

PRIVATE PASSENGER AUTOMOBILE - EXCLUDING FARMERS

PROVINCE OF ALBERTA

COVERAGE AND YEAR	NUMBER OF WRITTEN VEHICLES (1)	NUMBER OF EARNED VEHICLES (2)	WRITTEN PREMIUMS (3)	EARNED PREMIUMS (4)	NUMBER OF CLAIMS (5)	CLAIMS AND ADJUSTMENT EXPENSES INCURRED (6)	CLAIM FREQUENCY PER 100 EARNED VEHICLES (7)	AVERAGE COST PER CLAIM (8)	AVERAGE EARNED PREMIUM (9)	CLAIM COST PER EARNED VEHICLE (10)	EARNED INCURRED LOSS RATIO (11)
THIRD PARTY LIABILITY / RESPONSABILITE CIVILE											
2006	2,007,034	1,945,194	1,119,755,205	1,101,087,058	73,525	730,709,773	3.78	9,938	566.05	375.65	66
2007	2,113,044	2,057,308	1,155,434,508	1,135,507,956	77,836	802,141,837	3.78	10,306	551.94	389.90	71
2008	2,196,078	2,153,417	1,191,613,658	1,172,371,393	81,446	832,062,834	3.78	10,216	544.42	386.39	71
2009	2,225,383	2,209,120	1,221,997,339	1,212,264,051	86,010	809,134,179	3.89	9,407	548.75	366.27	67
2010	2,278,498	2,251,515	1,189,583,942	1,205,484,238	82,867	859,215,890	3.68	10,369	535.41	381.62	71
TOTAL	10,820,037	10,616,556	5,878,384,652	5,826,714,696	401,684	4,033,264,513	3.78	10,041	548.83	379.90	69
ACCIDENT BENEFITS / ASSURANCE INDIVIDUELLE											
2006	2,004,952	1,944,171	108,809,263	106,239,002	25,211	70,133,794	1.30	2,782	54.64	36.07	66
2007	2,113,527	2,056,631	112,727,627	110,768,690	25,344	76,822,304	1.23	3,031	53.86	37.35	69
2008	2,197,310	2,154,732	117,298,704	114,598,663	24,508	82,365,155	1.14	3,361	53.18	38.23	72
2009	2,226,242	2,209,997	122,804,312	120,840,060	23,871	88,183,273	1.08	3,694	54.68	39.90	73
2010	2,279,491	2,252,297	120,307,086	121,449,760	23,976	91,327,079	1.06	3,809	53.92	40.55	75
TOTAL	10,821,522	10,617,831	581,946,992	573,896,175	122,910	408,831,605	1.16	3,326	54.05	38.50	71
UNDERINSURED MOTORIST / SOUS ASSURANCE DES TIERS											
2006	1,709,595	1,663,280	41,555,209	40,145,377	40	8,569,396		214,235	24.14	5.15	21
2007	1,797,826	1,751,342	43,888,634	42,789,176	35	6,874,538		196,415	24.43	3.93	16
2008	2,162,084	2,122,827	50,761,986	50,201,394	32	6,450,945		201,592	23.65	3.04	13
2009	2,193,998	2,174,473	52,869,630	51,624,459	36	8,291,946		230,332	23.74	3.81	16
2010	2,259,945	2,228,028	56,056,551	54,653,700	27	4,792,664		177,506	24.53	2.15	9
TOTAL	10,123,448	9,939,952	245,132,010	239,414,106	170	34,979,489		205,762	24.09	3.52	15
ALL PERILS - ALL CODES / TOUS RISQUES - TOUS LES CODES											
2006	39,121	39,255	18,752,616	18,729,819	4,327	9,848,796	11.02	2,276	477.12	250.89	53
2007	39,925	39,316	18,736,625	18,669,282	4,557	12,234,406	11.59	2,685	474.84	311.17	66
2008	38,359	39,136	17,846,507	18,193,651	4,144	11,124,241	10.59	2,684	464.88	284.25	61
2009	33,896	36,776	16,697,301	17,231,031	4,176	11,017,488	11.36	2,638	468.53	299.58	64
2010	21,085	22,676	13,894,026	14,231,543	2,131	9,170,184	9.40	4,303	627.60	404.40	64
TOTAL	172,386	177,160	85,927,075	87,055,326	19,335	53,395,115	10.91	2,762	491.39	301.39	61
COLLISION (\$250 DEDUCTIBLE) / COLLISION (FRANCHISE DE 250\$)											
2006	228,081	239,085	57,464,764	59,338,718	11,734	33,747,110	4.91	2,876	248.19	141.15	57
2007	202,478	213,604	52,939,277	54,758,107	9,818	33,787,453	4.60	3,441	256.35	158.18	62
2008	188,768	196,024	53,380,621	53,578,175	8,148	31,342,746	4.16	3,847	273.32	159.89	58
2009	162,519	174,660	49,499,266	51,370,987	6,694	24,870,874	3.83	3,715	294.12	142.40	48
2010	143,331	151,288	46,240,987	47,623,143	4,994	21,861,252	3.30	4,378	314.78	144.50	46
TOTAL	925,177	974,662	259,524,915	266,669,130	41,388	145,609,435	4.25	3,518	273.60	149.39	55
COLLISION (\$500 DEDUCTIBLE) / COLLISION (FRANCHISE DE 500\$)											
2006	976,836	930,739	346,367,407	324,108,462	55,938	201,940,031	6.01	3,610	348.23	216.97	62
2007	1,060,065	1,018,970	380,241,062	362,957,557	58,023	251,696,834	5.69	4,338	356.20	247.01	69
2008	1,140,929	1,130,114	424,951,302	416,045,219	56,696	276,664,237	5.02	4,880	368.14	244.81	66
2009	1,108,250	1,126,305	427,562,737	427,313,601	52,993	253,934,081	4.71	4,792	379.39	225.46	59
2010	1,107,965	1,103,712	435,490,852	430,743,766	44,111	226,968,094	4.00	5,145	390.27	205.64	53
TOTAL	5,394,045	5,309,842	2,014,613,360	1,961,168,605	267,761	1,211,203,277	5.04	4,523	369.35	228.11	62
COLLISION (\$1000 DEDUCTIBLE) / COLLISION (FRANCHISE DE 1000\$)											
2006	126,840	113,577	67,885,249	58,916,216	7,528	40,053,950	6.63	5,321	518.73	352.66	68
2007	157,638	143,093	84,497,338	76,600,021	9,438	55,888,823	6.60	5,922	535.31	390.57	73
2008	187,979	173,878	102,617,606	94,028,994	10,328	64,401,153	5.94	6,236	540.77	370.38	68
2009	205,272	197,246	115,117,801	109,270,376	10,651	63,793,901	5.40	5,989	553.98	323.42	58
2010	229,846	218,072	130,110,598	123,120,744	10,299	59,449,834	4.72	5,772	564.58	272.61	48
TOTAL	907,575	845,869	500,228,592	461,936,351	48,244	283,587,661	5.70	5,878	546.11	335.26	61
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
GARANTIE ET ANNEE	NOMBRE DE VEHICULES EMIS	NOMBRE DE VEHICULES ACQUIS	PRIMES EMISES	PRIMES ACQUISES	NOMBRE DE SINISTRES	SINISTRES ET FRAIS DE REGLEMENT	FREQUENCE DES SINISTRES POUR 100 VEHICULES ACQUIS	COUT MOYEN PAR SINISTRE	PRIME ACQUISE MOYENNE	COUT DES SINISTRES PAR VEHICULE ACQUIS	RAPPORT DES SINISTRES AUX PRIMES ACQUISES

PROVINCE D'ALBERTA

VOITURES DE TOURISME - SAUF EXPLOITANTS AGRICOLES

PRIVATE PASSENGER AUTOMOBILE - EXCLUDING FARMERS

PROVINCE OF ALBERTA

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COLLISION -ALL CODES / COLLISION -TOUS LES CODES											
2006	1,492,762	1,436,319	527,005,166	492,757,730	84,348	313,026,062	5.87	3,711	343.07	217.94	64
2007	1,593,535	1,542,494	581,695,677	553,945,693	87,793	386,515,525	5.69	4,403	359.12	250.58	70
2008	1,670,118	1,633,097	638,584,828	611,465,645	82,134	408,573,774	5.03	4,974	374.42	250.18	67
2009	1,674,673	1,669,438	675,298,620	656,336,918	78,054	382,668,753	4.68	4,903	393.15	229.22	58
2010	1,696,375	1,683,552	708,832,777	693,061,673	69,064	351,710,357	4.10	5,093	411.67	208.91	51
TOTAL	8,127,463	7,964,902	3,131,417,068	3,007,567,659	401,393	1,842,494,471	5.04	4,590	377.60	231.33	61
COMPREHENSIVE (\$100 DEDUCTIBLE) / ACCIDENTS SANS COLLISION NI VERSEMENT (FRANCHISE DE 100\$)											
2006	275,780	290,428	34,665,764	35,753,782	10,656	19,526,003	3.67	1,832	123.11	67.23	55
2007	244,605	259,262	32,491,064	33,490,474	10,614	22,980,922	4.09	2,165	129.18	88.64	69
2008	220,547	229,643	30,800,677	31,336,470	8,023	16,645,260	3.49	2,075	136.46	72.48	53
2009	188,991	204,055	29,047,633	29,938,919	6,961	16,144,493	3.41	2,319	146.72	79.12	54
2010	167,275	175,833	28,134,949	28,497,397	7,631	25,414,954	4.34	3,330	162.07	144.54	89
TOTAL	1,097,198	1,159,224	155,140,087	159,017,042	43,885	100,711,632	3.79	2,295	137.18	86.88	63
COMPREHENSIVE (\$250 DEDUCTIBLE) / ACCIDENTS SANS COLLISION NI VERSEMENT (FRANCHISE DE 250\$)											
2006	1,345,595	1,278,635	172,592,064	160,550,899	39,017	133,717,916	3.05	3,427	125.56	104.58	83
2007	1,479,632	1,411,616	198,131,645	185,336,484	48,126	204,480,054	3.41	4,249	131.29	144.86	110
2008	1,554,753	1,518,664	223,319,114	210,662,591	40,927	185,109,646	2.69	4,523	138.72	121.89	88
2009	1,548,090	1,552,870	252,050,929	237,838,853	39,851	198,766,320	2.57	4,988	153.16	128.00	84
2010	1,566,255	1,552,630	276,371,344	265,060,861	60,350	316,554,260	3.89	5,245	170.72	203.88	119
TOTAL	7,494,325	7,314,418	1,122,465,096	1,059,449,688	228,271	1,038,628,196	3.12	4,550	144.84	142.00	98
COMPREHENSIVE -ALL CODES / ACCIDENTS SANS COLLISION NI VERSEMENT -TOUS LES CODES											
2006	1,798,689	1,733,494	237,041,488	223,233,340	54,273	170,918,330	3.13	3,149	128.78	98.60	77
2007	1,924,034	1,859,137	265,860,392	251,479,785	65,011	254,979,405	3.50	3,922	135.27	137.15	101
2008	2,018,805	1,971,361	297,155,093	281,222,600	55,034	230,518,672	2.79	4,189	142.65	116.93	82
2009	2,042,439	2,026,924	339,200,073	317,720,118	54,231	251,159,282	2.68	4,631	156.75	123.91	79
2010	2,077,768	2,057,281	373,060,696	357,826,728	82,540	413,132,950	4.01	5,005	173.93	200.82	115
TOTAL	9,861,735	9,648,198	1,512,317,742	1,431,482,571	311,089	1,320,708,639	3.22	4,245	148.37	136.89	92
SPECIFIED PERILS -ALL CODES / RISQUES SPECIFIES -TOUS LES CODES											
2006	22,690	23,295	1,475,844	1,493,001	235	678,228	1.01	2,886	64.09	29.11	45
2007	22,106	22,226	1,431,640	1,442,473	213	776,009	.96	3,643	64.90	34.91	54
2008	18,858	20,028	1,093,473	1,196,241	129	518,764	.64	4,021	59.73	25.90	43
2009	19,526	19,457	1,358,945	1,253,891	129	592,349	.66	4,592	64.44	30.44	47
2010	19,540	19,527	1,484,652	1,434,853	163	691,154	.83	4,240	73.48	35.39	48
TOTAL	102,720	104,535	6,844,554	6,820,459	869	3,256,504	.83	3,747	65.25	31.15	48
TOTAL											
2006	2,007,034	1,945,194	2,054,394,791	1,983,685,327	241,959	1,303,884,379			1019.79	670.31	66
2007	2,113,044	2,057,308	2,179,775,103	2,114,603,055	260,789	1,540,344,024			1027.85	748.72	73
2008	2,196,078	2,153,417	2,314,354,249	2,249,249,587	247,427	1,571,614,385			1044.50	729.82	70
2009	2,225,383	2,209,120	2,430,226,220	2,377,270,528	246,507	1,551,047,270			1076.12	702.11	65
2010	2,278,498	2,251,515	2,463,219,730	2,448,142,495	260,768	1,730,040,278			1087.33	768.39	71
TOTAL	10,820,037	10,616,556	11,441,970,093	11,172,950,992	1,257,450	7,696,930,336			1052.41	724.99	69
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
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BACKGROUND

General

On April 1, 2006, the General Insurance Statistical Agency (GISA) was appointed as the statistical agent by participating insurance regulatory authorities¹ to provide governance, accountability and oversight of the mandated statistical plans².

As the statistical agent, GISA:

- promotes the timeliness of statistical data collection, analysis and reporting mechanisms;
- acts on behalf of the participating insurance regulators to coordinate and harmonize the statistical data filing requirements for insurers regarding the experience of their business in such jurisdictions; and
- promotes the quality and value of statistical data generated by licensed insurers.

GISA has entered into a service agreement with Insurance Bureau of Canada (the “Service Provider”) to provide statistical plan services including data reporting, collection, compilation, and quality assurance.

Need for Statistical Data

The major purpose for the collection of automobile experience data is to provide premium and claim information to support fair rates. As a result, statistical data supports the following public policy objectives:

- regulators can ensure that rates are not inadequate, excessive or unfairly discriminatory;
- regulators can monitor market structure and performance, and act if necessary to restore competition or remedy the problems caused by market instability; and
- insurers are able to make better and more informed pricing decisions based on aggregate industry experience.

Reporting Basis for Annual Statistical Exhibits

Automobile insurance experience is published in a series of exhibits commonly known as the “Green Book”. The Green Book is compiled from data that has been collected from all licensed automobile insurers by GISA and contains experience from all participating jurisdictions³.

¹ Alberta, New Brunswick, Newfoundland & Labrador, Nova Scotia, Ontario, Prince Edward Island, Northwest Territories, Nunavut and Yukon

² Automobile Statistical Plan (ASP), Ontario Statutory Accident Benefits Statistical Plan (OSABSP) and Ontario Commercial Liability Statistical Plan (CLSP)

³ See 1

BACKGROUND

The Service Provider uses the statistical data reported and prepares the Green Book exhibits on behalf of GISA on an *Accident Year basis*, which matches premiums earned during a 12-month period with claims incurred resulting from accidents that occurred during that same period.

All users of the Green Book are advised to review this Introduction in detail to obtain a full understanding of the contents of these exhibits. It provides advisory notes to users, descriptions of exhibit contents, coding definitions, factor information, file formats and layouts, as well as other relevant information.

LIST OF EXHIBITS

GISA currently mandates and publishes the following seven standard major exhibits which are distributed as scheduled during the year.

- Loss Development (AU70-79)
- Actual Loss Ratio (AU05, AU10 and AU11)
- Territorial including Third Party Liability Large Losses (AU30)
- Classification including Third Party Liability Large Losses (AU15)
- Size of Loss Distribution (AU50-51)
- Driver/Vehicle Classification (AU25-27)
- Catastrophe Report (AU60)

Further information on these exhibits may be obtained from GISA's website at www.gisa.ca

EXPERIENCE EXHIBITED

1. COVERAGES

Experience is shown individually for the five latest calendar/accident years for each of the following coverages:

Third Party Liability - provides coverage for legal responsibility to others, arising from an automobile accident causing death or injury to persons or damage to their property. The minimum liability limits and the dates of introduction of compulsory insurance are shown below:

<u>Province</u>	<u>Compulsory Date</u>	<u>Minimum Limit</u>
Alberta	April 1, 1972	\$ 50,000 inclusive January 1, 1974 \$100,000 inclusive July 1, 1978 \$200,000 inclusive January 1, 1986

All Third Party Liability Coverage codes are included except Excess Liability S.P.F.7.

Many policyholders insure for higher limits than the legal minimum requirement and the Exhibits reflect the actual limits purchased.

Accident Benefits - the following forms of benefits are available under this no-fault coverage:

Medical Payments - pays for medical, surgical, ambulance, hospital, nursing, rehabilitation, etc., expenses incurred by a person injured in an automobile accident in excess of provincial medical/hospital schemes. Maximum limit varies by province/territory.

Funeral Expenses – pays for funeral expenses in respect of a person killed in an automobile accident. Maximum amount varies by province/territory.

Death Benefits - provides payment of a lump sum for a death arising out of an automobile accident. The amount varies according to marital status, number of dependents, age and the province/territory.

Disability Income - provides weekly payments compensating for loss of income during substantial disability due to an automobile accident. (In some provinces/territories, substantial disability will result in flat or percentage payments.)

Supplementary Benefits - for accidents occurring in Quebec, an insured may

EXPERIENCE EXHIBITED

elect to receive the benefits payable to residents of Quebec under the Quebec Automobile Insurance Act, instead of the above Alberta no-fault benefits.

Uninsured Motorists Benefits - provides coverage to recover damages for bodily injury from the owner or driver of an uninsured or unidentified automobile.

Underinsured Motorist - provides coverage to recover from an inadequately insured motorist, compensatory damages in respect of bodily injury or death sustained by an insured person by accident arising out of the use or operation of an automobile.

All Perils - covers accidental damage to the vehicle insured on an all risk basis and includes Collision and Comprehensive coverages - subject to a deductible amount.

Collision - covers accidental damage to the vehicle insured resulting from collision with another car or another object, or by upset - subject to a deductible amount.

Comprehensive - covers the vehicle insured on an all risk basis against accidental damage, other than by Collision - subject to a deductible amount.

Specified Perils - covers the vehicle insured on a named perils basis against accidental damage caused by fire, theft and other specific perils - subject to a deductible amount.

2. COLUMN HEADINGS

- 1) Number of Written Vehicles (number of car-years written) - It is calculated by taking the total written term in months of policy transactions with effective dates in the calendar period under consideration and dividing by 12. For example 3 cars insured for 6 each months contribute one and one-half car years.
 - 2) Number of Earned Vehicles (number of car-years earned) - It is calculated by taking the total pro-rata earned term in months of policy transactions yielding exposure during the calendar period under consideration and dividing by 12.
 - 3) Written Premium - Total premium for policy transactions with effective dates in the calendar period under consideration. Transaction effective date governs the assignment of individual transactions to the appropriate accident year. For example, a cancellation during January 2004 of a policy renewed in December 2003 is recorded against accident year 2003. This process is applied to both the written vehicle count and the written premium. Hence, the accident year values will not readily reconcile to the Annual Statement Calendar Year written figures.
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EXPERIENCE EXHIBITED

- 4) Earned Premium - Total of all pro-rata earned premiums on all policy transactions yielding exposure during the calendar period under consideration. For example, an annual policy effective in March 2004 would contribute 19/24ths of its premium to calendar/accident year 2004 and 5/24ths to calendar/accident year 2005. Again, the earned vehicle count and earned premium will not be the same as Annual Statement Calendar Year earned figures because of the different assignment method stated under the written premiums.
- 5) Number of Claims - The total reported claim count over all claims with accident date within the calendar period under consideration. Claims are separately counted by each insurer by Kind of Loss within coverage for each occurrence (accident). For example, in Alberta under Bodily Injury and Property Damage Coverage a particular accident resulting in injury to an occupant (1) of the insured vehicle (Kind of Loss "02") as well as damage to another car (1) (Kind of Loss "09") and injuries to three of its occupants (1) (Kind of Loss "01") would contribute a count of 3 Bodily Injury and Property Damage claims by the vehicle's insurer. (Refer to Kind of Loss codes in the Statistical Plan for details of the coding).
- 6) Claims and Adjustment Expenses Incurred - The total over all claims with accident dates in the calendar period under consideration of dollar amounts of claims paid (including any partial payments), costs of servicing claims, and case reserves for claims which have not been closed (whether or not any partial payments have been made). These amounts have been developed to their expected ultimate values and have been loaded for unallocated loss adjustment expenses. For discussion of development factors and other factors applied to claims amounts, refer to the Factors Section.
- 7) Claim Frequency Per 100 Earned vehicles - Represents the number of claims incurred for every 100 car-years exposed. It is the ratio of Number of Claims to Number of Earned Vehicles expressed as a percentage.

The following should be noted with regard to frequencies for physical damage coverages when the experience is exhibited on a combined deductible basis. Changes in the policyholders' selection of the deductible amount payable by them in the event of loss will have an effect on the number of insurance claims. For example, if deductibles purchased now are higher than was previously the case, a number of smaller claims will not be made. For this reason, comparisons of such accident year frequencies (and average costs per claim) are not as significant as comparisons made for other coverages or for physical damage coverages at fixed deductibles.

- 8) Average Cost Per Claim - The average amount paid and to be paid per claim for claims and loss adjustment expenses combined across all claims reported. It is the ratio of Claims and Adjustment Expenses Incurred to Number of Claims.
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EXPERIENCE EXHIBITED

- 9) Average Earned Premium - The average amount of earned premium per earned vehicle across all policies. It is the ratio of Earned Premium to Number of Earned Vehicles.
- 10) Claim Cost Per Earned Vehicle - The average amount paid and to be paid per earned vehicle across all policies. It is the ratio of Claims and Adjustment Expenses Incurred to Number of Earned Vehicles.
- 11) Earned Incurred Loss Ratio - The actual percentages of total earned premiums which will be used to pay claims and adjustment expenses. It is the ratio of Claims and Adjustment Expenses Incurred to Earned Premium expressed as a percentage.

Only those expenses associated with servicing policyholders' claims are included in these ratios. All other automobile insurance company operating expenses (which include Provincial and Federal taxes, marketing costs and general administration expenses) are excluded, except for the Alberta Health Levy.