have a rating of +10 or better. The maximum discount available in the program should depend on the performance of the best drivers relative to the average drivers, with consideration given to the overall performance of drivers in the SDR program and the base rates.

In order to analyse the performance of the best drivers in the SDR program, drivers were grouped according to their SDR rating at the end of 2008, and the 2009-2012 claims experience for those drivers was summarized:

2009-2012 Claims Experience	All Drivers	SDR Rating In 2008			Relative to All Drivers		
		0 to 4	5 to 9	10+	0 to 4	5 to 9	10+
At-Fault Incurred / Person - Damage	571	917	599	305	1.61	1.05	0.53
At-Fault Incurred / Person - Injury	541	736	533	246	1.36	0.99	0.45
At-Fault Incurred / Person - Liability	18	29	23	6	1.62	1.28	0.34
At-Fault Incurred / Person - Total	1,130	1,682	1,154	557	1.49	1.02	0.49
At-Fault Incurred / Earned Exposure - Damage	171	259	168	96	1.51	0.98	0.56
At-Fault Incurred / Earned Exposure - Injury	162	208	150	78	1.28	0.92	0.48
At-Fault Incurred / Earned Exposure - Liability	5	8	6	2	1.53	1.20	0.36
At-Fault Incurred / Earned Exposure - Total	339	475	324	176	1.40	0.96	0.52
At-Fault Incurred / Premium - Damage	18.70%	27.83%	18.16%	10.71%	1.49	0.97	0.57
At-Fault Incurred / Premium - Injury	17.71%	22.34%	16.16%	8.61%	1.26	0.91	0.49
At-Fault Incurred / Premium - Liability	0.59%	0.88%	0.70%	0.22%	1.50	1.18	0.37
At-Fault Incurred / Premium - Total	36.99%	51.05%	35.02%	19.53%	1.38	0.95	0.53
At-Fault Claims / Person	0.133	0.207	0.146	0.079	1.55	1.09	0.59
At-Fault Claims over 500 / Person	0.121	0.190	0.132	0.071	1.56	1.09	0.58
At-Fault Claims over 1,000 / Person	0.105	0.165	0.113	0.060	1.58	1.08	0.57
At-Fault Claims over 2,000 / Person	0.075	0.120	0.080	0.041	1.60	1.07	0.55
At-Fault Claims over 10,000 / Person	0.016	0.027	0.016	0.008	1.64	1.00	0.50

Relative to the average of all drivers in the SDR program, the drivers who had SDR ratings of at least 10 in 2008 (i.e. drivers without at-fault claims or -4 convictions) experienced only half as many claims. Assuming that any difference between SDR drivers and all Auto Fund drivers is handled through adjustments to the SDR base rate, these results mean that the best SDR customers should qualify for a 50% discount. This is also consistent with the analysis on the Business Recognition program which concluded that the best customers in that program should also qualify for as much as a 50% discount.

Another interesting result from the above table is that the future performance of drivers who had SDR ratings of five to nine in 2008 was on par with the overall average of all drivers in the SDR program, implying that they should not receive any discount at all. However, drivers in this category would qualify for a discount of 10% to 18%. Due to the nature of the program, there will be a mix of individuals in the five to nine range, but we



can expect that it would be largely dominated by individuals who had only one at-fault claim in their 1995-2008 claims history (+12 or +13 from clear years and -6 from the claim). The specific future experience of individuals who had full 1995-2008 driving experience and had only one at-fault claim and no convictions was also evaluated, and it was very close to the “5 to 9” column above. In fact, those individuals had an even greater likelihood of future at-fault claims than the full group of drivers with SDR records from five to nine.

The comparison highlights how inappropriate it would be to introduce a snap-back to the top of the scale for good drivers who have one at-fault claim. Drivers who have had only one at-fault claim and no convictions in the most recent 13 years are not only worse than their accident-free cohorts, they are actually slightly worse than the average of all drivers in the SDR system. There are just too many great drivers who have never had an at-fault claim and have such a small risk of having one in the future. Additionally, this is evidence against having the “platinum zone” that provides accident forgiveness for previously flawless drivers who have one at-fault claim. In the future, this analysis should be revisited for customers with more than 15 years of safe driving who then experience one at-fault claim to see if the results are the same.

Finally, individuals in the “0 to 4” category would need to be surcharged as much as 50% to account for how bad their loss experience is when compared to the average SDR driver. Caution needs to be applied to interpreting this result. Several types of customers fall into the “0 to 4” range, including new drivers, drivers with only two at-fault claims in the 1995-2008, and drivers who have had many at-fault claims and convictions but who have recently managed to snap back to 0. Although all drivers in the range are worse than average and likely should be surcharged, the surcharge of 50% is potentially excessive for new drivers and drivers who have not recently snapped back to 0.

Scale Lower Bound

The current SDR scale has no lower bound. Customers with many SDR events could have negative ratings of -50, -100, or more. To know whether or not there should be a limit to the scale, the future claims experience of individuals with various negative ratings were studied.



2009-2012 Claims Experience	All Drivers	SDR Rating In 2008					
		Under -50	-50 to -21	-20 to -16	-15 to -11	-10 to -4	-5 to -1
At-Fault Incurred / Person - Damage	571	1,667	1,651	1,104	1,733	1,520	1,274
At-Fault Incurred / Person - Injury	541	805	2,950	1,123	2,167	1,540	1,983
At-Fault Incurred / Person - Liability	18	0	101	59	40	59	36
At-Fault Incurred / Person - Total	1,130	2,473	4,702	2,287	3,940	3,119	3,293
At-Fault Incurred / Earned Exposure - Damage	171	925	663	434	510	431	347
At-Fault Incurred / Earned Exposure - Injury	162	447	1,185	442	638	436	540
At-Fault Incurred / Earned Exposure - Liability	5	0	40	23	12	17	10
At-Fault Incurred / Earned Exposure - Total	339	1,372	1,889	899	1,161	883	897
At-Fault Incurred / Premium - Damage	18.70%	102.82%	70.92%	47.25%	53.79%	45.73%	36.95%
At-Fault Incurred / Premium - Injury	17.71%	49.66%	126.71%	48.05%	67.26%	46.31%	57.52%
At-Fault Incurred / Premium - Liability	0.59%	0.00%	4.32%	2.54%	1.24%	1.76%	1.06%
At-Fault Incurred / Premium - Total	36.99%	152.49%	201.96%	97.84%	122.29%	93.81%	95.53%
At-Fault Claims / Person	0.133	0.283	0.300	0.217	0.330	0.301	0.267
At-Fault Claims over 500 / Person	0.121	0.258	0.280	0.202	0.308	0.281	0.249
At-Fault Claims over 1,000 / Person	0.105	0.230	0.251	0.182	0.276	0.250	0.217
At-Fault Claims over 2,000 / Person	0.075	0.189	0.200	0.139	0.217	0.190	0.160
At-Fault Claims over 10,000 / Person	0.016	0.062	0.057	0.037	0.059	0.049	0.039

Drivers were segregated based on their SDR rating at the end of 2008 and each group’s future loss experience from 2009-2012 was measured. The “All Drivers” column repeats the 2009-2012 experience of all SDR drivers as a comparison.

The claims experience is noticeably volatile, especially for injury claims. The pattern in future damage claims, which grows in the “-15 to -11” column, declines in the “-20 to -16” column, and then grows again in the “-50 to -21” column is statistically significant. This is an odd result, as it would be expected that it would be a linear relationship that as an individual’s SDR rating gets lower, their future loss experience gets worse. This could be explained by how criminal code convictions currently change a person’s rating to -20. Those individuals may not have been bad drivers until that event, and they may have changed their ways following the event. Alternatively, other sanctions may have kept them from driving in the years following the event.

Similarly, the “Under -50” group doesn’t have as bad 2009-2012 claims experience as would be expected. Again, this may be the result of suspensions or other consequences preventing them from driving for the entire future period. There are also not many individuals in this category (about 1,000), which makes the result less than statistically significant.

Even though the future injury claims are high for the “-50 to -21” group, the difference is not close to statistically significant when compared to the “-15 to -11” group; the claims data are just too volatile. Because the data for those below SDR ratings of -15 do not indicate that the rating is predictive of even worse experience than those of SDR ratings



from the “-15 to -11” group, then it would make sense to have a lower limit on the SDR ratings. The volatility of the data and complications around the individuals with ratings of “-20 to -16” make selecting this level difficult. It would make sense to set an SDR rating floor at -20, -25, or -30 and re-evaluate this level in a few years as other changes to the program recommended in this paper may influence the ratings of these least safe drivers.

For reference, the MPI scale currently has a floor on their Driver Safety Rating of -20.

Scale Maximum Surcharge

From the table in the previous section, the future total at-fault incurred per person for the worst drivers ranges from 200% to 400% of the future total at-fault incurred per person for all drivers. The number of at-fault claims per person for the worst drivers ranges from 160% to 250% of that of all drivers, while the number of at-fault claims over 2,000 ranges from 180% to 400%. Overall, the experience for these drivers is likely to be over 300% of all drivers, which corresponds to a required surcharge of more than 200%.

Snap-Back

The current SDR scale provides any driver in the penalty zone the opportunity to return to the SDR level of 0 in three years. No matter how negative the driver’s current rating, if he or she experiences three clear years without any convictions or at-fault claims then he or she is rewarded with this “snap-back” effect.

But do these three years of safe driving mean that the driver is really a better risk? To explore this question, the 2009-2012 claims experience of drivers who have had a snap-back is compared to the claims experience of drivers with various SDR ratings.



2009-2012 Claims Experience	All Drivers	Snap-Back in 2008	SDR Rating In 2008		
			-10 to -4	-5 to -1	0 to 4
At-Fault Incurred / Person - Damage	571	1,226	1,520	1,274	917
At-Fault Incurred / Person - Injury	541	1,217	1,540	1,983	736
At-Fault Incurred / Person - Liability	18	70	59	36	29
At-Fault Incurred / Person - Total	1,130	2,512	3,119	3,293	1,682
At-Fault Incurred / Earned Exposure - Damage	171	373	431	347	259
At-Fault Incurred / Earned Exposure - Injury	162	371	436	540	208
At-Fault Incurred / Earned Exposure - Liability	5	21	17	10	8
At-Fault Incurred / Earned Exposure - Total	339	765	883	897	475
At-Fault Incurred / Premium - Damage	18.70%	39.77%	45.73%	36.95%	27.83%
At-Fault Incurred / Premium - Injury	17.71%	39.48%	46.31%	57.52%	22.34%
At-Fault Incurred / Premium - Liability	0.59%	2.26%	1.76%	1.06%	0.88%
At-Fault Incurred / Premium - Total	36.99%	81.51%	93.81%	95.53%	51.05%
At-Fault Claims / Person	0.133	0.254	0.301	0.267	0.207
At-Fault Claims over 500 / Person	0.121	0.236	0.281	0.249	0.190
At-Fault Claims over 1,000 / Person	0.105	0.209	0.250	0.217	0.165
At-Fault Claims over 2,000 / Person	0.075	0.156	0.190	0.160	0.120
At-Fault Claims over 10,000 / Person	0.016	0.040	0.049	0.039	0.027

It is immediately clear that even after three clear years, a driver who has had a snap-back is still significantly worse than the average driver in the SDR program. The snapped-back driver causes about twice as many claims and incurred losses compared to this baseline.

Comparing these drivers who have had snap-backs to drivers in the SDR program with various SDR ratings, we can see that their number of at-fault claims, severity of at-fault claims, and damage incurred losses are on par with customers with SDR ratings from “-5 to -1”. The drivers who had the snap-back tend to have less injury incurred losses than this other group, though. Comparing the drivers with snap-backs to the drivers with SDR ratings from “0 to 4” (which is where the snap-back drivers actually get categorized), we can see that they definitely do not belong in that category. Despite the three clear years, they continue to have decidedly worse future claims experience than other drivers in the “0 to 4”.

Overall, the snap-back feature hinders the predictability of the model. It doesn’t make sense to have such generous forgiveness for a driver who potentially had severe convictions or numerous at-fault claims in the past. However, since these drivers do show better claims experience than many of their negatively-rated counterparts, a system of accelerated gradual steps back toward the positive end of the scale could make sense. MPI has a program such as this, and a similar one is proposed in the “Indicated Adjustments” section.



SDR Event Steps

In order to keep the scale simple and understandable, it is a good idea to keep the positive impact of a safe year of driving as a +1 movement on the scale. Drivers can use these positive steps to clearly see how their safe driving is rewarded by larger discounts or smaller penalties.

The negative steps for at-fault claims and convictions should ideally be scaled to result in a balanced program where an average driver will expect to be around the neutral position in the long term. In this case, that would unfortunately mean a large increase to the demerit points for at-fault claims and convictions. In 2012, the average SDR driver received less than 0.4 penalty points, and moved up 0.95 steps in the scale due to clear years. The net positive difference of 0.55 between those numbers reflects how much the average driver is expected to move up the scale each year, and thus receive a larger discount.

This is also reflected in the growing gap between annual SDR discounts and annual SDR malus on the statement of operations. From 2008 to 2013, the SDR discounts grew from under \$70 million to over \$105 million. Over that same period, the financial penalties grew from \$10.4 million to only \$12.2 million.

Given all of the above information, the penalties for negative events could be as much as doubled, with at-fault claims causing 12 demerit points and convictions of 6 or 8 demerit points. The scale may still not even be quite balanced with this dramatic of a change.

Penalty Zone Consequences

The table from the “Scale Lower Bound” section is repeated here for convenience.



2009-2012 Claims Experience	All Drivers	SDR Rating In 2008					
		Under -50	-50 to -21	-20 to -16	-15 to -11	-10 to -4	-5 to -1
At-Fault Incurred / Person - Damage	571	1,667	1,651	1,104	1,733	1,520	1,274
At-Fault Incurred / Person - Injury	541	805	2,950	1,123	2,167	1,540	1,983
At-Fault Incurred / Person - Liability	18	0	101	59	40	59	36
At-Fault Incurred / Person - Total	1,130	2,473	4,702	2,287	3,940	3,119	3,293
At-Fault Incurred / Earned Exposure - Damage	171	925	663	434	510	431	347
At-Fault Incurred / Earned Exposure - Injury	162	447	1,185	442	638	436	540
At-Fault Incurred / Earned Exposure - Liability	5	0	40	23	12	17	10
At-Fault Incurred / Earned Exposure - Total	339	1,372	1,889	899	1,161	883	897
At-Fault Incurred / Premium - Damage	18.70%	102.82%	70.92%	47.25%	53.79%	45.73%	36.95%
At-Fault Incurred / Premium - Injury	17.71%	49.66%	126.71%	48.05%	67.26%	46.31%	57.52%
At-Fault Incurred / Premium - Liability	0.59%	0.00%	4.32%	2.54%	1.24%	1.76%	1.06%
At-Fault Incurred / Premium - Total	36.99%	152.49%	201.96%	97.84%	122.29%	93.81%	95.53%
At-Fault Claims / Person	0.133	0.283	0.300	0.217	0.330	0.301	0.267
At-Fault Claims over 500 / Person	0.121	0.258	0.280	0.202	0.308	0.281	0.249
At-Fault Claims over 1,000 / Person	0.105	0.230	0.251	0.182	0.276	0.250	0.217
At-Fault Claims over 2,000 / Person	0.075	0.189	0.200	0.139	0.217	0.190	0.160
At-Fault Claims over 10,000 / Person	0.016	0.062	0.057	0.037	0.059	0.049	0.039

From this table, we can see that drivers in the “-5 to -1” category have twice the at-fault claims frequency as the average of all drivers, and more than double the severity. Overall, it appears that they would require a surcharge of approximately 125%. This would scale upward to the maximum surcharge from the “Scale Maximum Surcharge” section of at least 200%.

So long as the system does not effectively require the drivers of the vehicles to be the ones to register, or at least to be declared as the drivers at the time of registration, the Auto Fund will have to continue to charge a fixed dollar amount to the driver instead of a percentage surcharge on the registration of the vehicle. However, the current process of sending an invoice to the driver at the time of an at-fault accident or conviction does not fairly charge them for their risk. Several years may go by where an unsafe driver has no incidents, and then a year may occur when he or she has multiple infractions. It doesn’t make sense to penalize the driver repeatedly in that one year and not at all in the other years. The long-term risk of the driver remained the same, and billing them at that time is like kicking them when they’re down. It loses effectiveness as a disincentive.

A better alternative would be to annually charge all drivers who are in the penalty zone a fee at the time of licensing that corresponds to their position in the penalty zone. This is how MPI charges penalties to drivers in their penalty zone. Their scale begins at a \$100 penalty for drivers at -1 and grows to \$2,500 for drivers at -20. That penalty goes down fast if drivers have clear years, though. Each clear year for drivers in their penalty zone provides more than a +1 step toward the positive zone.



The indicated penalties for the Auto Fund would start at over \$1,000 for drivers at -1 and would grow to over \$2,000 for drivers at the bottom of the scale. Note that it starts high at -1 because the indicated surcharges and discounts would also surcharge drivers whose rating is up to position four on the positive side of the scale.

Indicated Adjustments

There are a number of adjustments that could be made to improve the fairness and actuarial soundness of the SDR program. The changes that are considered to be important to make and also could be publicly accepted include:

- Replacing the current \$305 SDR claims threshold that provides no demerit points for smaller claims with a new \$500 threshold, indexed to increase in the future, with three or four associated demerit points.
- Establishing a ceiling to the top of the scale at 15 or 20. If it is 15, then a transitional plan would be needed to move people to the new positions.
- Increasing the maximum discount, especially for drivers who have never had an at-fault accident or conviction, to as much as 50%. Caution is required here, because increasing the discount for everyone on the positive side of the scale without addressing the issue of average or below-average drivers trending upward on the scale will instead reduce the fairness of the system.
- Establishing a floor to the bottom of the scale at around -20 to -30. Again, a transitional plan would be needed to move people from their current negative positions to the new negative side of the scale.
- Introducing demerit points for drivers who accumulate multiple speeding tickets.
- Replacing the current snap-back mechanism with a series of larger clear-year steps for drivers in the penalty zone. For example, drivers who are between -6 and -2 could be rewarded with +2 steps per clear year, drivers from -12 to -7 could get +3 steps per clear year, drivers from -16 to -13 could get +4 steps per clear year, and drivers lower than -16 could get +5 steps per clear year.
- Instead of invoicing the driver for a financial penalty at the time of each negative SDR event if they are in the negative zone, charge these drivers the penalty annually for their licence.



- Increase the penalties from the current \$25 - \$500 range to a range similar to the one used by MPI (\$100 - \$2,500).

Other changes indicated in this paper, but are more difficult to implement include:

- Requiring some sort of tie between the registration of a vehicle and the person who will be driving it. For example, a declared driver system as used in ICBC, or a system that matches all vehicles registered in a household to the drivers in that household as used in some competitive jurisdictions.
- Increasing the demerit points for at-fault claims and convictions to as much as double their current levels (or more).
- Introducing demerit points for all speeding tickets.
- Abolishment of the portion of the scale for “Platinum Customers”, so that a customer with at most 15 clear years who experiences a claim no longer continues to receive the maximum discount.

Conclusion

In some ways, the results of this paper were already expected. The surcharges and discounts both should be increased, it’s too easy for average drivers to climb up the scale and receive large discounts, and speeding tickets are very predictive of the future risk of a driver. Other results are new or surprising, such as how the severity of a claim is predictive of future risk, the inappropriateness of the snap-back mechanism, and how dramatically the demerits should be increased for negative SDR events.

Overall, care has to be taken when making changes to the program. In its current form, it will continue to provide far too generous discounts to average drivers, and the snap-back continues to help unsafe drivers avoid financial penalties. While it is true that the safe drivers require more in the way of discounts, and that the base rate can be adjusted in the future to account for additional discounts, the program needs to do a better job of separating unsafe and average drivers from above-average drivers.

With a few of the adjustments illustrated in this paper, this program, which currently does a good job of rewarding safe drivers for their habits, could become much better at recognizing the risk of future claims for all SDR drivers.