

NOTES TO USERS REGARDING USE OF DATA

1. The Green Book exhibits are published on an Accident Year basis. In Accident Year statistics, the experience of all policies which are in-force (or exposed) at some time during the period is grouped together. The accident years are defined as the calendar period January to December for each of the stated years. Only the portion of the experience related to the overlap of the given period and the policy term is included.

Earned premium and exposure are taken as the portion (usually pro-rata) of written premium and exposure on these policies which relates only to that part of the policy term which falls within the given period. All claims having date-of-loss within the given period are included in the loss experience, regardless of whether the policy effective date of the policy is within the given period or a prior one. Of course, for such a claim to have been incurred, there must have been a policy which was in-force at the date-of-loss, and so there is a proper matching of premium and losses.

Accident Year statistics tie less closely to written premium and the rates in effect at any given time, but tie more closely to traditional calendar year results.

2. The Actual Loss Ratio, Territorial, Classification and Driver/Vehicle Classification Exhibits display the historical general level statistics on a factored basis. The adjustments made to the loss experience consist of factors for loss development and unallocated loss adjustment expenses. **The Unallocated Loss Adjustment Factors for the year 2008 are based on aggregate data collected under the IBC Automobile Expense Survey. These factors are provided by IBC for use in certain factored exhibits but are not approved by GISA.** Trend factors have not been applied to the claims experience to project it to a common level in time.

Please note also that amounts exhibited do not contain any adjustments to reflect other expenses incurred by insurance companies, such as commissions, premium taxes (if any) and general operating expenses.

It is strongly recommended that a proper analysis with appropriate adjustments be made to the data for ratemaking purposes. Users are also warned that other technical exhibits are required to complete a ratemaking analysis.

3. All claim (loss) and allocated claim (loss) adjustment expense amounts are included in the amounts reported under the ASP. No attempt has been made to adjust these values for the time value of money to discount them from their actual date paid or payable to an earlier average date of receipt of premium within the accident year. Differences between the displayed undiscounted amounts and corresponding discounted amounts which might be appropriate for some other purposes such as gauging relative profitability may be significant for long-tailed coverages such as Third Party Liability.

Note, however, that Disability Income loss reserve amounts under Accident Benefits coverage may commonly be reported on an already discounted basis and that some Bodily Injury and Disability Income losses may ultimately be settled by means of a

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structured settlement, at which point reserves will usually be reported on a discounted basis.

All ratios derived from the claim (loss) amounts (i.e. claim (loss) ratios, claim (loss) costs per car insured, average costs per claim) are similarly on an as-reported and factored basis, unadjusted for the time value of money.

4. From June 1, 1987, until December 31, 1994, written premiums for the Facility Association were reported on a net of commission basis. Beginning from January 1, 1995 the said Written Premium are reported on the gross basis, and users should take note of the possible predominance of the Facility Association in the total Alberta experience for some categories of insurance in some years.
5. Every effort has been made to ensure the accuracy and completeness of the data. However, the responsibility for any errors or omissions in the data submitted under the statistical plan and presented in these exhibits remains with the reporting companies.

Some edit validation and verification, consistency and reasonability checks have been performed which led to some data exclusions in specific classes of business to improve the integrity of the exhibits (see the Data Exclusions section for details).

Other potential data quality problems are currently being investigated and technical users need to review these exhibits with caution.

An independent data audit is not currently mandated or performed.