

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Bodily Injury
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = "(6) .1" / (7)
2001.1	2,680,744	1.0225	2,741,061	0.9586	3,623	725.25		1.1123
2001.2	2,424,341	1.0082	2,444,221	0.9586	4,000	585.76	652.05	
2002.1	2,501,767	1.0120	2,531,788	0.9586	4,868	498.56		0.9234
2002.2	3,743,705	1.0056	3,764,670	0.9586	6,311	571.83	539.92	
2003.1	4,078,045	0.9893	4,034,410	0.9586	7,032	549.97		0.7912
2003.2	7,229,298	0.9888	7,148,330	0.9586	8,390	816.73	695.10	
2004.1	4,321,206	0.9835	4,249,906	0.9586	7,686	530.05		0.9741
2004.2	4,561,543	0.9551	4,356,730	0.9929	7,750	558.17	544.17	
2005.1	2,740,006	0.9411	2,578,620	1.0000	6,939	371.61		0.6499
2005.2	4,971,855	0.9380	4,663,600	1.0000	5,726	814.46	571.83	
2006.1	2,387,780	1.1100	2,650,436	1.0000	4,388	604.02		
								(9): Average of (8) excluding high & low 0.896
								(10): Seasonality Adjustment = 1 / (9) 1.116
								(11): Selected Seasonality Adjustment 1.100

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Property Damage
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = "(6) .1" / (7)
2001.1	582,928	0.9984	581,995	1.0000	3,623	160.64		1.1019
2001.2	530,362	0.9981	529,354	1.0000	4,000	132.34	145.79	
2002.1	670,727	0.9974	668,983	1.0000	4,868	137.42		1.0310
2002.2	824,004	0.9965	821,120	1.0000	6,311	130.11	133.29	
2003.1	926,775	0.9944	921,585	1.0000	7,032	131.06		0.9987
2003.2	1,108,393	0.9945	1,102,297	1.0000	8,390	131.38	131.23	
2004.1	823,469	0.9911	816,140	1.0000	7,686	106.19		1.0191
2004.2	806,128	0.9828	792,263	1.0000	7,750	102.23	104.20	
2005.1	627,653	0.9798	614,974	1.0000	6,939	88.63		0.8215
2005.2	779,223	0.9643	751,405	1.0000	5,726	131.23	107.89	
2006.1	575,681	1.0040	577,984	1.0000	4,388	131.72		

(9): Average of (8) excluding high & low 1.016
 (10): Seasonality Adjustment = 1 / (9) 0.984
 (11): Selected Seasonality Adjustment 1.000

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Third Party Liability
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = " (6) .1" / (7)	
2001.1	3,263,672	1.0182	3,323,071	0.9650	3,623	885.11		1.1104	
2001.2	2,954,703	1.0064	2,973,613	0.9650	4,000	717.38	797.10		
2002.1	3,172,494	1.0089	3,200,729	0.9650	4,868	634.49		0.9439	
2002.2	4,567,709	1.0040	4,585,980	0.9650	6,311	701.23	672.17		
2003.1	5,004,820	0.9902	4,955,773	0.9650	7,032	680.08		0.8230	
2003.2	8,337,691	0.9896	8,250,979	0.9650	8,390	949.01	826.39		
2004.1	5,144,675	0.9847	5,065,961	0.9650	7,686	636.05		0.9811	
2004.2	5,367,671	0.9593	5,149,207	0.9940	7,750	660.43	648.29		
2005.1	3,367,659	0.9482	3,193,214	1.0000	6,939	460.18		0.6771	
2005.2	5,751,078	0.9415	5,414,640	1.0000	5,726	945.62	679.66		
2006.1	2,963,461	1.0893	3,228,098	1.0000	4,388	735.66			
								(9): Average of (8) excluding high & low	0.916
								(10): Seasonality Adjustment = 1 / (9)	1.092
								(11): Selected Seasonality Adjustment	1.100

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Accident Benefits
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = " (6) .1" / (7)	
2001.1	83,007	1.0056	83,472	1.0000	1,006	82.97		0.7730	
2001.2	157,570	0.9962	156,971	1.0000	1,234	127.21	107.34		
2002.1	24,173	0.9991	24,151	1.0000	1,498	16.12		0.4850	
2002.2	96,244	1.0143	97,620	1.0000	2,165	45.09	33.24		
2003.1	116,151	1.0272	119,310	1.0000	2,658	44.89		0.3594	
2003.2	614,654	1.0252	630,143	1.0000	3,342	188.55	124.91		
2004.1	200,482	1.0279	206,075	1.0000	3,061	67.32		1.1877	
2004.2	132,347	1.0624	140,605	1.0000	3,055	46.02	56.68		
2005.1	124,084	1.1169	138,589	1.0000	2,806	49.39		0.7250	
2005.2	184,595	1.1810	218,007	1.0000	2,429	89.75	68.12		
2006.1	57,821	1.3280	76,786	1.0000	1,889	40.65			
								(9): Average of (8) excluding high & low	0.661
								(10): Seasonality Adjustment = 1 / (9)	1.513
								(11): Selected Seasonality Adjustment	1.200

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Combined Uninsured Automobile
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = " (6) .1" / (7)
2001.1	41,321	1.0060	41,569	0.9650	3,629	11.05		1.7293
2001.2	8,915	1.0100	9,004	0.9650	4,007	2.17	6.39	
2002.1	122,378	1.0190	124,703	0.9650	4,883	24.64		1.3882
2002.2	78,970	1.0370	81,892	0.9650	6,346	12.45	17.75	
2003.1	177,155	1.0711	189,751	0.9650	7,056	25.95		1.0991
2003.2	175,393	1.0780	189,074	0.9650	8,429	21.65	23.61	
2004.1	227,946	1.1300	257,579	0.9650	7,725	32.18		1.8431
2004.2	20,524	1.2110	24,855	0.9940	7,923	3.12	17.46	
2005.1	85,674	1.3630	116,774	1.0000	7,089	16.47		1.0123
2005.2	62,040	1.5191	94,245	1.0000	5,882	16.02	16.27	
2006.1	134,423	2.1054	283,014	1.0000	4,458	63.48		
								(9): Average of (8) excluding high & low 1.406
								(10): Seasonality Adjustment = 1 / (9) 0.711
								(11): Selected Seasonality Adjustment 0.800

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Collision
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)]/(5)	AY Ult. LC (7)	Ratio (8) = "(6) .1"/(7)
2001.1	303,804	1.0000	303,804	1.0000	907	334.95		0.8922
2001.2	423,038	1.0000	423,038	1.0000	1,029	411.12	375.43	
2002.1	274,321	1.0000	274,321	1.0000	1,249	219.63		0.6172
2002.2	772,176	1.0000	772,176	1.0000	1,692	456.37	355.83	
2003.1	571,530	1.0000	571,530	1.0000	2,110	270.87		1.0178
2003.2	686,512	1.0000	686,512	1.0000	2,617	262.33	266.14	
2004.1	504,197	0.9909	499,609	1.0000	2,520	198.26		0.7630
2004.2	833,991	0.9893	825,067	1.0000	2,578	320.04	259.84	
2005.1	716,201	0.9908	709,612	1.0000	2,455	289.05		0.9379
2005.2	715,589	0.9739	696,912	1.0000	2,109	330.45	308.18	
2006.1	445,438	0.9390	418,266	1.0000	1,693	247.06		

(9): Average of (8) excluding high & low 0.864
 (10): Seasonality Adjustment = 1 / (9) 1.157
 (11): Selected Seasonality Adjustment 1.150

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Comprehensive
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)] / (5)	AY Ult. LC (7)	Ratio (8) = " (6) .1" / (7)
2001.1	42,216	1.0000	42,216	1.0000	934	45.20		0.8837
2001.2	59,569	1.0000	59,569	1.0000	1,056	56.41	51.15	
2002.1	126,291	1.0000	126,291	1.0000	1,305	96.77		0.9020
2002.2	204,562	1.0000	204,562	1.0000	1,779	114.99	107.28	
2003.1	141,910	1.0000	141,910	1.0000	2,220	63.92		0.9277
2003.2	201,424	1.0000	201,424	1.0000	2,763	72.90	68.90	
2004.1	203,198	1.0000	203,198	1.0000	2,708	75.04		0.9884
2004.2	210,735	1.0000	210,735	1.0000	2,744	76.80	75.92	
2005.1	187,335	0.9843	184,394	1.0000	2,644	69.74		0.8844
2005.2	202,670	0.9894	200,522	1.0000	2,237	89.64	78.86	
2006.1	108,196	1.0703	115,802	1.0000	1,787	64.80		
								(9): Average of (8) excluding high & low 0.905
								(10): Seasonality Adjustment = 1 / (9) 1.105
								(11): Selected Seasonality Adjustment 1.100

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

Facility Association
Newfoundland -- Private Passenger Vehicles
Determination of Seasonality Adjustment for 2006-1

Specified Perils
Data as at 30 June 2006

Net Basis

	Inc. Amt (1)	ULDF (2)	Ultimate (3)=(1)x(2)	Mapping Factor (4)	Earned Exp. (5)	Ult. Loss Cost (6) = [(3)x(4)]/(5)	AY Ult. LC (7)	Ratio (8) = "(6) .1" / (7)	
2001.1	0	1.0000	0	1.0000	183	0.00		N/A	
2001.2	0	1.0000	0	1.0000	192	0.00	0.00		
2002.1	0	1.0000	0	1.0000	233	0.00		0.0000	
2002.2	6,282	1.0000	6,282	1.0000	264	23.80	12.64		
2003.1	2,161	1.0000	2,161	1.0000	331	6.53		0.4186	
2003.2	8,870	1.0000	8,870	1.0000	376	23.59	15.60		
2004.1	3,169	1.0000	3,169	1.0000	405	7.82		1.2105	
2004.2	2,088	1.0000	2,088	1.0000	409	5.11	6.46		
2005.1	4,134	0.9999	4,134	1.0000	419	9.87		1.7816	
2005.2	0	1.0082	0	1.0000	327	0.00	5.54		
2006.1	2,000	1.0586	2,117	1.0000	273	7.75			
								(9): Average of (8) excluding high & low	0.815
								(10): Seasonality Adjustment = 1 / (9)	1.228
								(11): Selected Seasonality Adjustment	1.000

Note: (1), (4) from Newfoundland 2006-2Q AIX Loss Development Exhibit

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS
THIRD PARTY LIABILITY - BODILY INJURY TORT

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	6,245,472	1.0082	0.9586	1.0000	1.1833	7,142,401
2003	11,307,343	0.9891	0.9586	1.0000	1.1483	12,311,006
2004	8,882,749	0.9690	0.9754	1.0000	1.1143	9,355,264
2005	7,711,861	0.9391	1.0000	1.0000	1.0813	7,831,000
2006	2,387,780	1.1101	1.0000	1.1000	1.0493	3,059,488

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	209	0.9602	1.0000	1.0000	201	
2003	300	0.9427	1.0000	1.0000	283	
2004	241	0.9051	1.0000	1.0000	218	
2005	230	0.8628	1.0000	1.0000	198	
2006	87	0.9059	1.0000	1.0000	79	
					Total	972

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	11,179	11,796,494	1.2460	1.0000	1.0000	14,698,432	0.4859	0.2000	
2003	15,422	17,865,165	1.1410	1.0000	1.0000	20,384,153	0.6039	0.2500	
2004	15,436	19,721,777	0.9488	1.0000	1.0000	18,712,022	0.5000	0.2500	
2005	12,665	16,249,700	0.9327	1.0000	1.0000	15,156,095	0.5167	0.2000	
2006	4,388	5,801,107	0.9763	1.0000	1.0000	5,663,621	0.5402	0.1000	
							Total	0.5305	1.0000

NOTES:

- (6) = (1) x ... x (5)
- (11) = (7) x ... x (10)
- (12) = [Sum of (20) x (11) / (13)] / [Sum of (20) x (20) / (13)]
- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS

THIRD PARTY LIABILITY - PD TORT

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	1,494,731	0.9969	1.0000	1.0000	1.1790	1,756,825
2003	2,035,168	0.9945	1.0000	1.0000	1.1737	2,375,539
2004	1,629,597	0.9871	1.0000	1.0000	1.0921	1,756,725
2005	1,406,876	0.9713	1.0000	1.0000	1.0558	1,442,749
2006	575,681	1.0041	1.0000	1.0000	1.0440	603,475

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	488	0.9988	1.0000	1.0000	487	
2003	680	0.9974	1.0000	1.0000	678	
2004	560	0.9881	1.0000	1.0000	553	
2005	438	0.9643	1.0000	1.0000	422	
2006	193	0.8823	1.0000	1.0000	170	
					Total	2,290

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)
2002	11,179	11,796,494	1.2460	1.0000	1.0000	14,698,432	0.1195	0.2000
2003	15,422	17,865,165	1.1410	1.0000	1.0000	20,384,153	0.1165	0.2500
2004	15,436	19,721,777	0.9488	1.0000	1.0000	18,712,022	0.0939	0.2500
2005	12,665	16,249,700	0.9327	1.0000	1.0000	15,156,095	0.0952	0.2000
2006	4,388	5,801,107	0.9763	1.0000	1.0000	5,663,621	0.1066	0.1000
						Total	0.1062	1.0000

NOTES:

- (6) = (1) x ... x (5)
- (11) = (7) x ... x (10)
- (12) = [Sum of (20) x (11) / (13)] / [Sum of (20) x (20) / (13)]
- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS

ACCIDENT BENEFITS - EXCLUDING U.A.

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	120,417	1.0112	1.0000	1.0000	1.1905	144,962
2003	730,805	1.0255	1.0000	1.0000	1.1538	864,704
2004	332,829	1.0416	1.0000	1.0000	1.1185	387,756
2005	308,679	1.1552	1.0000	1.0000	1.0842	386,611
2006	57,821	1.3280	1.0000	1.2000	1.0509	96,834

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	59	0.9948	1.0000	1.0000	59	
2003	108	0.9906	1.0000	1.0000	107	
2004	104	0.9832	1.0000	1.0000	102	
2005	84	0.9808	1.0000	1.0000	82	
2006	24	0.9311	1.0000	1.0000	22	
					Total	350

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	3,663	460,327	0.8295	1.0000	1.0000	381,841	0.3796	0.2222	
2003	6,000	584,212	1.0673	1.0000	1.0000	623,529	1.3868	0.2222	
2004	6,116	640,402	0.9874	1.0000	1.0000	632,333	0.6132	0.2222	
2005	5,235	570,626	0.9535	1.0000	1.0000	544,092	0.7106	0.2222	
2006	1,889	204,564	0.9766	1.0000	1.0000	199,777	0.4847	0.1112	
							Total	0.7405	1.0000

NOTES:

- (6) = (1) x ... x (5)
- (11) = (7) x ... x (10)
- (12) = [Sum of (20) x (11) / (13)] / [Sum of (20) x (20) / (13)]
- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS

UNINSURED AUTOMOBILE

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	201,348	1.0261	0.9650	1.0000	1.1825	235,757
2003	352,548	1.0746	0.9650	1.0000	1.1534	421,670
2004	248,470	1.1368	0.9793	1.0000	1.1098	306,986
2005	147,714	1.4287	1.0000	1.0000	1.0763	227,141
2006	134,423	2.1056	1.0000	0.8000	1.0463	236,917

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	16	0.9923	1.0000	1.0000	16	
2003	16	0.9871	1.0000	1.0000	16	
2004	12	0.9661	1.0000	1.0000	12	
2005	19	0.9564	1.0000	1.0000	18	
2006	12	1.0970	1.0000	1.0000	13	
					Total	78

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	11,229	183,452	1.8876	1.0000	1.0000	346,284	0.6808	0.2222	
2003	15,485	375,866	1.2625	1.0000	1.0000	474,531	0.8886	0.2222	
2004	15,648	495,468	0.9453	1.0000	1.0000	468,366	0.6554	0.2222	
2005	12,971	421,008	0.9273	1.0000	1.0000	390,401	0.5818	0.2222	
2006	4,458	144,402	0.9753	1.0000	1.0000	140,835	1.6822	0.1112	
							Total	0.8107	1.0000

NOTES:

- (6) = (1) x ... x (5)
- (11) = (7) x ... x (10)
- (12) = [Sum of (20) x (11) / (13)] / [Sum of (20) x (20) / (13)]
- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS
COLLISION

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	1,046,497	1.0000	1.0000	1.0000	1.1240	1,176,263
2003	1,258,042	1.0000	1.0000	1.0000	1.1008	1,384,853
2004	1,338,188	0.9899	1.0000	1.0000	1.0782	1,428,262
2005	1,431,790	0.9824	1.0000	1.0000	1.0559	1,485,219
2006	445,438	0.9390	1.0000	1.1500	1.0340	497,360

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	183	1.0000	1.0000	1.0000	183	
2003	240	1.0000	1.0000	1.0000	240	
2004	229	0.9910	1.0000	1.0000	227	
2005	211	0.9712	1.0000	1.0000	205	
2006	83	0.8446	1.0000	1.0000	70	
					Total	920

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	2,941	1,688,237	0.5728	1.3417	1.0000	1,297,454	0.9066	0.1500	
2003	4,727	2,808,325	0.5716	1.3673	1.0000	2,194,843	0.6310	0.2500	
2004	5,098	2,564,307	0.6473	1.2784	1.0000	2,121,985	0.6731	0.2500	
2005	4,564	1,869,923	0.8993	1.1952	1.0000	2,009,874	0.7390	0.2500	
2006	1,693	729,923	0.9779	1.1364	1.0000	811,153	0.6132	0.1000	
							Total	0.7081	1.0000

NOTES:

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- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS

COMPREHENSIVE

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	330,853	1.0000	1.0000	1.0000	0.9236	305,576
2003	343,334	1.0000	1.0000	1.0000	0.9608	329,875
2004	413,933	1.0000	1.0000	1.0000	0.9988	413,436
2005	390,005	0.9870	1.0000	1.0000	0.9990	384,550
2006	108,196	1.0703	1.0000	1.1000	0.9994	127,306

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	196	1.0000	1.0000	1.0000	196	
2003	224	1.0000	1.0000	1.0000	224	
2004	214	1.0000	1.0000	1.0000	214	
2005	195	1.0087	1.0000	1.0000	197	
2006	61	1.2275	1.0000	1.0000	75	
					Total	903

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	3,084	636,746	0.5067	1.3781	1.0000	444,629	0.6873	0.1500	
2003	4,983	878,133	0.6386	1.4040	1.0000	787,329	0.4190	0.2500	
2004	5,452	857,781	0.7474	1.3052	1.0000	836,771	0.4941	0.2500	
2005	4,881	693,322	0.9174	1.2133	1.0000	771,724	0.4983	0.2500	
2006	1,787	267,219	0.9780	1.1487	1.0000	300,201	0.4241	0.1000	
							Total	0.4984	1.0000

NOTES:

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- (18) = (14) x ... x (17)
- (19) = (6) / (18)

FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND --- PRIVATE PASSENGER VEHICLES

DERIVATION OF CURRENT LEVEL PROJECTED PROVINCIAL LOSS RATIOS
SPECIFIED PERILS

---- LOSSES ----

Acc Yr	Rpt Losses (1)	Devel (2)	PROD (3)	SEAS (4)	Prjn Fac (5)	Proj. Losses (6)
2002	6,282	1.0000	1.0000	1.0000	0.9236	5,802
2003	11,031	1.0000	1.0000	1.0000	0.9608	10,599
2004	5,257	1.0000	1.0000	1.0000	0.9988	5,251
2005	4,134	1.0020	1.0000	1.0000	0.9990	4,138
2006	2,000	1.0586	1.0000	1.0000	0.9994	2,116

---- COUNTS ----

Acc Yr	Rpt Counts (7)	Devel (8)	PROD (9)	SEAS (10)	Ult Counts (11)	Adj Counts (12)
2002	5	1.0000	1.0000	1.0000	5	
2003	10	1.0000	1.0000	1.0000	10	
2004	3	1.0000	1.0000	1.0000	3	
2005	3	1.0000	1.0000	1.0000	3	
2006	1	0.9593	1.0000	1.0000	1	
					Total	22

---- PREMIUMS AND LOSS RATIOS ----

Acc Yr	Ernd Expos (13)	Earned Prm (14)	OLF (15)	Drift (16)	Comm. Fac (17)	On-Level EP (18)	Prjd Ult LR (19)	Weights (20)	
2002	497	36,225	0.4554	1.3781	1.0000	22,734	0.2552	0.1500	
2003	707	43,267	0.5995	1.4040	1.0000	36,418	0.2910	0.2500	
2004	814	42,792	0.7565	1.3052	1.0000	42,252	0.1243	0.2500	
2005	746	35,693	0.9234	1.2133	1.0000	39,989	0.1035	0.2500	
2006	273	13,729	0.9772	1.1487	1.0000	15,411	0.1373	0.1000	
							Total	0.1817	1.0000

NOTES:

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- (18) = (14) x ... x (17)
- (19) = (6) / (18)

**FACILITY ASSOCIATION (AQ DATA)
NEWFOUNDLAND — PRIVATE PASSENGER VEHICLES**

DERIVATION OF INDICATED PROVINCIAL CHANGE IN AVERAGE RATE LEVEL

	<u>BI Tort</u>	<u>PD Tort</u>	<u>Liability</u>	<u>Acc. Ben.</u>	<u>Un. Auto</u>	<u>Collision</u>	<u>Comp.</u>	<u>Sp. Perils</u>
[1] FA 2006-1 Earned Premiums at Current Levels			5,663,621	199,777	140,835	811,153	300,201	15,411
[2] FA Expected Loss Ratio	53.05%	10.62%		74.05%	81.07%	70.81%	49.84%	18.17%
[3] Loss Discount Factor	0.8751	0.9732		0.9286	0.8675	0.9783	0.9780	0.9784
[4] FA Projected Discounted Expected Loss Ratio	46.42%	10.34%		68.76%	70.33%	69.27%	48.74%	17.78%
[5] FA Adjusted Ultimate Claim Counts	972	2,290		350	78	920	903	22
[6] FA Credibility	0.6702	1.0000		0.4022	0.1899	0.9221	0.6460	0.1008
[7] FA Discounted ELR Included in Current Rates	61.75%	10.01%		82.21%	74.56%	96.18%	81.77%	73.56%
[8] Discounted Projected Industry LC from Previous Analysis	389.40	72.69		42.26	13.89	173.18	67.51	14.27
[9] Projected Industry LC	363.67	84.69		44.18	12.76	155.46	53.81	11.19
[10] Discounted Projected Industry LC	314.39	81.85		41.22	11.07	152.21	52.57	10.92
[11] Change in Industry Discounted LC	-19.26%	+12.60%		-2.46%	-20.30%	-12.11%	-22.13%	-23.48%
[12] Industry Premium Trend	1.0000	1.0000		1.0000	1.0000	1.3497	1.2908	1.2775
[13] Expected Discounted ELR Assuming Industry Experience	49.86%	11.27%		80.19%	59.42%	62.63%	49.33%	44.06%
[14] Credibility Weighted Discounted ELR	47.55%	10.34%	57.89%	75.59%	61.49%	68.75%	48.95%	41.41%
[15] Premium Discount Factor			0.9938	0.9938	0.9938	0.9938	0.9938	0.9938
[16] Total Discounted Fixed Expenses			9.80%	8.59%	8.59%	8.59%	8.59%	8.59%
[17] Total Discounted Variable Expenses			29.93%	28.04%	28.04%	28.04%	28.04%	28.04%
[18] Discounted Cost of Capital Provision			7.22%	7.22%	7.22%	7.22%	7.22%	7.22%
[19] Indicated Rate Level Change			+8.8%	+31.3%	+9.3%	+20.6%	-10.3%	-22.0%

Notes: [4] = [2] x [3]

Full Credibility Standard:

2,164 1,082 2,164 2,164 1,082 2,164 2,164

[6] = {[5] / Full Credibility Standard} exp 0.5

Discount Factor used in [8] is:

0.8310 0.9573 0.9154 0.8347 0.9732 0.9705 0.9697

Discount Factor used in [10] is:

0.8645 0.9665 0.9330 0.8675 0.9791 0.9769 0.9763

[10] = [9] x Discount Factor

[11] = 100 x {[10] / [8] - 1}

[13] = [7] x (1 + [11]) / [12]

[14] = {[4] + [6]} + {[13] x (1-[6])}

[19] = 100 x {([14] + [16]) / ([15] - [17] - [18]) - 1}