

# **REFORM COSTING: ACCIDENT BENEFITS REGULATIONS**

Financial Services Regulatory Authority of Ontario

May 7, 2025

## Contents

<b>1.</b>	<b>Executive Summary .....</b>	<b>1</b>
1.1.	Purpose and Scope.....	1
1.2.	Findings .....	1
1.3.	Relevant Comments.....	2
<b>2.</b>	<b>Proposed Amendments .....</b>	<b>5</b>
2.1.	Optional Benefits .....	5
2.2.	Priority of Payment .....	5
2.3.	Housekeeping & Caregiver Eligibility .....	5
<b>3.</b>	<b>Actuarial Methodology: Calculation of Required Average Premium.....</b>	<b>6</b>
<b>4.</b>	<b>Actuarial Methodology: Reform Adjustments.....</b>	<b>8</b>
4.1.	Priority of Payment.....	8
4.2.	Optional Accident Benefits Premiums .....	9
4.3.	Transfer of Costs from Accident Benefits to Bodily Injury.....	10
4.4.	Optional Coverage Premiums .....	15
4.5.	Options for Additional Coverage .....	17
<b>5.</b>	<b>Distribution and Use .....</b>	<b>21</b>
<b>6.</b>	<b>Considerations and Limitations.....</b>	<b>22</b>
<b>7.</b>	<b>Exhibits.....</b>	<b>23</b>

# 1. Executive Summary

## 1.1. Purpose and Scope

The Financial Services Regulatory Authority of Ontario (FSRA) retained Oliver, Wyman Limited (Oliver Wyman) to conduct a costing analysis on the proposed amendments to Ontario Regulation 34/10, Statutory Accident Benefits Schedule. Specifically, the Ontario government is proposing the following amendments to Ontario Regulation 34/10 under the Insurance Act:<sup>1</sup>

- Increase consumer choice by making all accident benefits subcoverages outside of medical, rehabilitation, and attendant care mandatory to offer by insurers, but optional to purchase for consumers; and
- Require auto insurers to pay for medical and rehabilitation expenses for injuries sustained as a result of an auto accident before these expenses are paid under a supplementary health insurance plan.

In addition, insureds will have the option of selecting higher limits for disability income and coverage for housekeeping services required due to both catastrophic and non-catastrophic injuries.

In this report, we present our costing analysis of the changes to estimated required premiums for private passenger vehicles and the estimated premiums for the proposed optional accident benefits coverages effective July 1, 2026.<sup>2</sup>

## 1.2. Findings

We present our estimate of the *required* industry weighted average premium<sup>3</sup> following the introduction of the reforms assuming different optional accident benefits take-up rates in Table 1.

- “Required” premiums represent our estimate of the amount that insurers would need to collect to cover claims, expenses, and profit.
- The additional loss costs due to the changes in priority of payment for medical and rehabilitation coverage represents 2.3% of current loss costs for all medical and rehabilitation benefits, including dependent care, housekeeping & home maintenance, visitation expenses, damage to clothing, glasses, hearing aids, and other devices.
- We estimate an 87% factor to calculate the expected shift in loss costs from policyholders that do not purchase the optional accident benefits coverages to bodily injury.

We summarize the reforms in Section 2. We describe the assumptions underlying the calculation of current required premiums in Section 3. In Section 4, we describe the adjustments to determine the required premiums following the introduction of the proposed reforms. We present our estimates for the optional additional coverage options in Section 4.5.

---

<sup>1</sup> <https://www.ontariocanada.com/registry/view.do?postingId=48193>, accessed November 21, 2024.

<sup>2</sup> The take-up rates presented assume consumers purchase all available disability income subcoverages. We recognize under the proposed reforms this would not be required.

<sup>3</sup> Reflects the take-up rate for currently optional coverages (collision, comprehensive, all perils, specified perils, and underinsured motorist)

**Table 1: Estimated Change in Average Required Premium at a July 1, 2026, Cost Level<sup>4</sup>**

	Optional Accident Benefits Take-up Rate			
	55%	70%	80%	100%
Current Weighted Average Required Premium				\$2,488.68
Addition Due to First Payer for Medical/Rehabilitation <sup>†</sup>	9.08	9.07	9.07	9.05
Removal Due to Not Purchasing Optional Coverages <sup>†</sup>	(16.81)	(13.54)	(11.36)	0.00
Shift to Bodily Injury <sup>‡</sup>	13.83	11.16	9.38	0.00
Interaction Effects <sup>‡</sup>	(0.19)	(0.20)	(0.21)	(0.25)
Adjusted Average Required Premium <sup>5</sup>	2,494.59	2,495.17	2,495.56	2,497.48
Percent Change	+0.24%	+0.26%	+0.28%	+0.35%
Range of Estimates	(-1.26%, +1.74%)	(-1.24%, +1.76%)	(-1.22%, +1.78%)	(0.00%, +1.85%)

<sup>†</sup> Includes immaterial adjustment related to priority of payment on optional other medical and rehabilitation benefits (not affected by the take-up rate).

<sup>‡</sup> Includes immaterial adjustment related to allocation of fixed expenses due to priority of payment (not affected by the take-up rate).

### 1.3. Relevant Comments

- We developed the range of estimates by testing the effect of reasonable alternate assumptions. Many of those assumptions affect both our estimate of costs under the current product and our estimates of costs under the proposed product. In addition, as described in this report, some reductions in accident benefits costs are offset by increases to bodily injury. As a result, the effect on our estimate of the percentage change is minimal. We selected a range of estimates as +/- 1.5 pp (150 basis points) from the central estimate for all take-up rates other than 100%. At the 100% take up rate, the low end of the range is “no change” since there is no reduction in costs from not purchasing disability income coverage.
- We understand that once the reforms are effective, the default option for renewal business will be to retain current coverage. Policyholders will need to request to cancel any optional accident benefits coverages. As a result, we expect the optional accident benefit take-up rate would be high for the initial period. As consumers become more aware of the options following the reforms, more consumers may decide to remove optional coverages, and take-up rates may decrease.
- For convenience, we assume that the take-up rates presented in this report will apply equally to all subcoverages. We do not include model results with take-up rates that vary by subcoverage.
- The relatively small total premium change presented in Table 1 is principally due to the following:
  - Disability income is the optional accident benefits subcoverage with the highest premium. The reduction in disability income claims costs will not be proportional to insureds opting out of coverage as those insureds likely have collateral sources of disability income and do not currently claim benefits.

<sup>4</sup> We present our estimates at a July 1, 2026, cost level. As the reform will be effectively July 1, 2026, we recognize that average written dates, earned dates and accident dates will be after July 1, 2026.

<sup>5</sup> Differences due to rounding.

- The reduction in claims costs for insureds not electing optional accident benefits coverage will be offset by increased costs for bodily injury coverage.

We developed these assumptions considering potential consumer behaviour (i.e., take-up rates based on informed choices), which is inherently difficult to predict.

- The optional coverage with the highest average premium is disability income. Since auto insurers can deduct other income replacement assistance payments from disability income benefits, this significantly reduces disability income benefits received from auto insurance. As disability income coverage becomes optional, we expect the take-up rate to drop as accident benefits disability income provides little benefit to consumers with other income replacement assistance payments. We assume in the long run, the disability income take-up rate will approach the percentage of individuals who do not have collateral sources of disability income, which we estimate to be approximately 55% of insured drivers.<sup>6</sup>
- Under the current SABS, all consumers are required to purchase accident benefits coverage. Individuals who have collateral disability income benefits receive little additional benefit from disability income but are still required to purchase it. This results in individuals who do not use the accident benefits disability income subsidizing costs for those without collateral disability income who use the accident benefits disability income coverage.

After disability income becomes optional, it is likely consumers who have collateral sources of disability income will elect to not purchase this coverage. Since these individuals exhaust their collateral sources first, they are likely not filing claims under the current regulation. Therefore, there will be no meaningful reduction in aggregate costs. The subsidization from individuals who do not use the disability income benefits but were required to purchase it will gradually disappear, and those individuals who use the coverage will bear the full costs. This may result in affordability issues as loss costs increase for individuals who purchase the coverage.

- We understand that not all supplemental health insurance provides coverage for injuries sustained in an automobile accident. However, we were unable to determine the percentage of such plans. We assume 10% as our base case and provide a sensitivity analysis in Table 2.
- The Reform Working Group<sup>7</sup> identified a risk that the proposed reforms in Alberta may shift the focus of plaintiff attorneys to Ontario. We were not able to reasonably consider this risk in our modeling.

---

<sup>6</sup> Based on the estimated number of individuals with disability coverage in the Canadian Life & Health Insurance Association 2023 Provincial Data Appendix (5 million) / The number of insured drivers in Ontario (11.2 million) from Ministry of Transportation of Ontario - Driver Licensing Statistics (Drivers' Annual Statistics (DAS), 2022).

<sup>7</sup> FSRA formed the Reform Working Group to review an initial draft of our report. The Reform Working Group included actuaries from the larger insurers writing business in Ontario.

**Table 2: Supplementary Health Insurance Coverage for Automobile Accident Injuries – Sensitivity Analysis**

Percent Not Providing Coverage	Estimated First Payer Loss Cost Increase <sup>8</sup>	Change Relative to Base Case
5%	2.5%	+0.2%
<b>10% (Base Case)</b>	<b>2.3%</b>	<b>0.0%</b>
15%	2.1%	-0.2%
20%	2.0%	-0.3%
25%	1.8%	-0.4%

- Given the uncertainty related to the evolution of hybrid work environments, we present a sensitivity test for the estimated required premium for four post-COVID environment assumptions. We note that this uncertainty does not significantly change the relative difference in cost level following the reforms.

**Table 3: New Normal Sensitivity Test**

Scenario	Estimated Required Premium	Estimated Adjusted Required Premium	Percent Change
1: Return to Pre-Pandemic Frequency Level	2,597.85	2,607.12	+0.36%
<b>2: 5% Reduction in Frequency Level (Base Case)</b>	<b>2,488.68</b>	<b>2,497.48</b>	<b>+0.35%</b>
3: 10% Reduction in Frequency Level	2,379.51	2,387.85	+0.35%
4: Estimated New Normal Factors	2,253.43	2,261.03	+0.34%

\* \* \* \* \*

We developed the estimates in this report in accordance with the applicable Actuarial Standards of Practice issued by the Canadian Institute of Actuaries.

Oliver, Wyman Limited



Rajesh Sahasrabuddhe, FCIA, FCAS  
[rajesh.sahasrabuddhe@oliverwyman.com](mailto:rajesh.sahasrabuddhe@oliverwyman.com)



Felix Chan, FCIA, FCAS  
[felix.chan@oliverwyman.com](mailto:felix.chan@oliverwyman.com)

<sup>8</sup> Ignores immaterial differences due to reallocation of fixed expenses at varying take-up rates.

## 2. Proposed Amendments

Ontario proposes amendments to Ontario Regulation 34/10 (Statutory Accident Benefits Schedule) (SABS) under the Insurance Act related to optional benefits, priority of payment for medical and rehabilitation benefits, and correcting an error in the French-language version of the SABS.

### 2.1. Optional Benefits

Under the current SABS, all accident benefits coverages are mandatory. Ontario seeks to enable greater consumer choice by making certain accident benefits coverages optional, allowing consumers to decide what benefits to purchase. The government proposes to maintain mandatory coverage for medical, rehabilitation, and attendant care, while all other benefits in the SABS will become optional.

### 2.2. Priority of Payment

Ontario proposes to require expenses for medical and rehabilitation benefits to be paid by auto insurers before a supplementary health insurance plan. Under Subsection 47 (3) of Order 34/10, “Payment of a medical, rehabilitation or attendant care benefit or a benefit under Part IV is not required for that portion of an expense for which payment is reasonably available to the insured person under any insurance plan or law or under any other plan or law.”

Therefore, currently insureds must exhaust their supplementary health insurance plan benefits before the auto insurer pays any expenses. The proposed amendment has the following benefits:

- The amendment reduces the risk a consumer will exhaust their supplementary health benefits for expenses related to an auto accident.
- The amendment will also reduce administrative costs with the simplification of the claim payment process.

### 2.3. Housekeeping & Caregiver Eligibility

Following Regulation 34/10 in 2010, Ontario implemented reforms which eliminated housekeeping, home maintenance, and caregiver benefits except for catastrophic injuries. Ontario proposes to remove this eligibility requirement; insureds will be able to elect coverage that provides access to housekeeping, home maintenance, and caregiver benefits regardless of impairment level.

### 3. Actuarial Methodology: Calculation of Required Average Premium

We calculate the required average premium for private passenger vehicles in Ontario under the current regulation based on the benchmarks presented in the *Ontario Private Passenger Vehicles Annual Review as of December 31, 2023*<sup>9</sup>, using the following approach:

- We calculate the final (“ultimate”) claim costs by accident half-year by developing our estimate of the needed actuarial reserve for all insurance companies in aggregate (i.e., the Industry), and adding that amount to the reported incurred claim amounts as published by GISA.<sup>10</sup> We estimate the Industry actuarial reserve by applying loss development factors to the aggregated incurred claim amounts that are reported to GISA.<sup>11</sup> The selection of loss development factors is based on our analysis to determine the historical adequacy of the individual claim case reserves established by insurance companies (in aggregate).
- We follow a similar approach (using what are referred to as claim count development factors) to estimate the final number of claims that will arise from events that have occurred by accident half-year separately for each of the coverages.
- We use the estimated ultimate claim costs, estimated ultimate claim counts, and exposures (earned vehicles) to calculate claim frequency (ultimate counts ÷ exposures), severity (ultimate claim costs ÷ ultimate claim counts) and loss costs (ultimate claim costs ÷ exposures).
- We project the ultimate claim costs and claim related expenses for each of the accident years 2014-2023 based on the industry aggregated experience as of December 31, 2023, projected to July 1, 2026, with the benchmark loss trend rates in the Annual Review Report.
- We include an allowance for unallocated loss adjustment expenses (ULAE) using the factors provided by the General Insurance Statistical Agency (GISA).
- We include an estimate of the Health Levy provision at \$18.70 per vehicle, based on our review of the historical amount reported by GISA.
- We unwind the impact of COVID-19 on claim costs as presented in the Annual Review Report.
- We apply the following adjustments:
  - For coverages other than comprehensive and specified perils, a claim frequency adjustment of -5% to recognize changes in driving behaviours in the post-pandemic era<sup>12</sup>, and
  - An adjustment to the historical accident year claim costs to reflect the 2016 reforms.
- We calculate indicated frequency, severity and ultimate loss cost estimates as the weighted average of projections for accident years 2019 to 2023. We apply equal weights (20%) to each accident year.

<sup>9</sup> <https://www.fsrao.ca/media/26341/download>

<sup>10</sup> GISA edits and compiles the data reported by individual insurers.

<sup>11</sup> Our selections are based on the incurred development method.

<sup>12</sup> Frequency levels in the post-pandemic period have not returned to pre-pandemic levels. Commonplace remote and hybrid work options may be contributing to this. GISA data through December 31, 2023, supports this post-pandemic lower frequency observation. Comprehensive and specified perils are not affected as they are non-moving coverages.

- We estimate profit and expense provisions using the following assumptions:
  - The industry average expense ratio of 27.1%<sup>13</sup> based on the average of GISA's reported expense data for the last three years; we assume any payment plan fee revenues have been netted from the expense provisions reported to GISA;
  - A 0.9% provision for the delay in receipt of premiums;
  - A 5% provision for underwriting profit; and
  - Investment income from associated cash flows (using the historical claims payment patterns by coverage) at a pre-tax annual rate of 3.5%.

Based on these assumptions, we calculate the required average private passenger premium for each coverage at a July 1, 2026, cost level.

We define "full coverage" as including bodily injury, property damage, direct compensation property damage, health levy, accident benefits, uninsured auto, underinsured motorists, collision, and comprehensive. Combining these coverages, the required average full coverage private passenger vehicle premium is **\$2,489**.

We present our supporting analysis in Exhibit 1.1 to Exhibit 3.3.

---

<sup>13</sup> We assume a 3% premium tax rate, and a 3-year (2021-2023) average for all other general expenses (8.0%) and commissions (12.8%) based on data reported to GISA. We assume general expenses are split 50/50 between variable and fixed. Assigning some portion of general expenses as fixed (across coverages) results in those drivers with only mandatory coverages paying less in fixed expenses per vehicle than those with full coverage.

## 4. Actuarial Methodology: Reform Adjustments

The amendments to Regulation 34/10 would result in the following:

- **Priority of Payment:** An increase to average mandatory premiums resulting from auto insurers shifting to be first payer for medical & rehabilitation expenses;
- **Coverage Optionality:** A reduction to the *average* mandatory premiums as all accident benefits coverages except medical, rehabilitation, and attendant care would shift to optional coverages; and
- **Cost Shifting:** An increase to mandatory premiums resulting from a transfer of costs from accident benefits to bodily injury as insureds without coverage seek recovery through tort.

### 4.1. Priority of Payment

The proposed reforms would shift auto insurers from providing excess coverage over the supplementary health insurance plans to being the primary provider. Currently, consumers must exhaust their supplementary health insurance before the auto insurer pays any benefits.

We understand that the Ontario Health Insurance Plan (OHIP) also provides coverage before either a supplementary health insurance plan or auto insurance benefits. Under the proposed reforms, the auto insurer would be first payer before the supplementary health insurance plan but would still provide coverage after OHIP.<sup>14</sup>

Certain insureds do not have supplementary health insurance. For these policyholders, auto insurers pay all eligible costs that OHIP does not cover. Other insureds have supplementary health insurance, and the auto insurers only pay expenses in excess of both OHIP and the supplementary health insurance plan. Based on our research of health care provider plan limits, we estimate an average limit of \$1,500 for supplementary health coverage.

As a result, current insurer accident benefits data is effectively truncated and censored. The truncation relates to claims where supplementary health insurance plan covers the entire cost of services, and the auto insurer receives no accident benefits claim. The censoring relates to amounts paid by the supplementary health insurance plan on claims that exhaust supplementary health insurance plan limits. To add back the cost of censored and truncated claims we utilized data from Health Claims for Auto Insurance (HCAI) from accident dates between January 1, 2019, and October 21, 2024. This data includes the total (i.e., including costs paid by supplementary health insurance plans) cost of claims submitted to auto insurers.

- The inclusion of the amounts paid by supplementary health insurance plans addresses the censoring of claims data.

---

<sup>14</sup> In this report, we refer to OHIP as the umbrella term to describe the broader Ontario health care system coverages consisting of: OHIP, OHIP+, Trillium Drug Program, Ontario Drug Benefit Program, Ontario Disability Support Program, long-term care, and home and community care. Subject to some eligibility criteria, these programs provide coverage for doctor & specialist visits, hospital & ambulance services, medically necessary diagnostic tests, in-hospital dental surgeries, vision care, medication and support for individuals requiring daily living assistance. (See <https://www.ontario.ca/page/what-ohip-covers>, <https://www.ontario.ca/page/learn-about-ohip-plus>, and <https://www.ontario.ca/page/explore-your-care-options>)

- To address the truncation, we augmented the data by sampling from observed claims less than \$1,500, which we assume are claims filed by policyholders without supplementary health insurance. The size of the sample is based on the relative populations of the policyholders with and without supplementary health insurance.
- We fit a lognormal claim size distribution to the augmented data. Using the fitted distribution parameters, we calculate the expected value for claims that do not reach the auto insurer under the current plan. Additionally, using this claim size distribution, we calculate the probability a does not claim exhausts the supplementary health insurance. We use this probability to calculate the frequency of truncated claims.

After the reforms are implemented, the costs to the insurer for the policyholders that do not have supplementary health insurance will remain the same, while the costs for the consumers that have supplementary health insurance will increase by the average amount of costs covered by the primary supplementary health insurance plans. We expect the frequency of claims covered by the auto insurer will increase, while the average severity of claims will decrease due to the inclusion of smaller claims that were covered entirely by supplementary health insurance.

## 4.2. Optional Accident Benefits Premiums

The accident benefits coverages that are optional under the proposed reform will result in a reduction in the average required mandatory premium equal to the difference between the total accident benefits required premium and the required premium for medical, rehabilitation, and attendant care, which will remain mandatory.

We present the estimated post-reform required premium by accident benefits subcoverage in Table 4.

**Table 4: Estimated Required Premium for Optional Accident Benefits Subcoverages**

Coverage	Take-Up Rate			
	55%	70%	80%	100%
Dependent Care	0.03	0.03	0.03	0.03
Housekeeping & Home Maintenance	7.89	7.89	7.89	7.89
Visitation Expenses	1.62	1.62	1.62	1.62
Damage to Clothing, Glasses, Hearing Aids, and Other Devices	1.30	1.30	1.30	1.30
Income Replacement	105.37	84.40	74.79	67.31
Non-Earner Disability Income	17.31	13.87	12.29	11.06
Student Disability Income	0.55	0.44	0.39	0.35
Caregiver Disability Income	0.26	0.21	0.19	0.17
Funeral Benefits	0.48	0.48	0.48	0.48
Death Benefits	1.62	1.62	1.62	1.62
Total	136.44	111.86	100.59	91.83

The SABS allow insurers to deduct payments from collateral sources for disability income. Collateral sources generally provide coverage that is broader than accident benefits disability income, resulting in individuals with collateral sources using little of their accident benefits disability income limit.

We expect individuals will make an informed choice when purchasing optional accident benefits coverages. That is, we expect that individuals with collateral sources of disability income will not purchase the optional accident benefits disability income coverage. However, as those insured do not currently access accident benefits coverage, we do not expect a material reduction in total accident benefits claims when those insureds no longer purchase accident benefits coverage. As the costs will be spread across fewer insureds at lower take-up rates, average premiums will increase for disability income.

Changes to *average* premiums for other medical and rehabilitation coverage will be the result of a change in the priority of payment. Average premiums for funeral and death benefits will not change.

#### **4.3. Transfer of Costs from Accident Benefits to Bodily Injury**

As noted, certain accident benefits coverages will be optional, and some consumers will decide not to purchase these coverages. Those consumers that do not purchase the optional accident benefits coverages may decide to seek those benefits through the bodily injury tort system. These indemnity expenses will shift from the accident benefits coverage to the bodily injury coverage, resulting in an increase to the bodily injury required premiums.

#### **Other Medical & Rehabilitation and Funeral & Death Benefits**

For these coverages, we assume that costs will shift from accident benefits to bodily injury in proportion to the opt-out rate (i.e.,  $1 - \text{take-up rate}$ ). We do not include an informed choice for these benefits as there are no “collateral sources” for these benefits, with the possible exception of the availability of dependent care support.

#### **Disability Income**

As noted above, we do not expect a significant reduction in aggregate disability income costs. Correspondingly, we do not expect a material transfer of current disability income costs to bodily injury.

We present our model of consumer/insured behavior under the current and proposed SABS in Table 5. We highlight the [informed](#) and [less likely](#) choices based on our expectations.

**Table 5: Summary of Consumer Behavior for Disability Income (DI) Benefits**

Current			Post-Reform	Informed Choice / Less Likely Choice	
Access to Collateral Source	At Fault	Not At Fault	Purchase AB-DI Coverage	At Fault	Not At Fault
Do Not Have Collateral Source for DI	File Accident Benefits Disability Income claim	File Accident Benefits Disability Income claim. May also pursue tort recovery (BI) for loss in excess of AB-DI limits	Yes	File Accident Benefits Disability Income claim (Not Eligible to file BI Claim)	File Accident Benefits Disability Income claim. May also pursue tort recovery (BI) for loss in excess of AB-DI limits. (No change from Current Product)
			No	Won't receive benefits from any source	May pursue tort recovery (BI)
Have Collateral Source for DI	Collateral source is primary. They will file an Accident Benefits Disability Income claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source and DI.	Collateral source is primary. They will file an Accident Benefits Disability Income claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source and DI.	Yes	Collateral Source is primary. They will file an Accident Benefits Disability Income claim only if the collateral source is not sufficient. (Not Eligible to file BI Claim)	Collateral source is primary. They will file an Accident Benefits Disability Income claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source and DI. (No change from Current Product)
			No	Will receive benefits from collateral source only	Collateral source is primary. May pursue tort recovery (BI) for loss in excess of collateral source.

The error rate in our informed choice model represents the percentage of insureds *without* access to a collateral source of disability income that elect to *not purchase* the optional disability income coverage.

- For insureds that purchase disability income coverage, there is no change from the current product. Although we note the potential for those insureds to pursue recovery through tort, that will not add costs *relative to the current product*.

- For insureds that do not purchase disability income coverage, there will be a shift from disability income coverage to tort. The rate of transfer will depend on the take-up rate.

**Table 6: Current Disability Income Costs Transferred to Bodily Injury**

Insureds without Collateral Source who do not purchase optional Disability Income	Take-Up Rate		
	55%	70%	80%
5%	9.47%	7.79%	6.67%
10%	13.91%	12.23%	11.12%
15%	18.35%	16.67%	15.56%
20%	22.79%	21.12%	20.00%
25%	27.23%	25.56%	24.44%

### Additional Bodily Injury Costs

Costs will not transfer from accident benefits to bodily injury on 1:1 basis.

- We expect there will be additional costs associated with the tort system, specifically due to legal fees.
- We expect certain insureds will not be eligible to pursue a bodily injury claim due to being at-fault in an accident.<sup>15</sup> Currently, even if an individual is at fault, they are still eligible to receive benefits under their accident benefits coverage. Under the proposed regulations, drivers that are at-fault, who do not purchase the optional accident benefits coverages, will not receive benefits and they may not be able to successfully sue for these benefits. This results in a reduction in the total costs that are transferred to bodily injury.
- Currently, a consumer only needs to interact with their insurer to obtain the benefits under accident benefits coverage. We expect that some drivers who do not purchase optional accident benefits coverages and are not at-fault in the accident, will choose to not enter the tort system due to the additional complexity required to obtain the benefits. This results in an additional reduction in the total costs that are transferred to bodily injury.

To estimate the cost transfer, we reviewed the claims experience associated with the 2016 reforms. The reforms implemented in 2016 resulted in changes to accident benefits, which included reductions to some medical and rehabilitation coverage. In our industry loss trend report using data as of December 31, 2023, we reviewed the impact of the 2016 reforms and included various trends and scalars to account for observed changes coincident with the timeline of the 2016 reforms. In Figure 1, we present the frequency models selected for accident benefits total medical & rehabilitation, bodily injury, and collision.

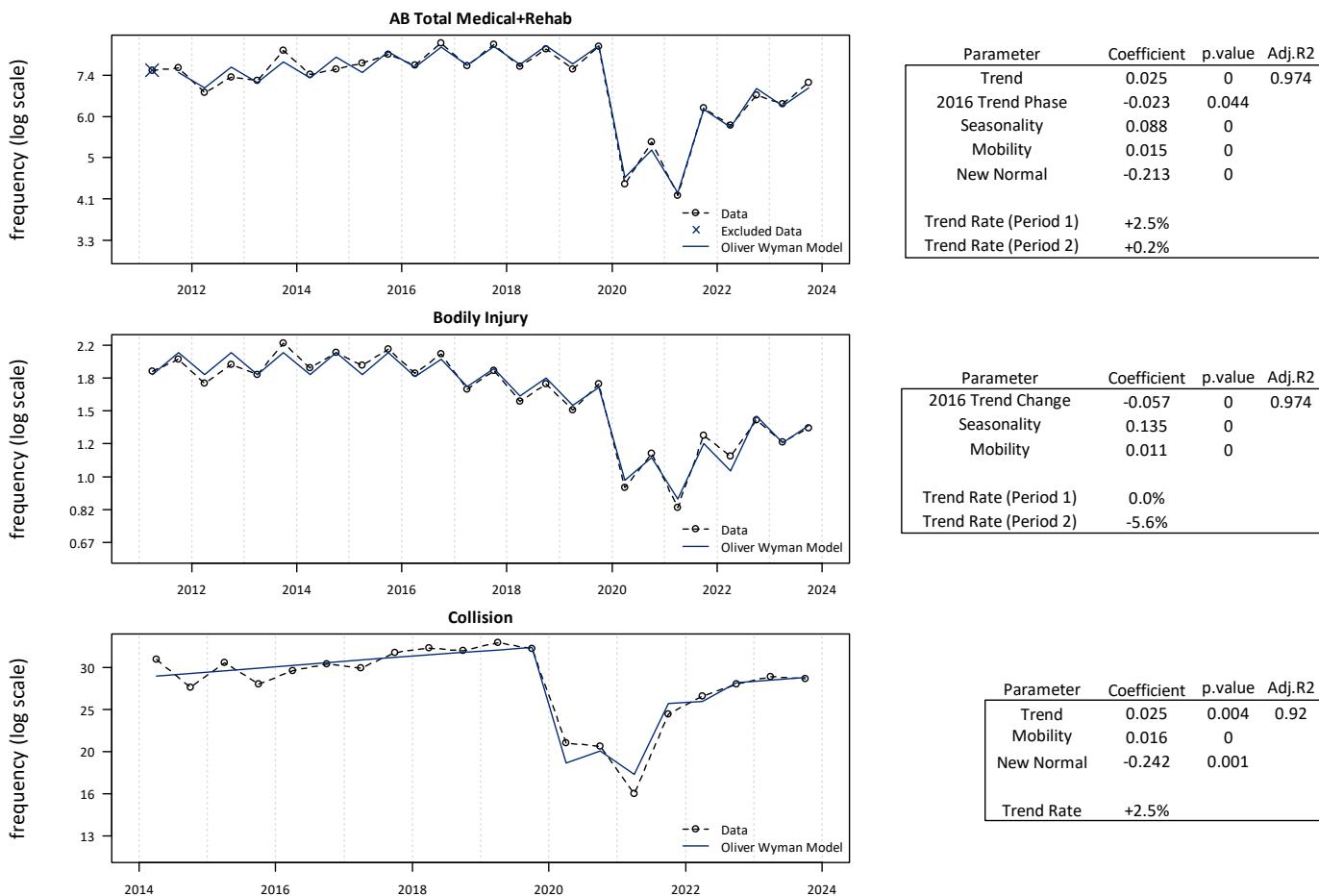
Based on the models in Figure 1, we observe the following:

- The negative 2016 trend phase coefficient implies that there is a slight drop in frequency for accident benefits total medical & rehab following the implementation of the reform.

<sup>15</sup> There is a potential for antiselection as poor drivers are more likely to be at-fault, and therefore more likely to retain accident benefits coverage. We have not quantified the potential costs associated with antiselection.

- There does not appear to be an increase in the bodily injury frequency, either as an absolute amount or as a ratio to the number of collision claims. This suggests that the reduced accident benefits frequency did not result in *additional* bodily injury claims, or changes in claimant behaviour.<sup>16</sup>
- We include the collision frequency as a baseline. The collision frequency tracks with accident benefits frequency. However, after the 2016 reforms but before the pandemic, bodily injury and collision frequency are inversely correlated.
- We note that the 2016 reforms included a *reduction* of accident benefits coverage, and not the *elimination* of coverage, so policyholder behaviour may differ following the proposed reforms. However, it appears the 2016 reforms did not result in increases to bodily injury frequency.

**Figure 1: Comparison of Frequency**



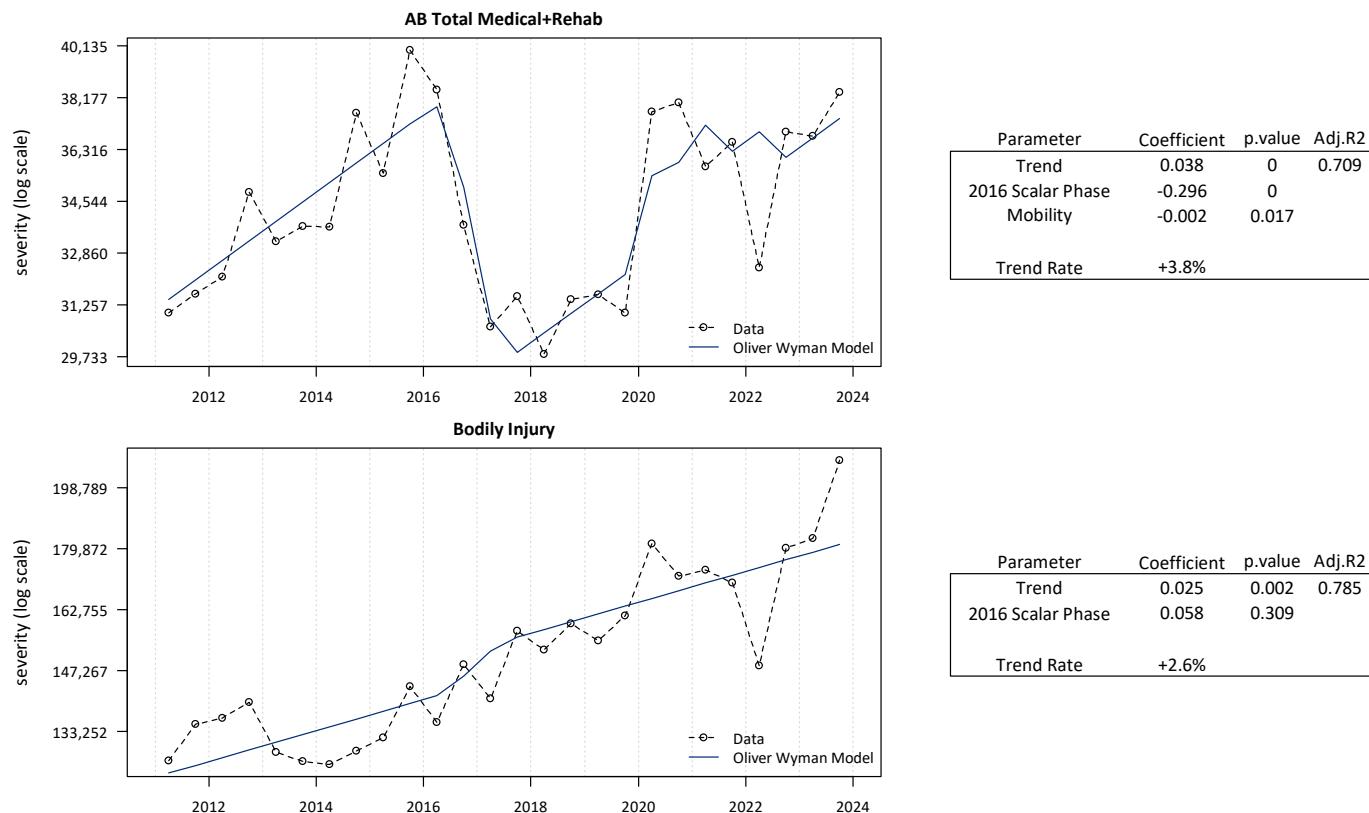
<sup>16</sup> Injured not-at-fault drivers may have (a) already been filing a bodily injury tort claim along with their accident benefits claim prior to the reform; or (b) chose not to file a bodily injury claim to recover lost benefit amounts due to the reform. If either of these are true, we would expect to not see an increase in the bodily injury frequency.

In Figure 2, we present the severity models selected for accident benefits total medical & rehabilitation, and bodily injury. For bodily injury, we present the selected severity model with the inclusion of a phase in scalar to be consistent with the model for accident benefits total medical & rehabilitation.

Based on the models above, we observe the following:

- The 2016 scalar phase for accident benefits total medical & rehabilitation is statistically significant and implies that there is a reduction in severity following the implementation of the 2016 reforms.
- The 2016 scalar phase for bodily injury is statistically insignificant. As shown in the model, there appears to be a slight increase following the implementation of the 2016 reforms. However, the magnitude of the bodily injury severity values compared to the severity values for accident benefits total medical & rehabilitation may be masking the impact of the transfer of accident benefits claims costs to bodily injury.
- The impact from the scalar parameters, as shown below, suggests that 87%<sup>17</sup> of the claim costs eliminated from accident benefits total medical & rehabilitation may have shifted to bodily injury.

**Figure 2: Severity Comparison**



<sup>17</sup> = 8,441 / 9,699

**Table 7: Estimated Change in Claim Costs Following 2016 Reforms**

Coverage	Predicted Severity at 2016-1	Phase-In Scalar Parameter	Change in Severity Measured by the Scalar
Accident Benefits Total Medical & Rehab	\$37,855	0.744	(\$9,699)
Bodily Injury	\$141,351	1.060	\$8,441

- We recognize that the transfer could *potentially* be greater with this reform which eliminates coverage, as compared to the 2016 reform which reduced coverage. However, we estimate the maximum transfer rate to be 90%<sup>18</sup> based on the following assumptions:

- Increased losses due to legal fees, which we expect to increase costs by 20%, and
- Reduced losses due to individuals' propensity and ability<sup>19</sup> to sue, which we expect to reduce claims by 25%.

Therefore, we haven't included an additional adjustment for the potentially greater transfer due to elimination as the modeled assumption is close to the maximum transfer percentage based on the assumptions noted.

We use the 87% factor to calculate the expected shift in losses from policyholders that do not purchase the optional accident benefits coverages to bodily injury. In our analysis above, we use the accident benefits total medical & rehabilitation coverage as a proxy for the accident benefits subcoverages shifting to optional coverages to provide an estimate for the impact of legal fees and consumer tendencies.

#### 4.4. Optional Coverage Premiums

The amendments to Regulation 34/10 would allow consumers to decide which accident benefits coverage they purchase. The costs for these coverages will move out of the mandatory premiums, and shift to optional coverage premiums.

##### Optional Accident Benefits Premiums

The amendment to Order 34/10 proposes to keep medical, rehabilitation, and attendant care benefits mandatory, while all other accident benefits subcoverages are optional. In Table 8, we present the estimated required premium by accident benefits subcoverage on a dollar basis and as a percentage of the total accident benefits required premium.

In Table 8, we present disability income estimated premiums for the four benefit categories defined in the SABS. The estimated premiums reflect the current benefit category distribution of disability income benefits. Under the proposed SABS, we understand that insurers will not rate or underwrite disability income coverage on the basis of the earning status of the insured.

<sup>18</sup>  $(1 + 20\%) * (1 - 25\%) = 90\%$

<sup>19</sup> Assumes 25% of drivers are unable to sue due to fault.

**Table 8: Estimated Required Premium - Dollar and Percent Basis by Accident Benefits Subcoverage**

Coverage	Estimated Required Premium 100% Take-up Rate	Estimated Required Premium 80% Take-up Rate
Medical, Rehabilitation & Attendant Care	\$392.57	\$392.59
Dependent Care	0.03	0.03
Housekeeping & Home Maintenance*	7.89	7.89
Visitation Expenses	1.62	1.62
Damage to Clothing, Glasses, Hearing Aids, and Other Devices	1.30	1.30
Income Replacement	67.31	74.79
Non-Earner Disability Income	11.06	12.29
Student Disability Income	0.35	0.39
Caregiver Disability Income*	0.17	0.19
Total Disability Income	78.89	87.66
Funeral Benefits	0.48	0.48
Death Benefits	1.62	1.62
Quebec Excess	0.04	0.04
Accident Benefits – Total	\$484.44	\$493.22
Optional Accident Benefits	\$91.87	\$100.63

\* These premiums reflect the current benefits which only cover costs for catastrophic impairments.

## Implementation

Insurers will need to establish initial premiums following introduction of the reforms.<sup>20</sup>

- For all subcoverages except medical, rehabilitation, and attendant care and disability income, the estimated required premium is an immaterial portion of the total current accident benefits premium. Additionally, insurers are unlikely to have credible claims experience for these coverages. We find it reasonable that insurers adopt the benchmark premium for these subcoverages.
- The remaining accident benefits premium will then need to be allocated between medical, rehabilitation, and attendant care and disability income. Although insurers may have a mix of business that is different from the industry, we expect a reasonably high positive correlation between medical and disability income premiums. Therefore, we expect insurer *distributions* would be similar to the industry *distribution*. We estimate the relationships using estimated required premiums. However, the relationship does not differ significantly change

<sup>20</sup> In this section, we propose an approach for insurers to file rates that reflect changes due to the reforms and not changes due to their experience.

for loss costs, and it is reasonable for insurers to split estimated loss costs and then load these loss costs with the insurer profit and expense assumptions.

- After estimating the premiums for medical, rehabilitation, and attendant care, insurers should apply the 2.3% benchmark first payer adjustment.<sup>21</sup>

## 4.5. Options for Additional Coverage

### Optional Disability Income Limits

Under the current mandatory accident benefits – disability income coverage, the income replacement benefit is 70% of gross income limited to a maximum weekly benefit of \$400. Insureds can purchase additional coverage as an optional benefit. This benefit is paid for a maximum of 104 weeks after a one-week waiting period. Non-earners are entitled to receive \$185 per week for a maximum of 104 weeks after a four-week waiting period. Caregivers are entitled to \$250 per week for the first person in need of care and \$50 for every additional person for a maximum of 104 weeks. The auto insurer is second payer to all other income replacement assistance.<sup>22</sup>

We understand that insurers will continue to have flexibility in determining the limits for the optional disability income benefit. To support an understanding of differences in the cost of coverage due to the maximum reimbursement amount, we calculate the required disability income premiums assuming income replacement benefits are calculated as 70% of gross income for limits of \$400, \$600, \$800, and \$1,000. We adjust the insured distribution by coverage limit, as we assume claimants will purchase higher limits only if their income warrants such a purchase.

We present the accident benefits – disability income increased limit factors for each benefit structure in Table 9. We assume the benefit level for non-earner, caregiver, and educational benefits remains the same as the current SABS, and the change to the maximum weekly benefit only applies to the income replacement benefit. We understand that insurers will not rate or underwrite disability income coverage on the basis of the earning status of the insured. Therefore, the increased limit factors presented in Table 9 are a weighted average factor that is applied to total disability income costs but recognizes that only the income replacement benefits are increasing.

**Table 9: Accident Benefits - Disability Income Loss Cost Increased Limit Factors**

Coverage	Maximum Weekly Benefit Offered†			
	\$400*	\$600	\$800	\$1,000
Income Replacement	1.000	1.892	2.513	3.184
Total Disability Income	1.000	1.817	2.416	3.072

\* current benefit

† at 100% take up rate

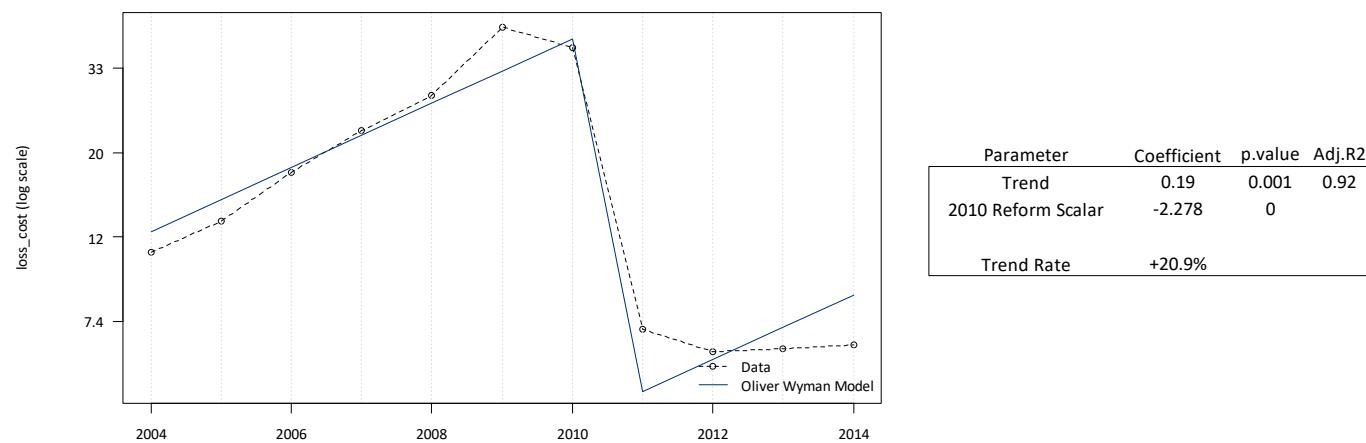
<sup>21</sup> We describe the calculation in Section 4.1, and the resulting factor in Section 1.2. We calculated the adjustment on a loss cost basis; however, the adjustment on a premium basis would not differ materially.

<sup>22</sup> Since auto insurers can deduct other income replacement assistance payments from disability income benefits, this significantly reduces disability benefits received from auto insurance. As disability income coverage becomes optional, we expect the take-up rate to drop significantly, as disability income from an auto insurer provides little benefit to consumers with other income replacement assistance. The optionality may also introduce an antiselection issue where only policyholders without other income replacement assistance will purchase the optional disability income coverage.

## Housekeeping & Caregiver Eligibility

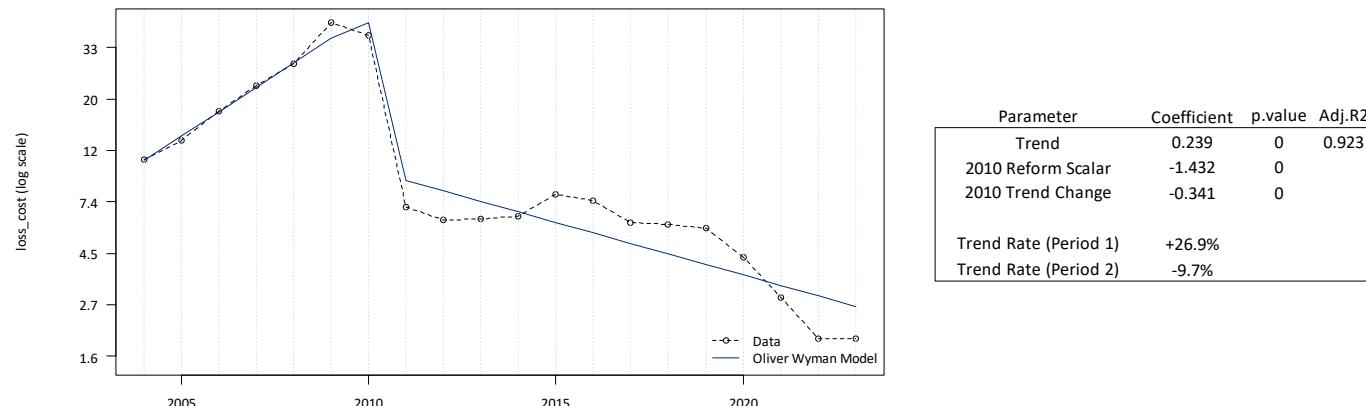
Under the current SABS, only benefits for catastrophically impaired claimants are included as mandatory benefits. Consumers have the option to purchase optional accident benefits to access these benefits for non-catastrophic impairments. However, we note that following the 2010 reforms, the housekeeping loss cost decreased significantly, and have been generally decreasing through 2023. Therefore, we expect the take-up rate for the optional housekeeping benefits for non-catastrophic injuries is relatively low. In Figure 3, we present a model estimating the reduction in housekeeping following the 2010 reforms.

**Figure 3: Housekeeping Loss Cost Trend Model**



We also fit a model to a longer period with a trend change following the 2010 reforms. We present this model in Figure 4.

**Figure 4: Housekeeping Loss Cost Trend Model**



The loss cost trend prior to the reforms was significantly positive; however, the trend is negative following the reforms. This suggests the housekeeping loss trend for catastrophic injuries may be different than the loss trend for

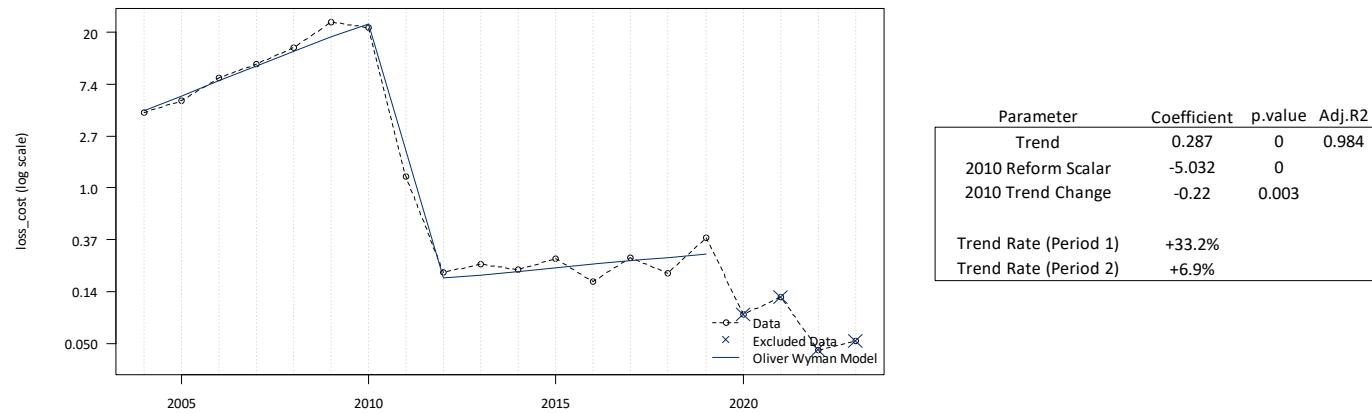
non-catastrophic injuries. The loss trend model in Figure 3 implies a factor of 9.76<sup>23</sup> to adjust the loss costs under the current benefits to a pre-reform level. However, the loss trend model in Figure 4 implies this difference as of July 1, 2026, would be significantly greater, as the loss trend for non-catastrophic injuries is much higher than the loss trend for catastrophic injuries. If we extrapolate the pre-2010 loss trend to the July 1, 2026, effective date, the implied housekeeping loss cost is approximately \$2,400. We do not find it reasonable to assume the pre-2010 loss trend would have continued if the reforms had not been implemented. Therefore, we base our estimated adjustment factor on the loss trend model in Figure 3. Using the 9.76 adjustment factor, we estimate:

- A loss cost as of July 1, 2026, under the current benefits of \$5.98,
- A loss cost as of July 1, 2026, under the proposed benefits of \$58.41.<sup>24</sup>

We also fit a model to caregiver disability income loss costs. We present this model in Figure 5. We note a similar decrease following the reforms in 2010, however the decrease occurred over two years, between 2010 and 2012, instead of one year which we observe with housekeeping. The model in Figure 5 implies a factor of 153.24 to adjust the loss costs under the current benefits. The loss costs between 2020 and 2024 indicate a negative trend, so the scalar to adjust the 2024 loss cost to the pre-reform level would be even higher. However, there is significant uncertainty with these loss costs as the trends before the reform and following the reform are different. Therefore, we use the indicated scalar from the model as an adjustment factor to estimate the following loss costs:

- A loss cost as of July 1, 2026, under the current benefits of \$0.13,
- A loss cost as of July 1, 2026, under the proposed benefits of \$19.47.<sup>25</sup>

**Figure 5: Caregiver Loss Cost Trend Model**



We present a summary of the housekeeping, home maintenance, and caregiver loss costs in Table 10.

<sup>23</sup> = 1 / exp[-2.278]

<sup>24</sup> = \$5.98 \* 9.76

<sup>25</sup> = \$0.13 \* 153.24

**Table 10: Housekeeping, Home Maintenance, and Caregiver Estimated Required Premium†**

<b>Coverage</b>	<b>Catastrophic Impairment Required Premium</b>	<b>Non-Catastrophic Impairment Required Premium</b>	<b>Cat + Non-Cat Coverage Required Premium</b>
Housekeeping & Home Maintenance	\$7.89	\$68.98	\$76.87
Caregiver Disability Income	0.17	25.60	25.77

† at 100% take up rate; there is an immaterial difference for caregiver disability income at the FSRA benchmark 80% take-up rate.

## **Implementation**

We recommend the following methodology to estimate premiums following the reforms.

- Insurers apply the benchmark factor of 9.76 for housekeeping & home maintenance to estimate the combined catastrophic and non-catastrophic impairment required premium for housekeeping & home maintenance.
- The combined catastrophic and non-catastrophic impairment caregiver estimated required premium is approximately 1/3 of the housekeeping & home maintenance required premium. Insurers should apply this 1/3 factor to housekeeping & home maintenance required premiums to estimate the caregiver disability income premium.

## 5. Distribution and Use

This report is subject to the following Distribution and Use restrictions:

- **Usage and Responsibility of Client** – Oliver Wyman prepared this report for the sole use of the client named herein for the stated purpose. This report includes important considerations, assumptions, and limitations and, as a result, is intended to be read and used only as a whole. This report may not be separated into, or distributed, in parts other than by the client to whom this report was issued, as needed, in the case of distribution to such client's directors, officers, or employees. All decisions in connection with the implementation or use of advice or recommendations contained in this report are the sole responsibility of the client named herein.
- **Distribution, Circulation, and Publication** – This report is not intended for general circulation or publication, nor is it to be used, quoted or distributed to others for any purpose other than those that may be set forth herein or in the written agreement pursuant to which we issued this report without the prior written consent of Oliver Wyman. Neither all nor any part of the contents of this report, any opinions expressed herein, or the firm with which this report is connected, shall be disseminated to the public through advertising media, public relations, news media, sales media, mail, direct transmittal, or any other public means of communications, without the prior written consent of Oliver Wyman.
- **Third Party Reliance and Due Diligence** – Oliver Wyman's consent to any distribution of this report (whether herein or in the written agreement pursuant to which we issued this report) to parties other than the client named herein does not constitute advice by Oliver Wyman to any such third parties. Any distribution to third parties shall be solely for informational purposes and, in the case of regulators and officers of the Province who are formally participating in the regulatory rate review process, for purposes of fulfilling related regulatory, administrative, and official functions. Oliver Wyman assumes no liability related to third party use of this report or any actions taken or decisions made as a consequence of the results, advice or recommendations set forth herein. This report should not replace the due diligence on behalf of any such third party.

## 6. Considerations and Limitations

- **Data Verification** – For our analysis, we relied on data and information provided by the parties named herein without independent audit. Though we have reviewed the data for reasonableness and consistency, we have not audited or otherwise verified this data. Our review of data may not always reveal imperfections. We have assumed that the data provided is both accurate and complete. The results of our analysis are dependent on this assumption. If this data or information is inaccurate or incomplete, our findings and conclusions might therefore be unreliable.
- **Supplemental Data** – Where historical data of the company named herein was either (i) not available, (ii) not appropriate or (iii) not sufficiently credible to develop our actuarial assumptions, we supplemented it with external information, as we deemed appropriate. Although we believe these external sources may be more predictive of future experience of the company named herein than any other data of which we are aware, the use of external data adds to the uncertainty associated with our projections.
- **Rounding and Accuracy** – Our models may retain more digits than those displayed. Also, the results of certain calculations may be presented in the exhibits and/or tables with more or fewer digits than would be considered significant. As a result, there may be rounding differences between the results of calculations presented in the exhibits and/or tables and replications of those calculations based on displayed underlying amounts. Also, calculation results may not have been adjusted to reflect the precision of the calculation.
- **Internal / External Changes** – The sources of uncertainty affecting our estimates are numerous and include factors internal and external to the company named herein. Internal factors include items such as changes in claim reserving or settlement practices. The most significant external influences include, but are not limited to, changes in the legal, social, or regulatory environment surrounding the claims process. Uncontrollable factors such as general economic conditions also contribute to the variability.
- **Uncertainty Inherent in Projections** – While this analysis complies with applicable Standards of Practice, users of this analysis should recognize that any projections involve estimates of future events and are subject to economic and statistical variations from expected values. We have not anticipated any extraordinary changes to the legal, social, or economic environment that might affect the frequency or severity of claims. For these reasons, we do not guarantee that the emergence of actual losses will correspond to the projections in this analysis.

## 7. Exhibits

### Exhibit 1.1 – Exhibit 1.13

We project ultimate claim frequency, severity, and loss costs to a July 1, 2026, level using benchmarks presented in our report titled *Ontario Private Passenger Vehicles Annual Review as of December 31, 2023*.

### Exhibit 2.1 – Exhibit 2.10

We project ultimate claim frequency, severity, and loss costs to a July 1, 2026, level for proposed optional accident benefits subcoverages. We use the appropriate corresponding benchmarks approved by FSRA in the Ontario Private Passenger Vehicles Annual Review as of December 31, 2023, to trend and develop reported losses and claim counts by subcoverage.

### Exhibit 3.1

We select an expense provision based on historical expense data provided to GISA.

### Exhibit 3.2

We include an estimate of the Health Levy provision at \$18.70 per vehicle, based on our review of the historical amount reported by GISA.

### Exhibit 3.3

We present an estimate of the overall required premium under the current benefit structure in Ontario at a July 1, 2026, cost level.

### Exhibit 4.1

We summarize the average weekly gross and net income by income group for the Ontario population.

### Exhibit 4.2

We use the current disability income benefit structure to calculate an average weekly income replacement severity in Ontario. The auto insurer is second payer to all other income replacement assistance. We select a factor of 70% of income, on average, that these other income replacement assistance sources cover. We calculate an average weekly severity as the weighted average severity of those claimants with income replacement assistance and without other sources of income replacement assistance.

### Exhibit 4.3

We calculate the average weekly severity assuming an alternate benefit structure. We include both an alternate income replacement benefit structure and a different benefit amount for non-earners. We calculate an overall adjusted weekly severity using Ontario population statistics which we use to calculate a disability income adjustment factor for the alternate benefit structure.

### Exhibit 4.4

We calculate an adjustment factor for the additional costs to auto insurer resulting from the shift from second payer to first payer for accident benefits medical & rehabilitation. We describe these calculations in Section 4.

### **Exhibit 4.5**

We present a table of the expected consumer behavior both currently and after the introduction of the reforms to receive disability income replacement benefits. We also estimate the marginal transfer of disability income costs to bodily injury as a result of the reforms.

### **Exhibit 4.6**

We calculate the total costs that would shift to bodily injury as a result of consumers that do not purchase optional accident benefits coverage. Based on our trend models in the *Ontario Private Passenger Vehicles Annual Review as of December 31, 2023*, we estimate the percentage of costs transferred to bodily injury as a result of the 2016 reforms. We use this factor, the selected accident benefits loss costs, and the optional take-up rate assumption to estimate the additional costs to bodily injury.

### **Exhibit 5.1**

We summarize the costs transferred to bodily injury and the adjusted bodily injury loss cost at a July 1, 2026, cost level.

### **Exhibit 5.2**

We summarize the adjustment factors from Exhibits 4.1 – 4.5 and estimate the adjusted loss cost at a July 1, 2026, cost level for accident benefits subcoverages.

### **Exhibit 6.1**

We summarize the selected costing assumptions.

### **Exhibit 6.2**

We present an estimate of the adjusted overall required premium under the proposed benefit structure following the reforms at a July 1, 2026, cost level.

### **Exhibit 6.3**

We present an estimate of the adjusted overall required premium for accident benefits under the proposed benefit structure following the reforms at a July 1, 2026, cost level.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Third Party Liability - Bodily Injury  
Data as of 12/31/2023

(1)	(2) Oliver Wyman Loss Trend Report	(3) GISA Report AUTO7001	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) Selected	(13) (4) * (8) * (9) * (10) * (11) * (12)	(14) Selected
-----	---------------------------------------	-----------------------------	-----	-----	-----	-----	-----	-----	------	------	------------------	---	------------------

**Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level**

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	14,144	6,953,788	2.034	-0.7%	-5.3%	04/01/16	0.564			1.000	0.950	1.091	0%
2015	14,710	7,091,897	2.074	-0.7%	-5.3%	04/01/16	0.568			1.000	0.950	1.120	0%
2016	14,533	7,283,702	1.995	-0.7%	-5.3%	04/01/16	0.579			1.000	0.950	1.098	0%
2017	13,489	7,477,427	1.804	-0.7%	-5.3%	04/01/16	0.612			1.000	0.950	1.048	0%
2018	12,806	7,662,593	1.671	-0.7%	-5.3%	04/01/16	0.646			1.000	0.950	1.025	0%
2019	12,756	7,831,832	1.629	-0.7%	-5.3%	04/01/16	0.682			1.000	0.950	1.056	20%
2020	8,222	7,866,260	1.045	-0.7%	-5.3%	04/01/16	0.720			1.480	0.950	1.059	20%
2021	8,432	7,959,144	1.059	-0.7%	-5.3%	04/01/16	0.761			1.426	0.950	1.092	20%
2022	10,267	8,068,839	1.272	-0.7%	-5.3%	04/01/16	0.804			1.130	0.950	1.098	20%
2023	10,575	8,202,205	1.289	-0.7%	-5.3%	04/01/16	0.849			1.000	0.950	1.040	20%

**A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level**

1.069 Sum[(13) x (14)]

**Selected Severity at 7/1/2026 Cost Level**

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	1,807,418,345	14,144	127,787	2.6%	3.6%	04/01/16	1.504					192,225	0%
2015	2,032,357,595	14,710	138,162	2.6%	3.6%	04/01/16	1.466					202,569	0%
2016	2,071,896,258	14,533	142,565	2.6%	3.6%	04/01/16	1.426					203,235	0%
2017	2,017,229,886	13,489	149,546	2.6%	3.6%	04/01/16	1.376					205,761	0%
2018	1,997,643,621	12,806	155,993	2.6%	3.6%	04/01/16	1.328					207,154	0%
2019	2,019,211,457	12,756	158,295	2.6%	3.6%	04/01/16	1.282					202,889	20%
2020	1,448,156,836	8,222	176,132	2.6%	3.6%	04/01/16	1.237					217,886	20%
2021	1,446,322,131	8,432	171,528	2.6%	3.6%	04/01/16	1.194					204,799	20%
2022	1,706,620,997	10,267	166,224	2.6%	3.6%	04/01/16	1.152					191,553	20%
2023	2,075,005,620	10,575	196,218	2.6%	3.6%	04/01/16	1.112					218,240	20%

**B. Selected Severity at 7/1/2026 Cost Level**

207,073 Sum[(13) x (14)]

**Selected Loss Cost at 7/1/2026 Cost Level**

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	1,807,418,345	6,953,788	260	1.9%	-1.9%	04/01/16	0.849			1.000	0.950	210	0%
2015	2,032,357,595	7,091,897	287	1.9%	-1.9%	04/01/16	0.833			1.000	0.950	227	0%
2016	2,071,896,258	7,283,702	284	1.9%	-1.9%	04/01/16	0.825			1.000	0.950	223	0%
2017	2,017,229,886	7,477,427	270	1.9%	-1.9%	04/01/16	0.841			1.000	0.950	216	0%
2018	1,997,643,621	7,662,593	261	1.9%	-1.9%	04/01/16	0.858			1.000	0.950	212	0%
2019	2,019,211,457	7,831,832	258	1.9%	-1.9%	04/01/16	0.874			1.000	0.950	214	20%
2020	1,448,156,836	7,866,260	184	1.9%	-1.9%	04/01/16	0.891			1.480	0.950	231	20%
2021	1,446,322,131	7,959,144	182	1.9%	-1.9%	04/01/16	0.909			1.426	0.950	224	20%
2022	1,706,620,997	8,068,839	212	1.9%	-1.9%	04/01/16	0.926			1.130	0.950	210	20%
2023	2,075,005,620	8,202,205	253	1.9%	-1.9%	04/01/16	0.944			1.000	0.950	227	20%

**C. Initial Selected Loss Cost at 7/1/2026 Cost Level**

221 Sum[(13) x (14)]

**D. Frequency x Severity Method**

221 A \* B

**E. Selected Loss Cost at 7/1/2026 Cost Level**

221 average[C, D]

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.
- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Property Damage  
Data as of 12/31/2023

(1)	(2) Oliver Wyman Loss Trend Report	(3) GISA Report AUTO7001	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) Selected	(13) (4) * (8) * (9) * (10) * (11) * (12)	(14) Selected
-----	---------------------------------------	-----------------------------	-----	-----	-----	-----	-----	-----	------	------	------------------	---	------------------

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	9,523	6,953,788	1.369	-2.0%	-2.8%	01/01/13	0.713			1.000	0.950	0.928	0%
2015	9,214	7,091,897	1.299	-2.0%	-2.8%	01/01/13	0.734			1.000	0.950	0.905	0%
2016	9,516	7,283,702	1.306	-2.0%	-2.8%	01/01/13	0.755			1.000	0.950	0.937	0%
2017	9,612	7,477,427	1.285	-2.0%	-2.8%	01/01/13	0.776			1.000	0.950	0.948	0%
2018	9,336	7,662,593	1.218	-2.0%	-2.8%	01/01/13	0.798			1.000	0.950	0.924	0%
2019	9,299	7,831,832	1.187	-2.0%	-2.8%	01/01/13	0.821			1.000	0.950	0.926	20%
2020	6,630	7,866,260	0.843	-2.0%	-2.8%	01/01/13	0.845			1.448	0.950	0.979	20%
2021	6,295	7,959,144	0.791	-2.0%	-2.8%	01/01/13	0.869			1.398	0.950	0.912	20%
2022	7,675	8,068,839	0.951	-2.0%	-2.8%	01/01/13	0.893			1.122	0.950	0.906	20%
2023	8,765	8,202,205	1.069	-2.0%	-2.8%	01/01/13	0.919			1.000	0.950	0.933	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.931 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	56,406,667	9,523	5,923	3.8%	7.8%	01/01/13	2.461					14,576	0%
2015	63,941,756	9,214	6,940	3.8%	7.8%	01/01/13	2.283					15,843	0%
2016	68,820,241	9,516	7,232	3.8%	7.8%	01/01/13	2.118					15,317	0%
2017	69,753,530	9,612	7,257	3.8%	7.8%	01/01/13	1.965					14,258	0%
2018	78,223,341	9,336	8,379	3.8%	7.8%	01/01/13	1.823					15,272	0%
2019	87,268,337	9,299	9,385	3.8%	7.8%	01/01/13	1.691					15,869	20%
2020	65,277,844	6,630	9,846	3.8%	7.8%	01/01/13	1.569					15,445	20%
2021	66,937,046	6,295	10,633	3.8%	7.8%	01/01/13	1.455					15,475	20%
2022	86,133,746	7,675	11,223	3.8%	7.8%	01/01/13	1.350					15,152	20%
2023	101,039,211	8,765	11,528	3.8%	7.8%	01/01/13	1.252					14,438	20%

B. Selected Severity at 7/1/2026 Cost Level

15,276 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	56,406,667	6,953,788	8	1.7%	4.8%	01/01/13	1.755			1.000	0.950	14	0%
2015	63,941,756	7,091,897	9	1.7%	4.8%	01/01/13	1.675			1.000	0.950	14	0%
2016	68,820,241	7,283,702	9	1.7%	4.8%	01/01/13	1.598			1.000	0.950	14	0%
2017	69,753,530	7,477,427	9	1.7%	4.8%	01/01/13	1.525			1.000	0.950	14	0%
2018	78,223,341	7,662,593	10	1.7%	4.8%	01/01/13	1.455			1.000	0.950	14	0%
2019	87,268,337	7,831,832	11	1.7%	4.8%	01/01/13	1.388			1.000	0.950	15	20%
2020	65,277,844	7,866,260	8	1.7%	4.8%	01/01/13	1.325			1.448	0.950	15	20%
2021	66,937,046	7,959,144	8	1.7%	4.8%	01/01/13	1.264			1.398	0.950	14	20%
2022	86,133,746	8,068,839	11	1.7%	4.8%	01/01/13	1.206			1.122	0.950	14	20%
2023	101,039,211	8,202,205	12	1.7%	4.8%	01/01/13	1.151			1.000	0.950	13	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

14 Sum[(13) x (14)]

D. Frequency x Severity Method

14 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

14 average[C, D]

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Direct Compensation  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIIS Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	216,696	6,953,788	31.162	2.1%	2.1%	10/01/23	1.283			1.000	0.950	37.989	0%
2015	227,434	7,091,897	32.070	2.1%	2.1%	10/01/23	1.257			1.000	0.950	38.291	0%
2016	238,462	7,283,702	32.739	2.1%	2.1%	10/01/23	1.231			1.000	0.950	38.287	0%
2017	250,805	7,477,427	33.542	2.1%	2.1%	10/01/23	1.206			1.000	0.950	38.418	0%
2018	260,434	7,662,593	33.988	2.1%	2.1%	10/01/23	1.181			1.000	0.950	38.129	0%
2019	270,096	7,831,832	34.487	2.1%	2.1%	10/01/23	1.157			1.000	0.950	37.893	20%
2020	160,574	7,866,260	20.413	2.1%	2.1%	10/01/23	1.133			1.824	0.950	40.077	20%
2021	164,949	7,959,144	20.724	2.1%	2.1%	10/01/23	1.110			1.733	0.950	37.852	20%
2022	210,046	8,068,839	26.032	2.1%	2.1%	10/01/23	1.087			1.386	0.950	37.236	20%
2023	230,712	8,202,205	28.128	2.1%	2.1%	10/01/23	1.064			1.346	0.950	38.278	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level 38.267 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	1,108,437,570	216,696	5.115	6.9%	6.9%	10/01/23	2.227					11,392	0%
2015	1,255,944,378	227,434	5.522	6.9%	6.9%	10/01/23	2.083					11,505	0%
2016	1,409,796,900	238,462	5,912	6.9%	6.9%	10/01/23	1.949					11,522	0%
2017	1,592,187,240	250,805	6,348	6.9%	6.9%	10/01/23	1.823					11,573	0%
2018	1,795,883,003	260,434	6,896	6.9%	6.9%	10/01/23	1.705					11,760	0%
2019	1,969,977,973	270,096	7,294	6.9%	6.9%	10/01/23	1.595					11,636	20%
2020	1,201,916,409	160,574	7,485	6.9%	6.9%	10/01/23	1.492					11,170	20%
2021	1,273,719,576	164,949	7,722	6.9%	6.9%	10/01/23	1.396					10,780	20%
2022	1,895,202,723	210,046	9,023	6.9%	6.9%	10/01/23	1.306					11,783	20%
2023	2,257,190,352	230,712	9,784	6.9%	6.9%	10/01/23	1.222					11,952	20%

B. Selected Severity at 7/1/2026 Cost Level 11,464 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	1,108,437,570	6,953,788	159	9.1%	9.1%	10/01/23	2.844			1.000	0.950	431	0%
2015	1,255,944,378	7,091,897	177	9.1%	9.1%	10/01/23	2.607			1.000	0.950	439	0%
2016	1,409,796,900	7,283,702	194	9.1%	9.1%	10/01/23	2.389			1.000	0.950	439	0%
2017	1,592,187,240	7,477,427	213	9.1%	9.1%	10/01/23	2.190			1.000	0.950	443	0%
2018	1,795,883,003	7,662,593	234	9.1%	9.1%	10/01/23	2.007			1.000	0.950	447	0%
2019	1,969,977,973	7,831,832	252	9.1%	9.1%	10/01/23	1.840			1.000	0.950	440	20%
2020	1,201,916,409	7,866,260	153	9.1%	9.1%	10/01/23	1.686			1.824	0.950	447	20%
2021	1,273,719,576	7,959,144	160	9.1%	9.1%	10/01/23	1.546			1.733	0.950	407	20%
2022	1,895,202,723	8,068,839	235	9.1%	9.1%	10/01/23	1.417			1.386	0.950	438	20%
2023	2,257,190,352	8,202,205	275	9.1%	9.1%	10/01/23	1.299			1.346	0.950	457	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level 438 Sum[ (13) x (14) ]

D. Frequency x Severity Method 439 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level 438 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Total Medical/Rehab  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001					Oliver Wyman Loss Trend Report				Selected	(4) * (8) * (9) * (10) * (11)	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	52,267	6,959,954	7.510	2.9%	-1.1%	06/01/16	0.949		1.000	0.950	6.770	0%	
2015	56,771	7,098,559	7.998	2.9%	-1.1%	06/01/16	0.922		1.000	0.950	7.004	0%	
2016	59,786	7,293,185	8.198	2.9%	-1.1%	06/01/16	0.899		1.000	0.950	6.998	0%	
2017	61,031	7,489,279	8.149	2.9%	-1.1%	06/01/16	0.908		1.000	0.950	7.031	0%	
2018	61,784	7,670,322	8.055	2.9%	-1.1%	06/01/16	0.918		1.000	0.950	7.025	0%	
2019	63,026	7,823,089	8.056	2.9%	-1.1%	06/01/16	0.928		1.000	0.950	7.101	20%	
2020	38,154	7,858,799	4.855	2.9%	-1.1%	06/01/16	0.938		1.724	0.950	7.456	20%	
2021	41,560	7,950,306	5.227	2.9%	-1.1%	06/01/16	0.948		1.643	0.950	7.736	20%	
2022	50,426	8,061,683	6.255	2.9%	-1.1%	06/01/16	0.958		1.299	0.950	7.398	20%	
2023	55,559	8,199,202	6.776	2.9%	-1.1%	06/01/16	0.968		1.220	0.950	7.602	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

7,459 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	1,867,138,391	52,267	35,723	4.2%	2.5%	06/01/16	1.388		0.756			37,478	0%
2015	2,147,397,350	56,771	37,826	4.2%	2.5%	06/01/16	1.331		0.756			38,070	0%
2016	2,149,628,236	59,786	35,955	4.2%	2.5%	06/01/16	1.279		0.857			39,423	0%
2017	1,897,526,806	61,031	31,091	4.2%	2.5%	06/01/16	1.248		1.000			38,796	0%
2018	1,894,488,614	61,784	30,663	4.2%	2.5%	06/01/16	1.218		1.000			37,332	0%
2019	1,971,064,905	63,026	31,274	4.2%	2.5%	06/01/16	1.188		1.000			37,151	20%
2020	1,444,273,708	38,154	37,854	4.2%	2.5%	06/01/16	1.159		1.000			42,808	20%
2021	1,506,753,522	41,560	36,255	4.2%	2.5%	06/01/16	1.131		1.000			41,000	20%
2022	1,758,276,220	50,426	34,868	4.2%	2.5%	06/01/16	1.103		1.000			38,474	20%
2023	2,091,684,055	55,559	37,648	4.2%	2.5%	06/01/16	1.077		1.000			40,532	20%

B. Selected Severity at 7/1/2026 Cost Level

39,993 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	1,867,138,391	6,959,954	268	7.3%	1.4%	06/01/16	1.317		0.756	1.000	0.950	254	0%
2015	2,147,397,350	7,098,559	303	7.3%	1.4%	06/01/16	1.227		0.756	1.000	0.950	267	0%
2016	2,149,628,236	7,293,185	295	7.3%	1.4%	06/01/16	1.149		0.857	1.000	0.950	276	0%
2017	1,897,526,806	7,489,279	253	7.3%	1.4%	06/01/16	1.133		1.000	1.000	0.950	273	0%
2018	1,894,488,614	7,670,322	247	7.3%	1.4%	06/01/16	1.118		1.000	1.000	0.950	262	0%
2019	1,971,064,905	7,823,089	252	7.3%	1.4%	06/01/16	1.102		1.000	1.000	0.950	264	20%
2020	1,444,273,708	7,858,799	184	7.3%	1.4%	06/01/16	1.087		1.000	1.724	0.950	327	20%
2021	1,506,753,522	7,950,306	190	7.3%	1.4%	06/01/16	1.072		1.000	1.643	0.950	317	20%
2022	1,758,276,220	8,061,683	218	7.3%	1.4%	06/01/16	1.057		1.000	1.299	0.950	285	20%
2023	2,091,684,055	8,199,202	255	7.3%	1.4%	06/01/16	1.043		1.000	1.220	0.950	308	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

300 Sum[(13) x (14)]

D. Frequency x Severity Method

298 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

299 average(C, D)

F. Frequency x Severity Balancing Adjustment

1.003

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.
- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing  
  
Forecasted Loss Cost - Current Regulation  
Accident Benefits - Total Disability Income  
Data as of 12/31/2023

(1)	(2) Oliver Wyman Loss Trend Report	(3) GISA Report AUTO7001	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12) Selected	(13) (4) * (8) * (9) * (10) * (11) * (12)	(14) Selected
-----	---------------------------------------	-----------------------------	-----	-----	-----	-----	-----	-----	------	------	------------------	---	------------------

**Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level**

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	15,386	6,959,954	2.211	3.2%	-3.9%	06/01/16	0.713			1.000	0.950	1.498	0%
2015	16,626	7,098,559	2.342	3.2%	-3.9%	06/01/16	0.691			1.000	0.950	1.538	0%
2016	16,995	7,293,185	2.330	3.2%	-3.9%	06/01/16	0.674			1.000	0.950	1.492	0%
2017	16,819	7,489,279	2.246	3.2%	-3.9%	06/01/16	0.701			1.000	0.950	1.496	0%
2018	15,877	7,670,322	2.070	3.2%	-3.9%	06/01/16	0.729			1.000	0.950	1.434	0%
2019	15,770	7,823,089	2.016	3.2%	-3.9%	06/01/16	0.759			1.000	0.950	1.453	20%
2020	10,058	7,858,799	1.280	3.2%	-3.9%	06/01/16	0.789			1.587	0.950	1.523	20%
2021	10,320	7,950,306	1.298	3.2%	-3.9%	06/01/16	0.821			1.521	0.950	1.540	20%
2022	12,220	8,061,683	1.516	3.2%	-3.9%	06/01/16	0.854			1.199	0.950	1.475	20%
2023	13,157	8,199,202	1.605	3.2%	-3.9%	06/01/16	0.888			1.085	0.950	1.469	20%

**A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level**

1.492 Sum[(13) x (14)]

**Selected Severity at 7/1/2026 Cost Level**

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	512,651,236	15,386	33,319	2.6%	2.2%	06/01/16	1.301		0.868			37,625	0%
2015	573,076,358	16,626	34,469	2.6%	2.2%	06/01/16	1.269		0.868			37,952	0%
2016	605,812,277	16,995	35,647	2.6%	2.2%	06/01/16	1.237		0.923			40,701	0%
2017	540,739,871	16,819	32,151	2.6%	2.2%	06/01/16	1.211		1.000			38,941	0%
2018	555,980,707	15,877	35,018	2.6%	2.2%	06/01/16	1.186		1.000			41,521	0%
2019	564,437,304	15,770	35,792	2.6%	2.2%	06/01/16	1.161		1.000			41,544	20%
2020	352,566,852	10,058	35,053	2.6%	2.2%	06/01/16	1.136		1.000			39,830	20%
2021	368,479,661	10,320	35,705	2.6%	2.2%	06/01/16	1.112		1.000			39,716	20%
2022	422,187,073	12,220	34,549	2.6%	2.2%	06/01/16	1.089		1.000			37,620	20%
2023	506,815,973	13,157	38,521	2.6%	2.2%	06/01/16	1.066		1.000			41,061	20%

**B. Selected Severity at 7/1/2026 Cost Level**

39,954 Sum[(13) x (14)]

**Selected Loss Cost at 7/1/2026 Cost Level**

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	512,651,236	6,959,954	74	5.8%	-1.8%	06/01/16	0.928		0.868	1.000	0.950	56	0%
2015	573,076,358	7,098,559	81	5.8%	-1.8%	06/01/16	0.877		0.868	1.000	0.950	58	0%
2016	605,812,277	7,293,185	83	5.8%	-1.8%	06/01/16	0.834		0.923	1.000	0.950	61	0%
2017	540,739,871	7,489,279	72	5.8%	-1.8%	06/01/16	0.849		1.000	1.000	0.950	58	0%
2018	555,980,707	7,670,322	72	5.8%	-1.8%	06/01/16	0.865		1.000	1.000	0.950	60	0%
2019	564,437,304	7,823,089	72	5.8%	-1.8%	06/01/16	0.881		1.000	1.000	0.950	60	20%
2020	352,566,852	7,858,799	45	5.8%	-1.8%	06/01/16	0.897		1.000	1.587	0.950	61	20%
2021	368,479,661	7,950,306	46	5.8%	-1.8%	06/01/16	0.913		1.000	1.521	0.950	61	20%
2022	422,187,073	8,061,683	52	5.8%	-1.8%	06/01/16	0.930		1.000	1.199	0.950	55	20%
2023	506,815,973	8,199,202	62	5.8%	-1.8%	06/01/16	0.947		1.000	1.085	0.950	60	20%

**C. Initial Selected Loss Cost at 7/1/2026 Cost Level**

60 Sum[(13) x (14)]

**D. Frequency x Severity Method**

60 A \* B

**E. Selected Loss Cost at 7/1/2026 Cost Level**

60 average[C, D]

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Funeral & Death Benefits  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GI5A Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	825	6,959,954	0.119	-2.4%	-2.4%	10/01/23	0.747			1.000	0.950	0.084	0%
2015	782	7,098,559	0.110	-2.4%	-2.4%	10/01/23	0.766			1.000	0.950	0.080	0%
2016	893	7,293,185	0.122	-2.4%	-2.4%	10/01/23	0.784			1.000	0.950	0.091	0%
2017	943	7,489,279	0.126	-2.4%	-2.4%	10/01/23	0.804			1.000	0.950	0.096	0%
2018	843	7,670,322	0.110	-2.4%	-2.4%	10/01/23	0.823			1.000	0.950	0.086	0%
2019	795	7,823,089	0.102	-2.4%	-2.4%	10/01/23	0.844			1.000	0.950	0.081	20%
2020	688	7,858,799	0.088	-2.4%	-2.4%	10/01/23	0.864			1.237	0.950	0.089	20%
2021	680	7,950,306	0.086	-2.4%	-2.4%	10/01/23	0.886			1.210	0.950	0.087	20%
2022	692	8,061,683	0.086	-2.4%	-2.4%	10/01/23	0.907			1.067	0.950	0.079	20%
2023	808	8,199,202	0.099	-2.4%	-2.4%	10/01/23	0.930			1.000	0.950	0.087	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level 0.085 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	13,975,231	825	16,940	0.3%	0.3%	10/01/23	1.037					17,560	0%
2015	13,356,977	782	17,081	0.3%	0.3%	10/01/23	1.033					17,653	0%
2016	14,315,287	893	16,031	0.3%	0.3%	10/01/23	1.030					16,518	0%
2017	16,079,469	943	17,051	0.3%	0.3%	10/01/23	1.027					17,517	0%
2018	14,896,265	843	17,671	0.3%	0.3%	10/01/23	1.024					18,099	0%
2019	13,749,642	795	17,295	0.3%	0.3%	10/01/23	1.021					17,662	20%
2020	11,795,765	688	17,145	0.3%	0.3%	10/01/23	1.018					17,456	20%
2021	11,568,006	680	17,012	0.3%	0.3%	10/01/23	1.015					17,268	20%
2022	11,694,679	692	16,900	0.3%	0.3%	10/01/23	1.012					17,104	20%
2023	13,896,648	808	17,199	0.3%	0.3%	10/01/23	1.009					17,354	20%

B. Selected Severity at 7/1/2026 Cost Level 17,369 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	13,975,231	6,959,954	2	-2.1%	-2.1%	10/01/23	0.775			1.000	0.950	1	0%
2015	13,356,977	7,098,559	2	-2.1%	-2.1%	10/01/23	0.792			1.000	0.950	1	0%
2016	14,315,287	7,293,185	2	-2.1%	-2.1%	10/01/23	0.809			1.000	0.950	2	0%
2017	16,079,469	7,489,279	2	-2.1%	-2.1%	10/01/23	0.826			1.000	0.950	2	0%
2018	14,896,265	7,670,322	2	-2.1%	-2.1%	10/01/23	0.844			1.000	0.950	2	0%
2019	13,749,642	7,823,089	2	-2.1%	-2.1%	10/01/23	0.862			1.000	0.950	1	20%
2020	11,795,765	7,858,799	2	-2.1%	-2.1%	10/01/23	0.880			1.237	0.950	2	20%
2021	11,568,006	7,950,306	1	-2.1%	-2.1%	10/01/23	0.899			1.210	0.950	2	20%
2022	11,694,679	8,061,683	1	-2.1%	-2.1%	10/01/23	0.919			1.067	0.950	1	20%
2023	13,896,648	8,199,202	2	-2.1%	-2.1%	10/01/23	0.938			1.000	0.950	2	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level 1 Sum[ (13) x (14) ]

D. Frequency x Severity Method 1 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level 1 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Quebec Excess  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIIS Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	7	6,959,954	0.001	1.9%	-1.6%	10/01/23	1.141			1.000	0.950	0.001	0%
2015	8	7,098,559	0.001	1.9%	-1.6%	10/01/23	1.120			1.000	0.950	0.001	0%
2016	2	7,293,185	0.000	1.9%	-1.6%	10/01/23	1.099			1.000	0.950	0.000	0%
2017	5	7,489,279	0.001	1.9%	-1.6%	10/01/23	1.078			1.000	0.950	0.001	0%
2018	8	7,670,322	0.001	1.9%	-1.6%	10/01/23	1.058			1.000	0.950	0.001	0%
2019	9	7,823,089	0.001	1.9%	-1.6%	10/01/23	1.038			1.000	0.950	0.001	20%
2020	6	7,858,799	0.001	1.9%	-1.6%	10/01/23	1.019			1.000	0.950	0.001	20%
2021	3	7,950,306	0.000	1.9%	-1.6%	10/01/23	0.999			1.000	0.950	0.000	20%
2022	7	8,061,683	0.001	1.9%	-1.6%	10/01/23	0.981			1.000	0.950	0.001	20%
2023	32	8,199,202	0.004	1.9%	-1.6%	10/01/23	0.962			1.000	0.950	0.004	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level 0.001 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	912,726	7	130,389	3.7%	2.2%	10/01/23	1.488					194,003	0%
2015	116,992	8	14,624	3.7%	2.2%	10/01/23	1.435					20,979	0%
2016	26,386	2	13,193	3.7%	2.2%	10/01/23	1.383					18,247	0%
2017	64,841	5	12,968	3.7%	2.2%	10/01/23	1.334					17,294	0%
2018	88,359	8	11,045	3.7%	2.2%	10/01/23	1.286					14,201	0%
2019	111,252	9	12,361	3.7%	2.2%	10/01/23	1.240					15,324	20%
2020	123,688	6	20,615	3.7%	2.2%	10/01/23	1.195					24,640	20%
2021	11,356	3	3,785	3.7%	2.2%	10/01/23	1.152					4,362	20%
2022	441,288	7	63,041	3.7%	2.2%	10/01/23	1.111					70,046	20%
2023	541,834	32	16,932	3.7%	2.2%	10/01/23	1.071					18,139	20%

B. Selected Severity at 7/1/2026 Cost Level 26,502 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	912,726	6,959,954	0	5.7%	0.6%	10/01/23	1.698			1.000	0.950	0	0%
2015	116,992	7,098,559	0	5.7%	0.6%	10/01/23	1.606			1.000	0.950	0	0%
2016	26,386	7,293,185	0	5.7%	0.6%	10/01/23	1.520			1.000	0.950	0	0%
2017	64,841	7,489,279	0	5.7%	0.6%	10/01/23	1.438			1.000	0.950	0	0%
2018	88,359	7,670,322	0	5.7%	0.6%	10/01/23	1.360			1.000	0.950	0	0%
2019	111,252	7,823,089	0	5.7%	0.6%	10/01/23	1.287			1.000	0.950	0	20%
2020	123,688	7,858,799	0	5.7%	0.6%	10/01/23	1.217			1.000	0.950	0	20%
2021	11,356	7,950,306	0	5.7%	0.6%	10/01/23	1.152			1.000	0.950	0	20%
2022	441,288	8,061,683	0	5.7%	0.6%	10/01/23	1.090			1.000	0.950	0	20%
2023	541,834	8,199,202	0	5.7%	0.6%	10/01/23	1.031			1.000	0.950	0	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level 0 Sum[ (13) x (14) ]

D. Frequency x Severity Method 0 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level 0 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Collision  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIWA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	138,259	4,744,100	29.143	2.5%	2.5%	10/01/23	1.345			1.000	0.950	37.235	0%
2015	142,200	4,883,312	29.120	2.5%	2.5%	10/01/23	1.312			1.000	0.950	36.297	0%
2016	150,501	5,026,279	29.943	2.5%	2.5%	10/01/23	1.280			1.000	0.950	36.413	0%
2017	157,963	5,096,187	30.996	2.5%	2.5%	10/01/23	1.249			1.000	0.950	36.775	0%
2018	168,370	5,168,382	32.577	2.5%	2.5%	10/01/23	1.218			1.000	0.950	37.707	0%
2019	174,355	5,259,443	33.151	2.5%	2.5%	10/01/23	1.189			1.000	0.950	37.436	20%
2020	109,527	5,276,588	20.757	2.5%	2.5%	10/01/23	1.160			1.716	0.950	39.240	20%
2021	107,725	5,307,104	20.298	2.5%	2.5%	10/01/23	1.131			1.636	0.950	35.700	20%
2022	144,608	5,371,169	26.923	2.5%	2.5%	10/01/23	1.104			1.325	0.950	37.403	20%
2023	156,049	5,478,387	28.484	2.5%	2.5%	10/01/23	1.077			1.274	0.950	37.122	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

37,380 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	835,095,206	138,259	6,040	6.5%	6.5%	10/01/23	2.129					12,860	0%
2015	905,764,649	142,200	6,370	6.5%	6.5%	10/01/23	1.999					12,734	0%
2016	1,046,623,303	150,501	6,954	6.5%	6.5%	10/01/23	1.877					13,054	0%
2017	1,162,580,447	157,963	7,360	6.5%	6.5%	10/01/23	1.763					12,972	0%
2018	1,325,699,129	168,370	7,874	6.5%	6.5%	10/01/23	1.655					13,031	0%
2019	1,454,563,887	174,355	8,343	6.5%	6.5%	10/01/23	1.554					12,964	20%
2020	950,427,746	109,527	8,678	6.5%	6.5%	10/01/23	1.459					12,662	20%
2021	961,486,747	107,725	8,925	6.5%	6.5%	10/01/23	1.370					12,229	20%
2022	1,486,838,564	144,608	10,282	6.5%	6.5%	10/01/23	1.286					13,227	20%
2023	1,709,321,230	156,049	10,954	6.5%	6.5%	10/01/23	1.208					13,232	20%

B. Selected Severity at 7/1/2026 Cost Level

12,863 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	835,095,206	4,744,100	176	9.2%	9.2%	10/01/23	2.875			1.000	0.950	481	0%
2015	905,764,649	4,883,312	185	9.2%	9.2%	10/01/23	2.633			1.000	0.950	464	0%
2016	1,046,623,303	5,026,279	208	9.2%	9.2%	10/01/23	2.411			1.000	0.950	477	0%
2017	1,162,580,447	5,096,187	228	9.2%	9.2%	10/01/23	2.208			1.000	0.950	479	0%
2018	1,325,699,129	5,168,382	257	9.2%	9.2%	10/01/23	2.022			1.000	0.950	493	0%
2019	1,454,563,887	5,259,443	277	9.2%	9.2%	10/01/23	1.852			1.000	0.950	486	20%
2020	950,427,746	5,276,588	180	9.2%	9.2%	10/01/23	1.696			1.716	0.950	498	20%
2021	961,486,747	5,307,104	181	9.2%	9.2%	10/01/23	1.553			1.636	0.950	437	20%
2022	1,486,838,564	5,371,169	277	9.2%	9.2%	10/01/23	1.422			1.325	0.950	495	20%
2023	1,709,321,230	5,478,387	312	9.2%	9.2%	10/01/23	1.302			1.274	0.950	492	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

482 Sum[ (13) x (14) ]

D. Frequency x Severity Method

481 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

481 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Comprehensive - Total  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIWA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	140,342	5,266,442	26.648	2%	2%	10/01/23	1.196			1.000	1.000	31.861	0%
2015	142,814	5,394,268	26.475	2%	2%	10/01/23	1.178			1.000	1.000	31.186	0%
2016	149,810	5,506,056	27.208	2%	2%	10/01/23	1.161			1.000	1.000	31.576	0%
2017	139,570	5,544,473	25.173	2%	2%	10/01/23	1.143			1.000	1.000	28.782	0%
2018	149,875	5,584,566	26.837	2%	2%	10/01/23	1.126			1.000	1.000	30.232	0%
2019	145,898	5,640,675	25.865	2%	2%	10/01/23	1.110			1.000	1.000	28.707	20%
2020	126,120	5,701,380	22.121	2%	2%	10/01/23	1.093			1.000	1.000	24.188	20%
2021	134,950	5,700,996	23.671	2%	2%	10/01/23	1.077			1.000	1.000	25.501	20%
2022	162,169	5,720,797	28.347	2%	2%	10/01/23	1.061			1.000	1.000	30.087	20%
2023	185,654	5,805,472	31.979	2%	2%	10/01/23	1.046			1.000	1.000	33.440	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

28,384 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	310,781,483	140,342	2,214	12%	12%	10/01/23	3.854	1.282				10,942	0%
2015	326,296,764	142,814	2,285	12%	12%	10/01/23	3.445	1.282				10,089	0%
2016	375,273,594	149,810	2,505	12%	12%	10/01/23	3.078	1.282				9,885	0%
2017	390,886,825	139,570	2,801	12%	12%	10/01/23	2.751	1.282				9,877	0%
2018	501,053,283	149,875	3,343	12%	12%	10/01/23	2.458	1.282				10,536	0%
2019	509,641,216	145,898	3,493	12%	12%	10/01/23	2.197	1.282				9,838	20%
2020	519,330,262	126,120	4,118	12%	12%	10/01/23	1.963	1.282				10,364	20%
2021	662,868,213	134,950	4,912	12%	12%	10/01/23	1.754	1.141				9,833	20%
2022	1,075,722,782	162,169	6,633	12%	12%	10/01/23	1.568	1.000				10,400	20%
2023	1,439,821,888	185,654	7,755	12%	12%	10/01/23	1.401	1.000				10,867	20%

B. Selected Severity at 7/1/2026 Cost Level

10,260 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	310,781,483	5,266,442	59	13.6%	13.6%	10/01/23	4.619	1.282				349	0%
2015	326,296,764	5,394,268	60	13.6%	13.6%	10/01/23	4.066	1.282				315	0%
2016	375,273,594	5,506,056	68	13.6%	13.6%	10/01/23	3.579	1.282				313	0%
2017	390,886,825	5,544,473	71	13.6%	13.6%	10/01/23	3.151	1.282				285	0%
2018	501,053,283	5,584,566	90	13.6%	13.6%	10/01/23	2.773	1.282				319	0%
2019	509,641,216	5,640,675	90	13.6%	13.6%	10/01/23	2.441	1.282				283	20%
2020	519,330,262	5,701,380	91	13.6%	13.6%	10/01/23	2.149	1.282				251	20%
2021	662,868,213	5,700,996	116	13.6%	13.6%	10/01/23	1.892	1.141				251	20%
2022	1,075,722,782	5,720,797	188	13.6%	13.6%	10/01/23	1.665	1.000				313	20%
2023	1,439,821,888	5,805,472	248	13.6%	13.6%	10/01/23	1.466	1.000				364	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

292 Sum[(13) x (14)]

D. Frequency x Severity Method

291 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

292 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
All Perils  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIWA Report AUTO7001									Selected	(4) * (8) * (9) * (10) * (11)	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	54,790	1,152,736	47.530	3%	3%	10/01/23	1.377			1.000	0.950	62.164	0%
2015	57,770	1,200,983	48.102	3%	3%	10/01/23	1.341			1.000	0.950	61.258	0%
2016	65,118	1,286,664	50.610	3%	3%	10/01/23	1.305			1.000	0.950	62.757	0%
2017	76,767	1,445,325	53.051	3%	3%	10/01/23	1.271			1.000	0.950	64.055	0%
2018	89,710	1,590,144	56.416	3%	3%	10/01/23	1.238			1.000	0.950	66.327	0%
2019	93,591	1,674,654	55.887	3%	3%	10/01/23	1.205			1.000	0.950	63.977	20%
2020	70,075	1,687,894	41.516	3%	3%	10/01/23	1.173			1.383	0.950	64.001	20%
2021	75,619	1,746,575	43.296	3%	3%	10/01/23	1.142			1.340	0.950	62.945	20%
2022	98,124	1,806,244	54.325	3%	3%	10/01/23	1.112			1.106	0.950	63.469	20%
2023	112,136	1,845,460	60.763	3%	3%	10/01/23	1.083			1.000	0.950	62.528	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

63,384 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	313,052,987	54,790	5.714	6%	6%	10/01/23	1.990	1.113				12,652	0%
2015	339,487,083	57,770	5.877	6%	6%	10/01/23	1.879	1.113				12,288	0%
2016	412,713,661	65,118	6,338	6%	6%	10/01/23	1.774	1.113				12,514	0%
2017	507,090,689	76,676	6,613	6%	6%	10/01/23	1.675	1.113				12,331	0%
2018	640,340,597	89,710	7,138	6%	6%	10/01/23	1.582	1.113				12,567	0%
2019	688,423,269	93,591	7,356	6%	6%	10/01/23	1.494	1.113				12,229	20%
2020	518,547,281	70,075	7,400	6%	6%	10/01/23	1.411	1.113				11,617	20%
2021	618,452,838	75,619	8,179	6%	6%	10/01/23	1.332	1.057				11,509	20%
2022	987,361,371	98,124	10,062	6%	6%	10/01/23	1.258	1.000				12,656	20%
2023	1,229,885,195	112,136	10,968	6%	6%	10/01/23	1.188	1.000				13,026	20%

B. Selected Severity at 7/1/2026 Cost Level

12,207 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	313,052,987	1,152,736	272	8.8%	8.8%	10/01/23	2.751	1.113		1.000	0.950	790	0%
2015	339,487,083	1,200,983	283	8.8%	8.8%	10/01/23	2.529	1.113		1.000	0.950	756	0%
2016	412,713,661	1,286,664	321	8.8%	8.8%	10/01/23	2.324	1.113		1.000	0.950	788	0%
2017	507,090,689	1,445,325	351	8.8%	8.8%	10/01/23	2.136	1.113		1.000	0.950	792	0%
2018	640,340,597	1,590,144	403	8.8%	8.8%	10/01/23	1.964	1.113		1.000	0.950	836	0%
2019	688,423,269	1,674,654	411	8.8%	8.8%	10/01/23	1.805	1.113		1.000	0.950	784	20%
2020	518,547,281	1,687,894	307	8.8%	8.8%	10/01/23	1.659	1.113		1.383	0.950	745	20%
2021	618,452,838	1,746,575	354	8.8%	8.8%	10/01/23	1.525	1.057		1.340	0.950	726	20%
2022	987,361,371	1,806,244	547	8.8%	8.8%	10/01/23	1.401	1.000		1.106	0.950	804	20%
2023	1,229,885,195	1,845,460	666	8.8%	8.8%	10/01/23	1.288	1.000		1.000	0.950	815	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

775 Sum[ (13) x (14) ]

D. Frequency x Severity Method

774 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

774 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Specified Perils  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIWA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	31	8,666	3.577	1.5%	1.5%	10/01/23	1.196			1.000	1.000	4,277	0%
2015	28	7,283	3.845	1.5%	1.5%	10/01/23	1.178			1.000	1.000	4,529	0%
2016	18	6,108	2.947	1.5%	1.5%	10/01/23	1.161			1.000	1.000	3,420	0%
2017	29	5,145	5.637	1.5%	1.5%	10/01/23	1.143			1.000	1.000	6,445	0%
2018	18	4,339	4.148	1.5%	1.5%	10/01/23	1.126			1.000	1.000	4,673	0%
2019	24	3,801	6.315	1.5%	1.5%	10/01/23	1.110			1.000	1.000	7,008	20%
2020	22	3,908	5.629	1.5%	1.5%	10/01/23	1.093			1.000	1.000	6,155	20%
2021	78	6,607	11.806	1.5%	1.5%	10/01/23	1.077			1.000	1.000	12,719	20%
2022	81	6,390	12.676	1.5%	1.5%	10/01/23	1.061			1.000	1.000	13,454	20%
2023	63	5,244	12.015	1.5%	1.5%	10/01/23	1.046			1.000	1.000	12,564	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

10,380 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	272,407	31	8,787	11.9%	11.9%	10/01/23	3.854	1.282				43,422	0%
2015	97,126	28	3,469	11.9%	11.9%	10/01/23	3.445	1.282				15,318	0%
2016	126,431	18	7,024	11.9%	11.9%	10/01/23	3.078	1.282				27,719	0%
2017	193,424	29	6,670	11.9%	11.9%	10/01/23	2.751	1.282				23,522	0%
2018	72,896	18	4,050	11.9%	11.9%	10/01/23	2.458	1.282				12,763	0%
2019	185,791	24	7,741	11.9%	11.9%	10/01/23	2.197	1.282				21,803	20%
2020	174,752	22	7,943	11.9%	11.9%	10/01/23	1.963	1.282				19,993	20%
2021	1,012,924	78	12,986	11.9%	11.9%	10/01/23	1.754	1.141				25,997	20%
2022	900,450	81	11,117	11.9%	11.9%	10/01/23	1.568	1.000				17,430	20%
2023	903,802	63	14,346	11.9%	11.9%	10/01/23	1.401	1.000				20,101	20%

B. Selected Severity at 7/1/2026 Cost Level

21,065 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	272,407	8,666	31	13.6%	13.6%	10/01/23	4.619	1.282		1.000	1.000	186	0%
2015	97,126	7,283	13	13.6%	13.6%	10/01/23	4.066	1.282		1.000	1.000	70	0%
2016	126,431	6,108	21	13.6%	13.6%	10/01/23	3.579	1.282		1.000	1.000	95	0%
2017	193,424	5,145	38	13.6%	13.6%	10/01/23	3.151	1.282		1.000	1.000	152	0%
2018	72,896	4,339	17	13.6%	13.6%	10/01/23	2.773	1.282		1.000	1.000	60	0%
2019	185,791	3,801	49	13.6%	13.6%	10/01/23	2.441	1.282		1.000	1.000	153	20%
2020	174,752	3,908	45	13.6%	13.6%	10/01/23	2.149	1.282		1.000	1.000	123	20%
2021	1,012,924	6,607	153	13.6%	13.6%	10/01/23	1.892	1.141		1.000	1.000	331	20%
2022	900,450	6,390	141	13.6%	13.6%	10/01/23	1.665	1.000		1.000	1.000	235	20%
2023	903,802	5,244	172	13.6%	13.6%	10/01/23	1.466	1.000		1.000	1.000	253	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

219 Sum[ (13) x (14) ]

D. Frequency x Severity Method

219 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

219 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Uninsured Auto  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GI5A Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	1,536	6,954,233	0.221	-10.0%	2.9%	01/01/15	1.316			1.000	0.950	0.276	0%
2015	1,461	7,093,744	0.206	-10.0%	2.9%	01/01/15	1.368			1.000	0.950	0.268	0%
2016	1,506	7,287,936	0.207	-10.0%	2.9%	01/01/15	1.330			1.000	0.950	0.261	0%
2017	1,516	7,483,037	0.203	-10.0%	2.9%	01/01/15	1.293			1.000	0.950	0.249	0%
2018	1,476	7,664,733	0.193	-10.0%	2.9%	01/01/15	1.256			1.000	0.950	0.230	0%
2019	1,465	7,821,198	0.187	-10.0%	2.9%	01/01/15	1.221			1.000	0.950	0.217	20%
2020	1,178	7,841,637	0.150	-10.0%	2.9%	01/01/15	1.187			1.000	0.950	0.169	20%
2021	1,370	7,943,298	0.172	-10.0%	2.9%	01/01/15	1.153			1.000	0.950	0.189	20%
2022	1,896	8,056,213	0.235	-10.0%	2.9%	01/01/15	1.121			1.000	0.950	0.251	20%
2023	2,315	8,191,604	0.283	-10.0%	2.9%	01/01/15	1.089			1.000	0.950	0.292	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level 0.224 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	79,002,327	1,536	51,434	0.2%	0.6%	01/01/15	1.071	1.000				55,089	0%
2015	71,311,161	1,461	48,810	0.2%	0.6%	01/01/15	1.067	1.000				52,075	0%
2016	80,055,010	1,506	53,157	0.2%	0.6%	01/01/15	1.061	1.000				56,381	0%
2017	74,155,025	1,516	48,915	0.2%	0.6%	01/01/15	1.054	1.000				51,576	0%
2018	86,349,078	1,476	58,502	0.2%	0.6%	01/01/15	1.048	1.000				61,323	0%
2019	81,790,286	1,465	55,830	0.2%	0.6%	01/01/15	1.042	1.000				58,178	20%
2020	71,341,968	1,178	60,562	0.2%	0.6%	01/01/15	1.036	1.000				62,739	20%
2021	72,212,884	1,370	52,710	0.2%	0.6%	01/01/15	1.030	1.000				54,285	20%
2022	94,808,678	1,896	50,005	0.2%	0.6%	01/01/15	1.024	1.000				51,196	20%
2023	116,775,861	2,315	50,443	0.2%	0.6%	01/01/15	1.018	1.000				51,342	20%

B. Selected Severity at 7/1/2026 Cost Level 55,548 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	79,002,327	6,954,233	11	-9.8%	3.5%	01/01/15	1.410	1.000		1.000	0.950	15	0%
2015	71,311,161	7,093,744	10	-9.8%	3.5%	01/01/15	1.460	1.000		1.000	0.950	14	0%
2016	80,055,010	7,287,936	11	-9.8%	3.5%	01/01/15	1.411	1.000		1.000	0.950	15	0%
2017	74,155,025	7,483,037	10	-9.8%	3.5%	01/01/15	1.363	1.000		1.000	0.950	13	0%
2018	86,349,078	7,664,733	11	-9.8%	3.5%	01/01/15	1.317	1.000		1.000	0.950	14	0%
2019	81,790,286	7,821,198	10	-9.8%	3.5%	01/01/15	1.272	1.000		1.000	0.950	13	20%
2020	71,341,968	7,841,637	9	-9.8%	3.5%	01/01/15	1.229	1.000		1.000	0.950	11	20%
2021	72,212,884	7,943,298	9	-9.8%	3.5%	01/01/15	1.188	1.000		1.000	0.950	10	20%
2022	94,808,678	8,056,213	12	-9.8%	3.5%	01/01/15	1.148	1.000		1.000	0.950	13	20%
2023	116,775,861	8,191,604	14	-9.8%	3.5%	01/01/15	1.109	1.000		1.000	0.950	15	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level 12 Sum[ (13) x (14) ]

D. Frequency x Severity Method 12 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level 12 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Underinsured Motorist  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GIWA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	206	6,816,728	0.030	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.029	0%
2015	231	6,945,375	0.033	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.032	0%
2016	269	7,125,198	0.038	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.036	0%
2017	268	7,283,366	0.037	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.035	0%
2018	256	7,438,389	0.034	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.033	0%
2019	300	7,560,091	0.040	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.038	20%
2020	224	7,589,255	0.030	0.0%	0.0%	10/01/23	1.000			1.480	0.950	0.041	20%
2021	230	7,681,623	0.030	0.0%	0.0%	10/01/23	1.000			1.426	0.950	0.041	20%
2022	328	7,784,165	0.042	0.0%	0.0%	10/01/23	1.000			1.130	0.950	0.045	20%
2023	348	7,898,585	0.044	0.0%	0.0%	10/01/23	1.000			1.000	0.950	0.042	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level 0.041 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	35,310,873	206	171,412	3.3%	3.3%	10/01/23	1.476					253,073	0%
2015	46,829,991	231	202,727	3.3%	3.3%	10/01/23	1.429					289,745	0%
2016	64,664,509	269	240,389	3.3%	3.3%	10/01/23	1.384					332,596	0%
2017	63,846,405	268	238,233	3.3%	3.3%	10/01/23	1.339					319,084	0%
2018	61,320,216	256	239,532	3.3%	3.3%	10/01/23	1.297					310,575	0%
2019	65,684,326	300	218,948	3.3%	3.3%	10/01/23	1.255					274,816	20%
2020	55,605,203	224	248,238	3.3%	3.3%	10/01/23	1.215					301,626	20%
2021	66,458,973	230	288,952	3.3%	3.3%	10/01/23	1.176					339,881	20%
2022	72,953,213	328	222,418	3.3%	3.3%	10/01/23	1.139					253,263	20%
2023	75,102,674	348	215,812	3.3%	3.3%	10/01/23	1.102					237,891	20%

B. Selected Severity at 7/1/2026 Cost Level 281,496 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	35,310,873	6,816,728	5	3.3%	3.3%	10/01/23	1.476			1.000	0.950	7	0%
2015	46,829,991	6,945,375	7	3.3%	3.3%	10/01/23	1.429			1.000	0.950	9	0%
2016	64,664,509	7,125,198	9	3.3%	3.3%	10/01/23	1.384			1.000	0.950	12	0%
2017	63,846,405	7,283,366	9	3.3%	3.3%	10/01/23	1.339			1.000	0.950	11	0%
2018	61,320,216	7,438,389	8	3.3%	3.3%	10/01/23	1.297			1.000	0.950	10	0%
2019	65,684,326	7,560,091	9	3.3%	3.3%	10/01/23	1.255			1.000	0.950	10	20%
2020	55,605,203	7,589,255	7	3.3%	3.3%	10/01/23	1.215			1.480	0.950	13	20%
2021	66,458,973	7,681,623	9	3.3%	3.3%	10/01/23	1.176			1.426	0.950	14	20%
2022	72,953,213	7,784,165	9	3.3%	3.3%	10/01/23	1.139			1.130	0.950	11	20%
2023	75,102,674	7,898,585	10	3.3%	3.3%	10/01/23	1.102			1.000	0.950	10	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level 12 Sum[ (13) x (14) ]

D. Frequency x Severity Method 12 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level 12 average(C, D)

Notes

- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Funeral Benefits  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	858	6,959,954	0.123	-2.4%	-2.4%	10/01/23	0.747		1.000	0.950	0.087	0%	
2015	857	7,098,559	0.121	-2.4%	-2.4%	10/01/23	0.766		1.000	0.950	0.088	0%	
2016	958	7,293,185	0.131	-2.4%	-2.4%	10/01/23	0.784		1.000	0.950	0.098	0%	
2017	937	7,489,279	0.125	-2.4%	-2.4%	10/01/23	0.804		1.000	0.950	0.096	0%	
2018	946	7,670,322	0.123	-2.4%	-2.4%	10/01/23	0.823		1.000	0.950	0.096	0%	
2019	890	7,823,089	0.114	-2.4%	-2.4%	10/01/23	0.844		1.000	0.950	0.091	20%	
2020	763	7,858,799	0.097	-2.4%	-2.4%	10/01/23	0.864		1.237	0.950	0.099	20%	
2021	747	7,950,306	0.094	-2.4%	-2.4%	10/01/23	0.886		1.210	0.950	0.096	20%	
2022	705	8,061,683	0.087	-2.4%	-2.4%	10/01/23	0.907		1.067	0.950	0.080	20%	
2023	559	8,199,202	0.068	-2.4%	-2.4%	10/01/23	0.930		1.000	0.950	0.060	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.085 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	3,029,273	858	3,531	0.3%	0.3%	10/01/23	1.037					3,660	0%
2015	2,962,709	857	3,457	0.3%	0.3%	10/01/23	1.033					3,573	0%
2016	3,523,428	958	3,678	0.3%	0.3%	10/01/23	1.030					3,790	0%
2017	3,568,995	937	3,809	0.3%	0.3%	10/01/23	1.027					3,913	0%
2018	3,348,302	946	3,539	0.3%	0.3%	10/01/23	1.024					3,625	0%
2019	3,227,913	890	3,627	0.3%	0.3%	10/01/23	1.021					3,704	20%
2020	2,746,249	763	3,599	0.3%	0.3%	10/01/23	1.018					3,665	20%
2021	2,778,913	747	3,721	0.3%	0.3%	10/01/23	1.015					3,777	20%
2022	2,660,511	705	3,773	0.3%	0.3%	10/01/23	1.012					3,818	20%
2023	3,082,719	559	5,518	0.3%	0.3%	10/01/23	1.009					5,568	20%

B. Selected Severity at 7/1/2026 Cost Level

4,106 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	3,029,273	6,959,954	0.44	-2.1%	-2.1%	10/01/23	0.775		1.000	0.950	0.32	0%	
2015	2,962,709	7,098,559	0.42	-2.1%	-2.1%	10/01/23	0.792		1.000	0.950	0.31	0%	
2016	3,523,428	7,293,185	0.48	-2.1%	-2.1%	10/01/23	0.809		1.000	0.950	0.37	0%	
2017	3,568,995	7,489,279	0.48	-2.1%	-2.1%	10/01/23	0.826		1.000	0.950	0.37	0%	
2018	3,348,302	7,670,322	0.44	-2.1%	-2.1%	10/01/23	0.844		1.000	0.950	0.35	0%	
2019	3,227,913	7,823,089	0.41	-2.1%	-2.1%	10/01/23	0.862		1.000	0.950	0.34	20%	
2020	2,746,249	7,858,799	0.35	-2.1%	-2.1%	10/01/23	0.880		1.237	0.950	0.36	20%	
2021	2,778,913	7,950,306	0.35	-2.1%	-2.1%	10/01/23	0.899		1.210	0.950	0.36	20%	
2022	2,660,511	8,061,683	0.33	-2.1%	-2.1%	10/01/23	0.919		1.067	0.950	0.31	20%	
2023	3,082,719	8,199,202	0.38	-2.1%	-2.1%	10/01/23	0.938		1.000	0.950	0.34	20%	

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

0.34 Sum[(13) x (14)]

D. Frequency x Severity Method

0.35 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

0.35 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Death Benefits  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	728	6,959,954	0.105	-2.4%	-2.4%	10/01/23	0.747		1.000	0.950	0.074	0%	
2015	721	7,098,559	0.102	-2.4%	-2.4%	10/01/23	0.766		1.000	0.950	0.074	0%	
2016	763	7,293,185	0.105	-2.4%	-2.4%	10/01/23	0.784		1.000	0.950	0.078	0%	
2017	774	7,489,279	0.103	-2.4%	-2.4%	10/01/23	0.804		1.000	0.950	0.079	0%	
2018	831	7,670,322	0.108	-2.4%	-2.4%	10/01/23	0.823		1.000	0.950	0.085	0%	
2019	748	7,823,089	0.096	-2.4%	-2.4%	10/01/23	0.844		1.000	0.950	0.077	20%	
2020	616	7,858,799	0.078	-2.4%	-2.4%	10/01/23	0.864		1.237	0.950	0.080	20%	
2021	585	7,950,306	0.074	-2.4%	-2.4%	10/01/23	0.886		1.210	0.950	0.075	20%	
2022	552	8,061,683	0.068	-2.4%	-2.4%	10/01/23	0.907		1.067	0.950	0.063	20%	
2023	438	8,199,202	0.053	-2.4%	-2.4%	10/01/23	0.930		1.000	0.950	0.047	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.068 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	10,945,958	728	15,036	0.3%	0.3%	10/01/23	1.037					15,586	0%
2015	10,394,269	721	14,416	0.3%	0.3%	10/01/23	1.033					14,899	0%
2016	10,791,859	763	14,144	0.3%	0.3%	10/01/23	1.030					14,574	0%
2017	12,510,474	774	16,163	0.3%	0.3%	10/01/23	1.027					16,605	0%
2018	11,547,963	831	13,896	0.3%	0.3%	10/01/23	1.024					14,234	0%
2019	10,521,729	748	14,066	0.3%	0.3%	10/01/23	1.021					14,365	20%
2020	9,049,516	616	14,691	0.3%	0.3%	10/01/23	1.018					14,957	20%
2021	8,789,093	585	15,018	0.3%	0.3%	10/01/23	1.015					15,244	20%
2022	9,034,168	552	16,375	0.3%	0.3%	10/01/23	1.012					16,572	20%
2023	10,813,929	438	24,697	0.3%	0.3%	10/01/23	1.009					24,920	20%

B. Selected Severity at 7/1/2026 Cost Level

17,212 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	10,945,958	6,959,954	1.57	-2.1%	-2.1%	10/01/23	0.775		1.000	0.950	1.16	0%	
2015	10,394,269	7,098,559	1.46	-2.1%	-2.1%	10/01/23	0.792		1.000	0.950	1.10	0%	
2016	10,791,859	7,293,185	1.48	-2.1%	-2.1%	10/01/23	0.809		1.000	0.950	1.14	0%	
2017	12,510,474	7,489,279	1.67	-2.1%	-2.1%	10/01/23	0.826		1.000	0.950	1.31	0%	
2018	11,547,963	7,670,322	1.51	-2.1%	-2.1%	10/01/23	0.844		1.000	0.950	1.21	0%	
2019	10,521,729	7,823,089	1.34	-2.1%	-2.1%	10/01/23	0.862		1.000	0.950	1.10	20%	
2020	9,049,516	7,858,799	1.15	-2.1%	-2.1%	10/01/23	0.880		1.237	0.950	1.19	20%	
2021	8,789,093	7,950,306	1.11	-2.1%	-2.1%	10/01/23	0.899		1.210	0.950	1.14	20%	
2022	9,034,168	8,061,683	1.12	-2.1%	-2.1%	10/01/23	0.919		1.067	0.950	1.04	20%	
2023	10,813,929	8,199,202	1.32	-2.1%	-2.1%	10/01/23	0.938		1.000	0.950	1.18	20%	

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

1.13 Sum[ (13) x (14) ]

D. Frequency x Severity Method

1.17 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

1.15 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles

Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Caregiver Disability Income  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Oliver Wyman Loss Trend Report			GISA Report AUTO7001										

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)		Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level		Weights
			7/1/2026	7/1/2026							7/1/2026	7/1/2026	
2004	5,451	5,926,715	0.920	3.2%	-3.9%	06/01/16	0.974		1.000	0.950	0.851	0%	
2005	5,526	6,039,656	0.881	3.2%	-3.9%	06/01/16	0.944		1.000	0.950	0.880	0%	
2006	5,726	6,182,243	1.178	3.2%	-3.9%	06/01/16	0.915		1.000	0.950	1.024	0%	
2007	8,744	6,305,889	1.387	3.2%	-3.9%	06/01/16	0.887		1.000	0.950	1.168	0%	
2008	11,481	6,445,265	1.781	3.2%	-3.9%	06/01/16	0.860		1.000	0.950	1.455	0%	
2009	17,836	6,492,078	2.747	3.2%	-3.9%	06/01/16	0.833		1.000	0.950	2.175	0%	
2010	21,185	6,563,918	3.227	3.2%	-3.9%	06/01/16	0.808		1.000	0.950	2.476	0%	
2011	3,061	6,665,845	0.459	3.2%	-3.9%	06/01/16	0.783		1.000	0.950	0.342	0%	
2012	292	6,773,538	0.025	3.2%	-3.9%	06/01/16	0.759		1.000	0.950	0.027	0%	
2013	171	6,893,332	0.025	3.2%	-3.9%	06/01/16	0.736		1.000	0.950	0.018	0%	
2014	235	6,959,954	0.034	3.2%	-3.9%	06/01/16	0.713		1.000	0.950	0.023	0%	
2015	145	7,098,559	0.020	3.2%	-3.9%	06/01/16	0.691		1.000	0.950	0.013	0%	
2016	151	7,293,185	0.021	3.2%	-3.9%	06/01/16	0.674		1.000	0.950	0.013	0%	
2017	159	7,489,279	0.021	3.2%	-3.9%	06/01/16	0.701		1.000	0.950	0.014	0%	
2018	112	7,670,322	0.015	3.2%	-3.9%	06/01/16	0.729		1.000	0.950	0.010	0%	
2019	105	7,823,089	0.013	3.2%	-3.9%	06/01/16	0.759		1.000	0.950	0.010	20%	
2020	51	7,885,999	0.027	3.2%	-3.9%	06/01/16	0.739		1.000	0.950	0.008	20%	
2021	32	7,959,306	0.004	3.2%	-3.9%	06/01/16	0.821		1.000	0.950	0.005	20%	
2022	35	8,051,583	0.004	3.2%	-3.9%	06/01/16	0.854		1.000	0.950	0.004	20%	
2023	25	8,189,202	0.003	3.2%	-3.9%	06/01/16	0.886		1.000	0.950	0.003	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.006 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level		Weights
												7/1/2026	7/1/2026	
2004	26,337,005	5,451	4,646	2.0%	2.2%	06/01/16	1.679		0.868			6.757	0%	
2005	32,243,517	5,526	5,445	2.0%	2.2%	06/01/16	1.638		0.868			7.717	0%	
2006	51,979,429	7,783	7,137	2.0%	2.2%	06/01/16	1.593		0.868			8.864	0%	
2007	68,475,019	8,744	7,832	2.0%	2.2%	06/01/16	1.552		0.868			10,553	0%	
2008	95,882,988	11,481	8,351	2.0%	2.2%	06/01/16	1.514		0.868			10,973	0%	
2009	159,972,810	17,836	8,969	2.0%	2.2%	06/01/16	1.476		0.868			11,491	0%	
2010	143,488,737	21,185	6,773	2.0%	2.2%	06/01/16	1.439		0.868			8,461	0%	
2011	8,298,188	3,061	2,711	2.0%	2.2%	06/01/16	1.403		0.868			3,302	0%	
2012	8,329,720	252	5,277	2.0%	2.2%	06/01/16	1,368		0.868			6,267	0%	
2013	1,343,444	173	9,850	2.0%	2.2%	06/01/16	1,320		0.868			1,047	0%	
2014	1,451,941	235	6,116	2.0%	2.2%	06/01/16	1,301		0.868			6,906	0%	
2015	1,798,218	145	12,403	2.0%	2.2%	06/01/16	1,260		0.868			13,657	0%	
2016	1,188,173	151	7,881	2.0%	2.2%	06/01/16	1,231		0.923			8,998	0%	
2017	1,942,289	159	12,244	2.0%	2.2%	06/01/16	1,211		1,000			14,830	0%	
2018	1,477,352	112	13,151	2.0%	2.2%	06/01/16	1,186		1,000			15,593	0%	
2019	2,992,293	105	28,398	2.0%	2.2%	06/01/16	1,161		1,000			32,962	20%	
2020	684,403	51	13,359	2.0%	2.2%	06/01/16	1,136		1,000			15,179	20%	
2021	962,678	32	30,125	2.0%	2.2%	06/01/16	1,112		1,000			33,509	20%	
2022	354,665	35	10,564	2.0%	2.2%	06/01/16	1,089		1,000			16,958	20%	
2023	426,594	25	17,365	2.0%	2.2%	06/01/16	1,061		1,000			18,510	20%	

B. Selected Severity at 7/1/2026 Cost Level

22,224 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level		Weights
												7/1/2026	7/1/2026	
2004	26,337,005	5,451	4,26	5.8%	-1.8%	06/01/16	1,630		0.868			5.75	0%	
2005	32,243,517	6,039,656	5.34	5.8%	-1.8%	06/01/16	1,541		0.868			6.79	0%	
2006	51,979,429	6,182,243	8.41	5.8%	-1.8%	06/01/16	1,451		0.868			10,110	0%	
2007	68,475,019	6,305,889	10.86	5.8%	-1.8%	06/01/16	1,377		0.868			12,333	0%	
2008	95,882,988	6,445,265	14.88	5.8%	-1.8%	06/01/16	1,301		0.868			15,96	0%	
2009	159,972,810	6,492,078	24.64	5.8%	-1.8%	06/01/16	1,230		0.868			24.99	0%	
2010	143,488,737	6,563,918	21.86	5.8%	-1.8%	06/01/16	1,162		0.868			20.95	0%	
2011	8,298,188	6,665,845	1.24	5.8%	-1.8%	06/01/16	1,099		0.868			1.13	0%	
2012	8,329,720	6,773,538	0.20	5.8%	-1.8%	06/01/16	1,038		0.868			0.17	0%	
2013	1,343,444	6,893,332	0.32	5.8%	-1.8%	06/01/16	958		0.868			0.35	0%	
2014	1,451,941	6,959,954	0.21	5.8%	-1.8%	06/01/16	926		0.868			0.16	0%	
2015	1,798,218	7,098,559	0.25	5.8%	-1.8%	06/01/16	877		0.868			0.18	0%	
2016	1,188,173	7,293,185	0.16	5.8%	-1.8%	06/01/16	834		0.923			0.12	0%	
2017	1,942,289	7,489,279	0.26	5.8%	-1.8%	06/01/16	849		1,000			0.21	0%	
2018	1,477,352	7,670,322	0.19	5.8%	-1.8%	06/01/16	865		1,000			0.16	0%	
2019	2,992,293	7,823,089	0.38	5.8%	-1.8%	06/01/16	881		1,000			0.32	20%	
2020	684,403	7,858,799	0.09	5.8%	-1.8%	06/01/16	897		1,000			0.12	20%	
2021	962,678	7,950,306	0.12	5.8%	-1.8%	06/01/16	913		1,000			0.16	20%	
2022	354,665	8,051,583	0.04	5.8%	-1.8%	06/01/16	930		1,000			0.05	20%	
2023	426,594	8,189,202	0.05	5.8%	-1.8%	06/01/16	941		1,000			0.05	20%	

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Earner Disability Income  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	30,490	6,959,954	4.381	3.2%	-3.9%	06/01/16	0.713		1.000	0.950	2.968	0%	
2015	31,081	7,098,559	4.379	3.2%	-3.9%	06/01/16	0.691		1.000	0.950	2.875	0%	
2016	30,610	7,293,185	4.197	3.2%	-3.9%	06/01/16	0.674		1.000	0.950	2.687	0%	
2017	31,152	7,489,279	4.160	3.2%	-3.9%	06/01/16	0.701		1.000	0.950	2.770	0%	
2018	31,666	7,670,322	4.128	3.2%	-3.9%	06/01/16	0.729		1.000	0.950	2.860	0%	
2019	33,200	7,823,089	4.244	3.2%	-3.9%	06/01/16	0.759		1.000	0.950	3.059	20%	
2020	21,723	7,858,799	2.764	3.2%	-3.9%	06/01/16	0.789		1.587	0.950	3.288	20%	
2021	20,645	7,950,306	2.597	3.2%	-3.9%	06/01/16	0.821		1.521	0.950	3.081	20%	
2022	19,674	8,061,683	2.440	3.2%	-3.9%	06/01/16	0.854		1.199	0.950	2.374	20%	
2023	12,923	8,199,202	1.576	3.2%	-3.9%	06/01/16	0.888		1.085	0.950	1.443	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

2.649 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	422,633,368	30,490	13,861	2.6%	2.2%	06/01/16	1.301		0.868			15,653	0%
2015	473,103,729	31,081	15,222	2.6%	2.2%	06/01/16	1.269		0.868			16,760	0%
2016	506,647,002	30,610	16,552	2.6%	2.2%	06/01/16	1.237		0.923			18,898	0%
2017	476,114,407	31,152	15,293	2.6%	2.2%	06/01/16	1.211		1.000			18,523	0%
2018	496,561,589	31,666	15,681	2.6%	2.2%	06/01/16	1.186		1.000			18,593	0%
2019	499,763,576	33,200	15,053	2.6%	2.2%	06/01/16	1.161		1.000			17,473	20%
2020	308,053,831	21,723	14,181	2.6%	2.2%	06/01/16	1.136		1.000			16,114	20%
2021	319,421,408	20,645	15,472	2.6%	2.2%	06/01/16	1.112		1.000			17,210	20%
2022	355,497,028	19,674	18,069	2.6%	2.2%	06/01/16	1.089		1.000			19,675	20%
2023	430,486,358	12,923	33,312	2.6%	2.2%	06/01/16	1.066		1.000			35,509	20%

B. Selected Severity at 7/1/2026 Cost Level

21,196 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	422,633,368	6,959,954	60.72	5.8%	-1.8%	06/01/16	0.928		0.868	1.000	0.950	46.45	0%
2015	473,103,729	7,098,559	66.65	5.8%	-1.8%	06/01/16	0.877		0.868	1.000	0.950	48.19	0%
2016	506,647,002	7,293,185	69.47	5.8%	-1.8%	06/01/16	0.834		0.923	1.000	0.950	50.79	0%
2017	476,114,407	7,489,279	63.61	5.8%	-1.8%	06/01/16	0.849		1.000	1.000	0.950	51.32	0%
2018	496,561,589	7,670,322	64.74	5.8%	-1.8%	06/01/16	0.865		1.000	1.000	0.950	53.18	0%
2019	499,763,576	7,823,089	63.88	5.8%	-1.8%	06/01/16	0.881		1.000	1.000	0.950	53.44	20%
2020	308,053,831	7,858,799	39.20	5.8%	-1.8%	06/01/16	0.897		1.000	1.000	0.950	52.99	20%
2021	319,421,408	7,950,306	40.18	5.8%	-1.8%	06/01/16	0.913		1.000	1.521	0.950	53.02	20%
2022	355,497,028	8,061,683	44.10	5.8%	-1.8%	06/01/16	0.930		1.000	1.199	0.950	46.71	20%
2023	430,486,358	8,199,202	52.50	5.8%	-1.8%	06/01/16	0.947		1.000	1.085	0.950	51.23	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

51.48 Sum[(13) x (14)]

D. Frequency x Severity Method

56.15 A \* 8

E. Selected Loss Cost at 7/1/2026 Cost Level

53.81 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
(9) Scalar factor for inflation spike  
(10) Scalar factor for 2016 reforms  
(11) Factor to adjust to pre-pandemic frequency levels  
(12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing  
  
Forecasted Loss Cost - Current Regulation  
Accident Benefits - Student Disability Income  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GSA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	785	6,959,954	0.113	3.2%	-3.9%	06/01/16	0.713		1.000	0.950	0.076	0%	
2015	1,001	7,098,559	0.141	3.2%	-3.9%	06/01/16	0.691		1.000	0.950	0.093	0%	
2016	884	7,293,185	0.121	3.2%	-3.9%	06/01/16	0.674		1.000	0.950	0.078	0%	
2017	628	7,489,279	0.084	3.2%	-3.9%	06/01/16	0.701		1.000	0.950	0.056	0%	
2018	642	7,670,322	0.084	3.2%	-3.9%	06/01/16	0.729		1.000	0.950	0.058	0%	
2019	719	7,823,089	0.092	3.2%	-3.9%	06/01/16	0.759		1.000	0.950	0.066	20%	
2020	338	7,858,799	0.043	3.2%	-3.9%	06/01/16	0.789		1.587	0.950	0.051	20%	
2021	261	7,950,306	0.033	3.2%	-3.9%	06/01/16	0.821		1.521	0.950	0.039	20%	
2022	243	8,061,683	0.030	3.2%	-3.9%	06/01/16	0.854		1.199	0.950	0.029	20%	
2023	135	8,199,202	0.016	3.2%	-3.9%	06/01/16	0.888		1.085	0.950	0.015	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.040 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	3,582,825	785	4,565	2.6%	2.2%	06/01/16	1.301		0.868			5,155	0%
2015	5,344,417	1,001	5,340	2.6%	2.2%	06/01/16	1.269		0.868			5,879	0%
2016	5,916,678	884	6,690	2.6%	2.2%	06/01/16	1.237		0.923			7,638	0%
2017	1,140,050	628	1,817	2.6%	2.2%	06/01/16	1.211		1.000			2,200	0%
2018	1,063,767	642	1,657	2.6%	2.2%	06/01/16	1.186		1.000			1,964	0%
2019	1,292,786	719	1,798	2.6%	2.2%	06/01/16	1.161		1.000			2,087	20%
2020	760,425	338	2,247	2.6%	2.2%	06/01/16	1.136		1.000			2,553	20%
2021	649,633	261	2,494	2.6%	2.2%	06/01/16	1.112		1.000			2,774	20%
2022	1,862,202	243	7,660	2.6%	2.2%	06/01/16	1.089		1.000			8,341	20%
2023	3,527,981	135	26,178	2.6%	2.2%	06/01/16	1.066		1.000			27,904	20%

B. Selected Severity at 7/1/2026 Cost Level

8,732 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	3,582,825	6,959,954	0.51	5.8%	-1.8%	06/01/16	0.928		0.868	1.000	0.950	0.39	0%
2015	5,344,417	7,098,559	0.75	5.8%	-1.8%	06/01/16	0.877		0.868	1.000	0.950	0.54	0%
2016	5,916,678	7,293,185	0.81	5.8%	-1.8%	06/01/16	0.834		0.923	1.000	0.950	0.59	0%
2017	1,140,050	7,489,279	0.15	5.8%	-1.8%	06/01/16	0.849		1.000	1.000	0.950	0.12	0%
2018	1,063,767	7,670,322	0.14	5.8%	-1.8%	06/01/16	0.865		1.000	1.000	0.950	0.11	0%
2019	1,292,786	7,823,089	0.17	5.8%	-1.8%	06/01/16	0.881		1.000	1.000	0.950	0.14	20%
2020	760,425	7,858,799	0.10	5.8%	-1.8%	06/01/16	0.897		1.000	1.000	0.950	0.13	20%
2021	649,633	7,950,306	0.08	5.8%	-1.8%	06/01/16	0.913		1.000	1.521	0.950	0.11	20%
2022	1,862,202	8,061,683	0.23	5.8%	-1.8%	06/01/16	0.930		1.000	1.199	0.950	0.24	20%
2023	3,527,981	8,199,202	0.43	5.8%	-1.8%	06/01/16	0.947		1.000	1.085	0.950	0.42	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

0.21 Sum[ (13) x (14) ]

D. Frequency x Severity Method

0.35 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

0.28 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Non-Earner Disability Income  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	(4) * (8) * (9) * (10) * (11)	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	12,160	6,959,954	1.747	3.2%	-3.9%	06/01/16	0.713		1.000	0.950	1.184	0%	
2015	12,707	7,098,559	1.790	3.2%	-3.9%	06/01/16	0.691		1.000	0.950	1.176	0%	
2016	13,370	7,293,185	1.833	3.2%	-3.9%	06/01/16	0.674		1.000	0.950	1.174	0%	
2017	12,480	7,489,279	1.666	3.2%	-3.9%	06/01/16	0.701		1.000	0.950	1.110	0%	
2018	12,390	7,670,322	1.615	3.2%	-3.9%	06/01/16	0.729		1.000	0.950	1.119	0%	
2019	12,838	7,823,089	1.641	3.2%	-3.9%	06/01/16	0.759		1.000	0.950	1.183	20%	
2020	8,086	7,858,799	1.029	3.2%	-3.9%	06/01/16	0.789		1.587	0.950	1.224	20%	
2021	6,788	7,950,306	0.854	3.2%	-3.9%	06/01/16	0.821		1.521	0.950	1.013	20%	
2022	5,750	8,061,683	0.713	3.2%	-3.9%	06/01/16	0.854		1.199	0.950	0.694	20%	
2023	3,224	8,199,202	0.393	3.2%	-3.9%	06/01/16	0.888		1.085	0.950	0.360	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.895 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	84,998,103	12,160	6,990	2.6%	2.2%	06/01/16	1.301		0.868			7,894	0%
2015	92,829,995	12,707	7,305	2.6%	2.2%	06/01/16	1.269		0.868			8,043	0%
2016	92,059,423	13,370	6,885	2.6%	2.2%	06/01/16	1.237		0.923			7,862	0%
2017	61,243,125	12,480	4,907	2.6%	2.2%	06/01/16	1.211		1.000			5,944	0%
2018	56,877,999	12,390	4,591	2.6%	2.2%	06/01/16	1.186		1.000			5,443	0%
2019	60,388,649	12,838	4,704	2.6%	2.2%	06/01/16	1.161		1.000			5,460	20%
2020	43,068,193	8,086	5,326	2.6%	2.2%	06/01/16	1.136		1.000			6,052	20%
2021	47,445,941	6,788	6,989	2.6%	2.2%	06/01/16	1.112		1.000			7,774	20%
2022	64,473,178	5,750	11,213	2.6%	2.2%	06/01/16	1.089		1.000			12,209	20%
2023	72,375,040	3,224	22,450	2.6%	2.2%	06/01/16	1.066		1.000			23,930	20%

B. Selected Severity at 7/1/2026 Cost Level

11,085 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	84,998,103	6,959,954	12.21	5.8%	-1.8%	06/01/16	0.928		0.868	1.000	0.950	9	0%
2015	92,829,995	7,098,559	13.08	5.8%	-1.8%	06/01/16	0.877		0.868	1.000	0.950	9	0%
2016	92,059,423	7,293,185	12.62	5.8%	-1.8%	06/01/16	0.834		0.923	1.000	0.950	9	0%
2017	61,243,125	7,489,279	8.18	5.8%	-1.8%	06/01/16	0.849		1.000	1.000	0.950	7	0%
2018	56,877,999	7,670,322	7.42	5.8%	-1.8%	06/01/16	0.865		1.000	1.000	0.950	6	0%
2019	60,388,649	7,823,089	7.72	5.8%	-1.8%	06/01/16	0.881		1.000	1.000	0.950	6	20%
2020	43,068,193	7,858,799	5.48	5.8%	-1.8%	06/01/16	0.897		1.000	1.000	0.950	7	20%
2021	47,445,941	7,950,306	5.97	5.8%	-1.8%	06/01/16	0.913		1.000	1.521	0.950	8	20%
2022	64,473,178	8,061,683	8.00	5.8%	-1.8%	06/01/16	0.930		1.000	1.199	0.950	8	20%
2023	72,375,040	8,199,202	8.83	5.8%	-1.8%	06/01/16	0.947		1.000	1.085	0.950	9	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

7.77 Sum[(13) x (14)]

D. Frequency x Severity Method

9.92 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

8.84 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.
- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Visitation Expenses  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	3,099	6,959,954	0.445	2.9%	-1.1%	06/01/16	0.949		1.000	0.950	0.401	0%	
2015	3,200	7,098,559	0.451	2.9%	-1.1%	06/01/16	0.922		1.000	0.950	0.395	0%	
2016	3,237	7,293,185	0.444	2.9%	-1.1%	06/01/16	0.899		1.000	0.950	0.379	0%	
2017	2,950	7,489,279	0.394	2.9%	-1.1%	06/01/16	0.908		1.000	0.950	0.340	0%	
2018	2,990	7,670,322	0.390	2.9%	-1.1%	06/01/16	0.918		1.000	0.950	0.340	0%	
2019	2,960	7,823,089	0.378	2.9%	-1.1%	06/01/16	0.928		1.000	0.950	0.333	20%	
2020	2,048	7,858,799	0.261	2.9%	-1.1%	06/01/16	0.938		1.724	0.950	0.400	20%	
2021	1,743	7,950,306	0.219	2.9%	-1.1%	06/01/16	0.948		1.643	0.950	0.325	20%	
2022	1,684	8,061,683	0.209	2.9%	-1.1%	06/01/16	0.958		1.299	0.950	0.247	20%	
2023	1,187	8,199,202	0.145	2.9%	-1.1%	06/01/16	0.968		1.220	0.950	0.162	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.294 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	4,971,544	3,099	1,604	4.2%	2.5%	06/01/16	1.388		0.756			1,683	0%
2015	5,074,211	3,200	1,586	4.2%	2.5%	06/01/16	1.331		0.756			1,596	0%
2016	4,808,299	3,237	1,485	4.2%	2.5%	06/01/16	1.279		0.857			1,629	0%
2017	4,597,322	2,950	1,558	4.2%	2.5%	06/01/16	1.248		1.000			1,945	0%
2018	4,358,887	2,990	1,458	4.2%	2.5%	06/01/16	1.218		1.000			1,775	0%
2019	4,812,775	2,960	1,626	4.2%	2.5%	06/01/16	1.188		1.000			1,932	20%
2020	2,655,290	2,048	1,296	4.2%	2.5%	06/01/16	1.159		1.000			1,503	20%
2021	4,859,152	1,743	2,787	4.2%	2.5%	06/01/16	1.131		1.000			3,152	20%
2022	7,951,622	1,684	4,723	4.2%	2.5%	06/01/16	1.103		1.000			5,211	20%
2023	12,067,658	1,187	10,168	4.2%	2.5%	06/01/16	1.077		1.000			10,947	20%

B. Selected Severity at 7/1/2026 Cost Level

4,549 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	4,971,544	6,959,954	0.71	7.3%	1.4%	06/01/16	1.317		0.756	1.000	0.950	0.68	0%
2015	5,074,211	7,098,559	0.71	7.3%	1.4%	06/01/16	1.227		0.756	1.000	0.950	0.63	0%
2016	4,808,299	7,293,185	0.66	7.3%	1.4%	06/01/16	1.149		0.857	1.000	0.950	0.62	0%
2017	4,597,322	7,489,279	0.61	7.3%	1.4%	06/01/16	1.133		1.000	1.000	0.950	0.66	0%
2018	4,358,887	7,670,322	0.57	7.3%	1.4%	06/01/16	1.118		1.000	1.000	0.950	0.60	0%
2019	4,812,775	7,823,089	0.62	7.3%	1.4%	06/01/16	1.102		1.000	1.000	0.950	0.64	20%
2020	2,655,290	7,858,799	0.34	7.3%	1.4%	06/01/16	1.087		1.000	1.724	0.950	0.60	20%
2021	4,859,152	7,950,306	0.61	7.3%	1.4%	06/01/16	1.072		1.000	1.643	0.950	1.02	20%
2022	7,951,622	8,061,683	0.99	7.3%	1.4%	06/01/16	1.057		1.000	1.299	0.950	1.29	20%
2023	12,067,658	8,199,202	1.47	7.3%	1.4%	06/01/16	1.043		1.000	1.220	0.950	1.78	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

1.07 Sum[ (13) x (14) ]

D. Frequency x Severity Method

1.34 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

1.20 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Dependent Care  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GSA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	64	6,959,954	0.009	2.9%	-1.1%	06/01/16	0.949		1.000	0.950	0.008	0%	
2015	42	7,098,559	0.006	2.9%	-1.1%	06/01/16	0.922		1.000	0.950	0.005	0%	
2016	34	7,293,185	0.005	2.9%	-1.1%	06/01/16	0.899		1.000	0.950	0.004	0%	
2017	14	7,489,279	0.002	2.9%	-1.1%	06/01/16	0.908		1.000	0.950	0.002	0%	
2018	36	7,670,322	0.005	2.9%	-1.1%	06/01/16	0.918		1.000	0.950	0.004	0%	
2019	28	7,823,089	0.004	2.9%	-1.1%	06/01/16	0.928		1.000	0.950	0.003	20%	
2020	23	7,858,799	0.003	2.9%	-1.1%	06/01/16	0.938		1.724	0.950	0.004	20%	
2021	21	7,950,306	0.003	2.9%	-1.1%	06/01/16	0.948		1.643	0.950	0.004	20%	
2022	11	8,061,683	0.001	2.9%	-1.1%	06/01/16	0.958		1.299	0.950	0.002	20%	
2023	9	8,199,202	0.001	2.9%	-1.1%	06/01/16	0.968		1.220	0.950	0.001	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.003 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	917,422	64	14,333	4.2%	2.5%	06/01/16	1.388		0.756			15,037	0%
2015	137,406	42	3,270	4.2%	2.5%	06/01/16	1.331		0.756			3,291	0%
2016	42,234	34	1,241	4.2%	2.5%	06/01/16	1.279		0.857			1,361	0%
2017	24,079	14	1,719	4.2%	2.5%	06/01/16	1.248		1.000			2,145	0%
2018	293,619	36	8,150	4.2%	2.5%	06/01/16	1.218		1.000			9,923	0%
2019	258,716	28	9,235	4.2%	2.5%	06/01/16	1.188		1.000			10,970	20%
2020	164,457	23	7,144	4.2%	2.5%	06/01/16	1.159		1.000			8,280	20%
2021	86,283	21	4,104	4.2%	2.5%	06/01/16	1.131		1.000			4,641	20%
2022	52,194	11	4,730	4.2%	2.5%	06/01/16	1.103		1.000			5,220	20%
2023	87,793	9	10,102	4.2%	2.5%	06/01/16	1.077		1.000			10,875	20%

B. Selected Severity at 7/1/2026 Cost Level

7,997 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	917,422	6,959,954	0	7.3%	1.4%	06/01/16	1.317		0.756	1.000	0.950	0	0%
2015	137,406	7,098,559	0	7.3%	1.4%	06/01/16	1.227		0.756	1.000	0.950	0	0%
2016	42,234	7,293,185	0	7.3%	1.4%	06/01/16	1.149		0.857	1.000	0.950	0	0%
2017	24,079	7,489,279	0	7.3%	1.4%	06/01/16	1.133		1.000	1.000	0.950	0	0%
2018	293,619	7,670,322	0	7.3%	1.4%	06/01/16	1.118		1.000	1.000	0.950	0	0%
2019	258,716	7,823,089	0	7.3%	1.4%	06/01/16	1.102		1.000	1.000	0.950	0	20%
2020	164,457	7,858,799	0	7.3%	1.4%	06/01/16	1.087		1.000	1.000	0.950	0	20%
2021	86,283	7,950,306	0	7.3%	1.4%	06/01/16	1.072		1.000	1.643	0.950	0	20%
2022	52,194	8,061,683	0	7.3%	1.4%	06/01/16	1.057		1.000	1.299	0.950	0	20%
2023	87,793	8,199,202	0	7.3%	1.4%	06/01/16	1.043		1.000	1.220	0.950	0	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

0.02 Sum[ (13) x (14) ]

D. Frequency x Severity Method

0.02 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

0.02 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.
- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Housekeeping  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
Oliver Wyman Loss Trend Report		GISA Report AUTO7001		Oliver Wyman Loss Trend Report (data through December 31, 2023)									(4) * (8) * (9) * (10) * (11) Selected	* (12) Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	4,289	6,959,954	0.616	2.9%	-1.1%	06/01/16	0.949			1.000	0.950	0.555	0%
2015	5,548	7,098,559	0.782	2.9%	-1.1%	06/01/16	0.922			1.000	0.950	0.684	0%
2016	5,692	7,293,185	0.780	2.9%	-1.1%	06/01/16	0.899			1.000	0.950	0.666	0%
2017	4,994	7,489,279	0.667	2.9%	-1.1%	06/01/16	0.908			1.000	0.950	0.575	0%
2018	4,523	7,670,322	0.590	2.9%	-1.1%	06/01/16	0.918			1.000	0.950	0.514	0%
2019	3,550	7,823,089	0.454	2.9%	-1.1%	06/01/16	0.928			1.000	0.950	0.400	20%
2020	1,922	7,858,799	0.245	2.9%	-1.1%	06/01/16	0.938			1.724	0.950	0.376	20%
2021	1,089	7,950,306	0.137	2.9%	-1.1%	06/01/16	0.948			1.643	0.950	0.203	20%
2022	599	8,061,683	0.074	2.9%	-1.1%	06/01/16	0.958			1.299	0.950	0.088	20%
2023	244	8,199,202	0.030	2.9%	-1.1%	06/01/16	0.968			1.220	0.950	0.033	20%

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

0.220 Sum[(13) x (14)]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	44,782,840	4,289	10,443	4.2%	2.5%	06/01/16	1.388			0.756		10,956	0%
2015	56,495,157	5,548	10,184	4.2%	2.5%	06/01/16	1.331			0.756		10,249	0%
2016	54,657,773	5,692	9,603	4.2%	2.5%	06/01/16	1.279			0.857		10,529	0%
2017	45,085,348	4,994	9,027	4.2%	2.5%	06/01/16	1.248			1.000		11,264	0%
2018	45,679,060	4,523	10,098	4.2%	2.5%	06/01/16	1.218			1.000		12,295	0%
2019	44,642,291	3,550	12,575	4.2%	2.5%	06/01/16	1.188			1.000		14,938	20%
2020	33,987,462	1,922	17,684	4.2%	2.5%	06/01/16	1.159			1.000		20,496	20%
2021	23,176,908	1,089	21,292	4.2%	2.5%	06/01/16	1.131			1.000		24,078	20%
2022	15,808,377	599	26,400	4.2%	2.5%	06/01/16	1.103			1.000		29,130	20%
2023	16,017,198	244	65,645	4.2%	2.5%	06/01/16	1.077			1.000		70,673	20%

B. Selected Severity at 7/1/2026 Cost Level

31,863 Sum[(13) x (14)]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights	
2014	44,782,840	6,959,954	6	7.3%	1.4%	06/01/16	1.317			0.756	1.000	0.950	6	0%
2015	56,495,157	7,098,559	8	7.3%	1.4%	06/01/16	1.227			0.756	1.000	0.950	7	0%
2016	54,657,773	7,293,185	7	7.3%	1.4%	06/01/16	1.149			0.857	1.000	0.950	7	0%
2017	45,085,348	7,489,279	6	7.3%	1.4%	06/01/16	1.133			1.000	1.000	0.950	6	0%
2018	45,679,060	7,670,322	6	7.3%	1.4%	06/01/16	1.118			1.000	1.000	0.950	6	0%
2019	44,642,291	7,823,089	6	7.3%	1.4%	06/01/16	1.102			1.000	1.000	0.950	6	20%
2020	33,987,462	7,858,799	4	7.3%	1.4%	06/01/16	1.087			1.000	1.224	0.950	8	20%
2021	23,176,908	7,950,306	3	7.3%	1.4%	06/01/16	1.072			1.000	1.643	0.950	5	20%
2022	15,808,377	8,061,683	2	7.3%	1.4%	06/01/16	1.057			1.000	1.299	0.950	3	20%
2023	16,017,198	8,199,202	2	7.3%	1.4%	06/01/16	1.043			1.000	1.220	0.950	2	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

4.69 Sum[(13) x (14)]

D. Frequency x Severity Method

7.01 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

5.85 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.
- (9) Scalar factor for inflation spike
- (10) Scalar factor for 2016 reforms
- (11) Factor to adjust to pre-pandemic frequency levels
- (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario Private Passenger Vehicles Actuarial Analysis - Reform Costing													
Forecasted Loss Cost - Current Regulation Accident Benefits - Housekeeping Data as of 12/31/2023													
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
Oliver Wyman Loss Trend Report GISA Report AUTO7001													
Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level													
Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2004	36,632	5,926,715	6,179	2.9%	-1.1%	06/01/16	1.267		1.000	0.950	7,439	0%	
2005	37,005	6,039,656	6,130	2.9%	-1.1%	06/01/16	1.231		1.000	0.950	7,170	0%	
2006	42,726	6,182,243	6,911	2.9%	-1.1%	06/01/16	1.196		1.000	0.950	7,852	0%	
2007	49,209	6,305,889	7,804	2.9%	-1.1%	06/01/16	1.162		1.000	0.950	8,614	0%	
2008	57,484	6,445,265	8,919	2.9%	-1.1%	06/01/16	1.129		1.000	0.950	9,564	0%	
2009	72,730	6,492,078	11,203	2.9%	-1.1%	06/01/16	1.097		1.000	0.950	11,671	0%	
2010	82,278	6,563,918	12,535	2.9%	-1.1%	06/01/16	1.065		1.000	0.950	12,687	0%	
2011	17,018	6,665,845	2,553	2.9%	-1.1%	06/01/16	1.035		1.000	0.950	2,510	0%	
2012	3,202	6,773,538	0,535	2.9%	-1.1%	06/01/16	1.000		1.000	0.950	0,511	0%	
2013	3,673	6,893,32	0,535	2.9%	-1.1%	06/01/16	0,971		1.000	0.950	0,497	0%	
2014	2,389	6,959,954	0,616	2.9%	-1.1%	06/01/16	0,949		1.000	0.950	0,555	0%	
2015	5,588	7,098,559	0,782	2.9%	-1.1%	06/01/16	0,922		1.000	0.950	0,684	0%	
2016	5,692	7,293,185	0,780	2.9%	-1.1%	06/01/16	0,899		1.000	0.950	0,666	0%	
2017	4,994	7,489,279	0,667	2.9%	-1.1%	06/01/16	0,908		1.000	0.950	0,575	0%	
2018	4,523	7,670,322	0,590	2.9%	-1.1%	06/01/16	0,918		1.000	0.950	0,514	0%	
2019	3,550	7,823,089	0,454	2.9%	-1.1%	06/01/16	0,928		1.000	0.950	0,400	20%	
2020	2,922	7,882,799	0,245	2.9%	-1.1%	06/01/16	0,931		1,724	0.950	0,376	20%	
2021	1,069	7,959,306	0,137	2.9%	-1.1%	06/01/16	0,940		1,643	0.950	0,303	20%	
2022	599	8,061,583	0,074	2.9%	-1.1%	06/01/16	0,958		1,399	0.950	0,088	20%	
2023	244	8,189,202	0,030	2.9%	-1.1%	06/01/16	0,965		1,220	0.950	0,033	20%	
A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level													
0.220 Sum[(13) x (14)]													
Selected Severity at 7/1/2026 Cost Level													
Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2004	60,811,381	86,023	1,797	4.2%	2.5%	06/01/16	2,101		0.756		2,856	0%	
2005	80,771,864	97,025	2,182	4.2%	2.5%	06/01/16	2,011		0.756		3,236	0%	
2006	110,170,162	42,726	2,579	4.2%	2.5%	06/01/16	1,935		0.756		3,772	0%	
2007	143,909,731	49,209	2,924	4.2%	2.5%	06/01/16	1,856		0.756		4,103	0%	
2008	181,877,780	57,484	3,164	4.2%	2.5%	06/01/16	1,780		0.756		4,259	0%	
2009	274,410,165	72,730	3,773	4.2%	2.5%	06/01/16	1,708		0.756		4,872	0%	
2010	244,663,409	82,278	2,974	4.2%	2.5%	06/01/16	1,639		0.756		3,683	0%	
2011	46,924,732	17,018	2,757	4.2%	2.5%	06/01/16	1,572		0.756		3,277	0%	
2012	41,830,824	3,623	11,345	4.2%	2.5%	06/01/16	1,508		0.756		13,160	0%	
2013	43,605,845	8,073	11,730	4.2%	2.5%	06/01/16	1,440		0.756		13,817	0%	
2014	44,781,840	4,289	10,443	4.2%	2.5%	06/01/16	1,386		0.756		10,956	0%	
2015	56,495,157	5,548	10,184	4.2%	2.5%	06/01/16	1,331		0.756		10,249	0%	
2016	54,657,773	5,692	9,603	4.2%	2.5%	06/01/16	1,279		0.857		10,529	0%	
2017	45,085,348	4,994	9,027	4.2%	2.5%	06/01/16	1,248		1,000		11,264	0%	
2018	45,679,060	4,523	10,098	4.2%	2.5%	06/01/16	1,218		1,000		12,295	0%	
2019	44,642,291	3,550	12,575	4.2%	2.5%	06/01/16	1,188		1,000		14,938	20%	
2020	33,987,462	1,922	17,684	4.2%	2.5%	06/01/16	1,159		1,000		20,496	20%	
2021	23,176,908	1,069	21,292	4.2%	2.5%	06/01/16	1,131		1,000		24,078	20%	
2022	15,808,377	599	26,400	4.2%	2.5%	06/01/16	1,103		1,000		25,130	20%	
2023	16,017,198	244	65,645	4.2%	2.5%	06/01/16	1,071		1,000		70,673	20%	
B. Selected Severity at 7/1/2026 Cost Level													
31,863 Sum[(13) x (14)]													
Selected Loss Cost at 7/1/2026 Cost Level													
Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2004	60,811,381	5,926,715	11	7.2%	1.4%	06/01/16	2,664		0.756	1.000	0.950	21	0%
2005	80,771,864	6,039,656	13	7.2%	1.4%	06/01/16	2,681		0.756	1.000	0.950	24	0%
2006	110,170,162	6,182,243	18	7.2%	1.4%	06/01/16	2,314		0.756	1.000	0.950	30	0%
2007	143,909,731	6,305,889	23	7.2%	1.4%	06/01/16	2,152		0.756	1.000	0.950	35	0%
2008	181,877,780	6,445,265	28	7.2%	1.4%	06/01/16	2,010		0.756	1.000	0.950	41	0%
2009	274,410,165	6,492,078	42	7.2%	1.4%	06/01/16	1,873		0.756	1.000	0.950	57	0%
2010	244,663,409	6,563,918	37	7.2%	1.4%	06/01/16	1,746		0.756	1.000	0.950	47	0%
2011	46,924,732	6,665,845	7	7.2%	1.4%	06/01/16	1,627		0.756	1.000	0.950	8	0%
2012	41,830,824	6,773,538	6	7.2%	1.4%	06/01/16	1,516		0.756	1.000	0.950	7	0%
2013	43,605,845	6,893,32	6	7.2%	1.4%	06/01/16	1,440		0.756	1.000	0.950	6	0%
2014	44,781,840	6,959,954	6	7.2%	1.4%	06/01/16	1,315		0.756	1.000	0.950	6	0%
2015	56,495,157	7,098,559	8	7.2%	1.4%	06/01/16	1,221		0.756	1.000	0.950	7	0%
2016	54,657,773	7,293,185	7	7.2%	1.4%	06/01/16	1,149		0.857	1.000	0.950	7	0%
2017	45,085,348	7,489,279	6	7.2%	1.4%	06/01/16	1,133		1,000	1.000	0.950	6	0%
2018	45,679,060	7,670,322	6	7.2%	1.4%	06/01/16	1,118		1,000	1.000	0.950	6	0%
2019	44,642,291	7,823,089	6	7.2%	1.4%	06/01/16	1,102		1,000	1.000	0.950	6	20%
2020	33,987,462	7,882,799	4	7.2%	1.4%	06/01/16	1,087		1,000	1.000	0.950	8	20%
2021	23,176,908	7,959,306	3	7.2%	1.4%	06/01/16	1,072		1,000	1.000	0.950	5	20%
2022	15,808,377	8,061,583	2	7.2%	1.4%	06/01/16	1,051		1,000	1.000	0.950	3	20%
2023	16,017,198	8,189,202	2	7.2%	1.4%	06/01/16	1,047		1,000	1.000	0.950	2	20%
C. Initial Selected Loss Cost at 7/1/2026 Cost Level													
4,69 Sum[(13) x (14)]													
D. Frequency x Severity Method													
7.01 A * B													
E. Selected Loss Cost at 7/1/2026 Cost Level													
5.85 average[(C, D)]													

Notes  
(5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
(9) Scalar factor for inflation spike  
(10) Scalar factor for 2016 reforms  
(11) Factor to adjust to pre-pandemic frequency levels  
(12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Loss Cost - Current Regulation  
Accident Benefits - Damage to Clothing, Glasses, Hearing Aids, and Other Devices  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
	Oliver Wyman Loss Trend Report	GISA Report AUTO7001									Selected	$(4) * (8) * (9) * (10) * (11)$	Selected

Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

Accident Year	Ultimate Claim Counts	Earned Vehicles	Frequency (per 1000 Vehicles)	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level	Weights
2014	9,885	6,959,954	1.420	2.9%	-1.1%	06/01/16	0.949		1.000	0.950	1.280	0%	
2015	10,081	7,098,559	1.420	2.9%	-1.1%	06/01/16	0.922		1.000	0.950	1.244	0%	
2016	10,388	7,293,185	1.424	2.9%	-1.1%	06/01/16	0.899		1.000	0.950	1.216	0%	
2017	10,141	7,489,279	1.354	2.9%	-1.1%	06/01/16	0.908		1.000	0.950	1.168	0%	
2018	10,144	7,670,322	1.322	2.9%	-1.1%	06/01/16	0.918		1.000	0.950	1.153	0%	
2019	10,121	7,823,089	1.294	2.9%	-1.1%	06/01/16	0.928		1.000	0.950	1.140	20%	
2020	7,542	7,858,799	0.960	2.9%	-1.1%	06/01/16	0.938		1.724	0.950	1.474	20%	
2021	7,042	7,950,306	0.886	2.9%	-1.1%	06/01/16	0.948		1.643	0.950	1.311	20%	
2022	7,083	8,061,683	0.879	2.9%	-1.1%	06/01/16	0.958		1.299	0.950	1.039	20%	
2023	4,603	8,199,202	0.561	2.9%	-1.1%	06/01/16	0.968		1.220	0.950	0.630	20%	

A. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level

1.119 Sum[ (13) x (14) ]

Selected Severity at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Ultimate Claim Counts	Severity	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Severity at 7/1/2026 Cost Level	Weights
2014	3,690,762	9,885	373	4.2%	2.5%	06/01/16	1.388		0.756			392	0%
2015	3,547,402	10,081	352	4.2%	2.5%	06/01/16	1.331		0.756			354	0%
2016	3,638,904	10,388	350	4.2%	2.5%	06/01/16	1.279		0.857			384	0%
2017	3,828,633	10,141	378	4.2%	2.5%	06/01/16	1.248		1.000			471	0%
2018	3,693,590	10,144	364	4.2%	2.5%	06/01/16	1.218		1.000			443	0%
2019	3,296,830	10,121	326	4.2%	2.5%	06/01/16	1.188		1.000			387	20%
2020	2,627,561	7,542	348	4.2%	2.5%	06/01/16	1.159		1.000			404	20%
2021	3,510,855	7,042	499	4.2%	2.5%	06/01/16	1.131		1.000			564	20%
2022	6,036,343	7,083	852	4.2%	2.5%	06/01/16	1.103		1.000			940	20%
2023	10,583,283	4,603	2,299	4.2%	2.5%	06/01/16	1.077		1.000			2,476	20%

B. Selected Severity at 7/1/2026 Cost Level

954 Sum[ (13) x (14) ]

Selected Loss Cost at 7/1/2026 Cost Level

Accident Year	Ultimate Loss and LAE Estimate	Earned Vehicles	Loss Cost	Past Trend	Future Trend	Trend (Transition) Date	Trend Factor to 7/1/2026	2021-2 Scalar (Inflation)	Reform Impact	COVID-19 (Unwinding) Factors	Post-COVID Adjustment	Loss Cost at 7/1/2026 Cost Level	Weights
2014	3,690,762	6,959,954	1	7.3%	1.4%	06/01/16	1.317		0.756	1.000	0.950	1	0%
2015	3,547,402	7,098,559	0	7.3%	1.4%	06/01/16	1.227		0.756	1.000	0.950	0	0%
2016	3,638,904	7,293,185	0	7.3%	1.4%	06/01/16	1.149		0.857	1.000	0.950	0	0%
2017	3,828,633	7,489,279	1	7.3%	1.4%	06/01/16	1.133		1.000	1.000	0.950	1	0%
2018	3,693,590	7,670,322	0	7.3%	1.4%	06/01/16	1.118		1.000	1.000	0.950	1	0%
2019	3,296,830	7,823,089	0	7.3%	1.4%	06/01/16	1.102		1.000	1.000	0.950	0	20%
2020	2,627,561	7,858,799	0	7.3%	1.4%	06/01/16	1.087		1.000	1.000	0.950	1	20%
2021	3,510,855	7,950,306	0	7.3%	1.4%	06/01/16	1.072		1.000	1.643	0.950	1	20%
2022	6,036,343	8,061,683	1	7.3%	1.4%	06/01/16	1.057		1.000	1.299	0.950	1	20%
2023	10,583,283	8,199,202	1	7.3%	1.4%	06/01/16	1.043		1.000	1.220	0.950	2	20%

C. Initial Selected Loss Cost at 7/1/2026 Cost Level

0.86 Sum[ (13) x (14) ]

D. Frequency x Severity Method

1.07 A \* B

E. Selected Loss Cost at 7/1/2026 Cost Level

0.96 average(C, D)

Notes

- (5) - (6) Frequency and severity trend rates have been adjusted so the implied combined trend equals the selected loss cost trend.  
 (9) Scalar factor for inflation spike  
 (10) Scalar factor for 2016 reforms  
 (11) Factor to adjust to pre-pandemic frequency levels  
 (12) Factor to adjust for lower post-pandemic frequency level

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Non-Claim Expenses  
Data as of 12/31/2023

(1) (2) (3) (4) (5) (6) (7) (8)

Accident Year	Direct Written Premiums	Direct Earned Premiums	Direct Commissions	Contingent Commissions	Premium Tax	Other Acquisition	General Expenses
2013	10,322,385	10,220,949	960,371	152,825	310,266	386,769	685,772
2014	9,029,531	9,091,707	858,010	135,151	266,854	312,948	706,899
2015	10,241,245	10,008,677	1,033,648	128,009	285,846	360,195	795,382
2016	10,311,596	10,061,524	1,080,991	118,097	293,324	381,740	799,464
2017	10,473,892	10,246,324	1,167,521	105,047	302,688	333,549	755,601
2018	11,601,652	11,178,218	1,303,694	122,594	332,993	339,294	902,576
2019	12,787,744	12,170,972	1,422,747	137,095	357,289	368,460	904,066
2020	13,083,847	12,785,845	1,452,948	225,904	369,306	393,977	959,698
2021	13,045,692	13,028,361	1,459,098	275,662	376,844	437,850	1,026,334
2022	13,787,455	13,504,570	1,555,951	184,837	359,916	448,542	1,085,792
2023	13,787,455	13,504,570	1,555,951	184,837	359,916	448,542	1,085,792

(9) (10) (11) (12) (13)

(4) / (2) (5) / (2) (6) / (2) (7) / (2) (8) / (3)

	Direct Commissions	Contingent Commissions	Premium Tax	Other Acquisition	General Expenses	
2013		9.3%	1.5%	3.0%	3.7%	6.7%
2014		9.5%	1.5%	3.0%	3.5%	7.8%
2015		10.1%	1.2%	2.8%	3.5%	7.9%
2016		10.5%	1.1%	2.8%	3.7%	7.9%
2017		11.1%	1.0%	2.9%	3.2%	7.4%
2018		11.2%	1.1%	2.9%	2.9%	8.1%
2019		11.1%	1.1%	2.8%	2.9%	7.4%
2020		11.1%	1.7%	2.8%	3.0%	7.5%
2021		11.2%	2.1%	2.9%	3.4%	7.9%
2022		11.3%	1.3%	2.6%	3.3%	8.0%
2023		11.3%	1.3%	2.6%	3.3%	8.0%

A.1 Selected Expense Provision 11.3% 1.6% 3.0% 3.3% 8.0% Selected  
A.2 Percent Variable 100% 100% 100% 100% 50%  
A.3 Percent Fixed 0% 0% 0% 0% 50%

**B. Estimated Variable Expense Provision** 23.1% Sum[A.1 x A.2]

C.1 Estimated Fixed Expense (as % of Premium) 4.0% Sum[A.1 x A.3]

C.2 2023-2 Average Premium 2,015 GISA Report AUTO7001  
C.3 Estimated Fixed Expense (per Vehicle) 80 C.1 \* C.2

D.1 Fixed Expense Trend Rate 3% Selected

10/1/2023

7/1/2026

D.2 Trend From Date  
D.3 Trend To Date  
D.4 Fixed Expense Trend  $(1 + D.1)^{(D.3 - D.2) / 365.25}$

1.085  
87 C.3 \* D.4

D.5 Estimated Fixed Expense per Earned Vehicle

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Forecasted Health Levy**  
**Data as of 12/31/2023**

(1)	(2) See Note	(3) See Note	(4) (2) / (3)
			Health Levy as a Percent of All Vehicle Earned Premium
Accident Year	Health Levy	All Vehicle Earned Premium	Health Levy as a Percent of All Vehicle Earned Premium
2013	142,300,000	12,260,406,225	1.2%
2014	142,300,000	12,259,036,906	1.2%
2015	142,300,000	12,179,593,768	1.2%
2016	142,300,000	12,375,260,470	1.1%
2017	142,300,000	12,597,753,491	1.1%
2018	142,300,000	13,288,974,579	1.1%
2019	142,300,000	14,534,533,294	1.0%
2020	142,300,000	15,312,811,073	0.9%
2021	142,300,000	15,886,110,513	0.9%
2022	142,300,000	16,398,716,372	0.9%
2023	142,300,000	17,478,928,991	0.8%
2024			0.8%
2025			0.9%
2026			0.9%
			Indicated Trend
		2013 - 2023	-3.8%
		2013 - 2019	-2.5%
		Selected	3.0%

Note

- (2) Per GISA Exhibit AUTO1105, Ontario Regulation 429/06 sets the annual health levy at \$142.3 million for fiscal years 2007 and subsequent.
- (3) Based on total earned premium in the "Experience of all vehicles combined by coverage" section of GISA Exhibit AUTO1101.
- (4) 2023 - 2025 projected based on actual 2022 health levy and selected trend.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Current Product Data as of 12/31/2023												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			per (3)	See Note	See Note	(5) * (6)	See Note	Exhibit 3.1	Board Benchmark	(7) * (8) / (1 - (9)) - (10)	See Note	(11) + (12)
Coverage	Subcoverage	2023-2 Written Vehicles	Percent of Vehicles with Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Profit Provision	Estimated Required Premium (Excluding Fixed Expense)	Allocated Fixed Expense	Estimated Required Premium
Third Party Liability	Bodily Injury		100%	221.23	0.856	189.26	1.009	23%	5%	266	14	279.37
Third Party Liability	Property Damage		100%	14.23	0.950	13.51	1.009	23%	5%	19	1	19.94
Third Party Liability	DCPD		100%	438.19	0.979	428.80	1.009	23%	5%	602	31	632.95
Third Party Liability	Health Levy		100%	22.14	1.000	22.14	1.009	23%	5%	31	2	32.68
Third Party Liability	Total	4,239,062	100%	695.778	0.940	653.71	1.009	23%	5%	917	47	964.94
Accident Benefits	Medical, Rehabilitation, & Attendant Care		100%	291.20	0.893	260.01	1.009	23%	5%	365	19	383.81
Accident Benefits	Other Medical & Rehabilitation		100%	8.04	0.893	7.18	1.009	23%	5%	10	1	10.60
Accident Benefits	Disability Income		100%	59.60	0.897	53.46	1.009	23%	5%	75	4	78.91
Accident Benefits	Funeral & Death Benefits		100%	1.47	0.967	1.42	1.009	23%	5%	2	0	2.10
Accident Benefits	Quebec XS		100%	0.03	0.774	0.03	1.009	23%	5%	0	0	0.04
Accident Benefits	Total	4,238,504	100%	360.338	0.894	322.09	1.009	23%	5%	452	23	475.45
Uninsured Auto	Uninsured Auto	4,232,229	100%	12.35	0.865	10.68	1.009	23%	5%	15	1	15.76
Collision	Collision	2,834,808	67%	481.28	0.979	471.34	1.009	23%	5%	662	34	695.74
Comprehensive	Comprehensive	3,028,466	71%	291.77	0.980	285.81	1.009	23%	5%	401	21	421.88
All Perils	All Perils	954,430	23%	774.39	0.979	758.43	1.009	23%	5%	1,064	55	1,119.53
Specified Perils	Specified Perils	2,526	0%	218.78	0.976	213.50	1.009	23%	5%	300	16	315.15
Underinsured Motorist	Underinsured Motorist	4,054,342	96%	11.63	0.834	9.70	1.009	23%	5%	14	1	14.32
					Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122
Package	Mandatory Coverage			1,068	0.923	986	1.009	23%	5%	1,384	72	1,456
Package	Optional Coverage			785	0.977	767	1.009	23%	5%	1,076	56	1,132
Package	Full Coverage			1,853	0.946	1,753	1.009	23%	5%	2,461	127	2,588
Package	Industry Weighted Average			1,784	0.945	1,686	1.009	23%	5%	2,366	122	2,489
<b>Notes</b>												
(5)	Accident benefits Other Medical & Rehabilitation is estimated in Exhibit 2.7 - Exhibit 2.11. Accident benefits Medical, Rehabilitation & Attendant Care is calculated as the estimate from Exhibit 1.4 minus Accident Benefits Other Medical & Rehabilitation. All other coverages are estimated in Exhibit 1.1 - Exhibit 1.13.											
(6)	Health levy calculated to produce loss cost to premium ratio per Exhibit 3.1.											
(8)	Based on 5-year industry average investment income rate of 3.51% and selected payment pattern											
(12)	Based on investment rate of 3.51% and assumed three month delay											
	Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (11).											

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Disability Income Data as of 12/31/2023												(8)	(9)	(10)	(11)	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)						
	See Note	See Note	See Note	See Note	See Note	See Note	(6) + (7)	(3) - (4) - (5) - (8)	(3) / 52	(9) / 52						
Gross Income Level	Percent in Level	Mid Point of Interval	CPP Contribution	EI Premium	Provincial Income Tax	Federal Income Tax	Income Tax	Average Net Income	Average Gross Weekly Income	Average Net Weekly Income						
		Rate	5.70%	1.58%	5.05%	9.15%	11.16%	12.16%	15.00%	20.50%	26.00%	29.00%				
		Income Limit	64,900	60,300	46,226	92,454	150,000	220,000	50,197	100,392	155,625	221,708				
		Basic Exemption	3,500	0	46,226	92,454	150,000	0	50,197	100,392	155,625					
0 to 5,000	12.3%	2,500	0	40	126	0	0	0	375	0	0	0	501	1,959	48	38
5,000 to 10,000	6.7%	7,500	228	119	379	0	0	0	1,125	0	0	0	1,504	5,650	144	109
10,000 to 20,000	11.3%	15,000	656	237	758	0	0	0	2,250	0	0	0	3,008	11,100	288	213
20,000 to 30,000	8.8%	25,000	1,226	395	1,263	0	0	0	3,750	0	0	0	5,013	18,367	481	353
30,000 to 40,000	8.7%	35,000	1,796	553	1,768	0	0	0	5,250	0	0	0	7,018	25,634	673	493
40,000 to 50,000	8.5%	45,000	2,366	711	2,273	0	0	0	6,750	0	0	0	9,023	32,901	865	633
50,000 to 60,000	8.3%	55,000	2,936	869	2,334	803	0	0	7,530	985	0	0	11,651	39,544	1,058	760
60,000 to 80,000	12.0%	70,000	3,500	953	2,334	2,175	0	0	7,530	4,060	0	0	16,099	49,449	1,346	951
80,000 to over 100,000	8.3%	90,000	3,500	953	2,334	4,005	0	0	7,530	8,160	0	0	22,029	63,519	1,731	1,222
	15.1%	166,159	3,500	953	2,334	4,230	6,422	1,965	7,530	10,290	14,361	3,055	50,186	111,520	3,195	2,145
Total	100.0%	57,100											14,626	39,844	1,098	766

Note

- (2) Statistics Canada Table 11-10-0240-01 for 2022.  
 (3) Mid-point for over 100,000 level based on average income of \$57,100.  
 (4) For 2022, the employee contribution rate was 5.70%; maximum pensionable earnings was \$64,900; basic exemption amount of \$3,500.  
 (5) For 2022, the rate was 1.58% and the maximum insurable earnings was \$60,300.  
 (6) For 2022, the Ontario income tax rate was 5.05% up to an income of \$46,226, 9.15% for income between \$46,226 and \$92,454, 11.16% for income between \$92,454 and \$150,000, and 12.16% for income between \$150,000 and \$220,000.  
 (7) 2022 Federal Tax Brackets: 15% for first \$50,197, 20.5% for income between \$50,197 and \$100,392, 26.0% for income between \$100,392 and \$155,625, and 29.0% for income between \$155,625 and \$221,708.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Disability Income Current Benefit Structure  
Data as of 12/31/2023

(1)	(2) Exhibit 4.1	(3) Exhibit 4.1	(4) Exhibit 4.1	(5) A.1 * (3)	(6) A.3 * MIN((4), A.4 / 52) No Income Replacement Assistance	(7) MAX((6) - (5),0) With Income Replacement Assistance	Weekly Indemnity Benefit after Group Disability Plan Payments
Gross Income Level	Percent in Level	Average Gross Weekly Income	Average Net Weekly Income	Weekly Benefits from Collateral Source Plan	Weekly Indemnity Benefit		
0 to 4,999	12.3%	48	38	34	34		0
5,000 to 9,999	6.7%	144	109	101	101		0
10,000 to 19,999	11.3%	288	213	202	202		0
20,000 to 29,999	8.8%	481	353	337	337		0
30,000 to 39,999	8.7%	673	493	471	400		0
40,000 to 49,999	8.5%	865	633	606	400		0
50,000 to 59,999	8.3%	1,058	760	740	400		0
60,000 to 79,999	12.0%	1,346	951	942	400		0
80,000 to 99,999	8.3%	1,731	1,222	1,212	400		0
over 100,000	15.1%	3,195	2,145	2,237	400		0
Total	100.0%	1,098	766	769	307		0

A.1 Percentage of gross income long term disability covers

70% Selected based on Government of Canada website (long-term disability)

A.2 Percentage of disability plans where Auto policy will be 1st payer

0% Current Ontario auto policy is 2nd payer

A.3 Percentage of gross income covered by plan benefits

70% Ontario Regulation 34/10, Part II, Section 7

A.4 Maximum Weekly Benefit

400 Ontario Regulation 34/10, Part II, Section 7

	(8)	(9)	
	Proportion of Claimants	Severity Net of Collateral Benefits	
Employed Claimants without Income Replacement Assistance	35.5%	307	per (6)
Employed Claimants with Income Replacement Assistance, Auto Ins. is 1st payer	0.0%	307	per (6)
Employed Claimants with Income Replacement Assistance, Auto Ins. is 2nd payer	64.5%	0	per (7)
Total	100.0%	109	sum [ (8) * (9) ]

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Disability Income Alternate Benefit Structure  
Data as of 12/31/2023

(1)	(2) per Exhibit 4.2 (2) & (5)	(3) Exhibit 4.1	(4) Exhibit 4.1	(5) A.1 * (3)	(6) A.3 * MIN((4), A.4 / 52) No Income Replacement Assistance	(7) MAX((6) - (5),0) With Income Replacement Assistance
Gross Income Level	Percent in Level (Conditional on Selected Benefit)	Average Gross Weekly Income	Average Net Weekly Income	Weekly Benefits from Collateral Source Plan	Weekly Indemnity Benefit	Weekly Indemnity Benefit after Group Disability Plan Payments
0 to 4,999	12.3%	48	38	34	34	0
5,000 to 9,999	6.7%	144	109	101	101	0
10,000 to 19,999	11.3%	288	213	202	202	0
20,000 to 29,999	8.8%	481	353	337	337	0
30,000 to 39,999	8.7%	673	493	471	400	0
40,000 to 49,999	8.5%	865	633	606	400	0
50,000 to 59,999	8.3%	1,058	760	740	400	0
60,000 to 79,999	12.0%	1,346	951	942	400	0
80,000 to 99,999	8.3%	1,731	1,222	1,212	400	0
over 100,000	15.1%	3,195	2,145	2,237	400	0
<b>Total</b>	<b>100.0%</b>	<b>1,098</b>	<b>766</b>	<b>769</b>	<b>307</b>	<b>0</b>

A.1 Percentage of gross income long term disability covers

70% Selected based on Government of Canada website (long-term disability)

A.2 Percentage of disability plans where Auto policy will be 1st payer

0% Exhibit 6.1 per SABS, Auto is 2nd payer for DI

A.3 Percentage of gross income covered by plan benefits

70% Exhibit 6.1

A.4 Maximum Weekly Benefit

400 Exhibit 6.1

A.5 Non-Earner Benefit

185 Exhibit 6.1

	(8)	(9)	
	Proportion of Claimants	Severity, Net of Collateral Benefits	
Employed Claimants without Income Replacement Assistance	35.5%	307	per (6)
Employed Claimants with Income Replacement Assistance, Auto Ins. is 1st payer	0.0%	307	per (6)
Employed Claimants with Income Replacement Assistance, Auto Ins. is 2nd payer	64.5%	0	per (7)
<b>A. Total</b>	<b>100.0%</b>	<b>109</b>	<b>sum [(8) * (9)]</b>
<b>B. Current Severity, Net of Collateral Benefits</b>		<b>109</b>	<b>Exhibit 4.2</b>
	Limit	\$400	\$600
			\$800
			\$1,000
Estimated Disability Income Loss Cost at \$400		50.85	
Percent of individuals who may purchase Limit	100.0%	61.2%	48.3%
Marginal percent who purchase highest limit they receive benefit from	38.8%	12.8%	12.4%
Estimated Severity for Individuals who Purchase Higher Limit	109	206	274
Estimated Severity at \$400 Limit		109	
<b>Earner Disability Income Increased Limit Factor</b>	<b>1.000</b>	<b>1.892</b>	<b>2.513</b>
Loss Cost for People who Purchase Higher Limit (Conditional)	50.85	96.19	127.77
Loss Cost for Average Earner (Unconditional)	50.85	78.57	93.83
Weighted Average Earner Adjustment Factor	1.000	1.545	1.845
Total Disability Income Adjustment Factor	1.000	1.465	1.721
Total Disability Income Loss Cost		59.60	
Adjusted Total Disability Income Loss Cost	59.60	87.32	102.58
Non-Earner Disability Income at Limit	8.75	8.75	8.75
<b>Total Disability Income Increased Limit Factor</b>	<b>1.000</b>	<b>1.817</b>	<b>2.416</b>
			<b>3.072</b>

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Accident Benefits - Total Medical/Rehab First Payer Adjustment  
Data as of 12/31/2023

	(1)	(2)	(3)	(4)
		Carries supplementary health insurance	Does not carry supplementary health insurance	Total
A. Percent of Population	65.7%	34.3%	100.0%	CLHIA 2023 Provincial Data
A.1. Percent of SHI with no benefits for injuries in auto accidents	10.0%			Oliver Wyman Estimate
A.2. Percent of Population with SHI benefits	<b>59.2%</b>	<b>40.8%</b>	100.0%	(2) = A * (1 - A.1); (3) = 1 - (2)
B. Selected Severity at 7/1/2026 Cost Level	39,993			Exhibit 1.4
C. Average limit for Supplementary health insurance	1,500			Selected based on research of health care provider plan limits
D. Average Severity for Portion of Claim Auto Insurer Covers	39,381	40,881		Based on A., B., and C.
E. Selected Frequency (per 1000 Vehicles) at 7/1/2026 Cost Level Given a Claim Reaches the Auto Insurer	7.459			Exhibit 1.4
F. Frequency x Severity Balance to Selected Loss Cost	1.003			Exhibit 1.4
G. Selected Loss Cost at 7/1/2026 Cost Level	299.24			B. * E. * F. / 1000
<b>Lognormal Model Parameters</b>				
H.1 mu	7.225			fitted to HCIAI data
H.2 sigma	1.256			
<b>Adjusted Frequency</b>				
I.1 Percent of Claims that Exhaust Supplementary Insurance	47.2%	100.0%		per C., H.1, and H.2
I.2 Ground-Up Claim Frequency	10.849	10.849	10.849	per A., E., and I.1
Check 2nd Payer Claims	5.120	10.849	7.459	OK
J. Expected Value of Claims that do not Reach Auto Insurer	<b>356</b>			per C., H.1, and H.2
Check	356			
K. Revised Average Severity	28,217			(E. * D(3). + L. * J. ) / I.2
L. Frequency (per 1000 Vehicles) of Claims that do not Reach Auto Insurer	3.390			I.2 - E.
M. Adjusted Loss Cost at 7/1/2026 Cost Level	306.12			( D(3). * E. + J. * L. ) / 1000
N. Selected Loss Cost at 7/1/2026 Cost Level	299.24			Exhibit 1.4
O. Adjustment Factor	<b>1.023</b>			M. / N.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Transfer Between Accident Benefits and Bodily Injury

**Current**

Access to Collateral Source	At Fault	Not at Fault
Do Not Have Collateral Source for DI	File AB DI Claim	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits
Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source

**Post Reform**

Purchase AB-DI Coverage	At Fault	Not at Fault
Yes Do not Have Collateral Source for DI	File AB DI Claim (Not Eligible to file BI Claim)	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits
No Do not Have Collateral Source for DI	Won't receive benefits from any source	May pursue tort recovery (BI)
Yes Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source
No Have Collateral Source for DI	Collateral Source Only	Collateral Source in Primary. May pursue tort recovery (BI) for loss in excess of collateral source

**Distribution of Insureds**  
Exhibit 6.1 -> 10% 55%

Informed Choice	After Consideration of Error Rate (see text)	At the Modeled Take-up Rate
55.22%	49.69%	49.69%
0.00%	5.52%	5.52%
0.00%	44.78%	5.31%
44.78%		39.48%
Total	100%	100.00%

**Marginal Cost Transfer Model**

Current Distribution of AB-DI Costs	Current Distribution of AB-DI Costs	Marginal Percentage of Eligible Costs Transferred Severity
95.00%	85.50%	0.00%
	9.50%	100.00%
5.00%	0.59%	0.00%
	4.41%	100.00%
100.00%	100.00%	

Disability Income Transfer	Comment
0.00%	Current Product
9.50%	All Costs Transferred
0.00%	Current Product
4.41%	Excess Costs only Transferred

Take-Up Rate	55%	94.48%	55.00%
1 - Take-Up Rate	45%	5.52%	45.00%

Potential Marginal Transfer of Current Disability Income Costs	13.91%
--	--------

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Transfer Between Accident Benefits and Bodily Injury

Current			Post Reform			Distribution of Insureds			Marginal Cost Transfer Model													
Access to Collateral Source	At Fault	Not at Fault	Purchase AB-DI Coverage	At Fault	Not at Fault	Informed Choice	After Consideration of Error Rate (see text)	At the Modeled Take-up Rate	Current Distribution of AB-DI Costs	Current Distribution of AB-DI Costs	Marginal Percentage of Eligible Costs Transferred Severity	Disability Income Transfer	Comment									
Do Not Have Collateral Source for DI	File AB DI Claim	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits	Yes Do not Have Collateral Source for DI	File AB DI Claim (Not Eligible to file BI Claim)	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits	55.22%	49.69%	49.69%	95.00%	85.50%	0.00%	0.00%	Current Product									
Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source	No Do not Have Collateral Source for DI	Won't receive benefits from any source	May pursue tort recovery (BI)	0.00%	5.52%	5.52%		9.50%	100.00%	9.50%	All Costs Transferred									
			Yes Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source	0.00%	44.78%	20.31%	5.00%	2.27%	0.00%	0.00%	Current Product									
			No Have Collateral Source for DI	Collateral Source Only	Collateral Source in Primary. May pursue tort recovery (BI) for loss in excess of collateral source	44.78%		24.48%		2.73%	100.00%	2.73%	Excess Costs only Transferred									
			Total			100%	100.00%	100.00%		100.00%	100.00%											
<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 25%;">Take-Up Rate</td> <td style="width: 25%;">55%</td> <td style="width: 25%;">94.48%</td> <td style="width: 25%;">70.00%</td> </tr> <tr> <td>1 - Take-Up Rate</td> <td>45%</td> <td>5.52%</td> <td>30.00%</td> </tr> </table>															Take-Up Rate	55%	94.48%	70.00%	1 - Take-Up Rate	45%	5.52%	30.00%
Take-Up Rate	55%	94.48%	70.00%																			
1 - Take-Up Rate	45%	5.52%	30.00%																			
Potential Marginal Transfer of Current Disability Income Costs												12.23%										

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Transfer Between Accident Benefits and Bodily Injury

Current			Post Reform			Distribution of Insureds			Marginal Cost Transfer Model																																			
Access to Collateral Source	At Fault	Not at Fault	Purchase AB-DI Coverage	At Fault	Not at Fault	Informed Choice	After Consideration of Error Rate (see text)	At the Modeled Take-up Rate	Current Distribution of AB-DI Costs	Current Distribution of AB-DI Costs	Marginal Percentage of Eligible Costs Transferred Severity	Disability Income Transfer	Comment																															
Do Not Have Collateral Source for DI	File AB DI Claim	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits	Yes Do not Have Collateral Source for DI	File AB DI Claim (Not Eligible to file BI Claim)	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits	55.22%	49.69%	49.69%	95.00%	85.50%	0.00%	0.00%	Current Product																															
Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source	No Do not Have Collateral Source for DI	Won't receive benefits from any source	May pursue tort recovery (BI)	0.00%	5.52%	5.52%		9.50%	100.00%	9.50%	All Costs Transferred																															
			Yes Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source	0.00%	44.78%	30.31%	5.00%	3.38%	0.00%	0.00%	Current Product																															
			No Have Collateral Source for DI	Collateral Source Only	Collateral Source in Primary. May pursue tort recovery (BI) for loss in excess of collateral source	44.78%		14.48%		1.62%	100.00%	1.62%	Excess Costs only Transferred																															
			Total			100%	100.00%	100.00%		100.00%	100.00%																																	
<table border="1"> <tr> <td>Take-Up Rate</td> <td>55%</td> <td>94.48%</td> <td>80.00%</td> <td></td> </tr> <tr> <td>1 - Take-Up Rate</td> <td>45%</td> <td>5.52%</td> <td>20.00%</td> <td></td> </tr> </table>															Take-Up Rate	55%	94.48%	80.00%												1 - Take-Up Rate	45%	5.52%	20.00%											
Take-Up Rate	55%	94.48%	80.00%																																									
1 - Take-Up Rate	45%	5.52%	20.00%																																									
Potential Marginal Transfer of Current Disability Income Costs												11.12%																																

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Transfer Between Accident Benefits and Bodily Injury

**Current**

Access to Collateral Source	At Fault	Not at Fault
Do Not Have Collateral Source for DI	File AB DI Claim	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits
Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source

**Post Reform**

Purchase AB-DI Coverage	At Fault	Not at Fault
Yes Do not Have Collateral Source for DI	File AB DI Claim (Not Eligible to file BI Claim)	File AB DI Claim, May also pursue tort recovery (BI) for loss in excess of AB-DI limits
No Do not Have Collateral Source for DI	Won't receive benefits from any source	May pursue tort recovery (BI)
Yes Have Collateral Source for DI	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient.	Collateral Source is primary. They will file an AB DI claim only if the collateral source is not sufficient. May pursue tort recovery (BI) for loss in excess of collateral source
No Have Collateral Source for DI	Collateral Source Only	Collateral Source in Primary. May pursue tort recovery (BI) for loss in excess of collateral source

**Distribution of Insureds**  
Exhibit 6.1 -> 0% 100%

Informed Choice	After Consideration of Error Rate (see text)	At the Modeled Take-up Rate
55.22%	55.22%	55.22%
0.00%	0.00%	0.00%
0.00%	44.78%	44.78%
44.78%		0.00%
Total	100%	100.00%

**Marginal Cost Transfer Model**

Current Distribution of AB-DI Costs	Current Distribution of AB-DI Costs	Marginal Percentage of Eligible Costs Transferred Severity
95.00%	95.00%	0.00%
	0.00%	100.00%
5.00%	5.00%	0.00%
	0.00%	100.00%

Take-Up Rate	55%	100.00%	100.00%
1 - Take-Up Rate	45%	0.00%	0.00%

Potential Marginal Transfer of Current Disability Income Costs	0.00%
--	-------

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Transfer of Costs from Accident Benefits to Bodily Injury**  
**Data as of 12/31/2023**

(1)	(2)	(3)	(4)	
Coverage	Predicted Severity at 2016-1 from Trend Models, see Report	Phase In Scalar Parameter	Change in Severity due to Scalar (2) * ((3) - 1)	
Accident Benefits Total Medical & Rehab	37,855	0.744	(9,699)	
Bodily Injury	141,351	1.060	8,441	
<b>A. Indicated Percent Shift in Expected Loss Costs to Bodily Injury</b>			<b>87%</b>	
<b>B. Selected Percent Shift in Expected Loss Costs to Bodily Injury</b> (Includes Consideration of Fault)			<b>87%</b>	
(5)	(6)	(7)	(8)	(9)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Optional Takeup Rate	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Other Medical & Rehabilitation	8.04	55%	87%	3.15
Accident Benefits: Funeral & Death Benefits	1.47	55%	87%	0.58
			<b>B. Subtotal</b>	<b>3.72</b>
(10)	(11)	(12)	(13)	(14)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Potential Marginal Transfer of Current Disability Income Costs to Bodily Injury	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Disability Income	59.60	13.91%	87%	7.21
			<b>C. Total</b>	<b>10.94</b>

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Transfer of Costs from Accident Benefits to Bodily Injury**  
**Data as of 12/31/2023**

(1)	(2)	(3)	(4)	
Coverage	Predicted Severity at 2016-1 from Trend Models, see Report	Phase In Scalar Parameter	(2) * ((3) - 1)	
Accident Benefits Total Medical & Rehab	37,855	0.744	(9,699)	
Bodily Injury	141,351	1.060	8,441	
<b>A. Indicated Percent Shift in Expected Loss Costs to Bodily Injury</b>			<b>87%</b>	
<b>B. Selected Percent Shift in Expected Loss Costs to Bodily Injury</b> (Includes Consideration of Fault)			<b>87%</b>	
(5)	(6)	(7)	(8)	(9)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Optional Takeup Rate	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Other Medical & Rehabilitation	8.04	70%	87%	2.10
Accident Benefits: Funeral & Death Benefits	1.47	70%	87%	0.38
			<b>B. Subtotal</b>	<b>2.48</b>
(10)	(11)	(12)	(13)	(14)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Potential Marginal Transfer of Current Disability Income Costs to Bodily Injury	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Disability Income	59.60	12.23%	87%	6.34
			<b>C. Total</b>	<b>8.83</b>

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Transfer of Costs from Accident Benefits to Bodily Injury**  
**Data as of 12/31/2023**

(1)	(2)	(3)	(4)	
Coverage	Predicted Severity at 2016-1 from Trend Models, see Report	Phase In Scalar Parameter	Change in Severity due to Scalar (2) * ((3) - 1)	
Accident Benefits Total Medical & Rehab	37,855	0.744	(9,699)	
Bodily Injury	141,351	1.060	8,441	
<b>A. Indicated Percent Shift in Expected Loss Costs to Bodily Injury</b>			<b>87%</b>	
<b>B. Selected Percent Shift in Expected Loss Costs to Bodily Injury</b> (Includes Consideration of Fault)			<b>87%</b>	
(5)	(6)	(7)	(8)	(9)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Optional Takeup Rate	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Other Medical & Rehabilitation	8.04	80%	87%	1.40
Accident Benefits: Funeral & Death Benefits	1.47	80%	87%	0.26
			<b>B. Subtotal</b>	<b>1.66</b>
(10)	(11)	(12)	(13)	(14)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Potential Marginal Transfer of Current Disability Income Costs to Bodily Injury	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Disability Income	59.60	11.12%	87%	5.77
			<b>C. Total</b>	<b>7.42</b>

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Transfer of Costs from Accident Benefits to Bodily Injury**  
**Data as of 12/31/2023**

(1)	(2)	(3)	(4)	
Coverage	Predicted Severity at 2016-1 from Trend Models, see Report	Phase In Scalar Parameter	Change in Severity due to Scalar (2) * ((3) - 1)	
Accident Benefits Total Medical & Rehab	37,855	0.744	(9,699)	
Bodily Injury	141,351	1.060	8,441	
<b>A. Indicated Percent Shift in Expected Loss Costs to Bodily Injury</b>			<b>87%</b>	
<b>B. Selected Percent Shift in Expected Loss Costs to Bodily Injury</b> (Includes Consideration of Fault)			<b>87%</b>	
(5)	(6)	(7)	(8)	(9)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Optional Takeup Rate	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Other Medical & Rehabilitation	8.04	100%	87%	0.00
Accident Benefits: Funeral & Death Benefits	1.47	100%	87%	0.00
			<b>B. Subtotal</b>	<b>0.00</b>
(10)	(11)	(12)	(13)	(14)
Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Potential Marginal Transfer of Current Disability Income Costs to Bodily Injury	Expected Percent Shift in Loss Costs to Bodily Injury	Addition to Bodily Injury
Accident Benefits: Disability Income	59.60	0.00%	87%	0.00
			<b>C. Total</b>	<b>0.00</b>

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Estimated Adjusted Bodily Injury Loss Cost**  
**Data as of 12/31/2023**

	(1)	(2)	(3)	(4)
Coverage		Selected Loss Cost at 7/1/2026 Cost Level	Transfer from Accident Benefits to Bodily Injury	Adjusted Loss Cost at 7/1/2026 Cost Level
Third Party Liability - Bodily Injury		221.23	10.94	232.16

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Estimated Adjusted Bodily Injury Loss Cost**  
**Data as of 12/31/2023**

	(1)	(2)	(3)	(4)
Coverage		Selected Loss Cost at 7/1/2026 Cost Level	Transfer from Accident Benefits to Bodily Injury	Adjusted Loss Cost at 7/1/2026 Cost Level
Third Party Liability - Bodily Injury		221.23	8.83	230.05

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Estimated Adjusted Bodily Injury Loss Cost**  
**Data as of 12/31/2023**

	(1)	(2)	(3)	(4)
Coverage		Selected Loss Cost at 7/1/2026 Cost Level	Transfer from Accident Benefits to Bodily Injury	Adjusted Loss Cost at 7/1/2026 Cost Level
Third Party Liability - Bodily Injury		221.23	7.42	228.65

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Estimated Adjusted Bodily Injury Loss Cost**  
**Data as of 12/31/2023**

	(1)	(2)	(3)	(4)
Coverage		Selected Loss Cost at 7/1/2026 Cost Level	Transfer from Accident Benefits to Bodily Injury	Adjusted Loss Cost at 7/1/2026 Cost Level
Third Party Liability - Bodily Injury		221.23	0.00	221.23

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Coverage	Subcoverage	Selected Loss Cost at 7/1/2026 Cost Level	Balancing Factor	Balanced Loss Cost at 7/1/2026 Cost Level	Disability Income Benefit Adjustment Factor	Medical & Rehabilitation First Payer Adjustment Factor	Cost Transfer Factor from Accident Benefits to Bodily Injury	Optional Take-Up Rate	Adjusted Loss Cost at 7/1/2026 Cost Level
Accident Benefits	Medical, Rehabilitation, & Attendant Care	291.20	1.00	291.20		1.023			297.90
Accident Benefits	Dependent Care	0.02	1.00	0.02		1.023			0.02
Accident Benefits	Housekeeping & Home Maintenance	5.85	1.00	5.85		1.023			5.98
Accident Benefits	Visitation Expenses	1.20	1.00	1.20		1.023			1.23
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.96	1.00	0.96		1.023			0.99
	Subtotal	299.24		299.24					
Accident Benefits	Total Medical & Rehabilitation Balancing Factor	299.24 1.00	Exhibit 1.4			1.023			306.12
Accident Benefits	Earner Disability Income	53.81	0.94	50.85	1.000		86.1%	55%	79.60
Accident Benefits	Non-Earner Disability Income	8.84	0.94	8.35	1.000		86.1%	55%	13.08
Accident Benefits	Student Disability Income	0.28	0.94	0.26	1.000		86.1%	55%	0.41
Accident Benefits	Caregiver Disability Income	0.13	0.94	0.13	1.000		86.1%	55%	0.20
	Subtotal	63.07		59.60					
Accident Benefits	Total Disability Income Balancing Factor	59.60 0.94	Exhibit 1.5		1.000		86.1%	55%	93.29
Accident Benefits	Funeral Benefits	0.35	0.98	0.34					0.34
Accident Benefits	Death Benefits	1.15	0.98	1.13					1.13
	Subtotal	1.50		1.47					
Accident Benefits	Total Funeral & Death Benefits Balancing Factor	1.47 0.98	Exhibit 1.6						1.47
Accident Benefits	Quebec Excess	0.03	1	0.03					0.03

Notes

(4) Balancing factor used to reconcile amounts to the respective subcoverage in Exhibit 1.4 - Exhibit 1.6.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Coverage	Subcoverage	Selected Loss Cost at 7/1/2026 Cost Level	Balancing Factor	Balanced Loss Cost at 7/1/2026 Cost Level	Disability Income Benefit Adjustment Factor	Medical & Rehabilitation First Payer Adjustment Factor	Cost Transfer Factor from Accident Benefits to Bodily Injury	Optional Take-Up Rate	Adjusted Loss Cost at 7/1/2026 Cost Level
Accident Benefits	Medical, Rehabilitation, & Attendant Care	291.20	1.00	291.20		1.023			297.90
Accident Benefits	Dependent Care	0.02	1.00	0.02		1.023			0.02
Accident Benefits	Housekeeping & Home Maintenance	5.85	1.00	5.85		1.023			5.98
Accident Benefits	Visitation Expenses	1.20	1.00	1.20		1.023			1.23
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.96	1.00	0.96		1.023			0.99
	Subtotal	299.24		299.24					
Accident Benefits	Total Medical & Rehabilitation Balancing Factor	299.24 1.00	Exhibit 1.4			1.023			306.12
Accident Benefits	Earner Disability Income	53.81	0.94	50.85	1.000		87.8%	70%	63.76
Accident Benefits	Non-Earner Disability Income	8.84	0.94	8.35	1.000		87.8%	70%	10.48
Accident Benefits	Student Disability Income	0.28	0.94	0.26	1.000		87.8%	70%	0.33
Accident Benefits	Caregiver Disability Income	0.13	0.94	0.13	1.000		87.8%	70%	0.16
	Subtotal	63.07		59.60					
Accident Benefits	Total Disability Income Balancing Factor	59.60 0.94	Exhibit 1.5		1.000		87.8%	70%	74.72
Accident Benefits	Funeral Benefits	0.35	0.98	0.34					0.34
Accident Benefits	Death Benefits	1.15	0.98	1.13					1.13
	Subtotal	1.50		1.47					
Accident Benefits	Total Funeral & Death Benefits Balancing Factor	1.47 0.98	Exhibit 1.6						1.47
Accident Benefits	Quebec Excess	0.03	1	0.03					0.03

Notes

(4) Balancing factor used to reconcile amounts to the respective subcoverage in Exhibit 1.4 - Exhibit 1.6.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Coverage	Subcoverage	Selected Loss Cost at 7/1/2026 Cost Level	Balancing Factor	Balanced Loss Cost at 7/1/2026 Cost Level	Disability Income Benefit Adjustment Factor	Medical & Rehabilitation First Payer Adjustment Factor	Cost Transfer Factor from Accident Benefits to Bodily Injury	Optional Take-Up Rate	Adjusted Loss Cost at 7/1/2026 Cost Level
Accident Benefits	Medical, Rehabilitation, & Attendant Care	291.20	1.00	291.20		1.023			297.90
Accident Benefits	Dependent Care	0.02	1.00	0.02		1.023			0.02
Accident Benefits	Housekeeping & Home Maintenance	5.85	1.00	5.85		1.023			5.98
Accident Benefits	Visitation Expenses	1.20	1.00	1.20		1.023			1.23
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.96	1.00	0.96		1.023			0.99
	Subtotal	299.24		299.24					
Accident Benefits	Total Medical & Rehabilitation Balancing Factor	299.24 1.00	Exhibit 1.4			1.023			306.12
Accident Benefits	Earner Disability Income	53.81	0.94	50.85	1.000		88.9%	80%	56.50
Accident Benefits	Non-Earner Disability Income	8.84	0.94	8.35	1.000		88.9%	80%	9.28
Accident Benefits	Student Disability Income	0.28	0.94	0.26	1.000		88.9%	80%	0.29
Accident Benefits	Caregiver Disability Income	0.13	0.94	0.13	1.000		88.9%	80%	0.14
	Subtotal	63.07		59.60					
Accident Benefits	Total Disability Income Balancing Factor	59.60 0.94	Exhibit 1.5		1.000		88.9%	80%	66.21
Accident Benefits	Funeral Benefits	0.35	0.98	0.34					0.34
Accident Benefits	Death Benefits	1.15	0.98	1.13					1.13
	Subtotal	1.50		1.47					
Accident Benefits	Total Funeral & Death Benefits Balancing Factor	1.47 0.98	Exhibit 1.6						1.47
Accident Benefits	Quebec Excess	0.03	1	0.03					0.03

Notes

(4) Balancing factor used to reconcile amounts to the respective subcoverage in Exhibit 1.4 - Exhibit 1.6.

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Coverage	Subcoverage	Selected Loss Cost at 7/1/2026 Cost Level	Balancing Factor	Balanced Loss Cost at 7/1/2026 Cost Level	Disability Income Benefit Adjustment Factor	Medical & Rehabilitation First Payer Adjustment Factor	Cost Transfer Factor from Accident Benefits to Bodily Injury	Optional Take-Up Rate	Adjusted Loss Cost at 7/1/2026 Cost Level
Accident Benefits	Medical, Rehabilitation, & Attendant Care	291.20	1.00	291.20		1.023			297.90
Accident Benefits	Dependent Care	0.02	1.00	0.02		1.023			0.02
Accident Benefits	Housekeeping & Home Maintenance	5.85	1.00	5.85		1.023			5.98
Accident Benefits	Visitation Expenses	1.20	1.00	1.20		1.023			1.23
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.96	1.00	0.96		1.023			0.99
	Subtotal	299.24		299.24					
Accident Benefits	Total Medical & Rehabilitation Balancing Factor	299.24 1.00	Exhibit 1.4			1.023			306.12
Accident Benefits	Earner Disability Income	53.81	0.94	50.85	1.000		100.0%	100%	50.85
Accident Benefits	Non-Earner Disability Income	8.84	0.94	8.35	1.000		100.0%	100%	8.35
Accident Benefits	Student Disability Income	0.28	0.94	0.26	1.000		100.0%	100%	0.26
Accident Benefits	Caregiver Disability Income	0.13	0.94	0.13	1.000		100.0%	100%	0.13
	Subtotal	63.07		59.60					
Accident Benefits	Total Disability Income Balancing Factor	59.60 0.94	Exhibit 1.5		1.000		100.0%	100%	59.60
Accident Benefits	Funeral Benefits	0.35	0.98	0.34					0.34
Accident Benefits	Death Benefits	1.15	0.98	1.13					1.13
	Subtotal	1.50		1.47					
Accident Benefits	Total Funeral & Death Benefits Balancing Factor	1.47 0.98	Exhibit 1.6						1.47
Accident Benefits	Quebec Excess	0.03	1	0.03					0.03

Notes

(4) Balancing factor used to reconcile amounts to the respective subcoverage in Exhibit 1.4 - Exhibit 1.6.

Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Assumptions**

**Data as of 12/31/2023**

(1)	(2)	(3)
-----	-----	-----

Group	Assumption	Reference
-------	------------	-----------

**General**

Modeled Take-up Rate for Optional Coverages	55%	Selected
Insureds with Access to Collateral Source	45%	CLHIA 2023 Provincial Data Appendix
Coverage Selection Error Rate for Individuals Without Collateral Benefits	10%	Selected

**Accident Benefits - Total Disability Income**

Percentage of disability plans where Auto policy will be 1st payer	0%	Statutory Accident Benefits Schedule
Percentage of gross income covered by plan benefits	70%	Statutory Accident Benefits Schedule
Maximum Weekly Benefit	400	Selected
Non-Earner Benefit	185	Statutory Accident Benefits Schedule

**Private Passenger Vehicles**  
**Actuarial Analysis - Reform Costing**

**Assumptions**

**Data as of 12/31/2023**

(1)

(2)

(3)

Group

Assumption

Reference

**General**

Modeled Take-up Rate for Optional Coverages	70%	Selected
Insureds with Access to Collateral Source	45%	CLHIA 2023 Provincial Data Appendix
Coverage Selection Error Rate for Individuals Without Collateral Benefits	10%	Selected

**Accident Benefits - Total Disability Income**

Percentage of disability plans where Auto policy will be 1st payer	0%	Statutory Accident Benefits Schedule
Percentage of gross income covered by plan benefits	70%	Statutory Accident Benefits Schedule
Maximum Weekly Benefit	400	Selected
Non-Earner Benefit	185	Statutory Accident Benefits Schedule

**Private Passenger Vehicles**  
**Actuarial Analysis - Reform Costing**

**Assumptions**

**Data as of 12/31/2023**

(1)

(2)

(3)

Group

Assumption

Reference

**General**

Modeled Take-up Rate for Optional Coverages	80%	Selected
Insureds with Access to Collateral Source	45%	CLHIA 2023 Provincial Data Appendix
Coverage Selection Error Rate for Individuals Without Collateral Benefits	10%	Selected

**Accident Benefits - Total Disability Income**

Percentage of disability plans where Auto policy will be 1st payer	0%	Statutory Accident Benefits Schedule
Percentage of gross income covered by plan benefits	70%	Statutory Accident Benefits Schedule
Maximum Weekly Benefit	400	Selected
Non-Earner Benefit	185	Statutory Accident Benefits Schedule

Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

**Assumptions**

**Data as of 12/31/2023**

(1)

(2)

(3)

Group

Assumption

Reference

**General**

Modeled Take-up Rate for Optional Coverages	100%	Selected
Insureds with Access to Collateral Source	45%	CLHIA 2023 Provincial Data Appendix
Coverage Selection Error Rate for Individuals Without Collateral Benefits	0%	Selected

**Accident Benefits - Total Disability Income**

Percentage of disability plans where Auto policy will be 1st payer	0%	Statutory Accident Benefits Schedule
Percentage of gross income covered by plan benefits	70%	Statutory Accident Benefits Schedule
Maximum Weekly Benefit	400	Selected
Non-Earner Benefit	185	Statutory Accident Benefits Schedule

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Proposed Product Data as of 12/31/2023												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			per (3)	See Note	See Note	(5) * (6)	See Note	Exhibit 3.1	Board Benchmark	(7) * (8) / (1 - (9) - (10))	See Note	(11) + (12)
Coverage	Subcoverage	2023-2 Written Vehicles	Percent of Vehicles with Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Profit Provision	Estimated Required Premium (Excluding Fixed Expense)	Allocated Fixed Expense	Estimated Required Premium
Third Party Liability	Bodily Injury		100%	232.16	0.856	198.62	1.009	23%	5%	279	14	293.14
Third Party Liability	Property Damage		100%	14.23	0.950	13.51	1.009	23%	5%	19	1	19.94
Third Party Liability	DCPD		100%	438.19	0.979	428.80	1.009	23%	5%	602	31	632.88
Third Party Liability	Health Levy		100%	22.19	1.000	22.19	1.009	23%	5%	31	2	32.75
Third Party Liability	Total	4,239,062	100%	706.77	0.938	663.12	1.009	23%	5%	931	48	978.71
Accident Benefits	Medical, Rehabilitation, & Attendant Care		100%	297.90	0.893	266.00	1.009	23%	5%	373	19.27	392.59
Accident Benefits	Other Medical & Rehabilitation		55%	8.22	0.893	7.34	1.009	23%	5%	10	0.53	10.84
Accident Benefits	Disability Income		55%	93.29	0.897	83.68	1.009	23%	5%	117	6.06	123.50
Accident Benefits	Funeral & Death Benefits		55%	1.47	0.967	1.42	1.009	23%	5%	2	0.10	2.10
Accident Benefits	Quebec XS		55%	0.03	0.774	0.03	1.009	23%	5%	0	0.00	0.04
Accident Benefits	Total	4,238,504		400.92	0.894	358.46	1.009	23%	5%	503	25.97	529.07
Uninsured Auto	Uninsured Auto	4,232,229	100%	12.35	0.865	10.68	1.009	23%	5%	15	1	15.76
Collision	Collision	2,834,808	67%	481.28	0.979	471.34	1.009	23%	5%	662	34	695.66
Comprehensive	Comprehensive	3,028,466	71%	291.77	0.980	285.81	1.009	23%	5%	401	21	421.83
All Perils	All Perils	954,430	23%	774.39	0.979	758.43	1.009	23%	5%	1,064	55	1,119.39
Specified Perils	Specified Perils	2,526	0%	218.78	0.976	213.50	1.009	23%	5%	300	15	315.11
Underinsured Motorist	Underinsured Motorist	4,054,342	96%	11.63	0.834	9.70	1.009	23%	5%	14	1	14.32
				Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Mandatory Coverage			1,017	0.924	940	1.009	23%	5%	1,319	68	1,387
Package	Optional Coverage			888	0.968	859	1.009	23%	5%	1,206	62	1,268
Package	Full Coverage			1,905	0.945	1,799	1.009	23%	5%	2,525	130	2,655
Package	Industry Weighted Average			1,790	0.944	1,690	1.009	23%	5%	2,372	122	2,494.59
<b>Notes</b>												
(5)	Bodily injury and accident benefits coverages come from Exhibit 5.1 & Exhibit 5.2, respectively. All other coverages come from Exhibit 1.1 - Exhibit 1.13.											
(6)	Health levy calculated to produce loss cost to premium ratio per Exhibit 3.1.											
(8)	Based on 5-year industry average investment income rate of 3.51% and selected payment pattern											
(12)	Based on investment rate of 3.51% and assumed three month delay											
	Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (11).											

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Proposed Product Data as of 12/31/2023												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			per (3)	See Note	See Note	(5) * (6)	See Note	Exhibit 3.1	Board Benchmark	(7) * (8) / (1 - (9) - (10))	See Note	(11) + (12)
Coverage	Subcoverage	2023-2 Written Vehicles	Percent of Vehicles with Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Claim Payment Pattern Factor	Projected Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Profit Provision	Estimated Required Premium (Excluding Fixed Expense)	Allocated Fixed Expense	Estimated Required Premium
Third Party Liability	Bodily Injury		100%	230.05	0.856	196.81	1.009	23%	5%	276	14	290.48
Third Party Liability	Property Damage		100%	14.23	0.950	13.51	1.009	23%	5%	19	1	19.94
Third Party Liability	DCPD		100%	438.19	0.979	428.80	1.009	23%	5%	602	31	632.87
Third Party Liability	Health Levy		100%	22.20	1.000	22.20	1.009	23%	5%	31	2	32.76
Third Party Liability	Total	4,239,062	100%	704.66	0.938	661.32	1.009	23%	5%	928	48	976.04
Accident Benefits	Medical, Rehabilitation, & Attendant Care		100%	297.90	0.893	266.00	1.009	23%	5%	373	19.27	392.59
Accident Benefits	Other Medical & Rehabilitation		70%	8.22	0.893	7.34	1.009	23%	5%	10	0.53	10.84
Accident Benefits	Disability Income		70%	74.72	0.897	67.02	1.009	23%	5%	94	4.86	98.92
Accident Benefits	Funeral & Death Benefits		70%	1.47	0.967	1.42	1.009	23%	5%	2	0.10	2.10
Accident Benefits	Quebec XS		70%	0.03	0.774	0.03	1.009	23%	5%	0	0.00	0.04
Accident Benefits	Total	4,238,504		382.35	0.894	341.81	1.009	23%	5%	480	24.76	504.48
Uninsured Auto	Uninsured Auto	4,232,229	100%	12.35	0.865	10.68	1.009	23%	5%	15	1	15.76
Collision	Collision	2,834,808	67%	481.28	0.979	471.34	1.009	23%	5%	662	34	695.65
Comprehensive	Comprehensive	3,028,466	71%	291.77	0.980	285.81	1.009	23%	5%	401	21	421.82
All Perils	All Perils	954,430	23%	774.39	0.979	758.43	1.009	23%	5%	1,064	55	1,119.38
Specified Perils	Specified Perils	2,526	0%	218.78	0.976	213.50	1.009	23%	5%	300	15	315.10
Underinsured Motorist	Underinsured Motorist	4,054,342	96%	11.63	0.834	9.70	1.009	23%	5%	14	1	14.32
				Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Mandatory Coverage			1,015	0.924	938	1.009	23%	5%	1,316	68	1,384
Package	Optional Coverage			869	0.970	843	1.009	23%	5%	1,183	61	1,244
Package	Full Coverage			1,884	0.945	1,781	1.009	23%	5%	2,499	129	2,628
Package	Industry Weighted Average			1,790	0.945	1,691	1.009	23%	5%	2,373	122	2,495.17

Notes

- (5) Bodily injury and accident benefits coverages come from Exhibit 5.1 & Exhibit 5.2, respectively. All other coverages come from Exhibit 1.1 - Exhibit 1.13.  
Health levy calculated to produce loss cost to premium ratio per Exhibit 3.1.
- (6) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern
- (8) Based on investment rate of 3.51% and assumed three month delay
- (12) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (11).

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Proposed Product Data as of 12/31/2023												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			per (3)	See Note	See Note	(5) * (6)	See Note	Exhibit 3.1	Board Benchmark	(7) * (8) / (1 - (9) - (10))	See Note	(11) + (12)
Coverage	Subcoverage	2023-2 Written Vehicles	Percent of Vehicles with Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Claim Payment Pattern Factor	Projected Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Profit Provision	Estimated Required Premium (Excluding Fixed Expense)	Allocated Fixed Expense	Estimated Required Premium
Third Party Liability	Bodily Injury		100%	228.65	0.856	195.61	1.009	23%	5%	275	14	288.70
Third Party Liability	Property Damage		100%	14.23	0.950	13.51	1.009	23%	5%	19	1	19.94
Third Party Liability	DCPD		100%	438.19	0.979	428.80	1.009	23%	5%	602	31	632.86
Third Party Liability	Health Levy		100%	22.20	1.000	22.20	1.009	23%	5%	31	2	32.77
Third Party Liability	Total	4,239,062	100%	703.26	0.939	660.12	1.009	23%	5%	926	48	974.26
Accident Benefits	Medical, Rehabilitation, & Attendant Care		100%	297.90	0.893	266.00	1.009	23%	5%	373	19.27	392.59
Accident Benefits	Other Medical & Rehabilitation		80%	8.22	0.893	7.34	1.009	23%	5%	10	0.53	10.84
Accident Benefits	Disability Income		80%	66.21	0.897	59.39	1.009	23%	5%	83	4.30	87.66
Accident Benefits	Funeral & Death Benefits		80%	1.47	0.967	1.42	1.009	23%	5%	2	0.10	2.10
Accident Benefits	Quebec XS		80%	0.03	0.774	0.03	1.009	23%	5%	0	0.00	0.04
Accident Benefits	Total	4,238,504		373.84	0.894	334.18	1.009	23%	5%	469	24.20	493.22
Uninsured Auto	Uninsured Auto	4,232,229	100%	12.35	0.865	10.68	1.009	23%	5%	15	1	15.76
Collision	Collision	2,834,808	67%	481.28	0.979	471.34	1.009	23%	5%	662	34	695.64
Comprehensive	Comprehensive	3,028,466	71%	291.77	0.980	285.81	1.009	23%	5%	401	21	421.82
All Perils	All Perils	954,430	23%	774.39	0.979	758.43	1.009	23%	5%	1,064	55	1,119.37
Specified Perils	Specified Perils	2,526	0%	218.78	0.976	213.50	1.009	23%	5%	300	15	315.10
Underinsured Motorist	Underinsured Motorist	4,054,342	96%	11.63	0.834	9.70	1.009	23%	5%	14	1	14.32
				Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Mandatory Coverage			1,014	0.924	937	1.009	23%	5%	1,315	68	1,383
Package	Optional Coverage			861	0.970	835	1.009	23%	5%	1,172	60	1,232
Package	Full Coverage			1,874	0.945	1,772	1.009	23%	5%	2,487	128	2,615
Package	Industry Weighted Average			1,790	0.945	1,691	1.009	23%	5%	2,373	122	2,495.56

Notes

- (5) Bodily injury and accident benefits coverages come from Exhibit 5.1 & Exhibit 5.2, respectively. All other coverages come from Exhibit 1.1 - Exhibit 1.13.  
Health levy calculated to produce loss cost to premium ratio per Exhibit 3.1.
- (6) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern
- (8) Based on investment rate of 3.51% and assumed three month delay
- (12) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (11).

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Proposed Product Data as of 12/31/2023												
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			per (3)	See Note	See Note	(5) * (6)	See Note	Exhibit 3.1	Board Benchmark	(7) * (8) / (1 - (9) - (10))	See Note	(11) + (12)
Coverage	Subcoverage	2023-2 Written Vehicles	Percent of Vehicles with Coverage	Selected Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Profit Provision	Estimated Required Premium (Excluding Fixed Expense)	Allocated Fixed Expense	Estimated Required Premium
Third Party Liability	Bodily Injury		100%	221.23	0.856	189.26	1.009	23%	5%	266	14	279.32
Third Party Liability	Property Damage		100%	14.23	0.950	13.51	1.009	23%	5%	19	1	19.94
Third Party Liability	DCPD		100%	438.19	0.979	428.80	1.009	23%	5%	602	31	632.84
Third Party Liability	Health Levy		100%	22.22	1.000	22.22	1.009	23%	5%	31	2	32.79
Third Party Liability	Total	4,239,062	100%	695.86	0.940	653.78	1.009	23%	5%	918	47	964.88
Accident Benefits	Medical, Rehabilitation, & Attendant Care		100%	297.90	0.893	266.00	1.009	23%	5%	373	19.25	392.57
Accident Benefits	Other Medical & Rehabilitation		100%	8.22	0.893	7.34	1.009	23%	5%	10	0.53	10.84
Accident Benefits	Disability Income		100%	59.60	0.897	53.46	1.009	23%	5%	75	3.87	78.89
Accident Benefits	Funeral & Death Benefits		100%	1.47	0.967	1.42	1.009	23%	5%	2	0.10	2.10
Accident Benefits	Quebec XS		100%	0.03	0.774	0.03	1.009	23%	5%	0	0.00	0.04
Accident Benefits	Total	4,238,504		367.23	0.894	328.24	1.009	23%	5%	461	23.76	484.44
Uninsured Auto	Uninsured Auto	4,232,229	100%	12.35	0.865	10.68	1.009	23%	5%	15	1	15.76
Collision	Collision	2,834,808	67%	481.28	0.979	471.34	1.009	23%	5%	662	34	695.62
Comprehensive	Comprehensive	3,028,466	71%	291.77	0.980	285.81	1.009	23%	5%	401	21	421.80
All Perils	All Perils	954,430	23%	774.39	0.979	758.43	1.009	23%	5%	1,064	55	1,119.33
Specified Perils	Specified Perils	2,526	0%	218.78	0.976	213.50	1.009	23%	5%	300	15	315.09
Underinsured Motorist	Underinsured Motorist	4,054,342	96%	11.63	0.834	9.70	1.009	23%	5%	14	1	14.32
				Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Mandatory Coverage			1,006	0.925	930	1.009	23%	5%	1,306	67	1,373
Package	Optional Coverage			854	0.971	829	1.009	23%	5%	1,164	60	1,224
Package	Full Coverage			1,860	0.946	1,760	1.009	23%	5%	2,469	127	2,597
Package	Industry Weighted Average			1,791	0.945	1,692	1.009	23%	5%	2,375	122	2,497.48
<b>Notes</b>												
(5)	Bodily injury and accident benefits coverages come from Exhibit 5.1 & Exhibit 5.2, respectively. All other coverages come from Exhibit 1.1 - Exhibit 1.13.											
(6)	Health levy calculated to produce loss cost to premium ratio per Exhibit 3.1.											
(8)	Based on 5-year industry average investment income rate of 3.51% and selected payment pattern											
(12)	Based on investment rate of 3.51% and assumed three month delay											
	Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (11).											

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages - 55% Take-Up Rate  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Coverage	Subcoverage	Exhibit 5.2	See Note	(3) * (4)	See Note	Exhibit 3.1	Board Benchmark	(5) * (6) / (1 - (7) - (8))	See Note	(9) + (10)
Accident Benefits	Medical, Rehabilitation, & Attendant Care	297.90	0.893	266.00	1.009	23%	5%	373.32	19.27	392.59
Accident Benefits	Dependent Care	0.02	0.893	0.02	1.009	23%	5%	0.03	0.00	0.03
Accident Benefits	Housekeeping & Home Maintenance	5.98	0.893	5.34	1.009	23%	5%	7.50	0.39	7.89
Accident Benefits	Visitation Expenses	1.23	0.893	1.10	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.99	0.893	0.88	1.009	23%	5%	1.24	0.06	1.30
Accident Benefits	Earner Disability Income	79.60	0.897	71.40	1.009	23%	5%	100.20	5.17	105.37
Accident Benefits	Non-Earner Disability Income	13.08	0.897	11.73	1.009	23%	5%	16.46	0.85	17.31
Accident Benefits	Student Disability Income	0.41	0.897	0.37	1.009	23%	5%	0.52	0.03	0.55
Accident Benefits	Caregiver Disability Income	0.20	0.897	0.18	1.009	23%	5%	0.25	0.01	0.26
Accident Benefits	Funeral Benefits	0.34	0.967	0.33	1.009	23%	5%	0.46	0.02	0.48
Accident Benefits	Death Benefits	1.13	0.967	1.09	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Quebec Excess	0.03	0.774	0.03	1.009	23%	5%	0.04	0.00	0.04
Accident Benefits	Total	400.92	0.894	358.46	1.009	23%	5%	503.09	25.97	529.07
		Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Industry Weighted Average	1,790	0.944	1,690	1.009	23%	5%	2,372	122	2,495

Notes

- (3) - (11) Industry weighted average row is from Exhibit 6.2.  
 (4) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern  
 (6) Based on investment rate of 3.51% and assumed three month delay  
 (10) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (9).

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages - 70% Take-Up Rate  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Coverage	Subcoverage	Exhibit 5.2	See Note	(3) * (4)	See Note	Exhibit 3.1	Board Benchmark	(5) * (6) / (1 - (7) - (8))	See Note	(9) + (10)
		Adjusted Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Projected Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Estimated Required Premium (Excluding Fixed Expense)	Estimated Required Allocation Fixed Expense		Estimated Required Premium
Accident Benefits	Medical, Rehabilitation, & Attendant Care	297.90	0.893	266.00	1.009	23%	5%	373.32	19.27	392.59
Accident Benefits	Dependent Care	0.02	0.893	0.02	1.009	23%	5%	0.03	0.00	0.03
Accident Benefits	Housekeeping & Home Maintenance	5.98	0.893	5.34	1.009	23%	5%	7.50	0.39	7.89
Accident Benefits	Visitation Expenses	1.23	0.893	1.10	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.99	0.893	0.88	1.009	23%	5%	1.24	0.06	1.30
Accident Benefits	Earner Disability Income	63.76	0.897	57.19	1.009	23%	5%	80.26	4.14	84.40
Accident Benefits	Non-Earner Disability Income	10.48	0.897	9.40	1.009	23%	5%	13.19	0.68	13.87
Accident Benefits	Student Disability Income	0.33	0.897	0.30	1.009	23%	5%	0.42	0.02	0.44
Accident Benefits	Caregiver Disability Income	0.16	0.897	0.14	1.009	23%	5%	0.20	0.01	0.21
Accident Benefits	Funeral Benefits	0.34	0.967	0.33	1.009	23%	5%	0.46	0.02	0.48
Accident Benefits	Death Benefits	1.13	0.967	1.09	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Quebec Excess	0.03	0.774	0.03	1.009	23%	5%	0.04	0.00	0.04
Accident Benefits	Total	382.35	0.894	341.81	1.009	23%	5%	479.72	24.76	504.48
		Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Industry Weighted Average	1,790	0.945	1,691	1.009	23%	5%	2,373	122	2,495

Notes

- (3) - (11) Industry weighted average row is from Exhibit 6.2.  
 (4) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern  
 (6) Based on investment rate of 3.51% and assumed three month delay  
 (10) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (9).

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages - 80% Take-Up Rate  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Coverage	Subcoverage	Exhibit 5.2	See Note	(3) * (4)	See Note	Exhibit 3.1	Board Benchmark	(5) * (6) / (1 - (7) - (8))	See Note	(9) + (10)	
		Adjusted Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Projected Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Estimated Required Premium (Excluding Fixed Expense)	Estimated Required Premium Allocated Fixed Expense		Estimated Required Premium	
Accident Benefits	Medical, Rehabilitation, & Attendant Care	297.90	0.893	266.00	1.009	23%	5%	373.32	19.27	392.59	
Accident Benefits	Dependent Care	0.02	0.893	0.02	1.009	23%	5%	0.03	0.00	0.03	
Accident Benefits	Housekeeping & Home Maintenance	5.98	0.893	5.34	1.009	23%	5%	7.50	0.39	7.89	
Accident Benefits	Visitation Expenses	1.23	0.893	1.10	1.009	23%	5%	1.54	0.08	1.62	
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.99	0.893	0.88	1.009	23%	5%	1.24	0.06	1.30	
Accident Benefits	Earner Disability Income	56.50	0.897	50.68	1.009	23%	5%	71.12	3.67	74.79	
Accident Benefits	Non-Earner Disability Income	9.28	0.897	8.33	1.009	23%	5%	11.69	0.60	12.29	
Accident Benefits	Student Disability Income	0.29	0.897	0.26	1.009	23%	5%	0.37	0.02	0.39	
Accident Benefits	Caregiver Disability Income	0.14	0.897	0.13	1.009	23%	5%	0.18	0.01	0.19	
Accident Benefits	Funeral Benefits	0.34	0.967	0.33	1.009	23%	5%	0.46	0.02	0.48	
Accident Benefits	Death Benefits	1.13	0.967	1.09	1.009	23%	5%	1.54	0.08	1.62	
Accident Benefits	Quebec Excess	0.03	0.774	0.03	1.009	23%	5%	0.04	0.00	0.04	
Accident Benefits	Total	373.84	0.894	334.18	1.009	23%	5%	469.01	24.20	493.22	
<b>Package</b>		<b>Industry Weighted Average</b>		1,790	0.945	1,691	1.009	23%	5%	2,373	
				Estimated Fixed Expense per Vehicle		87	1.009	23%	5%	122	

Notes

- (3) - (11) Industry weighted average row is from Exhibit 6.2.  
(4) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern  
(6) Based on investment rate of 3.51% and assumed three month delay  
(10) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (9).

Province of Ontario  
Private Passenger Vehicles  
Actuarial Analysis - Reform Costing

Forecasted Required Premium - Accident Benefits Subcoverages - 100% Take-Up Rate  
Data as of 12/31/2023

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Coverage	Subcoverage	Exhibit 5.2	See Note	(3) * (4)	See Note	Exhibit 3.1	Board Benchmark	(5) * (6) / (1 - (7) - (8))	See Note	(9) + (10)
		Adjusted Loss Cost at 7/1/2026 Cost Level	Projected Claim Payment Pattern Factor	Projected Discounted Loss Cost per Vehicle	Delay in Receiving Premiums	Estimated Variable Expense Provision	Estimated Required Premium (Excluding Fixed Expense)	Estimated Required Allocation Fixed Expense		Estimated Required Premium
Accident Benefits	Medical, Rehabilitation, & Attendant Care	297.90	0.893	266.00	1.009	23%	5%	373.32	19.25	392.57
Accident Benefits	Dependent Care	0.02	0.893	0.02	1.009	23%	5%	0.03	0.00	0.03
Accident Benefits	Housekeeping & Home Maintenance	5.98	0.893	5.34	1.009	23%	5%	7.50	0.39	7.89
Accident Benefits	Visitation Expenses	1.23	0.893	1.10	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Damage to Clothing, Glasses, Hearing Aids, and Other Devices	0.99	0.893	0.88	1.009	23%	5%	1.24	0.06	1.30
Accident Benefits	Earner Disability Income	50.85	0.897	45.61	1.009	23%	5%	64.01	3.30	67.31
Accident Benefits	Non-Earner Disability Income	8.35	0.897	7.49	1.009	23%	5%	10.52	0.54	11.06
Accident Benefits	Student Disability Income	0.26	0.897	0.24	1.009	23%	5%	0.33	0.02	0.35
Accident Benefits	Caregiver Disability Income	0.13	0.897	0.11	1.009	23%	5%	0.16	0.01	0.17
Accident Benefits	Funeral Benefits	0.34	0.967	0.33	1.009	23%	5%	0.46	0.02	0.48
Accident Benefits	Death Benefits	1.13	0.967	1.09	1.009	23%	5%	1.54	0.08	1.62
Accident Benefits	Quebec Excess	0.03	0.774	0.03	1.009	23%	5%	0.04	0.00	0.04
Accident Benefits	Total	367.23	0.894	328.24	1.009	23%	5%	460.68	23.76	484.44
		Estimated Fixed Expense per Vehicle			87	1.009	23%	5%	122	
Package	Industry Weighted Average	1,791	0.945	1,692	1.009	23%	5%	2,375	122	2,497

Notes

- (3) - (11) Industry weighted average row is from Exhibit 6.2.  
 (4) Based on 5-year industry average investment income rate of 3.51% and selected payment pattern  
 (6) Based on investment rate of 3.51% and assumed three month delay  
 (10) Total fixed expense per Earned Vehicle from Exhibit 3.1. Fixed expenses allocated to coverages proportional to (9).



Oliver Wyman  
120 Bremner Boulevard  
Toronto, Ontario M5J 0A8

30 South 17th Street  
United Plaza | 19th Floor  
Philadelphia, PA 19103