

# 2011 GISA Catalogue of Statistical Exhibits

Prices effective January 1, 2011



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# Introduction

Effective April 1, 2006, the General Insurance Statistical Agency (GISA) was appointed as the statistical agent by the participating insurance regulatory authorities to provide governance, accountability and oversight of the mandated statistical plans in all Canadian jurisdictions except Québec, British Columbia, Manitoba and Saskatchewan. GISA has a service agreement with Insurance Bureau of Canada (IBC) such that IBC provides data collection, quality assurance, compilation and statistical reporting services to the statistical agent.

Many of GISA's statistical functions revolve around collecting, verifying, and analyzing data and then publishing statistical information as exhibits. GISA is the primary source for statistical information for Automobile Insurance and Commercial Liability in Ontario.

## GENERAL INFORMATION

This catalogue outlines GISA's product information. The Catalogue Information Guide contains frequently asked questions and answers. A Glossary of Terms is also provided to help those users who may not be familiar with insurance industry terminology.

The exhibits provide valuable details for actuarial, underwriting, marketing and claims functions. The exhibits contain valuable technical information that is primarily intended for insurance professionals. It may be difficult for readers without appropriate actuarial knowledge to correctly interpret the exhibit and draw specific conclusions.

**GISA is pleased to provide all industry exhibits. For individual by-company/group reports, statistical plan documentation, tools and training, please see IBC's online catalogue at <https://infosource.ibc.ca>**

## STATISTICS

Statistical exhibits are prepared for the three statistical plans: Automobile Statistical Plan (ASP), Commercial Liability Statistical Plan – Ontario (CLSP), and Ontario Statutory Accident Benefits Statistical Plan (OSABSP). The exhibits present historical insurance statistics on an accident-year basis. Claims incurred in each particular period are matched against premiums, and sometimes exposures, earned during the period on all policies in effect during the same period.

In general, the exhibits contain historical information shown by fiscal accident year. This information is intended to provide some measure of exposure, premium, incurred claim counts and incurred claim amounts, together with various meaningful ratios of these fundamental statistics.

Each statistical plan includes a high-level summary exhibit showing the recent history of actual experience by accident year. These are:

- Automobile Actual Loss Ratio (AU10)
- Commercial Liability Analysis by Coverage/Policy Form - Ontario (LI10-N)
- Ontario Statutory Accident Benefits for Exhibit I (AB10-N)

#### FACTORS

All industry automobile exhibits are factored, except Loss Development, Distribution of Large Incurred Losses, Size of Loss Distribution and Alberta Grid Level. The Automobile Exhibit Introduction (AU03) provides details on the factors that have been applied. The Commercial Liability and Ontario Statutory Accident Benefits Exhibits are unfactored.

No GISA exhibits apply trend factors to project forward the experience of prior accident years to the level of experience expected for future rating periods. Similarly, no factors are applied to account for agency, underwriting and general overhead expenses, which must be paid out of the premiums.

#### OUTPUT MEDIA

##### *ASP Industry Exhibits*

**The 2010 Automobile Statistical Plan (ASP) industry exhibits will be available in the GISA Exhibit online eLibrary. Registered industry users, representatives from participating reporting companies, can access all the ASP published exhibits (in PDF format) and related data files (in ASCII/CSV format) for 2010 and prior through this online repository.**

**Non-industry users will receive information in electronic format via email or CD ROM.**

**Note that printed copies of the ASP Industry Exhibits will no longer be provided.**

##### *Commercial Liability and OSAB exhibits*

Commercial Liability and OSAB exhibits are available in printed form, electronic files on CD-ROM or electronic files via e-mail. Reports are printed on 8 ½ " x 11" paper, suitable for filing in binders. Each report comes with its own cover and back page.

CD-ROMs contain MS-DOS files in a fixed-length ASCII format. These files contain summarized records of data elements and corresponding values, which vary by product, in a defined fixed-position layout. Most often, they provide more details than the printed reports. You can import the files into software analysis tools (e.g., APL, SAS, LOTUS and EXCEL databases) for your own analysis.

If you would like to receive a statistical exhibit via e-mail, you may wish to consult with your own system administrator prior to placing your order. You must be able to receive e-mail attachments in text and Word format and you will also want to ensure there is no restriction on the size of attachments you can open. The electronic file will be sent to you in a compressed format as is done with information provided on CD-ROM. The "position record layout" will be e-mailed to you along with the electronic file. The invoice, when applicable, for the exhibit will be sent to you by mail. If you require any further information, please contact GISA at [gisa@fSCO.gov.on.ca](mailto:gisa@fSCO.gov.on.ca).

**Reporting companies can access the ASP industry reports via the new online eLibrary on the ASP Portal. Please contact GISA at [gisa@fSCO.gov.on.ca](mailto:gisa@fSCO.gov.on.ca) if you do not already have access to the eLibrary. Access to the eLibrary and the reports contained on the eLibrary are free. The prices listed out in this catalogue for ASP exhibits applies only for electronic files on CD-ROM or via e-mail.**

ORDERING INFORMATION

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). All orders are subject to GST, or HST where applicable (British Columbia, New Brunswick, Newfoundland and Labrador, Nova Scotia and Ontario).

Should you have any questions concerning this catalogue, please contact GISA at [gisa@fSCO.gov.on.ca](mailto:gisa@fSCO.gov.on.ca).

(If you are an insurer who participates in the Commercial Liability and OSAB statistical plans, in many cases, you are entitled to receive one copy of the industry printed exhibits at no charge. These products are marked in **underlined bold italics.**)

DISCLAIMER

GISA reserves all rights to the respective published materials. Materials are for internal use only and are not for resale. Any reference to the materials must acknowledge the source as GISA.

# Catalogue Information Guide

## AUTOMOBILE

Q *Need information on Automobile Exhibits?*

A The Automobile Exhibit Introduction (AU03) gives a brief explanation and outline of the contents of our automobile exhibits.

Q *Need an overview of premiums and claims by province?*

A The Actual Loss Ratio Exhibit (AU10) provides an overview of results such as total premiums, total number of claims, average premium, and frequency of claims by coverage type and by province for various classes of vehicles – e.g., private passenger, commercial and motorcycles.

Q *Need information on multiple claim events such as hailstorms and floods?*

A The Automobile Catastrophe Report (AU60) provides the total number of automobile insurance claims and amounts paid by insurance companies for various natural disasters.

Q *Need information by rate class and driving record?*

A The Classification Exhibit (AU15) provides automobile insurance results by rate class and driving record.

Q *Need premium and claims results by major Canadian urban centre?*

A The Territorial Exhibit (AU30) provides an overview of results such as total premiums, total number of claims, average premium, and frequency of claims by coverage type and by statistical territory. The definitions of the statistical territories are available from the GISA Automobile Statistical Plan Manual.

Q *Need information by age and gender of drivers?*

A The Driver/Vehicle Classification Exhibits (AU25-27) give automobile insurance results by age and gender of driver as well as other variables such as driver training and years licensed.

Q *Need Ontario Statutory Accident Benefits (OSAB) information by type of injury?*

A Ontario Statutory Accident Benefits Statistical Exhibits (AB10 and AB20) provide details on the number of claimants and amounts paid by insurers for various types of injuries.

## COMMERCIAL LIABILITY – ONTARIO ONLY

*Q Need information on Commercial Liability Exhibits?*

A The Commercial Liability Exhibit Introduction (LI03) gives a brief explanation and outline of the contents of our commercial liability exhibits.

*Q Need an overview of premiums and claims by province?*

A The Analysis by Coverage/Policy Form Exhibit (LI10) provides an overview of results – e.g., total premiums, total number of claims and average size of claims – by province for various coverage types – e.g., Pollution, Directors & Officers and Product Liability.

*Q Need information on major types of industries?*

A The Analysis by Major Class (LI15) provides results by major industry types such as manufacturing, mining and utilities.

*Q Need information on specific types of industries?*

A The Analysis by Industry Code (LI25) provides results by industry code, such as travel agencies, appliance dealers and doctors' offices.

*Q Need information by type of expense?*

A The Analysis by Type of Expense (LI40) provides results by type of expense such as legal and claims adjustment expenses.

*Q Need information on large claims?*

A The Distribution of Large Incurred Losses (LI20-21) provides information on the number of commercial liability claims over various amounts and amounts incurred on these claims.

## Statistical Exhibits

Automobile Exhibits

Ontario Statutory Accident Benefits (OSAB) Exhibits

Ontario Commercial Liability Exhibits

# Automobile Exhibits

## REPORTING OF AUTOMOBILE STATISTICS

The reporting of automobile statistics to General Insurance Statistical Agency (GISA) is compulsory for all insurers in all provinces and territories, with the exception of British Columbia, Manitoba, Québec and Saskatchewan, where government insurers operate.

In Québec, Groupement des assureurs automobiles (GAA) is the appointed statistical agent, and produces a series of exhibits for that province.

This is the only line where the underlying policy forms are statutory, making coverage uniform to all insurers, except for the existence of some minor, non-standard endorsement forms. Exhibits for this line are generally referred to as the “Green Book.”

## THE EXHIBITS

The exhibits present generally the last five years of experience for all companies and company groups, by accident year running from January 1 to December 31, using car years as the measure of exposure (where relevant and available). Exposure and premium statistics are presented on both a written and earned basis. Incurred claims experience is properly matched to earned exposure and premium.

CD-ROM or e-mail files present information by accident half-year.

## FACTORS

Most automobile exhibits are factored, except Loss Development, Distribution of Large Incurred Losses, Size of Loss Distribution and Alberta Grid Level.

For the unfactored basis, the experience exhibited is derived from the aggregation of statistics reported to GISA without any adjustments. For the factored basis, various factors are applied to the data to account for such items as the expected development of claim counts, and claims amounts. The factors are also used to impute amounts for unallocated loss adjustment expenses and amounts for government health plan levies, which exist in lieu of case-by-case subrogation in some provinces.

The Automobile Exhibit Introduction (AU03) provides details on the factors that have been applied.

PRODUCT

AUTOMOBILE EXHIBIT INTRODUCTION (AU03)

DESCRIPTION

The introduction, packaged as a separate product, provides a brief explanation and outline of the contents of the automobile exhibits as well as the various factors applied to the data. This module should be used in conjunction with all the automobile exhibits. Included are:

- a description of the contents and format of the CD-ROM or e-mail files;
- an explanation of policy year, accident year and calendar year statistics;
- notes on the use of the data;
- a summary of data missing from the exhibits;
- a description of data exhibited and of the exhibit column headings;
- a description of loss development factors and unallocated loss adjustment expense factors applied; and
- a list of the classifications and coverages shown including their related coding in the statistical plan.

BENEFITS

This product is essential for all users of statistical exhibits in order to fully understand the contents of the exhibits.

AVAILABILITY

July

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

<b><u>AU03-A</u></b>	Alberta – E-mail \$70
<b><u>AU03-D</u></b>	Atlantic – E-mail \$70
<b><u>AU03-N</u></b>	Ontario – E-mail \$70
<b><u>AU03-U</u></b>	Yukon, NWT and Nunavut – E-mail \$70

Note: Introduction is already included in the AU10 for Private Passenger/Commercial/Motorcycle products.

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PRODUCT

ACTUAL LOSS RATIO (AU05-AU11)

DESCRIPTION

These exhibits provide an analysis of the earned loss ratios (as a percentage of earned premium), claim frequencies, average costs per claim and claim costs per earned vehicle by province for all classes of vehicles.

BENEFITS

This information can:

- assist actuaries in the development of provincial and rate class differentials; and
- assist underwriters, marketers, claims and financial personnel looking at their market share and comparing the experience of their own company against that of the industry.

AVAILABILITY

Private Passenger Only (all regions) – May

Private Passenger, Commercial Vehicles and Motorcycles (all regions) – July

All Other Vehicles (all regions) – July

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

<b><u>AU05-A</u></b>	Alberta (Private Passenger Only) CD-ROM or E-mail \$70
<b><u>AU10-A</u></b>	Alberta <b>including Introduction</b> (Private Passenger, Commercial Vehicles, Motorcycles and ATVs) CD-ROM or E-mail \$70
<b><u>AU11-A</u></b>	Alberta (All Other Vehicles) CD-ROM or E-mail \$70
<b><u>AU05-D</u></b>	Atlantic (Private Passenger Only) CD-ROM or E-mail \$70
<b><u>AU10-D</u></b>	Atlantic <b>including Introduction</b> (Private Passenger, Commercial Vehicles, Motorcycles and ATVs) CD-ROM or E-mail \$70
<b><u>AU11-D</u></b>	Atlantic (All Other Vehicles) CD-ROM or E-mail \$70
<b><u>AU05-N</u></b>	Ontario (Private Passenger Only) CD-ROM or E-mail \$70
<b><u>AU10-N</u></b>	Ontario <b>including Introduction</b> (Private Passenger, Commercial Vehicles, Motorcycles and ATVs) CD-ROM or E-mail \$70
<b><u>AU11-N</u></b>	Ontario (All Other Vehicles) CD-ROM or E-mail \$70
<b><u>AU10-U</u></b>	Yukon, NWT and Nunavut <b>including Introduction</b> (Private Passenger, Commercial Vehicles, Motorcycles and ATVs) CD-ROM or E-mail \$70
<b><u>AU11-U</u></b>	Yukon, NWT and Nunavut (All Other Vehicles) CD-ROM or E-mail \$70

**AU10-W** All Regions Combined (All Vehicles)  
CD-ROM or E-mail \$70

PRODUCT

NEW – GRID LEVEL EXHIBIT FOR ALBERTA (AU12)

DESCRIPTION

This exhibit provides an analysis of the earned loss ratios (as a percentage of earned premium), claim frequencies, average costs per claim and claim costs per earned vehicle by GRID LEVEL for the Province of Alberta. The Grid Level information is available for Private Passenger Automobile for Third Party Liability and Accident Benefits coverages.

This exhibit is on an UNFACTORED BASIS, i.e. No Loss Development, Unallocated Loss Adjustment or Health Levy factors have been applied.

AVAILABILITY

September

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

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**AU12-A** All Industry – Alberta (Private Passenger Only)  
CD-ROM or E-mail \$70

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PRODUCT

AUTOMOBILE CATASTROPHE REPORT (AU60)

DESCRIPTION

This exhibit analyzes the effect of individual natural disaster catastrophic occurrences. Events selected are multiple-claim occurrences causing severe increases in the loss experience of all lines of business. Regional disparities are taken into account in the selection process.

BENEFITS

This information can assist actuaries to:

- adjust the experience in other exhibits to eliminate, in whole or in part, the effect of such past occurrences;
- estimate appropriate loadings in rates for potential future catastrophic occurrences; and
- evaluate potential catastrophic exposure.

AVAILABILITY

September

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

Exhibits will ONLY be produced for regions affected.

**AU60-A** All Industry – Alberta  
CD-ROM or E-mail \$70

**AU60-D** All Industry – Atlantic  
CD-ROM or E-mail \$70

**AU60-N** All Industry – Ontario  
CD-ROM or E-mail \$70

PRODUCT

CLASSIFICATION INCLUDING THIRD PARTY LIABILITY LARGE LOSSES (AU15)

DESCRIPTION

These exhibits provide an analysis of the latest three accident years of earned loss ratios, claim frequencies, average costs per claim and claim costs per earned vehicle for Third Party Liability, Accident Benefits and Collision coverages. Incurred/earned statistics are presented at the classification and driving record level, split by urban and rural territories for Private Passenger and Commercial classes. Also included is the Distribution by Classification and Driving Record of Third Party Liability Losses greater than \$200,000.

BENEFITS

This information can:

- assist actuaries in the development of classification and driving record differentials;
- assist underwriters to determine risk and exposure by classification; and
- assist marketers and claims personnel looking at their market share and comparing the experience of their own company to that of the industry.

AVAILABILITY

August

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

<b><u>AU15-A</u></b>	All Industry – Alberta CD-ROM or E-mail \$70
<b><u>AU15-D</u></b>	All Industry – Atlantic CD-ROM or E-mail \$70
<b><u>AU15-B</u></b>	All Industry – New Brunswick CD-ROM or E-mail \$70
<b><u>AU15-F</u></b>	All Industry – Newfoundland & Labrador CD-ROM or E-mail \$70
<b><u>AU15-N</u></b>	All Industry – Ontario CD-ROM or E-mail \$70
<b><u>AU15-P</u></b>	All Industry – Prince Edward Island CD-ROM or E-mail \$70
<b><u>AU15-S</u></b>	All Industry – Nova Scotia CD-ROM or E-mail \$70
<b><u>AU15-U</u></b>	All Industry – Yukon, NWT and Nunavut CD-ROM or E-mail \$70

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PRODUCT

DRIVER/VEHICLE CLASSIFICATION (AU25-27)

DESCRIPTION

These exhibits provide an analysis of the latest three accident years of earned loss ratios, claim frequencies, average costs per claim and claim costs per earned vehicle using various driver/vehicle classification variables. Incurred/earned statistics for principal operator experience are presented for Third Party Liability, Collision and, in Ontario, Accident Benefits coverage for private passenger automobiles excluding farmers. The experience is classified as follows:

**AU25**

- Exhibit I**            Number of Years Licensed, Gender, Age  
**Exhibit II**           Number of Years Licensed, Driver Training, Gender, Age  
**Exhibit III**          Urban/Rural, Vehicle Use, Gender

**AU26**

- Exhibit IV**          Urban/Rural, Number of Claims in Last Six Years, Number of Years Licensed, Driver Training  
**Exhibit V**            Urban/Rural, Number of Years Claims Free Vehicle Operation, Number of Years Licensed, Driver Training

**AU27**

- Exhibit VI**          Urban/Rural, Type of Use, Number of Other Operators  
**Exhibit VII**         Urban/Rural, Vehicle Use, Number of Other Operators

BENEFITS

This information can assist actuaries to:

- confirm or refute the statistical justification for the use of rating variables such as age and gender; and
- estimate differentials for these two, as well as various other variables, should they be given uniform definition and applied across all other classification strata.

AVAILABILITY

December

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

**AU25-A**            **AU26-A**            **AU27-A**  
 All Industry – Alberta  
 CD-ROM or E-mail \$70 each

**AU25-D**            **AU26-D**            **AU27-D**  
 All Industry – Atlantic  
 CD-ROM or E-mail \$70 each

**AU25-N**            **AU26-N**            **AU27-N**  
 All Industry – Ontario  
 CD-ROM or E-mail \$70 each

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PRODUCT

LOSS DEVELOPMENT EXHIBITS (AU70-79)

DESCRIPTION

These exhibits present the historical accident year loss development, reported at the end of successive six-month periods for the last fifteen years. The printed report shows:

- incurred number of claims, incurred claim amounts, incurred frequency, incurred cost per claim, incurred cost per vehicle, incurred loss ratio, number of claims age-to-age factors and loss amounts age-to-age factors;
- paid claim amounts, paid loss cost per vehicle, paid loss amount age-to-age factors; and
- outstanding loss per vehicle and ratio of outstanding losses to incurred losses.

Figures are shown by province/region, coverage and sub-coverage for private passenger, commercial and motorcycles. A separate section is included showing written/earned premium and exposure over the same period. No factors are applied in this exhibit.

Data file contains both incurred and paid losses as well as a breakdown by actual kind of loss. For the Atlantic region, breakdowns are shown by province. The corresponding premium and exposure file is also included. No factors are applied in this exhibit.

LOSS DEVELOPMENT – ONTARIO SUPPLEMENTARY (AU84-87)

DESCRIPTION

These exhibits present the historical accident year development for Liability, Accident Benefits and Uninsured Automobile coverages, reported at the end of successive six-month periods, under the Ontario Motorist Protection Plan (OMPP – effective June 22, 1990), Bill 164 (effective January 1, 1994) and Bill 59 (effective November 1, 1996). Claim counts and amounts are shown by coverage and kind of loss. No factors are applied in this exhibit.

BENEFITS

This information can assist actuaries to:

- develop estimates of Incurred But Not Reported (IBNR) amounts and payout patterns for actuarial valuations and rate filings;
- develop rates for alternative automobile insurance products; and
- gain an overview of recent trends in experience.

AVAILABILITY

May - June (year-end report, as of December 31 of the previous year)

November - December (mid-year report, as of June 30 of the same year)

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

ALBERTA

MAY/JUNE

**AU70-A**

**AU71-A**

**AU72-A**

NOVEMBER/DECEMBER

**AU75-A**

**AU76-A**

**AU77-A**

All Industry – Private Passenger

CD-ROM or E-mail \$70

All Industry – Commercial

CD-ROM or E-mail \$70

All Industry – Motorcycles

CD-ROM or E-mail \$70

ATLANTIC

MAY/JUNE

**AU70-D**

**AU71-D**

**AU72-D**

NOVEMBER/DECEMBER

**AU75-D**

**AU76-D**

**AU77-D**

All Industry – Private passenger  
CD-ROM or E-mail \$70  
All Industry – Commercial  
CD-ROM or E-mail \$70  
All Industry – Motorcycle  
CD-ROM or E-mail \$70

ONTARIO

MAY/JUNE

**AU70-N**

**AU71-N**

**AU72-N**

**AU84-N**

**AU86-N**

NOVEMBER/DECEMBER

**AU75-N**

**AU76-N**

**AU77-N**

**AU85-N**

**AU87-N**

All Industry – Private Passenger  
CD-ROM or E-mail \$70  
All Industry – Commercial  
CD-ROM or E-mail \$70  
All Industry – Motorcycles  
CD-ROM or E-mail \$70  
All Industry – Private Passenger  
CD-ROM or E-mail included in AU70-N/AU75-N  
All Industry – Commercial and Motorcycles  
CD-ROM or E-mail included in AU71-N/AU72-N/AU76-N/AU77-N

YUKON, NWT AND NUNAVUT

JUNE

**AU70-U**

**AU71-U**

**AU72-U**

NOVEMBER

N/A

N/A

N/A

All Industry – Private Passenger  
CD-ROM or E-mail \$70  
All Industry – Commercial  
CD-ROM or E-mail \$70  
All Industry – Motorcycles  
CD-ROM or E-mail \$70

ALL REGIONS COMBINED

JUNE

**AU70-W**

**AU71-W**

**AU72-W**

DECEMBER

N/A

N/A

N/A

All Industry – Private Passenger  
CD-ROM or E-mail \$70  
All Industry – Commercial  
CD-ROM or E-mail \$70  
All Industry – Motorcycles  
CD-ROM or E-mail \$70

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**PRODUCT**  
**AUTOMOBILE SELECTED LOSS DEVELOPMENT FACTORS REPORT**  
**(LD01)**

**DESCRIPTION**

This report presents the selected age-to-ultimate (or cumulative) accident year development factors at the end of successive six-month periods as well as at the end of successive full-year periods for incurred number of claims and incurred losses for the last twenty years.

Figures are shown on a provincial basis by coverage and sub-coverage.

Factors are calculated on a sub-coverage level for Third Party Liability and Accident Benefits, and on a total coverage level for other coverages, by half-year and full year for the last twenty years.

**BENEFITS**

This information can assist actuaries, underwriters, marketers and claims personnel to:

- develop estimates of Incurred But Not Reported (IBNR) amounts and payout patterns for actuarial valuations and rate filings.

**AVAILABILITY**

July (year-end report, as of December 31 of the previous year)

These reports are available by request only.

**PRODUCT NUMBER**

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

<b>LD01-A</b>	Alberta – All Industry – Private Passenger and Commercial CD-ROM or E-mail \$70
<b>LD01-D</b>	Atlantic – All Industry – Private Passenger and Commercial CD-ROM or E-mail \$70
<b>LD01-N</b>	Ontario – All Industry – Private Passenger, Commercial and Motorcycles CD-ROM or E-mail \$70

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**PRODUCT**

**AUTOMOBILE LOSS DEVELOPMENT FACTORS REPORT (LD02-04)**

**DESCRIPTION**

This report presents the historical accident year development reported at the end of successive six-month periods for incurred number of claims and incurred losses, as well as the exposures and earned premiums for the last fifteen years.

Figures are shown on a provincial basis by coverage and sub-coverage.

Factors are calculated on a sub-coverage level for Third Party Liability and Accident Benefits, and on a coverage level for other coverages by half-year for the last fifteen years.

This report includes age-to-age development factors, arithmetic average, weighted average, average excluding the highest and lowest factors, selected age-to-age factors and the cumulative selected factors used to project the reported losses to ultimate, projected ultimate losses and projected Incurred But Not Reported (IBNR) amounts.

**BENEFITS**

This information can assist actuaries, underwriters, marketers and claims personnel to:

- develop estimates of Incurred But Not Reported (IBNR) amounts and payout patterns for actuarial valuations and rate filings;
- develop rates for alternative automobile insurance products; and
- gain an overview of recent fifteen-year trends in experience.

**AVAILABILITY**

Private Passenger – June (year-end report, as of December 31 of the previous year)

Commercial (and Motorcycle for Ontario) – July (year-end report, as of December 31 of the previous year)

These reports are available by request only.

**PRODUCT NUMBER**

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

**LD02-A**            Alberta – All Industry – Private Passenger  
CD-ROM or E-mail \$70

**LD03-A**            Alberta – All Industry – Commercial  
CD-ROM or E-mail \$70

**LD02-D**            Atlantic – All Industry – Private Passenger  
CD-ROM or E-mail \$70

**LD03-D**            Atlantic – All Industry – Commercial  
CD-ROM or E-mail \$70

**LD02-N**            Ontario – All Industry – Private Passenger  
CD-ROM or E-mail \$70

**LD03-N**            Ontario – All Industry – Commercial  
CD-ROM or E-mail \$70

**LD04-N**            Ontario – All Industry – Motorcycle  
CD-ROM or E-mail \$70

PRODUCT

SIZE OF LOSS DISTRIBUTION (AU50 & AU51)

DESCRIPTION

This multi-part exhibit shows urban and rural distributions of claims by pure loss amount and by incurred expenses for the five latest accident years for private passenger automobiles and commercial vehicles. The exhibit consists of the following reports:

- For all regions: Size of Loss Distribution by Major Coverage and Deductible, with claim counts tabulated at the coverage level.
- For Ontario: Size of Loss Distribution for Liability by Sub-coverage, with claim counts tabulated at the sub-coverage level.
- For Ontario: Size of Loss Distribution for Accident Benefits by Kind of Loss, with claim counts tabulated at the kind of loss level.
- For Alberta and the Atlantic Provinces: Size of Loss Distribution for Third Party Liability by Kind of Loss, with claim counts tabulated at the kind of loss level of bodily injury and property damage.

BENEFITS

This information can assist actuaries to:

- estimate increased limit factors;
- estimate expense factors for various sizes of loss; and
- estimate expected sizes of future losses on the current product mix.

AVAILABILITY

October

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

<b><u>AU50-A</u></b>	All Industry – Alberta (Private Passenger) CD-ROM or E-mail \$70
<b><u>AU51-A</u></b>	All Industry – Alberta (Commercial) CD-ROM or E-mail \$70
<b><u>AU50-D</u></b>	All Industry – Atlantic (Private Passenger) CD-ROM or E-mail \$70
<b><u>AU51-D</u></b>	All Industry – Atlantic (Commercial) , CD-ROM or E-mail \$70
<b><u>AU50-N</u></b>	All Industry – Ontario (Private Passenger) CD-ROM or E-mail \$70
<b><u>AU51-N</u></b>	All Industry – Ontario (Commercial) CD-ROM or E-mail \$70

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PRODUCT  
 TERRITORIAL INCLUDING THIRD PARTY LIABILITY LARGE LOSSES  
 (AU30 & AU35)

DESCRIPTION  
 For the major classes of business, incurred/earned statistics are presented by statistical territory for each province/region offered. The statistics provide an analysis of earned loss ratios, claim frequencies, average costs per claim and claim costs per earned vehicle for private passenger and commercial classes. Also included is the Distribution by Territory of Third Party Liability Losses greater than \$200,000.

- BENEFITS  
 This information can:
- assist actuaries in the development of territorial differentials; and
  - assist underwriters, marketers and claims personnel looking at their market share on a territorial basis and comparing the experience of their own company against that of the industry.

AVAILABILITY  
 July

PRODUCT NUMBER  
 To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

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|----------------------|---|
| <b><u>AU30-A</u></b> | All Industry – Alberta<br>CD-ROM or E-mail \$70                                       |
| <b><u>AU35-A</u></b> | All Industry for Private Passenger Automobile only - Alberta<br>CD-ROM or E-mail \$70 |
| <b><u>AU30-D</u></b> | All Industry – Atlantic<br>CD-ROM or E-mail \$70                                      |
| <b><u>AU30-N</u></b> | All Industry – Ontario<br>CD-ROM or E-mail \$70                                       |

PRODUCT

AD HOC TERRITORY EXHIBIT FOR NEW BRUNSWICK INCLUDING  
DISTRIBUTION OF LARGE INCURRED LOSSES

DESCRIPTION

For private passenger and commercial classes, incurred/earned statistics are presented by the 11 new statistical and rating territories for the province of New Brunswick. The statistics provide an analysis of earned loss ratios, claim frequencies, average costs per claim and claim costs per earned vehicle. Also included is the Distribution of Third Party Liability Losses greater than \$200,000 by the 11 new territories.

BENEFITS

This information can:

- assist actuaries in the development of territorial differentials

AVAILABILITY

August

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca). ASP reporting companies can access the industry exhibits via the eLibrary on the ASP Portal.

**AU30-B**

New Statistical Territories - New Brunswick  
CD-ROM or E-mail \$70

# Ontario Statutory Accident Benefits Exhibits

## REPORTING OF ONTARIO STATUTORY ACCIDENT BENEFITS

Ontario Statutory Accident Benefit (OSAB) experience is reported and exhibited on an accident-year basis. The reporting of Ontario Statutory Accident Benefit (OSAB) experience to General Insurance Statistical Agency (GISA) is mandatory in the province of Ontario and is subject to regulation by the Financial Services Commission of Ontario (FSCO).

PRODUCT  
**ONTARIO STATUTORY ACCIDENT BENEFITS EXHIBIT INTRODUCTION  
 (AB03-N)**

DESCRIPTION

The introduction, packaged as a separate product, provides a brief explanation and outline of the contents of the Ontario Statutory Accident Benefits exhibits. Included are:

- Exhibit Descriptions,
- Notes to Users, Exhibit Definitions,
- ASP and OSABSP Kind of Loss Descriptions and;
- the electronic file record layout.

BENEFITS

This product is essential for all users of OSAB exhibits in order to fully understand their contents.

AVAILABILITY

June

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**AB03-N** Introduction  
 Report \$15

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PRODUCT  
**ANALYSIS OF INCURRED LOSSES BY ASP KIND OF LOSS BY NATURE  
 OF INJURY AND BODY PART (AB10-N)**

DESCRIPTION

This exhibit provides a detailed breakdown for each of the last three accident years of the incurred number of claimants and loss amounts (including indemnity and allocated loss adjustment expenses) by nature of injury of specified body parts for each Automobile Statistical Plan Kind of Loss group. The information is available for both single type of injury and multiple types of injuries.

BENEFITS

This product can assist with the analysis of the specifics of OSAB loss costs.

AVAILABILITY

September

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**AB10-N** Single Type of Injury and Multiple Type of Injuries  
 Report \$100, CD-ROM or e-mail \$90

PRODUCT

ANALYSIS OF PAID LOSSES BY OSABSP KIND OF LOSS BY NATURE OF INJURY AND BODY PART (AB20-N)

DESCRIPTION

This exhibit provides a detailed breakdown for each of the last three accident years of the paid number of claimants and loss amounts (including indemnity and allocated loss adjustment expenses) by nature of injury of specified body parts for each Ontario Statutory Accident Benefits Statistical Plan Primary Kind of Loss. The information is available for both single type of injury and multiple types of injuries.

BENEFITS

This product can assist with the analysis of the specifics of paid OSAB loss costs.

AVAILABILITY

November

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**AB20-N**                      Single Type of Injury and Multiple Type of Injuries  
Report \$120, CD-ROM or e-mail \$110

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PRODUCT

SUPPLEMENTARY ANALYSES OF PAID LOSSES BY OSABSP KIND OF LOSS (AB41-N – AB43-N) [FORMERLY AB40S-N]

DESCRIPTION

These exhibits provide for each of the last three accident years further detailed views of the paid number of claimants and loss amounts (including indemnity and allocated loss adjustment expenses) for the Ontario Statutory Accident Benefits Statistical Plan Kinds of Loss.

BENEFITS

These products can assist with the analysis of the specifics of paid OSAB loss costs.

AVAILABILITY

June - July

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**AB41-N**                      Analysis of Paid Losses by OSABSP Primary and Secondary Kind of Loss  
**AB42-N**                      Analysis of Paid Losses by Claim Status and OSABSP Primary Kind of Loss  
**AB43-N**                      Analysis of Paid Losses by Gender and OSABSP Primary Kind of Loss  
Report \$80, CD-ROM or e-mail \$70

PRODUCT

ANALYSIS OF PAID EXPENSES AND LOSSES BY OSABSP PRIMARY AND SECONDARY KIND OF LOSS (AB40-N)

DESCRIPTION

This exhibit provides for each of the last three accident years, further detailed views of the paid number of claimants, average expense payment amounts and average paid loss amounts for the Ontario Statutory Accident Benefits Statistical Plan Primary and Secondary Kinds of Loss.

BENEFITS

This product can assist with the analysis of the specifics of paid OSAB loss costs

AVAILABILITY

December

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

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<b><u>AB40-N</u></b>	Analysis of Paid Expenses and Losses by OSABSP Primary and Secondary Kind of Loss Report \$40, CD-ROM or e-mail \$35
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PRODUCT

ANALYSES OF INCURRED LOSSES (AB51-N AND AB52-N) [FORMERLY AB50-N]

DESCRIPTION

These two exhibits provide for each of the last three accident years further detailed views of the incurred number of claimants, and incurred loss amounts (including indemnity and allocated loss adjustment expenses).

BENEFITS

These products can assist with the analysis of the specifics of incurred OSAB loss costs

AVAILABILITY

November

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

<b><u>AB51-N</u></b>	Analysis of Incurred Losses by ASP Kind of Loss and Claimant Status
<b><u>AB52-N</u></b>	Analysis of Incurred Losses by Nature of Involvement Report \$60, CD-ROM or e-mail \$55



## Commercial Liability Exhibits - Ontario

### REPORTING OF COMMERCIAL LIABILITY STATISTICS

Commercial Liability experience is reported and exhibited on an accident-year basis. The reporting of Commercial Liability experience to General Insurance Statistical Agency (GISA) is mandatory in the province of Ontario and is subject to regulation by the Financial Services Commission of Ontario (FSCO).

Commercial Liability experience is presented in a series of exhibits generally referred to as the "Blue Book."

PRODUCT  
COMMERCIAL LIABILITY EXHIBIT INTRODUCTION (LI03)

DESCRIPTION  
The introduction provides an outline of the Commercial Liability exhibits and CD-ROM or e-mail contents.

BENEFITS  
This product is essential for all users of statistical exhibits in order to fully understand the contents of the exhibits.

AVAILABILITY  
June

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI03-N**            All Industry – Ontario Mandated Only  
Report \$15

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PRODUCT  
ANALYSIS BY CLAIM LOCATION (LI35)

DESCRIPTION  
This exhibit presents a provincial distribution of claim experience at the coverage level based on claim location.

BENEFITS  
This information can assist actuaries to:

- analyze the relative loss results in jurisdictions other than where the policy was written.

AVAILABILITY  
November

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI35-N**            All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
ANALYSIS BY COVERAGE/POLICY FORM (LI10)

DESCRIPTION  
This report provides an analysis of earned loss ratios and average costs per claim by coverage/policy form at the provincial level.

BENEFITS  
This information can:

- assist actuaries in the development of policy form differentials; and
- assist underwriters, marketers and claims personnel looking at their market share and comparing the experience of their own company against that of the industry.

AVAILABILITY  
June

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI10-N** All Industry including Introduction– Ontario Mandated Only  
Report \$65, CD-ROM or E-mail \$45

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PRODUCT  
ANALYSIS BY INDUSTRY CODE (LI25)

DESCRIPTION  
Incurred/earned statistics are presented by industry code. The statistics provide an analysis of earned loss ratios and average costs per claim by industry code.

BENEFITS  
This information can assist:

- actuaries in the development of industry code differentials; and
- underwriters, marketers and claims personnel looking at their market share and comparing the experience of their own company against that of the industry.

AVAILABILITY  
September

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI25-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
ANALYSIS BY MAJOR CLASS (LI15)

DESCRIPTION  
Incurred/earned statistics are presented by major classification at the provincial level. The statistics provide an analysis of earned loss ratios and average costs per claim.

BENEFITS  
This information can assist:

- actuaries in the development of major class differentials; and
- underwriters, marketers and claims personnel looking at their market share and comparing the experience of their own company against that of the industry.

AVAILABILITY  
June

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI15-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
ANALYSIS BY POLICY LIMIT (LI30)

DESCRIPTION  
This exhibit presents the distribution of policies by coverage/policy form and policy limit range. The statistics provide an analysis of earned loss ratios and average costs per claim. The printed report shows all provinces combined.

BENEFITS  
This information can assist actuaries to:

- detect trends in shifting limit distributions.

AVAILABILITY  
October

PRODUCT NUMBER  
To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI30-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
ANALYSIS BY TYPE OF EXPENSE (LI40)

DESCRIPTION

This two-part exhibit presents a distribution of type of expense by kind of loss using paid losses only.

The exhibit is subdivided into two sections:

- Analysis by Type of Expense and Coverage/Policy Form; and
- Analysis by Type of Expense and Major Class.

The printed report shows all provinces combined. The CD-ROM or e-mail shows all reported provinces. Two graphical comparisons are presented:

- paid expenses to paid loss ratio by kind of loss for the latest five accident years; and
- paid expenses to paid loss ratio for each type of expense by kind of loss for the latest five accident years combined.

BENEFITS

This information can:

- assist actuaries to evaluate current and future expense ratios;
- assist actuaries and claims personnel in setting loss and expense reserves; and
- assist finance personnel in comparing their company's expense ratio to that of the industry.

AVAILABILITY

December

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI40-N**            All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
DISTRIBUTION OF LARGE INCURRED LOSSES (LI20-21)

DESCRIPTION

These reports are intended to supplement the regular exhibits whenever possible. All individual losses exceeding \$200,000, \$500,000 and \$1,000,000 are included. These reports are produced by coverage/policy form within major class and by industry code.

BENEFITS

This information can assist actuaries to:

- properly analyze the exhibits by taking account of unusual or catastrophic type events; and
- determine safety or catastrophic risk loadings.

AVAILABILITY

LI 20-N – July

LI21-N – October

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

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DISTRIBUTION OF LARGE INCURRED LOSSES BY COVERAGE/POLICY FORM WITHIN  
MAJOR CLASS

**LI20-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

DISTRIBUTION OF LARGE INCURRED LOSSES BY INDUSTRY CODE

**LI21-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
LOSS DEVELOPMENT (LI45)

DESCRIPTION

This exhibit presents the historical accident year development, reported at the end of successive twelve-month periods, of claim counts and loss amounts by coverage and kind of loss on an incurred basis.

BENEFITS

This information can assist actuaries to:

- develop estimates of Incurred But Not Reported (IBNR) amounts and payout patterns for actuarial valuations and rate filings; and
- develop rates for alternative commercial liability insurance products.

AVAILABILITY

July

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI45-N** All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

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PRODUCT  
SIZE OF LOSS DISTRIBUTION (LI50)

DESCRIPTION

This two-part exhibit provides a detailed breakdown by incurred pure loss amount and expense information by size of loss within coverage/policy form.

The exhibit is presented in two parts showing:

- the occurrence count for claims generated at a coverage level; and
- the claim count for claims generated at a kind of loss level.

BENEFITS

This information can assist actuaries to:

- estimate increased limit factors;
- estimate expense factors for various sizes on the current product mix; and
- estimate expected sizes of future losses on the current product mix.

AVAILABILITY

December

PRODUCT NUMBER

To place an order, complete the Order Form on the GISA website at [www.gisa.ca](http://www.gisa.ca).

**LI50-N**            All Industry – Ontario Mandated Only  
Report \$50, CD-ROM or E-mail \$45

## Glossary of Terms

The following glossary provides definitions of some of the terminology used in the product descriptions throughout the catalogue. This is provided to assist individuals who may not be familiar with everyday insurance language.

### ACCIDENT BENEFITS

The automobile insurance coverage that pays for personal injuries to the individuals covered by the insurance policy.

### ACCIDENT YEAR

All statistical exhibits listed in this catalogue are presented on an accident-year basis. To use an example, this means that the 2008 Calendar Accident Year includes all premium transactions that took effect between January 1 and December 31, 2008 and claims on all accidents that occurred between January 1 and December 31, 2008.

### AVERAGE COST PER CLAIM

The average cost per claim is simply the total amount paid out for all claims divided by the total number of claims to obtain an average, sometimes referred to as the claims severity.

### BODILY INJURY

This could be an injury to a person from an automobile accident or a fall, sickness as a result of pollution, or any

other type of injury to a person.

### CATASTROPHIC OCCURRENCE

An event that has resulted in multiple insurance claims, such as an ice storm, earthquake or hail storm.

### CLAIM COST

The average cost to an insurance company for every risk they insure. For example, in automobile insurance, this would be the total amount paid out in claims divided by the total number of vehicles insured.

### CLAIM FREQUENCY

The number of claims divided by the number of risks insured. For example, in automobile insurance, if 10 claims occurred and there were 100 vehicles insured, the claims frequency would be stated as 10 per 100 insured vehicles.

### CLASSIFICATION

Classification is simply a way to group similar types of risks together. In the automobile insurance statistical exhibits, the Classification Exhibits present the results of different classes of drivers. These classes are derived from criteria such as age, gender and whether the vehicle is used to commute to

work or used for pleasure only.

### COLLISION COVERAGE

The portion of your automobile insurance policy that pays for the cost of repairing your vehicle if it is damaged in an accident that is your fault.

### COMPREHENSIVE COVERAGE

The portion of your automobile insurance policy that pays for the cost of damages or replacement of your vehicle as a result of such events as fire, vandalism and theft.

### DEDUCTIBLE

The amount that an insured person or business has agreed to pay in the event of a claim. For example, if you have a \$500 deductible for your Collision coverage on your automobile insurance policy and you were at fault in an accident which caused \$2,000 damage to your vehicle, you would be responsible for paying the first \$500.

### DIRECT COMPENSATION COVERAGE

The portion of your automobile insurance policy that pays for the cost of repairing your vehicle if it is damaged in an accident that is not entirely your fault.

**DRIVING RECORD**

In the Classification Exhibits, the driving record is the number of years that the driver has been driving without an at-fault claim. For example, if you had a collision for which you were at fault during the last year, your driving record would be 0. If you had been driving for 6 years without having an at-fault claim, then your driving record would be 6.

**EARNED EXPOSURES**

Exposures are a measure of what is being insured. For example, an insured vehicle is an exposure.

The term earned means that the exposures were in fact at risk of a loss in the period in question. For example, if a vehicle is insured as of July 1, 2008, then during the 2008 Accident Year, this would represent an exposure of 1/2 to the insurance company.

**EARNED LOSS RATIO**

The loss ratio is the ratio of claims to premiums. For example, if, for a line of business during a given period, the total amount of losses and loss adjustment expenses is \$9 million and the total premium collected during that period is \$10 million, then the loss ratio is said to be 90 (90% of premiums).

**EARNED PREMIUM**

The premium is the sum of money paid to the insurance company for protection against certain risks. The term earned means that the premiums were in fact for an exposure at risk of a loss in the period in question. For example, if a vehicle is insured as of July 1, 2008 for the sum of \$1,000, then during the 2008 Accident Year, the earned premium would be \$500. The other \$500 would be earned in 2009.

**EARNED VEHICLES**

Sometimes, the term earned vehicles will be used instead of earned exposures for automobile insurance. The definitions, however, are the same.

**IBNR**

This abbreviation stands for Incurred But Not Reported. It simply means that some claims are still expected although they have not yet been reported to the insurance company. At the end of the year, for example, the insurance company will require a reasonable estimate of the total claims they will be required to pay for the year that has just passed. They will require an estimate of the claims that are expected, but have not yet been reported (IBNR).

**INCURRED CLAIMS/LOSSES**

The term incurred refers to the total of payments made

on claims plus the amount still expected to be paid on those claims at the end of a given period. For example, suppose a claim occurs in September 2008 and an initial payment of \$10,000 for damages is made in October. If, at the end of December, the company still estimates that they will have to make an additional payment of \$5,000 on this claim, then, at the end of December, the 2008 paid losses are \$10,000, the outstanding losses are \$5,000 and the incurred losses are \$15,000.

**INDUSTRY CODE**

This term is used in some of the Commercial Liability Exhibits to describe specific types of commercial industries. Some of these include Metal Mining, Hog Farms, Armoured Cars and Tanneries.

**LOSS ADJUSTMENT EXPENSES**

The expenses directly related to the settlement of a claim, such as an adjuster's fees and legal costs.

**LOSS DEVELOPMENT**

When an accident occurs, the total damage may not be readily known, so an estimate of the cost is provided. As the years progress and claim payments are made, the damages become better known and estimates are adjusted. This is called the loss development. For some types of claims, such as severe

injuries, this process may take several years before the claim is considered closed and no more payments are expected. Actuaries use past data from similar types of claims to calculate loss development factors to apply to new claims. By applying these factors, they can make a reasonable estimate of what the final damages will be.

#### PRIVATE PASSENGER VEHICLE

A vehicle not used as a commercial vehicle. For example, if a small van is used as a family vehicle, it is considered a private passenger vehicle. However, if this same van is used as a full-time delivery vehicle, it is considered a commercial vehicle.

#### MAJOR CLASS

This term is used in some of the Commercial Liability Exhibits to describe major commercial industries. Some of these include Mining, Farming, Transportation and Warehousing.

#### PROPERTY DAMAGE

Damages done to property, which could include a vehicle, a house or a commercial building.

#### OUTSTANDING CLAIMS/LOSSES

Please see Incurred Claims/Losses.

#### THIRD PARTY LIABILITY

The portion of your policy that covers damages to others, including their property, for which you are responsible.

#### PAID CLAIMS/LOSSES

Please see Incurred Claims/Losses.

#### POLICY FORMS

This term is often defined as coverage or type of policy. For example, in Commercial Liability, Employers' Liability, Pollution Liability and Directors' and Officers' Liability are all considered policy forms or coverages.

#### POLICY LIMIT

The maximum amount of damages that is covered by an insurance policy.

# Notes

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