

MANITOBA PUBLIC INSURANCE

2021 GENERAL RATE APPLICATION
Round 1 Information Requests
August 5, 2020

Public Utilities Board (PUB)



MANITOBA
PUBLIC INSURANCE

PUB (MPI) 1-1

Part and Chapter:	Part 1- OV	Page No.:	33
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 7. Capital Management Plan 9. Cost of Operations and Cost Containment Measures 10. Current IT Strategic Plan and IT Expenses and Projects 18. Issues arising from the 2021 Special Rebate Application and Board Orders No. 67/20 and 71/20 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Financial Overview		
Sub Topic:			

Preamble to IR:**Question:**

Please file the Corporation's Board of Directors and Audit Committee meeting minutes that relate to:

- a) Asset Liability Management/Investment Strategy;
- b) IT Optimization/Project Nova/BTO Projects;
- c) IT Project Impairment;
- d) Investment Impairment Provision;
- e) RSR or Total Equity Targets/DCAT;
- f) Capital Build and Release provisions;

- g) Capital Management Plan;
- h) Special Rebate Application;
- i) All major contracts that impact operational costs;
- j) Approval of the 2021 GRA;
- k) Approval of Extension Profit Margin for 2020/21; and
- l) Sale of Property.

Rationale for Question:

To understand Corporate decisions that impact Basic.

RESPONSE:

Please see [Appendix 1](#) for the relevant minutes.



**Manitoba
Public Insurance**

Board of Directors Meeting
DRAFT MINUTES

Meeting Date: **Wednesday, March 6, 2019 12:00 p.m.**
Place: **via Teleconference**
912 – 234 Donald Street, Winnipeg, Manitoba

19-048 **New Repair Trade Agreement – 2019 Light Vehicle Accreditation Agreement (LVAA)**

Moved by Mr. Chale and seconded by Mr. Bubis that the Members approve the New Repair Trade Agreement terms and allow Management to sign the final Industry and Light Vehicle agreements.

CARRIED



**Manitoba
Public Insurance**

Board of Directors Meeting
DRAFT MINUTES

Meeting Date: Thursday, March 21, 2019 12:00 p.m.
Place: via Teleconference
Winnipeg, Manitoba

19-051 **Extension Transfer to Basic**

Moved by Mr. Chale and seconded by Mr. Bubis that the Members approve a transfer of excess retained earnings from the Extension line of business to the Basic line of business as at February 28, 2019 in the amount of \$60,000,000.

CARRIED

Board of Directors Meeting***DRAFT MINUTES*****Date:** April 18, 2019**Page:** 3 of 7**19-066 Technology Committee Report – FINEOS Agreement Renewal**

Moved by Mr. Chale and seconded by Mr. Grestoni that the Members ratify the recommendation of the Technology Committee to approve extending the FINEOS Master Services Agreement (MSA) and the Master License Agreement (MLA) for five (5) years beginning June 30, 2019 at a cost not to exceed \$4.5 million plus tax.

CARRIED

19-067 Technology Committee Report – Infor Support and Maintenance Renewal

Moved by Mr. Chale and seconded by Mr. Bubis that the Members ratify the recommendation of the Technology Committee to approve renewing the annual support and maintenance agreement for the Infor application suite at a cost not to exceed \$684,000 CAD plus tax for the period June 1, 2019 until May 31, 2020.

CARRIED

19-068 Technology Committee Report – Powerland Computers Agreement

Moved by Mr. Chale and seconded by Mr. Grestoni that the Members ratify the recommendation of the Technology Committee to authorize Management to award tender to Powerland Computers Ltd. and to enter into a five (5) year agreement commencing May 1, 2019 for the purchase of new Desktop and Laptop computers at a cost not to exceed \$2.5 million plus tax.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: April 18, 2019

Page: 4 of 7

19-072 **President and CEO's Report**

Mr. Graham presented Agenda Item 3.1 "President and CEO's Report" providing a report on the following items:

- Legacy System Modernization (LSM) PUB Meeting

Board of Directors - Committee Meeting

AUDIT, FINANCE & RISK COMMITTEE MINUTES

Date: May 16, 2019

Page: 6 of 7

**BTO Project
Governance
Model**

Members received Agenda Item E.6 "BTO Project Governance Model" as information.

Board of Directors - Committee Meeting

AUDIT, FINANCE & RISK COMMITTEE MINUTES

Date: July 11, 2019

Page: 2 of 5

**Basic Dynamic
Capital Adequacy
Test (DCAT)
Report**

Mr. Johnston presented Agenda Item B.3 “Basic Dynamic Capital Adequacy Test (DCAT) Report”.

The Members will bring the 2019 Basic Dynamic Capital Adequacy Test report to the Board of Directors for approval.

Board of Directors - Committee Meeting

TECHNOLOGY COMMITTEE MINUTES

Date: July 11, 2019

Page: 3 of 3

**BTO Initiative
Update**

Members received Agenda Item D.2 “BTO Initiative Update” as information.

Board of Directors Meeting
DRAFT MINUTES

Date: July 11, 2019

Page: 3 of 6

19-118 **Audit, Finance & Risk Committee Report – Basic Dynamic Capital Adequacy Test (DCAT) Report**

Moved by Mr. Grestoni and seconded by Mr. Chale that the Members approve the 2019 Basic Dynamic Capital Adequacy Test (DCAT) Report.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: July 11, 2019

Page: 4 of 6

19-122 **Technology Committee Report – Request for Standing Offer (RFSO) Contract Approval – Contingent Workforce**

Moved by Mr. Chale and seconded by Mr. Grestoni that the Members ratify the recommendation of the Technology Committee and approve entering into Master Services Agreements with 31 vendors that submitted a bid on RFSO #2914 and confirmed Management's authority to authorize resource requests under these Master Services Agreements up to the approved budgeted amounts.

CARRIED

Board of Directors - Committee Meeting

INVESTMENT COMMITTEE MINUTES

Date: August 8, 2019

Page: 2 of 3

**Update on
Implementation of
New Investment
Strategy**

Mr. Bunston presented Agenda Item D.1 "Update on Implementation of New Investment Strategy". Following discussion, Members received the report as information.

Board of Directors - Committee Meeting

TECHNOLOGY COMMITTEE MINUTES

Date: September 16, 2019
September 19, 2019 (Reconvene)
Page: 3 of 4

**Nova –
Governance
Vendor Selection**

Mr. Bunko presented Agenda Item C.2 “Nova – Governance Vendor Selection”.

Moved by Mr. Grestoni and seconded by Mr. Robson that the Members authorize MPI to finalize contract negotiations and enter into an agreement with Price Waterhouse Cooper (PWC) to provide Governance services for the Nova program for a period of three years at a cost not to exceed \$2.5 million (plus taxes and fees).

CARRIED

Board of Directors - Committee Meeting

AUDIT, FINANCE & RISK COMMITTEE MINUTES

Date: October 10, 2019

Page: 3 of 7

PwC Non-Audit Services

Mr. Giesbrecht presented Agenda Item B.3 “PwC Non-Audit Services”.

Moved by Ms. Nabess and seconded by Mr. Stefanson that the Members recommend the Board of Directors approve awarding PwC with contract work to provide governance services for Project Nova for a total cost of no more than \$2.5 million over three years.

CARRIED

Board of Directors - Committee Meeting
AUDIT, FINANCE & RISK COMMITTEE MINUTES

Date: October 10, 2019

Page: 4 of 7

**Licence Plate
Contract**

Mr. Triggs presented Agenda Item B.5 "Licence Plate Contract".

Moved by Mr. Bubis and seconded by Ms. Nabess that the Members recommend the Board of Directors authorize Management to exercise a one year extension option with Waldale Manufacturing Ltd. (Waldale). The estimated cost of exercising the option based on forecasted inventory requirements was projected to be \$902,000 in 2020.

CARRIED

Board of Directors Meeting***DRAFT MINUTES*****Date:** October 10, 2019**Page:** 3 of 9**19-144 Audit, Finance & Risk Committee Report – External Auditor’s Engagement Letter and Fees**

Moved by Mr. Grestoni and seconded by Mr. Robson that the Members ratify the recommendation of the Audit, Finance & Risk Committee to approve the 2019/20 External Auditor’s Engagement letter and fees in the amount of \$214,740. PwC will advise Management and seek Audit, Finance & Risk Committee approval if costs exceed this amount due to changes in level of effort or scope changes.

CARRIED

19-145 Audit, Finance & Risk Committee Report – PwC Non-Audit Services

Moved by Mr. Grestoni and seconded by Mr. Chale that the Members ratify the recommendation of the Audit, Finance & Risk Committee to award PwC with contract work to provide governance services for Project Nova for a total cost of no more than \$2.5 million over three years.

CARRIED

19-147 Audit, Finance & Risk Committee Report – Licence Plate Contract Renewal

Moved by Mr. Grestoni and seconded by Ms. Nabess that the Members ratify the recommendation of the Audit, Finance & Risk Committee to authorize Management to exercise a one year extension option with Waldale Manufacturing Ltd. (Waldale). The estimated cost of exercising the option based on forecasted inventory requirements is projected to be \$902,000 in 2020.

CARRIED

Board of Directors Meeting
DRAFT MINUTES

Date: October 10, 2019

Page: 7 of 9

19-160 **cityplace Space Plan**

Ms. Jatana presented Agenda Item 4.3 "cityplace Space Plan".

Moved by Ms. Wowryk and seconded by Mr. Chale that the Members approve the cityplace ownership and occupancy strategy which include:

1. Approval of the cityplace space plan [REDACTED]
2. Approval to proceed with capital fund planning [REDACTED] to maintain building integrity, pending capital budget approval.

[REDACTED]

CARRIED

Board of Directors Meeting
DRAFT MINUTES

Date: October 10, 2019

Page: 8 of 9

19-162 **Salvage Management System**

Mr. Dave Chimuk joined the meeting to present Agenda Item 4.5 "Salvage Management System".

Moved by Mr. Chale and seconded by Ms. Wowryk that the Members authorize:

- Management to enter into a contract with Impact Auto Auctions Ltd. to provide an online Salvage Management Solution (SMS) at a total cost not to exceed \$2.0M plus taxes per year (in 2019 dollars). Management will negotiate a contract length of 3 to 5 years, with option to extend depending on terms and conditions negotiated with the vendor.
- Funding of \$669K for implementation costs related to Salvage Management Solution.

CARRIED

Board of Directors - Committee Meeting

AUDIT, FINANCE & RISK COMMITTEE MINUTES

Date: December 5, 2019

Page: 2 of 5

**PwC Non-Audit
Services –
Provincial
Procurement
Initiative**

Mr. Giesbrecht presented Agenda Item B.1 “PwC Non-Audit Services – Provincial Procurement Initiative”.

Moved by Mr. Stefanson and seconded by Mr. Bubis that the Members recommend the Board of Directors approve, pursuant to the Policy of Non-Audit Services by External Auditors, payment to PwC for contract work to provide procurement transformation services for a total cost of no more than \$100,000.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: December 5, 2019

Page: 2 of 6

19-172 **Audit, Finance & Risk Committee Report – PwC Non-Audit Services
– Provincial Procurement Initiative**

Moved by Mr. Grestoni and seconded by Mr. Stefanson that the Members ratify the recommendation of the Audit, Finance & Risk Committee to approve, pursuant to the Policy of Non-Audit Services by External Auditors, payment to PwC for contract work to provide procurement transformation services for a total cost of no more than \$100,000.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: December 5, 2019

Page: 4 of 6

19-180 **President and CEO's Report**

Mr. Graham presented Agenda Item 3.1 "President and CEO's Report" providing a report on the following items:

- Project Nova Update

Board of Directors Meeting

DRAFT MINUTES

Date: December 5, 2019

Page: 5 of 6

19-182 **2021 General Rate Application and Schedule**

Mr. Jeff Crozier joined the meeting to present Agenda Item 4.1 "2021 General Rate Application and Schedule".

Following discussion, Members directed Management to prepare the 2021 General Rate Application to align with the 2020 Budget and Annual Business Plan. The rate indication is to be updated based on actuals prior to the 2021 GRA hearing.

Board of Directors - Committee Meeting

TECHNOLOGY COMMITTEE MINUTES

Date: December 11, 2019

Page: 2 of 3

**BTO Initiative
Update**

Members received Agenda Item C.1 "BTO Initiative Update" as information.

Board of Directors - Committee Meeting

INVESTMENT COMMITTEE MINUTES

Date: February 6, 2020

Page: 4 of 4

**Update on
Implementation of
New Investment
Strategy**

Members received Agenda Item E.4 "Update on Implementation of New Investment Strategy" as information.

SECRETARY

Board of Directors Meeting**DRAFT MINUTES****Date:** February 26, 2020**Page:** 2 of 3**20-004 Technology Committee Report – Project Nova Property & Casualty Procurement Approval: Duck Creek Technologies Ltd.**

Moved by Mr. Robson and seconded by Mr. Bubis

that the Members ratify the recommendation of the Technology Committee to award tender to and enter into a contract with Duck Creek Technologies Ltd. to provide a Software as a Service (SaaS) P&C solution under Project Nova that includes modules for Policy, Billing and Claims via a negotiated agreement:

- For up to six (6) years at a total not to exceed \$38M (\$12M CAPEX, \$26M OPEX) plus taxes (in 2020 dollars) with an agreement effective date of February 28, 2020 and a service commencement date of August 1, 2020 until July 31, 2026
- With an option to renew for an additional 5 year term not to exceed \$40M plus taxes (in 2020 dollars). This will be brought forward for Board approval prior to executing the renewal option.

CARRIED

20-005 Technology Committee Report – Project Nova Driver and Vehicle Administration Solution: Infosys Public Services, Inc.

Moved by Mr. Robson and seconded by Mr. Grestoni that the Members ratify the recommendation of the Technology Committee to authorize Management to enter into negotiations with the top ranked vendor Infosys Public Services, Inc. (IPS) as a part of the final phase of the negotiated RFP process.

CARRIED

Board of Directors - Committee Meeting***AUDIT, FINANCE & RISK COMMITTEE MINUTES*****Date:** March 5, 2020**Page:** 4 of 7**Data Centre
Operations (DCO)
2020/21**

Mr. Bunko presented Agenda Item B.4 “Data Centre Operations (DCO) 2020/21”.

Moved by Mr. Stefanson and seconded by Mr. Grestoni that the Members recommend the Board of Directors approve funding of \$10.14 million to engage IBM for the support and operation of the Data Centre in 2020/2021.

CARRIED

**Internal Audit
Services Contract
– Waive Tender**

Mr. Giesbrecht presented Agenda Item B.6 “Internal Audit Services Contract – Waive Tender”.

Moved by Mr. Stefanson and seconded by Mr. Grestoni that the Members recommend the Board of Directors authorize Management to waive tender to enter negotiations for a new contract with MNP LLP to secure continued internal audit services to complete Board approved mandate work and to align the contract with corporation’s fiscal year and processes. Total term not to exceed two years including renewals and total contract value not to exceed \$750,000.

CARRIED

Board of Directors Meeting
DRAFT MINUTES

Date: March 5, 2020

Page: 3 of 10

20-019 **Audit, Finance & Risk Committee Report – Data Centre Operations (DCO) 2020/21**

Moved by Mr. Grestoni and seconded by Mr. Stefanson that the Members ratify the recommendation of the Audit, Finance & Risk Committee to approve funding of \$10.14 million to engage IBM for the support and operation of the Data Centre in 2020/2021.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: March 5, 2020

Page: 4 of 10

20-021 **Audit, Finance & Risk Committee Report – Internal Audit Services Contract – Waive Tender**

Moved by Mr. Grestoni and seconded by Mr. Stefanson that the Members authorize Management to waive tender to enter negotiations for a new contract with MNP LLP to secure continued internal audit services to complete Board approved mandated work and to align the contract with corporation's fiscal year and processes. Total term not to exceed two years including renewals and total contract value not to exceed \$750,000.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: March 5, 2020

Page: 5 of 10

20-025 **Investment Committee Report – Transitional Benchmark Recommendation**

Moved by Mr. Grestoni and seconded by Ms. Wowryk that the Members ratify the recommendation of the Investment Committee to approve the presented supplementary benchmarks for the Basic Claims & Employee Future Benefits portfolios until March 31, 2020 and for the Extension, SRE, and RSR portfolios until Q2 2022.

CARRIED

Board of Directors Meeting***DRAFT MINUTES*****Date:** March 5, 2020**Page:** 7 of 10**20-033 Basic and Extension Autopac Program and Rates 2021/22**

Mr. Johnston presented Agenda Item 4.2 "Basic and Extension Autopac Program and Rates 2021/22".

Moved by Mr. Chale and seconded by Ms. Wowryk that the Members approve the following rate recommendations for the 2021/22 rating year:

1. Basic break-even rate change of -0.7%
2. Extension rate change of -7.5% based on a 28.0% overall profit target
3. Implementation of product changes such that any customer that purchases the same coverage will pay the same (or lower) combined Basic and Extension Rate before and after the product changes
4. Capital Release Provision of 3.3% based on the approved Capital Management Plan

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: March 5, 2020

Page: 8 of 10

20-036 **Property Management Contract Award – McCOR Management**

Ms. Jatana presented Agenda Item 4.4 “Property Management Contract Award – McCOR Management”.

Moved by Mr. Chale and seconded by Mr. Robson that the Members authorize Management to enter into negotiations with the top ranked vendor McCOR Management as part of the final phase of the negotiated RFP process to provide Property Management Services not to exceed \$1.69M over five years.

CARRIED

Board of Directors Meeting***DRAFT MINUTES*****Date:** March 5, 2020**Page:** 9 of 10**20-038 Riverbed Support and Subscription Renewal**

Mr. Bunko presented Agenda Item 4.7 "Riverbed Support and Subscription Renewal".

Moved by Mr. Robson and seconded by Mr. Chale that the Members authorize Management to award tender to and enter into a contract with Sudden Technologies to provide support and maintenance services for the Riverbed hardware and software subscription via a negotiated agreement for up to three (3) years at a total cost not to exceed \$1.5M plus taxes effective March 1, 2020.

CARRIED

20-039 Microsoft Contract Approval

Mr. Bunko presented Agenda Item 4.8 "Microsoft Contract Approval".

Moved by Mr. Robson and seconded by Mr. Chale that the Members authorize Management to execute a contract renewal with Microsoft Corporation to provide Software Assurance and Subscription Services under the Enterprise Agreement (EA) and Server Cloud Enrollment (SCE) for up to three years at a total not to exceed \$3.5M plus taxes (in 2020 dollars) effective April 1, 2020.

CARRIED



**Manitoba
Public Insurance**

Board of Directors Meeting
DRAFT MINUTES

Meeting Date: Wednesday, April 15, 2020, 1:30 p.m.
Place: 912 - 234 Donald Street, Winnipeg, Manitoba
via teleconference

20-047 **Excess Capital**

Mr. Graham provided an update related to the Provincial Government's request for information related to excess capital, and the implication of reduced claims resulting from the COVID-19 pandemic.

The Members were supportive of the providing a credit to customers and excess capital to Government.

CHAIR, AUDIT, FINANCE & RISK COMMITTEE

SECRETARY



**Manitoba
Public Insurance**

Board of Directors Meeting

DRAFT MINUTES

Meeting Date: **Wednesday, April 22, 2020, 4:30 p.m.**

Place: **912 - 234 Donald Street, Winnipeg, Manitoba
via teleconference**

20-050 **Customer Rebates**

Mr. Graham advised the Board that tomorrow morning the Provincial Government will be announcing a \$52 million rebate of Extension premiums and that Manitoba Public Insurance will be applying to the Public Utilities Board to rebate \$58 million of Basic premiums.

Members support this approach as it expedites customers receiving excess capital in a time of need as opposed to the lengthy timeframe associated with the GRA process.

CHAIRPERSON

SECRETARY

Board of Directors Meeting
DRAFT MINUTES

Date: May 20, 2020

Page: 4 of 7

20-068 **President and CEO's Report**

Mr. Graham presented Agenda Item 3.1 "President and CEO's Report" providing a report on the following items:

- Public Utilities Board – Rebate

20-069 **Basic Extension Autopac Program and Rates 2021/22**

Mr. Luke Johnston joined the meeting to present Agenda Item 4.1 "Basic Extension Autopac Program and Rates 2021/22".

Moved by Mr. Munroe and seconded by Mr. Chale that the Members approve the following updated Basic rate recommendations for the 2021/22 rating year (previously approved rate recommendations from March 5, 2020 in brackets):

1. Basic break-even rate change of -2.4% (-0.7% March).
2. Implementation of rate neutral product changes -2.8% (-3.0% March).
3. Capital Release Provision of -5.0% (-3.3% March) based on the approved Capital Management Plan.
4. Overall Basic rate change of -10.2% (-7.0% March).

CARRIED

Board of Directors Meeting***DRAFT MINUTES*****Date:** May 20, 2020**Page:** 5 of 7**20-070 Property Management Contract Award – McCOR Management**

Ms. Jatana presented Agenda Item 4.2 “Property Management Contract Award – McCOR Management”.

Moved by Mr. Chale and seconded by Mr. Munroe that the Members authorize Management to award tender and enter into a 5 year contract with the top ranked vendor, McCOR Management, to provide Property Management Services not to exceed \$1.69M plus pass through costs over 5 years, with an option to renew for 2 additional 5 year terms not to exceed \$1.83M respectively (in 2020 dollars). The renewal option will be brought forward for Board approval prior to executing.

CARRIED

20-071 IBM Security Incident and Event Management Service Contract Renewal

Mr. Brad Bunko joined the meeting via teleconference to present Agenda Item 4.3 “IBM Security Incident and Event Management Service Contract Renewal”.

Moved by Mr. Chale and seconded by Mr. Robson that the Members authorize Management to renew the Security Incident and Event Management (SIEM) services under the existing IBM Master Services Agreement for the term of November 1, 2020 to October 31, 2023, with an option to further renew for an additional 3-year term. The cost of the first renewal not to exceed \$2.0 Million (in 2020 dollars) plus PST and the cost of the subsequent renewal option not to exceed \$2.2 Million (in 2020 dollars) plus PST. The subsequent renewal option will be brought forward for Board approval prior to executing.

CARRIED

Board of Directors Meeting

DRAFT MINUTES

Date: May 20, 2020

Page: 6 of 7

20-072 **Infor Contract Renewal**

Mr. Bunko presented Agenda Item 4.4 "Infor Contract Renewal".

Moved by Mr. Robson and seconded by Mr. Munroe that the Members authorize Management to renew Infor software licenses, professional services and maintenance & support for MPI's Human Resource Management and Financial Management systems at a cost not to exceed \$3.44 Million (including 2% annual escalation) plus PST for a five (5) year term of June 1, 2020 to May 31, 2025.

CARRIED

PUB (MPI) 1-2

Part and Chapter:	Part V - Pro Formas PF-6	Page No.:	11
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts		
Topic:	Gain on Sale of Property		
Sub Topic:			

Preamble to IR:**Question:**

Please provide additional information including supporting analysis on the forecast gain on sale of property in 2021/22.

Rationale for Question:

To further understand the forecast.

RESPONSE:

At the time of filing, MPI was in the preliminary stages of determining the gain on sale forecast for one of the owned parking lots. The forecast related to the gain is a best estimate based on the limited information available. Once further analysis/information is available related to the gain on sale of the parking lot asset, MPI will provide same.

PUB (MPI) 1-3

Part and Chapter:	Part V Pro Formas EPF-3	Page No.:	27
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts		
Topic:	Extension Pro Formas		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please refile EPF-3 with the level of detail found in EPF-3 from the Special Rebate Application.
- b) Similarly, please file EPF-3 in response to all questions requesting this information with the level of detail in (a).

Rationale for Question:

To understand the impact on forecast capital sufficiency.

RESPONSE:

a) Please see EPF-3 below.

Figure 1 EPF-3 Extension Statement of Changes in Equity: -10.5% Basic Rate Change**Multi-year - Statement of Changes in Equity**

Line No.	2021/22 Basic overall rate change of -10.5% (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021FB	2022F	2023F	2024F	2025F
1							
2	EXTENSION	2019/20A	2020/21FB	2021/22F	2022/23F	2023/24F	2024/25F
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	104,983	142,866	77,996	95,078	97,783	99,593
6	Net Income (Loss) from annual operations	37,883	51,788	42,030	37,914	39,800	43,927
7	Premium Rebate	-	(52,000)	-	-	-	-
8	Transfer (to) / from Basic Retained Earnings	-	(64,659)	(24,948)	(35,209)	(37,991)	(40,287)
9	Total Retained Earnings	142,866	77,995	95,078	97,783	99,592	103,233
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(3,966)	(2,367)	(1,948)	(678)	795	2,099
12	Other Comprehensive Income	1,599	419	1,271	1,472	1,304	1,178
13	Total Accumulated Other Comprehensive Income	(2,367)	(1,948)	(677)	794	2,099	3,277
14	Total Equity Balance	140,499	76,048	94,400	98,578	101,692	106,510
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	140,499	76,048	94,400	98,578	101,692	106,510
17	Less: Assets Requiring 100% Capital	2,979	3,432	5,378	6,090	5,910	5,104
18	Capital Available	137,520	72,616	89,022	92,488	95,782	101,406
19	Minimum Capital Required (100% MCT)	42,340	36,308	44,511	46,245	47,892	50,704
20	MCT Ratio (%)	325%	200%	200%	200%	200%	200%

b) Acknowledged.

PUB (MPI) 1-4

Part and Chapter:	Part II	Page No.:	12-15
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	CERP changes		
Sub Topic:			

Preamble to IR:

MPI provides illustrative examples of the customer impact and rate neutrality of the changes in Basic and Extension coverages.

Question:

- a) Please confirm that as an illustrative example of customer rate impact, given the other changes proposed in the Application, actual customer impact may not be revenue neutral.
- b) Please explain why the Corporation has chosen to opt in customers, who currently take Basic as a default, to an Extension product.
- c) Please explain how the Corporation determined the split between customers that who would select the 200+ versus 200 level deductibles.
- d) Please explain how the Corporation determined its estimate of the number of current Basic customers who will select the new Basic coverage.

Rationale for Question:

To understand the impact of the CERP on ratepayers.

RESPONSE:

a) Confirmed. The illustrative example is to show that the intended impact of the product change only will be rate neutral for the customer. Actual customer impact will not be rate neutral when all the other proposed changes (Basic overall rate change before product changes, capital release, and Extension overall rate change) are considered.

b) Per *BAC Chapter, pages 11 and 12*, customers will be:

"assigned coverage that is the most comparable to their existing previously selected coverage"

so that the transition:

"will be seamless for most customers and will not significantly increase the volume of customer visits to brokers."

Customers will have 45 days to visit a broker if they want to change their assigned coverage.

c) MPI judgmentally assumed that most customers currently selecting the \$200 deductible will select the new \$200+ deductible since it offers the same coverage as the current \$200 deductible and is rate neutral for the customer.

d) MPI judgmentally assumed that 75% of customers currently selecting the \$500 deductible will select the new \$750 deductible option. MPI's expectation is that most of the customers in this group will choose the lowest cost option available to them (since they are currently doing so), thereby assuming the additional financial risk in the event of a loss.

PUB (MPI) 1-5

Part and Chapter:	Part II Part V REV Appendix 4	Page No.:	12
PUB Approved Issue No:	1. Requested vehicle rate and any changes to other fees and discounts 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Extension Financial Forecasts		
Sub Topic:	CERP Changes		

Preamble to IR:

MPI states that it is expected that the product changes will result in a rate decrease (-3.0%) for Basic and a rate increase (+17.0%) for Extension. In filing Part V Rev Appendix 4, the indicated Extension rate change in 2021/22 is +9.5%.

Question:

Please reconcile the information in Part II p. 12 with Part V REV Appendix 4, with respect to the impact of the CERP on Extension rates.

Rationale for Question:

To better understand the impact of the CERP on Extension rates.

RESPONSE:

Extension overall rate change for 2021/22 before product changes is -7.5%. The impact of the product changes is +17.0%, resulting in +9.5% after product changes.

PUB (MPI) 1-6

Part and Chapter:	Part V – Pro Formas	Page No.:	4-6
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts		
Topic:	Statement of Operations		
Sub Topic:			

Preamble to IR:

A comparison of PF-1, PF-2, and PF-3 with similar exhibits filed in the 2020 Special Rebate Application results in significant differences noted for 2019/2020 and 2020/21.

Question:

- a) Please reconcile differences, using an alternative PF-4 and PF-5 comparing the 2020 Special Rebate Application with the 2021 GRA.
- b) Please provide greater explanation for changes to DPAC, Claims Incurred – Interest Rate Impact, Investment Income – Interest Rate Impact, and Other Comprehensive Income for the Year.

Rationale for Question:

To understand movement in financial performance and position for 2019/20 and 2020/21 from the 2020 Special Rebate Application to the 2021 GRA.

RESPONSE:

- a) Please see PF-4 and PF-5 below:

Figure 1 PF.4 Statement of Operations – 2019/20 Comparative

Line No.		2021 Special Rebate			Ref.	Increase / (Decrease)
		Application 2019-20P	2021 GRA 2019-20A	Inc (dec)		
		\$	\$	\$		%
1	(C\$ 000s, except where noted)					
2	Net Premiums Written					
3	Motor Vehicles	1,062,979	1,055,113	(7,866)		(0.7)
4	Drivers	67,421	66,411	(1,010)		(1.5)
5	Reinsurance Ceded	(14,182)	(14,099)	83		(0.6)
6	Total Net Premiums Written	1,116,218	1,107,425	(8,793)	(1)	(0.8)
7	Net Premiums Earned					
8	Motor Vehicles	1,035,999	1,036,651	652		0.1
9	Drivers	67,064	66,733	(331)		(0.5)
10	Reinsurance Ceded	(14,182)	(14,099)	83		(0.6)
11	Total Net Premiums Earned	1,088,881	1,089,285	404		0.0
12	Service Fees & Other Revenues	27,182	27,161	(21)		(0.1)
13	Total Earned Revenues	1,116,063	1,116,446	383		0.0
14	Net Claims Incurred	789,795	787,799	(1,996)		(0.3)
15	DPAC \ Premium Deficiency Adjustment	(1,801)	(17,406)	(15,606)		866.7
16	(a) Claims Incurred - Interest rate impact	59,785	(8,938)	(68,723)		(115.0)
17	Total Claims Incurred	847,779	761,455	(86,325)	(2)	(10.2)
18	Claims Expense	131,025	132,028	1,003	(4)	0.8
19	Road Safety/Loss Prevention	11,222	12,030	808	(4)	7.2
20	Total Claims Costs	990,026	905,513	(84,514)		(8.5)
21	Expenses					
22	Operating	69,636	69,859	223	(4)	0.3
23	Commissions	42,475	42,332	(143)		(0.3)
24	Premium Taxes	33,092	33,102	10		0.0
25	Regulatory/Appeal	4,150	4,647	497	(4)	12.0
26	Total Expenses	149,353	149,940	587		0.4
27	Underwriting Income (Loss)	(23,316)	60,993	84,310		(361.6)
28	Investment Income	53,606	54,159	553		1.0
29	(b) Investment Income - Interest rate impact	80,528	5,455	(75,073)		(93.2)
30	Total Investment Income	134,134	59,614	(74,520)	(3)	(55.6)
31	Gain (Loss) on Sale of Property					
32	Net Income (Loss)	110,818	120,607	9,790		8.8
33	Allocated Corporate Expenses					
34	Claims Expense	131,025	132,028	1,003		0.8
35	Road Safety/Loss Prevention	11,222	12,030	808		7.2
36	Operating	69,636	69,859	223		0.3
37	Regulatory/Appeal	4,150	4,647	497		12.0
38	Total Allocated Corporate Expenses	216,033	218,564	2,531		1.2
39	Allocated Corporate Expenses					
40	Normal Operations	213,866	213,340	(526)	(4)	(0.2)
41	Initiatives Implementation	4,982	5,225	243	(4)	4.9
42	Initiatives Ongoing	-	-	-		
43	Total Allocated Corporate Expenses	218,848	218,564	(284)		(0.1)
44	*Total net positive impact due to interest rates	20,743	14,393	(6,350)		(30.6)

Figure 2 PF.4 Explanation of Significant Variance – 2019/20 Comparative

Line No.	Ref.	Category	(C\$ 000s)	Explanation
1	(1)	Net Premiums Written	1,116,218	2021 Special Rebate Application
2			(535)	Lower volume on motor vehicles
3			(6,294)	Lower than expected premium related to upgrade and other
4			(1,010)	Lower driver premiums primarily related to volume and DSR discount
5			(954)	Higher than expected fleet and anti-theft rebate
6			1,107,425	2021 GRA
7	(2)	Net Claims Incurred	847,779	2021 Special Rebate Application
8			(68,723)	Decreased Interest Rate Impact
9			(15,605)	Decreased Write Down DPAC
10			(6,462)	Decreased Collision claims
11			(3,377)	Decreased Comprehensive claims
12			(2,511)	Other Impacts
13			8,279	Increased ILAE
14			1,963	Increased Property Damage Claims
15			112	Increased PIPP and Liability claims
16			761,455	2021 GRA
17	(3)	Investment Income	134,134	2021 Special Rebate Application
18			(75,073)	Lower than expected interest rate impact
20			553	Other investment income
21			59,614	2021 GRA
22	(4)	Allocated Corporate Expenses	216,033	2021 Special Rebate Application*
23			2,531	Due to items including salaries, initiatives, data processing etc
24			218,564	2021 GRA
25				* Detail not readily available for 2019/20 due to amounts based on projections

Figure 3 PF.5 Statement of Operations – 2020/21 Comparative

Line No.		2021 Special Rebate			Ref.	Increase / (Decrease) %
		Application 2020-21B	2021 GRA 2020-21FB	Inc (dec)		
1	(C\$ 000s, except where noted)	\$	\$	\$		
2	Net Premiums Written					
3	Motor Vehicles	1,095,558	1,079,495	(16,063)		(1.5)
4	Drivers	67,980	67,146	(834)		(1.2)
5	Reinsurance Ceded	(13,608)	(13,615)	(7)		0.1
6	Total Net Premiums Written	1,149,930	1,133,026	(16,904)	(1)	(1.5)
7	Net Premiums Earned					
8	Motor Vehicles	1,081,546	1,067,604	(13,942)		(1.3)
9	Drivers	67,787	66,781	(1,006)		(1.5)
10	Reinsurance Ceded	(13,607)	(13,615)	(8)		0.1
11	Total Net Premiums Earned	1,135,726	1,120,770	(14,956)		(1.3)
12	Service Fees & Other Revenues	28,654	28,208	(446)		(1.6)
13	Total Earned Revenues	1,164,380	1,148,978	(15,402)		(1.3)
14	Net Claims Incurred	830,781	820,094	(10,687)		(1.3)
15	DPAC \ Premium Deficiency Adjustment	(8,353)	(8,509)	(156)		1.9
16	(a) Claims Incurred - Interest rate impact	15,499	35,326	19,827		127.9
17	Total Claims Incurred	837,927	846,911	8,984	(2)	1.1
18	Claims Expense	146,830	143,490	(3,340)	(4)	(2.3)
19	Road Safety/Loss Prevention	14,004	11,234	(2,770)	(4)	(19.8)
20	Total Claims Costs	998,761	1,001,635	2,874		0.3
21	Expenses					
22	Operating	74,207	71,865	(2,342)	(4)	(3.2)
23	Commissions	44,171	43,823	(348)		(0.8)
24	Premium Taxes	32,740	32,292	(448)		(1.4)
25	Regulatory/Appeal	5,122	5,120	(2)	(4)	(0.0)
26	Total Expenses	156,240	153,100	(3,140)		(2.0)
27	Underwriting Income (Loss)	9,379	(5,757)	(15,136)		(161.4)
28	Investment Income	83,964	83,796	(168)		(0.2)
29	(b) Investment Income - Interest rate impact	1,824	575	(1,249)		(68.5)
30	Total Investment Income	85,788	84,371	(1,417)	(3)	(1.7)
31	Net Income (Loss) from Annual Operations	95,167	78,614	(16,553)		(17.4)
32	Premium Rebate	(58,000)	(58,000)	-		-
33	Net Income (Loss) after Premium Rebate	37,167	20,614	(16,553)		(44.5)
34	Allocated Corporate Expenses					
35	Claims Expense	146,830	143,490	(3,340)		(2.3)
36	Road Safety/Loss Prevention	14,004	11,234	(2,770)		(19.8)
37	Operating	74,207	71,865	(2,342)		(3.2)
38	Regulatory/Appeal	5,122	5,120	(2)		(0.0)
39	Total Allocated Corporate Expenses	240,163	231,709	(8,454)		(3.5)
40	*Total impact due to interest rates	(13,675)	(34,751)	(21,076)		154.1

Figure 4 PF.5 Explanation of Significant Variance – 2020/21 Comparative

Line No.	Ref.	Category	(C\$ 000s)	Explanation
1	(1)	Net Premiums Written	1,149,930	2021 Special Rebate Application
2			(9,956)	Lower than expected premium related to volume
3			(6,864)	Lower than expected premium related to upgrade and other
4			(834)	Lower driver premiums primarily related to volume and DSR discount
5			751	Lower than forecasted fleet and anti-theft rebate
6			1,133,026	2021 GRA
7	(2)	Net Claims Incurred	837,927	2021 Special Rebate Application
8			(8,177)	Lower forecasted ILAE
9			(3,517)	Lower forecast for Collision claims
10			(822)	Lower forecasted Property Damage claims
11			(156)	Lower forecasted Write Down DPAC
12			19,827	Increased forecasted Interest Rate Impact
13			1,733	Increased forecast for Comprehensive claims
14			96	Increased forecast for PIPP and Liability claims
15			846,911	2021 GRA
16	(3)	Investment Income	85,788	2021 Special Rebate Application
17			2,515	Higher than expected interest income
18			(1,249)	Lower than expected interest rate impact on marketable bonds
19			(1,526)	Lower than expected equity investment income
20			(1,188)	Lower than expected alternative investment income
21			31	Other
22			84,371	2021 GRA
23	(4)	Allocated Corporate Expenses	240,163	2021 Special Rebate Application
24			(707)	Lower than expected Salaries
25			(1,160)	Lower than expected Data Processing
26			(443)	Lower than expected Building Expenses
27			(481)	Lower than expected Travel & Vehicle Expense
28			(884)	Lower than expected Advertising and Public Info
29			(1,050)	Lower than expected Driver Education Program
30			(1,003)	Lower than expected Loss Prevention and Safety Program
31			(1,220)	Lower than expected Special Services
32			(709)	Lower than expected Furniture and Equipment
33			(797)	All Other
34			231,709	2021 GRA

b) At the time of filing the 2020 Special Rebate Application, the March 2020 Appointed Actuary Report was not finalized and therefore the forecasted DPAC for 2019/20 was used. The 2021 GRA includes the DPAC from the March 2020

Appointed Actuary's Report and the variances are explained in Claims Incurred CI.12.5. There was no material change to the forecasted DPAC in 2020/21.

The Bank of Canada 10 year bond benchmark yield fell 43 bps from February 28, 2020 to March 31, 2020. However, benchmark spreads have widened by approximately 43 bps for provincial bonds and 138 bps for corporate bonds during the same period. The drop in the benchmark yield, offset by the increase (widening) of spreads, has caused the value of the marketable bond portfolio to decrease, resulting in a negative interest rate impact on investments for 2019/20 in the 2021 GRA forecast.

As a result of the net increase in yields of the marketable bond portfolio as explained above, the claims discount rate also increased 31 bps from 2.78% to 3.09% which resulted in a \$68.7 million decrease to net claims incurred in 2019/20. The discount rate is assumed to fall 16 bps in 2020/21. This is 9 bps lower than the assumed decreased in the 2020 Special Rebate Application, which resulted in a \$19.8 million unfavourable impact to net claims incurred.

Figure 5 Claims Discount Rate - Comparative

Line No.		2021 Special Rebate Application	2021 GRA	Inc (dec)
1	2019/20	2.78%	3.09%	0.31%
2	2020/21	2.71%	2.93%	0.22%
3	2021/22	2.65%	2.90%	0.25%
4	2022/23	2.59%	2.85%	0.25%
5	2023/24	2.54%	2.80%	0.26%
6	2024/25	2.49%	2.76%	0.27%

In regards to Other Comprehensive Income, please see Figures 2 and 3 for a Statement of Comprehensive Income Comparative between the 2020 Special Rebate Application and the 2021 GRA for 2019/20 and 2020/21, respectively. The most notable difference between forecasts exists in Figure 3, where 2020/21 Other Comprehensive Income is \$22.2 million lower in the 2021 GRA forecast. This is due to the forecasting assumption within the Special Rebate Application where MPI used February 28, 2020 investment asset values and the underlying Accumulated

Other Comprehensive Income on those Available For Sale assets to project the Other Comprehensive Income for the 2020/21 year.

Figure 6 Statement of Comprehensive Income - 2019/20 Comparative

Line No.		2021 Special Rebate Application 2019-20P	2021 GRA 2019-20A	Inc (dec)
1	<i>(\$C000's, rounding may affect totals)</i>			
2	Net Income from Operations	110,818	120,607	9,789
3	Other Comprehensive Income (Loss)			
4	Items that will not be reclassified to income			
5	Remeasurement of Employee Future Benefits	15,057	16,517	1,460
6	Items that will be reclassified to income			
7	Net unrealized gains (losses) on Available for Sale assets	(903)	(1,857)	(954)
8	Other Comprehensive Income (Loss) for the period	14,154	14,660	506
9	Total Comprehensive Income	124,972	135,267	10,295

Figure 7 Statement of Comprehensive Income - 2020/21 Comparative

Line No.		2021 Special Rebate Application 2020-21F	2021 GRA 2020-21FB	Inc (dec)
1	<i>(\$C000's, rounding may affect totals)</i>			
2	Net Income from Operations	95,167	78,615	(16,553)
3	Other Comprehensive Income (Loss)			
4	Items that will not be reclassified to income			
5	Remeasurement of Employee Future Benefits	-	-	-
6	Items that will be reclassified to income			
7	Net unrealized gains (losses) on Available for Sale assets	30,029	7,810	(22,219)
8	Other Comprehensive Income (Loss) for the period	30,029	7,810	(22,219)
9	Total Comprehensive Income	125,196	86,425	(38,771)

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Part and Chapter:	Part II, Part V – Pro Formas	Page No.:	12, 14
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Impact of CERP		
Sub Topic:			

Preamble to IR:

MPI has provided the impact of changes to coverage in the Pro Formas and other sections of the 2021 GRA.

Question:

Please provide greater numerical details of the calculations underlying the estimated impact of the changes to coverages. Please include information for each coverage splitting claims by appropriate size of loss distribution (showing claim count and amount below the existing deductible, below the new deductible, and above the new deductible and similarly for increases in limits) by accident year (which should reconcile to other data included in the 2021 GRA) in order to be able to review the reasonableness of the calculations of the impact.

Rationale for Question:

To review the reasonableness of the estimated impact of changes in coverage.

RESPONSE:Increase Basic Deductible – Historical and Forecasted Impacts:

For the increase in Basic deductible, MPI determined the forecasted total savings by taking the product of the forecasted number of claims and the forecasted savings per claim (by peril). Trending the total savings was not appropriate since the major driver of the savings was the number of claims. For simplicity, MPI did not include loss distributions separated by peril. Further, please note that MPI does not have truncated data readily available. Therefore, claim counts below the existing deductible are not included in the loss distributions. For collision claims, MPI only looked at collision claims where the party was fully at fault (liability is 100%) and where the party is partially at fault. The reasoning is that for claims that are not at fault (liability is 0%), there is no financial impact on MPI since MPI pays for the total collision loss i.e. MPI pays ground-up losses.

Figure 1 Collision Loss Distributions

Line No.	Year	Between Current Deductible & New Deductible			Greater Than New Deductible			Total
		\$150 - \$225	\$500 - \$750	\$800 - \$1,200	\$225	\$750	\$1,200	
1	Claim Count - Fully at Fault							
2		[a]	[b]	[c]	[d]	[e]	[f]	[g]
3	2013/14	2	2,067	0	73	72,034	76	74,252
4	2014/15	1	1,599	3	45	62,047	58	63,753
5	2015/16	2	1,356	1	48	62,234	61	63,702
6	2016/17	1	1,420	2	52	66,997	83	68,555
7	2017/18	0	1,212	1	44	66,757	71	68,085
8	2018/19	0	1,150	3	41	64,964	71	66,229
9	2019/20	0	1,246	3	27	64,496	66	65,838
10	Claim Amount - Fully at Fault (\$000s)							
		[h]	[i]	[j]	[k]	[l]	[m]	[n]
11	2013/14	\$0	\$303	\$0	\$90	\$245,082	\$613	\$246,088
12	2014/15	\$0	\$228	\$1	\$58	\$222,930	\$290	\$223,507
13	2015/16	\$0	\$198	\$0	\$56	\$246,408	\$601	\$247,263
14	2016/17	\$0	\$201	\$0	\$64	\$272,799	\$673	\$273,737
15	2017/18	\$0	\$171	\$0	\$60	\$289,688	\$592	\$290,512
16	2018/19	\$0	\$165	\$1	\$53	\$288,892	\$611	\$289,721
17	2019/20	\$0	\$176	\$1	\$42	\$306,274	\$671	\$307,164
18	Claim Count - Partially at Fault							
19		[o]	[p]	[q]	[r]	[s]	[t]	[u]
20	2013/14	0	128	0	0	2,481	3	2,612
21	2014/15	0	122	0	0	2,214	3	2,339
22	2015/16	0	68	0	1	2,133	1	2,203
23	2016/17	0	96	0	1	2,185	3	2,285
24	2017/18	0	74	0	0	2,041	1	2,116
25	2018/19	0	69	0	1	1,945	3	2,018
26	2019/20	0	61	0	1	1,977	3	2,042
27	Claim Amount - Partially at Fault (\$000s)							
		[v]	[w]	[x]	[y]	[z]	[aa]	[bb]
28	2013/14	\$0	\$20	\$0	\$0	\$8,128	\$186	\$8,334
29	2014/15	\$0	\$20	\$0	\$0	\$7,746	\$12	\$7,778
30	2015/16	\$0	\$10	\$0	\$0	\$8,013	\$3	\$8,026
31	2016/17	\$0	\$14	\$0	\$1	\$8,596	\$31	\$8,642
32	2017/18	\$0	\$10	\$0	\$0	\$8,354	\$1	\$8,365
33	2018/19	\$0	\$10	\$0	\$2	\$7,856	\$21	\$7,890
34	2019/20	\$0	\$9	\$0	\$1	\$9,591	\$29	\$9,630
35	Claim Amount - TPD for Partially at Fault (\$000s)							
		[cc]	[ee]	[ff]	[gg]	[hh]	[ii]	[jj]
36	2013/14	\$0	\$6	\$0	\$0	\$313	\$0	\$320
37	2014/15	\$0	\$7	\$0	\$0	\$282	\$1	\$290
38	2015/16	\$0	\$3	\$0	\$0	\$270	\$0	\$274
39	2016/17	\$0	\$5	\$0	\$0	\$279	\$1	\$285
40	2017/18	\$0	\$2	\$0	\$0	\$261	\$0	\$264
41	2018/19	\$0	\$3	\$0	\$0	\$247	\$1	\$251
42	2019/20	\$0	\$2	\$0	\$0	\$252	\$1	\$255

Collision Loss Distributions (cont'd)

Line No.	Insurance Year	Fully a Fault CERP Impact (\$000s)			Partially at Fault CERP Impact (\$000s)			Total Impact
		\$225	\$750	\$1,200	\$150	\$500	\$750	
43		$[kk]=[h]+([d]*\$75/1000)$	$[ll]=[i]+([e]*\$250/1000)$	$[mm]=[j]+([f]*\$400/1000)$	$[nn]=[v]+([r]*\$75/1000)-([cc]+[gg])$	$[oo]=[w]+([s]*\$250/1000)-([ee]+[hh])$	$[pp]=[x]+([t]*\$400/1000)-([ff]+[jj])$	$[qq]=\text{sum}([kk]:[pp])$
44	2013/14	\$6	\$18,312	\$30	\$0	\$321	\$1	\$18,669
45	2014/15	\$3	\$15,740	\$24	\$0	\$284	\$1	\$16,052
46	2015/16	\$4	\$15,757	\$25	\$0	\$270	\$0	\$16,055
47	2016/17	\$4	\$16,950	\$34	\$0	\$276	\$1	\$17,265
48	2017/18	\$3	\$16,861	\$29	\$0	\$256	\$0	\$17,149
49	2018/19	\$3	\$16,406	\$29	\$0	\$246	\$1	\$16,684
50	2019/20	\$2	\$16,300	\$27	\$0	\$249	\$1	\$16,579

Forecasted CERP Impact (\$000s)			
Insurance Year	COLLI Ult Claim	Estimated Claims at Fault*	Forecasted Impacts (\$000s)**
54	$[rr]$	$[ss] = [rr]*65.60\%$	$[ss]*\$245.50$
55	2020/21	105,405	\$16,975
56	2021/22	105,500	\$16,991
57	2022/23	105,598	\$17,006
58	2023/24	105,699	\$17,023
59	2024/25	105,803	\$17,039

60 Notes:
 61 [a]-[jj] calculated from MPI data
 62 [rr] calculate from MPI data
 63 *65.60% calculated to be the average % of claims at fault from 2015-2018
 64 **\$245.50 calculated to be the trended savings using a linear trend from 2014-2018

Figure 2 Comprehensive Loss Distributions

Line No.	Year	Between Current Deductible & New Deductible			Greater Than New Deductible			Total
		\$150 - \$225	\$500 - \$750	\$800 - \$1,200	\$225	\$750	\$1,200	
1	Comprehensive Claim Count (\$000s)							
2		[a]	[b]	[c]	[d]	[e]	[f]	[g]
3	2013/14	1	20,171	3	209	33,368	14	53,766
4	2014/15	0	20,183	4	218	33,059	14	53,478
5	2015/16	0	20,078	13	304	49,519	19	69,933
6	2016/17	1	19,840	32	284	52,434	12	72,603
7	2017/18	0	19,739	29	214	42,984	21	62,987
8	2018/19	2	19,363	26	282	52,319	21	72,013
9	2019/20	0	16,413	18	183	39,230	23	55,867
10	Comprehensive Claim Amount (\$000s)							
11		[h]	[i]	[j]	[k]	[l]	[m]	[n]
12	2013/14	\$0	\$2,732	\$0	\$301	\$74,305	\$109	\$77,449
13	2014/15	\$0	\$2,863	\$0	\$319	\$69,638	\$62	\$72,881
14	2015/16	\$0	\$2,953	\$1	\$450	\$122,693	\$186	\$126,282
15	2016/17	\$0	\$2,946	\$3	\$437	\$121,594	\$37	\$125,018
16	2017/18	\$0	\$2,883	\$4	\$322	\$72,252	\$287	\$75,748
17	2018/19	\$0	\$2,811	\$3	\$432	\$117,831	\$147	\$121,224
18	2019/20	\$0	\$2,206	\$1	\$289	\$77,732	\$203	\$80,431
19	Increase in Comprehensive Deductible - CERP Impact (\$000s)							
20								
21								
22								
23								
24	Year	\$225	\$750	\$1,200	Total			
25		[o]=	[p]=	[q]=	[r]=			
26		[h]+([d]*\$75/1000)	[i]+([e]*\$250/1000)	[j]+([f]*\$400/1000)	[o]+[p]+[q]			
27	2013/14	\$15.74	\$11,074.38	\$5.89	\$11,096			
28	2014/15	\$16.35	\$11,127.46	\$5.86	\$11,150			
29	2015/16	\$22.80	\$15,332.41	\$8.17	\$15,363			
30	2016/17	\$21.35	\$16,054.23	\$8.26	\$16,084			
31	2017/18	\$16.05	\$13,629.32	\$12.21	\$13,658			
32	2018/19	\$21.23	\$15,890.59	\$11.55	\$15,923			
33	2019/20	\$13.73	\$12,013.66	\$10.36	\$12,038			
34	Forecasted CERP Impact (\$000s)							
35	Insurance Year	COMP Ult Claim	Forecasted Impacts (\$000s)*					
36		[s]	[s]*\$217.50					
37	2020/21	72,807	\$15,836					
38	2021/22	74,634	\$16,235					
39	2022/23	76,521	\$16,646					
40	2023/24	78,471	\$17,070					
41	2024/25	80,486	\$17,508					
42	Notes:							
43	[a]-[n] calculated from MPI data							
44	[s] calculate from MPI data							
45	*forecasted savings calculated here differs from GRA submission due to simplification of calculation (i.e. not split by peril)							
46	\$217.50 is the average savings per claim for 2013-2018							

Comprehensive loss distributions:

Increase Basic Third Party Liability (TPL) – Historical and Forecasted Impacts:

For the increase in Basic TPL limit, the major driver of the increased loss costs is the limited number of TPL claims that will exceed the current TPL limit of \$200,000. In addition, MPI does not have censored data. Therefore, for claims that are censored, MPI applied an estimated amount above the Basic limit calculated to be the average increase in loss costs. Finally, MPI determined the forecasted additional loss costs to be the total average historical indications, excluding the most recent year (i.e. 2013-2018). Please note that due to the large fluctuations in loss costs, trend was not applied. The tables below show the loss distributions for claim counts and amounts followed by the impact from increasing the Basic TPL.

Figure 3 Third Party Deductible Loss Distributions

Third Party Liability (TPL) - Claim Count

Line No.	Accident Year	Less Than \$200,000	Censored Claims (\$200,000)	\$200,000 to \$500,000	Greater Than \$500,000
1		[a]	[b]	[c]	[d]
2	2013/14	43,678	0	6	2
3	2014/15	38,312	1	6	6
4	2015/16	38,208	0	4	1
5	2016/17	39,306	1	5	1
6	2017/18	40,160	2	9	4
7	2018/19	38,339	0	8	1
8	2019/20	35,952	0	0	1

Third Party Liability - Claim Amounts (\$000)

Line No.	Accident Year	Less Than \$200,000	Censored Claims (\$200,000)	\$200,000 to \$500,000	Greater Than \$500,000
12		[e]	[f]	[g]	[h]
13	2013/14	\$47,623	\$0	\$1,804	\$1,595
14	2014/15	\$42,523	\$356	\$1,511	\$3,638
15	2015/16	\$43,933	\$0	\$1,340	\$1,871
16	2016/17	\$47,083	\$356	\$1,205	\$698
17	2017/18	\$47,459	\$711	\$2,843	\$4,029
18	2018/19	\$43,585	\$0	\$2,506	\$4,991
19	2019/20	\$34,850	\$0	\$0	\$600

Third Party Liability - CERP Impact (\$000)

Line No.	Accident Year	\$200,000 to \$500,000*	Censored Claims (\$200,000)	Total Impact
23		[i]= [[f]+[g]]-[(b)+[c]]*200	[j]= [d]*300	[i]+[j]
24	2013/14	\$604	\$600	\$1,204
25	2014/15	\$467	\$1,800	\$2,267
26	2015/16	\$540	\$300	\$840
27	2016/17	\$361	\$300	\$661
28	2017/18	\$1,355	\$1,200	\$2,555
29	2018/19	\$906	\$300	\$1,206
30	2019/20	\$0	\$300	\$300
31	2020/21			\$1,500
32	2021/22			\$1,500
33	2022/23			\$1,500
34	2023/24			\$1,500
35	2024/25			\$1,500

36 Notes:
37 [a]-[h] calculated from MPI data
38 *Including censored claims

Increase Basic Maximum Insured Value (MIV) – Historical and Forecasted Impacts:

The major driver of the increased loss costs is the few collision or comprehensive claims that will exceed the current MIV of \$50,000. In addition, MPI does not have censored data. Therefore, for claims that are censored, MPI applied an estimated amount above the Basic limit calculated to be the average Basic payouts greater than \$50,000. MPI assumed that policies do not purchase Extension MIV because the actual cash value of the vehicle is close to the current Basic limit of \$50,000. Using the same logic as TPL (averaging the increase in loss costs), the total impact will be overstated. To determine the forecasts, MPI first determined the revised loss costs for 2018 to be the average of the trended historical indications. Finally, the forecasted loss costs were determined by trending the 2018 additional loss costs by 10% annually (based on the 2020 Extension ratemaking). The tables below show the loss distributions for claim counts and amounts followed by the impact from increasing the Basic MIV.

Figure 4 Maximum Insured Value Loss Distributions

Maximum Insured Value (MIV) - Claim Count

Line No.	Accident Year	Less Than \$50,000	Censored Claims (\$50,000)	\$50,000 to \$70,000	Greater Than \$70,000
		[a]	[b]	[c]	[d]
2	2013/14	171,079	3	21	8
3	2014/15	155,437	6	25	8
4	2015/16	172,025	6	38	21
5	2016/17	180,635	7	39	11
6	2017/18	171,020	12	47	25
7	2018/19	176,734	7	68	28
8	2019/20	148,835	19	50	14

Maximum Insured Value (MIV) - Claim Amounts (\$000)

Line No.	Accident Year	Less Than \$50,000	Censored Claims (\$50,000)	\$50,000 to \$70,000	Greater Than \$70,000
		[e]	[f]	[g]	[h]
13	2013/14	\$468,315	\$159	\$1,229	\$876
14	2014/15	\$428,264	\$318	\$1,410	\$681
15	2015/16	\$515,366	\$335	\$2,183	\$1,808
16	2016/17	\$552,464	\$376	\$2,232	\$1,012
17	2017/18	\$523,017	\$669	\$2,688	\$2,764
18	2018/19	\$563,119	\$388	\$3,917	\$2,669
19	2019/20	\$512,268	\$1,092	\$2,911	\$1,189

Maximum Insured Value (MIV) - CERP Impact (\$000)

Line No.	Accident Year	\$50,000 to \$70,000*	Greater Than \$70,000	Basic Top Up	Total Impact	Trend Factor of 27%	Trended Impact
		[i]= [[f]+[g]]-[[b]+[c]]*50]	[j]= [d]*20	[k]	[l]= [i]+[j]+[k]	[m]	[l]*[m]
24	2013/14	\$189	\$160	\$0	\$349	3.362	\$1,173
25	2014/15	\$178	\$160	\$6	\$345	2.638	\$910
26	2015/16	\$318	\$420	\$23	\$761	2.070	\$1,575
27	2016/17	\$308	\$220	\$0	\$529	1.624	\$859
28	2017/18	\$407	\$500	\$18	\$925	1.274	\$1,179
29	2018/19	\$555	\$560	\$18	\$1,133	1.000	\$1,133
30	2019/20	\$553	\$280	\$8	\$841		\$1,320
31	2020/21						\$1,464 **
32	2021/22						\$1,610
33	2022/23						\$1,771
34	2023/24						\$1,948
35	2024/25						\$2,143

Notes:

[a]-[h] calculated from MPI data

[k] additional top up to basic from claims where maximum transfer to basic (\$20,000) was reached, however, basic limit (\$50,000) was not satisfied

[m] trend factor determined based on exponential fit from 2013/14 - 2018/19 total impact

*including censored claims

**trended to 13 months

PUB (MPI) 1-8

Part and Chapter:	Part V- Claims Incurred	Page No.:	21, 26, 31, 40
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP)		
Topic:	Claims Incurred		
Sub Topic:			

Preamble to IR:

Question:

- a) For the incurred claims severity trend analyses for Weekly Indemnity, Accident Benefits Other – Indexed, Accident Benefits Other – Non-Indexed, and Public Liability – Bodily Injury, please calculate severity trends on the annual severities, using the same number of accident years as were used in the 2021 GRA, but without splitting the claims into different severity groups.

- b) Please provide the results of an alternate analysis of the Basic rate requirement (overall and by Major Use classification) assuming the severity trends as calculated above are used. Please include alternate AAP rate indications, with supporting schedules as appropriate.

Rationale for Question:

To gain further insight into the selection of the severity trends.

RESPONSE:

- a) See the figures below for the revised severity growth factors without splitting into different severity groups.

Figure 1 Weekly Indemnity Ultimate Severity

Line No.	Accident Year	Average Severity \$0+
1	2002/03	\$30,808
2	2003/04	\$29,454
3	2004/05	\$25,455
4	2005/06	\$33,114
5	2006/07	\$38,138
6	2007/08	\$39,688
7	2008/09	\$42,760
8	2009/10	\$39,098
9	2010/11	\$49,754
10	2011/12	\$49,343
11	2012/13	\$44,919
12	2013/14	\$39,833
13	2014/15	\$45,283
14	2015/16	\$50,954
15	2016/17	\$52,267
16	2017/18	\$49,509
17	2018/19	\$49,601
18	2019/20*	\$57,022
19	Severity Growth	3.99%
20	Total Incurred	\$1,271,371,399
21	Weighted Average Severity Growth	3.99%
22	Indexation	2.00%
23	Total Severity Growth	5.99%
24	*13 month period ending March 31, 2020	

Figure 2 ABO-Indexed Ultimate Severity

Line No.	Accident Year	Average Severity \$0+
1	2002/03	\$5,658
2	2003/04	\$4,971
3	2004/05	\$5,792
4	2005/06	\$5,395
5	2006/07	\$5,984
6	2007/08	\$6,311
7	2008/09	\$5,146
8	2009/10	\$5,720
9	2010/11	\$5,005
10	2011/12	\$5,851
11	2012/13	\$5,236
12	2013/14	\$4,404
13	2014/15	\$4,825
14	2015/16	\$5,584
15	2016/17	\$6,233
16	2017/18	\$5,914
17	2018/19	\$6,019
18	2019/20*	\$5,618
19	Severity Growth	-0.09%
20	Total Incurred	\$1,020,393,446
21	Weighted Average Severity Growth	-0.09%
22	Indexation	2.00%
23	Total Severity Growth	1.91%
24	*13 month period ending March 31, 2020	

Figure 3 ABO-Non Indexed Ultimate Severity

Line No.	Accident Year	Average Severity \$0+
1	2002/03	\$18,439
2	2003/04	\$16,787
3	2004/05	\$17,534
4	2005/06	\$19,663
5	2006/07	\$20,703
6	2007/08	\$20,153
7	2008/09	\$20,082
8	2009/10	\$20,928
9	2010/11	\$21,402
10	2011/12	\$20,334
11	2012/13	\$21,148
12	2013/14	\$22,212
13	2014/15	\$25,533
14	2015/16	\$22,180
15	2016/17	\$20,928
16	2017/18	\$19,928
17	2018/19	\$19,926
18	2019/20*	\$22,352
19	Severity Growth	1.45%
20	Total Incurred	\$478,901,995
21	Weighted Average Severity Growth	1.45%
22	Indexation	0.00%
23	Total Severity Growth	1.45%
24	*13 month period ending March 31, 2020	

b) Please see *Figure 4* below which shows the breakeven rate indication and capital release provision based on the scenario requested.

Figure 4 Overall Required Rate Change and Forecasted MCT Ratio

Line No.	New Money Yield	AAP Breakeven Rate Indication	Capital Build / (Release) Provision	MCT % After AAP Breakeven Rate Indication			MCT % After AAP Breakeven Rate Indication and Transfer from Extension		MCT % After AAP Breakeven Rate Indication and Transfer from Extension and Capital Build / Release	
				20/21	21/22	22/23	21/22	22/23	21/22	22/23
1	2.58%	-4.41%	-4.10%	117.5%	111.2%	107.9%	116.8%	120.8%	112.0%	105.8%

The following supporting schedules are based on the alternate severity scenario requested.

Figure 5 PF-1 Statement of Operations

Multi-year - Statement of Operations

Line No.	2021 GRA Base with Claims Scenario PUB 1-8(b) with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,079,495	1,028,785	1,066,157	1,105,040	1,144,782
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,133,026	1,082,992	1,121,203	1,161,005	1,201,633
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,067,604	1,053,516	1,047,931	1,086,077	1,125,400
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,120,770	1,107,251	1,102,422	1,141,445	1,181,666
12	Service Fees & Other Revenues	27,161	28,208	27,578	29,144	30,833	32,641
13	Total Earned Revenues	1,116,446	1,148,978	1,134,829	1,131,566	1,172,278	1,214,307
14	Claims Incurred	787,799	825,549	911,522	933,986	974,004	1,013,520
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(8,509)	1,298	(1,890)	4,643	14,216
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	35,430	7,811	13,323	10,821	11,053
17	Total Claims Incurred	761,455	852,470	920,631	945,419	989,468	1,038,789
18	Claims Expense	132,028	143,490	143,262	146,906	154,359	153,858
19	Road Safety/Loss Prevention	12,030	11,234	13,631	13,512	13,571	13,366
20	Total Claims Costs	905,513	1,007,194	1,077,524	1,105,837	1,157,398	1,206,013
21	Expenses						
22	Operating	69,859	71,865	72,065	75,962	79,981	80,029
23	Commissions	42,332	43,823	43,723	43,562	45,070	46,625
24	Premium Taxes	33,102	32,292	33,634	33,498	34,677	35,892
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,294	5,392
26	Total Expenses	149,940	153,100	154,582	158,223	165,022	167,938
27	Underwriting Income (Loss)	60,993	(11,316)	(97,277)	(132,494)	(150,142)	(159,644)
28	Investment Income	54,159	83,796	89,262	91,874	90,732	91,936
29	(b) Investment Income - Interest Rate Impact	5,455	575	313	146	63	14
30	Net Investment Income	59,614	84,371	89,575	92,020	90,795	91,950
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	73,055	(1,705)	(40,474)	(59,347)	(67,694)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	15,055	(1,705)	(40,474)	(59,347)	(67,694)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,855)	(7,498)	(13,177)	(10,758)	(11,039)

Figure 6 PF-2 Statement of Financial Position

Multi-year - Statement of Financial Position

Line No.	2021 GRA Base with Claims Scenario PUB 1-8(b) with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	57,868	54,007	49,809	51,230	52,676
5	Investments	2,648,873	2,964,904	3,068,399	3,175,269	3,288,195	3,413,282
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	413,919	406,451	419,864	433,870	448,216
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	30,972	30,080	33,182	29,800	16,873
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,994	70,074	67,750	58,574
15	Total Assets	3,417,912	3,621,554	3,738,426	3,867,725	3,988,235	4,100,796
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	582,458	559,746	580,193	601,542	623,436
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	347,934	360,191	372,329	384,561	397,192
23	Provision for unpaid claims	2,031,336	2,102,285	2,198,144	2,293,261	2,392,412	2,493,650
24	Total Liabilities	3,011,685	3,127,804	3,214,720	3,345,223	3,483,388	3,619,697
25	Equity						
26	Retained Earnings	440,522	520,236	543,804	538,444	517,152	489,916
27	Accumulated Other Comprehensive Income	(34,296)	(26,486)	(20,098)	(15,942)	(12,304)	(8,816)
28	Total Equity	406,226	493,750	523,706	522,502	504,848	481,100
29	Total Liabilities & Equity	3,417,911	3,621,554	3,738,426	3,867,725	3,988,236	4,100,797

Figure 7 PF-3 Statement of Changes in Equity

		Multi-year - Statement of Changes in Equity						
Line	No.	<i>For the Years Ended March 31,</i>						
	<i>2021 GRA Base with Claims Scenario PUB 1-8(b) with RI and CMP</i>	2020A	2021BF	2022F	2023F	2024F	2025F	
	1	<i>(C\$ 000s, rounding may affect totals)</i>						
	2	BASIC						
	3	Total Equity						
	4	Retained Earnings						
	5	Beginning Balance	319,914	440,522	520,236	543,804	538,444	517,152
	6	Net Income (Loss) from annual operations	120,607	73,056	(1,707)	(40,472)	(59,347)	(67,694)
	7	Premium Rebate	-	(58,000)	-	-	-	-
	8	Transfer (to) / from Non-Basic Retained Earnings	-	64,659	25,275	35,113	38,054	40,459
	9	Total Retained Earnings	440,522	520,236	543,804	538,444	517,152	489,916
	10	Total Accumulated Other Comprehensive Income						
	11	Beginning Balance	(48,956)	(34,296)	(26,486)	(20,098)	(15,942)	(12,304)
	12	Other Comprehensive Income on Available for Sale Assets	14,660	7,810	6,388	4,156	3,638	3,488
	13	Total Accumulated Other Comprehensive Income	(34,296)	(26,486)	(20,098)	(15,942)	(12,304)	(8,816)
	14	Total Equity Balance	406,226	493,750	523,706	522,503	504,848	481,100
	15	MINIMUM CAPITAL TEST (C\$ 000s)						
	16	Total Equity Balance	406,226	493,750	523,706	522,503	504,848	481,100
	17	Less: Assets Requiring 100% Capital	34,964	39,658	61,994	70,074	67,750	58,574
	18	Capital Available	371,262	454,092	461,712	452,429	437,098	422,526
	19	Minimum Capital Required (100% MCT)	350,820	386,520	412,255	427,508	443,020	459,650
	20	MCT Ratio % (Line 17) / (Line 18)	105.8%	117.5%	112.0%	105.8%	98.7%	91.9%

Figure 8 EPF-1 Extension Statement of Operations**Multi-year - Statement of Operations**

Line No.	2021 GRA Base with Claims Scenario PUB 1-8(b) with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1	EXTENSION						
2	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
3	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
4	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
5	Net Premiums Earned						
6	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
7	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
8	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
9	Service Fees & Other Revenues	12,461	12,065	12,940	13,540	14,182	14,872
10	Total Earned Revenues	168,400	166,931	180,795	195,164	202,054	209,355
11	Net Claims Incurred	69,516	65,135	82,556	96,594	97,389	98,713
12	(a) Claims Incurred - Interest Rate Impact	-	(27)	(106)	-	-	-
13	Total Claims Incurred	69,516	65,108	82,450	96,594	97,389	98,713
14	Claims Expense	11,100	11,745	11,663	12,118	13,760	14,017
15	Road Safety/Loss Prevention	1,013	919	1,109	1,115	1,223	1,229
16	Total Claims Costs	81,629	77,772	95,222	109,827	112,372	113,959
17	Expenses						
18	Operating	8,910	7,849	8,137	8,776	9,609	9,795
19	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
20	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
21	Regulatory/Appeal	12	12	12	12	18	23
22	Total Expenses	48,445	46,060	50,333	54,621	57,029	58,879
23	Underwriting Income (Loss)	38,326	43,099	35,240	30,716	32,653	36,517
24	Investment Income	(723)	7,700	6,112	7,187	7,245	7,640
25	(b) Investment Income - Interest Rate Impact	280	989	165	4	(18)	(25)
26	Net Investment Income	(443)	8,689	6,277	7,191	7,227	7,615
27	Gain (Loss) on Sale of Property	-	-	516	-	-	-
28	Net Income (Loss) from Operations	37,883	51,788	42,033	37,907	39,880	44,132
29	Premium Rebate	-	(52,000)	-	-	-	-
30	Net Income (Loss) after premium rebate	37,883	(212)	42,035	37,906	39,881	44,131
31	Total net Impact due to interest rate change (b) - (a)	280	1,016	271	4	(18)	(25)

Figure 9 EPF-3 Extension Statement of Changes in Equity**Multi-year - Statement of Changes in Equity**

Line No.	2021 GRA Base with Claims Scenario PUB 1-8(b) with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	77,996	94,755	97,548	99,375
5	Net Income / (Loss)	37,883	51,788	42,035	37,906	39,881	44,131
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(64,659)	(25,275)	(35,113)	(38,054)	(40,459)
8	Total Retained Earnings	142,866	77,995	94,756	97,548	99,375	103,047
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(1,948)	(696)	753	2,036
11	Other Comprehensive Income on Available for Sales Assets	1,599	419	1,252	1,449	1,283	1,160
12	Total Accumulated Other Comprehensive Income	(2,367)	(1,948)	(696)	753	2,036	3,196
13	Total Equity Balance	140,499	76,048	94,059	98,301	101,411	106,244
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	76,048	94,059	98,301	101,411	106,244
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,379	6,093	5,915	5,112
17	Capital Available	137,520	72,616	88,680	92,208	95,496	101,132
18	Minimum Capital Required (100% MCT)	42,340	36,308	44,340	46,104	47,748	50,566
19	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

Figure 10 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	709.92	930.19	689.24	1,766.41	797.57	50.25	5.62
3	Claims Expense	122.69	160.76	119.12	305.27	137.84	8.68	0.97
4	Road Safety	11.31	14.96	14.96	14.96	14.96	0.00	0.00
5	Operating Expense	62.19	82.29	82.29	82.29	82.29	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	30.07	39.35	29.46	73.39	32.79	2.45	0.23
8	Prem Tax: Vehicle	27.68	36.21	27.11	67.54	30.18	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.58	19.68	19.68	19.68	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.46	76.02	76.02	76.02	76.02	0.00	0.00
16	Service Fees	25.69	33.99	33.99	33.99	33.99	0.00	0.00
17	Req Rate (Raw)	922.53	1,207.10	903.55	2,251.24	1,005.85	75.11	7.03
18	Req Rate (Bal)	910.83	1,191.79	892.09	2,222.69	993.09	74.15	6.94
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate							
22	Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
23	Full Cred Req Change	-4.4%	-5.2%	3.3%	3.0%	17.4%	-7.7%	-0.4%
24	Applied for Change	-4.4%	-5.2%	3.3%	3.0%	17.4%	-7.7%	-0.4%
25	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
26	Cred Wtd Change		-5.2%	2.4%	0.6%	12.0%	-7.6%	-0.7%
27	Cred Wtd Req Rate		1,191.87	884.62	2,171.59	946.92	74.23	6.92
28	Cred Wtd Req Rate (Bal)	910.84	1,193.80	886.06	2,175.11	948.45	74.35	6.93
29	Cred Wtd Change (Bal)		-5.0%	2.6%	0.8%	12.2%	-7.5%	-0.6%

Figure 11 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates including Capital Release Provision

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	709.92	930.19	689.24	1,766.41	797.57	50.25	5.62
3	Claims Expense	122.69	160.76	119.12	305.27	137.84	8.68	0.97
4	Road Safety	11.31	14.96	14.96	14.96	14.96	0.00	0.00
5	Operating Expense	62.19	82.29	82.29	82.29	82.29	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	30.07	39.35	29.46	73.39	32.79	2.45	0.23
8	Prem Tax: Vehicle	27.68	36.21	27.11	67.54	30.18	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.58	19.68	19.68	19.68	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.46	76.02	76.02	76.02	76.02	0.00	0.00
16	Service Fees	25.69	33.99	33.99	33.99	33.99	0.00	0.00
17	Req Rate (Raw)	922.53	1,207.10	903.55	2,251.24	1,005.85	75.11	7.03
18	Req Rate (Bal)	910.83	1,191.79	892.09	2,222.69	993.09	74.15	6.94
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate							
22	Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
23	Full Cred Req Change	-4.4%	-5.2%	3.3%	3.0%	17.4%	-7.7%	-0.4%
24	Applied for Change	-8.5%	-9.2%	-1.1%	-1.4%	12.4%	-11.7%	-4.7%
25	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
26	Cred Wtd Change		-9.2%	-1.9%	-3.7%	7.2%	-11.6%	-5.0%
27	Cred Wtd Req Rate		1,140.75	846.68	2,078.45	906.31	71.04	6.62
28	Cred Wtd Req Rate (Bal)	871.77	1,142.60	848.05	2,081.82	907.77	71.16	6.64
29	Cred Wtd Change (Bal)		-9.1%	-1.8%	-3.5%	7.3%	-11.4%	-4.8%

PUB (MPI) 1-9

Part and Chapter:	Part V- Claims Incurred	Page No.:	19, 24, 29, 38, 50
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP)		
Topic:	Claims Incurred		
Sub Topic:			

Preamble to IR:

For the incurred claims frequency trend analyses for Weekly Indemnity, Accident Benefits Other – Indexed, Accident Benefits Other – Non-Indexed, Public Liability – Bodily Injury, and Comprehensive Hail, claim counts are used rather than claim frequency per HTA unit as used for other coverages.

Question:

- a) Please explain how the changes in the underlying number of exposures over time is reflected in your analysis of the claim frequency trend for these coverages.
- b) Please explain how the Corporation has taken into account the changes in the HTA volume factor with regards to the claims count projections for the above coverages.

Rationale for Question:

To gain further insight into the selection of the future claim count projection.

RESPONSE:

- a) Please see MPI's response to [2020 GRA PUB \(MPI\) 1-6](#).

- b) As outlined in 2020 GRA PUB (MPI) 1-6, the evidence supporting a positive correlation between Highway Traffic Act (HTA) earned units and claim counts of the identified coverages is not strong. Comprehensive Hail claim counts highly depend on the size and the location of the storm. As such, MPI selected a longer term average (i.e. 10 years of claims counts) in order to smooth out any impacts a large hail storm has on rate stability.

PUB (MPI) 1-10

Part and Chapter:	Part V- Claims Incurred	Page No.:	42
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP)		
Topic:	Claims Incurred		
Sub Topic:	Collision		

Preamble to IR:

MPI states in the 2021 GRA that for Collision Repair frequency, that relative to the long-term average, the last 6 accident years have had below average Collision frequency. Some of the reduction from the past 6 years is related to mild winters; however, there has also been a reduction in summer Collision frequency over the past 7 years.

Question:

Please provide (in Excel) monthly collision frequency and severity information for each of the last 15 accident years for each of Collision Repair and Collision Total Loss frequency.

Rationale for Question:

To review the reduction of the winter and summer Collision frequencies as well as any observable differences in severity.

RESPONSE:

Please see the following figures.

Figure 1 Collision Repair Frequency

Line No.	Accident Insurance Year	April	May	June	July	August	September	October	November	December	January	February	March
1	2005	0.080	0.076	0.091	0.083	0.079	0.082	0.088	0.122	0.135	0.116	0.131	0.115
2	2006	0.081	0.083	0.092	0.082	0.078	0.090	0.103	0.119	0.131	0.159	0.165	0.112
3	2007	0.078	0.081	0.093	0.085	0.080	0.084	0.096	0.126	0.160	0.131	0.172	0.108
4	2008	0.082	0.076	0.086	0.078	0.083	0.086	0.092	0.117	0.191	0.164	0.130	0.120
5	2009	0.092	0.084	0.094	0.089	0.083	0.089	0.095	0.097	0.132	0.128	0.126	0.093
6	2010	0.084	0.085	0.098	0.086	0.086	0.096	0.100	0.131	0.144	0.180	0.144	0.127
7	2011	0.091	0.087	0.094	0.085	0.087	0.095	0.096	0.119	0.107	0.134	0.102	0.101
8	2012	0.081	0.088	0.096	0.085	0.085	0.090	0.102	0.129	0.146	0.169	0.139	0.125
9	2013	0.097	0.085	0.088	0.082	0.079	0.083	0.088	0.124	0.176	0.184	0.157	0.128
10	2014	0.085	0.077	0.081	0.082	0.075	0.083	0.084	0.110	0.108	0.121	0.124	0.094
11	2015	0.081	0.080	0.084	0.080	0.078	0.084	0.087	0.103	0.121	0.117	0.108	0.092
12	2016	0.081	0.082	0.088	0.083	0.082	0.084	0.089	0.096	0.140	0.135	0.111	0.095
13	2017	0.079	0.079	0.084	0.080	0.077	0.083	0.091	0.115	0.129	0.122	0.116	0.093
14	2018	0.079	0.079	0.079	0.077	0.076	0.080	0.087	0.102	0.109	0.127	0.149	0.090
15	2019	0.073	0.072	0.077	0.076	0.074	0.079	0.104	0.106	0.111	0.109	0.086	0.055

Figure 2 Collision Repair Severity

Line No.	Accident Insurance Year	April	May	June	July	August	September	October	November	December	January	February	March
1	2005	\$1,711	\$1,833	\$1,873	\$1,886	\$1,766	\$1,813	\$1,883	\$1,923	\$1,935	\$1,948	\$1,697	\$1,766
2	2006	\$1,721	\$1,817	\$1,823	\$1,887	\$1,937	\$1,879	\$2,009	\$2,057	\$1,919	\$1,799	\$1,761	\$1,850
3	2007	\$1,714	\$1,863	\$1,904	\$1,882	\$1,766	\$1,918	\$1,987	\$2,060	\$1,910	\$1,804	\$1,757	\$1,862
4	2008	\$1,773	\$1,748	\$1,934	\$1,919	\$1,922	\$1,948	\$1,982	\$2,178	\$1,911	\$1,874	\$1,867	\$1,819
5	2009	\$1,825	\$1,905	\$1,964	\$1,953	\$1,926	\$1,999	\$2,095	\$2,206	\$2,043	\$2,013	\$1,957	\$1,874
6	2010	\$1,912	\$2,007	\$2,075	\$2,049	\$1,968	\$2,075	\$2,101	\$2,223	\$2,042	\$2,009	\$1,901	\$1,918
7	2011	\$1,944	\$1,973	\$2,037	\$2,115	\$2,079	\$2,150	\$2,169	\$2,418	\$2,231	\$2,245	\$2,224	\$2,172
8	2012	\$2,067	\$2,172	\$2,151	\$2,212	\$2,174	\$2,198	\$2,376	\$2,424	\$2,327	\$2,255	\$2,214	\$2,130
9	2013	\$2,204	\$2,245	\$2,282	\$2,350	\$2,418	\$2,432	\$2,463	\$2,605	\$2,486	\$2,358	\$2,242	\$2,180
10	2014	\$2,183	\$2,335	\$2,401	\$2,470	\$2,374	\$2,503	\$2,561	\$2,707	\$2,669	\$2,600	\$2,548	\$2,486
11	2015	\$2,468	\$2,535	\$2,671	\$2,620	\$2,608	\$2,717	\$2,726	\$2,924	\$2,920	\$2,765	\$2,710	\$2,655
12	2016	\$2,611	\$2,681	\$2,784	\$2,853	\$2,744	\$2,849	\$2,943	\$3,224	\$2,857	\$2,756	\$2,792	\$2,731
13	2017	\$2,683	\$2,735	\$2,876	\$2,900	\$2,916	\$2,943	\$3,033	\$3,265	\$3,076	\$3,031	\$2,971	\$2,778
14	2018	\$2,746	\$2,847	\$2,978	\$2,856	\$3,012	\$3,194	\$3,130	\$3,497	\$3,243	\$3,042	\$3,034	\$2,963
15	2019	\$2,908	\$3,007	\$3,084	\$3,063	\$3,131	\$3,224	\$3,413	\$3,576	\$3,347	\$3,518	\$3,249	\$3,442

Figure 3 Collision Total Loss Frequency

Line No.	Accident Insurance Year	April	May	June	July	August	September	October	November	December	January	February	March
1	2005	0.018	0.017	0.022	0.021	0.018	0.020	0.022	0.025	0.029	0.026	0.024	0.025
2	2006	0.018	0.019	0.021	0.020	0.020	0.023	0.025	0.028	0.028	0.032	0.034	0.027
3	2007	0.016	0.019	0.021	0.019	0.019	0.022	0.025	0.031	0.033	0.026	0.034	0.025
4	2008	0.018	0.017	0.020	0.018	0.020	0.022	0.023	0.031	0.038	0.037	0.028	0.026
5	2009	0.020	0.020	0.023	0.022	0.020	0.023	0.026	0.027	0.032	0.028	0.028	0.021
6	2010	0.019	0.020	0.023	0.022	0.022	0.026	0.028	0.036	0.034	0.042	0.034	0.031
7	2011	0.021	0.021	0.020	0.021	0.022	0.026	0.026	0.035	0.029	0.033	0.026	0.027
8	2012	0.019	0.021	0.024	0.021	0.021	0.023	0.029	0.034	0.035	0.041	0.032	0.030
9	2013	0.022	0.020	0.022	0.021	0.022	0.022	0.025	0.039	0.046	0.045	0.037	0.030
10	2014	0.020	0.020	0.021	0.019	0.021	0.022	0.023	0.035	0.033	0.032	0.035	0.024
11	2015	0.021	0.023	0.023	0.023	0.022	0.025	0.027	0.037	0.039	0.036	0.032	0.027
12	2016	0.024	0.023	0.026	0.024	0.024	0.025	0.028	0.034	0.041	0.039	0.031	0.027
13	2017	0.022	0.023	0.025	0.024	0.023	0.026	0.032	0.037	0.039	0.036	0.034	0.026
14	2018	0.020	0.020	0.023	0.021	0.023	0.024	0.027	0.035	0.034	0.035	0.040	0.023
15	2019	0.017	0.019	0.022	0.021	0.022	0.023	0.030	0.034	0.035	0.036	0.024	0.018

Figure 4 Collision Total Loss Severity

Line No.	Accident Insurance Year	April	May	June	July	August	September	October	November	December	January	February	March
1	2005	\$4,472	\$4,654	\$4,687	\$4,978	\$4,546	\$4,766	\$4,738	\$4,773	\$4,986	\$4,816	\$4,214	\$4,468
2	2006	\$4,673	\$4,538	\$4,882	\$5,184	\$4,832	\$4,605	\$4,876	\$4,529	\$4,297	\$4,285	\$4,382	\$4,671
3	2007	\$4,504	\$4,499	\$4,710	\$4,715	\$4,908	\$4,722	\$4,616	\$4,826	\$4,814	\$5,098	\$4,573	\$4,754
4	2008	\$4,509	\$4,573	\$4,781	\$4,653	\$5,020	\$4,674	\$4,574	\$4,924	\$4,750	\$4,531	\$4,591	\$4,395
5	2009	\$4,429	\$4,743	\$4,823	\$4,791	\$4,902	\$4,831	\$4,866	\$4,802	\$4,830	\$4,716	\$4,565	\$4,259
6	2010	\$4,573	\$4,888	\$4,749	\$4,805	\$4,628	\$4,567	\$4,827	\$4,848	\$4,578	\$4,779	\$4,688	\$4,772
7	2011	\$4,675	\$5,000	\$4,685	\$4,947	\$4,914	\$4,698	\$5,059	\$5,029	\$4,979	\$5,099	\$4,922	\$4,940
8	2012	\$4,946	\$4,989	\$4,958	\$5,200	\$5,287	\$5,052	\$5,149	\$5,182	\$5,014	\$5,177	\$5,108	\$5,203
9	2013	\$5,144	\$5,109	\$5,616	\$5,743	\$5,669	\$5,426	\$5,571	\$5,595	\$5,300	\$5,355	\$5,220	\$5,093
10	2014	\$5,117	\$5,589	\$5,506	\$5,754	\$5,819	\$5,540	\$5,535	\$5,654	\$5,846	\$5,581	\$5,546	\$5,754
11	2015	\$5,735	\$5,948	\$5,921	\$6,295	\$6,111	\$5,810	\$6,051	\$6,115	\$6,283	\$6,047	\$5,845	\$5,837
12	2016	\$5,875	\$6,300	\$6,032	\$6,320	\$6,360	\$6,081	\$6,236	\$6,326	\$6,216	\$5,990	\$5,896	\$5,981
13	2017	\$6,594	\$6,538	\$6,670	\$6,158	\$6,633	\$6,493	\$6,656	\$6,499	\$6,579	\$6,111	\$6,566	\$6,380
14	2018	\$6,161	\$6,427	\$6,361	\$6,439	\$6,558	\$6,748	\$6,641	\$6,698	\$6,480	\$6,640	\$6,467	\$6,323
15	2019	\$6,584	\$6,738	\$6,730	\$6,725	\$6,589	\$7,078	\$6,998	\$7,380	\$7,134	\$6,851	\$6,766	\$6,831

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Part and Chapter:	Part V – Claims Incurred	Page No.:	76
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP)		
Topic:	Claims Incurred		
Sub Topic:			

Preamble to IR:

For Property Damage, the 2021 GRA does not include a Frequency table showing the frequency by coverage category along with the short, medium, and long-term trend indications.

Question:

Please provide (in Excel) the Frequency table for Property Damage.

Rationale for Question:

To gain further insight into the selection of the severity trends.

RESPONSE:

Please see the following figure.

Figure 1 Property Damage Frequency Excluding \$0 Claims

Line No.	Accident Year	Repair Frequency	% Change	Total Loss Frequency	% Change	Total Frequency	% Change
1	2010/11	0.0496	15.53%	0.0248	11.96%	0.0036	1.89%
2	2011/12	0.0431	-12.99%	0.0220	-11.16%	0.0036	0.18%
3	2012/13	0.0485	12.39%	0.0252	14.51%	0.0037	2.58%
4	2013/14	0.0490	0.99%	0.0253	0.12%	0.0038	1.21%
5	2014/15	0.0417	-14.92%	0.0217	-14.25%	0.0035	-5.83%
6	2015/16	0.0420	0.89%	0.0217	-0.04%	0.0034	-3.62%
7	2016/17	0.0421	0.16%	0.0217	0.09%	0.0035	4.03%
8	2017/18	0.0429	1.95%	0.0231	6.62%	0.0038	6.74%
9	2018/19	0.0411	-4.18%	0.0215	-7.00%	0.0033	-12.74%
10	2019/20	0.0380	-7.48%	0.0225	4.66%	0.0030	-7.98%
11	Straight Average						
12	3-year	0.0407	-3.24%	0.0224	1.43%	0.0034	-4.66%
13	5-year	0.0412	-1.73%	0.0221	0.86%	0.0034	-2.71%
14	10-year	0.0438	-0.77%	0.0230	0.55%	0.0035	-1.35%
15	Exponential Trend						
16	5-year	0.0385	-2.20%	0.0225	0.68%	0.0031	-2.96%
17	7-year	0.0379	-2.68%	0.0215	-1.06%	0.0032	-2.35%
18	All-year	0.0385	-2.26%	0.0215	-1.18%	0.0033	-1.38%

PUB (MPI) 1-12

Part and Chapter:	Part VIII – EAR Attachment A and Part V – Claims Incurred	Page No.:	80, 19
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP) 15. Run-off of prior year claims during 2019/20		
Topic:	Claims Incurred		
Sub Topic:			

Preamble to IR:

The Comparison of Actual with Expected Experience in Previous Year-End Valuation for Accident Benefits – Weekly Indemnity continues to show adverse development of recent accident years, resulting in continued adverse variance to forecast of claims incurred.

Question:

Please outline the steps taken in the most recent valuation to mitigate the likelihood of continued adverse reserve development for this coverage.

Rationale for Question:

To gain further insight into the likelihood of further adverse reserve development for this coverage.

RESPONSE:

After the implementation of Centralized Reserving in 2018, MPI anticipated that there would be earlier reporting of PIPP case reserves and that it would take some time for MPI to determine the new loss development patterns from this change in reserving practice. Earlier reporting of case reserves should (in theory) result in higher loss

development factors early in the development cycle and lower loss development factors later in the loss development cycle. Although the impacts of earlier case reserving can be seen immediately in the observed loss development for the most recent loss years, it will take much longer to see the full impact of potential future favourable development on these loss years in the latter stages of development. MPI continues to adopt loss development assumptions based on the latest observed factors, giving increasing amounts of weight to the new experience as it materializes.

In regards to potential improvements in the management of injury claims, it will similarly take some time for the benefits of these improvements to materialize in the valuation results. MPI case reserving guidelines assume that a weekly indemnity claim is reserved for life once reaching 60 months of development. As a result, it will take up to 60 months to determine if MPI's claims management initiatives have actually impacted the percentage of claims that remain open at this stage of development.

Per External Actuary Review Attachment A, Exhibit 3, Sheet 5, the runoff of Accident Benefits Weekly Indemnity since February 2018 has been relatively stable when all loss years are included, and favourable when the most recent loss years are excluded. These results are consistent with the explanations above.

PUB (MPI) 1-13

Part and Chapter:	Part VIII – EAR Attachment A and Part V – Claims Incurred	Page No.:	81
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP) 15. Run-off of prior year claims during 2019/20		
Topic:	Claims Incurred		
Sub Topic:			

Preamble to IR:

The Comparison of Actual with Expected Experience in Previous Year-End Valuation for Accident Benefits – Other Indexed shows favourable development in the current year after adverse development in the prior valuation period, for recent accident years, resulting in significant fluctuations in the projected claims incurred.

Question:

Please outline the steps taken in the most recent valuation to mitigate the volatility of reserve development and resulting projected claims incurred for this coverage.

Rationale for Question:

To gain further insight into the likelihood of further adverse reserve development for this coverage.

RESPONSE:

As per MPI (PUB) 1-12, the implementation of Centralized Reserving for PIPP claims in 2018 resulted in changes to the reporting patterns for Accident Benefits Other – Indexed (ABO-Indexed). However, unlike Weekly Indemnity, in which the case reserves are calculated relative to the determined income of the claimant, the case

reserving processes for ABO-Indexed are more complex and volatile because of the diverse range of personal care and rehabilitation benefits and the inconsistent payment streams for these benefits. For example, although the income replacement benefits of a seriously injured claimant will remain relatively constant over their lifetime, the personal care needs of these claimants will often change significantly. MPI continuously updates its case reserves for these changes. Further, after the initial claim, determining the personal care and rehabilitation needs of a claimant generally requires more time than does determining their entitled income.

Given the above, the goal of the Centralized Reserving process was not only to post case reserves earlier in the claim life cycle, but also to improve the consistency of these case reserves. The creation of the Centralized Reserving department ensures that all claims that are 24 months or older are consistently reserved by this department. This consistency will improve the stability of the valuation results over time.

Per External Actuary Review Attachment A, Exhibit 3, Sheet 6, MPI experienced favourable development in the ABO-Indexed following its valuation in February 2018. This outcome is largely the result of the gradual recognition of experience from the Centralized Reserving process. However, MPI appreciates the volatility of the valuation results for this coverage must continue to be reduced. ABO-Indexed incurred loss development assumptions are still relatively volatile and the divergence in estimated ultimate losses for this coverage based on the various incurred-but-not-reported (IBNR) methodologies shown in External Actuary Review Attachment A, Exhibit 4, Sheet 6 remains higher than desired. MPI expects these methodologies to converge and stabilize over the next several years.

PUB (MPI) 1-14

Part and Chapter:	Part V – RM Appendix 9	Page No.:	28, 29
PUB Approved Issue No:	1. Requested Vehicle Rate and Any Changes to Other Fees and Discounts 11. Claims forecasting (including PIPP)		
Topic:	Ratemaking		
Sub Topic:			

Preamble to IR:

For Accident Benefits Other – Indexed and for Accident Benefits – IRI, for each of Private Passenger, Commercial, and Public, the adjusted pure premium for Serious claims uses different loss development factors than for Other claims. The depiction of the calculation of the loss development factors does not appear to be in the 2021 GRA.

Question:

Please provide (in Excel) the loss development factor calculation for Serious and Other claims for these coverages for these three categories of vehicles.

Rationale for Question:

The analysis underlying the loss development factor calculation for Serious versus Other claims provides insight into the appropriateness of these factors.

RESPONSE:

The calculation and selection of the loss development factors for Serious and Other claims were done on an overall basis. MPI did not perform this calculation at the major class level because the data for smaller major classes (e.g. Motorcycles) would not

result in statistically reliable selections. Please see [*Appendix 1*](#) for the calculation on an overall basis.

Appendix 1
Accident Benefits - Other (Indexed)
Non Serious Losses

HISTORICAL INCURRED LOSS DEVELOPMENT ('000)

	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180
05/06	28,171	23,575	22,126	22,134	22,337	22,767	23,168	23,170	23,162	22,442	22,619	22,594	22,696	22,579	22,619
06/07	29,798	24,397	24,409	24,400	24,497	24,501	24,504	24,699	23,518	23,265	23,391	23,158	23,219	23,834	
07/08	29,839	26,162	24,505	24,955	24,618	25,413	24,998	24,533	24,196	24,128	23,683	23,990	23,819		
08/09	28,698	25,854	27,365	27,222	26,690	26,278	25,027	24,705	24,628	25,159	25,301	24,747			
09/10	29,659	33,206	29,104	28,532	29,169	28,695	27,716	27,432	26,511	26,546	26,668				
10/11	50,052	38,569	31,856	29,507	27,798	27,140	26,873	26,086	26,048	26,110					
11/12	56,971	34,919	31,943	31,067	30,459	29,300	28,655	28,476	28,438						
12/13	42,066	39,759	34,628	33,482	32,236	29,072	29,740	29,790							
13/14	45,113	39,485	36,428	35,311	31,988	32,023	32,651								
14/15	39,512	35,442	32,313	28,260	27,464	27,296									
15/16	45,541	44,195	36,716	33,400	32,624										
16/17	48,859	47,086	36,171	35,219											
17/18	52,747	41,742	37,944												
18/19	43,326	35,921													
19/20	39,073														

LOSS DEVELOPMENT FACTORS

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180
05/06	0.8369	0.9385	1.0004	1.0091	1.0193	1.0176	1.0001	0.9997	0.9689	1.0079	0.9989	1.0045	0.9949	1.0017
06/07	0.8188	1.0005	0.9996	1.0040	1.0001	1.0002	1.0080	0.9522	0.9893	1.0054	0.9901	1.0026	1.0265	
07/08	0.8768	0.9367	1.0184	0.9865	1.0323	0.9837	0.9814	0.9863	0.9972	0.9816	1.0129	0.9929		
08/09	0.9009	1.0584	0.9948	0.9805	0.9846	0.9524	0.9871	0.9969	1.0216	1.0056	0.9781			
09/10	1.1196	0.8765	0.9803	1.0223	0.9837	0.9659	0.9898	0.9664	1.0013	1.0046				
10/11	0.7706	0.8260	0.9263	0.9421	0.9763	0.9902	0.9707	0.9985	1.0024					
11/12	0.6129	0.9148	0.9726	0.9804	0.9619	0.9780	0.9938	0.9987						
12/13	0.9451	0.8710	0.9669	0.9628	0.9019	1.0229	1.0017							
13/14	0.8753	0.9226	0.9693	0.9059	1.0011	1.0196								
14/15	0.8970	0.9117	0.8746	0.9718	0.9939									
15/16	0.9705	0.8308	0.9097	0.9768										
16/17	0.9637	0.7682	0.9737											
17/18	0.7914	0.9090												
18/19	0.8291													
Average Last 9	0.8506	0.8700	0.9520	0.9699	0.9818	0.9923	0.9916	0.9855	0.9968	1.0010	0.9950	1.0000	1.0107	1.0017
Average Last 5	0.8903	0.8685	0.9388	0.9595	0.9670	0.9953	0.9886	0.9893	1.0023	1.0010	0.9950	1.0000	1.0107	1.0017
Average Last 3	0.8614	0.8360	0.9193	0.9515	0.9656	1.0068	0.9887	0.9879	1.0084	0.9973	0.9937	1.0000	1.0107	1.0017
Wtd. Ave. Last 9	0.8419	0.8665	0.9510	0.9680	0.9796	0.9924	0.9915	0.9855	0.9972	1.0010	0.9947	0.9999	1.0108	1.0017
Wtd. Ave. Last 5	0.8887	0.8635	0.9400	0.9582	0.9659	0.9959	0.9890	0.9892	1.0025	1.0010	0.9947	0.9999	1.0108	1.0017
Wtd. Ave. Last 3	0.8607	0.8332	0.9209	0.9495	0.9640	1.0072	0.9893	0.9878	1.0081	0.9976	0.9934	0.9999	1.0108	1.0017
Selected	0.8900	0.9100	0.9750	0.9730	1.0100	1.0100	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
Selected to Ultimate	0.7838	0.8806	0.9677	0.9926	1.0201	1.0100	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000	1.0000

Appendix 1
Accident Benefits - IRI
Non Serious Losses

HISTORICAL INCURRED LOSS DEVELOPMENT ('000)

	12	24	36	48	60	72	84	96	108	120	132	144	156	168	180
05/06	13,485	18,047	26,659	25,884	23,808	22,467	22,198	23,249	21,633	21,422	21,520	20,896	20,830	20,919	20,375
06/07	14,053	19,659	23,924	25,410	25,828	24,728	25,791	25,027	22,064	22,878	22,699	21,778	22,482	23,581	
07/08	12,766	19,305	27,126	27,655	27,156	27,481	26,115	24,149	22,940	22,637	22,083	22,157	21,060		
08/09	12,960	18,472	24,241	26,337	26,870	26,585	24,406	24,835	23,844	23,887	25,115	24,871			
09/10	13,175	20,036	23,740	26,163	25,620	24,009	22,343	22,304	22,586	23,638	23,913				
10/11	21,180	24,167	27,297	31,098	29,056	27,265	27,333	25,338	23,909	24,602					
11/12	18,371	22,328	26,351	29,256	30,095	30,254	27,163	25,311	25,111						
12/13	19,695	24,635	27,698	32,279	32,733	28,218	28,441	27,825							
13/14	17,882	21,730	26,687	28,990	26,495	27,139	26,759								
14/15	10,585	17,341	21,320	22,083	21,212	19,800									
15/16	13,223	21,931	29,434	24,450	23,371										
16/17	13,328	23,413	34,765	30,052											
17/18	13,645	22,305	33,734												
18/19	13,671	22,000													
19/20	12,693														

LOSS DEVELOPMENT FACTORS

	12-24	24-36	36-48	48-60	60-72	72-84	84-96	96-108	108-120	120-132	132-144	144-156	156-168	168-180
05/06	1.3383	1.4772	0.9709	0.9198	0.9437	0.9880	1.0474	0.9305	0.9902	1.0046	0.9710	0.9968	1.0043	0.9740
06/07	1.3989	1.2170	1.0621	1.0165	0.9574	1.0430	0.9704	0.8816	1.0369	0.9922	0.9594	1.0323	1.0489	
07/08	1.5122	1.4052	1.0195	0.9820	1.0120	0.9503	0.9247	0.9499	0.9868	0.9755	1.0033	0.9505		
08/09	1.4253	1.3123	1.0865	1.0202	0.9894	0.9180	1.0176	0.9601	1.0018	1.0514	0.9903			
09/10	1.5207	1.1849	1.1021	0.9793	0.9371	0.9306	0.9983	1.0127	1.0466	1.0116				
10/11	1.1410	1.1295	1.1392	0.9344	0.9383	1.0025	0.9270	0.9436	1.0290					
11/12	1.2154	1.1802	1.1102	1.0287	1.0053	0.8978	0.9318	0.9921						
12/13	1.2508	1.1243	1.1654	1.0141	0.8620	1.0079	0.9783							
13/14	1.2152	1.2282	1.0863	0.9139	1.0243	0.9860								
14/15	1.6384	1.2294	1.0358	0.9605	0.9335									
15/16	1.6585	1.3421	0.8307	0.9559										
16/17	1.7567	1.4849	0.8644											
17/18	1.6347	1.5124												
18/19	1.6093													
Average Last 9	1.4578	1.2684	1.0467	0.9765	0.9622	0.9694	0.9744	0.9529	1.0152	1.0071	0.9810	0.9932	1.0266	0.9740
Average Last 5	1.6595	1.3594	0.9965	0.9746	0.9527	0.9650	0.9706	0.9717	1.0202	1.0071	0.9810	0.9932	1.0266	0.9740
Average Last 3	1.6669	1.4465	0.9103	0.9434	0.9399	0.9639	0.9457	0.9828	1.0258	1.0129	0.9843	0.9932	1.0266	0.9740
Wtd. Ave. Last 9	1.4116	1.2685	1.0380	0.9770	0.9609	0.9681	0.9718	0.9523	1.0152	1.0076	0.9812	0.9929	1.0275	0.9740
Wtd. Ave. Last 5	1.6600	1.3675	0.9853	0.9770	0.9505	0.9646	0.9686	0.9709	1.0199	1.0076	0.9812	0.9929	1.0275	0.9740
Wtd. Ave. Last 3	1.6662	1.4477	0.8955	0.9411	0.9343	0.9621	0.9462	0.9816	1.0254	1.0135	0.9844	0.9929	1.0275	0.9740
Selected	1.6600	1.4500	0.9000	0.9700	0.9700	0.9700	0.9700	0.9700	1.0250	1.0150	1.0000	1.0000	1.0000	1.0000
Selected to Ultimate	1.9354	1.1659	0.8041	0.8934	0.9210	0.9495	0.9789	1.0092	1.0404	1.0150	1.0000	1.0000	1.0000	1.0000

Appendix 1 Accident Benefits - Other (Indexed)

Accident Year	Total Incurred Claims	Total Ultimate Claims	Non Serious Incurred Claims	Non Serious Loss Devt Factor	Non Serious Ultimate Claims	Serious Incurred Claims	Serious Ultimate Claims	Serious Loss Devt Factor
	[a]	[b]	[c]	[d]	[e]=[c]*[d]	[f]=[a]-[c]	[g]=[b]-[e]	[h]=[g]/[f]
06/07	62,976,733	65,165,913	23,833,585	1.0000	23,833,585	39,143,148	41,332,328	1.0559
07/08	66,319,579	69,015,785	23,818,566	1.0000	23,818,566	42,501,013	45,197,219	1.0634
08/09	51,045,498	53,394,998	24,747,385	1.0000	24,747,385	26,298,114	28,647,613	1.0893
09/10	56,605,964	59,262,740	26,667,940	1.0000	26,667,940	29,938,023	32,594,800	1.0887
10/11	52,932,162	54,602,495	26,109,895	1.0000	26,109,895	26,822,267	28,492,600	1.0623
11/12	59,046,564	61,590,657	28,438,470	1.0000	28,438,470	30,608,095	33,152,188	1.0831
12/13	57,126,775	59,730,163	29,790,094	1.0000	29,790,094	27,336,681	29,940,069	1.0952
13/14	48,890,020	51,362,176	32,650,572	1.0000	32,650,572	16,239,447	18,711,603	1.1522
14/15	47,356,283	49,586,543	27,296,252	1.0100	27,569,215	20,060,030	22,017,328	1.0976
15/16	61,272,676	62,966,240	32,623,637	1.0201	33,279,372	28,649,039	29,686,868	1.0362
16/17	70,357,845	71,303,423	35,218,727	0.9926	34,956,604	35,139,119	36,346,819	1.0344
17/18	68,207,421	69,771,590	37,944,404	0.9677	36,720,446	30,263,017	33,051,144	1.0921
18/19	52,221,240	67,966,994	35,920,569	0.8806	31,633,322	16,300,671	36,333,672	2.2290
19/20	43,005,432	66,882,820	39,073,078	0.7838	30,624,516	3,932,354	36,258,304	9.2205

Notes:

[a] From MPI data as at February 29, 2020

[b] Part VIII EAR Attachment B, page 29

[c] From MPI data as at February 29, 2020

[d] Selected loss development factors from incurred claims triangle

Appendix 1

Accident Benefits - IRI

Accident Year	Total Incurred Claims	Total Ultimate Claims	Non-Serious Incurred Claims	Non-Serious Loss Devt Factor	Non Serious Ultimate Claims	Serious Incurred Claims	Serious Ultimate Claim	Serious Loss Devt Factor
	[a]	[b]	[c]	[d]	[e]=[c]*[d]	[f]=[a]-[c]	[g]=[b]-[e]	[h]=[g]/[f]
06/07	70,959,352	73,413,989	23,580,981	1.0000	23,580,981	47,378,371	49,833,008	1.0518
07/08	73,413,642	75,147,308	21,060,402	1.0000	21,060,402	52,353,240	54,086,906	1.0331
08/09	72,165,929	74,804,099	24,870,877	1.0000	24,870,877	47,295,052	49,933,222	1.0558
09/10	66,448,134	68,686,879	23,913,193	1.0000	23,913,193	42,534,941	44,773,685	1.0526
10/11	86,124,013	90,908,705	24,602,240	1.0150	24,971,274	61,521,773	65,937,431	1.0718
11/12	81,729,086	86,344,697	25,110,705	1.0404	26,124,550	56,618,381	60,220,147	1.0636
12/13	82,695,863	87,371,704	27,824,630	1.0092	28,079,608	54,871,233	59,292,096	1.0806
13/14	68,472,171	72,969,479	26,758,909	0.9789	26,193,998	41,713,262	46,775,482	1.1214
14/15	69,444,879	73,778,758	19,800,219	0.9495	18,800,747	49,644,660	54,978,011	1.1074
15/16	85,690,846	91,116,083	23,370,625	0.9210	21,525,199	62,320,221	69,590,884	1.1167
16/17	85,479,196	93,858,511	30,051,703	0.8934	26,848,355	55,427,493	67,010,156	1.2090
17/18	80,742,156	94,788,186	33,734,371	0.8041	27,124,623	47,007,785	67,663,563	1.4394
18/19	30,066,484	94,585,086	22,000,003	1.1659	25,649,673	8,066,481	68,935,413	8.5459
19/20	15,880,793	91,866,762	12,692,859	1.9354	24,565,558	3,187,934	67,301,204	21.1112

Notes:

[a] From MPI data as at February 29, 2020

[b] Part VIII EAR Attachment B, page 28

[c] From MPI data as at February 29, 2020

[d] Selected loss development factors from incurred claims triangle

PUB (MPI) 1-15

Part and Chapter:	Part I – Legal Application	Page No.:	4
PUB Approved Issue No:	1. Requested Rate Change 2. Rate indication based on Accepted Actuarial Practice in Canada		
Topic:	Provisional Rate Request		
Sub Topic:			

Preamble to IR:

The rate MPI requests at the time of the filing of its Application is based on fiscal-year end results and uses the Naïve interest rate forecast methodology as at March 31, 2020. *MPI has proposed that the rate request be updated and finalized based on an update of the interest rate forecast dated on August 31, 2020.*

Question:

- a) As a sensitivity test, please provide the results of an alternate analysis of the Basic rate requirement (overall and by Major Use classification) which reflects market interest rates as of the June 30, 2020. Please include alternate AAP rate indications, alternate Basic and Extension pro-formas, alternate application of the proposed Capital Management Plan, and alternate rate requirements, with supporting schedules as appropriate. Please also include the estimated impact of changes in interest rates on the AOCI based on the estimated revaluation of the Pension obligation and the resulting impact on the Capital Management Plan.
- b) Please provide the source documents supporting the determination of the various interest and discount rates.

Rationale for Question:

To monitor the impact on the rate requirements from changing market interest rates.

RESPONSE:

- a) Based on the market interest rates as of June 30, 2020, the updated investment return for discounting costs and revenue for rating year 2021/22 is 2.43%. This reflects a 15 basis points decrease from the 2.58% used in the General Rate Application (GRA) filing, which is based on information as of March 31, 2020.

Using the updated investment return of 2.43%, the overall required rate change based on breakeven rates is -5.1%. Figure 1 below shows the overall required rate change and the forecasted Minimum Capital Test (MCT) Ratio as at March 31, 2023 starting with the -5.1% breakeven rate change, and including the application of the Capital Management Plan (CMP).

Figure 1 Overall Required Rate Change and Forecasted MCT Ratio

Line No.	Scenario	New Money Yield	AAP Breakeven Rate Indication	Capital Build / (Release) Provision	MCT % After AAP Breakeven Rate Indication			MCT % After AAP Breakeven Rate Indication and Transfer from Extension		MCT % After AAP Breakeven Rate Indication and Transfer from Extension and Capital Build / Release	
					20/21	21/22	22/23	21/22	22/23	21/22	22/23
1	June 30 Interest Rates	2.43%	-5.11%	-4.61%	114.8%	110.9%	109.0%	116.4%	121.7%	111.0%	105.0%

Based on Figure 1 above, the forecasted MCT ratio after the capital transfer from Extension is 121.7% as of March 31, 2023. Based on the Capital Management Plan, the corresponding target MCT ratio is 105.0%. Given the forecasted MCT ratio is higher than the target MCT ratio, a capital release provision of 4.61% is required to get to the target MCT ratio. The final overall required rate change is -9.7%, reflecting breakeven rates including the capital release provision.

The estimated impact of changes in interest rates on the Accumulated Other Comprehensive Income (AOCI) based on the estimated revaluation of the Pension obligation and the resulting impact on the Capital Management Plan is -\$9.9 million. This can be found on Line 13 of Figure 4, below.

Please see the following documents including:

- Basic and Extension proformas based on an overall required rate change of -9.7% reflecting breakeven rates including the capital release provision
- Revised *Figure RM-12* (Ratemaking) and *Figure RM-13* (Ratemaking) showing the Major Classification Required Rate Changes based on an overall required rate change reflecting breakeven rates excluding and including the capital release provision.

Figure 2 PF-1 Statement of Operations based on -9.7% Basic Rate Change
Multi-year - Statement of Operations

Line No.	2021 GRA Base with June 30, 2020 Naïve Interest Rate Forecast with RI and CMP. (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1	BASIC						
3	Motor Vehicles	1,055,113	1,079,495	1,014,835	1,051,703	1,090,061	1,129,265
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,133,026	1,069,042	1,106,749	1,146,026	1,186,116
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,067,604	1,046,369	1,033,723	1,071,354	1,110,145
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,120,770	1,100,104	1,088,214	1,126,722	1,166,411
12	Service Fees & Other Revenues	27,161	28,208	27,279	28,822	30,485	32,263
13	Total Earned Revenues	1,116,446	1,148,978	1,127,383	1,117,036	1,157,207	1,198,674
14	Claims Incurred	787,799	820,094	900,959	917,513	951,112	983,720
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(7,204)	1,406	(1,723)	4,761	14,285
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	62,478	9,272	14,181	11,755	12,123
17	Total Claims Incurred	761,455	875,368	911,637	929,971	967,628	1,010,128
18	Claims Expense	132,028	143,490	143,379	146,966	154,346	153,738
19	Road Safety/Loss Prevention	12,030	11,234	13,644	13,518	13,570	13,353
20	Total Claims Costs	905,513	1,030,092	1,068,660	1,090,455	1,135,544	1,177,219
21	Expenses						
22	Operating	69,859	71,865	72,119	75,989	79,974	79,972
23	Commissions	42,332	43,823	43,528	43,099	44,591	46,129
24	Premium Taxes	33,102	32,292	33,420	33,071	34,235	35,434
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,294	5,392
26	Total Expenses	149,940	153,100	154,227	157,360	164,094	166,927
27	Underwriting Income (Loss)	60,993	(34,214)	(95,504)	(130,779)	(142,431)	(145,472)
28	Investment Income	54,159	84,996	87,395	88,892	87,159	87,569
29	(b) Investment Income - Interest Rate Impact	5,455	27,944	344	132	57	(2)
30	Net Investment Income	59,614	112,940	87,739	89,024	87,216	87,567
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	78,726	(1,768)	(41,755)	(55,215)	(57,905)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	20,726	(1,768)	(41,755)	(55,215)	(57,905)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,534)	(8,928)	(14,049)	(11,698)	(12,125)

Figure 3 PF-2 Statement of Financial Position based on -9.7% Basic Rate Change**Multi-year - Statement of Financial Position**

Line No.	2021 GRA Base with June 30, 2020 Naïve Interest Rate Forecast with RI and CMP. (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	57,276	53,482	49,948	51,287	52,645
5	Investments	2,648,873	2,995,722	3,088,218	3,179,200	3,277,514	3,388,783
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	413,919	402,372	415,638	429,490	443,679
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	29,667	28,422	31,349	27,840	14,835
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,986	70,064	67,740	58,566
15	Total Assets	3,417,912	3,650,475	3,751,975	3,865,726	3,971,261	4,069,683
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	582,458	552,943	573,144	594,237	615,868
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	357,819	370,076	382,214	394,445	407,077
23	Provision for unpaid claims	2,031,336	2,123,879	2,211,318	2,292,590	2,372,992	2,450,470
24	Total Liabilities	3,011,685	3,159,283	3,230,976	3,347,388	3,466,547	3,578,834
25	Equity						
26	Retained Earnings	440,522	525,037	548,409	541,752	524,562	507,039
27	Accumulated Other Comprehensive Income	(34,296)	(33,845)	(27,408)	(23,415)	(19,848)	(16,191)
28	Total Equity	406,226	491,192	521,001	518,337	504,714	490,848
29	Total Liabilities & Equity	3,417,911	3,650,475	3,751,977	3,865,725	3,971,261	4,069,682

Figure 4 PF-3 Statement of Changes in Equity based on -9.7% Basic Rate Change
Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with June 30, 2020 Naïve Interest Rate Forecast with RI and CMP. (C\$ 000s, except where noted)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	525,037	548,409	541,752	524,562
6	Net Income (Loss) from annual operations	120,607	78,727	(1,767)	(41,755)	(55,215)	(57,906)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	63,788	25,139	35,098	38,025	40,383
9	Total Retained Earnings	440,522	525,037	548,409	541,752	524,562	507,039
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(33,845)	(27,408)	(23,415)	(19,848)
12	Other Comprehensive Income on Available for Sale Assets	(1,857)	10,336	6,436	3,993	3,567	3,657
13	Remeasurement of Employee Future Benefits	16,517	(9,885)	-	-	-	-
14	Total Accumulated Other Comprehensive Income	(34,296)	(33,845)	(27,408)	(23,415)	(19,848)	(16,191)
15	Total Equity Balance	406,226	491,192	521,001	518,337	504,714	490,848
16	MINIMUM CAPITAL TEST (C\$ 000s)						
17	Total Equity Balance	406,226	491,192	521,001	518,337	504,714	490,848
18	Less: Assets Requiring 100% Capital	34,964	39,658	61,986	70,064	67,740	58,566
19	Capital Available	371,262	451,534	459,015	448,273	436,974	432,282
20	Minimum Capital Required (100% MCT)	350,820	393,178	413,451	427,127	440,817	455,472
21	MCT Ratio % (Line 17) / (Line 18)	105.8%	114.8%	111.0%	105.0%	99.1%	94.9%

Figure 5 EPF-1 Extension Statement of Operations based on -9.7% Basic Rate Change**Multi-year - Statement of Operations**

Line No.	2021 GRA Base with June 30, 2020 Naïve Interest Rate Forecast with RI and CMP. (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	12,065	12,941	13,541	14,182	14,870
11	Total Earned Revenues	168,400	166,931	180,796	195,165	202,054	209,353
12	Net Claims Incurred	69,516	65,136	82,559	96,594	97,388	98,712
13	(a) Claims Incurred - Interest Rate Impact	-	34	(133)	-	-	-
14	Total Claims Incurred	69,516	65,170	82,426	96,594	97,388	98,712
15	Claims Expense	11,100	11,745	11,598	12,072	13,760	14,083
16	Road Safety/Loss Prevention	1,013	919	1,103	1,110	1,223	1,235
17	Total Claims Costs	81,629	77,834	95,127	109,776	112,371	114,030
18	Expenses						
19	Operating	8,910	7,849	8,110	8,755	9,609	9,824
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	18	23
23	Total Expenses	48,445	46,060	50,306	54,600	57,029	58,908
24	Underwriting Income (Loss)	38,326	43,037	35,363	30,789	32,654	36,415
25	Investment Income	(723)	7,914	6,105	7,074	7,228	7,670
26	(b) Investment Income - Interest Rate Impact	280	1,043	155	(4)	(21)	(26)
27	Net Investment Income	(443)	8,957	6,260	7,070	7,207	7,644
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,994	42,139	37,859	39,861	44,059
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(5)	42,140	37,857	39,862	44,059
32	Total net Impact due to interest rate change (b) - (a)	280	1,009	288	(4)	(21)	(26)

Figure 6 EPF-3 Extension Statement of Changes in Equity based on -9.7% Basic Rate Change**Multi-year - Statement of Changes in Equity**

Line		2021 GRA Base with June 30, 2020 Naïve Interest Rate Forecast with RI and CMP.					
No.		(C\$ 000s, rounding may affect totals)					
		For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	79,073	96,074	98,833	100,670
5	Net Income / (Loss)	37,883	51,995	42,140	37,857	39,862	44,059
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(63,788)	(25,139)	(35,098)	(38,025)	(40,383)
8	Total Retained Earnings	142,866	79,073	96,074	98,833	100,670	104,346
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(2,611)	(1,306)	154	1,437
11	Other Comprehensive Income on Available for Sales Assets	178	612	1,305	1,460	1,282	1,148
12	Remeasurement of Employee Future Benefits	1,421	(857)	-	-	-	-
13	Total Accumulated Other Comprehensive Income	(2,367)	(2,612)	(1,306)	154	1,436	2,585
14	Total Equity Balance	140,499	76,462	94,768	98,987	102,107	106,930
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	140,499	76,462	94,768	98,987	102,107	106,930
17	Less: Assets Requiring 100% Capital	2,979	3,432	5,384	6,101	5,923	5,118
18	Capital Available	137,520	73,030	89,384	92,886	96,184	101,812
19	Minimum Capital Required (100% MCT)	42,340	36,515	44,692	46,441	48,091	50,905
20	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

Figure 7 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	703.45	922.05	681.13	1,752.63	771.77	50.27	5.64
3	Claims Expense	122.16	160.12	118.28	304.35	134.02	8.73	0.98
4	Road Safety	11.32	14.97	14.97	14.97	14.97	0.00	0.00
5	Operating Expense	62.20	82.29	82.29	82.29	82.29	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.83	39.05	29.15	72.88	31.76	2.45	0.23
8	Prem Tax: Vehicle	27.45	35.93	26.82	67.07	29.23	2.26	0.21
9	Comm & Prem Tax: Driver	3.59	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.59	19.69	19.69	19.69	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.42	75.97	75.97	75.97	75.97	0.00	0.00
16	Service Fees	25.69	33.99	33.99	33.99	33.99	0.00	0.00
17	Req Rate (Raw)	915.12	1,197.81	894.09	2,235.64	974.32	75.18	7.07
18	Req Rate (Bal)	904.18	1,183.49	883.40	2,208.91	962.67	74.28	6.98
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-5.1%	-5.8%	2.3%	2.4%	13.8%	-7.5%	0.1%
23	Applied for Change	-5.1%	-5.8%	2.3%	2.4%	13.8%	-7.5%	0.1%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-5.8%	1.5%	0.0%	9.1%	-7.5%	-0.3%
26	Cred Wtd Req Rate		1,183.55	876.21	2,157.36	922.61	74.33	6.96
27	Cred Wtd Req Rate (Bal)	904.17	1,185.36	877.55	2,160.66	924.02	74.45	6.97
28	Cred Wtd Change (Bal)		-5.7%	1.6%	0.1%	9.3%	-7.3%	-0.1%

Figure 8 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates including Capital Release Provision

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	703.45	922.05	681.13	1,752.63	771.77	50.27	5.64
3	Claims Expense	122.16	160.12	118.28	304.35	134.02	8.73	0.98
4	Road Safety	11.32	14.97	14.97	14.97	14.97	0.00	0.00
5	Operating Expense	62.20	82.29	82.29	82.29	82.29	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.83	39.05	29.15	72.88	31.76	2.45	0.23
8	Prem Tax: Vehicle	27.45	35.93	26.82	67.07	29.23	2.26	0.21
9	Comm & Prem Tax: Driver	3.59	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.59	19.69	19.69	19.69	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.42	75.97	75.97	75.97	75.97	0.00	0.00
16	Service Fees	25.69	33.99	33.99	33.99	33.99	0.00	0.00
17	Req Rate (Raw)	915.12	1,197.81	894.09	2,235.64	974.32	75.18	7.07
18	Req Rate (Bal)	904.18	1,183.49	883.40	2,208.91	962.67	74.28	6.98
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-5.1%	-5.8%	2.3%	2.4%	13.8%	-7.5%	0.1%
23	Applied for Change	-9.7%	-10.4%	-2.7%	-2.6%	8.3%	-12.0%	-4.7%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-10.4%	-3.5%	-4.9%	3.8%	-12.0%	-5.1%
26	Cred Wtd Req Rate		1,126.05	833.64	2,052.55	877.79	70.72	6.62
27	Cred Wtd Req Rate (Bal)	860.24	1,127.77	834.91	2,055.69	879.13	70.83	6.63
28	Cred Wtd Change (Bal)		-10.3%	-3.3%	-4.7%	4.0%	-11.8%	-5.0%

b) Please see PUB (MPI) 1-35 (a) for support for the interest rate.

PUB (MPI) 1-16

Part and Chapter:	Part VIII- AR Appendix 1	Page No.:	
PUB Approved Issue No:	4. Financial Forecast		
Topic:	Financial Forecast		
Sub Topic:	Interest Rate Impacts		

Preamble to IR:

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments which replaces IAS 39; Financial Instruments: Recognition and Measurement for annual periods beginning on or after January 1, 2018. The standard provides guidance on the classification and measurement of financial instruments, impairment of financial assets, and hedge accounting.

The Corporation has temporarily deferred the adoption of IFRS 9. The Corporation qualified for temporary deferral from IFRS 9 based on the following reasons: (1) The Corporation has not previously applied any version of IFRS 9, and (2) the Corporation's activities were predominantly connected with insurance as at February 29, 2016, and there have been no significant changes in its activities since that date. The conclusion that the Corporation's activities were predominantly connected with insurance was made on the basis that the carrying value of the Corporation's liabilities arising from insurance contracts, within the scope of IFRS 4, comprised of greater than 80 per cent of the Corporation's total liabilities and the Corporation does not engage in significant activity unconnected with insurance.

IFRS 17 is also going to be implemented at the same time. This change in accounting standard affects the determination of the claims liabilities by requiring the use of a risk-free discount rate plus a liquidity premium. The current approach is based on the discount rate inherent in the investment portfolio return.

IFRS 17 is effective for annual reporting periods on or after January 1, 2023 with earlier application permitted as long as IFRS 9 is also applied.

In the 2020 GRA, the Corporation indicated that it had commenced work on some of the IFRS 17 position papers, but that they had not been approved by the Board of Directors. MPI was also going to receive an external opinion on some of the IFRS 17 papers once drafted.

In this year's Application, MPI has indicated no changes in the Pro Formas resulting from IFRS 16 – Lease Accounting or IFRS 17 – Insurance Contracts.

Question:

- a) Please file an update on the analysis of the Corporation's evaluation of the impact of the proposed accounting standard changes on its financial reporting.
- b) Please provide the election options that are available for the implementation of the standards and the impact on financial reporting and rate-setting.
- c) What progress has been made on assessing the impact of IFRS 17 on the Basic actuarial valuation, the balance sheet and income statement or other matters relevant to the GRA?

Rationale for Question:

To understand the impact of changes in accounting standards on rate-setting.

RESPONSE:

a) and b)

MPI's evaluation of the proposed changes to IFRS 17 and IFRS 9 is progressing as the change requirements are being updated by the respective governing bodies. The status report in the Annual Financial Statements remains unchanged.

Work has commenced on the seven proposed position papers which cover various technical topics and recommendations for accounting policy choices. The position papers are currently in the process of internal review and external consultation. The finalization of the papers and Board of Directors approval will follow once MPI has completed internal/external review with an update to the Board forthcoming.

At this time, MPI cannot commit to filing an impact assessment of IFRS 17 with the PUB in the 2021 GRA. However, preliminary impacts on presentation and disclosure in the financial statements as a result of IFRS 17 options include:

- Deferred policy acquisition costs: Upon adoption of IFRS 17, this balance must either be written off or subsumed within the insurance liability.
 - MUSH Bonds: Option to change measurement from amortized cost to fair value. With fair value measurement, the unrealized gains or losses would be recognized upon transition.
 - Actuarial Valuation: New methodology to determine the claims discount rate (using the risk-free discount rate plus a liquidity premium) and to include a risk adjustment component to the insurance liability.
 - There is negligible impact on rate-setting expected since it will continue to be based on AAP (and therefore is largely independent of accounting presentation changes).
- c) MPI has not quantitatively assessed the financial impact of IFRS 17 on the Basic actuarial valuation as guidelines/adoption applications are being updated. In 2020/21, management plans to perform high-level quantitative modelling for actuarial elements of IFRS 17 requirements.

PUB (MPI) 1-17

Part and Chapter:	Part VIII- AR Appendix 1, PUB (MPI) 1-82 (2019 GRA)	Page No.:	24
PUB Approved Issue No:	4. Financial Forecast 19. Asset Liability Management Study		
Topic:	Asset Liability Management Study		
Sub Topic:			

Preamble to IR:

It was determined that the risk tolerance of MPI's Board of Directors for the assets backing the Basic claims liabilities was very low and that mitigating risk was more important than maximizing returns. The focus was on further reducing interest rate risk, with a willingness to take on modest credit risk (as long as it is diversified and cost effective.)

Based on this risk tolerance, it was determined that the best way to mitigate the interest rate risk associated with the Basic claims liability was to develop an investment portfolio with 100% fixed income assets (i.e no growth assets) and dollar and duration matching those assets to the claims liabilities.

IFRS 17 is effective for annual reporting periods on or after January 1, 2023 with earlier application permitted, provided that IFRS 9 is also applied. The standard is to be applied retrospectively unless impracticable, in which case a modified retrospective approach or fair value approach is to be used for transition. Early application is permitted where entities have also adopted IFRS 15 *Revenue from Contracts with Customers* and IFRS 9 *Financial Instruments*. The Corporation is currently evaluating the impact that this standard will have on its financial statements.

Question:

In light of IFRS 17, please discuss how the accounting changes required in IFRS 17 in determining the discount rate will influence the effectiveness of the current proposed portfolio on mitigating interest rate risk.

Rationale for Question:

To understand the impact of changes in accounting standards on interest rate risk.

RESPONSE:

A comprehensive review analysis is being conducted to ensure interest rate risk is mitigated as best as possible upon transition to IFRS 17; for example, through duration matching and/or selecting complementary accounting classification options under the incoming accounting standard. Under IFRS 17, management expects interest rate risk to be maintained at a low level, relatively similar to the current level.

PUB (MPI) 1-18

Part and Chapter:	Part V – CI Appendix 13	Page No.:	2
PUB Approved Issue No:	4. Financial Forecasts 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Financial Forecasts		
Sub Topic:			

Preamble to IR:

The Corporation has made changes in its Pro Formas related to CERP. It is not clear that these changes are fully reflected in the Extension exhibits filed.

Question:

- a) Please file the supporting schedules underlying the revenue assumptions for Extension for each of the years. Please provide a full description of the assumptions utilized in determination of revenues. Please include the determination of the impact of CERP.
- b) Please file the supporting schedules underlying the Claims Incurred assumptions for Extension for each of the years. Please provide a full description of the assumptions utilized in determination of claims incurred. Please include the determination of the impact of CERP by major cost component.
- c) Please file the supporting schedules underlying the Claims expenses assumptions for Extension for each of the years. Please provide a full description of the assumptions utilized in determination of claims expenses. Please include the determination of the impact of CERP by major cost component.

- d) Please provide detail schedule that provides the determination of the Commission expense for each of the 2015 through 2024. Please include a narrative description of any changes discretely indicating the impact of CERP.
- e) With the CERP changes does MPI anticipate any changes in commission rates related to Extension?

Rationale for Question:

To assess reasonableness of Extension forecasts.

RESPONSE:

- a) Please refer to Revenues Appendix 4 for a list of revenue Extension assumptions. These assumptions are prior to consideration for the impact of CERP. Apart from the rate change, CERP is assumed to have minimum impact on revenues. The additional revenue from customers purchasing the \$500 deductible is assumed to be offset by reduced revenue as a result of customers switching from \$100 to \$200 deductible and from customers choosing not to retain their waiver deductibles. In respect of the rate change, MPI determined that the impact of CERP on revenues will be a 17% rate increase so as to be both revenue and rate neutral. The calculation of the 17% can be found in CAC (MPI) 1-41.
- b) Please refer to Claims Incurred Appendix 13 for a list of Claims Incurred Extension assumptions. These assumptions are prior to consideration for the impact of CERP. The impact of CERP by coverage including an explanation of how the impacts were determined are provided below:

Figure 1 Assumed Impacts to Extension Coverage from CERP

Line No.	Accident Year	Collision	Comprehensive	TPL - BI	TPL - PD	Total
	(\$000)					
1	2020/21	\$0	\$0	\$0	\$0	\$0
2	2021/22	\$7,093	\$6,546	(\$546)	(\$104)	\$12,990
3	2022/23	\$14,107	\$13,427	(\$1,092)	(\$208)	\$26,234
4	2022/24	\$14,107	\$13,770	(\$1,092)	(\$208)	\$26,487
5	2022/25	\$13,917	\$14,122	(\$1,092)	(\$208)	\$26,738

The impact to Collision and Comprehensive coverages reflect loss transfers to Extension as a result of the increase to Basic deductible, loss transfers from Extension as a result of the increase to Basic MIV limit and additional product changes in Extension i.e. removal of \$100 deductible and waivers (refer to BAC.4 Modernizing Basic Autopac Coverage for additional details).

For loss transfers to/from Extension, MPI determined the forecasted impact by estimating the percentage of Basic loss costs transferable to/from Extension (based on historical indications), and then applying that to the Basic forecast. The impact of product changes in Extension was calculated based on historical data (2013-2019) trended using the Extension reduced deductible unit growth.

The impact to Third Party Liability (TPL) coverages reflect loss transfers from Extension as a result of the increase to Basic TPL. MPI determined the forecasted impact by estimating the percentage of Basic loss costs transferable from Extension (based on historical indications), and then applying that to the Basic forecast.

- c) The claims expenses for Extension are derived as a result of the PUB-approved cost allocation methodology. Please see Expenses, pages 40 to 46 and Expenses Appendix 13 and Appendix 14 for a detailed discussion and illustration on the allocation of expenses including claims expenses related to Extension. As illustrated in EPF-1 (page 21 of Pro Forma) the claims expenses on line 15 reflect small movements which is based on overall corporate expense growth, allocator changes, and improvement initiatives.

- d) Please refer to PUB 1-56(a) and (b) which provides the derivation of commission expenses related to Extension.

- e) The CERP changes will only impact the overall amount of commission paid or expensed to brokers via changes in premium revenues. At this time, MPI does not expect any Extension commission rate changes to occur as a result of CERP.

PUB (MPI) 1-19

Part and Chapter:	Part V –Rev Appendix 3	Page No.:	1
PUB Approved Issue No:	4. Financial Forecasts 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Financial Forecasts		
Sub Topic:	Extension Profit Margin		

Preamble to IR:

The Corporation has made changes related to CERP. It is not clear that these changes are fully reflected in the Extension exhibits filed.

Question:

Please file an update including the anticipated Extension profit margin for 2020/21 and 2021/22.

Rationale for Question:

To assess reasonableness of Extension forecasts, which affect Basic.

RESPONSE:

See Figure 1 below, which shows the net income as a percent of motor vehicles earned premium for fiscal years 2020 to 2022. The figures for both net income and motor vehicles earned premium were taken from Pro Formas, page 21, which includes changes related to CERP for 2021 and 2022. Changes to CERP partially affects 2021 due to staggered renewals, and fully affects 2022. MPI expects a reduction in the profit percentage to ensure that changes related to CERP are both revenue and rate neutral.

Figure 1 Extension Profit Percentage

Line No.	<u>Fiscal Year</u>	<u>Net Income</u>	<u>Earned Premium</u>	<u>Profit Percentage</u>
1	2020/21	51,788	156,644	33.1%
2	2021/22	42,029	169,669	24.8%
3	2022/23	37,914	183,474	20.7%

PUB (MPI) 1-20

Part and Chapter:	Part V EPF-1.0 Expenses Figure EXP-31 EXP-Appendix 14	Page No.:	40
PUB Approved Issue No:	4. Financial Forecast 6. Changes, if any, to integrated cost allocation methodology		
Topic:	ICAM		
Sub Topic:	Cost Allocation to Extension		

Preamble to IR:

MPI indicates in its cost allocation flow chart that Total Normal Costs of \$298.4 million are allocated among the lines of business. In the schematic, \$20.1 million in costs are allocated to Extension, of which \$2.9 million are directly assigned and \$17.3 million are allocated pursuant to the methodology.

Question:

- a) Please reconcile the amounts included in the schematic Figure EXP-31 for Extension with the EPF-1.0 for the years 2020/21 and 2021/22.
- b) Please provide a schedule detailing by line item in the EPF-1.0 the costs that are directly assigned versus subject to allocation for each of the years in EPF-1.

Rationale for Question:

To understand costs allocated to Extension.

RESPONSE:

a) and b)

Please refer to *Expenses Appendix 14, Cost Allocation Analysis of Calculations*, which provide the requested information for the years 2020/21 and onward.

PUB (MPI) 1-21

Part and Chapter:	Part V Rev 1.1-1.2; Figure REV-5 Rev-6	Page No.:	7-12
PUB Approved Issue No:	4.b- Financial Forecast- Changes in Projected Financial Results		
Topic:	Motor Vehicle Premiums		
Sub Topic:	Volume and Upgrade Factors		

Preamble to IR:**Question:**

- a) Please provide restated PF.1, PF.2, PF.3, EPF-1 and EPF-3 to reflect a volume factor utilizing the Earned Year - Earned Units methodology used in prior GRAs and throughout the forecast period, and compare with those used in the Application.
- b) Please provide restated PF.1, PF.2, PF.3, EPF-1, and EPF-3 to reflect a vehicle upgrade factor of 2.70% throughout the forecast period.
- c) Please provide the impact of the changes in (a), (b), and (a) & (b) on a combined basis, on the indicated rate in accordance with Accepted Actuarial Practice.

Rationale for Question:

To test the forecast's sensitivity to changes in the volume and upgrade factors.

RESPONSE:

- a) In the 2020 GRA, Revenues Chapter states: "The HTA units are forecast to grow by 1.40% per year in 2019/20 and thereafter, based on the recent five year average and the long-term average excluding certain 'high growth' years".

Figure 1 below shows the historical volume growth for HTA units by earned year.

Figure 1 HTA Earned Units – 2005/06 to 2019/20

Line No.	Year	HTA	% Change
1	2005/06	713,135	1.35%
2	2006/07	721,360	1.15%
3	2007/08	735,225	1.92%
4	2008/09	751,937	2.27%
5	2009/10	763,251	1.50%
6	2010/11	774,765	1.51%
7	2011/12	791,384	2.15%
8	2012/13	811,247	2.51%
9	2013/14	822,677	1.41%
10	2014/15	834,238	1.41%
11	2015/16	847,108	1.54%
12	2016/17	860,978	1.64%
13	2017/18	873,374	1.44%
14	2018/19	882,185	1.01%
15	2019/20	885,871	0.42%
16	Averages		
17	3-Year		0.95%
18	5-Year		1.21%
19	10-Year		1.50%

Based on the methodology used in the 2020 GRA and the recent five year average, MPI would select a volume growth of 1.20% per year for 2020/21 and thereafter. This reflects a 0.14% higher volume growth than that used in the 2021 GRA. To test the sensitivity of the forecast to changes in volume, MPI increased the volume growth by 0.14% per year for all forecast years per *Figure 2* below.

Figure 2 HTA Earned Unit Forecast

Line No.	Year	2021 GRA Part V Revenue Figure REV-7	Revised for PUB (MPI) 1-21
1	2019/20(a)	0.44%	0.44%
2	2020/21	0.14%	0.28%
3	2021/22	1.79%	1.93%
4	2022/23 and thereafter	1.06%	1.20%

Please see Appendix 1 for restated PF.1, PF.2, PF.3, EPF-1 and EPF-3 based on the requested scenario.

b) Please see Appendix 2 PF.1, PF.2, PF.3, EPF-1 and EPF-3 based on the requested scenario.

c) Figure 3 below shows the overall required rate change and the forecasted Minimum Capital Test (MCT) Ratio as of March 31, 2023 starting with the breakeven rate change, and including the application of the Capital Management Plan (CMP) for the three scenarios:

- Scenario A – Volume factor of 0.28% in 2020/21, 1.93% in 2021/22 and 1.20% in 2022/23 and thereafter
- Scenario B – Vehicle upgrade factor of 2.7% starting from fiscal year 2020/21, and throughout the forecast period
- Scenario C – Vehicle upgrade factor of 2.7% and volume factor of 0.28% in 2020/21, 1.93% in 2021/22 and 1.20% in 2022/23 and thereafter

Figure 3 Rate Indication Table and MCT % before and after Capital Management Plan

Line No.	Scenario	AAP Breakeven Rate Indication	Capital Build / (Release) Provision	MCT % After AAP Breakeven Rate Indication			MCT % After AAP Breakeven Rate Indication and Transfer from Extension		MCT % After AAP Breakeven Rate Indication and Transfer from Extension and Capital Build / Release	
				Breakeven Rate Indication			Breakeven Rate Indication		Breakeven Rate Indication	
				20/21	21/22	22/23	21/22	22/23	21/22	22/23
1	PUB 1-21(a)	-5.62%	-5.00%	119.1%	114.4%	111.9%	120.0%	124.6%	114.1%	106.9%
2	PUB 1-21(b)	-5.83%	-5.00%	119.3%	114.9%	112.7%	120.5%	125.4%	114.6%	107.7%
2	PUB 1-21(c)	-5.97%	-5.00%	119.3%	114.8%	112.4%	120.4%	125.2%	114.4%	107.4%

Based on Figure 1 above, the forecasted MCT ratio after the capital transfer from Extension as of March 31, 2023 is higher than the corresponding target MCT ratio in all three scenarios. As a result and in accordance with the CMP, a capped capital release provision of 5.00% is applied to reduce the forecasted MCT ratio in the direction of the target MCT ratio. The final overall required rate change reflecting breakeven rates includes the capped capital release for these scenarios.

Appendices 1, 2 and 3 support each of the three scenarios. For each scenario, MPI provided the following supporting documents:

- Basic and Extension proformas based on the overall required rate change reflecting breakeven rates including the capital release.
- Revised Figure RM-12 showing the Major Classification Required Rate Changes based on the overall required rate change reflecting breakeven rates.
- Revised Figure RM-13 showing the Major Classification Required Rate Changes based on the overall required rate change reflecting breakeven rates including the capital release.

PF-1 Statement of Operations based on -10.6% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (a) Scenario , -10.6% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,081,030	1,007,425	1,045,498	1,085,159	1,125,772
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,134,561	1,061,632	1,100,544	1,141,124	1,182,623
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,068,390	1,043,321	1,026,930	1,065,817	1,105,965
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,121,556	1,097,056	1,081,421	1,121,185	1,162,231
12	Service Fees & Other Revenues	27,161	28,240	27,119	28,682	30,370	32,179
13	Total Earned Revenues	1,116,446	1,149,796	1,124,175	1,110,103	1,151,555	1,194,410
14	Claims Incurred	787,799	820,892	901,785	919,154	953,711	987,390
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(8,514)	1,293	(1,809)	4,645	14,141
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	35,338	7,223	12,954	10,762	11,163
17	Total Claims Incurred	761,455	847,716	910,301	930,299	969,118	1,012,694
18	Claims Expense	132,028	143,490	143,246	146,834	154,212	153,601
19	Road Safety/Loss Prevention	12,030	11,234	13,630	13,504	13,556	13,340
20	Total Claims Costs	905,513	1,002,440	1,067,177	1,090,637	1,136,886	1,179,635
21	Expenses						
22	Operating	69,859	71,865	72,059	75,928	79,912	79,909
23	Commissions	42,332	43,845	43,452	42,875	44,407	45,989
24	Premium Taxes	33,102	32,315	33,328	32,868	34,069	35,309
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,293	5,392
26	Total Expenses	149,940	153,145	153,999	156,872	163,681	166,599
27	Underwriting Income (Loss)	60,993	(5,789)	(97,001)	(137,406)	(149,012)	(151,824)
28	Investment Income	54,159	83,801	89,133	91,394	89,726	90,192
29	(b) Investment Income - Interest Rate Impact	5,455	575	311	167	79	11
30	Net Investment Income	59,614	84,376	89,444	91,561	89,805	90,203
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	78,587	(1,560)	(45,845)	(59,207)	(61,621)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	20,587	(1,560)	(45,845)	(59,207)	(61,621)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,763)	(6,912)	(12,787)	(10,683)	(11,152)

PF-2 Statement of Financial Position based on -10.6% Basic Rate Change

Multi-year - Statement of Financial Position

Line No.	2021 GRA Base with PUB 1-21 (a) Scenario , -10.6% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	57,871	53,926	49,807	51,208	52,641
5	Investments	2,648,873	2,965,383	3,053,671	3,139,573	3,232,266	3,338,201
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	414,367	400,206	413,823	428,057	442,658
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	31,024	29,758	32,815	29,470	16,660
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,995	70,078	67,758	58,585
15	Total Assets	3,417,912	3,622,536	3,717,051	3,825,623	3,926,149	4,019,920
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	583,206	549,329	570,117	591,847	614,165
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	347,934	360,191	372,329	384,561	397,192
23	Provision for unpaid claims	2,031,336	2,096,964	2,181,819	2,261,311	2,340,194	2,416,234
24	Total Liabilities	3,011,685	3,123,231	3,187,978	3,303,197	3,421,475	3,533,010
25	Equity						
26	Retained Earnings	440,522	525,789	549,160	538,547	517,360	496,084
27	Accumulated Other Comprehensive Income	(34,296)	(26,484)	(20,087)	(16,120)	(12,684)	(9,173)
28	Total Equity	406,226	499,305	529,073	522,427	504,676	486,911
29	Total Liabilities & Equity	3,417,911	3,622,536	3,717,051	3,825,624	3,926,151	4,019,921

PF-3 Statement of Changes in Equity based on -10.6% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (a) Scenario , -10.6% Basic Rate change (C\$ 000s, except where noted)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	525,789	549,160	538,547	517,360
6	Net Income (Loss) from annual operations	120,607	78,587	(1,560)	(45,842)	(59,207)	(61,620)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	64,680	24,932	35,229	38,021	40,344
9	Total Retained Earnings	440,522	525,789	549,160	538,547	517,360	496,084
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(26,484)	(20,087)	(16,120)	(12,684)
12	Other Comprehensive Income on Available for Sale Assets	14,660	7,812	6,396	3,967	3,436	3,511
13	Total Accumulated Other Comprehensive Income	(34,296)	(26,484)	(20,087)	(16,120)	(12,684)	(9,173)
14	Total Equity Balance	406,226	499,305	529,073	522,427	504,676	486,911
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	406,226	499,305	529,073	522,427	504,676	486,911
17	Less: Assets Requiring 100% Capital	34,964	39,658	61,995	70,078	67,758	58,585
18	Capital Available	371,262	459,647	467,078	452,349	436,918	428,326
19	Minimum Capital Required (100% MCT)	350,820	385,890	409,446	423,138	436,405	450,544
20	MCT Ratio % (Line 17) / (Line 18)	105.8%	119.1%	114.1%	106.9%	100.1%	95.1%

EPF-1 Extension Statement of Operations based on -10.6% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (a) Scenario , -10.6% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	12,065	12,942	13,541	14,182	14,870
11	Total Earned Revenues	168,400	166,931	180,797	195,165	202,054	209,353
12	Net Claims Incurred	69,516	65,136	82,556	96,594	97,389	98,713
13	(a) Claims Incurred - Interest Rate Impact	-	(27)	(106)	-	-	-
14	Total Claims Incurred	69,516	65,109	82,450	96,594	97,389	98,713
15	Claims Expense	11,100	11,745	11,678	12,165	13,840	14,165
16	Road Safety/Loss Prevention	1,013	919	1,110	1,120	1,231	1,243
17	Total Claims Costs	81,629	77,773	95,238	109,879	112,460	114,121
18	Expenses						
19	Operating	8,910	7,849	8,144	8,796	9,644	9,860
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	18	23
23	Total Expenses	48,445	46,060	50,340	54,641	57,064	58,944
24	Underwriting Income (Loss)	38,326	43,098	35,219	30,645	32,530	36,288
25	Investment Income	(723)	7,700	6,126	7,263	7,305	7,701
26	(b) Investment Income - Interest Rate Impact	280	990	163	4	(18)	(26)
27	Net Investment Income	(443)	8,690	6,289	7,267	7,287	7,675
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,788	42,024	37,912	39,817	43,963
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(211)	42,025	37,912	39,818	43,963
32	Total net Impact due to interest rate change (b) - (a)	280	1,017	269	4	(18)	(26)

EPF-3 Extension Statement of Changes in Equity based on -10.6% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (a) Scenario , -10.6% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	77,975	95,068	97,751	99,548
5	Net Income / (Loss)	37,883	51,789	42,025	37,912	39,818	43,963
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(64,680)	(24,932)	(35,229)	(38,021)	(40,344)
8	Total Retained Earnings	142,866	77,975	95,068	97,751	99,548	103,167
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(1,951)	(682)	789	2,090
11	Other Comprehensive Income on Available for Sales Assets	1,599	416	1,269	1,471	1,301	1,173
12	Total Accumulated Other Comprehensive Income	(2,367)	(1,951)	(682)	789	2,090	3,263
13	Total Equity Balance	140,499	76,024	94,386	98,540	101,638	106,431
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	76,024	94,386	98,540	101,638	106,431
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,378	6,090	5,910	5,105
17	Capital Available	137,520	72,592	89,008	92,450	95,728	101,326
19	Minimum Capital Required (100% MCT)	42,340	36,296	44,504	46,227	47,865	50,663
20	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,203,500	831,700	47,700	12,900	18,100	218,100	75,000
2	Claims	700.99	918.19	677.46	1,745.04	761.96	50.21	5.60
3	Claims Expense	121.41	159.03	117.34	302.25	131.97	8.70	0.97
4	Road Safety	11.27	14.90	14.90	14.90	14.90	0.00	0.00
5	Operating Expense	62.01	81.98	81.98	81.98	81.98	0.00	0.00
6	Regulatory/Appeal	4.30	5.69	5.69	5.69	5.69	0.00	0.00
7	Commission: Vehicle	29.71	38.87	28.98	72.53	31.34	2.45	0.23
8	Prem Tax: Vehicle	27.34	35.77	26.66	66.75	28.84	2.25	0.21
9	Comm & Prem Tax: Driver	3.59	4.74	4.74	4.74	4.74	0.00	0.00
10	Commission Flat Fee	6.27	8.28	8.28	8.28	8.28	0.00	0.00
11	Reins: Casualty	1.10	1.45	1.45	1.45	1.45	0.00	0.00
12	Reins: Catastrophe	10.56	11.44	11.44	11.44	0.00	11.44	0.00
13	Fleet Rebates	14.54	19.61	19.61	19.61	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.95	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.31	75.76	75.76	75.76	75.76	0.00	0.00
16	Service Fees	25.70	33.97	33.97	33.97	33.97	0.00	0.00
17	Req Rate (Raw)	911.45	1,192.18	888.81	2,224.95	961.44	75.04	7.01
18	Req Rate (Bal)	899.89	1,177.06	877.54	2,196.73	949.25	74.09	6.92
19	20/21 Average Rate	902.31	1,180.85	824.78	2,131.69	843.24	76.50	6.97
20	Major Class Drift	5.7%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	953.44	1,256.86	863.47	2,157.59	845.62	80.34	6.97
22	Full Cred Req Change	-5.6%	-6.3%	1.6%	1.8%	12.3%	-7.8%	-0.7%
23	Applied for Change	-5.6%	-6.4%	1.6%	1.8%	12.3%	-7.8%	-0.7%
24	Credibility		99.3%	88.8%	68.3%	75.1%	97.3%	92.6%
25	Cred Wtd Change		-6.3%	0.8%	-0.5%	7.8%	-7.7%	-1.1%
26	Cred Wtd Req Rate		1,177.09	870.52	2,145.76	911.59	74.14	6.90
27	Cred Wtd Req Rate (Bal)	899.86	1,178.84	871.81	2,148.95	912.95	74.25	6.91
28	Cred Wtd Change (Bal)		-6.2%	1.0%	-0.4%	8.0%	-7.6%	-0.9%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates including Capital Release Provision**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,203,500	831,700	47,700	12,900	18,100	218,100	75,000
2	Claims	700.99	918.19	677.46	1,745.04	761.96	50.21	5.60
3	Claims Expense	121.41	159.03	117.34	302.25	131.97	8.70	0.97
4	Road Safety	11.27	14.90	14.90	14.90	14.90	0.00	0.00
5	Operating Expense	62.01	81.98	81.98	81.98	81.98	0.00	0.00
6	Regulatory/Appeal	4.30	5.69	5.69	5.69	5.69	0.00	0.00
7	Commission: Vehicle	29.71	38.87	28.98	72.53	31.34	2.45	0.23
8	Prem Tax: Vehicle	27.34	35.77	26.66	66.75	28.84	2.25	0.21
9	Comm & Prem Tax: Driver	3.59	4.74	4.74	4.74	4.74	0.00	0.00
10	Commission Flat Fee	6.27	8.28	8.28	8.28	8.28	0.00	0.00
11	Reins: Casualty	1.10	1.45	1.45	1.45	1.45	0.00	0.00
12	Reins: Catastrophe	10.56	11.44	11.44	11.44	0.00	11.44	0.00
13	Fleet Rebates	14.54	19.61	19.61	19.61	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.95	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.31	75.76	75.76	75.76	75.76	0.00	0.00
16	Service Fees	25.70	33.97	33.97	33.97	33.97	0.00	0.00
17	Req Rate (Raw)	911.45	1,192.18	888.81	2,224.95	961.44	75.04	7.01
18	Req Rate (Bal)	899.89	1,177.06	877.54	2,196.73	949.25	74.09	6.92
19	20/21 Average Rate	902.31	1,180.85	824.78	2,131.69	843.24	76.50	6.97
20	Major Class Drift	5.7%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	953.44	1,256.86	863.47	2,157.59	845.62	80.34	6.97
22	Full Cred Req Change	-5.6%	-6.3%	1.6%	1.8%	12.3%	-7.8%	-0.7%
23	Applied for Change	-10.6%	-11.3%	-3.8%	-3.6%	6.3%	-12.7%	-6.0%
24	Credibility		99.3%	88.8%	68.3%	75.1%	97.3%	92.6%
25	Cred Wtd Change		-11.3%	-4.5%	-5.8%	2.1%	-12.6%	-6.3%
26	Cred Wtd Req Rate		1,114.73	824.40	2,032.08	863.30	70.21	6.53
27	Cred Wtd Req Rate (Bal)	852.19	1,116.39	825.63	2,035.11	864.58	70.31	6.54
28	Cred Wtd Change (Bal)		-11.2%	-4.4%	-5.7%	2.2%	-12.5%	-6.2%

PF-1 Statement of Operations based on -10.8% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (b) Scenario , -10.8% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,081,108	1,005,963	1,044,286	1,084,052	1,125,212
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,134,639	1,060,170	1,099,332	1,140,017	1,182,063
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,068,430	1,042,610	1,025,596	1,064,658	1,105,139
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,121,596	1,096,345	1,080,087	1,120,026	1,161,405
12	Service Fees & Other Revenues	27,161	28,241	27,088	28,655	30,344	32,164
13	Total Earned Revenues	1,116,446	1,149,837	1,123,433	1,108,742	1,150,370	1,193,569
14	Claims Incurred	787,799	820,094	900,172	916,688	950,279	982,907
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(8,513)	1,292	(1,798)	4,642	14,132
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	35,355	7,142	12,973	10,745	11,140
17	Total Claims Incurred	761,455	846,936	908,606	927,863	965,666	1,008,179
18	Claims Expense	132,028	143,490	143,233	146,819	154,181	153,570
19	Road Safety/Loss Prevention	12,030	11,234	13,628	13,502	13,553	13,337
20	Total Claims Costs	905,513	1,001,660	1,065,467	1,088,184	1,133,400	1,175,086
21	Expenses						
22	Operating	69,859	71,865	72,052	75,921	79,898	79,895
23	Commissions	42,332	43,846	43,433	42,830	44,369	45,960
24	Premium Taxes	33,102	32,316	33,307	32,828	34,034	35,284
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,293	5,392
26	Total Expenses	149,940	153,147	153,952	156,780	163,594	166,531
27	Underwriting Income (Loss)	60,993	(4,970)	(95,986)	(136,222)	(146,624)	(148,048)
28	Investment Income	54,159	83,809	89,165	91,429	89,780	90,301
29	(b) Investment Income - Interest Rate Impact	5,455	574	310	163	74	2
30	Net Investment Income	59,614	84,383	89,475	91,592	89,854	90,303
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	79,413	(514)	(44,630)	(56,770)	(57,745)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	21,413	(514)	(44,630)	(56,770)	(57,745)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,781)	(6,832)	(12,810)	(10,671)	(11,138)

PF-2 Statement of Financial Position based on -10.8% Basic Rate Change

Multi-year - Statement of Financial Position

Line No.	2021 GRA Base with PUB 1-21 (b) Scenario , -10.8% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	57,875	53,935	49,818	51,226	52,666
5	Investments	2,648,873	2,966,013	3,054,733	3,141,701	3,236,573	3,346,197
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	414,390	399,778	413,469	427,733	442,494
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	31,025	29,716	32,770	29,431	16,648
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,996	70,080	67,760	58,588
15	Total Assets	3,417,912	3,623,194	3,717,653	3,827,365	3,930,113	4,027,768
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	583,244	548,616	569,526	591,307	613,892
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	347,934	360,191	372,329	384,561	397,192
23	Provision for unpaid claims	2,031,336	2,096,755	2,181,276	2,260,516	2,339,075	2,414,757
24	Total Liabilities	3,011,685	3,123,060	3,186,722	3,301,811	3,419,816	3,531,260
25	Equity						
26	Retained Earnings	440,522	526,614	551,008	541,622	522,857	505,425
27	Accumulated Other Comprehensive Income	(34,296)	(26,480)	(20,078)	(16,067)	(12,558)	(8,915)
28	Total Equity	406,226	500,134	530,930	525,555	510,299	496,510
29	Total Liabilities & Equity	3,417,911	3,623,194	3,717,652	3,827,366	3,930,115	4,027,770

PF-3 Statement of Changes in Equity based on -10.8% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (b) Scenario , -10.8% Basic Rate change (C\$ 000s, except where noted)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1	BASIC						
2							
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	526,614	551,008	541,622	522,857
6	Net Income (Loss) from annual operations	120,607	79,413	(515)	(44,629)	(56,770)	(57,745)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	64,680	24,908	35,243	38,005	40,313
9	Total Retained Earnings	440,522	526,614	551,008	541,622	522,857	505,425
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(26,480)	(20,078)	(16,067)	(12,558)
12	Other Comprehensive Income on Available for Sale Assets	14,660	7,816	6,402	4,011	3,509	3,643
13	Total Accumulated Other Comprehensive Income	(34,296)	(26,480)	(20,078)	(16,067)	(12,558)	(8,915)
14	Total Equity Balance	406,226	500,134	530,930	525,555	510,299	496,510
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	406,226	500,134	530,930	525,555	510,299	496,510
17	Less: Assets Requiring 100% Capital	34,964	39,658	61,996	70,080	67,760	58,588
18	Capital Available	371,262	460,476	468,934	455,475	442,539	437,922
19	Minimum Capital Required (100% MCT)	350,820	385,841	409,308	423,060	436,390	450,843
20	MCT Ratio % (Line 17) / (Line 18)	105.8%	119.3%	114.6%	107.7%	101.4%	97.1%

EPF-1 Extension Statement of Operations based on -10.8% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (b) Scenario, -10.8% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	12,065	12,942	13,541	14,182	14,870
11	Total Earned Revenues	168,400	166,931	180,797	195,165	202,054	209,353
12	Net Claims Incurred	69,516	65,136	82,556	96,594	97,389	98,713
13	(a) Claims Incurred - Interest Rate Impact	-	(27)	(106)	-	-	-
14	Total Claims Incurred	69,516	65,109	82,450	96,594	97,389	98,713
15	Claims Expense	11,100	11,745	11,678	12,167	13,858	14,197
16	Road Safety/Loss Prevention	1,013	919	1,110	1,120	1,232	1,246
17	Total Claims Costs	81,629	77,773	95,238	109,881	112,479	114,156
18	Expenses						
19	Operating	8,910	7,849	8,144	8,796	9,651	9,874
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	18	23
23	Total Expenses	48,445	46,060	50,340	54,641	57,071	58,958
24	Underwriting Income (Loss)	38,326	43,098	35,219	30,643	32,504	36,239
25	Investment Income	(723)	7,700	6,127	7,268	7,308	7,704
26	(b) Investment Income - Interest Rate Impact	280	990	163	4	(18)	(26)
27	Net Investment Income	(443)	8,690	6,290	7,272	7,290	7,678
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,788	42,025	37,915	39,794	43,917
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(212)	42,026	37,915	39,795	43,918
32	Total net Impact due to interest rate change (b) - (a)	280	1,017	269	4	(18)	(26)

EPF-3 Extension Statement of Changes in Equity based on -10.8% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (b) Scenario , -10.8% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	77,975	95,092	97,764	99,554
5	Net Income / (Loss)	37,883	51,788	42,026	37,915	39,795	43,918
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(64,680)	(24,908)	(35,243)	(38,005)	(40,313)
8	Total Retained Earnings	142,866	77,974	95,093	97,764	99,554	103,159
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(1,951)	(680)	792	2,094
11	Other Comprehensive Income on Available for Sales Assets	1,599	416	1,271	1,472	1,302	1,174
12	Total Accumulated Other Comprehensive Income	(2,367)	(1,951)	(680)	792	2,094	3,268
13	Total Equity Balance	140,499	76,024	94,412	98,556	101,648	106,426
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	76,024	94,412	98,556	101,648	106,426
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,378	6,090	5,910	5,104
17	Capital Available	137,520	72,592	89,034	92,466	95,738	101,322
19	Minimum Capital Required (100% MCT)	42,340	36,296	44,516	46,233	47,871	50,662
20	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	701.28	919.31	678.48	1,747.20	764.53	50.25	5.62
3	Claims Expense	121.78	159.64	117.82	303.41	132.77	8.73	0.98
4	Road Safety	11.30	14.96	14.96	14.96	14.96	0.00	0.00
5	Operating Expense	62.17	82.26	82.26	82.26	82.26	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.74	38.93	29.03	72.65	31.46	2.45	0.23
8	Prem Tax: Vehicle	27.37	35.82	26.72	66.86	28.95	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.58	19.68	19.68	19.68	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.46	76.02	76.02	76.02	76.02	0.00	0.00
16	Service Fees	25.79	34.12	34.12	34.12	34.12	0.00	0.00
17	Req Rate (Raw)	912.21	1,194.13	890.51	2,228.59	965.01	75.15	7.04
18	Req Rate (Bal)	900.64	1,178.98	879.22	2,200.33	952.77	74.20	6.95
19	20/21 Average Rate	902.27	1,180.80	824.75	2,131.60	843.20	76.50	6.97
20	Major Class Drift	6.0%	6.8%	5.1%	1.6%	0.7%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	956.37	1,261.62	866.74	2,165.77	848.83	80.34	6.97
22	Full Cred Req Change	-5.8%	-6.6%	1.4%	1.6%	12.2%	-7.6%	-0.4%
23	Applied for Change	-5.8%	-6.6%	1.4%	1.6%	12.2%	-7.6%	-0.4%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-6.5%	0.6%	-0.8%	7.7%	-7.6%	-0.8%
26	Cred Wtd Req Rate		1,179.01	872.13	2,148.95	914.39	74.24	6.92
27	Cred Wtd Req Rate (Bal)	900.61	1,180.78	873.44	2,152.18	915.77	74.35	6.93
28	Cred Wtd Change (Bal)		-6.4%	0.8%	-0.6%	7.9%	-7.5%	-0.6%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates including Capital Release Provision**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	701.28	919.31	678.48	1,747.20	764.53	50.25	5.62
3	Claims Expense	121.78	159.64	117.82	303.41	132.77	8.73	0.98
4	Road Safety	11.30	14.96	14.96	14.96	14.96	0.00	0.00
5	Operating Expense	62.17	82.26	82.26	82.26	82.26	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.74	38.93	29.03	72.65	31.46	2.45	0.23
8	Prem Tax: Vehicle	27.37	35.82	26.72	66.86	28.95	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.28	8.31	8.31	8.31	8.31	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.58	19.68	19.68	19.68	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.46	76.02	76.02	76.02	76.02	0.00	0.00
16	Service Fees	25.79	34.12	34.12	34.12	34.12	0.00	0.00
17	Req Rate (Raw)	912.21	1,194.13	890.51	2,228.59	965.01	75.15	7.04
18	Req Rate (Bal)	900.64	1,178.98	879.22	2,200.33	952.77	74.20	6.95
19	20/21 Average Rate	902.27	1,180.80	824.75	2,131.60	843.20	76.50	6.97
20	Major Class Drift	6.0%	6.8%	5.1%	1.6%	0.7%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	956.37	1,261.62	866.74	2,165.77	848.83	80.34	6.97
22	Full Cred Req Change	-5.8%	-6.6%	1.4%	1.6%	12.2%	-7.6%	-0.4%
23	Applied for Change	-10.8%	-11.5%	-3.9%	-3.8%	6.3%	-12.6%	-5.7%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-11.5%	-4.7%	-6.0%	2.0%	-12.5%	-6.1%
26	Cred Wtd Req Rate		1,116.41	825.82	2,034.85	865.84	70.29	6.55
27	Cred Wtd Req Rate (Bal)	852.79	1,118.09	827.06	2,037.91	867.14	70.40	6.56
28	Cred Wtd Change (Bal)		-11.4%	-4.6%	-5.9%	2.2%	-12.4%	-5.9%

PF-1 Statement of Operations based on -11.0% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (c) Scenario, -11.0% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,082,645	1,007,193	1,047,038	1,088,441	1,131,361
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,136,176	1,061,400	1,102,084	1,144,406	1,188,212
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,069,218	1,043,990	1,027,606	1,068,249	1,110,430
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,122,384	1,097,725	1,082,097	1,123,617	1,166,696
12	Service Fees & Other Revenues	27,161	28,273	27,114	28,717	30,446	32,313
13	Total Earned Revenues	1,116,446	1,150,657	1,124,839	1,110,814	1,154,063	1,199,009
14	Claims Incurred	787,799	820,892	901,786	919,154	953,711	987,391
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(8,518)	1,285	(1,809)	4,646	14,191
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	35,367	7,158	13,009	10,791	11,183
17	Total Claims Incurred	761,455	847,741	910,229	930,354	969,148	1,012,765
18	Claims Expense	132,028	143,490	143,246	146,834	154,212	153,601
19	Road Safety/Loss Prevention	12,030	11,234	13,630	13,504	13,556	13,340
20	Total Claims Costs	905,513	1,002,465	1,067,105	1,090,692	1,136,916	1,179,706
21	Expenses						
22	Operating	69,859	71,865	72,059	75,928	79,912	79,909
23	Commissions	42,332	43,867	43,479	42,892	44,481	46,128
24	Premium Taxes	33,102	32,340	33,348	32,888	34,142	35,443
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,293	5,392
26	Total Expenses	149,940	153,192	154,046	156,909	163,828	166,872
27	Underwriting Income (Loss)	60,993	(5,000)	(96,312)	(136,787)	(146,681)	(147,569)
28	Investment Income	54,159	83,813	89,178	91,446	89,799	90,318
29	(b) Investment Income - Interest Rate Impact	5,455	574	310	165	74	1
30	Net Investment Income	59,614	84,387	89,488	91,611	89,873	90,319
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	79,387	(827)	(45,176)	(56,808)	(57,250)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	21,387	(827)	(45,176)	(56,808)	(57,250)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,793)	(6,848)	(12,844)	(10,717)	(11,182)

PF-2 Statement of Financial Position based on -11.0% Basic Rate Change

Multi-year - Statement of Financial Position

Line No.	2021 GRA Base with PUB 1-21 (c) Scenario, -11.0% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	57,879	53,938	49,820	51,228	52,671
5	Investments	2,648,873	2,966,497	3,055,097	3,142,070	3,237,550	3,348,465
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	414,840	400,138	414,274	429,017	444,292
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	31,077	29,769	32,884	29,594	16,809
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,995	70,078	67,758	58,585
15	Total Assets	3,417,912	3,624,184	3,718,432	3,828,653	3,932,537	4,031,997
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	583,994	549,216	570,868	593,448	616,891
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	347,934	360,191	372,329	384,561	397,192
23	Provision for unpaid claims	2,031,336	2,096,993	2,181,784	2,261,331	2,340,243	2,416,304
24	Total Liabilities	3,011,685	3,124,048	3,187,830	3,303,968	3,423,125	3,535,806
25	Equity						
26	Retained Earnings	440,522	526,614	550,677	540,760	521,987	505,105
27	Accumulated Other Comprehensive Income	(34,296)	(26,478)	(20,075)	(16,076)	(12,573)	(8,912)
28	Total Equity	406,226	500,136	530,602	524,684	509,414	496,193
29	Total Liabilities & Equity	3,417,911	3,624,184	3,718,432	3,828,652	3,932,539	4,031,999

PF-3 Statement of Changes in Equity based on -11.0% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (c) Scenario, -11.0% Basic Rate change (C\$ 000s, except where noted)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	526,614	550,677	540,760	521,987
6	Net Income (Loss) from annual operations	120,607	79,387	(827)	(45,175)	(56,808)	(57,251)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	64,705	24,891	35,258	38,035	40,369
9	Total Retained Earnings	440,522	526,614	550,677	540,760	521,987	505,105
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(26,478)	(20,075)	(16,076)	(12,573)
12	Other Comprehensive Income on Available for Sale Assets	14,660	7,818	6,403	3,999	3,503	3,661
13	Total Accumulated Other Comprehensive Income	(34,296)	(26,478)	(20,075)	(16,076)	(12,573)	(8,912)
14	Total Equity Balance	406,226	500,136	530,603	524,684	509,414	496,193
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	406,226	500,136	530,603	524,684	509,414	496,193
17	Less: Assets Requiring 100% Capital	34,964	39,658	61,995	70,078	67,758	58,585
18	Capital Available	371,262	460,478	468,608	454,606	441,656	437,608
19	Minimum Capital Required (100% MCT)	350,820	386,005	409,509	423,389	436,851	451,509
20	MCT Ratio % (Line 17) / (Line 18)	105.8%	119.3%	114.4%	107.4%	101.1%	96.9%

EPF-1 Extension Statement of Operations based on -11.0% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with PUB 1-21 (c) Scenario, -11.0% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	12,065	12,942	13,541	14,182	14,871
11	Total Earned Revenues	168,400	166,931	180,797	195,165	202,054	209,354
12	Net Claims Incurred	69,516	65,136	82,556	96,594	97,389	98,713
13	(a) Claims Incurred - Interest Rate Impact	-	(27)	(106)	-	-	-
14	Total Claims Incurred	69,516	65,109	82,450	96,594	97,389	98,713
15	Claims Expense	11,100	11,745	11,678	12,165	13,840	14,165
16	Road Safety/Loss Prevention	1,013	919	1,110	1,120	1,231	1,243
17	Total Claims Costs	81,629	77,773	95,238	109,879	112,460	114,121
18	Expenses						
19	Operating	8,910	7,849	8,144	8,796	9,644	9,860
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	18	23
23	Total Expenses	48,445	46,060	50,340	54,641	57,064	58,944
24	Underwriting Income (Loss)	38,326	43,098	35,219	30,645	32,530	36,289
25	Investment Income	(723)	7,699	6,122	7,263	7,298	7,689
26	(b) Investment Income - Interest Rate Impact	280	991	162	4	(18)	(25)
27	Net Investment Income	(443)	8,690	6,284	7,267	7,280	7,664
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,788	42,019	37,912	39,810	43,953
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(211)	42,020	37,912	39,811	43,953
32	Total net Impact due to interest rate change (b) - (a)	280	1,018	268	4	(18)	(25)

EPF-3 Extension Statement of Changes in Equity based on -11.0% Basic Rate Change

Multi-year - Statement of Changes in Equity

Line No.	2021 GRA Base with PUB 1-21 (c) Scenario, -11.0% Basic Rate change (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	77,950	95,079	97,733	99,508
5	Net Income / (Loss)	37,883	51,789	42,020	37,912	39,811	43,953
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(64,705)	(24,891)	(35,258)	(38,035)	(40,369)
8	Total Retained Earnings	142,866	77,950	95,079	97,733	99,509	103,092
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(1,954)	(684)	786	2,084
11	Other Comprehensive Income on Available for Sales Assets	1,599	413	1,270	1,470	1,298	1,168
12	Total Accumulated Other Comprehensive Income	(2,367)	(1,954)	(684)	786	2,084	3,252
13	Total Equity Balance	140,499	75,996	94,394	98,518	101,592	106,345
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	75,996	94,394	98,518	101,592	106,345
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,378	6,090	5,910	5,105
17	Capital Available	137,520	72,564	89,016	92,428	95,682	101,240
19	Minimum Capital Required (100% MCT)	42,340	36,282	44,509	46,216	47,842	50,620
20	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,203,500	831,700	47,700	12,900	18,100	218,100	75,000
2	Claims	700.99	918.19	677.46	1,745.04	761.96	50.21	5.60
3	Claims Expense	121.41	159.03	117.34	302.25	131.97	8.70	0.97
4	Road Safety	11.27	14.90	14.90	14.90	14.90	0.00	0.00
5	Operating Expense	62.01	81.98	81.98	81.98	81.98	0.00	0.00
6	Regulatory/Appeal	4.30	5.69	5.69	5.69	5.69	0.00	0.00
7	Commission: Vehicle	29.71	38.86	28.97	72.53	31.34	2.45	0.23
8	Prem Tax: Vehicle	27.34	35.76	26.66	66.74	28.84	2.25	0.21
9	Comm & Prem Tax: Driver	3.59	4.74	4.74	4.74	4.74	0.00	0.00
10	Commission Flat Fee	6.27	8.28	8.28	8.28	8.28	0.00	0.00
11	Reins: Casualty	1.10	1.45	1.45	1.45	1.45	0.00	0.00
12	Reins: Catastrophe	10.56	11.44	11.44	11.44	0.00	11.44	0.00
13	Fleet Rebates	14.54	19.61	19.61	19.61	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.95	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.31	75.76	75.76	75.76	75.76	0.00	0.00
16	Service Fees	25.80	34.10	34.10	34.10	34.10	0.00	0.00
17	Req Rate (Raw)	911.34	1,192.04	888.67	2,224.81	961.30	75.04	7.01
18	Req Rate (Bal)	899.79	1,176.92	877.40	2,196.60	949.11	74.09	6.92
19	20/21 Average Rate	902.23	1,180.63	824.63	2,131.30	843.08	76.94	7.01
20	Major Class Drift	6.1%	6.8%	5.1%	1.6%	0.7%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	956.95	1,261.45	866.62	2,165.46	848.71	80.81	7.01
22	Full Cred Req Change	-6.0%	-6.7%	1.2%	1.4%	11.8%	-8.3%	-1.3%
23	Applied for Change	-6.0%	-6.7%	1.2%	1.4%	11.8%	-8.3%	-1.3%
24	Credibility		99.3%	88.8%	68.3%	75.1%	97.3%	92.6%
25	Cred Wtd Change		-6.7%	0.4%	-0.9%	7.4%	-8.2%	-1.6%
26	Cred Wtd Req Rate		1,177.04	870.45	2,145.73	911.53	74.15	6.90
27	Cred Wtd Req Rate (Bal)	899.82	1,178.79	871.74	2,148.92	912.88	74.26	6.91
28	Cred Wtd Change (Bal)		-6.6%	0.6%	-0.8%	7.6%	-8.1%	-1.5%

**Rating Year 2021/22 Major Classification Required Rate Changes
 Breakeven Rates including Capital Release Provision**

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,203,500	831,700	47,700	12,900	18,100	218,100	75,000
2	Claims	700.99	918.19	677.46	1,745.04	761.96	50.21	5.60
3	Claims Expense	121.41	159.03	117.34	302.25	131.97	8.70	0.97
4	Road Safety	11.27	14.90	14.90	14.90	14.90	0.00	0.00
5	Operating Expense	62.01	81.98	81.98	81.98	81.98	0.00	0.00
6	Regulatory/Appeal	4.30	5.69	5.69	5.69	5.69	0.00	0.00
7	Commission: Vehicle	29.71	38.86	28.97	72.53	31.34	2.45	0.23
8	Prem Tax: Vehicle	27.34	35.76	26.66	66.74	28.84	2.25	0.21
9	Comm & Prem Tax: Driver	3.59	4.74	4.74	4.74	4.74	0.00	0.00
10	Commission Flat Fee	6.27	8.28	8.28	8.28	8.28	0.00	0.00
11	Reins: Casualty	1.10	1.45	1.45	1.45	1.45	0.00	0.00
12	Reins: Catastrophe	10.56	11.44	11.44	11.44	0.00	11.44	0.00
13	Fleet Rebates	14.54	19.61	19.61	19.61	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.95	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.31	75.76	75.76	75.76	75.76	0.00	0.00
16	Service Fees	25.80	34.10	34.10	34.10	34.10	0.00	0.00
17	Req Rate (Raw)	911.34	1,192.04	888.67	2,224.81	961.30	75.04	7.01
18	Req Rate (Bal)	899.79	1,176.92	877.40	2,196.60	949.11	74.09	6.92
19	20/21 Average Rate	902.23	1,180.63	824.63	2,131.30	843.08	76.94	7.01
20	Major Class Drift	6.1%	6.8%	5.1%	1.6%	0.7%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	956.95	1,261.45	866.62	2,165.46	848.71	80.81	7.01
22	Full Cred Req Change	-6.0%	-6.7%	1.2%	1.4%	11.8%	-8.3%	-1.3%
23	Applied for Change	-11.0%	-11.7%	-4.1%	-4.0%	5.9%	-13.2%	-6.5%
24	Credibility		99.3%	88.8%	68.3%	75.1%	97.3%	92.6%
25	Cred Wtd Change		-11.7%	-4.9%	-6.2%	1.7%	-13.1%	-6.8%
26	Cred Wtd Req Rate		1,114.45	824.16	2,031.63	863.06	70.20	6.53
27	Cred Wtd Req Rate (Bal)	851.98	1,116.11	825.39	2,034.66	864.34	70.31	6.54
28	Cred Wtd Change (Bal)		-11.5%	-4.8%	-6.0%	1.8%	-13.0%	-6.7%

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Part and Chapter:	Part V- Pro Formas	Page No.:	4-6
PUB Approved Issue No:	4.b- Financial Forecast- Changes in Projected Financial Results 2. Rate indication based on Accepted Actuarial Practice in Canada		
Topic:	Interest Rate Forecast		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please provide an updated PF.1, PF.2, PF.3 and actuarially indicated rate (with supporting schedules) based on a 25-basis point increase in interest rates in 2020/21.
- b) Please provide an updated PF.1, PF.2, PF.3 and actuarially indicated rate (with supporting schedules) based on a 25-basis point decrease in interest rates in 2020/21.
- c) Please provide the impact of a 25-basis point decrease in interest rates in 2020/21 on the AOCI impact of the pension obligation.

Rationale for Question:

To understand the impact of changing interest rates on actuarially indicated rate and forecasted financial results.

RESPONSE:

- a) Please see Figure 1 below which shows the breakeven rate indication and capital release provision based on the scenarios requested.

Figure 1 Overall Required Rate Change and Forecasted MCT Ratio

Line No.	Scenario	New Money Yield	AAP Breakeven Rate Indication	Capital Build / (Release) Provision	MCT % After AAP Breakeven Rate Indication			MCT % After AAP Breakeven Rate Indication and Transfer from Extension		MCT % After AAP Breakeven Rate Indication and Transfer from Extension and Capital Build / Release	
					20/21	21/22	22/23	21/22	22/23	21/22	22/23
1	+25 bps Interest Rates	2.80%	-6.03%	-5.00%	125.6%	120.3%	117.9%	126.0%	130.9%	120.0%	113.0%
2	-25 bps Interest Rates	2.35%	-4.90%	-4.20%	112.7%	108.8%	106.8%	114.3%	119.5%	109.9%	104.2%

The following supporting schedules are based on a 25-basis point increase in interest rates in 2020/21.

Figure 2 PF-1 Statement of Operations based on -11.0% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with +25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,079,495	999,891	1,036,219	1,074,014	1,112,641
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,133,026	1,054,098	1,091,265	1,129,979	1,169,492
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,067,604	1,038,713	1,018,502	1,055,582	1,093,803
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,120,770	1,092,448	1,072,993	1,110,950	1,150,069
12	Service Fees & Other Revenues	27,161	28,248	27,032	28,597	30,289	32,102
13	Total Earned Revenues	1,116,446	1,149,018	1,119,480	1,101,590	1,141,239	1,182,171
14	Claims Incurred	787,799	820,094	899,026	915,519	949,099	981,752
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(10,448)	1,213	(1,277)	3,848	13,787
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	(4,009)	5,194	11,234	9,156	9,676
17	Total Claims Incurred	761,455	805,637	905,433	925,476	962,103	1,005,215
18	Claims Expense	132,028	143,490	143,044	146,615	153,959	153,327
19	Road Safety/Loss Prevention	12,030	11,234	13,608	13,481	13,529	13,312
20	Total Claims Costs	905,513	960,361	1,062,085	1,085,572	1,129,591	1,171,854
21	Expenses						
22	Operating	69,859	71,865	71,965	75,827	79,795	79,782
23	Commissions	42,332	43,823	43,318	42,604	44,078	45,597
24	Premium Taxes	33,102	32,292	33,190	32,615	33,762	34,944
25	Regulatory/Appeal	4,647	5,120	5,160	5,200	5,293	5,391
26	Total Expenses	149,940	153,100	153,633	156,246	162,928	165,714
27	Underwriting Income (Loss)	60,993	35,557	(96,238)	(140,228)	(151,280)	(155,397)
28	Investment Income	54,159	82,498	92,247	95,653	94,384	95,218
29	(b) Investment Income - Interest Rate Impact	5,455	(38,332)	300	178	83	4
30	Net Investment Income	59,614	44,166	92,547	95,831	94,467	95,222
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	79,723	2,306	(44,397)	(56,813)	(60,175)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	21,723	2,306	(44,397)	(56,813)	(60,175)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,323)	(4,894)	(11,056)	(9,073)	(9,672)

Figure 3 PF-2 Statement of Financial Position based on -11.0% Basic Rate Change**Multi-year - Statement of Financial Position**

Line No.	2021 GRA Base with +25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	58,814	54,883	50,090	51,744	53,450
5	Investments	2,648,873	2,921,815	3,009,448	3,095,063	3,186,049	3,289,739
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	413,919	398,003	411,111	424,799	438,819
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	32,911	31,537	34,005	31,397	18,877
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	62,009	70,101	67,788	58,618
15	Total Assets	3,417,912	3,581,350	3,673,375	3,779,897	3,879,167	3,970,678
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	582,458	545,655	565,592	586,411	607,761
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	333,397	345,654	357,792	370,024	382,656
23	Provision for unpaid claims	2,031,336	2,057,391	2,138,819	2,215,151	2,290,940	2,364,003
24	Total Liabilities	3,011,685	3,068,373	3,126,767	3,237,975	3,352,248	3,459,839
25	Equity						
26	Retained Earnings	440,522	528,460	555,748	546,948	528,414	508,745
27	Accumulated Other Comprehensive Income	(34,296)	(15,484)	(9,140)	(5,025)	(1,496)	2,095
28	Total Equity	406,226	512,976	546,608	541,923	526,918	510,840
29	Total Liabilities & Equity	3,417,911	3,581,349	3,673,375	3,779,898	3,879,166	3,970,679

Figure 4 PF-3 Statement of Changes in Equity based on -11.0% Basic Rate Change

		Multi-year - Statement of Changes in Equity					
Line No.	<i>2021 GRA Base with +25 bps Interest Rates with RI and CMP</i>	<i>For the Years Ended March 31,</i>					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	528,460	555,748	546,948	528,414
6	Net Income (Loss) from annual operations	120,607	79,723	2,306	(44,397)	(56,814)	(60,176)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	66,215	24,982	35,597	38,280	40,506
9	Total Retained Earnings	440,522	528,460	555,748	546,948	528,414	508,745
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(15,484)	(9,140)	(5,025)	(1,496)
12	Other Comprehensive Income on Available for Sale Assets	14,660	18,812	6,343	4,115	3,529	3,591
13	Total Accumulated Other Comprehensive Income	(34,296)	(15,484)	(9,140)	(5,025)	(1,496)	2,095
14	Total Equity Balance	406,226	512,976	546,607	541,923	526,919	510,840
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	406,226	512,976	546,607	541,923	526,919	510,840
17	Less: Assets Requiring 100% Capital	34,964	39,658	62,009	70,101	67,788	58,618
18	Capital Available	371,262	473,318	484,598	471,822	459,131	452,222
19	Minimum Capital Required (100% MCT)	350,820	376,970	403,822	417,503	430,494	444,313
20	MCT Ratio % (Line 17) / (Line 18)	105.8%	125.6%	120.0%	113.0%	106.7%	101.8%

Figure 5 EPF-1 Extension Statement of Operations based on -11.0% Basic Rate Change**Multi-year - Statement of Operations**

Line No.	2021 GRA Base with +25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	12,225	13,122	13,744	14,409	15,124
11	Total Earned Revenues	168,400	167,091	180,977	195,368	202,281	209,607
12	Net Claims Incurred	69,516	65,135	82,550	96,595	97,392	98,715
13	(a) Claims Incurred - Interest Rate Impact	-	(134)	(84)	-	-	-
14	Total Claims Incurred	69,516	65,001	82,466	96,595	97,392	98,715
15	Claims Expense	11,100	11,745	11,803	12,292	14,001	14,345
16	Road Safety/Loss Prevention	1,013	919	1,123	1,132	1,246	1,260
17	Total Claims Costs	81,629	77,665	95,392	110,019	112,639	114,320
18	Expenses						
19	Operating	8,910	7,849	8,198	8,851	9,714	9,938
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	18	23
23	Total Expenses	48,445	46,060	50,394	54,696	57,134	59,022
24	Underwriting Income (Loss)	38,326	43,366	35,191	30,653	32,508	36,265
25	Investment Income	(723)	7,433	6,217	7,588	7,551	7,867
26	(b) Investment Income - Interest Rate Impact	280	911	173	15	(12)	(25)
27	Net Investment Income	(443)	8,344	6,390	7,603	7,539	7,842
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,710	42,097	38,256	40,047	44,107
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(290)	42,098	38,256	40,048	44,108
32	Total net Impact due to interest rate change (b) - (a)	280	1,045	257	15	(12)	(25)

Figure 6 EPF-3 Extension Statement of Changes in Equity based on -11.0% Basic Rate Change**Multi-year - Statement of Changes in Equity**

Line No.	2021 GRA Base with +25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	76,361	93,478	96,137	97,905
5	Net Income / (Loss)	37,883	51,710	42,098	38,256	40,048	44,108
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(66,215)	(24,982)	(35,597)	(38,280)	(40,506)
8	Total Retained Earnings	142,866	76,361	93,477	96,137	97,905	101,507
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(962)	261	1,744	3,072
11	Other Comprehensive Income on Available for Sales Assets	1,599	1,405	1,223	1,483	1,328	1,215
12	Total Accumulated Other Comprehensive Income	(2,367)	(962)	261	1,744	3,072	4,287
13	Total Equity Balance	140,499	75,400	93,739	97,881	100,977	105,794
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	75,400	93,739	97,881	100,977	105,794
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,369	6,075	5,891	5,084
17	Capital Available	137,520	71,968	88,370	91,806	95,086	100,710
18	Minimum Capital Required (100% MCT)	42,340	35,984	44,184	45,905	47,544	50,355
19	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

Figure 7 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	698.22	915.44	674.74	1,739.53	754.33	50.21	5.58
3	Claims Expense	120.92	158.54	116.86	301.26	130.64	8.70	0.97
4	Road Safety	11.29	14.93	14.93	14.93	14.93	0.00	0.00
5	Operating Expense	62.14	82.22	82.22	82.22	82.22	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.60	38.75	28.86	72.31	31.03	2.45	0.23
8	Prem Tax: Vehicle	27.24	35.66	26.56	66.54	28.55	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.29	8.32	8.32	8.32	8.32	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.56	19.66	19.66	19.66	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.52	76.11	76.11	76.11	76.11	0.00	0.00
16	Service Fees	25.79	34.12	34.12	34.12	34.12	0.00	0.00
17	Req Rate (Raw)	907.90	1,188.66	885.33	2,217.95	951.73	75.09	6.99
18	Req Rate (Bal)	895.42	1,172.32	873.16	2,187.47	938.65	74.05	6.89
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-6.0%	-6.7%	1.1%	1.4%	11.0%	-7.8%	-1.2%
23	Applied for Change	-6.0%	-6.7%	1.1%	1.4%	11.0%	-7.8%	-1.2%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-6.7%	0.3%	-1.0%	6.7%	-7.8%	-1.5%
26	Cred Wtd Req Rate		1,172.36	866.22	2,136.41	902.64	74.09	6.87
27	Cred Wtd Req Rate (Bal)	895.40	1,174.07	867.49	2,139.53	903.96	74.20	6.88
28	Cred Wtd Change (Bal)		-6.6%	0.5%	-0.8%	6.9%	-7.6%	-1.4%

Figure 8 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates including Capital Release Provision

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	698.22	915.44	674.74	1,739.53	754.33	50.21	5.58
3	Claims Expense	120.92	158.54	116.86	301.26	130.64	8.70	0.97
4	Road Safety	11.29	14.93	14.93	14.93	14.93	0.00	0.00
5	Operating Expense	62.14	82.22	82.22	82.22	82.22	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.60	38.75	28.86	72.31	31.03	2.45	0.23
8	Prem Tax: Vehicle	27.24	35.66	26.56	66.54	28.55	2.25	0.21
9	Comm & Prem Tax: Driver	3.60	4.76	4.76	4.76	4.76	0.00	0.00
10	Commission Flat Fee	6.29	8.32	8.32	8.32	8.32	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.56	19.66	19.66	19.66	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.52	76.11	76.11	76.11	76.11	0.00	0.00
16	Service Fees	25.79	34.12	34.12	34.12	34.12	0.00	0.00
17	Req Rate (Raw)	907.90	1,188.66	885.33	2,217.95	951.73	75.09	6.99
18	Req Rate (Bal)	895.42	1,172.32	873.16	2,187.47	938.65	74.05	6.89
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-6.0%	-6.7%	1.1%	1.4%	11.0%	-7.8%	-1.2%
23	Applied for Change	-11.0%	-11.7%	-4.3%	-4.0%	5.1%	-12.7%	-6.4%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-11.7%	-5.0%	-6.3%	1.1%	-12.7%	-6.8%
26	Cred Wtd Req Rate		1,109.98	820.13	2,022.73	854.61	70.15	6.50
27	Cred Wtd Req Rate (Bal)	847.76	1,111.60	821.33	2,025.69	855.86	70.25	6.51
28	Cred Wtd Change (Bal)		-11.6%	-4.9%	-6.1%	1.2%	-12.6%	-6.6%

b) The following supporting schedules are based on a 25-basis point decrease in interest rates in 2020/21.

Figure 9 PF-1 Statement of Operations based on -9.1% Basic Rate Change

Multi-year - Statement of Operations

Line No.	2021 GRA Base with -25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	BASIC						
3	Motor Vehicles	1,055,113	1,079,495	1,021,996	1,059,123	1,097,750	1,137,230
4	Drivers	66,411	67,146	68,094	69,212	70,412	71,588
5	Reinsurance Ceded	(14,099)	(13,615)	(13,887)	(14,166)	(14,447)	(14,737)
6	Total Net Premiums Written	1,107,425	1,133,026	1,076,203	1,114,169	1,153,715	1,194,081
7	Net Premiums Earned						
8	Motor Vehicles	1,036,651	1,067,604	1,050,038	1,041,016	1,078,912	1,117,976
9	Drivers	66,733	66,781	67,623	68,656	69,816	71,004
10	Reinsurance Ceded	(14,099)	(13,615)	(13,888)	(14,165)	(14,448)	(14,738)
11	Total Net Premiums Earned	1,089,285	1,120,770	1,103,773	1,095,507	1,134,280	1,174,242
12	Service Fees & Other Revenues	27,161	28,168	27,354	28,860	30,480	32,208
13	Total Earned Revenues	1,116,446	1,148,938	1,131,127	1,124,367	1,164,760	1,206,450
14	Claims Incurred	787,799	820,094	901,336	917,931	951,516	984,113
15	DPAC \ Premium Deficiency Adjustment	(17,406)	(6,530)	1,503	(1,721)	4,818	14,390
16	(a) Claims Incurred - Interest Rate Impact	(8,938)	75,462	11,168	14,069	12,174	12,578
17	Total Claims Incurred	761,455	889,026	914,007	930,279	968,508	1,011,081
18	Claims Expense	132,028	143,490	143,439	147,025	154,419	153,813
19	Road Safety/Loss Prevention	12,030	11,234	13,650	13,524	13,578	13,361
20	Total Claims Costs	905,513	1,043,750	1,071,096	1,090,828	1,136,505	1,178,255
21	Expenses						
22	Operating	69,859	71,865	72,146	76,016	80,008	80,007
23	Commissions	42,332	43,823	43,628	43,337	44,837	46,384
24	Premium Taxes	33,102	32,292	33,530	33,290	34,462	35,669
25	Regulatory/Appeal	4,647	5,120	5,160	5,201	5,294	5,392
26	Total Expenses	149,940	153,100	154,464	157,844	164,601	167,452
27	Underwriting Income (Loss)	60,993	(47,912)	(94,433)	(124,305)	(136,346)	(139,257)
28	Investment Income	54,159	85,156	85,944	86,709	85,467	85,915
29	(b) Investment Income - Interest Rate Impact	5,455	41,096	444	39	28	(21)
30	Net Investment Income	59,614	126,252	86,388	86,748	85,495	85,894
31	Gain (Loss) on Sale of Property	-	-	5,997	-	-	-
32	Net Income (Loss) from Annual Operations	120,607	78,340	(2,048)	(37,557)	(50,851)	(53,363)
33	Premium Rebate	-	(58,000)	-	-	-	-
34	Net Income (Loss) after Premium Rebate	120,607	20,340	(2,048)	(37,557)	(50,851)	(53,363)
35	Total net Impact due to interest rate change (b) - (a)	14,393	(34,366)	(10,724)	(14,030)	(12,146)	(12,599)

Figure 10 PF-2 Statement of Financial Position based on -9.1% Basic Rate Change**Multi-year - Statement of Financial Position**

Line No.	2021 GRA Base with -25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Assets						
4	Cash and cash equivalents	186,762	56,846	52,998	49,671	50,891	52,118
5	Investments	2,648,873	3,009,939	3,105,367	3,200,942	3,304,529	3,421,344
6	Investment property	20,969	20,910	20,735	20,324	20,327	20,044
7	Due from other insurance companies	381	-	-	-	-	-
8	Accounts receivable	406,844	413,919	404,466	417,807	431,738	446,008
9	Prepaid expenses	-	-	-	-	-	-
10	Deferred policy acquisition costs	25,582	28,993	27,724	30,652	27,089	13,981
11	Reinsurers' share of unearned premiums	-	-	(1)	-	(1)	(2)
12	Reinsurers' share of unpaid claims	5,072	-	-	-	-	-
13	Property and equipment	88,465	93,323	96,761	99,203	97,064	91,133
14	Deferred development costs	34,964	39,658	61,982	70,057	67,731	58,556
15	Total Assets	3,417,912	3,663,588	3,770,032	3,888,656	3,999,368	4,103,182
16	Liabilities						
17	Due to other insurance companies	595	545	545	545	545	545
18	Accounts payable and accrued liabilities	50,053	70,311	71,241	73,423	78,228	78,137
19	Financing lease obligation	5,475	5,368	5,253	5,131	5,008	4,885
20	Unearned premiums and fees	569,706	582,458	556,435	576,762	597,987	619,753
21	Provision for employee current benefits	18,213	18,903	19,600	20,341	21,092	21,852
22	Provision for employee future benefits	336,307	362,471	374,727	386,866	399,097	411,729
23	Provision for unpaid claims	2,031,336	2,136,863	2,226,575	2,308,154	2,389,379	2,467,704
24	Total Liabilities	3,011,685	3,176,919	3,254,376	3,371,222	3,491,336	3,604,605
25	Equity						
26	Retained Earnings	440,522	524,004	546,912	544,096	530,964	517,669
27	Accumulated Other Comprehensive Income	(34,296)	(37,335)	(31,256)	(26,662)	(22,931)	(19,091)
28	Total Equity	406,226	486,669	515,656	517,434	508,033	498,578
29	Total Liabilities & Equity	3,417,911	3,663,588	3,770,032	3,888,656	3,999,369	4,103,183

Figure 11 PF-3 Statement of Changes in Equity based on -9.1% Basic Rate Change**Multi-year - Statement of Changes in Equity**

Line No.	2021 GRA Base with -25 bps Interest Rates with RI and CMP	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	BASIC						
3	Total Equity						
4	Retained Earnings						
5	Beginning Balance	319,914	440,522	524,004	546,912	544,096	530,964
6	Net Income (Loss) from annual operations	120,607	78,341	(2,049)	(37,555)	(50,851)	(53,365)
7	Premium Rebate	-	(58,000)	-	-	-	-
8	Transfer (to) / from Non-Basic Retained Earnings	-	63,142	24,957	34,739	37,718	40,070
9	Total Retained Earnings	440,522	524,004	546,912	544,096	530,964	517,669
10	Total Accumulated Other Comprehensive Income						
11	Beginning Balance	(48,956)	(34,296)	(37,335)	(31,256)	(26,662)	(22,931)
12	Other Comprehensive Income on Available for Sale Assets	14,660	(3,039)	6,078	4,595	3,731	3,840
13	Total Accumulated Other Comprehensive Income	(34,296)	(37,335)	(31,256)	(26,662)	(22,931)	(19,091)
14	Total Equity Balance	406,226	486,669	515,656	517,435	508,033	498,578
15	MINIMUM CAPITAL TEST (C\$ 000s)						
16	Total Equity Balance	406,226	486,669	515,656	517,435	508,033	498,578
17	Less: Assets Requiring 100% Capital	34,964	39,658	61,982	70,057	67,731	58,556
18	Capital Available	371,262	447,011	453,674	447,378	440,302	440,022
19	Minimum Capital Required (100% MCT)	350,820	396,742	413,011	429,279	443,605	458,915
20	MCT Ratio % (Line 17) / (Line 18)	105.8%	112.7%	109.9%	104.2%	99.3%	95.9%

Figure 12 EPF-1 Extension Statement of Operations based on -9.1% Basic Rate Change**Multi-year - Statement of Operations**

Line No.	2021 GRA Base with -25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
1							
2	EXTENSION						
3	Motor Vehicles	155,063	158,100	180,316	186,381	192,868	199,666
4	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,924)
5	Total Net Premiums Written	153,160	156,322	178,502	184,531	190,981	197,742
6	Net Premiums Earned						
7	Motor Vehicles	157,842	156,644	169,669	183,474	189,759	196,408
8	Reinsurance Ceded	(1,903)	(1,778)	(1,814)	(1,850)	(1,887)	(1,925)
9	Total Net Premiums Earned	155,939	154,866	167,855	181,624	187,872	194,483
10	Service Fees & Other Revenues	12,461	11,906	12,761	13,338	13,955	14,616
11	Total Earned Revenues	168,400	166,772	180,616	194,962	201,827	209,099
12	Net Claims Incurred	69,516	65,136	82,563	96,594	97,386	98,711
13	(a) Claims Incurred - Interest Rate Impact	-	87	(135)	-	-	-
14	Total Claims Incurred	69,516	65,223	82,428	96,594	97,386	98,711
15	Claims Expense	11,100	11,745	11,564	12,039	13,714	14,036
16	Road Safety/Loss Prevention	1,013	919	1,100	1,107	1,218	1,231
17	Total Claims Costs	81,629	77,887	95,092	109,740	112,318	113,978
18	Expenses						
19	Operating	8,910	7,849	8,096	8,742	9,589	9,803
20	Commissions	34,788	35,060	37,094	40,329	41,709	43,169
21	Premium Taxes	4,735	3,139	5,090	5,504	5,693	5,892
22	Regulatory/Appeal	12	12	12	12	17	23
23	Total Expenses	48,445	46,060	50,292	54,587	57,008	58,887
24	Underwriting Income (Loss)	38,326	42,825	35,232	30,635	32,501	36,234
25	Investment Income	(723)	7,962	5,995	6,906	7,093	7,545
26	(b) Investment Income - Interest Rate Impact	280	1,070	151	(8)	(22)	(26)
27	Net Investment Income	(443)	9,032	6,146	6,898	7,071	7,519
28	Gain (Loss) on Sale of Property	-	-	516	-	-	-
29	Net Income (Loss) from Operations	37,883	51,857	41,894	37,533	39,572	43,753
30	Premium Rebate	-	(52,000)	-	-	-	-
31	Net Income (Loss) after premium rebate	37,883	(142)	41,895	37,533	39,573	43,754
32	Total net Impact due to interest rate change (b) - (a)	280	983	286	(8)	(22)	(26)

Figure 13 EPF-3 Extension Statement of Changes in Equity based on -9.1% Basic Rate Change**Multi-year - Statement of Changes in Equity**

Line No.	2021 GRA Base with -25 bps Interest Rates with RI and CMP (C\$ 000s, rounding may affect totals)	For the Years Ended March 31,					
		2020A	2021BF	2022F	2023F	2024F	2025F
2	EXTENSION						
3	Retained Earnings						
4	Beginning Balance	104,983	142,866	79,582	96,520	99,314	101,169
5	Net Income / (Loss)	37,883	51,858	41,895	37,533	39,573	43,754
6	Premium Rebate	-	(52,000)	-	-	-	-
7	Transfer (to) / from Basic Retained Earnings	-	(63,142)	(24,957)	(34,739)	(37,718)	(40,070)
8	Total Retained Earnings	142,866	79,582	96,520	99,314	101,169	104,853
9	Total Accumulated Other Comprehensive Income						
10	Beginning Balance	(3,966)	(2,367)	(2,925)	(1,604)	(150)	1,121
11	Other Comprehensive Income on Available for Sales Assets	1,599	(558)	1,321	1,453	1,271	1,133
12	Total Accumulated Other Comprehensive Income	(2,367)	(2,925)	(1,604)	(151)	1,121	2,254
13	Total Equity Balance	140,499	76,658	94,917	99,163	102,290	107,107
14	MINIMUM CAPITAL TEST (C\$ 000s)						
15	Total Equity Balance	140,499	76,658	94,917	99,163	102,290	107,107
16	Less: Assets Requiring 100% Capital	2,979	3,432	5,387	6,105	5,928	5,124
17	Capital Available	137,520	73,226	89,530	93,058	96,362	101,983
18	Minimum Capital Required (100% MCT)	42,340	36,613	44,765	46,527	48,180	50,991
19	MCT Ratio % (Line 17) / (Line 18)	324.8%	200.0%	200.0%	200.0%	200.0%	200.0%

Figure 14 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	704.64	923.55	682.58	1,755.60	775.74	50.28	5.66
3	Claims Expense	122.36	160.38	118.53	304.86	134.71	8.73	0.98
4	Road Safety	11.32	14.98	14.98	14.98	14.98	0.00	0.00
5	Operating Expense	62.20	82.30	82.30	82.30	82.30	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.89	39.12	29.21	73.01	31.93	2.45	0.23
8	Prem Tax: Vehicle	27.50	36.00	26.88	67.19	29.38	2.26	0.21
9	Comm & Prem Tax: Driver	3.59	4.75	4.75	4.75	4.75	0.00	0.00
10	Commission Flat Fee	6.28	8.30	8.30	8.30	8.30	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.60	19.70	19.70	19.70	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.39	75.94	75.94	75.94	75.94	0.00	0.00
16	Service Fees	25.60	33.87	33.87	33.87	33.87	0.00	0.00
17	Req Rate (Raw)	916.74	1,199.87	896.08	2,239.54	979.46	75.19	7.08
18	Req Rate (Bal)	906.14	1,185.99	885.72	2,213.63	968.13	74.32	7.00
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-4.9%	-5.6%	2.6%	2.6%	14.5%	-7.5%	0.4%
23	Applied for Change	-4.9%	-5.6%	2.6%	2.6%	14.5%	-7.5%	0.4%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-5.6%	1.7%	0.2%	9.6%	-7.4%	0.0%
26	Cred Wtd Req Rate		1,186.10	878.51	2,162.09	927.18	74.38	6.97
27	Cred Wtd Req Rate (Bal)	906.17	1,187.93	879.87	2,165.43	928.61	74.50	6.99
28	Cred Wtd Change (Bal)		-5.5%	1.9%	0.4%	9.8%	-7.3%	0.2%

Figure 15 Rating Year 2021/22 Major Classification Required Rate Changes - Breakeven Rates including Capital Release Provision

Line No.	Coverage	Overall	Private Pass	Comm	Public	Motor-Cycle	Trailer	ORV
1	21/22 Units	1,200,300	828,900	47,500	12,800	18,000	218,100	75,000
2	Claims	704.64	923.55	682.58	1,755.60	775.74	50.28	5.66
3	Claims Expense	122.36	160.38	118.53	304.86	134.71	8.73	0.98
4	Road Safety	11.32	14.98	14.98	14.98	14.98	0.00	0.00
5	Operating Expense	62.20	82.30	82.30	82.30	82.30	0.00	0.00
6	Regulatory/Appeal	4.32	5.71	5.71	5.71	5.71	0.00	0.00
7	Commission: Vehicle	29.89	39.12	29.21	73.01	31.93	2.45	0.23
8	Prem Tax: Vehicle	27.50	36.00	26.88	67.19	29.38	2.26	0.21
9	Comm & Prem Tax: Driver	3.59	4.75	4.75	4.75	4.75	0.00	0.00
10	Commission Flat Fee	6.28	8.30	8.30	8.30	8.30	0.00	0.00
11	Reins: Casualty	1.10	1.46	1.46	1.46	1.46	0.00	0.00
12	Reins: Catastrophe	10.59	11.48	11.48	11.48	0.00	11.48	0.00
13	Fleet Rebates	14.60	19.70	19.70	19.70	0.00	0.00	0.00
14	Anti-Theft Discount	1.35	1.96	0.00	0.00	0.00	0.00	0.00
15	Driver Prem	57.39	75.94	75.94	75.94	75.94	0.00	0.00
16	Service Fees	25.60	33.87	33.87	33.87	33.87	0.00	0.00
17	Req Rate (Raw)	916.74	1,199.87	896.08	2,239.54	979.46	75.19	7.08
18	Req Rate (Bal)	906.14	1,185.99	885.72	2,213.63	968.13	74.32	7.00
19	20/21 Average Rate	902.35	1,180.90	824.82	2,131.80	843.28	76.50	6.97
20	Major Class Drift	5.6%	6.4%	4.7%	1.2%	0.3%	5.0%	0.0%
21	21/22 Average Rate Without Rate Change	952.86	1,256.92	863.51	2,157.69	845.66	80.34	6.97
22	Full Cred Req Change	-4.9%	-5.6%	2.6%	2.6%	14.5%	-7.5%	0.4%
23	Applied for Change	-9.1%	-9.8%	-2.0%	-1.9%	9.4%	-11.6%	-4.0%
24	Credibility		99.3%	88.8%	68.1%	75.0%	97.3%	92.6%
25	Cred Wtd Change		-9.8%	-2.8%	-4.2%	4.8%	-11.5%	-4.4%
26	Cred Wtd Req Rate		1,133.72	839.71	2,066.60	886.23	71.10	6.67
27	Cred Wtd Req Rate (Bal)	866.15	1,135.47	841.01	2,069.79	887.60	71.21	6.68
28	Cred Wtd Change (Bal)		-9.7%	-2.6%	-4.1%	5.0%	-11.4%	-4.3%

- c) The impact of a 25-basis point decrease in interest rates in 2020/21 on the Accumulated Other Comprehensive Income impact of the pension obligation is a reduction to AOCI of -\$19.4 million with Basic's share representing approximately -\$14.5 million.

PUB (MPI) 1-23

Part and Chapter:	Part V- EXP.2.1 EXP App.12 PUB (MPI) 2-9 (2020 GRA)	Page No.:	9
PUB Approved Issue No:	5. Annual Business Plan 14. Operational benchmarking		
Topic:	Performance Management		
Sub Topic:			

Preamble to IR:

In the 2020 GRA, the Corporation indicated that the new merit-based program only applied to out-of-scope staff. Due to a lack of experience with the new merit-based program, MPI did not incorporate any changes in methodology into its compensation budgeting and forecasting process last year. MPI indicated it would include these changes into the compensation forecast once it obtained a better understanding of the impacts. It appears that out-of-scope employees are again assumed to receive compensation increases based on the prior step system whereby 50% of the out-of-scope employees are expected to be eligible. The annual impact is represented as 50% at 4.5% = 2.25%

Question:

- a) Please provide an update to the cost consequences of the merit based program results for out-of-scope employees for 2020.
- b) Please indicate the number of out-of-scope employees that received the merit-based adjustment and the range of bonuses provided.
- c) Please indicate the relative dollar and percentage increase based on the merit based system for the last two fiscal years and compare that with the budgeted amount and percentage.

Rationale for Question:

To understand the cost consequences of performance management tools to recognize and reward business results.

RESPONSE:

- a) The 2020/21 budget amount for out-of-scope merit increase is \$602,317.
- b) 218 of 273 eligible out-of-scope employees received the merit increase for 2019/20 fiscal year. The range of merit increases provided was 1.4% to 5%.
- c) Corporately, the overall budget for merit increase was \$596,000, 2.05% of salaries. The actual amount for the fiscal year 2019/20 is \$592,158. The budget for merit increase in 2018/19 was \$654,032, or 2.5% of salaries. The actual amount for out-of-scope merit increases relating to the 2018/19 fiscal year was \$650,559.

PUB (MPI) 1-24

Part and Chapter:	Part V- Expenses EXP Appendix 13	Page No.:	
PUB Approved Issue No:	6. Changes, if any, to integrated cost allocation methodology		
Topic:	Integrated Cost Allocation Methodology Input Changes		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please explain the addition of 027 assigned to Cost Category H and indicate the amount of costs that were allocated to the accounting unit.
- b) Please explain the additions of accounting units 416 and 417 added to Cost Category M and indicate the costs allocated to these accounting units.
- c) Please explain the additions of Accounting Units 412, 413 and 414 to Cost Category N and indicate the amount of cost allocated to each.
- d) Please explain the deletions of Cost Category X accounting unit 036 and Cost category Y accounting unit 085, indicate the amount of costs previously allocated to these cost categories, and indicate why these costs are now being allocated to Product Development and Management.
- e) Please explain the additions of Accounting Unit 415 to Cost Category KK and indicate the amount of costs included in the accounting unit

Rationale for Question:

To understand the changes made to the Cost Allocation Methodology.

RESPONSE:

- a) There is no addition of 027. This is the accounting unit (AU) for the former Flin Flon Claim Centre which is no longer in operation. This AU should not be included in cost Category H and will be removed from Appendix 13 in the 2022 GRA. There were no costs associated to this AU.
- b) The costs associated to AU 416 (IT Service Management) and 417 (IT Support & Operations) is \$3.5 million and \$7.8 million respectively. These new AU's were added to distribute 093 (Information Technology) into respective work groups.
- c) The costs associated to AU 412 (Total Rewards), 413 (HR Business Partnerships) and 414 (KMS – Instructional Design) are \$0.6 million, \$1.0 million and \$0.9 million respectively. These new AU's were added to distribute 071 (Human Resources) and 083 (Knowledge Management Services) into respective work groups.
- d) AU 036 (formerly Compulsory Insurance) and AU 085 (formerly Extension) have had changes within the work groups as a result of changes within the organization. These organizational units are now Product Development and Product Management. This restructuring resulted in a change to allocation for these AU's. The costs previously associated to AU 036 and AU 085 were both approximately \$0.5 million each.
- e) The costs associated to AU 415 (Forecasting & Reinsurance) are \$0.8 million. This new AU was added to reflect the work group with these costs being moved out of the existing AU 095 (formerly Pricing & Forecasting), now called Pricing.

PUB (MPI) 1-25

Part and Chapter:	Part V Expenses Figure EXP-31	Page No.:	43
PUB Approved Issue No:	6. Changes, if any, to integrated cost allocation methodology 4. Financial forecast		
Topic:	ICAM		
Sub Topic:	Improved Initiative Allocation		

Preamble to IR:

As Project NOVA impacts all 4 lines of business the costs associated to this project will be spread accordingly across all 4 lines of business. If a project is specific to 1 LOB, 100% of the costs associated to the project will be allocated directly to this LOB.

Question:

- a) Please identify which projects and relative Project Nova project costs are being allocated 100% to Basic and the amount of costs that are subject to the allocation factor used.
- b) Please describe how the Project Nova Transformation Office costs are being allocated.

Rationale for Question:

To understand the changes made to Cost Allocation Methodology and to assess the reasonableness of the Extension forecast.

RESPONSE:

- a) Please refer to Expenses Appendix 13 for the associated Basic allocation of Project Nova related project costs. No Project Nova related costs are anticipated to be allocated 100% to the Basic line of business.

- b) Project Nova Transformation Office costs will fall under the category of Nova Leadership & Delivery as depicted in Expenses Appendix 13.

PUB (MPI) 1-26

Part and Chapter:	Part V Expenses; Figure EXP-34	Page No.:	46
PUB Approved Issue No:	6. Changes, if any, to integrated cost allocation methodology 4. Financial forecast		
Topic:	ICAM		
Sub Topic:	Improved Initiative Allocation		

Preamble to IR:

The BTO is responsible for overseeing the majority of the corporate initiatives. The percentage allocator solely dependent on the type of project.

Question:

- a) Please update figure EXP - 34 to include 2019/20 actual.
- b) Provide the analysis of (a) supporting the allocation of business transformation office expenditures to Basic for 2019/20, 2020/21, 2021/22, and 2022/23.
- c) Please provide a similar analysis indicating how Project Nova office expenditure is being allocated to Basic for 2019/20, 2020/21, 2021/22 and 2022/23.

Rationale for Question:

To understand the changes made to Cost Allocation Methodology and to assess the reasonableness of the Extension forecast.

RESPONSE:

a) Expenses Figure EXP-34 applies to Basic only. Please see Figure 1 below.

Figure 1 Business Transportation Office (BTO) Allocator for Basic

Line No.		2019/20A	2020/21FB	2021/22F	2022/23F
1	BTO Allocator	80.6%	82.1%	80.2%	80.2%

b) Please see figure below:

Figure 2 Basic's Share of BTO % Allocation

Line No.	Category Accounting Unit Code	DVA Projects 202	100% Bas Ops 217	Allocation Shared Project 223	Infor-Lawson Upgrade 225	SCO Workload 235	Driver Ed Infrastructure 237	B3-Fineos 239	100% Claims 254	Total Units	BTO %
1	<i>(C\$000s, unless otherwise noted)</i>										
2	2019/20*										
3	Corporate Expenses	750	680	22,691	-	1,022	1,481	250	-	26,874	
4	Basic's Share	-	680	18,502	-	942	1,294	231	-	21,649	80.6%
5	2020/21										
6	Corporate Expenses	50	700	9,847	1,206	540	-	400	670	13,413	
7	Basic's Share	-	700	7,893	967	499	-	369	585	11,012	82.1%
8	2021/22										
9	Corporate Expenses	-	-	3,154	-	-	-	-	-	3,154	
10	Basic's Share	-	-	2,528	-	-	-	-	-	2,528	80.1%
11	2022/23										
12	Corporate Expenses	-	-	500	-	-	-	-	-	500	
13	Basic's Share	-	-	401	-	-	-	-	-	401	80.2%
14	*Based on Total Budgeted Project Costs (Capital plus Expenses)										

c) Expenses Figure EXP-34 Business Transformation Office Allocator is applied to the normal operating expenses relating to the Business Transformation Office. Project Nova does not have normal operating expenses. Project Nova costs are accounted for within the program as they will not continue after Nova is complete.

PUB (MPI) 1-27

Part and Chapter:	Part V Expenses Figure EXP-32	Page No.:	44-47
PUB Approved Issue No:	6. Changes, if any, to integrated cost allocation methodology 4. Financial forecast		
Topic:	ICAM		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please provide the claims incurred allocator Figures EXP-32 for the allocation to Extension and comment on how the changes in CERP will impact the allocation factor.
- b) Please indicate the detail and amount of improvement initiative expenditures that are being allocated to Extension for the years 2019/20 through to 2022/23, and indicate the basis for the amount allocated in each case. Please identify the costs specific to Project Nova projects.

Rationale for Question:

To understand the changes made to Cost Allocation Methodology and to assess the reasonableness of the Extension forecast.

RESPONSE:

a) Please see *Figure 1* below.

Figure 1 Claims Incurred Allocator Variance - Extension

Line No.	Fiscal Year	2021 GRA Forecast	2020 GRA Forecast	Variance 2021 vs 2020
1	2020/21FB	7.1%	6.9%	0.2%
2	2021/22F	7.1%	6.8%	0.3%
3	2022/23F	7.2%	6.5%	0.6%

As can be seen, the allocation of extension expenses will slightly increase in the 2021 GRA due to CERP. As a greater amount of Claims Incurred expenses is expected to occur for the Extension line of business (due to CERP), a greater amount of allocated corporate expenses will occur. This will be primarily offset by lower Basic expenses.

b) See Figure 2 below:

Figure 2 Implementation and Ongoing Improvement Initiatives Expenses - Extension Allocation

Line No.		2019/20A	2020/21FB	2021/22F	2022/23F
1	<i>(C\$ 000s, rounding may affect totals)</i>				
2	Nova - Property & Casualty	\$ 52	\$ 76	\$ 65	\$ -
3	Nova - Foundation	\$ 33	\$ 23	\$ 20	\$ -
4	Nova - Leadership & Delivery	\$ 87	\$ 60	\$ 52	\$ 716
5	All other Improvement Initiatives	\$ 120	\$ 253	\$ 271	\$ 386
6	Total	\$ 292	\$ 412	\$ 408	\$ 1,102

The allocation of Project Nova and all other Improvement Initiatives are based on an independent review of each initiative. Please refer to 2021 GRA Appendix 13: Cost Allocation Methodology.

PUB (MPI) 1-28

Part and Chapter:	Part VII – Reserves and Risk Management – Rate Stabilization Reserve	Page No.:	7 (RSR.6.2)
PUB Approved Issue No:	7. Capital Management Plan		
Topic:	Capital Transfers		
Sub Topic:			

Preamble to IR:

The description of the CMP includes the following unequivocal assertion:

"if, at the end of the fiscal year, the MCT ratio of the Extension Reserve is greater than 200% - MPI will transfer capital from the Extension Reserve to Basic until its MCT ratio is reduced to 200%."

Question:

- a) From examination of EPF-3, the Extension MCT ratio exceeded 200% as at March 31 2020, even allowing for the subsequent payment of the \$52 million Premium Rebate paid from Extension in May 2020. Please provide an explanation for why the CMP capital transfer mechanism was not followed in this instance.
- b) Is it MPI's position that there are circumstances under which the CMP permits excess capital in Extension to be deployed for purposes other than a transfer to Basic, and for each such deployment, identify how the deployment would come to be proposed and what authorizations are necessary before execution.

Rationale for Question:

To build context for the strength of the Corporation's commitments under the CMP.

RESPONSE:

- a) Leading up to March 31 and MPI's fiscal year end, the Covid-19 pandemic was declared and Manitoba was thrust into a state of emergency. Financial markets were in turmoil and volatility in the markets was experienced daily. During this time management began to explore potential options to provide customer relief as did governments and other private entities alike. Because of forecasting volatility and not knowing the exact amount of excess capital that would exist in the Extension line of business as at March 31, 2020 (the final books were not yet closed), and combined with the fact that a special one-time rebate was being considered, Management made the decision to not transfer an estimated amount in March after receiving approval from government for an immediate rebate of \$52 million (which amount was taken from the \$75 million forecast in the 2020 GRA compliance filing). In the normal course, with the change in fiscal year end, excess Extension reserves would be transferred to Basic upon determining the final year-end capital position of Extension, sometime shortly after completing that calculation (as opposed to estimating the transfer amount as was done in years prior when the fiscal year end was February 28).
- b) The CMP does not stipulate what accumulated profits generated by the Extension line of business may be used for but rather stipulates that at the end of each fiscal year, capital that remains in excess of 200% MCT is to be transferred to Basic.

The Extension line of business is responsible to bear its share of all costs and initiatives associated with its applicable policies and coverages in accordance with the established allocation methodologies. It is conceivable that Extension profits could be utilized for purposes other than transfers to Basic. A past example of this was the funding of the Enhanced Drivers Licenses initiative. In order for such a deployment to take place Management would be required to put forward a proposal to the MPI Board of Directors and receive approval to proceed. At this time there are no plans to utilize excess Extension capital for any purpose other than transferring to Basic – as is evidenced by the capital transfers forecasted in the pro formas included in the 2021 GRA.

PUB (MPI) 1-29

Part and Chapter:	Part V Pro Formas	Page No.:	18, 24
PUB Approved Issue No:	7. Capital Management Plan		
Topic:	Extension Financial Forecasts		
Sub Topic:			

Preamble to IR:

Under the Capital Management Plan, the Basic rate request is dependent on the transfers of excess capital from Extension to Basic, which in turn depend on forecasts of Extension insurance operations.

Question:

- a) Please summarize any changes in approach made to the basis for the Extension financial forecasts over the period covered by EPF-1.
- b) Please indicate whether the Corporation has transferred over excess Extension funds in fiscal 2020/21 in accordance with the expectation of the Board set out in its reasons in Order 71/20 for the approval of the Special Rebate.
- c) Compared to Basic, please describe how and when rate indications are determined for Extension insurance.
- d) Please summarize any significant changes in forecasting assumptions made in the Extension financial forecasts over the period covered by EPF-1.

Rationale for Question:

To better understand the foundation for the Extension financial forecasts and the resulting expected transfers from excess capital from Extension to Basic.

RESPONSE:

- a) The Extension forecasts covered in EPF-1 utilize a static approach and do not contain any deviation related to forecasting techniques or assumptions.
- b) The Corporation has not transferred from Extension to Basic any additional funds in fiscal 2020/21 as no excess capital exists in Extension beyond the \$52 million rebate as at March 31, 2020. In the special rebate application the Corporation forecasted potential excess capital within Extension greater than \$52 million; however, upon completion of the final year-end results and producing the final Extension MCT number, it has been determined that the excess capital as at March 31, 2020 was \$50.8 million. As \$52 million was rebated and the ending Extension MCT at March 31, 2020 post-rebate was 197%, no further transfer is required related to the 2019/20 year.
- c) Extension rate indications are done at the product level (i.e. reduced deductible, increased Third Party Liability limits, etc.) to achieve the desired overall profit target and overall rate indication. Historically rate indications for the Extension line of business would take place after rate indications were determined for Basic. This past year, however, as the Basic and Extension lines of business are now intertwined by virtue of the Capital Management Plan, and Extension is a key factor in determining the Basic rate requirement, the Basic and Extension rate indications are determined at the same time. The Board of Directors are responsible to approve all rate indications prior to submission to the Public Utilities Board.
- d) As indicated in response part (a) of this question, there are no significant changes in forecasting assumptions for the Extension line of business. Please see Revenues

Appendix 4 for a listing of extension revenue assumptions and Claims Incurred
Appendix 13 for a listing of Extension claims incurred assumptions.

PUB (MPI) 1-30

Part and Chapter:	Part I- Overview OV.2.2 Capital Management Plan	Page No.:	5
PUB Approved Issue No:	7. Capital Management Plan		
Topic:	IFRS 17 Impact on Capital		
Sub Topic:			

Preamble to IR:

The Office of the Superintendent of Financial Institutions Canada (OSFI) periodically amends the Minimum Capital Test (MCT), typically issuing the changes on a draft advisory basis in advance of formal implementation.

Question:

Please provide any information currently available with respect to the expected impact for Basic arising from the proposed changes to the MCT in connection with implementation of IFRS 17.

Rationale for Question:

To better understand the impact for Basic of the IFRS 17 implementation.

RESPONSE:

OSFI and federally regulated insurers are currently in consultation regarding IFRS 17 and its impacts. Accordingly, with respect to potential future changes to MCT due to IFRS 17 and their impact to the Basic line of business, MPI does not currently have any further information available (draft or otherwise).

PUB (MPI) 1-31

Part and Chapter:	Part VII- FCT	Page No.:	
PUB Approved Issue No:	7. Capital Management Plan		
Topic:	Minimum Regulatory Target		
Sub Topic:	Update to FCT		

Preamble to IR:

The Standards of Practice of the Canadian Institute of Actuaries, effective January 1, 2020, states in 2510.09 that:

"The insurer's financial condition would be satisfactory if throughout the forecast period:

- *Under the solvency scenarios, the statement value of the insurer's assets is greater than the statement value of its liabilities;*
- *Under going concern scenarios, the insurer meets the regulatory minimum capital ratio(s); and*
- *Under the base scenario, the insurer meets its internal target capital ratio(s) as determined by the ORSA."*

The Canadian Institute of Actuaries Educational Note on Financial Condition Testing dated April 2020, states that the threshold for "going concern" scenarios is the minimum regulatory target.

Question:

Please indicate the "minimum regulatory target" with regards to the Basic FCT and the basis thereof.

Rationale for Question:

To better understand the Corporation's interpretation of actuarial requirements for FCT.

RESPONSE:

MPI considers the minimum regulatory target for Basic to be the minimum of (i) the target Minimum Capital Test (MCT) ratio from the Capital Management Plan or (ii) a 100% MCT ratio. In capital build scenarios, MPI must demonstrate that the base case scenario will meet or exceed the target MCT ratios from the Capital Management Plan that are required to build capital back to the 100% MCT target within 5 years or less. In capital release scenarios, the Basic MCT ratio is greater than the 100% MCT target.

PUB (MPI) 1-32

Part and Chapter:	Part VII-Investments INV.1.2 EXP Appendix 7 p. 4	Page No.:	8
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis (e.g. asset mix)		
Topic:	Investment Portfolio		
Sub Topic:	Investment Income		

Preamble to IR:

MPI states Basic is allocated EFB Investment Portfolio and income based on the payroll ratio of 74% in 2019/20 and 75% over the forecast period. Basic compensation as a percentage of total corporate compensation is 74% in 2019/20, and appears to decline from that level over the forecast period.

Question:

Please provide the calculations supporting the allocation of EFB investments and EFB investment income to Basic for each of the years 2019/20 through 2024/25.

Rationale for Question:

To understand the allocation of investment income to Basic.

RESPONSE:

Please see Figure 1 below for the calculations supporting the payroll ratio for 2019/20.

Figure 1 Payroll Ratio for fiscal year 2019/20

Line		<u>Total</u>	<u>%</u>
No.	<i>(\$Cs, unless otherwise noted)</i>		
1	Basic	28,663,732	75.0%
2	Extension	2,466,991	6.5%
3	SRE	2,304,524	6.0%
4	DVA	4,804,408	12.6%
5		<u>38,239,655</u>	<u>100.0%</u>
6	Source: 4-year historical average		
7	of Payroll Allocation		

The payroll ratio in 2020/21 is based on the prior year percentage and is assumed to be static throughout the forecast period.

PUB (MPI) 1-33

Part and Chapter:	Part VII- Investments Figure INV-1 INV App 12	Page No.:	9
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Basic Line of Business Investment Income		
Sub Topic:	Investment Income		

Preamble to IR:

MPI recorded an investment write-down charge in 2016 and 2018, indicating the amount of the write-down on line 30 of INV Figure-1. In the Application, MPI has indicated that it has taken a \$67.8 million impairment and has netted the write down in 2019/20 in the schedule of Basic investment income. The table does not appear to be presented consistently with the historical information on this basis concerning prior impairment write-downs.

Question:

- a) Please refile INV-1 indicating the Investment write down on line 30.
- b) For 2020/21 through 2022/23, please provide a schedule of Investment income separating the income amounts in columns for Claims, RSR and EFB to support the reported investment income to Basic.

Rationale for Question:

To review changes to investment income.

RESPONSE:

- a) Please see Appendix 1 which contains a revised version of INV-1 indicating the investment write down on line 30.

- b) Please see Appendix 2 which provides a schedule of investment income separated out by Basic Claims, RSR and EFB pro-rata from 2020/21 through 2022/23, to support the reported investment income to the Basic line of business.

Figure 1 Summary of Basic Line of Business Investment Income (2021 GRA Figure INV-1 update)

Line No.	Asset Class	Reference Section #	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Actual	2020/21 Budget	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
1	<i>(C\$000s, except where noted)</i>											
2	Interest Income During Period											
3	Cash/Short Term Investments	INV.3	309	314	565	2,192	3,641	166	97	102	105	108
4	Provincial Bonds	INV.4	31,257	30,910	34,147	32,514	39,127	38,661	37,223	35,855	35,703	35,901
5	Corporate Bonds	INV.4	-	-	-	3,702	16,742	19,657	19,914	20,155	20,997	22,016
6	MUSH	INV.5	26,290	25,222	25,349	24,950	24,841	22,210	20,685	19,180	17,697	16,238
7	Private Debt	INV.9	-	-	-	-	1,254	3,747	5,778	6,986	7,020	7,076
8	Total		57,856	56,447	60,060	63,358	85,604	84,440	83,698	82,278	81,522	81,339
9	Dividend and other Income											
10	Canadian Equities	INV.6	9,711	9,441	7,774	8,781	3,097	2,477	3,835	3,940	4,003	4,146
11	US/Global Equities	INV.7	3,508	3,216	2,619	2,996	797	3,346	4,147	4,320	4,454	4,657
12	Global Low Volatility	INV.7	-	-	-	-	2,182	1,716	2,343	2,375	2,409	2,490
13	Investment Properties (CityPlace)	INV.8	2,736	2,621	2,972	3,094	1,390	1,143	1,128	1,117	1,107	1,093
14	Infrastructure	INV.9	1,164	1,341	1,731	11,533	2,620	961	1,143	1,390	1,345	1,396
15	Total		17,119	16,618	15,096	26,404	10,086	9,643	12,596	13,142	13,318	13,781
16	Gains During Period - Profit & Loss											
17	Marketable Bonds Unrealized Gains/(Loss)	INV.4	(65,498)	(20,489)	8,079	8,718	(16,827)	(149)	(1,332)	263	277	294
18	Marketable Bonds Realized Gains/(Loss)	INV.4	12,950	1,708	(3,490)	5,459	22,346	844	1,639	(102)	(203)	(287)
19	Canadian Equities Realized Gains	INV.6	(333)	19,644	20,060	48,239	3,469	110	400	914	1,136	1,219
20	US/Global Equities Realized Gains	INV.7	12	14,995	4,928	56,550	572	282	999	2,010	2,537	2,832
21	Global Low Volatility	INV.7	-	-	-	-	3,652	513	1,257	1,844	2,015	2,091
22	Real Estate	INV.8	14,616	14,112	25,058	17,443	6,516	3,869	6,137	7,762	7,377	7,597
23	Infrastructure	INV.9	5,441	(1,420)	5,376	1,635	7,679	3,775	4,481	5,441	5,272	5,470
24	Total		(32,812)	28,551	60,011	138,046	27,407	9,243	13,581	18,132	18,410	19,216
25	Other											
26	Investment Fees Paid	INV.10	(3,653)	(3,962)	(3,641)	(3,576)	(4,038)	(4,047)	(4,747)	(4,993)	(5,099)	(5,154)
27	Amortization of Bond Premium/Discount	INV.10	(10,890)	(11,735)	(3,069)	(3,553)	(6,083)	(4,185)	(4,702)	(5,750)	(6,821)	(7,165)
28	Pension Expense	INV.10	(3,204)	(3,021)	(11,619)	(12,170)	(10,686)	(10,724)	(10,994)	(11,265)	(11,540)	(11,819)
29	Venture Capital Income	INV.10	30	-	412	-	-	-	-	-	-	-
30	Investment Write-Down		(28,484)	-	(930)	-	(42,676)	-	-	-	-	-
31	Total		(46,201)	(18,718)	(18,847)	(19,298)	(63,483)	(18,955)	(20,442)	(22,008)	(23,460)	(24,138)
32	Total Basic LOB Investment Income		(4,038)	82,897	116,320	208,510	59,614	84,371	89,432	91,546	89,791	90,199

Investment Portfolio Income Detail - Basic Line of Business

INCOME AND GAINS DURING THE PERIOD	Projected 2020/21	2021/22	2022/23
Income Received During Period			
Cash/Short Term Investments	166	97	102
Government Bonds	38,661	37,223	35,855
Corporate Bonds	19,657	19,914	20,155
MUSH	22,210	20,685	19,180
Private Debt	3,747	5,778	6,986
Canadian Equities	2,477	3,835	3,940
Global Equities	3,346	4,147	4,320
Global LV	1,716	2,343	2,375
Pooled Real Estate Fund	-	-	-
Net Rental Income	1,143	1,128	1,117
Infrastructure	961	1,143	1,390
Total	94,083	96,293	95,421
Gains During Period - Profit & Loss			
Government Bonds Unrealized Gains/(Loss)	(4,592)	(2,063)	207
Government Bonds Realized Gains/(Loss)	5,112	2,380	(36)
Corporate Bonds Unrealized Gains/(Loss)	4,443	731	55
Corporate Bonds Realized Gains/(Loss)	(4,269)	(741)	(66)
MUSH	-	-	-
Private Debt	-	-	-
Canadian Equities Realized Gains	110	400	914
Global Equities Realized Gains	282	999	2,010
Global LV	513	1,257	1,844
Pooled Real Estate Fund	3,869	6,137	7,762
Infrastructure	3,775	4,481	5,441
Total	9,243	13,581	18,132
Gains During Period - Other Comprehensive Income			
Reclassification of net realized (gains) losses (related to Avail. for Sale Assets)			
Canadian Equities Unrealized Gains	(110)	(400)	(914)
Global Equities Unrealized Gains	(282)	(999)	(2,010)
Global LV Equities Unrealized Gains	(513)	(1,257)	(1,844)
Government Bonds Unrealized Gains	(520)	(317)	(171)
Corporate Bonds Unrealized Gains	(175)	10	11
Total	(1,600)	(2,963)	(4,929)
Unrealized Gains (losses) on Avail. for Sale Assets			
Canadian Equities Unrealized Gains	1,680	2,344	2,083
Global Equities Unrealized Gains	4,352	4,968	4,796
Global LV Unrealized Gains	1,889	2,358	2,200
Government Bonds Unrealized Gains	1,683	(317)	(171)
Corporate Bonds Unrealized Gains	(1,089)	(867)	(874)
Total	8,515	8,485	8,035
Investment Fees Paid During Period			
Fees to the Department of Finance	(1,270)	(1,262)	(1,271)
Fees to the Corporate Bond Manager	(611)	(653)	(675)
Fees to the alternative investment managers	(2,166)	(2,832)	(3,047)
Total	(4,047)	(4,747)	(4,993)
Investment Summary During Period			
Interest Income During Period	80,693	77,920	75,293
Dividend & Other Income During Period	13,390	18,373	20,128
Gains During Period - Profit & Loss	9,243	13,581	18,132
Investment Fees Paid	(4,047)	(4,747)	(4,993)
(Amortization) / Accretion During Period	(4,185)	(4,702)	(5,750)
Pension Expense	(10,724)	(10,994)	(11,265)
Investment Income	84,371	89,432	91,546
Gains During Period - Other Comprehensive Income	7,828	6,395	3,983
Total	92,200	95,827	95,528

Investment Portfolio Basic Income Summary

INCOME AND GAINS DURING THE PERIOD	Projected 2020/21	2021/22	2022/23
Income Received During Period			
Cash/Short Term Investments	35	0	(0)
Government Bonds	34,917	34,254	33,500
Corporate Bonds	15,555	15,747	16,172
MUSH	22,210	20,685	19,180
Private Debt	-	-	-
Canadian Equities	-	-	-
Global Equities	-	-	-
Global LV	-	-	-
Pooled Real Estate Fund	-	-	-
Net Rental Income	-	-	-
Infrastructure	-	-	-
Total	72,717	70,686	68,852
Gains During Period - Profit & Loss			
Government Bonds Unrealized Gains/(Loss)	(4,592)	(2,063)	207
Government Bonds Realized Gains/(Loss)	4,592	2,063	(207)
Corporate Bonds Unrealized Gains/(Loss)	4,443	731	55
Corporate Bonds Realized Gains/(Loss)	(4,443)	(731)	(55)
MUSH	-	-	-
Private Debt	-	-	-
Canadian Equities Realized Gains	-	-	-
Global Equities Realized Gains	-	-	-
Global LV	-	-	-
Pooled Real Estate Fund	-	-	-
Infrastructure	-	-	-
Total	0	0	0
Gains During Period - Other Comprehensive Income			
Reclassification of net realized (gains) losses (related to Avail. for Sale Assets)			
Canadian Equities Unrealized Gains	-	-	-
Global Equities Unrealized Gains	-	-	-
Global LV Equities Unrealized Gains	-	-	-
Total	-	-	-
Unrealized Gains (losses) on Avail. for Sale Assets			
Canadian Equities Unrealized Gains	-	-	-
Global Equities Unrealized Gains	-	-	-
Global LV Unrealized Gains	-	-	-
Total	-	-	-
Investment Fees Paid During Period			
Fees to the Department of Finance	(913)	(873)	(877)
Fees to the Corporate Bond Manager	(481)	(510)	(535)
Fees to the alternative investment managers	-	-	-
Total	(1,394)	(1,383)	(1,412)
Investment Summary During Period			
Interest Income During Period	72,717	70,686	68,852
Dividend & Other Income During Period	-	-	-
Gains During Period - Profit & Loss	0	0	0
Investment Fees Paid	(1,394)	(1,383)	(1,412)
(Amortization) / Accretion During Period	(3,545)	(4,009)	(4,246)
Pension Expense	-	-	-
Investment Income	67,777	65,294	63,194
Net Gains During Period - Other Comprehensive Income	-	-	-
Total	67,777	65,294	63,194

Investment Portfolio RSR Income Summary

INCOME AND GAINS DURING THE PERIOD	Projected 2020/21	2021/22	2022/23
Income Received During Period			
Cash/Short Term Investments	131	97	102
Government Bonds	3,745	2,969	2,355
Corporate Bonds	1,541	1,744	1,592
MUSH	-	-	-
Private Debt	1,581	3,534	4,660
Canadian Equities	1,435	2,674	2,633
Global Equities	1,540	2,125	2,069
Global LV	1,077	1,631	1,588
Pooled Real Estate Fund	-	-	-
Net Rental Income	1,143	1,128	1,117
Infrastructure	257	318	429
Total	12,450	16,220	16,545
Gains During Period - Profit & Loss			
Government Bonds Unrealized Gains/(Loss)	-	-	-
Government Bonds Realized Gains/(Loss)	520	317	171
Corporate Bonds Unrealized Gains/(Loss)	-	-	-
Corporate Bonds Realized Gains/(Loss)	55	(6)	(6)
MUSH	-	-	-
Private Debt	-	-	-
Canadian Equities Realized Gains	63	283	736
Global Equities Realized Gains	118	538	1,282
Global LV	320	849	1,305
Pooled Real Estate Fund	958	2,658	3,637
Infrastructure	1,008	1,246	1,679
Total	3,043	5,886	8,806
Gains During Period - Other Comprehensive Income			
Reclassification of net realized (gains) losses (related to Avail. for Sale Assets)			
Canadian Equities Unrealized Gains	(63)	(283)	(736)
Global Equities Unrealized Gains	(118)	(538)	(1,282)
Global LV Equities Unrealized Gains	(320)	(849)	(1,305)
Government Bonds Unrealized Gains	(520)	(317)	(171)
Corporate Bonds Unrealized Gains	(55)	6	6
Total	(1,076)	(1,982)	(3,489)
Unrealized Gains (losses) on Avail. for Sale Assets			
Canadian Equities Unrealized Gains	973	1,635	1,392
Global Equities Unrealized Gains	2,004	2,546	2,297
Global LV Unrealized Gains	1,186	1,642	1,471
Government Bonds Unrealized Gains	1,683	(317)	(171)
Corporate Bonds Unrealized Gains	(56)	5	3
Total	5,790	5,510	4,992
Investment Fees Paid During Period			
Fees to the Department of Finance	(202)	(237)	(238)
Fees to the Corporate Bond Manager	(53)	(64)	(59)
Fees to the alternative investment managers	(902)	(1,507)	(1,644)
Total	(1,157)	(1,808)	(1,941)
Investment Summary During Period			
Interest Income During Period	5,416	4,810	4,049
Dividend & Other Income During Period	7,034	11,410	12,496
Gains During Period - Profit & Loss	3,043	5,886	8,806
Investment Fees Paid	(1,157)	(1,808)	(1,941)
(Amortization) / Accretion During Period	(587)	(640)	(1,452)
Pension Expense	-	-	-
Investment Income	13,748	19,658	21,958
Net Gains During Period - Other Comprehensive Income	4,713	3,528	1,503
Total	18,461	23,186	23,461

Investment Portfolio Pension Income Summary

INCOME AND GAINS DURING THE PERIOD	Projected			EFB Pro-rata		
	2020/21	2021/22	2022/23	2020/21	2021/22	2022/23
Income Received During Period						
Cash/Short Term Investments	0	(0)	(0)	0	(0)	(0)
Government Bonds	0	0	0	0	0	0
Corporate Bonds	3,414	3,231	3,189	2,561	2,424	2,392
MUSH	-	-	-	-	-	-
Private Debt	2,887	2,992	3,101	2,165	2,244	2,326
Canadian Equities	1,389	1,547	1,742	1,042	1,160	1,307
Global Equities	2,408	2,696	3,001	1,806	2,022	2,251
Global LV	852	949	1,050	639	712	788
Pooled Real Estate Fund	-	-	-	-	-	-
Net Rental Income	-	-	-	-	-	-
Infrastructure	939	1,100	1,282	704	825	961
Total	11,889	12,516	13,366	8,917	9,387	10,024
Gains During Period - Profit & Loss						
Government Bonds Unrealized Gains/(Loss)	-	-	-	-	-	-
Government Bonds Realized Gains/(Loss)	(0)	(0)	(0)	(0)	(0)	(0)
Corporate Bonds Unrealized Gains/(Loss)	-	-	-	-	-	-
Corporate Bonds Realized Gains/(Loss)	159	(5)	(7)	120	(4)	(5)
MUSH	-	-	-	-	-	-
Private Debt	-	-	-	-	-	-
Canadian Equities Realized Gains	62	156	237	47	117	178
Global Equities Realized Gains	219	614	970	165	461	728
Global LV	257	543	719	193	408	539
Pooled Real Estate Fund	3,881	4,639	5,500	2,911	3,479	4,125
Infrastructure	3,689	4,313	5,016	2,767	3,235	3,762
Total	8,268	10,260	12,436	6,201	7,695	9,327
Gains During Period - Other Comprehensive Income						
Reclassification of net realized (gains) losses (related to Avail. for Sale Assets)						
Canadian Equities Unrealized Gains	(62)	(156)	(237)	(47)	(117)	(178)
Global Equities Unrealized Gains	(219)	(614)	(970)	(165)	(461)	(728)
Global LV Equities Unrealized Gains	(257)	(543)	(719)	(193)	(408)	(539)
Government Bonds Unrealized Gains	0	0	0	0	0	0
Corporate Bonds Unrealized Gains	(159)	5	7	(120)	4	5
Total	(698)	(1,308)	(1,920)	(523)	(981)	(1,440)
Unrealized Gains (losses) on Avail. for Sale Assets						
Canadian Equities Unrealized Gains	942	946	921	706	709	691
Global Equities Unrealized Gains	3,132	3,230	3,333	2,349	2,422	2,499
Global LV Unrealized Gains	938	955	973	703	716	730
Government Bonds Unrealized Gains	0	0	0	0	0	0
Corporate Bonds Unrealized Gains	(160)	1	(0)	(120)	1	(0)
Total	4,851	5,131	5,226	3,638	3,849	3,920
Investment Fees Paid During Period						
Fees to the Department of Finance	(207)	(202)	(208)	(155)	(152)	(156)
Fees to the Corporate Bond Manager	(103)	(105)	(108)	(77)	(79)	(81)
Fees to the alternative investment managers	(1,685)	(1,767)	(1,870)	(1,264)	(1,325)	(1,403)
Total	(1,995)	(2,074)	(2,186)	(1,496)	(1,556)	(1,640)
Investment Summary During Period						
Interest Income During Period	3,415	3,231	3,189	2,561	2,424	2,392
Dividend & Other Income During Period	8,475	9,284	10,177	6,356	6,963	7,633
Gains During Period - Profit & Loss	8,268	10,260	12,436	6,201	7,695	9,327
Investment Fees Paid	(1,995)	(2,074)	(2,186)	(1,496)	(1,556)	(1,640)
(Amortization) / Accretion During Period	(69)	(71)	(70)	(52)	(53)	(53)
Pension Expense	(14,298)	(14,658)	(15,020)	(10,724)	(10,994)	(11,265)
Investment Income	3,795	5,973	8,525	2,846	4,480	6,394
Net Gains During Period - Other Comprehensive Income	4,153	3,823	3,307	3,115	2,867	2,480
Total	7,948	9,796	11,832	5,961	7,347	8,874
Investment Income in excess of Interest Cost (Input to ModelAnn)	3,795	5,973	8,525	2,846	4,480	6,394
Pension Investment Income Allocation by Line of Business						
Basic	75.0%	75.0%	75.0%			

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Part and Chapter:	Part VII-Investments Figures INV-5 INV-10, INV-11	Page No.:	24
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Investment Portfolio		
Sub Topic:	Major Asset Class		

Preamble to IR:**Question:**

- a) Please provide details on the fixed income holdings as at March 31, 2020, including issue amount and yield.
- b) Please indicate the investment in Corporate Bonds at March 31, 2020 and indicate the composition of those bonds, by rating. Please indicate which (if any) of the Bonds were identified for the impairment charge.
- c) Please provide a schedule updating Figure INV-5, adding an additional column indicating the actual yields based on current available yields and spreads at June 30, 2020 and indicate the changes since March 31, 2020 on returns. Please comment on implications of these changes on the claims incurred, investment income and actuarially indicated rate.
- d) Please file Figures INV-10 and INV-11 including 2019/20 forecast in the 2020 GRA, the Special Rate Application and actual results at March 31, 2020.

Rationale for Question:

To assess the reasonableness of forecasted investment income.

RESPONSE:

- a) Please see Appendix 1 for the fixed income holdings in segregated accounts and pooled funds for the five investment portfolios.
- b) The investment in Corporate bonds and the credit rating composition by investment portfolio at March 31, 2020 are outlined in the figure below.

Figure 1 Credit Composition

Line No.	Corporate Bonds Dollar allocation as of March 31, 2020		Credit ratings allocation as of March 31, 2020 in %			
	Portfolio	\$	Credit Ratings	Basic	Extension/SRE/RSR	EFB
4	Basic	388,817,111	AAA	0.00%	1.30%	1.85%
5	Extension	14,012,850	AA	2.66%	11.75%	0.13%
6	SRE	18,792,957	A	39.1%	42.2%	54.3%
7	RSR	36,017,217	BBB	58.28%	44.71%	43.69%
8	EFB	83,998,259	Total	100.00%	100.00%	100.00%
9	Total	541,638,394				

There were no impairments in the corporate bond holdings that are held in a segregated account with the corporate bond manager. However, for the pooled funds managed by the same manager, there were impairments for \$0.3 million in the Extension portfolio, \$1.1 million in the RSR portfolio and \$5.2 million in the EFB portfolio as of March 31, 2020.

- c) The figure below includes yields at June 30, 2020 and the changes since March 31, 2020.

Figure 2 GoC 10 Year Bond Yield Spread

Line No.	Bond Type	Yield at Dec 31, 2019	Yield at Mar 31, 2020	Yield at Jun 30, 2020	Change
1	Corporate BBB	3.17%	3.93%	2.63%	-1.30%
2	Corporate A	2.75%	3.05%	2.03%	-1.02%
3	Provincial	2.33%	2.04%	1.45%	-0.59%
4	GCAN 10 year	1.70%	0.70%	0.53%	-0.17%
5	Source: FTSE Russell – Debt Market Indices Report & Bloomberg				

Please see the response to PUB (MPI) 1-15(a) pertaining to implications of the above changes on the claims incurred, investment income and the actuarially indicated rate.

- d) Please see below Figures INV-10 and INV-11 with actual results at March 31, 2020, including 2019/20 forecast in the 2020 GRA and the Special Rate Application.

Figure 3 Government/Provincial Bond Summary Table

Line No.	Description	March 31,					
		2020A	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>						
2	Interest	39,127	38,661	37,223	35,855	35,703	35,901
3	Unrealized Gains/(Losses)	8,736	(4,592)	(2,063)	207	219	233
4	Realized Gains/(Losses)	16,694	5,112	2,380	(36)	(135)	(216)
5	Total Investment Income	64,557	39,181	37,541	36,026	35,787	35,918
6	Market Value	1,136,438	1,337,643	1,329,286	1,405,738	1,490,637	1,576,674
7	% of Portfolio	41.4%	44.1%	42.6%	43.7%	44.9%	45.9%
8	GoC 10 Year Rate end of year forecast	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
9	Government/Provincial Bond Yield	2.30%	2.19%	2.16%	2.16%	2.16%	2.16%
10	(GoC 10 Yr Bond Rate + Spread)						

Figure 4 Corporate Bond Summary Table

Line No.	Description	March 31,					
		2020A	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>						
2	Interest	16,742	19,657	19,914	20,155	20,997	22,016
3	Unrealized Gains/(Losses)	(25,563)	4,443	731	55	58	61
4	Realized Gains/(Losses)	5,652	(4,269)	(741)	(66)	(69)	(71)
5	Total Investment Income	(3,169)	19,832	19,905	20,145	20,987	22,006
6	Market Value	477,839	541,413	552,767	580,714	611,565	643,312
7	% of Portfolio	17.4%	17.9%	17.7%	18.1%	18.4%	18.7%
8	GoC 10 Year Rate end of year forecast	0.70%	0.70%	0.70%	0.70%	0.70%	0.70%
9	Corporate Bond Yield	3.80%	3.77%	3.77%	3.77%	3.77%	3.77%
10	(GoC 10 Yr Bond Rate + Spread)						

Figure 5 Provincial Bond Summary Table - GRA 2020

Line No.	Description	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(C\$000s, except where noted)</i>					
2	Interest	37,557	34,368	35,554	38,204	41,526
3	Unrealized Gains/(Losses)	1,122	979	1,005	1,048	1,070
4	Realized Gains/(Losses)	(1,241)	(1,143)	(1,225)	(1,337)	(1,449)
5	Total Investment Income	37,438	34,205	35,334	37,915	41,148
6	Market Value	1,198,852	1,265,789	1,397,934	1,541,189	1,688,022
7	% of Portfolio	49.7%	49.6%	51.7%	53.6%	55.4%
8	GoC 10 Year Rate end of year forecast	1.94%	1.94%	1.94%	1.94%	1.94%
9	Government/Provincial Bond Yield	2.83%	2.81%	2.81%	2.81%	2.80%
10	(GoC 10 Yr Bond Rate + Spread)					

Figure 6 Corporate Bond Summary Table - GRA 2020

Line No.	Description	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(C\$000s, except where noted)</i>					
2	Interest	14,087	19,709	21,475	23,477	25,650
3	Unrealized Gains/(Losses)	233	283	287	293	301
4	Realized Gains/(Losses)	(239)	(320)	(331)	(341)	(352)
5	Total Investment Income	14,081	19,672	21,431	23,429	25,598
6	Market Value	483,424	524,176	574,577	629,359	685,487
7	% of Portfolio	20.0%	20.5%	21.2%	21.9%	22.5%
8	GoC 10 Year Rate end of year forecast	1.94%	1.94%	1.94%	1.94%	1.94%
9	Corporate Bond Yield	3.66%	3.66%	3.66%	3.66%	3.66%
10	(GoC 10 Yr Bond Rate + Spread)					

Figure 7 Government/Provincial Bond Summary Table - Special Rate Application

Line No.	Description	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>					
2	Interest	38,451	37,262	36,637	36,232	36,824
3	Unrealized Gains/(Losses)	(8,929)	(5,559)	231	(908)	(1,262)
4	Realized Gains/(Losses)	10,228	6,632	78	741	1,049
5	Total Investment Income	39,750	38,335	36,946	36,065	36,612
6	Market Value	1,419,663	1,421,307	1,501,896	1,608,150	1,719,420
7	% of Portfolio	47.0%	44.3%	44.1%	44.4%	44.7%
8	GoC 10 Year Rate end of year forecast	1.13%	1.13%	1.13%	1.13%	1.13%
9	Government/Provincial Bond Yield	2.11%	2.07%	2.07%	2.07%	2.07%
10	(GoC 10 Yr Bond Rate + Spread)					

Figure 8 Corporate Bond Summary Table - Special Rate Application

Line No.	Description	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>					
2	Interest	18,398	16,134	15,545	15,878	16,557
3	Unrealized Gains/(Losses)	(3,923)	(743)	213	34	(19)
4	Realized Gains/(Losses)	5,592	751	(214)	(34)	18
5	Total Investment Income	20,068	16,141	15,543	15,879	16,556
6	Market Value	576,946	601,976	643,077	683,013	725,102
7	% of Portfolio	19.1%	18.8%	18.9%	18.9%	18.8%
8	GoC 10 Year Rate end of year forecast	1.13%	1.13%	1.13%	1.13%	1.13%
9	Corporate Bond Yield	2.84%	2.84%	2.84%	2.84%	2.84%
10	(GoC 10 Yr Bond Rate + Spread)					

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Government	013051DB0	ALBERTA	2.93	12,415,100.00	12,565,510.96	4.50	20401201
Basic	Government	013051DM6	ALBERTA	1.55	6,373,260.00	6,435,429.86	3.10	20240601
Basic	Government	013051DR5	ALBERTA	0.52	9,011,160.00	9,048,762.74	1.25	20200601
Basic	Government	013051DW4	ALBERTA	1.99	2,074,540.00	2,091,586.58	2.55	20270601
Basic	Government	013051EB9	ALBERTA	2.13	4,244,040.00	4,282,812.60	2.90	20281201
Basic	Government	01306ZCV1	Alberta TSY	2.23	13,529,344.00	13,541,547.84	2.90	20290920
Basic	Government	01306ZDF5	Alberta TSY	2.38	11,092,100.00	11,209,086.30	3.50	20310601
Basic	Government	1107098Y1	PROV OF BRITISH COLUMBIA	2.52	26,030,400.00	26,277,797.26	4.30	20420618
Basic	Government	11070TAJ7	PROV OF BRITISH COLUMBIA	1.59	5,002,176.00	5,033,934.90	2.30	20260618
Basic	Government	135087D35	GOVERNMENT OF CANADA BOND	1.31	1,747,746.00	1,759,695.32	2.75	20481201
Basic	Government	40649CTR7	HALTON REGIONAL MUNICIPALITY	2.95	2,347,640.00	2,386,031.78	4.05	20411011
Basic	Government	4488148V8	QUEBEC HYDRO BOND	2.52	6,715,750.00	6,740,955.48	4.00	20550215
Basic	Government	505443AB7	CANADA LABRADOR-ISLAND LINK FU	2.50	12,566,600.00	12,695,619.18	3.86	20451201
Basic	Government	56344ZCG2	PROVINCE OF MANITOBA BOND	2.16	6,446,578.00	6,468,015.26	6.30	20310305
Basic	Government	56344ZEH8	PROVINCE OF MANITOBA BOND	2.43	31,795,951.00	32,052,835.65	6.30	20320726
Basic	Government	56344ZJM2	PROVINCE OF MANITOBA BOND	2.56	40,189,800.00	40,509,600.00	5.33	20350119
Basic	Government	56344ZPV5	PROVINCE OF MANITOBA BOND	2.80	21,498,200.00	21,537,898.64	3.15	20520909
Basic	Government	563469TH8	PROVINCE OF MANITOBA BOND	2.79	13,850,400.00	13,885,167.12	4.70	20500305
Basic	Government	563469TW5	PROVINCE OF MANITOBA BOND	2.82	8,716,400.00	8,736,224.66	3.35	20430305
Basic	Government	570344AA9	MARITIME LINK FINANCING TR	2.78	5,764,850.00	5,823,343.15	3.50	20521201
Basic	Government	614852PQ8	CITY OF MONTREAL	2.13	8,623,440.00	8,644,842.74	3.15	20280901
Basic	Government	614853CM9	VILLE MONTREAL	1.06	11,624,250.00	11,789,702.06	4.50	20211201
Basic	Government	614853CV9	VILLE MONTREAL	1.46	2,562,575.99	2,569,710.24	3.50	20230901
Basic	Government	628153AC2	MUSKRAT FALLS	2.48	12,828,500.00	12,957,519.18	3.86	20481201
Basic	Government	642866FW2	PROV OF NEW BRUNSWICK BOND	2.66	12,509,100.00	12,516,681.52	4.65	20350926
Basic	Government	642866FZ5	PROV OF NEW BRUNSWICK BOND	2.76	12,418,500.00	12,425,979.45	4.55	20370326
Basic	Government	642866GA9	PROV OF NEW BRUNSWICK BOND	2.81	6,485,000.00	6,488,945.21	4.80	20390926
Basic	Government	642866GK7	PROV OF NEW BRUNSWICK BOND	1.79	2,097,040.00	2,103,735.90	2.60	20260814
Basic	Government	642866GL5	PROV OF NEW BRUNSWICK BOND	2.90	5,197,300.00	5,217,258.90	3.10	20480814
Basic	Government	642869AE1	PROVINCE OF NEW BRUNSWICK	2.90	14,418,040.00	14,569,766.03	3.55	20430603
Basic	Government	651329BE3	NFLD LABRADOR HYDRO BOND	3.17	4,838,760.00	4,892,907.94	3.60	20451201
Basic	Government	651333EG7	NEWFOUNDLAND PROV	2.37	18,640,074.00	19,050,482.22	6.50	20291017
Basic	Government	651333EZ5	NEWFOUNDLAND PROV	2.44	13,806,600.00	14,106,284.93	6.55	20301017
Basic	Government	651333FM3	NEWFOUNDLAND PROV	2.72	13,249,400.00	13,505,619.18	5.60	20331017

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Government	651333FQ4	NEWFOUNDLAND PROV	3.00	26,377,340.00	26,830,298.91	4.50	20370417
Basic	Government	651333FR2	NEWFOUNDLAND PROV	3.10	6,162,350.00	6,268,726.71	4.65	20401017
Basic	Government	651333FS0	NEWFOUNDLAND PROV	1.82	7,880,642.00	7,939,351.87	2.30	20250602
Basic	Government	651333FX9	NEWFOUNDLAND PROV	1.15	23,900,440.00	24,052,353.01	1.95	20220602
Basic	Government	651333FY7	NEWFOUNDLAND PROV	3.20	5,469,450.00	5,554,093.84	3.70	20481017
Basic	Government	65355DZC2	NIAGARA REG MUNI	3.02	1,328,330.00	1,341,579.32	5.20	20400630
Basic	Government	669827FL6	PROVINCE OF NOVA SCOTIA	2.27	16,801,440.00	17,034,075.62	5.80	20330601
Basic	Government	669827FP7	PROVINCE OF NOVA SCOTIA	2.46	19,617,450.00	19,863,121.23	4.90	20350601
Basic	Government	669827FW2	PROVINCE OF NOVA SCOTIA	2.69	13,232,900.00	13,389,995.89	4.70	20410601
Basic	Government	669827GA9	PROVINCE OF NOVA SCOTIA	1.80	10,201,400.00	10,271,591.78	2.10	20270601
Basic	Government	683234B98	PROVINCE OF ONTARIO BOND	2.52	40,761,687.47	41,227,707.56	4.65	20410602
Basic	Government	683234NM6	PROVINCE OF ONTARIO BOND	1.96	4,412,385.00	4,476,100.62	6.20	20310602
Basic	Government	683234YD4	PROVINCE OF ONTARIO BOND	2.41	6,605,100.00	6,683,004.11	4.70	20370602
Basic	Government	68323AAD6	PROVINCE OF ONTARIO	0.71	7,268,380.00	7,361,201.92	4.00	20210602
Basic	Government	68323AAY0	PROVINCE OF ONTARIO	2.55	20,977,020.00	21,185,869.32	3.50	20430602
Basic	Government	68323ABN3	PROVINCE OF ONTARIO	1.22	10,296,468.00	10,389,057.87	2.85	20230602
Basic	Government	68323ACC6	PROVINCE OF ONTARIO	2.56	40,730,900.00	41,131,194.52	3.45	20450602
Basic	Government	68323Z4W6	ONTARIO GENERAL RESIDUALS	5.56	4,135,872.00	4,826,802.67	2.99	20271202
Basic	Government	68323ZUK3	ONTARIO GENERAL RESIDUALS	0.77	12,283,764.00	12,283,764.00	-	20200602
Basic	Government	68333ZAA5	PROV OF ONTARIO	2.53	7,524,300.00	7,591,595.90	2.90	20490602
Basic	Government	68333ZAC1	PROV OF ONTARIO	1.76	11,948,970.00	12,054,720.68	2.90	20280602
Basic	Government	68333ZAG2	PROV OF ONTARIO	2.50	30,952,800.00	31,216,347.95	2.65	20501202
Basic	Government	689551DE6	CITY OF OTTAWA	2.24	6,296,250.00	6,329,455.48	5.05	20300813
Basic	Government	689551ED7	CITY OF OTTAWA	2.97	8,731,650.45	8,781,126.45	4.20	20530730
Basic	Government	689551ER6	CITY OF OTTAWA	2.99	5,053,050.00	5,120,317.12	3.05	20460423
Basic	Government	741666CF6	PRINCE EDWARD ISLAND	1.40	3,920,926.50	3,999,472.09	8.50	20231215
Basic	Government	741666CN9	PRINCE EDWARD ISLAND	1.94	2,822,754.00	2,845,917.29	6.10	20270729
Basic	Government	741666CS8	PRINCE EDWARD ISLAND	2.73	11,406,510.00	11,560,151.09	4.65	20371119
Basic	Government	741666DA6	PRINCE EDWARD ISLAND	1.71	5,164,550.00	5,176,139.04	2.35	20250825
Basic	Government	74814ZEF6	PROVINCE OF QUEBEC	2.50	21,233,550.00	21,484,234.93	5.00	20411201
Basic	Government	74814ZEK5	PROVINCE OF QUEBEC	2.53	13,056,600.00	13,198,654.79	4.25	20431201
Basic	Government	74814ZEP4	PROVINCE OF QUEBEC	1.22	36,019,600.00	36,106,230.14	3.00	20230901
Basic	Government	74814ZEV1	PROVINCE OF QUEBEC	1.48	21,316,600.00	21,363,312.33	2.75	20250901
Basic	Government	74814ZEW9	PROVINCE OF QUEBEC	2.53	5,988,950.00	6,047,443.15	3.50	20481201

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Government	74814ZEX7	PROVINCE OF QUEBEC	1.58	29,561,560.00	29,621,012.06	2.50	20260901
Basic	Government	803854GY8	PROV OF SASKATCHEWAN BOND	2.06	6,498,000.00	6,519,267.12	5.75	20290305
Basic	Government	803854HN1	PROV OF SASKATCHEWAN BOND	2.16	14,277,200.00	14,324,542.47	6.40	20310905
Basic	Government	803854JH2	PROV OF SASKATCHEWAN BOND	2.63	6,872,850.00	6,893,562.33	5.60	20350905
Basic	Government	803854JJ8	PROV OF SASKATCHEWAN BOND	2.72	3,925,650.00	3,936,745.89	5.00	20370305
Basic	Government	803854JL3	PROV OF SASKATCHEWAN BOND	2.81	6,486,150.00	6,565,533.56	4.75	20400601
Basic	Government	803854JT6	PROV OF SASKATCHEWAN BOND	2.82	17,518,720.00	17,605,163.84	3.40	20420203
Basic	Government	803854JU3	PROV OF SASKATCHEWAN BOND	2.88	5,314,905.00	5,373,084.45	3.90	20450602
Basic	Government	803854JW9	PROV OF SASKATCHEWAN BOND	1.47	32,089,800.00	32,405,416.44	3.20	20240603
Basic	Government	803854KA5	PROV OF SASKATCHEWAN BOND	2.89	4,869,450.00	4,915,032.19	2.75	20460212
Basic	Government	803854KB3	PROV OF SASKATCHEWAN BOND	1.74	8,061,746.00	8,126,837.37	2.55	20260602
Basic	Government	803854KC1	PROV OF SASKATCHEWAN BOND	2.87	5,418,350.00	5,473,048.63	3.30	20480602
Basic	Government	891288DJ8	CITY OF TORONTO	1.58	2,681,725.00	2,712,464.73	3.40	20240521
Basic	Government	921577RE4	CITY OF VANCOUVER	0.99	3,226,077.00	3,261,531.66	3.45	20211202
Basic	Government	975026HB4	CITY OF WINNIPEG	3.21	13,980,550.00	14,167,511.64	4.30	20511115
Basic	Government	975026HC2	CITY OF WINNIPEG	3.26	19,851,523.00	20,089,289.30	4.10	20450601
Basic	Government	98704CQR0	MUNICIPALITY OF YORK REGION	0.87	4,695,556.80	4,741,623.65	4.00	20210630
Basic	Government	98704CQT6	MUNICIPALITY OF YORK REGION	2.37	5,858,250.00	5,925,647.26	4.00	20320531
Basic	Government	98704CQZ2	MUNICIPALITY OF YORK REGION	1.81	5,182,350.00	5,219,048.63	2.35	20270609
Basic	Government	DOFSWAP\$1	PROV OF QUEBEC BOND	2.67	14,639,291.18	14,801,510.14	5.76	20230715
Basic	Corporate	00433JAA3	ACCESS ROADS EDMONTON	2.92	4,261,482.27	4,262,017.36	5.67	20370930
Basic	Corporate	007863AC7	AEROPORT DE MONTREAL	3.31	1,621,920.00	1,659,174.25	6.55	20331011
Basic	Corporate	013047AD7	ALBERTA POWERLINE LP SERV	3.16	3,532,624.78	3,542,887.45	4.07	20540301
Basic	Corporate	014443AF2	ALECTRA INC	3.40	1,283,040.00	1,305,534.11	5.30	20410429
Basic	Corporate	01585PAG0	ALGONQUIN POWER	3.40	1,563,030.00	1,570,425.62	4.09	20270217
Basic	Corporate	01585PAJ4	ALGONQUIN POWER	3.98	3,660,230.00	3,688,019.04	4.60	20290129
Basic	Corporate	02091ZAB4	ALTAGAS CANADA INC	2.82	3,054,720.00	3,100,804.93	3.15	20260406
Basic	Corporate	02135ZAK2	ALTALINK LP	3.42	4,960,800.00	4,968,890.96	4.92	20430917
Basic	Corporate	02135ZAS5	ALTALINK LP	3.43	1,574,520.00	1,592,850.41	3.72	20461203
Basic	Corporate	02138ZAL7	ALTAGAS LTD	6.16	1,582,940.00	1,594,282.47	4.50	20440815
Basic	Corporate	02138ZAQ6	ALTAGAS LTD	4.01	2,993,640.00	3,052,522.19	3.98	20271004
Basic	Corporate	046789AA1	ATCO LTD CL INV	5.16	511,500.00	522,952.05	5.50	20781101
Basic	Corporate	06415EUC7	BANK OF NOVA SCOTIA	3.79	192,542.00	193,925.04	2.84	20290703
Basic	Corporate	07813ZAT1	BELL CANADA SR	4.44	3,069,222.00	3,076,174.33	6.10	20350316

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Corporate	07813ZBH6	BELL CANADA SR	4.50	1,662,972.60	1,663,599.21	4.75	20440929
Basic	Corporate	07813ZBX1	BELL CANADA SR	4.51	3,466,260.00	3,480,768.22	4.45	20470227
Basic	Corporate	07813ZBY9	BELL CANADA SR	3.41	1,872,699.50	1,873,246.90	3.60	20270929
Basic	Corporate	07813ZCA0	BELL CANADA SR	3.52	5,610,440.00	5,633,344.12	3.80	20280821
Basic	Corporate	07813ZCC6	BELL CANADA SR	3.69	1,172,062.50	1,174,247.43	2.90	20290910
Basic	Corporate	07813ZCD4	BELL CANADA SR	4.50	1,669,680.00	1,670,063.56	3.50	20500930
Basic	Corporate	10549PAJ0	BRASCAN(CHNG BROOKFIELD ASSET)	5.05	2,080,196.00	2,113,956.14	5.95	20350614
Basic	Corporate	11257ZAF6	BROOKFIELD ASSET MGMT INC	3.63	5,708,138.50	5,717,550.01	3.80	20270316
Basic	Corporate	11282ZAL2	BROOKFIELD REN ENERGY PARTNERS	3.29	1,531,200.00	1,542,686.71	3.63	20270115
Basic	Corporate	11282ZAM0	BROOKFIELD REN ENERGY PARTNERS	3.50	3,697,995.00	3,729,375.13	4.25	20290115
Basic	Corporate	11282ZAN8	BROOKFIELD REN ENERGY PARTNERS	3.58	1,672,069.00	1,684,190.70	3.38	20300115
Basic	Corporate	11282ZAP3	BROOKFIELD REN ENERGY PARTNERS	5.15	434,755.00	443,452.53	4.29	20491105
Basic	Corporate	11283XAA0	BROOKFIELD RENEW KWAGIS HLDG	4.74	856,737.00	866,836.33	4.45	20531231
Basic	Corporate	11286ZAD6	BROOKFIELD PROPERTY FINANCE	4.62	3,599,475.00	3,630,565.07	3.93	20270115
Basic	Corporate	116705AG9	BRUCE POWER LP	3.89	3,586,730.00	3,627,144.36	4.13	20330621
Basic	Corporate	126462AD2	CT REAL ESTATE INVEST	4.14	1,907,840.00	1,929,826.74	3.29	20260601
Basic	Corporate	12657ZAJ2	CU INC	3.42	2,309,670.00	2,348,341.30	5.90	20341120
Basic	Corporate	12657ZAQ6	CU INC	3.45	3,212,550.00	3,261,088.36	5.58	20380526
Basic	Corporate	12657ZAW3	CU INC	3.46	2,908,150.00	2,957,936.30	4.54	20411024
Basic	Corporate	12657ZBJ1	CU INC	3.47	6,302,700.00	6,385,589.09	3.76	20461119
Basic	Corporate	12657ZBM4	CU INC	3.46	817,191.00	819,017.51	2.96	20490907
Basic	Corporate	13607GCJ1	CANADIAN IMPERIAL BANK OF COM	3.33	2,909,850.00	2,935,066.44	2.95	20290619
Basic	Corporate	14046ZAL3	CAPITAL POWER CORP	3.86	1,269,516.00	1,280,826.71	4.99	20260123
Basic	Corporate	17039AAF3	CHOICE PROPERTIES REIT	3.21	5,217,150.00	5,288,806.85	4.06	20251124
Basic	Corporate	17039AAN6	CHOICE PROPERTIES REIT	3.54	2,086,840.00	2,091,647.56	4.18	20280308
Basic	Corporate	17039AAP1	CHOICE PROPERTIES REIT	3.69	2,469,350.00	2,496,444.80	3.53	20290611
Basic	Corporate	17039AAS5	CHOICE PROPERTIES REIT	3.89	925,430.00	927,798.47	2.98	20300304
Basic	Corporate	29250ZAM0	ENBRIDGE PIPELINES INC	4.95	2,097,120.00	2,149,105.75	5.33	20400406
Basic	Corporate	29250ZAV0	ENBRIDGE PIPELINES INC	3.27	3,938,360.00	3,955,127.12	3.00	20260810
Basic	Corporate	29250ZAX6	ENBRIDGE PIPELINES INC	3.53	1,424,415.75	1,429,775.31	3.52	20290222
Basic	Corporate	29250ZAY4	ENBRIDGE PIPELINES INC	4.96	1,175,837.00	1,181,851.54	4.33	20490222
Basic	Corporate	29251ZAK3	ENBRIDGE INC UNSECURED	5.19	1,002,923.50	1,020,528.98	7.20	20320618
Basic	Corporate	29251ZBB2	ENBRIDGE INC UNSECURED	5.31	3,012,170.00	3,025,993.56	4.24	20420827
Basic	Corporate	29251ZBK2	ENBRIDGE INC UNSECURED	4.11	2,359,775.00	2,384,980.48	3.20	20270608

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Corporate	29251ZBS5	ENBRIDGE INC UNSECURED	4.14	3,129,765.90	3,180,867.40	3.00	20291003
Basic	Corporate	29290ZAA8	ENBRIDGE GAS DISTRIBUTION	3.20	1,935,164.00	1,971,686.74	6.90	20321115
Basic	Corporate	29290ZAP5	ENBRIDGE GAS DISTRIBUTION	3.51	2,697,850.00	2,708,534.93	4.00	20440822
Basic	Corporate	29290ZAS9	ENBRIDGE GAS DISTRIBUTION	3.50	1,751,785.00	1,772,652.67	3.51	20471129
Basic	Corporate	29410ZAF2	EPCOR UTILITIES	3.29	5,786,685.00	5,882,115.82	5.65	20351116
Basic	Corporate	29410ZAP0	EPCOR UTILITIES	3.50	602,862.00	607,508.24	3.11	20490708
Basic	Corporate	31943BBX7	FIRST CAPITAL REALTY INC COMMO	3.62	3,796,390.00	3,851,546.01	3.60	20260506
Basic	Corporate	31943BBY5	FIRST CAPITAL REALTY INC COMMO	3.94	2,668,707.00	2,690,916.54	3.75	20270712
Basic	Corporate	31943BBZ2	FIRST CAPITAL REALTY INC COMMO	3.93	2,819,177.00	2,838,398.03	3.46	20270122
Basic	Corporate	32117PAA5	FIRST NATIONS ETF LP	3.59	2,924,291.55	2,952,484.07	4.14	20411231
Basic	Corporate	34957ZAU8	FORTIS ALBERTA INC	3.51	1,353,372.00	1,354,775.84	4.27	20450922
Basic	Corporate	34957ZAW4	FORTIS ALBERTA INC	3.50	1,750,354.00	1,754,287.56	3.67	20470909
Basic	Corporate	34957ZAX2	FORTIS ALBERTA INC	3.51	2,081,560.00	2,084,424.44	3.73	20480918
Basic	Corporate	34959ZAJ1	FORTISBC ENERGY INC	3.45	883,600.00	887,617.53	2.82	20490809
Basic	Corporate	35085ZBF2	407 INTERNATIONAL INC	3.51	3,865,050.00	3,928,933.15	4.19	20420425
Basic	Corporate	35085ZBL9	407 INTERNATIONAL INC	3.50	4,118,985.00	4,177,096.07	3.83	20460511
Basic	Corporate	35085ZBP0	407 INTERNATIONAL INC	3.01	4,182,720.00	4,228,578.64	3.43	20330601
Basic	Corporate	35085ZBU9	407 INTERNATIONAL INC	3.51	3,604,405.00	3,612,851.03	3.67	20490308
Basic	Corporate	35085ZBV7	407 INTERNATIONAL INC	3.52	437,140.00	438,151.51	2.84	20500307
Basic	Corporate	37252BAC6	GENWORTH MI CANADA INC COMMON	3.08	1,043,310.00	1,064,520.00	4.24	20240401
Basic	Corporate	37252BAD4	GENWORTH MI CANADA INC COMMON	3.83	1,705,086.00	1,709,603.51	2.96	20270301
Basic	Corporate	37482ZAA9	GIBSON ENERGY INC	4.95	1,699,242.30	1,702,038.46	3.60	20290917
Basic	Corporate	39138CAD8	GREAT WEST LIFECO INC.	4.20	3,113,750.00	3,118,775.34	6.67	20330321
Basic	Corporate	39138CAF3	GREAT WEST LIFECO INC.	4.50	2,983,075.00	3,039,357.60	6.00	20391116
Basic	Corporate	39191ZAF6	GREATER TORONTO AIRPORTS	3.14	976,780.00	999,402.85	6.98	20321015
Basic	Corporate	39191ZAX7	GREATER TORONTO AIRPORTS	3.51	758,082.00	761,218.44	5.30	20410225
Basic	Corporate	39191ZBC2	GREATER TORONTO AIRPORTS	2.59	4,043,120.00	4,097,271.23	2.73	20290403
Basic	Corporate	39191ZBD0	GREATER TORONTO AIRPORTS	3.50	1,788,440.00	1,813,604.38	2.75	20391017
Basic	Corporate	40416RAB0	HCN CANADIAN HOLDINGS-1 LP	3.67	956,770.00	962,993.29	2.95	20270115
Basic	Corporate	42225GAA3	HEALTH MONTREAL COLLECTIVE	4.13	4,708,767.30	4,709,971.56	6.72	20490930
Basic	Corporate	42246QAD0	HEATHROW FUNDING LIMITED(REST)	3.48	2,052,900.00	2,058,702.52	3.78	20300904
Basic	Corporate	44810ZAD2	HYDRO ONE INC	3.26	3,622,563.00	3,651,216.29	6.35	20340131
Basic	Corporate	44810ZAS9	HYDRO ONE INC	3.36	7,183,020.00	7,198,292.88	4.89	20370313
Basic	Corporate	44810ZBK5	HYDRO ONE INC	3.50	6,510,205.50	6,632,343.51	4.59	20431009

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Corporate	44810ZCA6	HYDRO ONE INC	3.49	2,054,760.00	2,090,461.92	3.64	20500405
Basic	Corporate	44810ZCC2	HYDRO ONE INC	2.62	3,469,496.25	3,476,555.90	2.16	20300228
Basic	Corporate	45075EAA2	IA FINANCIAL CORP	3.64	1,373,411.00	1,374,387.31	3.07	20310924
Basic	Corporate	45823ZAE2	INTACT FINANCIAL CORP	3.64	1,510,665.00	1,515,312.95	3.77	20260302
Basic	Corporate	45834ZAP4	INTER PIPELINE LTD	3.97	1,942,840.00	1,963,266.74	3.48	20261216
Basic	Corporate	46152HAD3	IGM FINANCIAL INC	4.47	4,405,870.00	4,508,741.23	7.45	20310509
Basic	Corporate	46152HAG6	IGM FINANCIAL INC	4.44	2,520,300.00	2,530,039.73	7.11	20330307
Basic	Corporate	531544AA2	LIBERTY UTILITIES CANADA LP	4.16	855,770.00	860,038.63	3.32	20500214
Basic	Corporate	53947ZAF4	LOBLAW COMPANIES LTD MTN	3.42	1,232,590.00	1,243,809.18	6.50	20290122
Basic	Corporate	53947ZAX5	LOBLAW COMPANIES LTD MTN	4.52	1,527,032.00	1,540,831.59	6.15	20350129
Basic	Corporate	539481AM3	LOBLAW COS LTD	3.40	3,784,865.00	3,833,064.90	4.49	20281211
Basic	Corporate	548243AE4	LOWER MATTAGAMI ENERGY LTD	3.51	1,813,603.20	1,820,689.81	4.18	20460223
Basic	Corporate	56502FAA9	MANULIFE FIN DELAWARE	4.64	3,208,196.80	3,253,652.26	5.06	20411215
Basic	Corporate	59162NAF6	METRO INC CLASS A	3.90	1,932,800.00	1,954,533.15	3.39	20271206
Basic	Corporate	59162NAG4	METRO INC CLASS A	4.50	1,444,710.00	1,465,592.05	4.27	20471204
Basic	Corporate	59162NAJ8	METRO INC CLASS A	4.70	2,381,940.00	2,391,197.18	3.41	20500228
Basic	Corporate	663307AE6	NORTH WEST REDWATER PRTNR	3.07	3,524,955.00	3,574,050.89	3.20	20260424
Basic	Corporate	663307AK2	NORTH WEST REDWATER PRTNR	4.31	4,522,185.00	4,566,161.70	4.35	20390110
Basic	Corporate	66509CAA8	NORTHERN COURRIER PIPELINE	3.09	4,990,808.50	5,031,776.61	3.37	20420630
Basic	Corporate	66980CAA6	NOUVELLE AUTOROUTE 30 FINANCEM	3.77	1,050,926.94	1,061,400.64	4.12	20420630
Basic	Corporate	66988ZBD0	NOVA SCOTIA POWER INC	3.66	1,289,366.00	1,308,920.28	3.61	20450501
Basic	Corporate	70632ZAC5	PEMBINA PIPELINE CORP	6.07	4,605,205.00	4,715,431.03	4.75	20430430
Basic	Corporate	70632ZAK7	PEMBINA PIPELINE CORP	4.44	6,622,476.24	6,626,229.16	4.02	20280327
Basic	Corporate	70632ZAQ4	PEMBINA PIPELINE CORP	4.68	1,785,840.00	1,796,722.19	3.31	20300201
Basic	Corporate	73927CAB6	POWER FINL CORP	2.87	1,433,870.00	1,437,839.86	6.90	20330311
Basic	Corporate	759480AJ5	RELIANCE LP (REST)	3.26	2,565,675.00	2,570,141.58	3.84	20250315
Basic	Corporate	766910BE2	RIOCAN REAL ESTATE INV TRUST	3.30	1,934,980.00	1,941,896.38	2.58	20250212
Basic	Corporate	766910BF9	RIOCAN REAL ESTATE INV TRUST	3.63	1,799,265.00	1,802,039.98	2.36	20270310
Basic	Corporate	775109AP6	ROGERS COMMUNICATIONS INC.	4.40	3,241,875.00	3,310,047.60	6.68	20391104
Basic	Corporate	775109BJ9	ROGERS COMMUNICATIONS INC.	3.48	1,669,485.00	1,692,493.22	3.25	20290501
Basic	Corporate	775109BK6	ROGERS COMMUNICATIONS INC.	3.21	641,893.75	641,956.25	3.65	20270331
Basic	Corporate	780085N93	ROYAL BANK OF CANADA	2.45	2,497,562.50	2,520,402.58	4.93	20250716
Basic	Corporate	780086RQ9	ROYAL BANK OF CANADA BONDS	3.05	4,779,950.00	4,800,359.86	2.33	20270128
Basic	Corporate	78461GAB8	SNC-LAVALIN INNISFREE	3.97	1,839,094.20	1,861,097.30	6.63	20440630

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	Corporate	80310ZAE9	SAPUTO INC	4.19	2,430,275.00	2,441,873.70	3.60	20250814
Basic	Corporate	80310ZAF6	SAPUTO INC	3.78	2,404,750.00	2,431,146.16	2.88	20241119
Basic	Corporate	80928BAC0	SCOTIABANK CAP	5.75	2,756,572.00	2,796,447.07	5.65	20561231
Basic	Corporate	82028KAQ4	SHAW COMMUNICATIONS INC CLASS	5.20	2,733,527.00	2,794,776.32	6.75	20391109
Basic	Corporate	82028KAY7	SHAW COMMUNICATIONS INC CLASS	3.72	3,673,950.00	3,737,659.59	4.40	20281102
Basic	Corporate	82028KBA8	SHAW COMMUNICATIONS INC CLASS	5.20	1,284,960.00	1,304,870.96	4.25	20491209
Basic	Corporate	83179XAH1	SMARTCENTRES REAL ESTATE INVES	3.52	3,063,270.00	3,095,412.57	3.83	20271221
Basic	Corporate	83179XAK4	SMARTCENTRES REAL ESTATE INVES	4.14	1,902,960.00	1,922,860.16	3.53	20291220
Basic	Corporate	86721ZAB5	SUNCOR ENERGY INC	5.51	987,190.00	988,076.03	5.39	20370326
Basic	Corporate	86721ZAP4	SUNCOR ENERGY INC	4.94	866,080.00	877,036.16	3.10	20290524
Basic	Corporate	87971MAW3	TELUS CORP COM	4.61	4,655,834.99	4,762,867.19	4.85	20440405
Basic	Corporate	87971MBG7	TELUS CORP COM	3.35	4,076,960.00	4,089,275.07	3.63	20280301
Basic	Corporate	87971MBJ1	TELUS CORP COM	3.53	1,964,180.00	1,991,484.11	3.30	20290502
Basic	Corporate	87971MBL6	TELUS CORP COM	3.26	4,366,530.00	4,394,802.33	2.73	20260708
Basic	Corporate	88078ZAG9	FORTISBC ENERGY INC	3.41	2,641,260.00	2,685,753.15	5.80	20380513
Basic	Corporate	89117FPG8	THE TORONTO DOMINION BANK	3.64	4,722,700.00	4,750,365.75	3.06	20320126
Basic	Corporate	89119ZAM5	TORONTO HYDRO CORP	3.40	1,153,962.50	1,165,533.39	2.99	20491210
Basic	Corporate	89353ZBV9	TRANSCANADA PIPELINES	5.19	3,668,480.00	3,737,290.96	4.55	20411115
Basic	Corporate	89353ZCA4	TRANSCANADA PIPELINES	3.40	3,998,560.00	4,004,875.62	3.39	20280315
Basic	Corporate	89353ZCB2	TRANSCANADA PIPELINES	5.19	5,246,760.00	5,258,148.48	4.33	20470916
Basic	Corporate	89353ZCD8	TRANSCANADA PIPELINES	5.19	523,032.00	535,088.88	4.34	20491015
Basic	Corporate	89353ZCE6	TRANSCANADA PIPELINES	3.84	4,296,170.00	4,301,463.15	3.00	20290918
Basic	Corporate	90664ZAU4	UNION GAS LTD	3.54	2,997,600.00	3,031,693.15	4.88	20410621
Basic	Corporate	949746SZ5	WELLS FARGO AND CO	3.44	6,691,608.00	6,712,460.40	2.49	20270218
Basic	Corporate	975014AA9	WINNIPEG AIRPORT AUTHORITY	3.33	0.59	0.59	5.21	20400928
Basic	Corporate	975014AC5	WINNIPEG AIRPORT AUTHORITY	3.32	3,277,400.61	3,334,661.08	6.10	20401120
Basic	Corporate	975014AE1	WINNIPEG AIRPORT AUTHORITY	3.40	3,659,180.00	3,659,881.73	3.66	20470930
Basic	MUSH	735756A\$6	PORTAGE LA PRAIRIE SCHOOL DIV.	5.25	398,561.70	407,299.43	5.88	20241115
Basic	MUSH	768109A\$8	RIVER EAST SCHOOL DIVISION	5.25	369,585.95	377,688.44	5.88	20241115
Basic	MUSH	975031A\$3	WINNPEG SCHOOL DIVISION	5.19	747,754.62	768,178.17	6.00	20241015
Basic	MUSH	AGS0421\$A	AGASSIZ SCHOOL DIVISION	6.47	40,147.55	42,712.59	6.63	20210415
Basic	MUSH	AGS0522\$A	AGASSIZ SCHOOL DIVISION	6.72	276,365.30	293,127.04	6.88	20220515
Basic	MUSH	AGS0720\$A	AGASSIZ SCHOOL DIVISION	6.65	25,759.73	27,049.13	7.00	20200715
Basic	MUSH	AGS0721\$A	AGASSIZ SCHOOL DIVISION	6.80	91,817.44	96,413.34	7.00	20210715

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	AGS1020\$A	AGASSIZ SCHOOL DIVISION	6.52	34,858.90	35,845.22	6.75	20201031
Basic	MUSH	ARS0420\$A	ANTLER RIVER SCHOOL DIVISION	6.33	5,597.78	5,953.10	6.88	20200430
Basic	MUSH	ARS0421\$A	ANTLER RIVER SCHOOL DIVISION	6.47	21,156.66	22,508.37	6.63	20210415
Basic	MUSH	ARS0421\$B	ANTLER RIVER SCHOOL DIVISION	6.47	23,322.10	24,812.16	6.63	20210415
Basic	MUSH	ARS0521\$A	ANTLER RIVER SCHOOL DIVISION	6.81	8,703.89	9,241.39	7.00	20210515
Basic	MUSH	ARS0720\$A	ANTLER RIVER SCHOOL DIVISION	6.65	4,058.19	4,261.32	7.00	20200715
Basic	MUSH	ARS0820\$A	ANTLER RIVER SCHOOL DIVISION	6.58	22,303.41	23,202.42	6.88	20200831
Basic	MUSH	ARS0821\$A	ANTLER RIVER SCHOOL DIVISION	6.68	47,066.14	48,963.29	6.88	20210831
Basic	MUSH	ARS1020\$A	ANTLER RIVER SCHOOL DIVISION	6.63	17,755.34	18,267.02	6.88	20201031
Basic	MUSH	ARS1021\$A	ANTLER RIVER SCHOOL DIVISION	6.57	32,917.10	33,945.87	6.75	20211015
Basic	MUSH	ARS1121\$A	ANTLER RIVER SCHOOL DIVISION	6.70	13,882.92	14,243.78	6.88	20211115
Basic	MUSH	ART1221\$A	TOWN OF ARBORG	2.72	14,405.53	14,505.38	2.75	20211231
Basic	MUSH	ASS0334\$A	ASSINIBOINE SOUTH SCHOOL DIV	4.20	25,871.02	25,874.03	4.25	20340331
Basic	MUSH	ASS0334\$B	ASSINIBOINE SOUTH SCHOOL DIV	4.20	1,253,063.95	1,253,209.85	4.25	20340331
Basic	MUSH	ASS0521\$A	ASSINIBOINE SOUTH SCHOOL DIV	6.80	82,260.12	87,087.55	7.00	20210531
Basic	MUSH	ASS0522\$A	ASSINIBOINE SOUTH SCHOOL DIV	6.72	91,957.90	97,258.08	6.88	20220531
Basic	MUSH	BDS0622\$A	BOUNDARY SCHOOL DIVISION	6.47	6,297.43	6,612.91	6.63	20220630
Basic	MUSH	BDS1020\$A	BOUNDARY SCHOOL DIVISION	6.51	8,671.34	8,942.35	6.75	20201015
Basic	MUSH	BLS0127\$A	BORDER LAND SCHOOL DIVISION	4.81	212,287.04	214,470.25	4.88	20270115
Basic	MUSH	BLS0128\$A	BORDER LAND SCHOOL DIVISION	5.05	146,436.47	147,690.71	5.13	20280131
Basic	MUSH	BLS0129\$A	BORDER LAND SCHOOL DIVISION	5.78	90,714.60	91,605.28	5.88	20290131
Basic	MUSH	BLS0329\$A	BORDER LAND SCHOOL DIVISION	5.55	364,603.82	364,660.01	5.63	20290331
Basic	MUSH	BLS0330\$A	BORDER LAND SCHOOL DIVISION	5.18	425,386.73	425,447.92	5.25	20300331
Basic	MUSH	BLS0331\$A	BORDER LAND SCHOOL DIVISION	4.94	506,628.06	506,697.46	5.00	20310331
Basic	MUSH	BLS0334\$A	BORDER LAND SCHOOL DIVISION	4.20	83,631.38	83,641.12	4.25	20340331
Basic	MUSH	BLS0524\$A	BORDER LAND SCHOOL DIVISION	5.89	111,828.50	117,453.63	6.00	20240531
Basic	MUSH	BLS0534\$A	BORDER LAND SCHOOL DIVISION	4.20	144,981.60	150,147.31	4.25	20340531
Basic	MUSH	BLS0626\$A	BORDER LAND SCHOOL DIVISION	5.29	47,180.08	49,201.88	5.38	20260615
Basic	MUSH	BLS0627\$A	BORDER LAND SCHOOL DIVISION	5.05	41,667.67	43,282.43	5.13	20270630
Basic	MUSH	BLS0628\$A	BORDER LAND SCHOOL DIVISION	5.17	74,601.28	77,723.80	5.25	20280615
Basic	MUSH	BLS0631\$A	BORDER LAND SCHOOL DIVISION	4.93	203,903.97	211,613.22	5.00	20310630
Basic	MUSH	BLS0633\$A	BORDER LAND SCHOOL DIVISION	3.47	391,719.87	402,650.46	3.50	20330615
Basic	MUSH	BLS0635\$A	BORDER LAND SCHOOL DIVISION	3.34	48,071.05	49,297.85	3.38	20350630
Basic	MUSH	BLS0722\$A	BORDER LAND SCHOOL DIVISION	6.47	138,054.62	144,193.80	6.63	20220731

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	BLS0724\$A	BORDER LAND SCHOOL DIVISION	6.25	43,388.22	45,244.85	6.38	20240731
Basic	MUSH	BLS0826\$A	BORDER LAND SCHOOL DIVISION	5.53	173,016.50	178,722.49	5.63	20260831
Basic	MUSH	BLS0926\$A	BORDER LAND SCHOOL DIVISION	5.17	204,940.81	210,364.72	5.25	20260930
Basic	MUSH	BLS0927\$A	BORDER LAND SCHOOL DIVISION	5.41	89,264.15	91,739.09	5.50	20270930
Basic	MUSH	BLS0929\$A	BORDER LAND SCHOOL DIVISION	5.41	214,641.94	220,593.11	5.50	20290930
Basic	MUSH	BLS1030\$A	BORDER LAND SCHOOL DIVISION	4.69	186,635.50	190,351.59	4.75	20301031
Basic	MUSH	BLS1126\$A	BORDER LAND SCHOOL DIVISION	4.93	177,646.45	181,004.70	5.00	20261115
Basic	MUSH	BLS1227\$A	BORDER LAND SCHOOL DIVISION	5.29	69,751.34	70,860.67	5.38	20271215
Basic	MUSH	BLS1227\$B	BORDER LAND SCHOOL DIVISION	5.17	58,361.60	59,133.89	5.25	20271231
Basic	MUSH	BPS0132\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.08	121,240.38	122,076.19	4.13	20320131
Basic	MUSH	BPS0228\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.06	748,922.71	752,287.73	5.13	20280229
Basic	MUSH	BPS0326\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.06	168,991.41	169,015.14	5.13	20260331
Basic	MUSH	BPS0424\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.78	191,543.28	201,933.19	5.88	20240430
Basic	MUSH	BPS0427\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.93	459,761.05	481,930.35	5.00	20270415
Basic	MUSH	BPS0429\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.54	178,012.68	187,257.76	5.63	20290430
Basic	MUSH	BPS0526\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.17	279,003.33	291,283.30	5.25	20260531
Basic	MUSH	BPS0534\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.20	472,669.63	489,510.91	4.25	20340531
Basic	MUSH	BPS0620\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.61	22,407.41	23,657.93	7.00	20200615
Basic	MUSH	BPS0628\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.17	1,146,901.06	1,194,905.94	5.25	20280615
Basic	MUSH	BPS0727\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.29	89,574.89	92,806.64	5.38	20270731
Basic	MUSH	BPS0820\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.58	29,912.89	31,118.63	6.88	20200831
Basic	MUSH	BPS0826\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.53	442,227.76	456,812.19	5.63	20260831
Basic	MUSH	BPS0923\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.00	131,672.78	135,738.40	6.13	20230930
Basic	MUSH	BPS0932\$A	BEAUTIFUL PLAINS SCHOOL DIV	3.59	624,396.35	636,736.73	3.63	20320915
Basic	MUSH	BPS0935\$A	BEAUTIFUL PLAINS SCHOOL DIV	3.47	149,342.62	152,192.40	3.50	20350915
Basic	MUSH	BPS1020\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.51	86,800.32	89,513.13	6.75	20201015
Basic	MUSH	BPS1022\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.11	121,191.24	124,366.28	6.25	20221031
Basic	MUSH	BPS1026\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.05	341,284.52	349,383.01	5.13	20261015
Basic	MUSH	BPS1027\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.41	632,429.17	648,534.46	5.50	20271015
Basic	MUSH	BPS1030\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.69	164,620.03	168,240.54	4.75	20301015
Basic	MUSH	BPS1128\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.41	903,872.73	922,668.33	5.50	20281115
Basic	MUSH	BPS1131\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.08	212,811.94	216,130.93	4.13	20311115
Basic	MUSH	BPS1223\$A	BEAUTIFUL PLAINS SCHOOL DIV	6.01	148,653.07	151,347.15	6.13	20231215
Basic	MUSH	BPS1226\$A	BEAUTIFUL PLAINS SCHOOL DIV	4.93	954,396.52	968,516.36	5.00	20261215

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	BPS1227\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.17	615,025.57	624,579.53	5.25	20271215
Basic	MUSH	BPS1229\$A	BEAUTIFUL PLAINS SCHOOL DIV	5.17	77,712.46	78,919.66	5.25	20291215
Basic	MUSH	BRC1026\$A	CITY OF BRANDON	2.97	1,311,580.71	1,328,074.29	3.00	20261031
Basic	MUSH	BRC1026\$B	CITY OF BRANDON	2.97	1,732,707.36	1,754,496.75	3.00	20261031
Basic	MUSH	BRC1034\$A	CITY OF BRANDON	4.20	4,561,007.93	4,642,262.60	4.25	20341031
Basic	MUSH	BRS0421\$A	BIRDTAIL RIVER SCHOOL DIV	6.47	63,969.70	68,056.75	6.63	20210415
Basic	MUSH	BRS0620\$A	BIRDTAIL RIVER SCHOOL DIV	6.63	8,292.28	8,731.20	7.00	20200630
Basic	MUSH	BRS0921\$A	BIRDTAIL RIVER SCHOOL DIV	6.68	23,363.84	24,239.58	6.88	20210915
Basic	MUSH	BSS0125\$A	BRANDON SCHOOL DIVISION	5.66	385,011.34	388,711.14	5.75	20250131
Basic	MUSH	BSS0126\$A	BRANDON SCHOOL DIVISION	4.93	187,759.22	189,739.69	5.00	20260115
Basic	MUSH	BSS0131\$A	BRANDON SCHOOL DIVISION	4.69	1,000,083.51	1,008,022.53	4.75	20310131
Basic	MUSH	BSS0228\$A	BRANDON SCHOOL DIVISION	5.05	23,832.48	23,986.41	5.13	20280215
Basic	MUSH	BSS0229\$A	BRANDON SCHOOL DIVISION	5.42	322,990.46	324,596.56	5.50	20290228
Basic	MUSH	BSS0435\$A	BRANDON SCHOOL DIVISION	2.98	1,139,387.38	1,170,946.85	3.00	20350430
Basic	MUSH	BSS0530\$A	BRANDON SCHOOL DIVISION	5.05	1,043,700.46	1,090,888.59	5.13	20300515
Basic	MUSH	BSS0533\$A	BRANDON SCHOOL DIVISION	3.59	708,199.64	729,722.12	3.63	20330531
Basic	MUSH	BSS0535\$A	BRANDON SCHOOL DIVISION	2.97	690,302.43	707,664.01	3.00	20350531
Basic	MUSH	BSS0622\$A	BRANDON SCHOOL DIVISION	6.59	118,358.42	124,399.56	6.75	20220630
Basic	MUSH	BSS0624\$A	BRANDON SCHOOL DIVISION	6.01	38,119.10	39,980.54	6.13	20240615
Basic	MUSH	BSS0625\$A	BRANDON SCHOOL DIVISION	5.29	145,494.48	151,407.93	5.38	20250630
Basic	MUSH	BSS0635\$A	BRANDON SCHOOL DIVISION	3.34	581,099.21	595,929.18	3.38	20350630
Basic	MUSH	BSS0733\$A	BRANDON SCHOOL DIVISION	3.71	813,960.96	835,787.38	3.75	20330715
Basic	MUSH	BSS0734\$A	BRANDON SCHOOL DIVISION	3.95	5,058,867.53	5,194,694.66	4.00	20340731
Basic	MUSH	BSS0735\$A	BRANDON SCHOOL DIVISION	3.34	323,757.69	331,571.12	3.38	20350715
Basic	MUSH	BSS0923\$A	BRANDON SCHOOL DIVISION	5.76	74,675.94	77,067.87	5.88	20230915
Basic	MUSH	BSS0929\$A	BRANDON SCHOOL DIVISION	5.41	154,658.32	158,946.38	5.50	20290930
Basic	MUSH	BSS0935\$A	BRANDON SCHOOL DIVISION	3.22	958,698.43	974,405.32	3.25	20350930
Basic	MUSH	BSS1023\$A	BRANDON SCHOOL DIVISION	5.76	377,218.31	386,507.96	5.88	20231031
Basic	MUSH	BSS1122\$A	BRANDON SCHOOL DIVISION	6.12	175,632.65	179,782.87	6.25	20221115
Basic	MUSH	BSS1126\$A	BRANDON SCHOOL DIVISION	4.93	125,782.48	127,901.83	5.00	20261130
Basic	MUSH	BSS1223\$A	BRANDON SCHOOL DIVISION	6.01	70,750.86	72,033.10	6.13	20231215
Basic	MUSH	CAR0721\$A	RURAL MUN OF CARTIER	7.03	69,357.18	73,145.70	7.25	20210701
Basic	MUSH	CAR0721\$B	RURAL MUN OF CARTIER	7.03	1,647.26	1,737.24	7.25	20210701
Basic	MUSH	CAR0721\$C	RURAL MUN OF CARTIER	7.03	4,941.81	5,211.75	7.25	20210701

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	CAR1223\$A	RURAL MUN OF CARTIER	6.37	38,864.14	39,708.50	6.50	20231201
Basic	MUSH	CLM1236\$A	R M OF ST CLEMENTS	4.20	3,141,633.66	3,175,287.87	4.25	20361231
Basic	MUSH	DAC1235\$A	CITY OF DAUPHIN	4.08	241,586.37	244,917.28	4.13	20351201
Basic	MUSH	DAC1235\$B	CITY OF DAUPHIN	4.08	315,947.86	320,304.05	4.13	20351201
Basic	MUSH	DAR1237\$A	RURAL MUN OF DAUPHIN	4.08	327,831.58	331,240.13	4.13	20371231
Basic	MUSH	DMS0422\$A	DUCK MOUNTAIN SCHOOL DIVISION	6.49	89,130.07	94,824.63	6.63	20220415
Basic	MUSH	DMS0521\$A	DUCK MOUNTAIN SCHOOL DIVISION	6.57	16,626.55	17,616.63	6.75	20210515
Basic	MUSH	DMS1021\$A	DUCK MOUNTAIN SCHOOL DIVISION	6.57	38,459.29	39,547.48	6.75	20211031
Basic	MUSH	DOS0520\$A	DAUPHIN OCHRE SCHOOL AREA	6.42	29,825.51	31,634.45	6.88	20200515
Basic	MUSH	DSF0229\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	5.78	503,917.78	507,648.84	5.88	20290215
Basic	MUSH	DSF0427\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	4.93	158,699.26	166,025.51	5.00	20270430
Basic	MUSH	DSF0721\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	6.79	178,855.87	187,259.65	7.00	20210731
Basic	MUSH	DSF0726\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	5.29	278,447.37	289,149.48	5.38	20260715
Basic	MUSH	DSF0826\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	5.53	1,573,651.75	1,629,430.16	5.63	20260815
Basic	MUSH	DSF0926\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	5.17	155,221.14	159,329.18	5.25	20260930
Basic	MUSH	DSF1126\$A	DIV SCOLAIRE FRANCO-MANITOBAIN	4.93	818,167.01	831,952.56	5.00	20261130
Basic	MUSH	DSR1225\$A	RURAL MUN OF DE SALABERRY	3.22	320,535.25	323,161.00	3.25	20251231
Basic	MUSH	DUF1226\$A	RURAL MUN OF DUFFERIN	3.10	19,649.40	19,804.17	3.13	20261231
Basic	MUSH	EFR1235\$A	RM EMERSON-FRANKLIN	4.08	322,115.16	325,464.28	4.13	20351231
Basic	MUSH	ERM1236\$A	RURAL MUN OF ELTON	3.71	186,571.84	188,335.33	3.75	20361231
Basic	MUSH	ERM1237\$A	RURAL MUN OF ELTON	3.96	1,077,271.93	1,088,133.19	4.00	20371231
Basic	MUSH	EVS0126\$A	EVERGREEN SCHOOL DIVISION	4.93	211,748.35	213,517.75	5.00	20260131
Basic	MUSH	EVS0127\$A	EVERGREEN SCHOOL DIVISION	4.81	130,418.14	131,759.39	4.88	20270115
Basic	MUSH	EVS0129\$A	EVERGREEN SCHOOL DIVISION	5.78	47,216.54	47,680.14	5.88	20290131
Basic	MUSH	EVS0226\$A	EVERGREEN SCHOOL DIVISION	4.81	77,520.81	77,862.49	4.88	20260228
Basic	MUSH	EVS0228\$A	EVERGREEN SCHOOL DIVISION	5.05	111,756.90	112,478.73	5.13	20280215
Basic	MUSH	EVS0228\$B	EVERGREEN SCHOOL DIVISION	5.18	33,349.42	33,502.92	5.25	20280229
Basic	MUSH	EVS0229\$A	EVERGREEN SCHOOL DIVISION	5.54	85,056.70	85,489.27	5.63	20290228
Basic	MUSH	EVS0330\$A	EVERGREEN SCHOOL DIVISION	5.06	67,282.73	67,292.18	5.13	20300331
Basic	MUSH	EVS0334\$A	EVERGREEN SCHOOL DIVISION	4.20	701,409.43	701,491.10	4.25	20340331
Basic	MUSH	EVS0523\$A	EVERGREEN SCHOOL DIVISION	6.01	254,520.68	267,590.14	6.13	20230531
Basic	MUSH	EVS0529\$A	EVERGREEN SCHOOL DIVISION	5.54	123,341.83	129,158.33	5.63	20290531
Basic	MUSH	EVS0534\$A	EVERGREEN SCHOOL DIVISION	4.20	175,391.60	181,967.58	4.25	20340515
Basic	MUSH	EVS0622\$A	EVERGREEN SCHOOL DIVISION	6.47	583,947.10	613,200.45	6.63	20220630

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	EVS0624\$A	EVERGREEN SCHOOL DIVISION	6.01	139,092.57	145,884.77	6.13	20240615
Basic	MUSH	EVS0629\$A	EVERGREEN SCHOOL DIVISION	5.54	62,336.11	64,987.53	5.63	20290630
Basic	MUSH	EVS0629\$B	EVERGREEN SCHOOL DIVISION	5.54	198,981.46	207,444.99	5.63	20290630
Basic	MUSH	EVS0635\$A	EVERGREEN SCHOOL DIVISION	3.34	1,051,618.00	1,078,455.87	3.38	20350630
Basic	MUSH	EVS0720\$A	EVERGREEN SCHOOL DIVISION	6.65	4,146.14	4,353.67	7.00	20200715
Basic	MUSH	EVS0727\$A	EVERGREEN SCHOOL DIVISION	5.29	148,412.86	154,117.10	5.38	20270715
Basic	MUSH	EVS0727\$B	EVERGREEN SCHOOL DIVISION	5.29	61,843.08	64,220.01	5.38	20270715
Basic	MUSH	EVS0925\$A	EVERGREEN SCHOOL DIVISION	5.04	243,483.69	249,774.24	5.13	20250930
Basic	MUSH	EVS0927\$A	EVERGREEN SCHOOL DIVISION	5.41	344,440.92	353,990.90	5.50	20270930
Basic	MUSH	EVS0929\$A	EVERGREEN SCHOOL DIVISION	5.29	1,030,825.96	1,058,757.11	5.38	20290930
Basic	MUSH	EVS1020\$A	EVERGREEN SCHOOL DIVISION	6.63	50,117.21	51,561.51	6.88	20201031
Basic	MUSH	EVS1022\$A	EVERGREEN SCHOOL DIVISION	6.11	449,022.98	460,786.77	6.25	20221031
Basic	MUSH	EVS1027\$A	EVERGREEN SCHOOL DIVISION	5.29	198,288.04	202,755.63	5.38	20271031
Basic	MUSH	EVS1028\$A	EVERGREEN SCHOOL DIVISION	5.17	58,989.79	60,287.97	5.25	20281031
Basic	MUSH	EVS1029\$A	EVERGREEN SCHOOL DIVISION	5.05	604,984.56	617,981.37	5.13	20291031
Basic	MUSH	EVS1125\$A	EVERGREEN SCHOOL DIVISION	4.92	301,229.16	306,304.67	5.00	20251130
Basic	MUSH	EVS1127\$A	EVERGREEN SCHOOL DIVISION	5.17	128,835.95	131,115.29	5.25	20271130
Basic	MUSH	EVS1128\$A	EVERGREEN SCHOOL DIVISION	5.41	83,830.92	85,384.66	5.50	20281130
Basic	MUSH	EVS1129\$A	EVERGREEN SCHOOL DIVISION	5.05	457,410.71	465,310.44	5.13	20291130
Basic	MUSH	EVS1227\$A	EVERGREEN SCHOOL DIVISION	5.17	198,314.19	200,938.46	5.25	20271231
Basic	MUSH	EVS1228\$A	EVERGREEN SCHOOL DIVISION	6.14	44,054.39	44,748.40	6.25	20281231
Basic	MUSH	EVS1229\$A	EVERGREEN SCHOOL DIVISION	5.17	66,146.28	67,021.59	5.25	20291231
Basic	MUSH	FBS0225\$A	FORT LA BOSSE SCHOOL DIVISION	5.54	52,353.15	52,619.40	5.63	20250228
Basic	MUSH	FBS0325\$A	FORT LA BOSSE SCHOOL DIVISION	5.42	131,606.25	131,626.08	5.50	20250331
Basic	MUSH	FBS0325\$B	FORT LA BOSSE SCHOOL DIVISION	5.55	48,323.17	48,330.62	5.63	20250331
Basic	MUSH	FBS0420\$A	FORT LA BOSSE SCHOOL DIVISION	6.33	2,449.06	2,604.52	6.88	20200430
Basic	MUSH	FBS0421\$A	FORT LA BOSSE SCHOOL DIVISION	6.47	49,310.02	52,460.46	6.63	20210415
Basic	MUSH	FBS0522\$A	FORT LA BOSSE SCHOOL DIVISION	6.60	62,717.83	66,266.97	6.75	20220531
Basic	MUSH	FBS0525\$A	FORT LA BOSSE SCHOOL DIVISION	5.53	117,291.25	122,822.42	5.63	20250531
Basic	MUSH	FBS0531\$A	FORT LA BOSSE SCHOOL DIVISION	4.93	1,603,707.96	1,670,931.88	5.00	20310531
Basic	MUSH	FBS0621\$A	FORT LA BOSSE SCHOOL DIVISION	6.80	84,478.68	89,193.28	7.00	20210615
Basic	MUSH	FBS0624\$A	FORT LA BOSSE SCHOOL DIVISION	6.13	22,630.06	23,699.56	6.25	20240630
Basic	MUSH	FBS0629\$A	FORT LA BOSSE SCHOOL DIVISION	5.54	86,218.93	89,886.19	5.63	20290630
Basic	MUSH	FBS0630\$A	FORT LA BOSSE SCHOOL DIVISION	5.17	64,970.70	67,690.12	5.25	20300615

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	FBS0635\$A	FORT LA BOSSE SCHOOL DIVISION	3.34	227,275.86	233,391.29	3.38	20350615
Basic	MUSH	FBS0733\$A	FORT LA BOSSE SCHOOL DIVISION	3.71	1,415,930.35	1,453,898.62	3.75	20330715
Basic	MUSH	FBS0734\$A	FORT LA BOSSE SCHOOL DIVISION	3.96	488,657.34	502,634.28	4.00	20340715
Basic	MUSH	FBS0820\$A	FORT LA BOSSE SCHOOL DIVISION	6.70	4,146.14	4,316.30	7.00	20200831
Basic	MUSH	FBS0920\$A	FORT LA BOSSE SCHOOL DIVISION	6.61	32,624.40	33,755.08	6.88	20200930
Basic	MUSH	FBS0921\$A	FORT LA BOSSE SCHOOL DIVISION	6.68	87,021.59	90,283.41	6.88	20210915
Basic	MUSH	FBS0931\$A	FORT LA BOSSE SCHOOL DIVISION	4.69	69,624.76	71,291.94	4.75	20310930
Basic	MUSH	FBS1020\$A	FORT LA BOSSE SCHOOL DIVISION	6.63	45,306.63	46,612.30	6.88	20201031
Basic	MUSH	FBS1027\$A	FORT LA BOSSE SCHOOL DIVISION	5.41	98,646.52	101,158.63	5.50	20271015
Basic	MUSH	FBS1123\$A	FORT LA BOSSE SCHOOL DIVISION	5.89	26,554.99	27,091.91	6.00	20231130
Basic	MUSH	FBS1125\$A	FORT LA BOSSE SCHOOL DIVISION	4.92	214,884.42	218,505.08	5.00	20251130
Basic	MUSH	FBS1126\$A	FORT LA BOSSE SCHOOL DIVISION	4.93	186,932.57	190,466.36	5.00	20261115
Basic	MUSH	FBS1224\$A	FORT LA BOSSE SCHOOL DIVISION	5.65	68,546.19	69,539.64	5.75	20241231
Basic	MUSH	FFC1224\$A	CITY OF FLIN FLON	6.38	1,508,617.99	1,533,334.53	6.50	20241231
Basic	MUSH	FFS0226\$A	FLIN FLON SCHOOL DIVISION	4.93	48,548.50	48,767.97	5.00	20260228
Basic	MUSH	FFS0227\$A	FLIN FLON SCHOOL DIVISION	4.81	118,649.97	119,378.94	4.88	20270215
Basic	MUSH	FFS0229\$A	FLIN FLON SCHOOL DIVISION	5.78	160,181.95	161,367.95	5.88	20290215
Basic	MUSH	FFS0334\$A	FLIN FLON SCHOOL DIVISION	4.08	389,717.39	389,761.43	4.13	20340331
Basic	MUSH	FFS0527\$A	FLIN FLON SCHOOL DIVISION	5.05	194,153.59	202,931.73	5.13	20270515
Basic	MUSH	FFS0534\$A	FLIN FLON SCHOOL DIVISION	4.20	85,969.83	89,032.95	4.25	20340531
Basic	MUSH	FFS0625\$A	FLIN FLON SCHOOL DIVISION	5.29	234,045.47	243,557.98	5.38	20250630
Basic	MUSH	FFS1132\$A	FLIN FLON SCHOOL DIVISION	3.71	32,551.97	33,013.49	3.75	20321115
Basic	MUSH	FFS1231\$A	FLIN FLON SCHOOL DIVISION	4.08	212,326.70	214,918.25	4.13	20311215
Basic	MUSH	FGS0421\$A	FORT GARRY SCHOOL DIV	6.47	19,657.17	20,913.07	6.63	20210415
Basic	MUSH	FGS0520\$A	FORT GARRY SCHOOL DIV	6.58	8,292.90	8,779.57	7.00	20200531
Basic	MUSH	FGS0521\$A	FORT GARRY SCHOOL DIV	6.80	17,919.63	18,971.24	7.00	20210531
Basic	MUSH	FGS0522\$A	FORT GARRY SCHOOL DIV	6.60	15,374.46	16,244.49	6.75	20220531
Basic	MUSH	FGS0920\$A	FORT GARRY SCHOOL DIV	6.61	27,726.43	28,687.36	6.88	20200930
Basic	MUSH	FGS1021\$A	FORT GARRY SCHOOL DIV	6.57	35,771.95	36,889.95	6.75	20211015
Basic	MUSH	FMS0126\$A	FRANCO-MANITOBAINE SCHOOL DIV	4.93	52,091.91	52,527.20	5.00	20260131
Basic	MUSH	FMS0327\$A	FRANCO-MANITOBAINE SCHOOL DIV	4.81	230,746.75	231,270.67	4.88	20270315
Basic	MUSH	FMS0331\$A	FRANCO-MANITOBAINE SCHOOL DIV	4.94	858,421.60	858,539.19	5.00	20310331
Basic	MUSH	FMS0335\$A	FRANCO-MANITOBAINE SCHOOL DIV	3.47	5,772,399.49	5,781,809.29	3.50	20350315
Basic	MUSH	FMS0421\$A	FRANCO-MANITOBAINE SCHOOL DIV	6.46	60,971.07	64,700.54	6.63	20210430

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	FMS0426\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.05	123,181.90	129,010.68	5.13	20260430
Basic	MUSH	FMS0521\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.57	104,125.33	110,017.68	6.75	20210531
Basic	MUSH	FMS0522\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.72	51,880.08	54,870.29	6.88	20220531
Basic	MUSH	FMS0620\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.49	7,959.39	8,395.66	6.88	20200615
Basic	MUSH	FMS0620\$B	FRANCO-MANITOBAIN SCHOOL DIV	6.63	26,729.83	28,144.68	7.00	20200630
Basic	MUSH	FMS0621\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.80	147,624.50	155,438.49	7.00	20210630
Basic	MUSH	FMS0624\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.01	1,521,662.43	1,595,968.54	6.13	20240615
Basic	MUSH	FMS0625\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.29	36,799.32	38,294.99	5.38	20250630
Basic	MUSH	FMS0627\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.17	110,535.76	114,923.88	5.25	20270630
Basic	MUSH	FMS0629\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.54	779,454.90	814,410.25	5.63	20290615
Basic	MUSH	FMS0630\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.05	2,916,887.27	3,036,070.09	5.13	20300615
Basic	MUSH	FMS0634\$A	FRANCO-MANITOBAIN SCHOOL DIV	4.20	2,142,423.89	2,215,016.84	4.25	20340615
Basic	MUSH	FMS0821\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.80	213,500.83	222,263.14	7.00	20210831
Basic	MUSH	FMS0823\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.00	463,760.90	480,415.00	6.13	20230831
Basic	MUSH	FMS0828\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.17	351,749.42	362,576.56	5.25	20280831
Basic	MUSH	FMS0920\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.61	54,403.12	56,288.60	6.88	20200930
Basic	MUSH	FMS0921\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.68	182,847.18	189,184.21	6.88	20210930
Basic	MUSH	FMS0925\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.04	160,012.86	164,146.89	5.13	20250930
Basic	MUSH	FMS0933\$A	FRANCO-MANITOBAIN SCHOOL DIV	3.71	1,127,195.25	1,150,240.99	3.75	20330915
Basic	MUSH	FMS1020\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.52	61,046.46	62,773.74	6.75	20201031
Basic	MUSH	FMS1021\$A	FRANCO-MANITOBAIN SCHOOL DIV	6.57	208,250.66	214,143.01	6.75	20211031
Basic	MUSH	FMS1035\$A	FRANCO-MANITOBAIN SCHOOL DIV	3.22	6,552,631.76	6,651,235.40	3.25	20351015
Basic	MUSH	FMS1227\$A	FRANCO-MANITOBAIN SCHOOL DIV	5.17	383,204.55	388,275.45	5.25	20271231
Basic	MUSH	FRR1223\$A	RURAL MUNICIPALITY OF FRANKLIN	6.13	5,290.26	5,373.60	6.25	20231231
Basic	MUSH	FRS0125\$A	FRONTIER SCHOOL DIVISION	5.66	380,591.17	384,248.49	5.75	20250131
Basic	MUSH	FRS0127\$A	FRONTIER SCHOOL DIVISION	4.81	259,174.73	261,286.29	4.88	20270131
Basic	MUSH	FRS0130\$A	FRONTIER SCHOOL DIVISION	5.05	263,778.25	266,037.53	5.13	20300131
Basic	MUSH	FRS0131\$A	FRONTIER SCHOOL DIVISION	4.69	100,689.27	101,488.58	4.75	20310131
Basic	MUSH	FRS0225\$A	FRONTIER SCHOOL DIVISION	5.54	147,128.54	147,876.78	5.63	20250228
Basic	MUSH	FRS0226\$A	FRONTIER SCHOOL DIVISION	4.81	81,162.16	81,660.81	4.88	20260215
Basic	MUSH	FRS0227\$A	FRONTIER SCHOOL DIVISION	4.93	637,641.83	641,659.85	5.00	20270215
Basic	MUSH	FRS0228\$A	FRONTIER SCHOOL DIVISION	5.05	57,573.27	57,945.13	5.13	20280215
Basic	MUSH	FRS0230\$A	FRONTIER SCHOOL DIVISION	5.30	339,108.17	340,706.16	5.38	20300228
Basic	MUSH	FRS0231\$A	FRONTIER SCHOOL DIVISION	4.69	91,367.50	91,759.88	4.75	20310228

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	FRS0326\$A	FRONTIER SCHOOL DIVISION	5.06	77,280.04	77,464.51	5.13	20260315
Basic	MUSH	FRS0327\$A	FRONTIER SCHOOL DIVISION	5.06	262,152.76	262,778.52	5.13	20270315
Basic	MUSH	FRS0332\$A	FRONTIER SCHOOL DIVISION	3.84	60,744.06	60,750.51	3.88	20320331
Basic	MUSH	FRS0334\$A	FRONTIER SCHOOL DIVISION	4.20	2,091,097.35	2,095,236.58	4.25	20340315
Basic	MUSH	FRS0334\$B	FRONTIER SCHOOL DIVISION	4.08	3,714,474.44	3,714,894.23	4.13	20340331
Basic	MUSH	FRS0335\$A	FRONTIER SCHOOL DIVISION	2.98	33,220.05	33,222.78	3.00	20350331
Basic	MUSH	FRS0422\$A	FRONTIER SCHOOL DIVISION	6.49	212,168.15	225,146.01	6.63	20220430
Basic	MUSH	FRS0426\$A	FRONTIER SCHOOL DIVISION	5.05	105,991.64	111,230.24	5.13	20260415
Basic	MUSH	FRS0427\$A	FRONTIER SCHOOL DIVISION	4.93	267,921.63	280,840.59	5.00	20270415
Basic	MUSH	FRS0428\$A	FRONTIER SCHOOL DIVISION	5.05	24,132.38	25,325.11	5.13	20280415
Basic	MUSH	FRS0434\$A	FRONTIER SCHOOL DIVISION	4.08	473,800.63	491,845.62	4.13	20340430
Basic	MUSH	FRS0522\$A	FRONTIER SCHOOL DIVISION	6.72	79,172.39	83,735.65	6.88	20220531
Basic	MUSH	FRS0524\$A	FRONTIER SCHOOL DIVISION	5.89	190,677.84	200,269.20	6.00	20240531
Basic	MUSH	FRS0525\$A	FRONTIER SCHOOL DIVISION	5.53	43,290.08	45,331.53	5.63	20250531
Basic	MUSH	FRS0526\$A	FRONTIER SCHOOL DIVISION	5.17	197,233.84	205,914.83	5.25	20260531
Basic	MUSH	FRS0527\$A	FRONTIER SCHOOL DIVISION	5.05	284,946.22	297,189.15	5.13	20270531
Basic	MUSH	FRS0528\$A	FRONTIER SCHOOL DIVISION	5.05	265,513.44	277,517.92	5.13	20280515
Basic	MUSH	FRS0529\$A	FRONTIER SCHOOL DIVISION	5.54	21,665.55	22,687.24	5.63	20290531
Basic	MUSH	FRS0533\$A	FRONTIER SCHOOL DIVISION	3.59	27,511.09	28,347.16	3.63	20330531
Basic	MUSH	FRS0534\$A	FRONTIER SCHOOL DIVISION	4.20	4,112,003.97	4,266,175.95	4.25	20340515
Basic	MUSH	FRS0535\$A	FRONTIER SCHOOL DIVISION	2.97	58,172.50	59,635.58	3.00	20350531
Basic	MUSH	FRS0620\$A	FRONTIER SCHOOL DIVISION	6.49	41,283.24	43,546.04	6.88	20200615
Basic	MUSH	FRS0626\$A	FRONTIER SCHOOL DIVISION	5.29	306,055.68	318,494.96	5.38	20260630
Basic	MUSH	FRS0627\$A	FRONTIER SCHOOL DIVISION	5.05	406,768.06	422,531.72	5.13	20270630
Basic	MUSH	FRS0627\$B	FRONTIER SCHOOL DIVISION	5.29	295,033.10	307,024.38	5.38	20270630
Basic	MUSH	FRS0629\$A	FRONTIER SCHOOL DIVISION	5.66	1,146,311.41	1,196,152.40	5.75	20290630
Basic	MUSH	FRS0630\$A	FRONTIER SCHOOL DIVISION	5.17	139,079.08	144,600.33	5.25	20300630
Basic	MUSH	FRS0923\$A	FRONTIER SCHOOL DIVISION	5.76	416,235.74	429,568.11	5.88	20230915
Basic	MUSH	FRS0924\$A	FRONTIER SCHOOL DIVISION	6.01	221,394.60	228,787.81	6.13	20240915
Basic	MUSH	FRS0925\$A	FRONTIER SCHOOL DIVISION	5.04	97,163.98	99,674.27	5.13	20250930
Basic	MUSH	FRS0926\$A	FRONTIER SCHOOL DIVISION	5.29	199,262.47	204,661.66	5.38	20260930
Basic	MUSH	FRS0926\$B	FRONTIER SCHOOL DIVISION	5.17	1,244,964.81	1,277,913.74	5.25	20260930
Basic	MUSH	FRS0928\$A	FRONTIER SCHOOL DIVISION	5.17	102,886.37	105,609.34	5.25	20280930
Basic	MUSH	FRS0930\$A	FRONTIER SCHOOL DIVISION	4.93	125,640.54	128,807.37	5.00	20300930

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	FRS0933\$A	FRONTIER SCHOOL DIVISION	3.71	68,937.83	70,241.04	3.75	20330930
Basic	MUSH	FRS0934\$A	FRONTIER SCHOOL DIVISION	3.95	251,405.34	256,474.77	4.00	20340930
Basic	MUSH	FRS1027\$A	FRONTIER SCHOOL DIVISION	5.41	212,293.95	217,188.34	5.50	20271031
Basic	MUSH	FRS1029\$A	FRONTIER SCHOOL DIVISION	5.29	691,529.47	707,110.20	5.38	20291031
Basic	MUSH	FRS1030\$A	FRONTIER SCHOOL DIVISION	4.69	369,238.16	376,590.05	4.75	20301031
Basic	MUSH	FRS1031\$A	FRONTIER SCHOOL DIVISION	4.20	55,386.72	56,373.44	4.25	20311031
Basic	MUSH	FRS1032\$A	FRONTIER SCHOOL DIVISION	3.71	29,194.64	29,653.56	3.75	20321031
Basic	MUSH	FRS1033\$A	FRONTIER SCHOOL DIVISION	4.44	224,922.13	229,164.84	4.50	20331031
Basic	MUSH	FRS1125\$A	FRONTIER SCHOOL DIVISION	4.80	347,184.77	353,583.91	4.88	20251115
Basic	MUSH	FRS1126\$A	FRONTIER SCHOOL DIVISION	4.93	501,830.08	510,285.57	5.00	20261130
Basic	MUSH	FRS1126\$B	FRONTIER SCHOOL DIVISION	4.93	752,327.35	765,003.55	5.00	20261130
Basic	MUSH	FRS1127\$A	FRONTIER SCHOOL DIVISION	5.29	240,149.32	244,499.15	5.38	20271130
Basic	MUSH	FRS1128\$A	FRONTIER SCHOOL DIVISION	5.41	69,054.27	70,334.14	5.50	20281130
Basic	MUSH	FRS1129\$A	FRONTIER SCHOOL DIVISION	5.05	265,645.56	270,233.40	5.13	20291130
Basic	MUSH	FRS1130\$A	FRONTIER SCHOOL DIVISION	4.56	126,611.03	128,584.34	4.63	20301130
Basic	MUSH	FRS1133\$A	FRONTIER SCHOOL DIVISION	4.20	29,466.41	29,939.89	4.25	20331115
Basic	MUSH	FRS1225\$A	FRONTIER SCHOOL DIVISION	5.17	90,785.13	92,195.41	5.25	20251215
Basic	MUSH	FRS1226\$A	FRONTIER SCHOOL DIVISION	4.93	684,398.28	694,523.62	5.00	20261215
Basic	MUSH	FRS1227\$A	FRONTIER SCHOOL DIVISION	5.17	432,075.25	438,787.21	5.25	20271215
Basic	MUSH	FRS1228\$A	FRONTIER SCHOOL DIVISION	6.14	34,357.68	34,898.93	6.25	20281231
Basic	MUSH	FRS1229\$A	FRONTIER SCHOOL DIVISION	5.17	410,756.98	416,192.48	5.25	20291231
Basic	MUSH	FRS1230\$A	FRONTIER SCHOOL DIVISION	4.56	327,621.72	332,105.20	4.63	20301215
Basic	MUSH	GIR0620\$A	RURAL MUNICIPALITY OF GIMLI	7.08	21,972.64	23,218.76	7.50	20200630
Basic	MUSH	GIR1220\$A	RURAL MUNICIPALITY OF GIMLI	7.03	31,046.58	31,613.92	7.25	20201231
Basic	MUSH	GIR1222\$A	RURAL MUNICIPALITY OF GIMLI	6.49	96,071.51	97,675.77	6.63	20221231
Basic	MUSH	GVS0125\$A	GARDEN VALLEY SCHOOL DIV	5.65	101,189.17	102,416.61	5.75	20250115
Basic	MUSH	GVS0126\$A	GARDEN VALLEY SCHOOL DIV	5.17	1,118,183.42	1,130,567.68	5.25	20260115
Basic	MUSH	GVS0131\$A	GARDEN VALLEY SCHOOL DIV	4.69	1,952,698.22	1,968,199.43	4.75	20310131
Basic	MUSH	GVS0230\$A	GARDEN VALLEY SCHOOL DIV	5.30	208,802.69	210,217.11	5.38	20300215
Basic	MUSH	GVS0328\$A	GARDEN VALLEY SCHOOL DIV	5.06	91,053.51	91,270.85	5.13	20280315
Basic	MUSH	GVS0329\$A	GARDEN VALLEY SCHOOL DIV	5.55	184,610.93	184,639.38	5.63	20290331
Basic	MUSH	GVS0331\$A	GARDEN VALLEY SCHOOL DIV	4.69	2,156,390.76	2,156,671.39	4.75	20310331
Basic	MUSH	GVS0332\$A	GARDEN VALLEY SCHOOL DIV	3.96	1,416,359.38	1,418,998.08	4.00	20320315
Basic	MUSH	GVS0333\$A	GARDEN VALLEY SCHOOL DIV	3.71	807,011.94	808,421.45	3.75	20330315

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	GVS0333\$B	GARDEN VALLEY SCHOOL DIV	3.71	80,723.07	80,731.36	3.75	20330331
Basic	MUSH	GVS0335\$A	GARDEN VALLEY SCHOOL DIV	3.47	365,723.35	365,758.42	3.50	20350331
Basic	MUSH	GVS0420\$A	GARDEN VALLEY SCHOOL DIV	6.10	11,807.69	12,590.56	6.88	20200415
Basic	MUSH	GVS0421\$A	GARDEN VALLEY SCHOOL DIV	6.47	16,325.74	17,368.80	6.63	20210415
Basic	MUSH	GVS0427\$A	GARDEN VALLEY SCHOOL DIV	5.05	145,393.48	152,579.50	5.13	20270415
Basic	MUSH	GVS0429\$A	GARDEN VALLEY SCHOOL DIV	5.66	588,775.32	620,032.84	5.75	20290430
Basic	MUSH	GVS0432\$A	GARDEN VALLEY SCHOOL DIV	3.96	115,431.05	119,883.84	4.00	20320415
Basic	MUSH	GVS0433\$A	GARDEN VALLEY SCHOOL DIV	3.59	824,486.16	852,081.03	3.63	20330430
Basic	MUSH	GVS0434\$A	GARDEN VALLEY SCHOOL DIV	4.08	119,721.17	124,280.82	4.13	20340430
Basic	MUSH	GVS0522\$A	GARDEN VALLEY SCHOOL DIV	6.72	54,092.98	57,373.76	6.88	20220515
Basic	MUSH	GVS0526\$A	GARDEN VALLEY SCHOOL DIV	5.17	787,337.26	823,802.84	5.25	20260515
Basic	MUSH	GVS0529\$A	GARDEN VALLEY SCHOOL DIV	5.54	59,738.75	62,555.88	5.63	20290531
Basic	MUSH	GVS0530\$A	GARDEN VALLEY SCHOOL DIV	5.17	234,284.40	244,596.12	5.25	20300531
Basic	MUSH	GVS0531\$A	GARDEN VALLEY SCHOOL DIV	4.93	1,370,928.87	1,428,395.20	5.00	20310531
Basic	MUSH	GVS0532\$A	GARDEN VALLEY SCHOOL DIV	3.96	2,675,413.38	2,765,131.35	4.00	20320531
Basic	MUSH	GVS0533\$A	GARDEN VALLEY SCHOOL DIV	3.59	901,008.73	928,390.76	3.63	20330531
Basic	MUSH	GVS0621\$A	GARDEN VALLEY SCHOOL DIV	6.56	38,291.12	40,351.76	6.75	20210615
Basic	MUSH	GVS0622\$A	GARDEN VALLEY SCHOOL DIV	6.71	37,127.48	39,162.50	6.88	20220615
Basic	MUSH	GVS0623\$A	GARDEN VALLEY SCHOOL DIV	6.01	81,097.25	85,057.41	6.13	20230615
Basic	MUSH	GVS0624\$A	GARDEN VALLEY SCHOOL DIV	5.89	37,680.06	39,482.51	6.00	20240615
Basic	MUSH	GVS0625\$A	GARDEN VALLEY SCHOOL DIV	5.53	119,857.52	124,955.57	5.63	20250630
Basic	MUSH	GVS0626\$A	GARDEN VALLEY SCHOOL DIV	5.29	113,979.07	118,863.39	5.38	20260615
Basic	MUSH	GVS0626\$B	GARDEN VALLEY SCHOOL DIV	5.29	709,118.83	737,940.14	5.38	20260630
Basic	MUSH	GVS0627\$A	GARDEN VALLEY SCHOOL DIV	5.05	304,502.41	316,944.25	5.13	20270615
Basic	MUSH	GVS0628\$A	GARDEN VALLEY SCHOOL DIV	5.17	171,035.71	177,825.59	5.25	20280630
Basic	MUSH	GVS0630\$A	GARDEN VALLEY SCHOOL DIV	5.17	795,102.22	828,382.15	5.25	20300615
Basic	MUSH	GVS0631\$A	GARDEN VALLEY SCHOOL DIV	4.93	867,818.79	900,629.47	5.00	20310630
Basic	MUSH	GVS0632\$A	GARDEN VALLEY SCHOOL DIV	3.59	2,043,981.59	2,100,009.09	3.63	20320630
Basic	MUSH	GVS0733\$A	GARDEN VALLEY SCHOOL DIV	3.47	2,175,974.12	2,230,433.09	3.50	20330715
Basic	MUSH	GVS0921\$A	GARDEN VALLEY SCHOOL DIV	6.80	8,874.61	9,213.30	7.00	20210915
Basic	MUSH	GVS0925\$A	GARDEN VALLEY SCHOOL DIV	5.04	517,100.48	530,460.09	5.13	20250930
Basic	MUSH	GVS0926\$A	GARDEN VALLEY SCHOOL DIV	5.53	1,102,723.30	1,136,541.41	5.63	20260915
Basic	MUSH	GVS0929\$A	GARDEN VALLEY SCHOOL DIV	5.66	43,327.86	44,686.16	5.75	20290915
Basic	MUSH	GVS0933\$A	GARDEN VALLEY SCHOOL DIV	3.71	392,296.41	399,712.42	3.75	20330930

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	GVS1020\$A	GARDEN VALLEY SCHOOL DIV	6.51	10,318.79	10,641.29	6.75	20201015
Basic	MUSH	GVS1023\$A	GARDEN VALLEY SCHOOL DIV	6.00	87,792.08	90,046.11	6.13	20231031
Basic	MUSH	GVS1026\$A	GARDEN VALLEY SCHOOL DIV	5.05	347,123.67	355,360.72	5.13	20261015
Basic	MUSH	GVS1029\$A	GARDEN VALLEY SCHOOL DIV	5.29	453,965.31	464,193.52	5.38	20291031
Basic	MUSH	GVS1029\$B	GARDEN VALLEY SCHOOL DIV	5.05	556,747.74	568,708.28	5.13	20291031
Basic	MUSH	GVS1032\$A	GARDEN VALLEY SCHOOL DIV	3.71	2,249,955.37	2,289,021.38	3.75	20321015
Basic	MUSH	GVS1032\$B	GARDEN VALLEY SCHOOL DIV	3.71	1,038,160.20	1,054,479.23	3.75	20321031
Basic	MUSH	GVS1033\$A	GARDEN VALLEY SCHOOL DIV	4.20	2,320,184.85	2,365,841.64	4.25	20331015
Basic	MUSH	GVS1033\$B	GARDEN VALLEY SCHOOL DIV	4.44	719,404.99	732,975.14	4.50	20331031
Basic	MUSH	GVS1128\$A	GARDEN VALLEY SCHOOL DIV	5.41	183,369.27	186,767.88	5.50	20281130
Basic	MUSH	GVS1130\$A	GARDEN VALLEY SCHOOL DIV	4.56	4,129,179.85	4,201,383.93	4.63	20301115
Basic	MUSH	GVS1131\$A	GARDEN VALLEY SCHOOL DIV	4.20	3,081,060.73	3,130,568.73	4.25	20311115
Basic	MUSH	GVS1132\$A	GARDEN VALLEY SCHOOL DIV	3.71	1,001,229.02	1,013,881.54	3.75	20321130
Basic	MUSH	GVS1226\$A	GARDEN VALLEY SCHOOL DIV	4.93	511,255.72	518,819.50	5.00	20261215
Basic	MUSH	GVS1227\$A	GARDEN VALLEY SCHOOL DIV	5.17	188,875.64	191,809.68	5.25	20271215
Basic	MUSH	GVS1228\$A	GARDEN VALLEY SCHOOL DIV	6.14	29,628.99	30,176.92	6.25	20281215
Basic	MUSH	GVS1232\$A	GARDEN VALLEY SCHOOL DIV	3.71	1,097,717.27	1,109,897.42	3.75	20321215
Basic	MUSH	HAS0125\$A	HANOVER SCHOOL DIVISION	5.66	123,615.13	124,803.02	5.75	20250131
Basic	MUSH	HAS0127\$A	HANOVER SCHOOL DIVISION	4.93	47,313.53	47,812.59	5.00	20270115
Basic	MUSH	HAS0128\$A	HANOVER SCHOOL DIVISION	5.05	228,207.38	230,161.99	5.13	20280131
Basic	MUSH	HAS0129\$A	HANOVER SCHOOL DIVISION	5.42	201,927.11	203,783.18	5.50	20290131
Basic	MUSH	HAS0130\$A	HANOVER SCHOOL DIVISION	5.05	401,891.59	405,333.82	5.13	20300131
Basic	MUSH	HAS0132\$A	HANOVER SCHOOL DIVISION	4.08	2,442,484.84	2,459,322.93	4.13	20320131
Basic	MUSH	HAS0325\$A	HANOVER SCHOOL DIVISION	5.42	112,596.04	112,613.01	5.50	20250331
Basic	MUSH	HAS0326\$A	HANOVER SCHOOL DIVISION	5.06	161,611.80	161,634.49	5.13	20260331
Basic	MUSH	HAS0329\$A	HANOVER SCHOOL DIVISION	5.67	1,059,609.10	1,059,776.02	5.75	20290331
Basic	MUSH	HAS0332\$A	HANOVER SCHOOL DIVISION	3.96	3,308,176.38	3,308,538.92	4.00	20320331
Basic	MUSH	HAS0333\$A	HANOVER SCHOOL DIVISION	3.59	1,991,172.67	1,991,370.42	3.63	20330331
Basic	MUSH	HAS0334\$A	HANOVER SCHOOL DIVISION	4.20	1,054,693.39	1,054,816.20	4.25	20340331
Basic	MUSH	HAS0335\$A	HANOVER SCHOOL DIVISION	2.98	625,965.32	626,016.77	3.00	20350331
Basic	MUSH	HAS0421\$A	HANOVER SCHOOL DIVISION	6.46	81,461.44	86,444.26	6.63	20210430
Basic	MUSH	HAS0422\$A	HANOVER SCHOOL DIVISION	6.73	153,918.97	164,124.01	6.88	20220415
Basic	MUSH	HAS0424\$A	HANOVER SCHOOL DIVISION	5.78	123,913.86	130,635.34	5.88	20240430
Basic	MUSH	HAS0427\$A	HANOVER SCHOOL DIVISION	5.05	48,499.25	50,896.31	5.13	20270415

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	HAS0428\$A	HANOVER SCHOOL DIVISION	5.05	232,610.86	244,107.57	5.13	20280415
Basic	MUSH	HAS0522\$A	HANOVER SCHOOL DIVISION	6.72	112,611.87	119,102.48	6.88	20220531
Basic	MUSH	HAS0525\$A	HANOVER SCHOOL DIVISION	5.53	39,293.47	41,146.45	5.63	20250531
Basic	MUSH	HAS0526\$A	HANOVER SCHOOL DIVISION	5.17	57,003.76	59,643.89	5.25	20260515
Basic	MUSH	HAS0530\$A	HANOVER SCHOOL DIVISION	5.17	1,337,846.42	1,396,729.99	5.25	20300531
Basic	MUSH	HAS0533\$A	HANOVER SCHOOL DIVISION	3.47	2,594,664.15	2,670,797.99	3.50	20330531
Basic	MUSH	HAS0534\$A	HANOVER SCHOOL DIVISION	4.08	3,625,665.23	3,751,048.68	4.13	20340531
Basic	MUSH	HAS0620\$A	HANOVER SCHOOL DIVISION	6.49	155,862.04	164,405.09	6.88	20200615
Basic	MUSH	HAS0623\$A	HANOVER SCHOOL DIVISION	6.01	389,054.03	408,052.39	6.13	20230615
Basic	MUSH	HAS0625\$A	HANOVER SCHOOL DIVISION	5.29	37,297.65	38,813.57	5.38	20250630
Basic	MUSH	HAS0632\$A	HANOVER SCHOOL DIVISION	3.95	3,043,528.85	3,135,585.17	4.00	20320630
Basic	MUSH	HAS0722\$A	HANOVER SCHOOL DIVISION	6.47	30,517.41	31,963.12	6.63	20220715
Basic	MUSH	HAS0731\$A	HANOVER SCHOOL DIVISION	4.93	5,098,737.37	5,281,034.69	5.00	20310715
Basic	MUSH	HAS0828\$A	HANOVER SCHOOL DIVISION	5.29	272,612.55	281,203.58	5.38	20280831
Basic	MUSH	HAS0920\$A	HANOVER SCHOOL DIVISION	6.60	102,421.26	106,260.30	6.88	20200915
Basic	MUSH	HAS0923\$A	HANOVER SCHOOL DIVISION	6.00	515,036.35	530,938.98	6.13	20230930
Basic	MUSH	HAS0925\$A	HANOVER SCHOOL DIVISION	5.04	85,028.55	87,225.32	5.13	20250930
Basic	MUSH	HAS0928\$A	HANOVER SCHOOL DIVISION	5.17	234,806.81	241,527.75	5.25	20280915
Basic	MUSH	HAS0929\$A	HANOVER SCHOOL DIVISION	5.41	578,265.62	594,298.63	5.50	20290930
Basic	MUSH	HAS0933\$A	HANOVER SCHOOL DIVISION	4.20	7,203,085.61	7,357,409.25	4.25	20330930
Basic	MUSH	HAS1021\$A	HANOVER SCHOOL DIVISION	6.57	105,469.00	108,765.27	6.75	20211015
Basic	MUSH	HAS1023\$A	HANOVER SCHOOL DIVISION	5.76	351,756.41	360,419.01	5.88	20231031
Basic	MUSH	HAS1031\$A	HANOVER SCHOOL DIVISION	4.20	3,645,991.48	3,710,945.07	4.25	20311031
Basic	MUSH	HAS1032\$A	HANOVER SCHOOL DIVISION	3.71	3,707,934.10	3,766,219.78	3.75	20321031
Basic	MUSH	HAS1125\$A	HANOVER SCHOOL DIVISION	4.92	32,134.91	32,676.36	5.00	20251130
Basic	MUSH	HAS1223\$A	HANOVER SCHOOL DIVISION	6.01	251,142.92	255,694.46	6.13	20231215
Basic	MUSH	HAS1230\$A	HANOVER SCHOOL DIVISION	4.56	134,906.93	136,753.12	4.63	20301215
Basic	MUSH	HER0921\$A	RURAL MUN OF HEADINGLEY	7.27	42,271.28	44,121.37	7.50	20210901
Basic	MUSH	HER0922\$A	RURAL MUN OF HEADINGLEY	6.95	42,424.93	44,188.91	7.13	20220901
Basic	MUSH	HER1036\$A	RURAL MUN OF HEADINGLEY	3.71	794,286.35	806,771.88	3.75	20361031
Basic	MUSH	IMS0522\$A	INTERMOUNTAIN SCHOOL DIVISION	6.72	36,143.93	38,336.08	6.88	20220515
Basic	MUSH	INS0127\$A	INTERLAKE SCHOOL DIVISION	4.93	495,701.10	499,843.26	5.00	20270131
Basic	MUSH	INS0130\$A	INTERLAKE SCHOOL DIVISION	5.05	849,281.43	858,463.56	5.13	20300115
Basic	MUSH	INS0325\$A	INTERLAKE SCHOOL DIVISION	5.55	420,588.14	420,652.96	5.63	20250331

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	INS0334\$A	INTERLAKE SCHOOL DIVISION	4.33	860,405.10	862,158.32	4.38	20340315
Basic	MUSH	INS0335\$A	INTERLAKE SCHOOL DIVISION	2.98	1,055,338.52	1,056,813.10	3.00	20350315
Basic	MUSH	INS0421\$A	INTERLAKE SCHOOL DIVISION	6.58	29,222.09	31,043.27	6.75	20210430
Basic	MUSH	INS0422\$A	INTERLAKE SCHOOL DIVISION	6.73	100,809.52	107,493.33	6.88	20220415
Basic	MUSH	INS0535\$A	INTERLAKE SCHOOL DIVISION	3.34	995,563.40	1,023,732.39	3.38	20350531
Basic	MUSH	INS0625\$A	INTERLAKE SCHOOL DIVISION	5.05	144,064.97	149,647.98	5.13	20250630
Basic	MUSH	INS0626\$A	INTERLAKE SCHOOL DIVISION	5.29	557,887.45	580,562.14	5.38	20260630
Basic	MUSH	INS0629\$A	INTERLAKE SCHOOL DIVISION	5.66	175,538.34	183,170.65	5.75	20290630
Basic	MUSH	INS0630\$A	INTERLAKE SCHOOL DIVISION	5.17	292,603.52	304,219.48	5.25	20300630
Basic	MUSH	INS0634\$A	INTERLAKE SCHOOL DIVISION	4.08	1,168,675.38	1,207,109.59	4.13	20340615
Basic	MUSH	INS0731\$A	INTERLAKE SCHOOL DIVISION	4.56	100,751.93	104,083.99	4.63	20310715
Basic	MUSH	INS1029\$A	INTERLAKE SCHOOL DIVISION	5.29	865,165.31	886,696.67	5.38	20291015
Basic	MUSH	INS1031\$A	INTERLAKE SCHOOL DIVISION	4.20	334,964.45	341,555.91	4.25	20311015
Basic	MUSH	INS1123\$A	INTERLAKE SCHOOL DIVISION	5.89	265,277.24	271,295.04	6.00	20231115
Basic	MUSH	INS1128\$A	INTERLAKE SCHOOL DIVISION	5.41	43,049.88	43,847.78	5.50	20281130
Basic	MUSH	KES0131\$A	KELSEY SCHOOL DIV	4.57	46,812.48	47,174.31	4.63	20310131
Basic	MUSH	KES0225\$A	KELSEY SCHOOL DIV	5.54	42,026.35	42,240.08	5.63	20250228
Basic	MUSH	KES0228\$A	KELSEY SCHOOL DIV	5.05	92,305.07	92,901.26	5.13	20280215
Basic	MUSH	KES0229\$A	KELSEY SCHOOL DIV	5.42	316,358.40	317,931.52	5.50	20290228
Basic	MUSH	KES0230\$A	KELSEY SCHOOL DIV	5.05	162,511.82	163,561.47	5.13	20300215
Basic	MUSH	KES0325\$A	KELSEY SCHOOL DIV	5.42	40,342.99	40,349.07	5.50	20250331
Basic	MUSH	KES0332\$A	KELSEY SCHOOL DIV	3.84	465,796.26	465,845.71	3.88	20320331
Basic	MUSH	KES0420\$A	KELSEY SCHOOL DIV	6.33	2,798.90	2,976.56	6.88	20200430
Basic	MUSH	KES0433\$A	KELSEY SCHOOL DIV	3.59	85,538.78	88,529.12	3.63	20330415
Basic	MUSH	KES0524\$A	KELSEY SCHOOL DIV	5.89	43,335.81	45,515.66	6.00	20240531
Basic	MUSH	KES0525\$A	KELSEY SCHOOL DIV	5.53	38,283.62	40,088.98	5.63	20250531
Basic	MUSH	KES0532\$A	KELSEY SCHOOL DIV	3.96	288,393.84	298,570.59	4.00	20320515
Basic	MUSH	KES0532\$B	KELSEY SCHOOL DIV	3.96	770,985.20	796,839.61	4.00	20320531
Basic	MUSH	KES0533\$A	KELSEY SCHOOL DIV	3.59	704,192.41	726,712.10	3.63	20330515
Basic	MUSH	KES0628\$A	KELSEY SCHOOL DIV	5.17	58,471.23	60,792.46	5.25	20280630
Basic	MUSH	KES0630\$A	KELSEY SCHOOL DIV	5.17	93,189.71	96,889.21	5.25	20300630
Basic	MUSH	KES0632\$A	KELSEY SCHOOL DIV	3.96	446,587.99	460,829.86	4.00	20320615
Basic	MUSH	KES0731\$A	KELSEY SCHOOL DIV	4.56	367,758.50	379,920.98	4.63	20310715
Basic	MUSH	KES0732\$A	KELSEY SCHOOL DIV	3.59	508,304.05	521,479.92	3.63	20320715

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	KES0735\$A	KELSEY SCHOOL DIV	3.34	212,073.18	217,191.26	3.38	20350715
Basic	MUSH	KES0832\$A	KELSEY SCHOOL DIV	3.59	622,796.07	636,032.62	3.63	20320831
Basic	MUSH	KES0922\$A	KELSEY SCHOOL DIV	6.35	9,855.07	10,177.99	6.50	20220930
Basic	MUSH	KES0932\$A	KELSEY SCHOOL DIV	3.59	486,191.20	495,800.14	3.63	20320915
Basic	MUSH	KES1026\$A	KELSEY SCHOOL DIV	5.05	12,332.29	12,624.93	5.13	20261015
Basic	MUSH	KES1032\$A	KELSEY SCHOOL DIV	3.71	841,826.52	855,059.34	3.75	20321031
Basic	MUSH	KES1033\$A	KELSEY SCHOOL DIV	4.20	178,127.04	181,632.24	4.25	20331015
Basic	MUSH	KES1121\$A	KELSEY SCHOOL DIV	6.70	16,253.15	16,629.70	6.88	20211130
Basic	MUSH	KES1123\$A	KELSEY SCHOOL DIV	5.89	209,327.65	213,560.08	6.00	20231130
Basic	MUSH	KES1126\$A	KELSEY SCHOOL DIV	4.93	36,541.50	37,157.20	5.00	20261130
Basic	MUSH	KES1128\$A	KELSEY SCHOOL DIV	6.14	87,569.99	89,414.36	6.25	20281130
Basic	MUSH	KES1131\$A	KELSEY SCHOOL DIV	4.08	917,448.16	931,756.58	4.13	20311115
Basic	MUSH	KES1131\$B	KELSEY SCHOOL DIV	4.08	811,388.79	822,667.65	4.13	20311130
Basic	MUSH	KES1132\$A	KELSEY SCHOOL DIV	3.71	466,310.89	472,203.65	3.75	20321130
Basic	MUSH	KIR1226\$A	RURAL MUN OF KILLARNEY	3.46	882,265.36	890,048.63	3.50	20261231
Basic	MUSH	LKS0126\$A	LAKESHORE SCHOOL DIVISION	4.93	110,741.23	111,666.60	5.00	20260131
Basic	MUSH	LKS0226\$A	LAKESHORE SCHOOL DIVISION	4.81	111,547.46	112,232.79	4.88	20260215
Basic	MUSH	LKS0227\$A	LAKESHORE SCHOOL DIVISION	4.93	342,291.99	343,839.34	5.00	20270228
Basic	MUSH	LKS0230\$A	LAKESHORE SCHOOL DIVISION	5.30	247,046.57	248,210.73	5.38	20300228
Basic	MUSH	LKS0326\$A	LAKESHORE SCHOOL DIVISION	5.06	84,864.60	85,067.17	5.13	20260315
Basic	MUSH	LKS0424\$A	LAKESHORE SCHOOL DIVISION	5.65	68,908.57	72,566.86	5.75	20240430
Basic	MUSH	LKS0427\$A	LAKESHORE SCHOOL DIVISION	5.05	401,292.35	421,126.09	5.13	20270415
Basic	MUSH	LKS0429\$A	LAKESHORE SCHOOL DIVISION	5.66	104,215.89	109,994.88	5.75	20290415
Basic	MUSH	LKS0521\$A	LAKESHORE SCHOOL DIVISION	6.80	45,225.82	47,879.89	7.00	20210531
Basic	MUSH	LKS0526\$A	LAKESHORE SCHOOL DIVISION	5.17	177,214.28	185,421.97	5.25	20260515
Basic	MUSH	LKS0528\$A	LAKESHORE SCHOOL DIVISION	5.05	171,104.88	178,456.53	5.13	20280531
Basic	MUSH	LKS0625\$A	LAKESHORE SCHOOL DIVISION	5.29	51,959.28	54,071.10	5.38	20250630
Basic	MUSH	LKS0626\$A	LAKESHORE SCHOOL DIVISION	5.29	265,305.02	276,674.07	5.38	20260615
Basic	MUSH	LKS0627\$A	LAKESHORE SCHOOL DIVISION	5.05	289,691.95	301,528.64	5.13	20270615
Basic	MUSH	LKS0631\$A	LAKESHORE SCHOOL DIVISION	4.93	337,967.09	351,439.48	5.00	20310615
Basic	MUSH	LKS0632\$A	LAKESHORE SCHOOL DIVISION	3.96	293,757.65	303,125.70	4.00	20320615
Basic	MUSH	LKS0826\$A	LAKESHORE SCHOOL DIVISION	5.29	198,742.37	205,473.75	5.38	20260815
Basic	MUSH	LKS0920\$A	LAKESHORE SCHOOL DIVISION	6.60	11,457.73	11,887.20	6.88	20200915
Basic	MUSH	LKS0921\$A	LAKESHORE SCHOOL DIVISION	6.68	37,246.76	38,642.88	6.88	20210915

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	LKS0925\$A	LAKESHORE SCHOOL DIVISION	5.04	168,622.32	173,333.93	5.13	20250915
Basic	MUSH	LKS0926\$A	LAKESHORE SCHOOL DIVISION	5.17	145,070.45	149,222.84	5.25	20260915
Basic	MUSH	LKS0927\$A	LAKESHORE SCHOOL DIVISION	5.41	154,781.15	159,422.46	5.50	20270915
Basic	MUSH	LKS1021\$A	LAKESHORE SCHOOL DIVISION	6.57	46,184.64	47,628.07	6.75	20211015
Basic	MUSH	LKS1023\$A	LAKESHORE SCHOOL DIVISION	6.00	115,635.95	118,915.34	6.13	20231015
Basic	MUSH	LKS1025\$A	LAKESHORE SCHOOL DIVISION	4.92	129,354.16	132,065.28	5.00	20251031
Basic	MUSH	LKS1026\$A	LAKESHORE SCHOOL DIVISION	5.05	276,400.31	282,959.14	5.13	20261015
Basic	MUSH	LKS1124\$A	LAKESHORE SCHOOL DIVISION	5.77	58,509.85	59,668.22	5.88	20241130
Basic	MUSH	LKS1125\$A	LAKESHORE SCHOOL DIVISION	5.17	176,494.49	179,616.99	5.25	20251130
Basic	MUSH	LKS1126\$A	LAKESHORE SCHOOL DIVISION	4.93	301,014.48	306,704.89	5.00	20261115
Basic	MUSH	LKS1126\$B	LAKESHORE SCHOOL DIVISION	4.93	269,998.43	274,547.72	5.00	20261130
Basic	MUSH	LKS1128\$A	LAKESHORE SCHOOL DIVISION	5.41	409,264.64	416,850.05	5.50	20281130
Basic	MUSH	LKS1128\$B	LAKESHORE SCHOOL DIVISION	6.14	384,278.36	392,371.89	6.25	20281130
Basic	MUSH	LKS1223\$A	LAKESHORE SCHOOL DIVISION	6.01	113,292.82	115,346.06	6.13	20231215
Basic	MUSH	LKS1226\$A	LAKESHORE SCHOOL DIVISION	4.93	344,938.52	350,041.72	5.00	20261215
Basic	MUSH	LKS1228\$A	LAKESHORE SCHOOL DIVISION	6.14	280,188.03	284,601.95	6.25	20281231
Basic	MUSH	LOS0228\$A	LOUIS RIEL SCHOOL DIVISION	5.06	833,040.19	836,783.17	5.13	20280229
Basic	MUSH	LOS0230\$A	LOUIS RIEL SCHOOL DIVISION	5.30	2,166,712.67	2,176,922.93	5.38	20300228
Basic	MUSH	LOS0236\$A	LOUIS RIEL SCHOOL DIVISION	3.71	9,756,011.55	9,802,118.73	3.75	20360215
Basic	MUSH	LOS0333\$A	LOUIS RIEL SCHOOL DIVISION	3.71	575,863.66	575,922.82	3.75	20330331
Basic	MUSH	LOS0334\$A	LOUIS RIEL SCHOOL DIVISION	4.33	2,633,256.59	2,638,622.30	4.38	20340315
Basic	MUSH	LOS0334\$B	LOUIS RIEL SCHOOL DIVISION	4.20	354,300.08	354,341.33	4.25	20340331
Basic	MUSH	LOS0424\$A	LOUIS RIEL SCHOOL DIVISION	5.66	575,216.32	607,113.25	5.75	20240415
Basic	MUSH	LOS0435\$A	LOUIS RIEL SCHOOL DIVISION	2.98	4,182,763.28	4,303,776.92	3.00	20350415
Basic	MUSH	LOS0623\$A	LOUIS RIEL SCHOOL DIVISION	5.64	25,036.80	26,125.39	5.75	20230630
Basic	MUSH	LOS0624\$A	LOUIS RIEL SCHOOL DIVISION	5.89	59,972.39	63,146.82	6.00	20240515
Basic	MUSH	LOS0626\$A	LOUIS RIEL SCHOOL DIVISION	5.29	637,166.93	664,471.28	5.38	20260615
Basic	MUSH	LOS0627\$A	LOUIS RIEL SCHOOL DIVISION	5.05	457,614.20	475,348.32	5.13	20270630
Basic	MUSH	LOS0925\$A	LOUIS RIEL SCHOOL DIVISION	5.04	387,466.67	397,477.11	5.13	20250930
Basic	MUSH	LOS1129\$A	LOUIS RIEL SCHOOL DIVISION	5.05	491,021.01	500,535.38	5.13	20291115
Basic	MUSH	LOS1223\$A	LOUIS RIEL SCHOOL DIVISION	5.89	10,271.65	10,454.01	6.00	20231215
Basic	MUSH	LRS0821\$A	LEAF RAPIDS SCHOOL DISTRICT	6.80	36,010.04	37,598.43	7.00	20210815
Basic	MUSH	LRS1021\$A	LEAF RAPIDS SCHOOL DISTRICT	6.69	28,442.76	29,262.44	6.88	20211031
Basic	MUSH	LSS0125\$A	LORD SELKIRK SCHOOL DIVISION	5.66	257,229.80	259,701.67	5.75	20250131

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	LSS0126\$A	LORD SELKIRK SCHOOL DIVISION	4.93	457,260.79	461,081.74	5.00	20260131
Basic	MUSH	LSS0127\$A	LORD SELKIRK SCHOOL DIVISION	4.81	1,072,280.32	1,081,016.47	4.88	20270131
Basic	MUSH	LSS0130\$A	LORD SELKIRK SCHOOL DIVISION	5.05	217,844.24	219,710.09	5.13	20300131
Basic	MUSH	LSS0226\$A	LORD SELKIRK SCHOOL DIVISION	4.81	92,207.75	92,614.16	4.88	20260228
Basic	MUSH	LSS0231\$A	LORD SELKIRK SCHOOL DIVISION	4.69	100,689.27	101,292.03	4.75	20310215
Basic	MUSH	LSS0328\$A	LORD SELKIRK SCHOOL DIVISION	5.18	233,498.94	233,532.53	5.25	20280331
Basic	MUSH	LSS0329\$A	LORD SELKIRK SCHOOL DIVISION	5.55	198,231.81	198,262.36	5.63	20290331
Basic	MUSH	LSS0334\$A	LORD SELKIRK SCHOOL DIVISION	4.20	35,875.52	35,879.70	4.25	20340331
Basic	MUSH	LSS0421\$A	LORD SELKIRK SCHOOL DIVISION	6.47	39,148.12	41,649.31	6.63	20210415
Basic	MUSH	LSS0427\$A	LORD SELKIRK SCHOOL DIVISION	4.93	638,738.45	669,537.89	5.00	20270415
Basic	MUSH	LSS0435\$A	LORD SELKIRK SCHOOL DIVISION	2.98	888,291.56	913,991.17	3.00	20350415
Basic	MUSH	LSS0525\$A	LORD SELKIRK SCHOOL DIVISION	5.53	126,378.25	132,649.55	5.63	20250515
Basic	MUSH	LSS0526\$A	LORD SELKIRK SCHOOL DIVISION	5.17	127,447.69	133,350.44	5.25	20260515
Basic	MUSH	LSS0526\$B	LORD SELKIRK SCHOOL DIVISION	5.17	209,123.18	218,327.46	5.25	20260531
Basic	MUSH	LSS0530\$A	LORD SELKIRK SCHOOL DIVISION	5.17	181,609.06	190,020.30	5.25	20300515
Basic	MUSH	LSS0532\$A	LORD SELKIRK SCHOOL DIVISION	3.96	706,620.08	730,316.05	4.00	20320531
Basic	MUSH	LSS0534\$A	LORD SELKIRK SCHOOL DIVISION	4.08	979,745.51	1,013,627.26	4.13	20340531
Basic	MUSH	LSS0621\$A	LORD SELKIRK SCHOOL DIVISION	6.80	7,338.42	7,726.85	7.00	20210630
Basic	MUSH	LSS0622\$A	LORD SELKIRK SCHOOL DIVISION	6.59	36,605.86	38,474.26	6.75	20220630
Basic	MUSH	LSS0623\$A	LORD SELKIRK SCHOOL DIVISION	5.76	105,146.00	109,817.08	5.88	20230630
Basic	MUSH	LSS0627\$A	LORD SELKIRK SCHOOL DIVISION	5.05	673,096.90	699,181.71	5.13	20270630
Basic	MUSH	LSS0633\$A	LORD SELKIRK SCHOOL DIVISION	3.47	151,140.28	155,140.32	3.50	20330630
Basic	MUSH	LSS0635\$A	LORD SELKIRK SCHOOL DIVISION	3.34	302,779.70	310,506.80	3.38	20350630
Basic	MUSH	LSS0920\$A	LORD SELKIRK SCHOOL DIVISION	6.60	18,892.45	19,600.59	6.88	20200915
Basic	MUSH	LSS0921\$A	LORD SELKIRK SCHOOL DIVISION	6.57	38,291.12	39,594.07	6.75	20210930
Basic	MUSH	LSS0923\$A	LORD SELKIRK SCHOOL DIVISION	6.00	176,740.31	182,197.47	6.13	20230930
Basic	MUSH	LSS0926\$A	LORD SELKIRK SCHOOL DIVISION	5.17	449,685.51	461,586.78	5.25	20260930
Basic	MUSH	LSS0927\$A	LORD SELKIRK SCHOOL DIVISION	5.41	1,099,899.88	1,130,395.73	5.50	20270930
Basic	MUSH	LSS1026\$A	LORD SELKIRK SCHOOL DIVISION	5.05	883,761.47	904,732.65	5.13	20261015
Basic	MUSH	LSS1028\$A	LORD SELKIRK SCHOOL DIVISION	5.17	435,855.78	446,450.66	5.25	20281015
Basic	MUSH	LSS1030\$A	LORD SELKIRK SCHOOL DIVISION	4.93	76,184.14	77,947.86	5.00	20301015
Basic	MUSH	LSS1032\$A	LORD SELKIRK SCHOOL DIVISION	3.71	403,031.56	410,029.40	3.75	20321015
Basic	MUSH	LSS1033\$A	LORD SELKIRK SCHOOL DIVISION	4.44	640,029.96	653,365.38	4.50	20331015
Basic	MUSH	LSS1122\$A	LORD SELKIRK SCHOOL DIVISION	6.12	41,896.23	42,886.24	6.25	20221115

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	LSS1123\$A	LORD SELKIRK SCHOOL DIVISION	5.89	148,393.45	151,759.75	6.00	20231115
Basic	MUSH	LSS1127\$A	LORD SELKIRK SCHOOL DIVISION	5.29	453,410.42	461,623.05	5.38	20271130
Basic	MUSH	LSS1129\$A	LORD SELKIRK SCHOOL DIVISION	5.05	61,556.57	62,619.69	5.13	20291130
Basic	MUSH	LSS1224\$A	LORD SELKIRK SCHOOL DIVISION	5.65	97,529.82	98,943.33	5.75	20241231
Basic	MUSH	LSS1228\$A	LORD SELKIRK SCHOOL DIVISION	6.14	39,026.40	39,748.12	6.25	20281215
Basic	MUSH	MBR1236\$A	RM MINITONAS-BOWSMAN	4.08	243,098.11	245,625.66	4.13	20361231
Basic	MUSH	MET1221\$A	TOWN OF MELITA	2.47	47,870.54	48,172.19	2.50	20211231
Basic	MUSH	MET1226\$A	TOWN OF MELITA	3.22	273,451.11	275,691.16	3.25	20261231
Basic	MUSH	MIS0421\$A	MIDLAND SCHOOL DIVISION	6.46	12,993.96	13,788.77	6.63	20210430
Basic	MUSH	MIS0520\$A	MIDLAND SCHOOL DIVISION	6.42	31,662.06	33,582.39	6.88	20200515
Basic	MUSH	MIS0520\$B	MIDLAND SCHOOL DIVISION	6.46	19,067.21	20,166.19	6.88	20200531
Basic	MUSH	MIS0522\$A	MIDLAND SCHOOL DIVISION	6.72	94,170.81	99,882.33	6.88	20220515
Basic	MUSH	MIS0720\$A	MIDLAND SCHOOL DIVISION	6.65	12,085.85	12,690.80	7.00	20200715
Basic	MUSH	MIS0721\$A	MIDLAND SCHOOL DIVISION	6.80	4,949.43	5,197.17	7.00	20210715
Basic	MUSH	MLS0328\$A	MYSTERY LAKE SCHOOL DISTRICT	5.18	253,057.65	253,676.43	5.25	20280315
Basic	MUSH	MLS0330\$A	MYSTERY LAKE SCHOOL DISTRICT	5.18	259,333.29	259,967.41	5.25	20300315
Basic	MUSH	MLS0421\$A	MYSTERY LAKE SCHOOL DISTRICT	6.47	80,794.83	85,956.84	6.63	20210415
Basic	MUSH	MLS0429\$A	MYSTERY LAKE SCHOOL DISTRICT	5.66	39,001.44	41,071.99	5.75	20290430
Basic	MUSH	MLS0522\$A	MYSTERY LAKE SCHOOL DISTRICT	6.72	218,830.36	231,443.08	6.88	20220531
Basic	MUSH	MLS0530\$A	MYSTERY LAKE SCHOOL DISTRICT	5.05	71,337.87	74,563.22	5.13	20300515
Basic	MUSH	MLS0531\$A	MYSTERY LAKE SCHOOL DISTRICT	4.81	851,974.04	888,614.76	4.88	20310515
Basic	MUSH	MLS0532\$A	MYSTERY LAKE SCHOOL DISTRICT	3.96	364,441.67	377,301.97	4.00	20320515
Basic	MUSH	MLS0534\$A	MYSTERY LAKE SCHOOL DISTRICT	4.20	41,752.07	43,239.70	4.25	20340531
Basic	MUSH	MLS0624\$A	MYSTERY LAKE SCHOOL DISTRICT	6.01	281,364.92	295,104.59	6.13	20240615
Basic	MUSH	MLS0625\$A	MYSTERY LAKE SCHOOL DISTRICT	5.29	180,881.51	188,233.23	5.38	20250630
Basic	MUSH	MLS0635\$A	MYSTERY LAKE SCHOOL DISTRICT	3.34	423,721.70	434,535.31	3.38	20350630
Basic	MUSH	MMS0620\$A	MORRIS MACDONALD SCHOOL DIV	6.63	79,925.25	84,155.81	7.00	20200630
Basic	MUSH	MMS1021\$A	MORRIS MACDONALD SCHOOL DIV	6.69	6,602.67	6,792.95	6.88	20211031
Basic	MUSH	MSV0127\$A	MOUNTAIN VIEW SCHOOL DIVISION	4.81	702,623.91	708,348.37	4.88	20270131
Basic	MUSH	MTS0334\$A	MOUNTAIN SCHOOL DIV	4.08	983,490.82	983,601.97	4.13	20340331
Basic	MUSH	MTS0421\$A	MOUNTAIN SCHOOL DIV	6.47	40,980.42	43,598.68	6.63	20210415
Basic	MUSH	MTS0920\$A	MOUNTAIN SCHOOL DIV	6.60	13,469.43	13,974.30	6.88	20200915
Basic	MUSH	MTS0921\$A	MOUNTAIN SCHOOL DIV	6.68	26,242.09	27,225.72	6.88	20210915
Basic	MUSH	MTS1021\$A	MOUNTAIN SCHOOL DIV	6.69	8,972.89	9,231.48	6.88	20211031

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	MVS0126\$A	MOUNTAIN VIEW SCHOOL DIVISION	4.93	110,659.80	111,584.49	5.00	20260131
Basic	MUSH	MVS0529\$A	MOUNTAIN VIEW SCHOOL DIVISION	5.54	723,073.57	757,171.94	5.63	20290531
Basic	MUSH	MVS0632\$A	MOUNTAIN VIEW SCHOOL DIVISION	3.59	1,303,856.55	1,339,596.51	3.63	20320630
Basic	MUSH	MVS0635\$A	MOUNTAIN VIEW SCHOOL DIVISION	3.34	732,701.37	751,400.31	3.38	20350630
Basic	MUSH	MVS0733\$A	MOUNTAIN VIEW SCHOOL DIVISION	3.71	656,686.91	674,296.01	3.75	20330715
Basic	MUSH	MVS0923\$A	MOUNTAIN VIEW SCHOOL DIVISION	6.00	294,841.07	303,944.79	6.13	20230930
Basic	MUSH	MVS1027\$A	MOUNTAIN VIEW SCHOOL DIVISION	5.41	202,381.56	207,047.43	5.50	20271031
Basic	MUSH	MVS1126\$A	MOUNTAIN VIEW SCHOOL DIVISION	5.05	840,832.43	857,125.00	5.13	20261115
Basic	MUSH	MVS1129\$A	MOUNTAIN VIEW SCHOOL DIVISION	5.05	1,201,940.15	1,225,229.80	5.13	20291115
Basic	MUSH	PCS0229\$A	PINE CREEK SCHOOL DIV	5.42	50,670.86	50,922.83	5.50	20290228
Basic	MUSH	PCS0334\$A	PINE CREEK SCHOOL DIV	4.20	424,253.42	425,093.21	4.25	20340315
Basic	MUSH	PCS0424\$A	PINE CREEK SCHOOL DIV	5.66	93,435.98	98,617.20	5.75	20240415
Basic	MUSH	PCS0431\$A	PINE CREEK SCHOOL DIV	4.81	492,744.61	514,923.18	4.88	20310430
Basic	MUSH	PCS0522\$A	PINE CREEK SCHOOL DIV	6.72	16,229.61	17,165.04	6.88	20220531
Basic	MUSH	PCS0620\$A	PINE CREEK SCHOOL DIV	6.61	23,642.50	24,961.95	7.00	20200615
Basic	MUSH	PCS0922\$A	PINE CREEK SCHOOL DIV	6.35	47,352.11	48,903.70	6.50	20220930
Basic	MUSH	PCS1021\$A	PINE CREEK SCHOOL DIV	6.57	13,267.54	13,682.20	6.75	20211015
Basic	MUSH	PCS1023\$A	PINE CREEK SCHOOL DIV	6.00	65,699.54	67,562.75	6.13	20231015
Basic	MUSH	PCS1023\$B	PINE CREEK SCHOOL DIV	6.00	66,247.25	67,948.13	6.13	20231031
Basic	MUSH	PCS1229\$A	PINE CREEK SCHOOL DIV	5.17	132,355.01	134,106.45	5.25	20291231
Basic	MUSH	PCS1232\$A	PINE CREEK SCHOOL DIV	3.71	239,030.82	241,290.15	3.75	20321231
Basic	MUSH	PCT0723\$A	TOWN OF PLUM COULEE	6.24	77,177.57	79,644.34	6.38	20231001
Basic	MUSH	PIL1236\$A	L G D PINAWA	4.20	204,360.34	206,549.52	4.25	20361231
Basic	MUSH	PPS0126\$A	PORTAGE LA PRAIRIE SCH DIV	4.93	269,379.34	271,624.17	5.00	20260131
Basic	MUSH	PPS0128\$A	PORTAGE LA PRAIRIE SCH DIV	5.05	288,492.52	290,956.73	5.13	20280131
Basic	MUSH	PPS0225\$A	PORTAGE LA PRAIRIE SCH DIV	5.54	142,522.90	143,247.72	5.63	20250228
Basic	MUSH	PPS0231\$A	PORTAGE LA PRAIRIE SCH DIV	4.69	504,504.36	507,524.48	4.75	20310215
Basic	MUSH	PPS0333\$A	PORTAGE LA PRAIRIE SCH DIV	3.71	162,759.91	163,044.18	3.75	20330315
Basic	MUSH	PPS0334\$A	PORTAGE LA PRAIRIE SCH DIV	4.20	23,291.73	23,337.83	4.25	20340315
Basic	MUSH	PPS0421\$A	PORTAGE LA PRAIRIE SCH DIV	6.46	15,159.40	16,086.67	6.63	20210430
Basic	MUSH	PPS0424\$A	PORTAGE LA PRAIRIE SCH DIV	5.65	51,590.77	54,329.67	5.75	20240430
Basic	MUSH	PPS0521\$A	PORTAGE LA PRAIRIE SCH DIV	6.80	47,785.93	50,590.24	7.00	20210531
Basic	MUSH	PPS0525\$A	PORTAGE LA PRAIRIE SCH DIV	5.53	84,981.36	89,198.41	5.63	20250515
Basic	MUSH	PPS0526\$A	PORTAGE LA PRAIRIE SCH DIV	5.18	23,121.08	24,189.01	5.25	20260515

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	PPS0530\$A	PORTAGE LA PRAIRIE SCH DIV	5.18	218,159.23	227,734.99	5.25	20300531
Basic	MUSH	PPS0532\$A	PORTAGE LA PRAIRIE SCH DIV	3.96	118,002.67	121,948.99	4.00	20320531
Basic	MUSH	PPS0625\$A	PORTAGE LA PRAIRIE SCH DIV	5.29	34,473.48	35,874.61	5.38	20250630
Basic	MUSH	PPS0626\$A	PORTAGE LA PRAIRIE SCH DIV	5.29	10,305.82	10,723.54	5.38	20260630
Basic	MUSH	PPS0627\$A	PORTAGE LA PRAIRIE SCH DIV	5.17	43,941.65	45,681.31	5.25	20270630
Basic	MUSH	PPS0628\$A	PORTAGE LA PRAIRIE SCH DIV	5.17	246,097.74	255,840.79	5.25	20280630
Basic	MUSH	PPS0633\$A	PORTAGE LA PRAIRIE SCH DIV	3.47	192,018.07	197,086.09	3.50	20330630
Basic	MUSH	PPS0824\$A	PORTAGE LA PRAIRIE SCH DIV	6.25	99,740.20	103,468.16	6.38	20240831
Basic	MUSH	PPS0923\$A	PORTAGE LA PRAIRIE SCH DIV	5.64	30,574.27	31,532.75	5.75	20230915
Basic	MUSH	PPS1127\$A	PORTAGE LA PRAIRIE SCH DIV	5.29	2,108,885.58	2,146,979.49	5.38	20271130
Basic	MUSH	PPS1224\$A	PORTAGE LA PRAIRIE SCH DIV	5.65	89,269.58	90,563.38	5.75	20241231
Basic	MUSH	PRR1223\$A	RURAL MUN OF PORTAGE	6.37	54,192.15	55,080.01	6.50	20231231
Basic	MUSH	PRR1223\$B	RURAL MUN OF PORTAGE	6.37	77,737.65	79,011.27	6.50	20231231
Basic	MUSH	PRR1226\$A	RURAL MUN OF PORTAGE	3.46	308,314.97	311,034.90	3.50	20261231
Basic	MUSH	PRS0127\$A	PRAIRIE ROSE SCHOOL DIVISION	4.81	414,005.88	418,263.62	4.88	20270115
Basic	MUSH	PRS0228\$A	PRAIRIE ROSE SCHOOL DIVISION	5.05	249,484.42	251,095.82	5.13	20280215
Basic	MUSH	PRS0334\$A	PRAIRIE ROSE SCHOOL DIVISION	4.20	58,620.12	58,626.95	4.25	20340331
Basic	MUSH	PRS0429\$A	PRAIRIE ROSE SCHOOL DIVISION	5.54	308,386.43	324,402.46	5.63	20290430
Basic	MUSH	PRS0431\$A	PRAIRIE ROSE SCHOOL DIVISION	4.81	121,396.70	127,104.01	4.88	20310415
Basic	MUSH	PRS0530\$A	PRAIRIE ROSE SCHOOL DIVISION	5.17	524,469.17	547,553.00	5.25	20300531
Basic	MUSH	PRS0625\$A	PRAIRIE ROSE SCHOOL DIVISION	5.29	18,565.81	19,320.40	5.38	20250630
Basic	MUSH	PRS0626\$A	PRAIRIE ROSE SCHOOL DIVISION	5.29	40,136.12	41,856.06	5.38	20260615
Basic	MUSH	PRS0635\$A	PRAIRIE ROSE SCHOOL DIVISION	3.34	666,455.04	683,463.34	3.38	20350630
Basic	MUSH	PRS0922\$A	PRAIRIE ROSE SCHOOL DIVISION	6.11	20,356.37	20,997.74	6.25	20220930
Basic	MUSH	PRS0926\$A	PRAIRIE ROSE SCHOOL DIVISION	5.17	52,962.26	54,363.95	5.25	20260930
Basic	MUSH	PRS1229\$A	PRAIRIE ROSE SCHOOL DIVISION	5.17	275,088.46	278,728.67	5.25	20291231
Basic	MUSH	PSD0125\$A	PEMBINA TRAILS SCHOOL DIVISION	5.66	138,396.75	139,726.69	5.75	20250131
Basic	MUSH	PSD0126\$A	PEMBINA TRAILS SCHOOL DIVISION	4.93	288,358.99	290,768.57	5.00	20260131
Basic	MUSH	PSD0127\$A	PEMBINA TRAILS SCHOOL DIVISION	4.81	102,820.82	103,878.25	4.88	20270115
Basic	MUSH	PSD0230\$A	PEMBINA TRAILS SCHOOL DIVISION	5.30	198,629.43	199,565.44	5.38	20300228
Basic	MUSH	PSD0231\$A	PEMBINA TRAILS SCHOOL DIVISION	4.69	523,875.29	527,011.37	4.75	20310215
Basic	MUSH	PSD0328\$A	PEMBINA TRAILS SCHOOL DIVISION	5.18	107,127.30	107,142.71	5.25	20280331
Basic	MUSH	PSD0334\$A	PEMBINA TRAILS SCHOOL DIVISION	4.33	727,088.55	728,570.12	4.38	20340315
Basic	MUSH	PSD0334\$B	PEMBINA TRAILS SCHOOL DIVISION	4.20	2,363,485.59	2,363,760.79	4.25	20340331

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	PSD0335\$A	PEMBINA TRAILS SCHOOL DIVISION	3.47	628,366.67	629,390.99	3.50	20350315
Basic	MUSH	PSD0429\$A	PEMBINA TRAILS SCHOOL DIVISION	5.54	50,489.71	53,228.60	5.63	20290415
Basic	MUSH	PSD0431\$A	PEMBINA TRAILS SCHOOL DIVISION	4.81	594,865.26	621,640.31	4.88	20310430
Basic	MUSH	PSD0435\$A	PEMBINA TRAILS SCHOOL DIVISION	2.98	1,563,143.24	1,606,440.17	3.00	20350430
Basic	MUSH	PSD0523\$A	PEMBINA TRAILS SCHOOL DIVISION	6.01	43,972.06	46,230.00	6.13	20230531
Basic	MUSH	PSD0526\$A	PEMBINA TRAILS SCHOOL DIVISION	5.17	91,873.28	96,128.40	5.25	20260515
Basic	MUSH	PSD0527\$A	PEMBINA TRAILS SCHOOL DIVISION	5.05	59,554.99	62,247.61	5.13	20270515
Basic	MUSH	PSD0533\$A	PEMBINA TRAILS SCHOOL DIVISION	3.59	406,193.71	418,538.10	3.63	20330531
Basic	MUSH	PSD0534\$A	PEMBINA TRAILS SCHOOL DIVISION	4.20	931,860.27	966,798.65	4.25	20340515
Basic	MUSH	PSD0623\$A	PEMBINA TRAILS SCHOOL DIVISION	5.64	37,391.64	39,017.41	5.75	20230630
Basic	MUSH	PSD0625\$A	PEMBINA TRAILS SCHOOL DIVISION	5.29	87,886.41	91,458.45	5.38	20250630
Basic	MUSH	PSD0626\$A	PEMBINA TRAILS SCHOOL DIVISION	5.29	94,832.80	98,687.17	5.38	20260630
Basic	MUSH	PSD0630\$A	PEMBINA TRAILS SCHOOL DIVISION	5.17	189,873.10	197,820.46	5.25	20300615
Basic	MUSH	PSD0632\$A	PEMBINA TRAILS SCHOOL DIVISION	3.96	267,747.08	276,285.64	4.00	20320615
Basic	MUSH	PSD0635\$A	PEMBINA TRAILS SCHOOL DIVISION	2.97	3,290,250.20	3,368,945.77	3.00	20350615
Basic	MUSH	PSD0731\$A	PEMBINA TRAILS SCHOOL DIVISION	4.93	480,066.87	497,230.90	5.00	20310715
Basic	MUSH	PSD0733\$A	PEMBINA TRAILS SCHOOL DIVISION	3.47	355,375.53	364,269.65	3.50	20330715
Basic	MUSH	PSD0735\$A	PEMBINA TRAILS SCHOOL DIVISION	3.34	517,061.09	529,539.62	3.38	20350715
Basic	MUSH	PSD0924\$A	PEMBINA TRAILS SCHOOL DIVISION	6.25	34,957.65	36,172.67	6.38	20240915
Basic	MUSH	PSD0925\$A	PEMBINA TRAILS SCHOOL DIVISION	5.04	230,077.43	236,021.62	5.13	20250930
Basic	MUSH	PSD0927\$A	PEMBINA TRAILS SCHOOL DIVISION	5.41	201,904.46	207,502.47	5.50	20270930
Basic	MUSH	PSD0929\$A	PEMBINA TRAILS SCHOOL DIVISION	5.29	230,467.93	236,712.66	5.38	20290930
Basic	MUSH	PSD0931\$A	PEMBINA TRAILS SCHOOL DIVISION	4.32	1,174,942.17	1,200,855.28	4.38	20310930
Basic	MUSH	PSD1023\$A	PEMBINA TRAILS SCHOOL DIVISION	6.00	41,415.92	42,479.26	6.13	20231031
Basic	MUSH	PSD1026\$A	PEMBINA TRAILS SCHOOL DIVISION	5.05	433,776.09	444,069.36	5.13	20261015
Basic	MUSH	PSD1028\$A	PEMBINA TRAILS SCHOOL DIVISION	5.17	354,399.35	362,198.56	5.25	20281031
Basic	MUSH	PSD1030\$A	PEMBINA TRAILS SCHOOL DIVISION	4.93	515,826.12	526,637.27	5.00	20301031
Basic	MUSH	PSD1032\$A	PEMBINA TRAILS SCHOOL DIVISION	3.71	1,456,810.87	1,479,710.74	3.75	20321031
Basic	MUSH	PSD1033\$A	PEMBINA TRAILS SCHOOL DIVISION	4.20	679,524.62	692,896.36	4.25	20331015
Basic	MUSH	PSD1033\$B	PEMBINA TRAILS SCHOOL DIVISION	4.44	812,533.07	827,859.89	4.50	20331031
Basic	MUSH	PSD1035\$A	PEMBINA TRAILS SCHOOL DIVISION	3.34	3,861,566.43	3,916,197.02	3.38	20351031
Basic	MUSH	PSD1122\$A	PEMBINA TRAILS SCHOOL DIVISION	6.12	66,039.82	67,600.35	6.25	20221115
Basic	MUSH	PSD1123\$A	PEMBINA TRAILS SCHOOL DIVISION	5.89	158,846.14	162,057.88	6.00	20231130
Basic	MUSH	PSD1127\$A	PEMBINA TRAILS SCHOOL DIVISION	5.29	297,247.38	303,288.02	5.38	20271115

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	PSD1129\$A	PEMBINA TRAILS SCHOOL DIVISION	5.05	179,441.44	182,540.49	5.13	20291130
Basic	MUSH	PSD1131\$A	PEMBINA TRAILS SCHOOL DIVISION	4.08	907,188.84	921,337.26	4.13	20311115
Basic	MUSH	PSD1132\$A	PEMBINA TRAILS SCHOOL DIVISION	3.71	654,543.09	662,814.54	3.75	20321130
Basic	MUSH	PSD1133\$A	PEMBINA TRAILS SCHOOL DIVISION	4.20	853,196.50	865,415.91	4.25	20331130
Basic	MUSH	PSD1230\$A	PEMBINA TRAILS SCHOOL DIVISION	4.56	519,678.13	526,789.89	4.63	20301215
Basic	MUSH	PSS0131\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.69	371,618.22	374,568.26	4.75	20310131
Basic	MUSH	PSS0230\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.30	360,522.16	362,964.33	5.38	20300215
Basic	MUSH	PSS0325\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.42	148,615.50	148,637.89	5.50	20250331
Basic	MUSH	PSS0423\$A	PRAIRIE SPIRIT SCHOOL DIVISION	6.14	52,688.52	55,728.94	6.25	20230430
Basic	MUSH	PSS0427\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.93	101,961.71	106,878.22	5.00	20270415
Basic	MUSH	PSS0434\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.08	692,496.74	718,870.91	4.13	20340430
Basic	MUSH	PSS0522\$A	PRAIRIE SPIRIT SCHOOL DIVISION	6.60	27,820.45	29,394.78	6.75	20220531
Basic	MUSH	PSS0529\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.54	109,785.07	115,232.97	5.63	20290515
Basic	MUSH	PSS0532\$A	PRAIRIE SPIRIT SCHOOL DIVISION	3.96	15,870.82	16,403.04	4.00	20320531
Basic	MUSH	PSS0621\$A	PRAIRIE SPIRIT SCHOOL DIVISION	6.80	149,843.06	157,774.48	7.00	20210630
Basic	MUSH	PSS0630\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.93	123,640.97	128,315.61	5.00	20300630
Basic	MUSH	PSS0631\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.93	61,092.95	63,402.77	5.00	20310630
Basic	MUSH	PSS0720\$A	PRAIRIE SPIRIT SCHOOL DIVISION	6.65	41,727.11	43,815.75	7.00	20200715
Basic	MUSH	PSS0824\$A	PRAIRIE SPIRIT SCHOOL DIVISION	6.13	22,965.19	23,806.72	6.25	20240831
Basic	MUSH	PSS0926\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.53	69,790.20	71,930.51	5.63	20260915
Basic	MUSH	PSS0928\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.29	181,606.68	186,928.63	5.38	20280915
Basic	MUSH	PSS0929\$A	PRAIRIE SPIRIT SCHOOL DIVISION	5.41	189,980.00	195,676.80	5.50	20290915
Basic	MUSH	PSS0932\$A	PRAIRIE SPIRIT SCHOOL DIVISION	3.59	198,215.33	201,837.51	3.63	20320930
Basic	MUSH	PSS0934\$A	PRAIRIE SPIRIT SCHOOL DIVISION	3.95	84,183.56	85,881.07	4.00	20340930
Basic	MUSH	PSS1033\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.44	54,069.31	55,089.22	4.50	20331031
Basic	MUSH	PSS1125\$A	PRAIRIE SPIRIT SCHOOL DIVISION	4.92	78,321.22	79,801.81	5.00	20251115
Basic	MUSH	PTS0422\$A	PELLEY TRAIL SCHOOL DIV	6.73	46,962.34	49,943.32	6.88	20220430
Basic	MUSH	PTS0520\$A	PELLEY TRAIL SCHOOL DIV	6.42	7,259.58	7,699.88	6.88	20200515
Basic	MUSH	PTS0521\$A	PELLEY TRAIL SCHOOL DIV	6.57	11,084.37	11,744.42	6.75	20210515
Basic	MUSH	PWS0125\$A	PARK WEST SCHOOL DIVISION	5.66	286,394.39	289,146.52	5.75	20250131
Basic	MUSH	PWS0131\$A	PARK WEST SCHOOL DIVISION	4.69	200,651.34	202,244.18	4.75	20310131
Basic	MUSH	PWS0226\$A	PARK WEST SCHOOL DIVISION	4.93	86,792.70	87,339.61	5.00	20260215
Basic	MUSH	PWS0334\$A	PARK WEST SCHOOL DIVISION	4.20	96,840.45	97,032.14	4.25	20340315
Basic	MUSH	PWS0524\$A	PARK WEST SCHOOL DIVISION	5.89	153,474.96	161,194.96	6.00	20240531

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	PWS0525\$A	PARK WEST SCHOOL DIVISION	5.53	106,184.73	111,192.14	5.63	20250531
Basic	MUSH	PWS0532\$A	PARK WEST SCHOOL DIVISION	3.96	220,722.31	228,124.07	4.00	20320531
Basic	MUSH	PWS0533\$A	PARK WEST SCHOOL DIVISION	3.59	32,674.29	33,667.28	3.63	20330531
Basic	MUSH	PWS0535\$A	PARK WEST SCHOOL DIVISION	2.97	408,473.96	418,747.36	3.00	20350531
Basic	MUSH	PWS0624\$A	PARK WEST SCHOOL DIVISION	6.13	583,805.86	611,396.68	6.25	20240630
Basic	MUSH	PWS0626\$A	PARK WEST SCHOOL DIVISION	5.29	99,654.79	103,705.14	5.38	20260630
Basic	MUSH	PWS0923\$A	PARK WEST SCHOOL DIVISION	5.76	150,101.49	154,909.36	5.88	20230915
Basic	MUSH	PWS0932\$A	PARK WEST SCHOOL DIVISION	3.59	68,375.18	69,726.53	3.63	20320915
Basic	MUSH	PWS1022\$A	PARK WEST SCHOOL DIVISION	6.11	29,351.04	30,200.41	6.25	20221015
Basic	MUSH	PWS1029\$A	PARK WEST SCHOOL DIVISION	5.29	282,715.65	289,751.59	5.38	20291015
Basic	MUSH	PWS1030\$A	PARK WEST SCHOOL DIVISION	4.56	34,566.22	35,236.35	4.63	20301031
Basic	MUSH	PWS1226\$A	PARK WEST SCHOOL DIVISION	4.93	122,021.63	123,826.88	5.00	20261215
Basic	MUSH	PWS1227\$A	PARK WEST SCHOOL DIVISION	5.17	55,844.64	56,583.63	5.25	20271231
Basic	MUSH	PWS1228\$A	PARK WEST SCHOOL DIVISION	6.14	328,851.35	334,932.85	6.25	20281215
Basic	MUSH	RES0129\$A	RIVER EAST SCHOOL DIV	5.78	180,484.98	182,721.88	5.88	20290115
Basic	MUSH	RES0130\$A	RIVER EAST SCHOOL DIV	5.05	793,699.93	802,281.13	5.13	20300115
Basic	MUSH	RES0225\$A	RIVER EAST SCHOOL DIV	5.54	147,308.35	148,057.50	5.63	20250228
Basic	MUSH	RES0226\$A	RIVER EAST SCHOOL DIV	4.81	339,416.49	340,912.48	4.88	20260228
Basic	MUSH	RES0228\$A	RIVER EAST SCHOOL DIV	5.05	108,732.24	109,434.53	5.13	20280228
Basic	MUSH	RES0328\$A	RIVER EAST SCHOOL DIV	5.18	58,046.95	58,055.30	5.25	20280331
Basic	MUSH	RES0329\$A	RIVER EAST SCHOOL DIV	5.55	455,856.99	455,927.24	5.63	20290331
Basic	MUSH	RES0332\$A	RIVER EAST SCHOOL DIV	3.84	134,696.35	134,939.45	3.88	20320315
Basic	MUSH	RES0333\$A	RIVER EAST SCHOOL DIV	3.71	319,024.09	319,581.29	3.75	20330315
Basic	MUSH	RES0335\$A	RIVER EAST SCHOOL DIV	2.98	650,037.81	650,091.24	3.00	20350331
Basic	MUSH	RES0421\$A	RIVER EAST SCHOOL DIV	6.46	6,830.12	7,247.90	6.63	20210430
Basic	MUSH	RES0426\$A	RIVER EAST SCHOOL DIV	5.05	173,631.79	182,213.48	5.13	20260415
Basic	MUSH	RES0427\$A	RIVER EAST SCHOOL DIV	5.05	216,421.50	227,118.06	5.13	20270415
Basic	MUSH	RES0429\$A	RIVER EAST SCHOOL DIV	5.66	353,430.69	372,193.99	5.75	20290430
Basic	MUSH	RES0430\$A	RIVER EAST SCHOOL DIV	5.05	1,100,851.10	1,152,941.72	5.13	20300430
Basic	MUSH	RES0431\$A	RIVER EAST SCHOOL DIV	4.81	1,078,184.47	1,128,873.91	4.88	20310415
Basic	MUSH	RES0434\$A	RIVER EAST SCHOOL DIV	4.08	348,257.40	361,521.00	4.13	20340430
Basic	MUSH	RES0520\$A	RIVER EAST SCHOOL DIV	6.58	10,497.84	11,113.91	7.00	20200531
Basic	MUSH	RES0523\$A	RIVER EAST SCHOOL DIV	6.25	87,087.13	91,741.52	6.38	20230531
Basic	MUSH	RES0529\$A	RIVER EAST SCHOOL DIV	5.54	290,775.22	304,487.46	5.63	20290531

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	RES0621\$A	RIVER EAST SCHOOL DIV	6.80	2,218.57	2,336.00	7.00	20210630
Basic	MUSH	RES0622\$A	RIVER EAST SCHOOL DIV	6.47	39,963.32	41,965.32	6.63	20220630
Basic	MUSH	RES0632\$A	RIVER EAST SCHOOL DIV	3.95	335,198.21	345,336.81	4.00	20320630
Basic	MUSH	RES0635\$A	RIVER EAST SCHOOL DIV	3.34	663,057.80	679,979.40	3.38	20350630
Basic	MUSH	RES0920\$A	RIVER EAST SCHOOL DIV	6.49	25,493.72	26,361.20	6.75	20200930
Basic	MUSH	RES0921\$A	RIVER EAST SCHOOL DIV	6.57	33,420.94	34,558.17	6.75	20210930
Basic	MUSH	RES0923\$A	RIVER EAST SCHOOL DIV	6.00	280,812.63	289,483.20	6.13	20230930
Basic	MUSH	RES0926\$A	RIVER EAST SCHOOL DIV	5.17	108,791.15	111,670.39	5.25	20260930
Basic	MUSH	RES1021\$A	RIVER EAST SCHOOL DIV	6.69	423,257.14	435,454.77	6.88	20211031
Basic	MUSH	RES1028\$A	RIVER EAST SCHOOL DIV	5.17	690,652.19	707,440.71	5.25	20281015
Basic	MUSH	RES1028\$B	RIVER EAST SCHOOL DIV	5.17	399,793.80	409,512.08	5.25	20281015
Basic	MUSH	RES1029\$A	RIVER EAST SCHOOL DIV	5.29	1,862,394.44	1,908,743.82	5.38	20291015
Basic	MUSH	RES1030\$A	RIVER EAST SCHOOL DIV	4.69	1,257,856.03	1,282,901.15	4.75	20301031
Basic	MUSH	RES1031\$A	RIVER EAST SCHOOL DIV	4.20	1,002,318.90	1,020,175.28	4.25	20311031
Basic	MUSH	RES1033\$A	RIVER EAST SCHOOL DIV	4.44	120,084.25	122,586.28	4.50	20331015
Basic	MUSH	RES1121\$A	RIVER EAST SCHOOL DIV	6.70	70,768.78	72,608.28	6.88	20211115
Basic	MUSH	RES1125\$A	RIVER EAST SCHOOL DIV	4.92	163,281.29	166,032.47	5.00	20251130
Basic	MUSH	RES1127\$A	RIVER EAST SCHOOL DIV	5.29	447,558.23	456,653.47	5.38	20271115
Basic	MUSH	RES1128\$A	RIVER EAST SCHOOL DIV	5.41	642,490.29	655,850.57	5.50	20281115
Basic	MUSH	RES1132\$A	RIVER EAST SCHOOL DIV	3.71	1,720,000.27	1,744,386.58	3.75	20321115
Basic	MUSH	RES1223\$A	RIVER EAST SCHOOL DIV	6.01	416,989.06	424,546.27	6.13	20231215
Basic	MUSH	RES1226\$A	RIVER EAST SCHOOL DIV	4.93	263,869.45	267,773.27	5.00	20261215
Basic	MUSH	RGS0226\$A	ROLLING RIVER SCHOOL DIVISION	4.81	227,585.89	228,588.98	4.88	20260228
Basic	MUSH	RGS0427\$A	ROLLING RIVER SCHOOL DIVISION	5.05	24,301.77	25,502.88	5.13	20270415
Basic	MUSH	RGS0522\$A	ROLLING RIVER SCHOOL DIVISION	6.72	5,409.37	5,721.15	6.88	20220531
Basic	MUSH	RGS0620\$A	ROLLING RIVER SCHOOL DIVISION	6.63	3,263.99	3,436.76	7.00	20200630
Basic	MUSH	RGS0623\$A	ROLLING RIVER SCHOOL DIVISION	6.01	39,772.61	41,714.79	6.13	20230615
Basic	MUSH	RGS0625\$A	ROLLING RIVER SCHOOL DIVISION	5.29	15,076.84	15,689.62	5.38	20250630
Basic	MUSH	RGS0626\$A	ROLLING RIVER SCHOOL DIVISION	5.29	272,254.40	283,921.25	5.38	20260615
Basic	MUSH	RGS0628\$A	ROLLING RIVER SCHOOL DIVISION	5.17	25,980.80	27,068.26	5.25	20280615
Basic	MUSH	RGS0630\$A	ROLLING RIVER SCHOOL DIVISION	5.17	319,545.85	332,920.81	5.25	20300615
Basic	MUSH	RGS0633\$A	ROLLING RIVER SCHOOL DIVISION	3.71	291,749.22	300,022.11	3.75	20330630
Basic	MUSH	RGS0634\$A	ROLLING RIVER SCHOOL DIVISION	3.96	293,047.16	301,910.83	4.00	20340630
Basic	MUSH	RGS0635\$A	ROLLING RIVER SCHOOL DIVISION	3.34	409,198.46	420,208.98	3.38	20350615

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	RGS0731\$A	ROLLING RIVER SCHOOL DIVISION	4.56	33,982.69	35,106.56	4.63	20310715
Basic	MUSH	RGS0925\$A	ROLLING RIVER SCHOOL DIVISION	5.04	121,147.32	124,277.24	5.13	20250930
Basic	MUSH	RGS1021\$A	ROLLING RIVER SCHOOL DIVISION	6.57	37,283.45	38,448.69	6.75	20211015
Basic	MUSH	RGS1023\$A	ROLLING RIVER SCHOOL DIVISION	6.00	37,155.68	38,109.64	6.13	20231031
Basic	MUSH	RGS1120\$A	ROLLING RIVER SCHOOL DIVISION	6.65	2,011.69	2,063.98	6.88	20201115
Basic	MUSH	RGS1125\$A	ROLLING RIVER SCHOOL DIVISION	4.92	116,524.79	118,727.59	5.00	20251115
Basic	MUSH	RGS1131\$A	ROLLING RIVER SCHOOL DIVISION	4.08	127,895.14	129,672.97	4.13	20311130
Basic	MUSH	RGS1223\$A	ROLLING RIVER SCHOOL DIVISION	6.01	45,706.51	46,534.86	6.13	20231215
Basic	MUSH	RGS1226\$A	ROLLING RIVER SCHOOL DIVISION	4.93	73,408.02	74,333.16	5.00	20261231
Basic	MUSH	RGS1228\$A	ROLLING RIVER SCHOOL DIVISION	6.14	200,160.02	203,861.61	6.25	20281215
Basic	MUSH	RIR1220\$A	RURAL MUN OF RITCHOT	7.27	20,987.33	21,384.08	7.50	20201231
Basic	MUSH	RIR1221\$A	RURAL MUN OF RITCHOT	6.95	68,811.25	70,047.02	7.13	20211231
Basic	MUSH	RLS0422\$A	RHINELAND SCHOOL DIVISION	6.73	58,272.68	62,136.24	6.88	20220415
Basic	MUSH	RLS0521\$A	RHINELAND SCHOOL DIVISION	6.80	82,089.35	86,906.76	7.00	20210531
Basic	MUSH	RLS0721\$A	RHINELAND SCHOOL DIVISION	6.80	24,404.91	25,626.49	7.00	20210715
Basic	MUSH	RLS0821\$A	RHINELAND SCHOOL DIVISION	6.80	30,207.48	31,447.23	7.00	20210831
Basic	MUSH	RMG1021\$A	RURAL MUN OF GREY	6.10	20,401.27	20,935.76	6.25	20211031
Basic	MUSH	RMG1024\$A	RURAL MUN OF GREY	6.49	17,183.75	17,660.95	6.63	20241031
Basic	MUSH	RMG1232\$A	RURAL MUN OF GREY	3.96	240,073.80	242,494.27	4.00	20321231
Basic	MUSH	RMW1223\$B	RURAL MUN OF WESTBOURNE	5.89	102,216.60	103,762.45	6.00	20231231
Basic	MUSH	ROR1230\$A	TOWN OF ROBLIN	3.71	1,368,114.95	1,381,046.45	3.75	20301231
Basic	MUSH	RRS0125\$A	RED RIVER SCHOOL DIV	5.66	244,114.70	246,460.54	5.75	20250131
Basic	MUSH	RRS0230\$A	RED RIVER SCHOOL DIV	5.30	210,247.05	211,671.26	5.38	20300215
Basic	MUSH	RRS0231\$A	RED RIVER SCHOOL DIV	4.69	14,809.20	14,897.85	4.75	20310215
Basic	MUSH	RRS0328\$A	RED RIVER SCHOOL DIV	5.06	206,356.62	206,849.19	5.13	20280315
Basic	MUSH	RRS0331\$A	RED RIVER SCHOOL DIV	4.69	353,106.80	353,887.99	4.75	20310315
Basic	MUSH	RRS0334\$A	RED RIVER SCHOOL DIV	4.20	43,613.38	43,618.46	4.25	20340331
Basic	MUSH	RRS0523\$A	RED RIVER SCHOOL DIV	6.25	50,134.43	52,813.87	6.38	20230531
Basic	MUSH	RRS0532\$A	RED RIVER SCHOOL DIV	3.96	272,816.95	281,965.66	4.00	20320531
Basic	MUSH	RRS0533\$A	RED RIVER SCHOOL DIV	3.59	2,028,733.84	2,090,387.90	3.63	20330531
Basic	MUSH	RRS0621\$A	RED RIVER SCHOOL DIV	6.80	16,213.02	17,117.84	7.00	20210615
Basic	MUSH	RRS0626\$A	RED RIVER SCHOOL DIV	5.29	130,667.04	136,266.48	5.38	20260615
Basic	MUSH	RRS0922\$A	RED RIVER SCHOOL DIV	6.35	34,853.12	36,088.26	6.50	20220915
Basic	MUSH	RRS0925\$A	RED RIVER SCHOOL DIV	5.04	33,658.89	34,528.49	5.13	20250930

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	RRS1122\$A	RED RIVER SCHOOL DIV	6.12	24,617.00	25,135.47	6.25	20221130
Basic	MUSH	RRS1132\$A	RED RIVER SCHOOL DIV	3.71	837,958.25	848,547.52	3.75	20321130
Basic	MUSH	RSG0128\$A	ROLLING RIVER SCHOOL DIVISION	5.05	226,590.65	228,531.41	5.13	20280131
Basic	MUSH	RST1221\$A	TOWN OF RUSSELL	7.18	6,330.23	6,486.27	7.38	20211201
Basic	MUSH	SAT1228\$A	TOWN OF STE ANNE	5.90	30,319.61	30,778.14	6.00	20281231
Basic	MUSH	SAT1232\$A	TOWN OF STE ANNE	3.96	460,851.67	465,498.06	4.00	20321231
Basic	MUSH	SBS0420\$A	ST BONIFACE SCHOOL DIVISION	6.33	60,700.36	64,553.38	6.88	20200430
Basic	MUSH	SBS0421\$A	ST BONIFACE SCHOOL DIVISION	6.47	34,816.91	37,041.38	6.63	20210415
Basic	MUSH	SBS0422\$A	ST BONIFACE SCHOOL DIVISION	6.73	135,724.08	144,339.31	6.88	20220430
Basic	MUSH	SBS0620\$A	ST BONIFACE SCHOOL DIVISION	6.61	53,724.64	56,722.92	7.00	20200615
Basic	MUSH	SBS0620\$B	ST BONIFACE SCHOOL DIVISION	6.63	65,898.45	69,386.55	7.00	20200630
Basic	MUSH	SBS0622\$A	ST BONIFACE SCHOOL DIVISION	6.47	372,989.89	391,675.15	6.63	20220630
Basic	MUSH	SBS0820\$A	ST BONIFACE SCHOOL DIVISION	6.57	33,848.89	35,315.29	6.88	20200815
Basic	MUSH	SBS0920\$A	ST BONIFACE SCHOOL DIVISION	6.60	27,289.13	28,312.01	6.88	20200915
Basic	MUSH	SBS1020\$A	ST BONIFACE SCHOOL DIVISION	6.51	35,899.47	37,021.45	6.75	20201015
Basic	MUSH	SHS0125\$A	SOUTHWEST HORIZON SCHOOL DIV	5.66	39,055.52	39,430.83	5.75	20250131
Basic	MUSH	SHS0127\$A	SOUTHWEST HORIZON SCHOOL DIV	4.81	41,257.55	41,593.69	4.88	20270131
Basic	MUSH	SHS0225\$A	SOUTHWEST HORIZON SCHOOL DIV	5.54	46,955.94	47,194.74	5.63	20250228
Basic	MUSH	SHS0226\$A	SOUTHWEST HORIZON SCHOOL DIV	4.93	379,468.96	381,860.13	5.00	20260215
Basic	MUSH	SHS0226\$B	SOUTHWEST HORIZON SCHOOL DIV	4.81	282,044.55	283,287.67	4.88	20260228
Basic	MUSH	SHS0325\$A	SOUTHWEST HORIZON SCHOOL DIV	5.55	28,533.32	28,537.72	5.63	20250331
Basic	MUSH	SHS0326\$A	SOUTHWEST HORIZON SCHOOL DIV	5.06	175,018.04	175,042.61	5.13	20260331
Basic	MUSH	SHS0327\$A	SOUTHWEST HORIZON SCHOOL DIV	4.94	205,458.84	205,937.31	5.00	20270315
Basic	MUSH	SHS0332\$A	SOUTHWEST HORIZON SCHOOL DIV	3.96	337,619.73	337,656.73	4.00	20320331
Basic	MUSH	SHS0333\$A	SOUTHWEST HORIZON SCHOOL DIV	3.59	349,222.64	349,257.32	3.63	20330331
Basic	MUSH	SHS0334\$A	SOUTHWEST HORIZON SCHOOL DIV	4.08	38,971.74	38,976.14	4.13	20340331
Basic	MUSH	SHS0335\$A	SOUTHWEST HORIZON SCHOOL DIV	2.98	113,461.73	113,471.06	3.00	20350331
Basic	MUSH	SHS0426\$A	SOUTHWEST HORIZON SCHOOL DIV	5.05	135,093.67	141,486.10	5.13	20260430
Basic	MUSH	SHS0431\$A	SOUTHWEST HORIZON SCHOOL DIV	4.81	248,037.71	259,201.96	4.88	20310430
Basic	MUSH	SHS0434\$A	SOUTHWEST HORIZON SCHOOL DIV	4.20	126,571.25	131,537.87	4.25	20340430
Basic	MUSH	SHS0435\$A	SOUTHWEST HORIZON SCHOOL DIV	2.98	144,966.88	149,160.99	3.00	20350415
Basic	MUSH	SHS0435\$B	SOUTHWEST HORIZON SCHOOL DIV	2.98	208,374.07	214,145.75	3.00	20350430
Basic	MUSH	SHS0523\$A	SOUTHWEST HORIZON SCHOOL DIV	6.01	82,892.64	87,149.12	6.13	20230531
Basic	MUSH	SHS0524\$A	SOUTHWEST HORIZON SCHOOL DIV	5.89	46,788.09	49,264.65	6.00	20240515

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SHS0525\$A	SOUTHWEST HORIZON SCHOOL DIV	5.53	60,033.99	62,865.04	5.63	20250531
Basic	MUSH	SHS0533\$A	SOUTHWEST HORIZON SCHOOL DIV	3.59	265,786.82	273,864.19	3.63	20330531
Basic	MUSH	SHS0623\$A	SOUTHWEST HORIZON SCHOOL DIV	6.00	28,178.68	29,483.78	6.13	20230630
Basic	MUSH	SHS0625\$A	SOUTHWEST HORIZON SCHOOL DIV	5.29	39,208.29	40,801.87	5.38	20250630
Basic	MUSH	SHS0626\$A	SOUTHWEST HORIZON SCHOOL DIV	5.29	344,017.29	357,999.47	5.38	20260630
Basic	MUSH	SHS0629\$A	SOUTHWEST HORIZON SCHOOL DIV	5.54	66,010.34	68,818.04	5.63	20290630
Basic	MUSH	SHS0629\$B	SOUTHWEST HORIZON SCHOOL DIV	5.54	99,142.33	103,359.27	5.63	20290630
Basic	MUSH	SHS0630\$A	SOUTHWEST HORIZON SCHOOL DIV	5.17	93,189.71	96,889.21	5.25	20300630
Basic	MUSH	SHS0631\$A	SOUTHWEST HORIZON SCHOOL DIV	4.93	117,989.74	122,693.17	5.00	20310615
Basic	MUSH	SHS0635\$A	SOUTHWEST HORIZON SCHOOL DIV	3.34	199,333.51	204,420.61	3.38	20350630
Basic	MUSH	SHS0826\$A	SOUTHWEST HORIZON SCHOOL DIV	5.29	378,385.77	390,310.11	5.38	20260831
Basic	MUSH	SHS0833\$A	SOUTHWEST HORIZON SCHOOL DIV	4.08	259,317.97	266,058.46	4.13	20330815
Basic	MUSH	SHS0922\$A	SOUTHWEST HORIZON SCHOOL DIV	6.35	22,834.75	23,582.98	6.50	20220930
Basic	MUSH	SHS0925\$A	SOUTHWEST HORIZON SCHOOL DIV	5.04	73,098.46	74,987.00	5.13	20250930
Basic	MUSH	SHS0927\$A	SOUTHWEST HORIZON SCHOOL DIV	5.29	46,131.96	47,483.85	5.38	20270915
Basic	MUSH	SHS1023\$A	SOUTHWEST HORIZON SCHOOL DIV	6.00	120,109.21	123,515.46	6.13	20231015
Basic	MUSH	SHS1023\$B	SOUTHWEST HORIZON SCHOOL DIV	6.00	137,545.83	141,077.27	6.13	20231031
Basic	MUSH	SHS1026\$A	SOUTHWEST HORIZON SCHOOL DIV	5.05	340,677.19	347,995.92	5.13	20261031
Basic	MUSH	SHS1032\$A	SOUTHWEST HORIZON SCHOOL DIV	3.71	229,761.54	233,750.89	3.75	20321015
Basic	MUSH	SHS1123\$A	SOUTHWEST HORIZON SCHOOL DIV	5.89	53,442.09	54,522.65	6.00	20231130
Basic	MUSH	SHS1124\$A	SOUTHWEST HORIZON SCHOOL DIV	5.77	49,536.45	50,636.77	5.88	20241115
Basic	MUSH	SHS1125\$A	SOUTHWEST HORIZON SCHOOL DIV	4.92	548,126.46	558,488.30	5.00	20251115
Basic	MUSH	SHS1126\$A	SOUTHWEST HORIZON SCHOOL DIV	4.93	184,471.77	187,959.04	5.00	20261115
Basic	MUSH	SHS1224\$A	SOUTHWEST HORIZON SCHOOL DIV	5.65	85,392.99	86,630.60	5.75	20241231
Basic	MUSH	SHS1225\$A	SOUTHWEST HORIZON SCHOOL DIV	5.17	575,577.53	583,194.08	5.25	20251231
Basic	MUSH	SJS0126\$A	ST JAMES ASSINIBOIA SCH DIV	5.17	99,162.16	100,260.41	5.25	20260115
Basic	MUSH	SJS0131\$A	ST JAMES ASSINIBOIA SCH DIV	4.57	428,752.58	432,935.85	4.63	20310115
Basic	MUSH	SJS0330\$A	ST JAMES ASSINIBOIA SCH DIV	5.18	2,838,912.20	2,845,853.92	5.25	20300315
Basic	MUSH	SJS0332\$A	ST JAMES ASSINIBOIA SCH DIV	3.84	173,220.31	173,238.70	3.88	20320331
Basic	MUSH	SJS0421\$A	ST JAMES ASSINIBOIA SCH DIV	6.47	81,794.60	87,020.49	6.63	20210415
Basic	MUSH	SJS0424\$A	ST JAMES ASSINIBOIA SCH DIV	5.78	453,269.01	478,950.11	5.88	20240415
Basic	MUSH	SJS0427\$A	ST JAMES ASSINIBOIA SCH DIV	4.93	488,129.81	510,664.02	5.00	20270430
Basic	MUSH	SJS0428\$A	ST JAMES ASSINIBOIA SCH DIV	5.05	251,125.72	263,537.52	5.13	20280415
Basic	MUSH	SJS0522\$A	ST JAMES ASSINIBOIA SCH DIV	6.72	369,798.99	392,227.55	6.88	20220515

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SJS0523\$A	ST JAMES ASSINIBOIA SCH DIV	6.13	230,401.34	243,104.98	6.25	20230515
Basic	MUSH	SJS0525\$A	ST JAMES ASSINIBOIA SCH DIV	5.53	344,385.11	361,474.63	5.63	20250515
Basic	MUSH	SJS0625\$A	ST JAMES ASSINIBOIA SCH DIV	5.53	155,196.34	162,156.26	5.63	20250615
Basic	MUSH	SJS0629\$A	ST JAMES ASSINIBOIA SCH DIV	5.54	271,833.61	284,024.23	5.63	20290615
Basic	MUSH	SJS0630\$A	ST JAMES ASSINIBOIA SCH DIV	5.17	425,568.44	443,381.10	5.25	20300615
Basic	MUSH	SJS0635\$A	ST JAMES ASSINIBOIA SCH DIV	2.97	981,587.09	1,003,854.33	3.00	20350630
Basic	MUSH	SJS0928\$A	ST JAMES ASSINIBOIA SCH DIV	5.29	144,497.95	148,413.25	5.38	20280930
Basic	MUSH	SJS0935\$A	ST JAMES ASSINIBOIA SCH DIV	3.34	880,821.37	897,029.09	3.38	20350915
Basic	MUSH	SJS1020\$A	ST JAMES ASSINIBOIA SCH DIV	6.51	12,660.08	13,055.75	6.75	20201015
Basic	MUSH	SJS1021\$A	ST JAMES ASSINIBOIA SCH DIV	6.57	78,094.07	80,534.78	6.75	20211015
Basic	MUSH	SJS1026\$A	ST JAMES ASSINIBOIA SCH DIV	5.05	96,228.62	98,512.07	5.13	20261015
Basic	MUSH	SJS1123\$A	ST JAMES ASSINIBOIA SCH DIV	6.01	49,510.38	50,656.92	6.13	20231115
Basic	MUSH	SJS1124\$A	ST JAMES ASSINIBOIA SCH DIV	5.77	217,259.79	222,085.64	5.88	20241115
Basic	MUSH	SMB1023\$A	RM OF SHELLMOUTH-BOULTON	6.48	49,827.50	51,482.56	6.63	20231001
Basic	MUSH	SOS0230\$A	SEVEN OAKS SCHOOL DIV	5.30	2,189,257.07	2,199,573.57	5.38	20300228
Basic	MUSH	SOS0328\$A	SEVEN OAKS SCHOOL DIV	5.06	1,471,144.63	1,474,656.23	5.13	20280315
Basic	MUSH	SOS0332\$A	SEVEN OAKS SCHOOL DIV	3.96	746,299.15	747,689.52	4.00	20320315
Basic	MUSH	SOS0335\$A	SEVEN OAKS SCHOOL DIV	2.98	4,507,897.08	4,508,267.59	3.00	20350331
Basic	MUSH	SOS0422\$A	SEVEN OAKS SCHOOL DIV	6.73	159,819.94	169,964.67	6.88	20220430
Basic	MUSH	SOS0424\$A	SEVEN OAKS SCHOOL DIV	5.65	193,139.59	203,393.19	5.75	20240430
Basic	MUSH	SOS0426\$A	SEVEN OAKS SCHOOL DIV	5.05	280,604.40	294,473.18	5.13	20260415
Basic	MUSH	SOS0427\$A	SEVEN OAKS SCHOOL DIV	4.93	1,959,053.73	2,053,517.69	5.00	20270415
Basic	MUSH	SOS0431\$A	SEVEN OAKS SCHOOL DIV	4.93	489,454.88	513,055.99	5.00	20310415
Basic	MUSH	SOS0431\$B	SEVEN OAKS SCHOOL DIV	4.81	238,966.64	249,722.59	4.88	20310430
Basic	MUSH	SOS0520\$A	SEVEN OAKS SCHOOL DIV	6.46	39,971.36	42,275.19	6.88	20200531
Basic	MUSH	SOS0521\$A	SEVEN OAKS SCHOOL DIV	6.80	95,059.90	100,638.48	7.00	20210531
Basic	MUSH	SOS0525\$A	SEVEN OAKS SCHOOL DIV	5.53	244,510.87	256,644.30	5.63	20250515
Basic	MUSH	SOS0529\$A	SEVEN OAKS SCHOOL DIV	5.54	570,907.58	599,237.89	5.63	20290515
Basic	MUSH	SOS0530\$A	SEVEN OAKS SCHOOL DIV	5.05	302,483.14	316,159.11	5.13	20300515
Basic	MUSH	SOS0622\$A	SEVEN OAKS SCHOOL DIV	6.59	78,092.28	82,078.20	6.75	20220630
Basic	MUSH	SOS0623\$A	SEVEN OAKS SCHOOL DIV	6.01	154,891.32	162,455.00	6.13	20230615
Basic	MUSH	SOS0632\$A	SEVEN OAKS SCHOOL DIV	3.96	435,419.61	449,305.32	4.00	20320615
Basic	MUSH	SOS0633\$A	SEVEN OAKS SCHOOL DIV	3.47	1,159,407.92	1,191,760.17	3.50	20330615
Basic	MUSH	SOS0634\$A	SEVEN OAKS SCHOOL DIV	4.08	4,569,002.38	4,711,517.70	4.13	20340630

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SOS0920\$A	SEVEN OAKS SCHOOL DIV	6.60	14,081.86	14,609.69	6.88	20200915
Basic	MUSH	SOS0921\$A	SEVEN OAKS SCHOOL DIV	6.68	11,851.15	12,295.37	6.88	20210915
Basic	MUSH	SOS0931\$A	SEVEN OAKS SCHOOL DIV	4.69	1,669,794.85	1,713,037.96	4.75	20310915
Basic	MUSH	SOS0932\$A	SEVEN OAKS SCHOOL DIV	3.59	883,349.18	899,491.48	3.63	20320930
Basic	MUSH	SOS0933\$A	SEVEN OAKS SCHOOL DIV	4.20	856,557.36	874,908.81	4.25	20330930
Basic	MUSH	SOS0935\$A	SEVEN OAKS SCHOOL DIV	3.22	2,779,038.75	2,824,569.30	3.25	20350930
Basic	MUSH	SOS1026\$A	SEVEN OAKS SCHOOL DIV	5.05	333,343.34	340,504.51	5.13	20261031
Basic	MUSH	SOS1027\$A	SEVEN OAKS SCHOOL DIV	5.41	4,207,978.47	4,304,992.55	5.50	20271031
Basic	MUSH	SOS1123\$A	SEVEN OAKS SCHOOL DIV	5.89	197,092.58	201,077.63	6.00	20231130
Basic	MUSH	SOS1131\$A	SEVEN OAKS SCHOOL DIV	4.08	1,718,369.66	1,742,256.18	4.13	20311130
Basic	MUSH	SOS1132\$A	SEVEN OAKS SCHOOL DIV	3.71	510,102.77	516,548.93	3.75	20321130
Basic	MUSH	SOS1133\$A	SEVEN OAKS SCHOOL DIV	4.44	1,125,239.30	1,144,383.78	4.50	20331115
Basic	MUSH	SOS1134\$A	SEVEN OAKS SCHOOL DIV	3.71	6,693,400.96	6,788,300.55	3.75	20341115
Basic	MUSH	SOS1225\$A	SEVEN OAKS SCHOOL DIV	4.93	134,811.82	136,806.30	5.00	20251215
Basic	MUSH	SOS1228\$A	SEVEN OAKS SCHOOL DIV	6.14	2,595,196.18	2,636,079.41	6.25	20281231
Basic	MUSH	SOS1230\$A	SEVEN OAKS SCHOOL DIV	4.56	1,428,012.18	1,447,554.43	4.63	20301215
Basic	MUSH	SOS1235\$A	SEVEN OAKS SCHOOL DIV	3.71	5,191,241.65	5,248,843.10	3.75	20351215
Basic	MUSH	SPS0621\$A	CONS SCHOOL DIST OF SPRAGUE	6.80	15,530.31	16,352.35	7.00	20210630
Basic	MUSH	SRS0127\$A	SEINE RIVER SCHOOL DIV	4.81	101,390.16	102,432.88	4.88	20270115
Basic	MUSH	SRS0130\$A	SEINE RIVER SCHOOL DIV	5.30	255,524.32	257,819.66	5.38	20300131
Basic	MUSH	SRS0225\$A	SEINE RIVER SCHOOL DIV	5.54	251,582.89	252,862.34	5.63	20250228
Basic	MUSH	SRS0228\$A	SEINE RIVER SCHOOL DIV	5.06	188,677.87	189,525.63	5.13	20280229
Basic	MUSH	SRS0231\$A	SEINE RIVER SCHOOL DIV	4.69	283,490.32	284,707.78	4.75	20310228
Basic	MUSH	SRS0325\$A	SEINE RIVER SCHOOL DIV	5.42	67,750.64	67,760.85	5.50	20250331
Basic	MUSH	SRS0326\$A	SEINE RIVER SCHOOL DIV	5.06	56,248.43	56,382.69	5.13	20260315
Basic	MUSH	SRS0332\$A	SEINE RIVER SCHOOL DIV	3.84	1,074,750.36	1,076,690.06	3.88	20320315
Basic	MUSH	SRS0333\$A	SEINE RIVER SCHOOL DIV	3.71	167,504.07	167,521.28	3.75	20330331
Basic	MUSH	SRS0334\$A	SEINE RIVER SCHOOL DIV	4.20	329,210.70	329,249.03	4.25	20340331
Basic	MUSH	SRS0424\$A	SEINE RIVER SCHOOL DIV	5.78	71,787.66	75,854.97	5.88	20240415
Basic	MUSH	SRS0425\$A	SEINE RIVER SCHOOL DIV	5.54	62,137.39	65,364.49	5.63	20250430
Basic	MUSH	SRS0427\$A	SEINE RIVER SCHOOL DIV	5.05	195,770.19	205,033.74	5.13	20270430
Basic	MUSH	SRS0429\$A	SEINE RIVER SCHOOL DIV	5.66	276,763.90	291,457.03	5.75	20290430
Basic	MUSH	SRS0520\$A	SEINE RIVER SCHOOL DIV	6.42	15,831.03	16,791.19	6.88	20200515
Basic	MUSH	SRS0522\$A	SEINE RIVER SCHOOL DIV	6.72	37,864.90	40,161.43	6.88	20220515

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SRS0526\$A	SEINE RIVER SCHOOL DIV	5.17	117,109.00	122,532.91	5.25	20260515
Basic	MUSH	SRS0532\$A	SEINE RIVER SCHOOL DIV	3.96	1,124,919.77	1,164,615.57	4.00	20320515
Basic	MUSH	SRS0622\$A	SEINE RIVER SCHOOL DIV	6.59	25,624.08	26,931.96	6.75	20220630
Basic	MUSH	SRS0624\$A	SEINE RIVER SCHOOL DIV	6.01	39,598.16	41,531.82	6.13	20240615
Basic	MUSH	SRS0625\$A	SEINE RIVER SCHOOL DIV	5.05	71,089.46	73,844.42	5.13	20250630
Basic	MUSH	SRS0627\$A	SEINE RIVER SCHOOL DIV	5.05	398,059.04	414,323.57	5.13	20270615
Basic	MUSH	SRS0628\$A	SEINE RIVER SCHOOL DIV	5.17	163,777.24	170,278.97	5.25	20280630
Basic	MUSH	SRS0630\$A	SEINE RIVER SCHOOL DIV	5.17	631,701.08	658,141.66	5.25	20300615
Basic	MUSH	SRS0631\$A	SEINE RIVER SCHOOL DIV	4.93	560,078.05	582,404.45	5.00	20310615
Basic	MUSH	SRS0632\$A	SEINE RIVER SCHOOL DIV	3.59	1,122,735.04	1,153,510.28	3.63	20320630
Basic	MUSH	SRS0633\$A	SEINE RIVER SCHOOL DIV	3.47	83,369.16	85,575.59	3.50	20330630
Basic	MUSH	SRS0635\$A	SEINE RIVER SCHOOL DIV	3.34	165,021.29	169,232.72	3.38	20350630
Basic	MUSH	SRS0731\$A	SEINE RIVER SCHOOL DIV	4.56	1,067,463.42	1,102,766.48	4.63	20310715
Basic	MUSH	SRS0921\$A	SEINE RIVER SCHOOL DIV	6.68	4,571.23	4,729.66	6.88	20210930
Basic	MUSH	SRS0922\$A	SEINE RIVER SCHOOL DIV	6.35	19,229.29	19,910.74	6.50	20220915
Basic	MUSH	SRS0923\$A	SEINE RIVER SCHOOL DIV	6.00	56,570.39	58,317.10	6.13	20230930
Basic	MUSH	SRS0926\$A	SEINE RIVER SCHOOL DIV	5.05	54,467.19	55,874.38	5.13	20260930
Basic	MUSH	SRS0927\$A	SEINE RIVER SCHOOL DIV	5.41	399,462.49	410,538.00	5.50	20270930
Basic	MUSH	SRS0931\$A	SEINE RIVER SCHOOL DIV	4.32	1,207,139.04	1,233,762.24	4.38	20310930
Basic	MUSH	SRS0932\$A	SEINE RIVER SCHOOL DIV	3.59	1,003,296.71	1,021,630.93	3.63	20320930
Basic	MUSH	SRS1023\$A	SEINE RIVER SCHOOL DIV	6.00	49,114.71	50,375.71	6.13	20231031
Basic	MUSH	SRS1030\$A	SEINE RIVER SCHOOL DIV	4.69	382,526.80	390,143.28	4.75	20301031
Basic	MUSH	SRS1033\$A	SEINE RIVER SCHOOL DIV	4.44	598,141.97	610,604.63	4.50	20331015
Basic	MUSH	SRS1124\$A	SEINE RIVER SCHOOL DIV	5.77	380,131.75	387,657.58	5.88	20241130
Basic	MUSH	SRS1131\$A	SEINE RIVER SCHOOL DIV	4.08	670,184.30	680,636.42	4.13	20311115
Basic	MUSH	SRS1132\$A	SEINE RIVER SCHOOL DIV	3.71	1,092,681.13	1,106,489.33	3.75	20321130
Basic	MUSH	SRS1223\$A	SEINE RIVER SCHOOL DIV	6.01	47,593.26	48,455.81	6.13	20231215
Basic	MUSH	SRS1227\$A	SEINE RIVER SCHOOL DIV	5.17	138,431.92	140,582.36	5.25	20271215
Basic	MUSH	SSD0230\$A	SUNRISE SCHOOL DIVISION	5.30	968,467.78	973,174.14	5.38	20300228
Basic	MUSH	SSD0231\$A	SUNRISE SCHOOL DIVISION	4.69	2,068,659.53	2,077,543.43	4.75	20310228
Basic	MUSH	SSD0328\$A	SUNRISE SCHOOL DIVISION	5.18	1,067,498.44	1,067,651.98	5.25	20280331
Basic	MUSH	SSD0334\$A	SUNRISE SCHOOL DIVISION	4.33	1,054,932.86	1,057,082.47	4.38	20340315
Basic	MUSH	SSD0433\$A	SUNRISE SCHOOL DIVISION	3.59	2,036,748.26	2,104,916.55	3.63	20330430
Basic	MUSH	SSD0434\$A	SUNRISE SCHOOL DIVISION	4.20	717,182.28	745,324.32	4.25	20340430

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SSD0435\$A	SUNRISE SCHOOL DIVISION	2.98	775,745.93	797,233.03	3.00	20350430
Basic	MUSH	SSD0623\$A	SUNRISE SCHOOL DIVISION	6.01	458,131.21	480,502.76	6.13	20230615
Basic	MUSH	SSD0624\$A	SUNRISE SCHOOL DIVISION	6.13	137,455.77	143,951.97	6.25	20240630
Basic	MUSH	SSD0625\$A	SUNRISE SCHOOL DIVISION	5.29	167,383.01	174,186.10	5.38	20250630
Basic	MUSH	SSD0626\$A	SUNRISE SCHOOL DIVISION	5.29	673,284.78	700,649.66	5.38	20260630
Basic	MUSH	SSD0923\$A	SUNRISE SCHOOL DIVISION	6.00	557,943.35	576,575.22	6.13	20230915
Basic	MUSH	SVS0421\$A	ST VITAL SCHOOL DIVISION	6.58	53,070.16	56,377.59	6.75	20210430
Basic	MUSH	SVS0622\$A	ST VITAL SCHOOL DIVISION	6.59	2,196.35	2,314.55	6.75	20220615
Basic	MUSH	SVS0622\$B	ST VITAL SCHOOL DIVISION	6.47	18,165.68	19,075.71	6.63	20220630
Basic	MUSH	SVS1121\$A	ST VITAL SCHOOL DIVISION	6.70	9,142.46	9,380.10	6.88	20211115
Basic	MUSH	SWS0125\$A	SWAN VALLEY SCHOOL DIV	5.66	48,221.45	48,684.84	5.75	20250131
Basic	MUSH	SWS0131\$A	SWAN VALLEY SCHOOL DIV	4.69	22,279.91	22,456.78	4.75	20310131
Basic	MUSH	SWS0225\$A	SWAN VALLEY SCHOOL DIV	5.54	31,483.91	31,644.03	5.63	20250228
Basic	MUSH	SWS0226\$A	SWAN VALLEY SCHOOL DIV	4.81	53,487.70	53,816.32	4.88	20260215
Basic	MUSH	SWS0232\$A	SWAN VALLEY SCHOOL DIV	3.96	82,108.80	82,405.74	4.00	20320228
Basic	MUSH	SWS0325\$A	SWAN VALLEY SCHOOL DIV	5.55	15,687.92	15,690.34	5.63	20250331
Basic	MUSH	SWS0328\$A	SWAN VALLEY SCHOOL DIV	5.06	42,658.52	42,664.51	5.13	20280331
Basic	MUSH	SWS0329\$A	SWAN VALLEY SCHOOL DIV	5.55	24,201.70	24,205.43	5.63	20290331
Basic	MUSH	SWS0330\$A	SWAN VALLEY SCHOOL DIV	5.06	67,158.24	67,167.67	5.13	20300331
Basic	MUSH	SWS0334\$A	SWAN VALLEY SCHOOL DIV	4.08	26,266.93	26,269.90	4.13	20340331
Basic	MUSH	SWS0334\$B	SWAN VALLEY SCHOOL DIV	4.20	226,898.98	226,925.40	4.25	20340331
Basic	MUSH	SWS0424\$A	SWAN VALLEY SCHOOL DIV	5.78	7,003.61	7,383.51	5.88	20240430
Basic	MUSH	SWS0433\$A	SWAN VALLEY SCHOOL DIV	3.59	540,589.83	558,682.93	3.63	20330430
Basic	MUSH	SWS0523\$A	SWAN VALLEY SCHOOL DIV	6.25	12,255.73	12,944.99	6.38	20230515
Basic	MUSH	SWS0528\$A	SWAN VALLEY SCHOOL DIV	5.05	37,889.48	39,602.55	5.13	20280515
Basic	MUSH	SWS0530\$A	SWAN VALLEY SCHOOL DIV	5.17	11,220.43	11,714.28	5.25	20300531
Basic	MUSH	SWS0533\$A	SWAN VALLEY SCHOOL DIV	3.59	189,418.37	195,174.87	3.63	20330531
Basic	MUSH	SWS0534\$A	SWAN VALLEY SCHOOL DIV	4.20	123,776.82	128,187.01	4.25	20340531
Basic	MUSH	SWS0622\$A	SWAN VALLEY SCHOOL DIV	6.47	4,117.49	4,323.76	6.63	20220630
Basic	MUSH	SWS0624\$A	SWAN VALLEY SCHOOL DIV	6.01	12,053.12	12,641.70	6.13	20240615
Basic	MUSH	SWS0626\$A	SWAN VALLEY SCHOOL DIV	5.29	76,490.27	79,768.09	5.38	20260615
Basic	MUSH	SWS0626\$B	SWAN VALLEY SCHOOL DIV	5.29	26,426.55	27,500.63	5.38	20260630
Basic	MUSH	SWS0633\$A	SWAN VALLEY SCHOOL DIV	3.47	216,913.56	222,654.34	3.50	20330630
Basic	MUSH	SWS0634\$A	SWAN VALLEY SCHOOL DIV	3.96	43,932.54	45,261.35	4.00	20340630

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	SWS0821\$A	SWAN VALLEY SCHOOL DIV	6.80	3,925.18	4,086.27	7.00	20210831
Basic	MUSH	SWS0823\$A	SWAN VALLEY SCHOOL DIV	6.00	67,586.04	70,013.12	6.13	20230831
Basic	MUSH	SWS0828\$A	SWAN VALLEY SCHOOL DIV	5.17	27,075.33	27,908.73	5.25	20280831
Basic	MUSH	SWS0829\$A	SWAN VALLEY SCHOOL DIV	5.41	184,681.66	190,637.01	5.50	20290831
Basic	MUSH	SWS0830\$A	SWAN VALLEY SCHOOL DIV	4.93	33,659.70	34,646.44	5.00	20300831
Basic	MUSH	SWS0831\$A	SWAN VALLEY SCHOOL DIV	4.32	28,914.37	29,656.04	4.38	20310831
Basic	MUSH	SWS0833\$A	SWAN VALLEY SCHOOL DIV	4.08	824,953.81	846,396.96	4.13	20330815
Basic	MUSH	SWS0922\$A	SWAN VALLEY SCHOOL DIV	6.35	8,653.19	8,959.84	6.50	20220915
Basic	MUSH	SWS0923\$A	SWAN VALLEY SCHOOL DIV	6.00	61,834.71	63,743.96	6.13	20230930
Basic	MUSH	SWS0925\$A	SWAN VALLEY SCHOOL DIV	4.80	16,062.58	16,457.32	4.88	20250930
Basic	MUSH	SWS0926\$A	SWAN VALLEY SCHOOL DIV	5.17	86,750.94	89,234.04	5.25	20260915
Basic	MUSH	SWS0929\$A	SWAN VALLEY SCHOOL DIV	5.29	63,677.03	65,402.42	5.38	20290930
Basic	MUSH	SWS0930\$A	SWAN VALLEY SCHOOL DIV	4.93	95,846.79	98,262.65	5.00	20300930
Basic	MUSH	SWS0932\$A	SWAN VALLEY SCHOOL DIV	3.59	129,476.37	132,035.30	3.63	20320915
Basic	MUSH	SWS0933\$A	SWAN VALLEY SCHOOL DIV	4.20	641,538.72	656,403.96	4.25	20330915
Basic	MUSH	SWS1021\$A	SWAN VALLEY SCHOOL DIV	6.57	22,168.74	22,795.99	6.75	20211031
Basic	MUSH	SWS1023\$A	SWAN VALLEY SCHOOL DIV	6.00	30,978.33	31,856.86	6.13	20231015
Basic	MUSH	SWS1026\$A	SWAN VALLEY SCHOOL DIV	5.05	78,757.95	80,449.90	5.13	20261031
Basic	MUSH	SWS1029\$A	SWAN VALLEY SCHOOL DIV	5.29	128,484.35	131,379.21	5.38	20291031
Basic	MUSH	SWS1030\$A	SWAN VALLEY SCHOOL DIV	4.69	79,996.06	81,755.43	4.75	20301015
Basic	MUSH	SWS1031\$A	SWAN VALLEY SCHOOL DIV	4.20	150,017.29	152,689.86	4.25	20311031
Basic	MUSH	SWS1123\$A	SWAN VALLEY SCHOOL DIV	5.89	104,648.74	107,022.69	6.00	20231115
Basic	MUSH	SWS1129\$A	SWAN VALLEY SCHOOL DIV	5.05	91,058.83	92,631.47	5.13	20291130
Basic	MUSH	SWS1130\$A	SWAN VALLEY SCHOOL DIV	4.56	75,650.63	76,973.48	4.63	20301115
Basic	MUSH	SWS1133\$A	SWAN VALLEY SCHOOL DIV	4.20	253,004.50	257,069.90	4.25	20331115
Basic	MUSH	SWS1224\$A	SWAN VALLEY SCHOOL DIV	5.65	56,517.99	57,337.11	5.75	20241231
Basic	MUSH	SWS1225\$A	SWAN VALLEY SCHOOL DIV	5.17	30,990.65	31,472.07	5.25	20251215
Basic	MUSH	SWS1227\$A	SWAN VALLEY SCHOOL DIV	5.17	43,050.25	43,719.00	5.25	20271215
Basic	MUSH	SWS1227\$B	SWAN VALLEY SCHOOL DIV	5.05	178,665.12	180,973.08	5.13	20271231
Basic	MUSH	SWS1230\$A	SWAN VALLEY SCHOOL DIV	4.56	190,212.85	192,815.90	4.63	20301215
Basic	MUSH	SWS1232\$A	SWAN VALLEY SCHOOL DIV	3.71	146,629.87	148,256.86	3.75	20321215
Basic	MUSH	SYS0420\$A	SOURIS VALLEY SCHOOL DIVISION	6.33	14,693.95	15,626.66	6.88	20200430
Basic	MUSH	SYS0421\$A	SOURIS VALLEY SCHOOL DIVISION	6.58	104,461.33	110,971.56	6.75	20210430
Basic	MUSH	SYS1021\$A	SOURIS VALLEY SCHOOL DIVISION	6.57	24,351.91	25,112.99	6.75	20211015

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	TMS0325\$A	TURTLE MOUNTAIN SCHOOL DIV	5.54	56,706.84	56,855.40	5.63	20250315
Basic	MUSH	TMS0334\$A	TURTLE MOUNTAIN SCHOOL DIV	4.33	169,525.99	169,546.31	4.38	20340331
Basic	MUSH	TMS0427\$A	TURTLE MOUNTAIN SCHOOL DIV	5.05	62,266.87	65,344.39	5.13	20270415
Basic	MUSH	TMS0531\$A	TURTLE MOUNTAIN SCHOOL DIV	4.93	412,359.72	429,644.94	5.00	20310531
Basic	MUSH	TMS0535\$A	TURTLE MOUNTAIN SCHOOL DIV	2.97	436,420.41	447,396.68	3.00	20350531
Basic	MUSH	TMS0624\$A	TURTLE MOUNTAIN SCHOOL DIV	6.13	211,413.26	221,404.71	6.25	20240630
Basic	MUSH	TMS0626\$A	TURTLE MOUNTAIN SCHOOL DIV	5.29	94,549.18	98,600.87	5.38	20260615
Basic	MUSH	TMS0821\$A	TURTLE MOUNTAIN SCHOOL DIV	6.68	8,295.97	8,630.37	6.88	20210831
Basic	MUSH	TMS1020\$A	TURTLE MOUNTAIN SCHOOL DIV	6.51	4,942.73	5,097.21	6.75	20201015
Basic	MUSH	TMS1021\$A	TURTLE MOUNTAIN SCHOOL DIV	6.57	70,032.72	72,221.48	6.75	20211015
Basic	MUSH	TRS0420\$A	TURTLE RIVER SCHOOL DIVISION	6.33	1,749.21	1,860.24	6.88	20200430
Basic	MUSH	TRS0522\$A	TURTLE RIVER SCHOOL DIVISION	6.72	82,860.46	87,886.00	6.88	20220515
Basic	MUSH	TRS0626\$A	TURTLE RIVER SCHOOL DIVISION	5.29	132,983.43	138,682.13	5.38	20260615
Basic	MUSH	TRS0628\$A	TURTLE RIVER SCHOOL DIVISION	5.17	101,446.18	105,473.45	5.25	20280630
Basic	MUSH	TRS0725\$A	TURTLE RIVER SCHOOL DIVISION	5.04	161,242.89	166,789.76	5.13	20250731
Basic	MUSH	TRS0727\$A	TURTLE RIVER SCHOOL DIVISION	5.29	84,250.00	87,488.14	5.38	20270715
Basic	MUSH	TRS1029\$A	TURTLE RIVER SCHOOL DIVISION	5.41	387,970.26	397,850.21	5.50	20291015
Basic	MUSH	TRS1030\$A	TURTLE RIVER SCHOOL DIVISION	4.69	141,546.76	144,659.82	4.75	20301015
Basic	MUSH	TRS1121\$A	TURTLE RIVER SCHOOL DIVISION	6.70	76,694.19	78,687.71	6.88	20211115
Basic	MUSH	TSS0420\$A	TRANSCONA SPRINGFIELD SCH DIV	6.33	4,810.59	5,115.95	6.88	20200430
Basic	MUSH	TSS0421\$A	TRANSCONA SPRINGFIELD SCH DIV	6.47	78,296.24	83,298.62	6.63	20210415
Basic	MUSH	TSS0521\$A	TRANSCONA SPRINGFIELD SCH DIV	6.57	76,246.57	80,561.29	6.75	20210531
Basic	MUSH	TSS0522\$A	TRANSCONA SPRINGFIELD SCH DIV	6.72	47,208.46	49,929.41	6.88	20220531
Basic	MUSH	TSS0620\$A	TRANSCONA SPRINGFIELD SCH DIV	6.63	7,057.57	7,431.14	7.00	20200630
Basic	MUSH	TSS0622\$A	TRANSCONA SPRINGFIELD SCH DIV	6.59	24,891.98	26,162.49	6.75	20220630
Basic	MUSH	TSS0921\$A	TRANSCONA SPRINGFIELD SCH DIV	6.68	41,140.74	42,566.58	6.88	20210930
Basic	MUSH	TSS1120\$A	TRANSCONA SPRINGFIELD SCH DIV	6.65	48,105.52	49,355.93	6.88	20201115
Basic	MUSH	TSS1121\$A	TRANSCONA SPRINGFIELD SCH DIV	6.70	85,159.39	87,372.95	6.88	20211115
Basic	MUSH	VIT1221\$A	TOWN OF VIRDEN	2.60	172,759.52	173,902.57	2.63	20211231
Basic	MUSH	VIT1221\$B	TOWN OF VIRDEN	2.60	34,495.51	34,723.75	2.63	20211231
Basic	MUSH	WAR1228\$A	RURAL MUNICIPALITY OF WALLACE	5.66	127,685.91	129,536.48	5.75	20281231
Basic	MUSH	WES0125\$A	WESTERN SCHOOL DIVISION	5.66	89,487.05	90,346.98	5.75	20250131
Basic	MUSH	WES0521\$A	WESTERN SCHOOL DIVISION	6.80	68,606.85	72,633.04	7.00	20210531
Basic	MUSH	WES0530\$A	WESTERN SCHOOL DIVISION	5.17	1,168,935.99	1,220,385.19	5.25	20300531

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	WES0535\$A	WESTERN SCHOOL DIVISION	2.97	34,447.58	35,359.26	3.00	20350515
Basic	MUSH	WES0631\$A	WESTERN SCHOOL DIVISION	4.93	485,472.12	504,824.50	5.00	20310615
Basic	MUSH	WES0634\$A	WESTERN SCHOOL DIVISION	4.08	1,099,548.68	1,135,709.52	4.13	20340615
Basic	MUSH	WES0734\$A	WESTERN SCHOOL DIVISION	3.96	1,055,526.07	1,085,717.01	4.00	20340715
Basic	MUSH	WES1021\$A	WESTERN SCHOOL DIVISION	6.57	18,473.73	19,051.10	6.75	20211015
Basic	MUSH	WES1032\$A	WESTERN SCHOOL DIVISION	3.71	379,164.96	385,748.41	3.75	20321015
Basic	MUSH	WES1033\$A	WESTERN SCHOOL DIVISION	4.44	397,975.40	406,267.46	4.50	20331015
Basic	MUSH	WES1127\$A	WESTERN SCHOOL DIVISION	5.29	18,927.24	19,270.07	5.38	20271130
Basic	MUSH	WHS0720\$A	WHITE HORSE PLAIN SCHOOL DIV	6.67	4,675.35	4,895.03	7.00	20200731
Basic	MUSH	WIR1230\$A	RURAL MUN OF WEST INTERLAKE	3.47	1,250,496.47	1,261,528.25	3.50	20301231
Basic	MUSH	WIS0125\$A	WINNIPEG SCHOOL DIVISION	5.65	1,244,448.25	1,259,543.58	5.75	20250115
Basic	MUSH	WIS0129\$A	WINNIPEG SCHOOL DIVISION	5.78	598,645.83	604,523.63	5.88	20290131
Basic	MUSH	WIS0130\$A	WINNIPEG SCHOOL DIVISION	5.17	2,503,054.30	2,530,776.48	5.25	20300115
Basic	MUSH	WIS0130\$B	WINNIPEG SCHOOL DIVISION	5.30	2,368,984.36	2,390,264.65	5.38	20300131
Basic	MUSH	WIS0136\$A	WINNIPEG SCHOOL DIVISION	3.71	4,054,127.98	4,079,535.70	3.75	20360131
Basic	MUSH	WIS0226\$A	WINNIPEG SCHOOL DIVISION	4.81	542,119.65	545,450.34	4.88	20260215
Basic	MUSH	WIS0228\$A	WINNIPEG SCHOOL DIVISION	5.05	919,556.67	927,432.74	5.13	20280131
Basic	MUSH	WIS0230\$A	WINNIPEG SCHOOL DIVISION	5.30	1,156,986.77	1,162,609.25	5.38	20300228
Basic	MUSH	WIS0231\$A	WINNIPEG SCHOOL DIVISION	4.69	1,787,218.65	1,797,917.48	4.75	20310215
Basic	MUSH	WIS0325\$A	WINNIPEG SCHOOL DIVISION	5.42	485,581.95	485,655.12	5.50	20250331
Basic	MUSH	WIS0327\$A	WINNIPEG SCHOOL DIVISION	5.06	533,835.20	535,109.46	5.13	20270315
Basic	MUSH	WIS0329\$A	WINNIPEG SCHOOL DIVISION	5.55	609,952.85	610,046.85	5.63	20290331
Basic	MUSH	WIS0332\$A	WINNIPEG SCHOOL DIVISION	3.84	1,282,986.27	1,283,122.48	3.88	20320331
Basic	MUSH	WIS0333\$A	WINNIPEG SCHOOL DIVISION	3.71	1,938,813.83	1,939,013.02	3.75	20330331
Basic	MUSH	WIS0334\$A	WINNIPEG SCHOOL DIVISION	4.20	2,857,614.22	2,857,946.96	4.25	20340331
Basic	MUSH	WIS0422\$A	WINNIPEG SCHOOL DIVISION	6.73	341,277.02	362,939.93	6.88	20220430
Basic	MUSH	WIS0423\$A	WINNIPEG SCHOOL DIVISION	6.14	586,348.16	620,183.66	6.25	20230430
Basic	MUSH	WIS0434\$A	WINNIPEG SCHOOL DIVISION	4.08	154,161.48	160,032.81	4.13	20340430
Basic	MUSH	WIS0435\$A	WINNIPEG SCHOOL DIVISION	2.98	1,932,948.12	1,986,488.14	3.00	20350430
Basic	MUSH	WIS0520\$A	WINNIPEG SCHOOL DIVISION	6.42	149,739.58	158,821.39	6.88	20200515
Basic	MUSH	WIS0524\$A	WINNIPEG SCHOOL DIVISION	5.77	984,271.55	1,035,285.13	5.88	20240515
Basic	MUSH	WIS0528\$A	WINNIPEG SCHOOL DIVISION	5.05	354,017.90	369,228.55	5.13	20280531
Basic	MUSH	WIS0530\$A	WINNIPEG SCHOOL DIVISION	5.05	780,834.68	816,138.03	5.13	20300515
Basic	MUSH	WIS0531\$A	WINNIPEG SCHOOL DIVISION	4.93	1,248,885.22	1,301,235.75	5.00	20310531

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	WIS0532\$A	WINNIPEG SCHOOL DIVISION	3.96	867,753.24	898,374.23	4.00	20320515
Basic	MUSH	WIS0533\$A	WINNIPEG SCHOOL DIVISION	3.59	135,552.03	139,886.91	3.63	20330515
Basic	MUSH	WIS0623\$A	WINNIPEG SCHOOL DIVISION	6.00	549,787.92	575,251.39	6.13	20230630
Basic	MUSH	WIS0626\$A	WINNIPEG SCHOOL DIVISION	5.29	458,374.37	477,004.46	5.38	20260630
Basic	MUSH	WIS0627\$A	WINNIPEG SCHOOL DIVISION	5.17	338,266.64	351,695.36	5.25	20270630
Basic	MUSH	WIS0628\$A	WINNIPEG SCHOOL DIVISION	5.17	158,707.79	165,008.27	5.25	20280630
Basic	MUSH	WIS0629\$A	WINNIPEG SCHOOL DIVISION	5.54	925,539.28	964,906.40	5.63	20290630
Basic	MUSH	WIS0630\$A	WINNIPEG SCHOOL DIVISION	5.17	613,358.79	637,708.29	5.25	20300630
Basic	MUSH	WIS0631\$A	WINNIPEG SCHOOL DIVISION	4.93	259,307.23	269,111.17	5.00	20310630
Basic	MUSH	WIS0632\$A	WINNIPEG SCHOOL DIVISION	3.96	706,546.62	729,078.68	4.00	20320615
Basic	MUSH	WIS0634\$A	WINNIPEG SCHOOL DIVISION	4.08	941,205.15	970,563.01	4.13	20340630
Basic	MUSH	WIS0635\$A	WINNIPEG SCHOOL DIVISION	3.34	1,547,955.88	1,587,460.56	3.38	20350630
Basic	MUSH	WIS0724\$A	WINNIPEG SCHOOL DIVISION	6.13	641,125.64	669,778.69	6.25	20240715
Basic	MUSH	WIS0920\$A	WINNIPEG SCHOOL DIVISION	6.60	182,363.61	189,199.12	6.88	20200915
Basic	MUSH	WIS0921\$A	WINNIPEG SCHOOL DIVISION	6.68	192,666.56	199,888.26	6.88	20210915
Basic	MUSH	WIS0923\$A	WINNIPEG SCHOOL DIVISION	6.00	668,010.38	688,636.34	6.13	20230930
Basic	MUSH	WIS0929\$A	WINNIPEG SCHOOL DIVISION	5.41	1,644,726.72	1,690,328.46	5.50	20290930
Basic	MUSH	WIS0931\$A	WINNIPEG SCHOOL DIVISION	4.20	1,103,977.20	1,127,629.53	4.25	20310930
Basic	MUSH	WIS1028\$A	WINNIPEG SCHOOL DIVISION	5.17	439,485.03	449,156.71	5.25	20281031
Basic	MUSH	WIS1033\$A	WINNIPEG SCHOOL DIVISION	4.20	897,669.63	915,334.05	4.25	20331015
Basic	MUSH	WIS1120\$A	WINNIPEG SCHOOL DIVISION	6.65	139,593.72	143,222.20	6.88	20201115
Basic	MUSH	WIS1125\$A	WINNIPEG SCHOOL DIVISION	4.92	738,166.25	752,120.63	5.00	20251115
Basic	MUSH	WIS1130\$A	WINNIPEG SCHOOL DIVISION	4.56	1,701,052.28	1,727,564.23	4.63	20301130
Basic	MUSH	WIS1132\$A	WINNIPEG SCHOOL DIVISION	3.71	2,098,362.39	2,128,113.14	3.75	20321115
Basic	MUSH	WIS1132\$B	WINNIPEG SCHOOL DIVISION	3.71	1,102,972.27	1,116,910.52	3.75	20321130
Basic	MUSH	WIS1226\$A	WINNIPEG SCHOOL DIVISION	4.93	971,390.37	985,761.62	5.00	20261215
Basic	MUSH	WIS1234\$A	WINNIPEG SCHOOL DIVISION	3.71	4,450,243.22	4,499,622.63	3.75	20341215
Basic	MUSH	WOR1220\$A	RURAL MUN OF WOODLANDS	7.03	18,627.94	18,968.35	7.25	20201231
Basic	MUSH	WOR1220\$B	RURAL MUN OF WOODLANDS	6.92	3,558.81	3,622.72	7.13	20201231
Basic	MUSH	WTC0129\$A	WINNIPEG TECHNICAL COLLEGE	5.78	91,540.92	92,675.46	5.88	20290115
Basic	MUSH	WTC0326\$A	WINNIPEG TECHNICAL COLLEGE	4.81	19,299.25	19,343.07	4.88	20260315
Basic	MUSH	WTC0327\$A	WINNIPEG TECHNICAL COLLEGE	4.94	43,599.05	43,605.02	5.00	20270331
Basic	MUSH	WTC0529\$A	WINNIPEG TECHNICAL COLLEGE	5.66	559,317.50	586,279.67	5.75	20290531
Basic	MUSH	WTC0625\$A	WINNIPEG TECHNICAL COLLEGE	5.29	63,090.58	65,654.82	5.38	20250630

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Basic	MUSH	WTC0632\$A	WINNIPEG TECHNICAL COLLEGE	3.96	1,836,903.58	1,895,483.19	4.00	20320615
Basic	MUSH	WTC1125\$A	WINNIPEG TECHNICAL COLLEGE	4.92	182,545.83	185,996.70	5.00	20251115
Basic	MUSH	WTC1224\$A	WINNIPEG TECHNICAL COLLEGE	5.77	21,339.40	21,710.35	5.88	20241215
Basic	FRN	651333GA8	NEWFOUNDLAND PROV	2.32	9,908,100.00	9,926,662.14	1.99	20230227

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
Extension	Government	013051DU8	ALBERTA	0.87	5,034,000.00	5,039,732.88	1.35	20210901
Extension	Government	68333ZAE7	PROV OF ONTARIO	1.84	20,507,928.75	20,679,110.60	2.70	20290602
Extension	Government	74814ZEP4	PROVINCE OF QUEBEC	1.22	1,059,400.00	1,061,947.95	3.00	20230901
Extension	FRN	651333GB6	NEWFOUNDLAND PROV	2.55	4,913,600.00	4,917,884.25	2.09	20240317
Extension	FRN	68333ZAD9	PROV OF ONTARIO	2.41	251,076.26	251,646.54	2.05	20230821
Extension	Corporate	-	Corporate Bonds Pooled Fund	3.33	13,870,450.05	13,982,700.79	3.60	-
Extension	Corporate	-	Private Debt Pooled Fund	4.07	9,789,818.27	9,842,498.28	4.10	-

Portfolio	Issuer	CUSIP	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate	Maturity Date
RSR	Government	013051EG8	ALBERTA	2.32	9,754,900.00	9,823,420.55	2.05	20300601
RSR	Government	01306ZDC2	Alberta TSY	2.60	3,445,290.00	3,484,396.84	3.90	20331201
RSR	Government	56344ZCG2	PROVINCE OF MANITOBA BOND	2.16	700,715.00	703,045.14	6.30	20310305
RSR	Government	563469UT0	PROVINCE OF MANITOBA BOND	2.02	5,834,840.00	5,884,980.41	2.75	20290602
RSR	Government	651333FV3	NEWFOUNDLAND PROV	1.98	7,411,180.00	7,480,796.44	3.00	20260602
RSR	Government	683234B98	PROVINCE OF ONTARIO BOND	2.52	2,696,640.00	2,727,470.14	4.65	20410602
RSR	Government	68323ADM3	PROVINCE OF ONTARIO	1.59	15,708,150.00	15,827,492.47	2.40	20260602
RSR	Government	68323AEE0	PROVINCE OF ONTARIO	1.69	5,306,200.00	5,349,295.88	2.60	20270602
RSR	Government	68333ZAE7	PROV OF ONTARIO	1.84	12,735,825.87	12,842,133.15	2.70	20290602
RSR	Government	705464EQ4	PEEL REG ONTARIO	2.50	6,008,800.00	6,079,245.21	4.25	20331202
RSR	Government	803854KB3	PROV OF SASKATCHEWAN BOND	1.74	5,234,900.00	5,277,167.12	2.55	20260602
RSR	FRN	642866GP6	PROV OF NEW BRUNSWICK BOND	2.36	4,942,800.00	4,948,070.55	2.03	20231213
RSR	FRN	651333GB6	NEWFOUNDLAND PROV	2.55	9,827,200.00	9,835,768.49	2.09	20240317
RSR	FRN	66989ZES3	NOVA SCOTIA	2.55	12,843,350.00	12,884,424.21	2.26	20241109
RSR	FRN	68333ZAD9	PROV OF ONTARIO	2.41	25,013,739.25	25,070,554.18	2.05	20230821
RSR	Corporate	-	Corporate Bonds Pooled Fund	3.33	35,498,948.43	35,786,234.22	3.60	-
RSR	Corporate	-	Private Debt Pooled Fund	4.07	19,579,636.55	19,684,996.55	4.10	-

Portfolio	Description	YTM	Market Value	Market Value + Accrued Interest	Coupon Rate
EFB	Corporate Bonds Pooled Fund	3.88	82,529,796.15	83,441,214.90	4.75
EFB	Private Debt Pooled Fund	3.48	81,697,006.07	82,055,989.28	3.90

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Part and Chapter:	Part VII-Investments INV 4.3.4 Figures INV-14	Page No.:	28
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Investment Portfolio and Returns		
Sub Topic:	Investment Yields		

Preamble to IR:**Question:**

- a) Provide the estimated 10-year Bond Government of Canada Yield at June 30, 2020.
- b) Please update Figure INV-14 providing a full comparison between the Provincial Bond Spreads at the full range of duration level including that used in the 2020 GRA, the 2021 GRA at March 31, 2020, and at June 30, 2020. Please update and comment on the changes.
- c) Please provide the estimated Provincial Bond yield to maturity at June 30, 2020 (relative to the 2.3% YTM at March 31, 2020) for Basic Claims.
- d) Please provide the Corporate Bond estimated spread at June 30, 2020.

Rationale for Question:

To understand the changes in the spreads on bonds since March 31, 2020 to assess impact on Basic.

RESPONSE:

- a) Government of Canada 10-year Bond Yield at June 30, 2020 was 0.53%.
- b) Figure 1 below shows the provincial bond spreads as per the 2020 GRA, 2021 GRA and at June 30, 2020 and the change in spreads (June 30, 2020 vs. GRA 2021):

Figure 1 Provincial Bond Yield Spread

Line No.	Duration	GRA 2020	GRA 2021	30-Jun-20	30-Jun-20 vs. GRA 2021 Spread Change
1	1.0 years	-13 bps	40 bps	8 bps	-32 bps
2	2.0 years	1 bps	40 bps	8 bps	-32 bps
3	3.0 years	14 bps	40 bps	8 bps	-32 bps
4	4.0 years	28 bps	60 bps	58 bps	-2 bps
5	5.0 years	37 bps	81 bps	108 bps	27 bps
6	6.0 years	47 bps	91 bps	106 bps	15 bps
7	7.0 years	56 bps	102 bps	105 bps	2 bps
8	8.0 years	65 bps	113 bps	103 bps	-10 bps
9	9.0 years	75 bps	124 bps	101 bps	-22 bps
10	10.0 years	84 bps	135 bps	100 bps	-35 bps
11	11.0 years	93 bps	144 bps	98 bps	-45 bps
12	12.0 years	103 bps	153 bps	106 bps	-47 bps
13	13.0 years	112 bps	161 bps	113 bps	-48 bps
14	14.0 years	112 bps	170 bps	121 bps	-50 bps
15	15.0 years	112 bps	179 bps	128 bps	-51 bps
16	16.0 years	112 bps	179 bps	135 bps	-44 bps
17	17.0 years	112 bps	179 bps	143 bps	-36 bps
18	18.0 years	112 bps	179 bps	143 bps	-36 bps
19	19.0 years	112 bps	179 bps	143 bps	-36 bps
20	20.0 years	112 bps	179 bps	143 bps	-36 bps
21	21.0 years	112 bps	179 bps	143 bps	-36 bps
22	22.0 years	112 bps	179 bps	143 bps	-36 bps

The provincial bond spreads, when comparing June 30th to March 31st, narrowed by 32 bps in the short-end (< 1 yr), 10 bps in the middle (1-10 yr), and 42 bps in the long-end (>10 yr) of the curve. Macro-economic uncertainty, driven by the novel COVID-19 virus, resulted in a spread widening across the curve; with spreads peaking in the latter part of March. As economic uncertainty began to dissipate over the last few months, evidenced by the global equity market rebound (a leading economic indicator), spreads narrowed on average across the yield curve. Absolute yields on March 31, 2020 were 2.30% (0.70% government of Canada 10 yr bond yield plus 1.60% duration spread); whereas, absolute yields as of June 30th were approximately 1.54% (0.53% government of Canada 10 yr bond yield plus 1.01% spread). All else equal, the 59 bps decrease in spreads, coupled with a 17 bps drop in the benchmark yield should result in unrealized/realized gains on fixed income assets.

- c) The Provincial Bond yield to maturity at June 30, 2020 for the Basic Claims portfolio is estimated to be 1.54% (source: Bloomberg).

- d) Please see Figure 2 below for the estimated corporate bond spread as of June 30, 2020:

Figure 2 Corporate Bond Yield Spread June 30, 2020

Line No.	<u>Duration</u>	<u>Corporate Bond Spread</u>
1	1.0 years	102 bps
2	2.0 years	102 bps
3	3.0 years	102 bps
4	4.0 years	116 bps
5	5.0 years	131 bps
6	6.0 years	145 bps
7	7.0 years	160 bps
8	8.0 years	174 bps
9	9.0 years	188 bps
10	10.0 years	202 bps
11	11.0 years	212 bps
12	12.0 years	222 bps
13	13.0 years	231 bps
14	14.0 years	241 bps
15	15.0 years	241 bps
16	16.0 years	241 bps
17	17.0 years	241 bps
18	18.0 years	241 bps
19	19.0 years	241 bps
20	20.0 years	241 bps
21	21.0 years	241 bps
22	22.0 years	241 bps

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Topic:	Investment Portfolio and Returns		
Sub Topic:			

Preamble to IR:**Question:**

Please file updated figures INV-18, INV-19, and INV-20 including 2019/20 forecast in 2020 GRA, the Special Rate Application, and actual results at March 31, 2020.

Rationale for Question:

To better understand investment returns at March 31, 2020.

RESPONSE:

See *Figures 1, 2, and 3* below for the equivalent equity summary forecast tables that were filed within the 2020 GRA:

Figure 1 Canadian Equity Summary Table - GRA 2020

Line No.	Description	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	1,073	1,946	2,265	2,423	2,592
3	Realized Gains/(Losses) (P&L)	62	0	0	0	0
4	Total Investment Income	1,135	1,946	2,265	2,423	2,592
5	Forecasted Dividend Yield	3.20%	3.40%	3.50%	3.50%	3.50%
6	Ending Market Value	46,526	63,902	68,368	73,146	78,257
7	% of Portfolio	1.9%	2.5%	2.5%	2.5%	2.6%

Figure 2 Global Equities Summary Table - GRA 2020

Line No.	Description	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	939	1,708	2,001	2,141	2,291
3	Realized Gains/(Losses) (P&L)	78	0	0	0	0
4	Total Investment Income	1,017	1,708	2,001	2,141	2,291
5	Forecasted Dividend Yield	2.60%	2.80%	2.90%	2.90%	2.90%
6	Ending Market Value	49,263	68,005	72,755	77,838	83,276
7	% of Portfolio	2.0%	2.7%	2.7%	2.7%	2.7%

Figure 3 Global Low Vol Equities Summary Table - GRA 2020

Line No.	Description	2019/20	2020/21	2021/22	2022/23	2023/24
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	742	1,399	1,625	1,728	1,838
3	Realized Gains/(Losses) (P&L)	52	0	0	0	0
4	Total Investment Income	793	1,399	1,625	1,728	1,838
5	Forecasted Dividend Yield	2.60%	2.80%	2.90%	2.90%	2.90%
6	Ending Market Value	40,993	55,325	58,851	62,602	66,592
7	% of Portfolio	1.7%	2.2%	2.2%	2.2%	2.2%

Figures 4, 5, and 6 below shows the equivalent equity summary forecast tables pertaining to the Special Rate Application:

Figure 4 Canadian Equity Summary Table

Line No.	Description	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	2,371	3,764	3,823	4,345	4,928
3	Realized Gains/(Losses) (P&L)	601	1,420	758	1,093	1,449
4	Total Investment Income	2,972	5,184	4,581	5,437	6,377
5	Forecasted Dividend Yield	3.09%	3.26%	3.49%	3.49%	3.49%
6	Ending Market Value	85,509	108,209	119,862	135,072	152,327
7	% of Portfolio	2.7%	3.3%	3.4%	3.6%	3.9%

Figure 5 Global Equities Summary Table

Line No.	Description	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	2,464	3,672	3,730	4,194	4,710
3	Realized Gains/(Losses) (P&L)	923	2,216	1,581	2,243	2,926
4	Total Investment Income	3,387	5,887	5,312	6,437	7,636
5	Forecasted Dividend Yield	2.32%	2.45%	2.57%	2.57%	2.57%
6	Ending Market Value	116,656	142,898	157,286	175,651	196,359
7	% of Portfolio	3.7%	4.3%	4.5%	4.7%	5.0%

Figure 6 Global Low Vol Equities Summary Table

Line No.	Description	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(C\$000s, except where noted)</i>					
2	Dividend Income	1,399	2,352	2,336	2,651	3,004
3	Realized Gains/(Losses) (P&L)	907	2,098	2,102	2,710	3,266
4	Total Investment Income	2,306	4,449	4,438	5,361	6,270
5	Forecasted Dividend Yield	2.32%	2.45%	2.57%	2.57%	2.57%
6	Ending Market Value	70,936	89,675	99,187	111,641	125,771
7	% of Portfolio	2.3%	2.7%	2.8%	3.0%	3.2%

Figure 7 below shows actual results as of March 31, 2020:

Figure 7 Equity Summary Table - March 31, 2020

Line No.	Description	Canadian Equity	Global Equity	Global LV
1	<i>(C\$000s, except where noted)</i>			
2	Dividend Income	3,097	797	2,182
3	Realized Gains/(Losses) (P&L)	3,469	572	3,652
4	Total Investment Income	6,567	1,368	5,834
5	Dividend Yield	4.96%	1.42%	3.30%
6	Ending Market Value	56,275	106,867	54,060
7	% of Portfolio	2.1%	3.9%	2.0%

PUB (MPI) 1-37

Part and Chapter:	Part VII- Investments INV.10.6 Impaired Securities INV. Appendix 12	Page No.:	49
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Basic Line of Business Investment Income		
Sub Topic:	Investment Income		

Preamble to IR:

MPI has indicated that it has taken a \$67.8 million impairment, including a net impairment of the equity portfolio of \$54.4 million on March 31, 2020. The equity portfolio was down 17.7% since February 2020, and post-March 31, 2020 has recovered. From March 23 to June 5, the equity portfolio has increased by 32.1%, resulting in a 7.3% decline since February 2020.

Question:

- a) Please provide the composition of the Canadian Large Cap equity and Canadian Small Cap Equity Fund and the most current financial report on each of the funds.
- b) Please explain why the Global Equity Fund has an unrealized loss of \$685K at March 31, 2020 and why it did not trigger an impairment loss as was the case for the Canadian Equity funds.
- c) Please provide the details, by issuer, of the write-down of investments to support the impairment charge. If not by issuer please provide the detailed market value report at March 31, 2020.
- d) Please indicate the current position of each of the investments where a write down was taken in 2019/20 as at June 30, 2020. Provide the detail of the underlying

investment holdings and a schedule comparing Market versus Book value for each of the funds.

- e) Please file a copy of the most recent Investment Write-Down policy and the investment write-down criteria and process followed by the Corporation.
- f) Provide any commentary provided by the External Auditor in the Management Letter or other correspondence related to this write down, in confidence if necessary.
- g) Please describe how the Basic and Extension MCT for 2019/20 and 2020/21 would be affected if the impairment charge were not taken at March 31, 2020.

Rationale for Question:

To review the impact of investment write offs.

RESPONSE:

- a) The June 30, 2020 quarterly reports of the Canadian large capitalization equity fund and the Canadian small capitalization equity fund are included in Attachments A & B. These reports include the holdings of each fund.
- b) The Global equity fund was not impaired as the unrealized loss of \$685,000 did not meet MPI's threshold for impairment. The write-down policy of MPI is included in its response to *part (e)* herein.
- c) MPI owns interests in pooled funds and not the assets within the pooled funds. Therefore, the write-downs were determined for each pooled fund and not for the individual securities within the pooled funds.
- d) Appendix 1 provides details of each of the investments where a write down was taken in 2019/20 as at June 30, 2020.

- e) The most recent Investment Write-Down policy is included as Attachment C.
- f) MPI has yet to receive the Management Letter from its external auditor; however in its audit report the Auditor did agree with Management's impairment analysis and they did independently confirm the existence of MPI investments with no issues reported.
- g) The impairment charge does not change Total Comprehensive Income or the market value of the investments (but rather pushes the unrealized loss through Profit or Loss as opposed to Other Comprehensive Income "OCI"). As such, there is no impact to Basic and Extension MCT for 2019/20 and 2020/21. See Figure 1 below for a comparison of Basic and Extension MCT before and after impairment.

Figure 1 Basic and Extension MCT % Before and After Impairment

Line No.	Basic MCT %	2019/20	2020/21
1	Before Impairment	105.8%	118.1%
2	After Impairment	105.8%	118.1%
3	Extension MCT %	2019/20	2020/21
4	Before Impairment	324.8%	200.0%
5	After Impairment	324.8%	200.0%

June 30, 2020

Quarterly Investment Commentary and Strategy

The Manitoba Public Insurance Corporation

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Portfolio Activity

FGP Pooled Funds - Portfolio Valuation

Account Overview – MPI – Extension (EXT)

Summary

Market Value at March 31, 2020	Contributions	Withdrawals	Change in Investment Value	Market Value at June 30, 2020
\$9,857,338	\$0	\$0	\$1,024,612	\$10,881,950

Asset Mix at June 30, 2020

	MPI – Extension (EXT)
Canadian Equities	100.0%
Total	100.0%

Account Performance at June 30, 2020

	Three Mths %	YTD %	One Year %	Three Year %	Five Year %	Seven Year %	Ten Year %	Fifteen Year %	Since Inception 31-Mar-02 %
MPI - Extension (EXT)	10.39	-22.72	-20.18	-5.24	-0.42	2.81	5.02	5.03	6.89
S&P/TSX Total Return Index	16.97	-7.47	-2.17	3.91	4.45	6.76	6.35	6.05	6.64
Value Added	-6.58	-15.25	-18.01	-9.15	-4.87	-3.95	-1.33	-1.02	0.25

Account Overview – MPI – Special Risk Extension (SRE)

Summary

Market Value at March 31, 2020	Contributions	Withdrawals	Change in Investment Value	Market Value at June 30, 2020
\$13,219,012	\$0	\$0	\$1,374,038	\$14,593,050

Asset Mix at June 30, 2020

	MPI – Special Risk Extension (SRE)
Canadian Equities	100.0%
Total	100.0%

Account Performance at June 30, 2020

	Three Mths %	YTD %	One Year %	Since Inception 1-Mar-19 %
MPI - Special Risk Extension (SRE)	10.39	-22.72	-20.18	-16.69
S&P/TSX Total Return Index	16.97	-7.47	-2.17	0.68
Value Added	-6.58	-15.25	-18.01	-17.37

Account Overview – MPI – Rate Stabilization Reserve (RSR)

Summary

Market Value at March 31, 2020	Contributions	Withdrawals	Change in Investment Value	Market Value at June 30, 2020
\$26,523,715	\$0	-\$1	\$2,756,983	\$29,280,697

Asset Mix at June 30, 2020

	MPI – Rate Stabilization Reserve (RSR)
Canadian Equities	100.0%
Total	100.0%

Account Performance at June 30, 2020

	Three Mths %	YTD %	One Year %	Since Inception 1-Mar-19 %
MPI - Rate Stabilization Reserve (RSR)	10.39	-22.72	-20.18	-16.69
S&P/TSX Total Return Index	16.97	-7.47	-2.17	0.68
Value Added	-6.58	-15.25	-18.01	-17.37

Account Overview – MPI – Employee Future Benefits (EFB)

Summary

Market Value at March 31, 2020	Contributions	Withdrawals	Change in Investment Value	Market Value at June 30, 2020
\$26,505,007	\$0	-\$17	\$2,755,037	\$29,260,027

Asset Mix at June 30, 2020

	MPI – Employee Future Benefits (EFB)
Canadian Equities	100.0%
Total	100.0%

Account Performance at June 30, 2020

	Three Mths %	YTD %	One Year %	Since Inception 1-Mar-19 %
MPI - Employee Future Benefits (EFB)	10.39	-22.72	-20.18	-16.69
S&P/TSX Total Return Index	16.97	-7.47	-2.17	0.68
Value Added	-6.58	-15.25	-18.01	-17.37

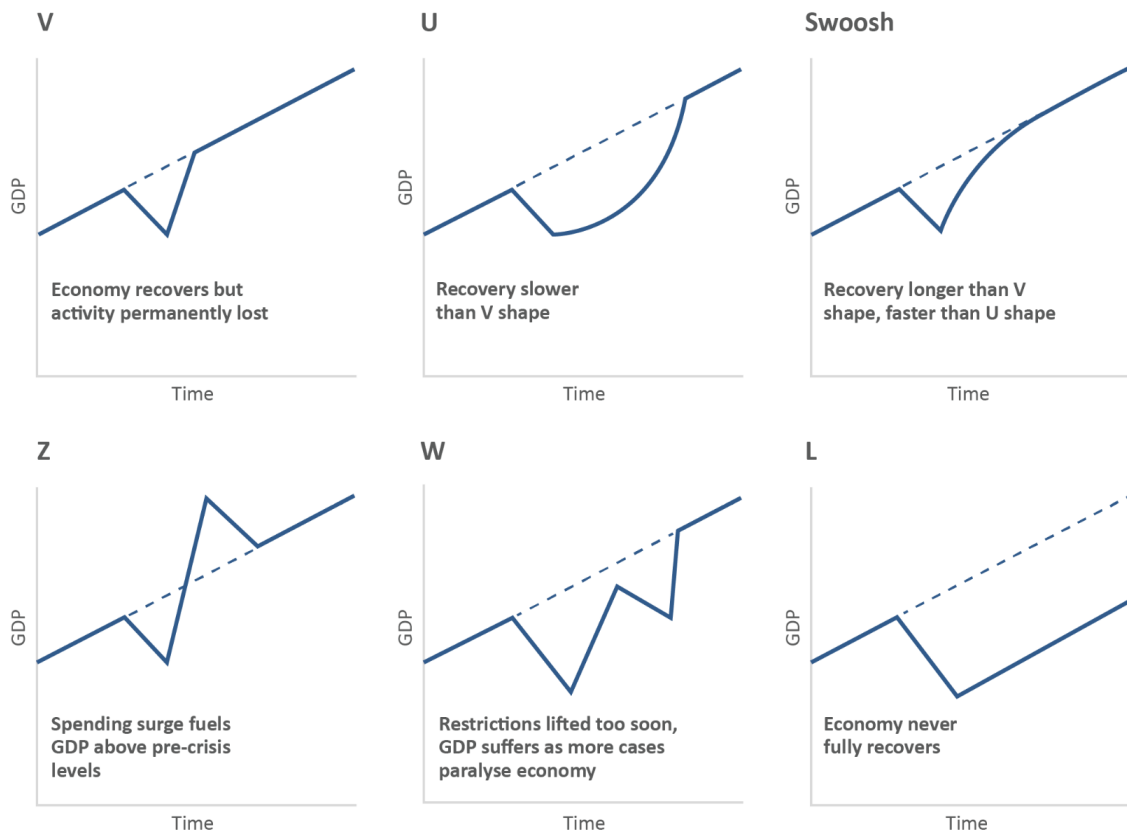
FGP Pooled Fund Performance

As of June 30, 2020	3 Mths %	1 Yr %	3 Yrs %	5 Yrs %	7 Yrs %	10 Yrs %	15 Yrs %	20 Yrs %
FGP Canadian Equity Fund	10.39	-20.18	-5.21	-0.54	2.71	4.94	4.94	8.62
<i>S&P/TSX Comp. Total Return Index</i>	16.97	-2.17	3.91	4.45	6.76	6.35	6.05	4.80

Economic & Market Review

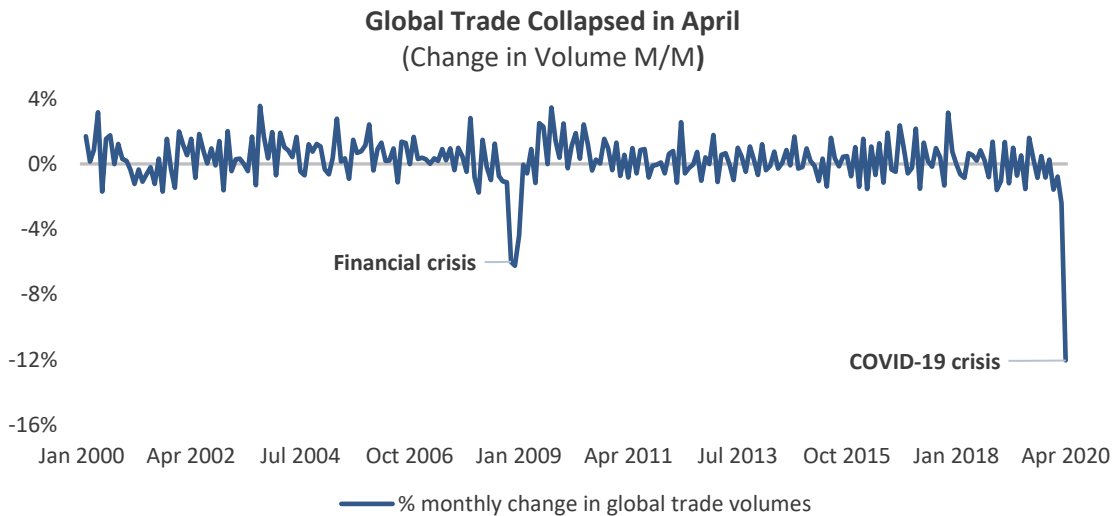
Health-related economic crises like pandemics have a unique and varying impact on people, businesses, governments, and countries. In Canada, for example, our reliance on immigration-led growth, exposure to cyclical commodity markets and global trade combined with a high level of household debt, likely means that our path to recovery will look quite different than in the U.S., where a less aggressive approach to economic lockdown and social distancing, combined with a faster pace of reopening should lead to stronger second quarter economic growth. However, it is over the second half of the year that Canada’s more conservative approach to reopening may prove to have been the better route to follow, should the rapid spread of the virus in a handful of heavily populated U.S. states in late June force another round of lockdowns.

According to the National Bureau of Economic Research, the U.S. officially entered a recession in February. This ended a record-long expansion of 128 months and brought with it some of the worst economic data since the Great Depression. However, the recent and rapid rebound in a few relevant economic indicators has some proclaiming that this recession is already over. There have been many debates on how to best describe the shape of this recovery.

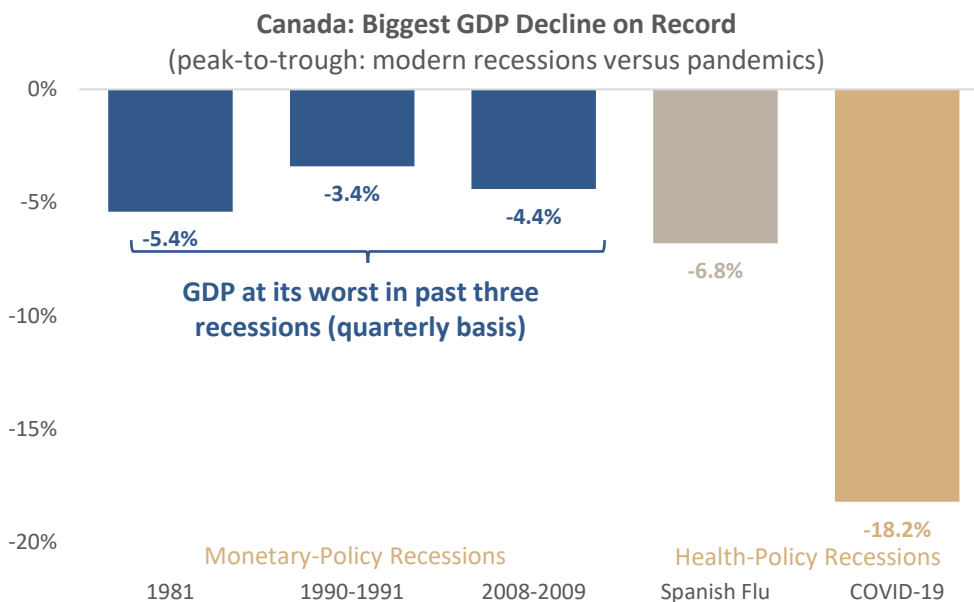


Source: Brookings Institution

A 'V' shaped (or 'Z' shaped) recovery would make this the shortest and sharpest recession in history, while an 'L' shaped recovery would be the worst-case scenario. All have at least some degree of plausibility, but the global economy will be unlikely to return to full strength until a proven vaccine becomes widely distributed around the world. According to health experts, that may not happen until late 2021. In the meantime, the already negative 2020 global growth forecasts continue to be downgraded as both supply and demand for goods and services remains constrained. It is not surprising that global trade has collapsed to levels far below what was experienced during the depths of the Global Financial Crisis. The road to normal looks to be a very long one as does a return to the 2019 level of GDP.



Source: CPB World Trade Monitor

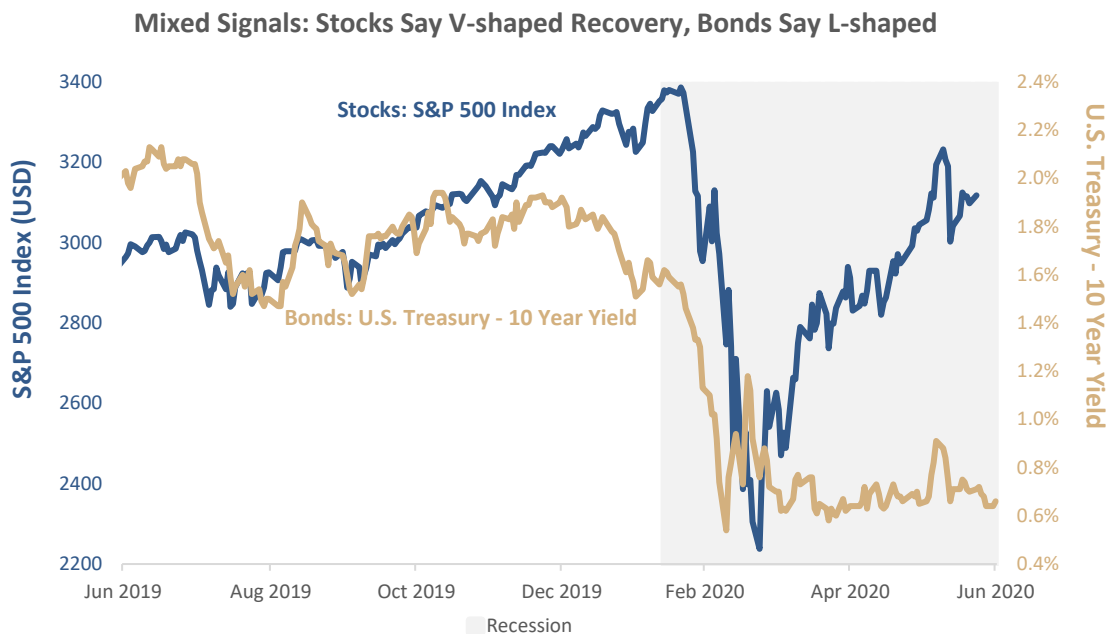


* Data only available annually
 Source: NBF Economics and Strategy (data via Statistics Canada and <http://www.roiw.org/1992/455.pdf>)

Overseas, the combination of earlier and more strict lockdown conditions has not only ‘flattened the curve’ but, as restrictions have been relaxed, there has been no significant resurgence in infections thus far. Like North America, Europe eased fiscal policy aggressively to support their economies, but economic activity has simply not bounced back the same way it has in Asian countries, which experienced much lower infection rates. Many emerging markets have yet to see the peak in infections and are unfortunately in weaker positions financially while also lacking the proper infrastructure to cope with the pandemic.

Markets Rebound, but Uncertainty Remains High

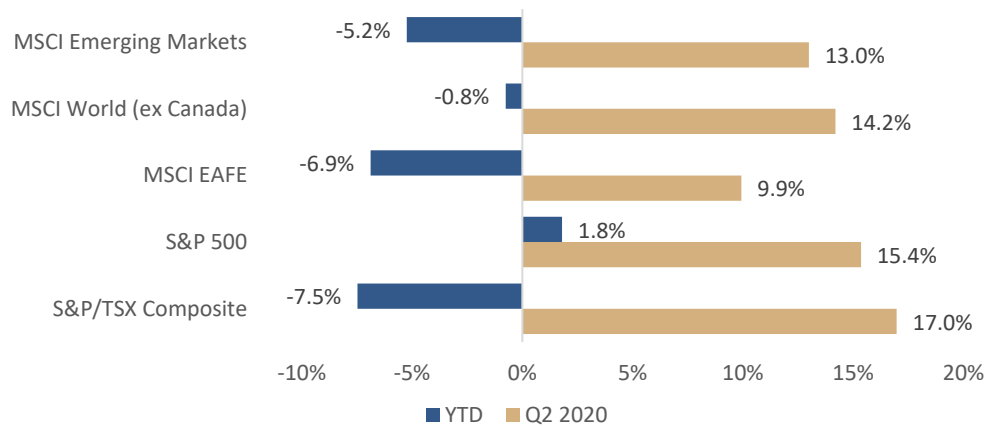
This long and likely bumpy ride back to normal runs counter to the optimism that is now reflected in capital markets. Equity markets have surged, and credit spreads have narrowed substantially since late March.



Source: S&P Capital IQ and Rosenberg Research (June 22, 2020)

In a reversal from the first quarter of 2020, almost every developed and emerging market equity index posted a positive double-digit return. In the U.S., the NASDAQ Index reached a new all-time high in June as technology stocks continued to perform very well. The broader S&P 500 Index lagged the NASDAQ but still delivered double-digit gains. Canadian equities – both large and small cap – performed particularly well, outpacing the strong returns from U.S. and international equities. Notably, the S&P/TSX Small Cap index in Canada was one of the top performing benchmarks in the world – even exceeding the NASDAQ’s return by 1300 basis points. It is somewhat surprising that returns for the MSCI Emerging Markets Index kept pace with developed markets given the severity of the pandemic in emerging markets – Latin America in particular.

Equity Index Performance (CAD) at June 30, 2020



Source: TD Securities, MSCI

This rebound in equity markets seems to be based on three distinct fundamentals:

- Global progress in fending off the first wave of the virus
- A belief that earnings beyond the next couple of years will return to pre-pandemic trends
- Sharply lower interest rates that have lowered the discount rate on future earnings

That said, equity market performance could be due for at least a partial retracement should there be a spike in the spread of the virus, or if second quarter earnings are worse than feared. Historically it can take several quarters for corporate earnings to recover lost ground.

The credit market is less worried about the risk of corporate bankruptcy than it was in March, as evidenced by narrower credit spreads. However, credit spreads remain wider than they were pre-crisis. The credit markets have benefitted from the massive amount of central bank support in the form of purchase programs around the world. For now, downside risks have been reduced but, like the stock market, vulnerabilities could quickly reappear with a resurgence of the virus. Domestically, the mid-term corporate bond yield spread over the mid-term Government of Canada bond yield narrowed from a high of about 260 basis points down to 170 basis points. Although the spread narrowed substantially, it is still well above this year’s low of 100 basis points set in late January. A similar pattern is seen with provincial bonds, where the mid-term yield spread widened from 35 basis points in late December to 85 basis points in early April, before a partial retracement to 60 basis points at the end of the quarter. The spread between corporate and provincial bonds is 40 basis points wider than levels seen in January. High yield bonds, both in Canada and the U.S., modestly lagged the performance of higher quality corporate debt this quarter and more significantly underperformed year-to-date. The preferred share market had a strong quarter with

the index returning over 15%. Credit market stability certainly was a component in the rally for an oversold asset class dominated by strong investment grade issuers.

Monetary & Fiscal Policy Support

Both the Federal Reserve (“the Fed”) and the Bank of Canada (“BoC”) kept their respective administered rates unchanged this quarter. This inaction was not at all surprising given that the rate in each country now sits at the effective lower bound – essentially 0%. The Fed and the BoC have indicated that they do not expect to lower rates into negative territory as has been done in Japan and Europe. These central banks believe that there are many other options at their disposal if the economy needs yet another monetary boost. For example, they have each acknowledged investigating the use of interest rate caps or ‘yield curve controls’. This strategy involves a central bank pledging to do all it can to target an interest rate level for a given term of government debt. The Bank of Japan, for example, targets a 0% yield for its 10-year government bond and it has been successful in keeping it there. The idea is to prevent interest rates from rising too soon or too quickly which then could potentially derail an economic recovery. This tool is not new as it was used by the U.S. from 1942 until the end of the Second World War in 1945. If this tool were to be used in Canada, it would most likely target the 5-year term given its importance in setting residential mortgage rates. In the meantime, the BoC, the Fed, and the rest of the world’s major central banks continue to engage in large-scale quantitative easing, market liquidity and credit support programs to help ease pressures on the economy and to keep financial markets functioning smoothly. Emergency fiscal measures enacted by governments globally are now being extended as it has become clear that the return to normal will take a considerable amount of time.

Term interest rates moved much more dramatically in Canada relative to the U.S. where there was very little change across the yield curve in the second quarter. The two-year U.S. Treasury yield remains anchored near the Fed Funds rate at 0.20%, while the 10-year is near the mid-point of a well established 0.55%-0.95% trading range at 0.70% and unchanged from its level at the end of the first quarter. The long-term U.S. bond yield is also within close range – 5 basis points – of its March 31st close. Yields across the entire Government of Canada yield curve fell and the curve flattened as long-term bonds performed very well this quarter. Similar to the U.S., the two-year Government of Canada bond yield remains anchored to the BoC rate, sitting at 0.30% while our 10-year yield fell by 20 basis points to 0.50%. The 30-year bond fell by 30 basis points and closed the quarter at 1.00%. While not as strong as equity returns, fixed income did perform well this quarter overall with longer duration and credit (including preferred shares) investments outperforming. The Canadian dollar strengthened against the U.S. dollar in the quarter, supported by a rebound in commodity prices. Since spiking higher near the end of the first quarter, the U.S. Dollar Index, which measures the greenback’s performance against a basket of currencies, drifted lower throughout the quarter and now sits around levels seen at the end of 2019.

Outlook

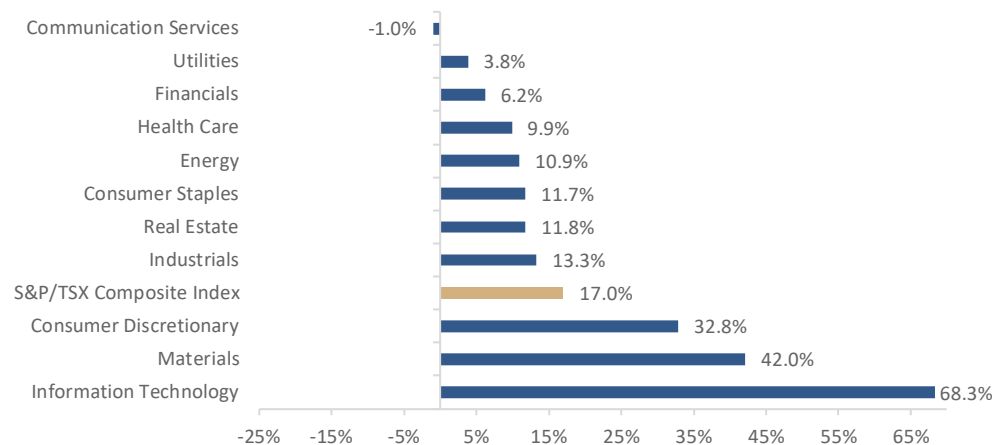
Looking forward, caution is warranted in most asset classes as valuations are once again lofty. Interest rates are extremely low, but prices are supported by central bank buying and, for now, are more justified by falling inflation rates. Equity markets appear expensive on some measures – price-to-earnings ratios are elevated with stock prices rebounding while earnings fall – but not relative to all-time low risk-free interest rates, and we believe there is long-term value in some sectors of the market. Corporate credit remains a good option as spreads, despite narrowing during the quarter, ended June at levels not since the first quarter of 2016. Given the dramatic fall in benchmark yields, corporate spreads on a relative basis remain near multi-decade highs. Preferred shares also appear to offer good value given the typically strong credit characteristics of Canadian preferred share issuers and attractive yield. In these uncertain times investment quality is more important than ever.

FGP Canadian Equity Fund

Market Performance

After declining 21% in the first quarter of 2020, the S&P/TSX Composite Index rebounded rapidly in the second quarter, gaining 17%. Ten of the eleven sectors produced positive returns. Communication Services was the lone decliner, amid a rotation away from defensive companies that performed relatively well in last quarter’s market downturn, toward more cyclical industries. The top performing sectors were Information Technology and Materials – largely driven by Shopify and gold, respectively – which accounted for nearly half of market gains. Thus, investors who did not have exposure to either would automatically be 8% behind the index return of 17% during the quarter.

Performance of S&P/TSX Composite Sectors
 (Three months ending June 30, 2020)



Source: TD Securities

The recovery in global equity markets seems paradoxical given the world is currently facing a wide range of unprecedented economic headwinds, including very high unemployment, massive government support (i.e. debt) and uncertainty about the long-term impact of COVID-19. The intersection of the virus, the economy and the stock market remains ever in flux.

Nonetheless, global economies are gradually reopening. Oil prices benefitted as demand resumed and supply cuts were more aggressive than expected. The price for West-Texas Intermediate (WTI) oil ended the quarter in the US\$38 to US\$40 range, doubling from around US\$20 at the end of March.

Portfolio Performance

The FGP Canadian Equity Fund returned 10.4% in the quarter, compared to the S&P/TSX Composite Index return of 17.0%. So far this year, the Fund returned -22.7%, compared with the benchmark's return of -7.5%. Many portfolio holdings had strong gains this quarter, however our absence from Shopify and gold companies acted as the primary restraint on performance relative to the benchmark.

Positive Contributors

Portfolio returns were driven by security selection in the Energy sector as our energy companies outperformed their peers. Top performers included Imperial Oil, Canadian Natural Resources and Husky Energy. The price of oil was unsustainably low at the end of the first quarter. With oil prices now back at a level that is sufficient for energy companies to generate cash flow, investors are less concerned about the viability of the sector and more focused on the recovery. We think US\$50 is a reasonable future price and that energy companies should react positively as supply is curtailed and demand gradually recovers.

Outside of energy, our other holdings with commodity exposure were also key contributors to portfolio performance. Canfor, one of the world's largest producers of sustainable lumber, pulp and paper, benefitted from an improvement in both fundamentals and sentiment. First quarter results were underpinned by stronger lumber prices (driven by a COVID-19 induced home renovation spree) and improving U.S. home sales (owing to extremely low interest rates). Canfor's continued expansion in Europe provides the company with greater diversification which ultimately makes for a better business. The company's balance sheet remains very strong, while its valuation remains cheap relative to historical levels.

Canadian Tire was another notable outperformer in the portfolio. The company reported stronger-than-expected results in the first quarter thanks to an increase in sales of "boredom busters" like bicycles and trampolines, as well as home repair and renovation related purchases as Canadians spent more time at home. Despite being deemed a non-essential retailer in Ontario for April, the company quickly responded by ramping up its e-commerce efforts and curbside order pick-up, which helped offset the decline of in-store sales traffic. Canadian Tire continues to trade at a discount to its own historical valuation levels and peer companies.

Performance Detractors

As noted above, portfolio performance lagged the benchmark primarily because of what we do not own – Shopify and gold companies. Positive returns from our two holdings in the Information Technology sector – OpenText, up 18%, and CGI Group, up 12% – were eclipsed by Shopify's outsized gain of 119%. Likewise, in the Materials sector, strong returns from portfolio holdings Canfor Corp., up 61%, and Teck Resources, up 34%, were overshadowed by outsized returns by the gold sector.

Of the companies we do own in the portfolio, Rogers Communications and Nutrien were the primary detractors from performance.

Rogers lagged its peers in the Communication Services sector. The company reported mixed first quarter earnings: media results were weak while wireless and cable service revenues were relatively stable. We continue to like Rogers' business mix for its greater exposure to wireless, and believe the company has good prospects with 5G. One thing this pandemic has taught us is the importance of ubiquitous internet access. Rogers and its peers offer an 'essential service' that shows the inherent value of a good internet connection. This is an industry that has pricing power and greater importance as we work from home. Rogers' ability to grow profits and free cash flow remains intact.

Nutrien – the world's largest fertilizer producer – reported lower-than-expected first quarter operating results. While declines in demand due to the pandemic led the company to reduce some financial estimates, the bigger reason Nutrien's performance has lagged has been lower commodity prices, due in part to incredibly wet weather in 2019. Fortunately, Nutrien's retail division continues to provide predictable earnings. Given the company's low cost of production and dominant market position, Nutrien is well positioned for ongoing growth. The company is attractively valued, currently trading below book value.

Portfolio Positioning

The ongoing gradual reopening of global economies has led to an improvement in valuations of many companies that were hit hard during the selloff in March.

First-quarter results for banks and life insurance companies demonstrated balance sheet resiliency. While the banks showed material provisions for future expected credit losses, the companies continue to generate profits and retain very strong capital positions with bank equity ratios above 11% (versus 8 to 9% during the Global Financial Crisis). We think the banks can absorb future losses while retaining capital levels above 10%. Capital levels at life insurance companies also remain very strong. The Office of the Superintendent of Financial Institutions continues to support and allow our financials to pay dividends, albeit with no increases for now. As valuations recovered from their March lows, we took the opportunity to trim some of our Financial positions. That said, we see further upside in the banks and life insurance companies and continue to collect attractive dividends in the meantime. When we see Financials trading at or below book value, that is generally a predictor of good future expected returns.

We selectively added to holdings with commodity exposure whose prices were hit hard. While it is great to see a partial recovery in energy valuations, our holdings continue to have very good upside potential to their intrinsic value. We believe that global supply cuts (over 10 million barrels per day relative to the start of the year) and lower future exploration (i.e. faster decline rates) coupled with

an expected demand recovery should produce outsized gains for our energy companies even if the price of WTI oil stays below US\$50.

The companies in our portfolio have been prudent in increasing liquidity and have balance sheets that can survive this economic upheaval. Our companies are leaders and dominant players in their respective sectors. With strong balance sheets, resilient demand and profitability, and attractive dividends, these investments are well positioned in this uncertain environment.

Proxy Voting

The following is a summary of proxy votes this quarter where we did not vote with management:

Company	Portfolio	Type of resolution	Proposal	FGP's vote	Rationale
Bank of Nova Scotia	Canadian Equity, Canadian Equity Dividend	Management	Executive compensation	Against	We believe the CEO pay is too high given Scotiabank's weaker performance relative to the peer banking group.
		Shareholder	To raise the minimum diversity target to 40%.	For	Scotiabank currently has a target of 30% minimum representation of women on its board. Currently, 38% of nominated directors are female. We believe that voting in favour of this proposal acknowledges that Scotiabank's current composition should be the new minimum and demonstrates a higher commitment going forward (over five years) for all banks.
Canadian Imperial Bank of Commerce	Canadian Equity, Canadian Equity Dividend	Management	Executive compensation	Against	We disagree with CIBC's short-term executive compensation formula as it does not set a minimum threshold for bonus payout. The reduction in short-term CEO compensation does not reflect CIBC missing two key performance factors (earnings per share and non-interest expense ratio).
		Shareholder	To raise the minimum diversity target to 40%.	For	CIBC currently has a target of 30% minimum representation of women on its board. Currently, 43% of independent directors are female. We believe that voting in favour of this proposal acknowledges that CIBC's current composition should be the new minimum and demonstrates a higher commitment going forward (over five years) for all banks.
Enbridge	Canadian Equity	Management	Executive compensation	Against	We believe the executive compensation plan is too generous, as it has been growing for a number of years while the company's share price has performed poorly in comparison to competitors and the broader market over a five-year period.
Ensign	Canadian Equity, Canadian Equity Dividend	Management	Election of five directors: Murray Edwards, Robert Geddes, James Howe, Cary Moomjian, and Barth Whitman	Withheld	These directors are material owners of Ensign's convertible debenture, which conflicts with the interests of equity shareholders. We do not believe these directors should own any firm debt.
			Executive compensation	Against	We believe compensation of the chair is too high relative to the company's performance.
Fairfax	Canadian Equity	Management	Election of two directors: Benjamin Watsa and Christine McLean	Against	We disagree on the election of Fairfax's founder's two children to be members of the board of directors as we believe that boards need to be as independent as possible.
Finning	Canadian Equity	Management	Executive compensation	Against	We do not believe the special option package for the CEO is necessary.
Great-West Lifeco	Canadian Equity, Canadian Equity Dividend	Management	Election of two directors: Andre Desmarais and Paul Desmarais.	Withheld	Great-West Lifeco does not have an advisory vote on executive compensation in addition to not disclosing the targets related to short-term compensation for the senior executives. Consequently, we have decided to withhold our vote for the main controlling shareholders of GWL.

Company	Portfolio	Type of resolution	Proposal	FGP's vote	Rationale
Husky	Canadian Equity	Management	Election of three directors: Poh Chan Koh, Eva Lee Kwok, Stanley T.L. Kwok	Withheld	We believe that Husky should consider adding new members who have more direct oil & gas expertise.
IA Financial Group	Canadian Equity	Shareholder	To analyse climate risk and report the results in the Risk Management section of IA Financial Group's 2020 annual report.	For	We believe management should disclose the impacts of climate change as it directly impacts IAG's property and casualty insurance operation.
			To adopt measured environmental impact reduction objectives with clearly identified targets in its Sustainable Development Policy.	For	We believe all companies should have CO ₂ related intensity targets.
Magna International	Canadian Equity	Management	Election of director: Scott Bonham	Withheld	Mr. Bonham acts as a consultant to Magna while being a board member. We believe that this creates an inherent conflict of interest.
			Executive compensation	Against	We believe executive compensation is too high relative to peers. Furthermore, Magna's short-term incentive plan has no threshold for minimum payout.
Nutrien	Canadian Equity, Canadian Equity Dividend	Management	Executive compensation	Against	We believe the executive compensation plan is too generous.
Power Corp of Canada	Canadian Equity, Canadian Equity Dividend	Management	Election of two directors: Andre Desmarais and Paul Desmarais Jr.	Withheld	We disagree on the election of the two principal board members as Power Corp does not have a minority shareholder vote for Say on Pay. We believe that all companies, including those that are family controlled, should always have this basic shareholder right.
Precision Drilling	Canadian Equity	Management	Executive compensation	Against	We believe executive compensation is high relative to the company's continuous underperformance of the assets they manage.
			To approve a share consolidation.	Against	We do not believe that a share consolidation serves any meaningful purpose.
Royal Bank of Canada	Canadian Equity, Canadian Equity Dividend	Shareholder	To adopt a target of higher than 40% for the composition of its board of directors for the next five years.	For	Royal Bank currently has a target of 30% minimum representation of women on its board. Currently, 43% of its 2020 director nominees are female. We believe that voting in favour of this proposal acknowledges that Royal Bank's current composition should be the new minimum and demonstrates a higher commitment going forward (over five years) for all banks.
SNC Lavalin Group	Canadian Equity	Management	Executive compensation	Against	We do not support SNC Lavalin's new executive compensation approach as we believe that earnings per share is a more appropriate measure for an engineering services company. Furthermore, the company's poor capital allocation means that executives cannot be penalized for poor investments.

Company	Portfolio	Type of resolution	Proposal	FGP's vote	Rationale
Teck	Canadian Equity	Management	Executive compensation	Against	Teck does not provide enough detail for short and long-term pay compensation. We would like Teck to disclose more details on thresholds and performance measurements.
			To approve an expansion of the option package.	Against	We disagree with Teck's decision to expand its option package to attract and retain upper echelon employees given that the share price has been low.
The North West Company Inc.	Canadian Equity Dividend	Management	Executive compensation	Against	We believe the executive compensation plan is too generous.
Baxter International Inc.	U.S. Equity	Shareholder	To adopt as policy that the Chairman of the Board need to be an independent member whenever possible.	For	We believe that boards need to be as independent as possible.
Atacadao SA	Emerging Markets	Management	To elect nine members of the board of directors, two of whom would be independent directors.	Abstain	Atacadao proposed to increase the number of board members from 10 to 11 without increasing the number of independent board members (two). We believe that boards need to be as independent as possible.
CNOOC Ltd.	Emerging Markets	Management	To grant management the authority to issue up to 20% additional shares without shareholder input.	Against	We do not believe that management should be able to issue that many shares without a shareholder vote.
			To grant management the authority to reissue repurchased shares up to 10% of aggregate issued shares without shareholder input.	Against	We do not believe that management should be able to redeploy that many bought back shares without a shareholder vote.
Kingboard Laminates Holdings Ltd.	Emerging Markets	Management	To grant management the authority to issue up to 20% additional shares without shareholder input.	Against	We do not believe that management should be able to issue that many shares without a shareholder vote.
			To grant management, the authority to issue up to 10% additional shares based on the increased number of issued shares.	Against	We do not believe that management should be able to issue that many shares without a shareholder vote
Powszechny Zakład Ubezpieczen SA	Emerging Markets	Management	To change the composition of the company's supervisory board.	Against	The proposal lacked critical information.
Sinopharm Group Co Ltd.	Emerging Markets	Management	To consider and approve the delegation of power to the board to approve the guarantees in favour of other entities with an aggregate total value of not more than 30% of the latest audited total assets of the company.	Against	We voted against the proposal as it allowed guarantees of very high value relative to company assets.



PORTFOLIO VALUATION

MPI - Extension (EXT)

Jun 30, 2020

Reporting Currency: Canadian Dollar
Account #: 0878A
Account Type: Government
Performance Inception Date: Mar 31, 2002

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Domestic Equities												
Canadian Equities												
107,401.8000	1001	FGP Canadian Equity Fund	CAD	136.608	14,671,891.39	101.320	10,881,950.38		10,881,950.38	100.0	457,041.92	4.2
Total Canadian Equities					14,671,891.39		10,881,950.38		10,881,950.38	100.0	457,041.92	4.2
Total Domestic Equities					14,671,891.39		10,881,950.38		10,881,950.38	100.0	457,041.92	4.2
Total Portfolio					14,671,891.39		10,881,950.38		10,881,950.38	100.0	457,041.92	4.2

Book Value means the total amount paid to purchase an investment, including any transaction charges related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations.



PORTFOLIO VALUATION

MPI - Special Risk Extension (SRE)

Jun 30, 2020

Reporting Currency: Canadian Dollar
Account #: 0878B
Account Type: Government
Performance Inception Date: Mar 01, 2019

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Domestic Equities												
Canadian Equities												
144,029.3170	1001	FGP Canadian Equity Fund	CAD	136.608	19,675,484.92	101.320	14,593,050.40		14,593,050.40	100.0	612,908.12	4.2
Total Canadian Equities					19,675,484.92		14,593,050.40		14,593,050.40	100.0	612,908.12	4.2
Total Domestic Equities					19,675,484.92		14,593,050.40		14,593,050.40	100.0	612,908.12	4.2
Total Portfolio					19,675,484.92		14,593,050.40		14,593,050.40	100.0	612,908.12	4.2

Book Value means the total amount paid to purchase an investment, including any transaction charges related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations.



PORTFOLIO VALUATION

MPI - Rate Stabilization Reserve (RSR)

Jun 30, 2020

Reporting Currency: Canadian Dollar
Account #: 0878C
Account Type: Government
Performance Inception Date: Mar 01, 2019

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Domestic Equities												
Canadian Equities												
288,992.2690	1001	FGP Canadian Equity Fund	CAD	135.166	39,061,784.54	101.320	29,280,696.70		29,280,696.70	100.0	1,229,789.26	4.2
Total Canadian Equities					39,061,784.54		29,280,696.70		29,280,696.70	100.0	1,229,789.26	4.2
Total Domestic Equities					39,061,784.54		29,280,696.70		29,280,696.70	100.0	1,229,789.26	4.2
Total Portfolio					39,061,784.54		29,280,696.70		29,280,696.70	100.0	1,229,789.26	4.2

Book Value means the total amount paid to purchase an investment, including any transaction charges related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations.



PORTFOLIO VALUATION

MPI - Employee Future Benefits (EFB)

Jun 30, 2020

Reporting Currency: Canadian Dollar
Account #: 0878D
Account Type: Government
Performance Inception Date: Mar 01, 2019

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Domestic Equities												
Canadian Equities												
288,788.2650	1001	FGP Canadian Equity Fund	CAD	136.608	39,450,642.91	101.320	29,260,027.01		29,260,027.01	100.0	1,228,921.13	4.2
Total Canadian Equities					39,450,642.91		29,260,027.01		29,260,027.01	100.0	1,228,921.13	4.2
Total Domestic Equities					39,450,642.91		29,260,027.01		29,260,027.01	100.0	1,228,921.13	4.2
Total Portfolio					39,450,642.91		29,260,027.01		29,260,027.01	100.0	1,228,921.13	4.2

Book Value means the total amount paid to purchase an investment, including any transaction charges related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations.



PORTFOLIO ACTIVITY

MPI - Extension (EXT)

Apr 01, 2020 to Jun 30, 2020

Reporting Currency: Canadian Dollar
Account # : 0878A
Performance Inception Date: Mar 31, 2002
Fiscal Year: December 31

Trade Date Basis

Group	Trade Date	Quantity	Symbol	Security	Local Currency				Settlement Currency	Settlement Amount	Reporting Amount
					Market Price	Exch Fees	Other Fees	Commission			
Adjustment (Book Value)											
	30Apr-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-2.95	-2.95
	29May-2020		1001	FGP Canadian Equity Fund	1.000				CAD	9.97	9.97
	30Jun-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-7.93	-7.93
Total : Adjustment (Book Value)										-0.91	
Dividend Distribution Reinvestment											
	30Apr-2020	808.1970	1001	FGP Canadian Equity Fund	97.383				CAD	78,704.62	78,704.62
	29May-2020	315.2250	1001	FGP Canadian Equity Fund	98.602				CAD	31,081.80	31,081.80
	30Jun-2020	306.0020	1001	FGP Canadian Equity Fund	101.320				CAD	31,004.13	31,004.13
Total : Dividend Distribution Reinvestment										140,790.55	



PORTFOLIO ACTIVITY
MPI - Special Risk Extension (SRE)
Apr 01, 2020 to Jun 30, 2020

Reporting Currency: Canadian Dollar
Account # : 0878B
Performance Inception Date: Mar 01, 2019
Fiscal Year: December 31

Trade Date Basis

Group	Trade Date	Quantity	Symbol	Security	Local Currency				Settlement Currency	Settlement Amount	Reporting Amount
					Market Price	Exch Fees	Other Fees	Commission			
Adjustment (Book Value)											
	30Apr-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-4.04	-4.04
	29May-2020		1001	FGP Canadian Equity Fund	1.000				CAD	13.38	13.38
	30Jun-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-10.58	-10.58
Total : Adjustment (Book Value)										-1.24	
Dividend Distribution Reinvestment											
	30Apr-2020	1,083.8180	1001	FGP Canadian Equity Fund	97.383				CAD	105,545.47	105,545.47
	29May-2020	422.7270	1001	FGP Canadian Equity Fund	98.602				CAD	41,681.70	41,681.70
	30Jun-2020	410.3590	1001	FGP Canadian Equity Fund	101.320				CAD	41,577.54	41,577.54
Total : Dividend Distribution Reinvestment										188,804.71	



PORTFOLIO ACTIVITY
MPI - Rate Stabilization Reserve (RSR)
Apr 01, 2020 to Jun 30, 2020

Reporting Currency: Canadian Dollar
Account # : 0878C
Performance Inception Date: Mar 01, 2019
Fiscal Year: December 31

Trade Date Basis

Group	Trade Date	Quantity	Symbol	Security	Local Currency			Accrued Interest	Settlement Currency	Settlement Amount	Reporting Amount
					Market Price	Exch Fees	Other Fees				
Adjustment (Book Value)											
	30Apr-2020		1001	FGP Canadian Equity Fund	1.000				CAD	2.95	2.95
	29May-2020		1001	FGP Canadian Equity Fund	1.000				CAD	6.89	6.89
	30Jun-2020		1001	FGP Canadian Equity Fund	1.000				CAD	1.76	1.76
Total : Adjustment (Book Value)										11.60	
Dividend Distribution Reinvestment											
	30Apr-2020	2,174.6620	1001	FGP Canadian Equity Fund	97.383				CAD	211,775.11	211,775.11
	29May-2020	848.1940	1001	FGP Canadian Equity Fund	98.602				CAD	83,633.60	83,633.60
	30Jun-2020	823.3780	1001	FGP Canadian Equity Fund	101.320				CAD	83,424.61	83,424.61
Total : Dividend Distribution Reinvestment										378,833.32	
Withdraw Cash											
	09Jun-2020	1.23	CAD	Canadian Dollar	1.000				CAD	1.23	1.23
Total : Withdraw Cash										1.23	



PORTFOLIO ACTIVITY
MPI - Employee Future Benefits (EFB)
Apr 01, 2020 to Jun 30, 2020

Reporting Currency: Canadian Dollar
Account # : 0878D
Performance Inception Date: Mar 01, 2019
Fiscal Year: December 31

Trade Date Basis

Group	Trade Date	Quantity	Symbol	Security	Local Currency				Settlement Currency	Settlement Amount	Reporting Amount
					Market Price	Exch Fees	Other Fees	Commission			
Adjustment (Book Value)											
	30Apr-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-8.01	-8.01
	29May-2020		1001	FGP Canadian Equity Fund	1.000				CAD	26.74	26.74
	30Jun-2020		1001	FGP Canadian Equity Fund	1.000				CAD	-21.33	-21.33
Total : Adjustment (Book Value)										-2.60	
Dividend Distribution Reinvestment											
	30Apr-2020	2,173.1270	1001	FGP Canadian Equity Fund	97.383				CAD	211,625.61	211,625.61
	29May-2020	847.5950	1001	FGP Canadian Equity Fund	98.602				CAD	83,574.56	83,574.56
	30Jun-2020	822.7960	1001	FGP Canadian Equity Fund	101.320				CAD	83,365.72	83,365.72
Total : Dividend Distribution Reinvestment										378,565.89	
Withdraw Cash											
	09Jun-2020	16.62	CAD	Canadian Dollar	1.000				CAD	16.62	16.62
Total : Withdraw Cash										16.62	



PORTFOLIO VALUATION

FGP Canadian Equity Fund

Jun 30, 2020

Reporting Currency: Canadian Dollar
 Account #: 1001
 Account Type: Pooled Fund
 Performance Inception Date: Jan 31, 1993

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Cash & Equivalents												
724,902.20	CAD	Canadian Dollar	CAD	1.000	724,902.20	1.000	724,902.20		724,902.20	0.1		
504,758.7470	1010	FGP Money Market Fund	CAD	19.723	9,955,558.65	19.736	9,961,918.63		9,961,918.63	1.6	25,602.37	0.3
Total Cash & Equivalents					10,680,460.85		10,686,820.83		10,686,820.83	1.7	25,602.37	0.2
Domestic Equities												
Canadian Equities												
Energy												
777,973	CNQ	Canadian Natural Resources Ltd.	CAD	31.128	24,216,482.39	23.550	18,321,264.15	293,723.45	18,614,987.60	3.0	1,322,554.10	7.2
358,822	ENB	Enbridge Inc.	CAD	41.354	14,838,644.43	41.280	14,812,172.16		14,812,172.16	2.4	1,162,583.28	7.8
995,668	ESI	Ensign Energy Services Inc.	CAD	10.261	10,216,965.76	1.040	1,035,494.72		1,035,494.72	0.2	0.00	0.0
2,763,480	HSE	Husky Energy Inc.	CAD	17.314	47,846,103.61	4.460	12,325,120.80	37,829.70	12,362,950.50	2.0	138,174.00	1.1
789,194	IMO	Imperial Oil Ltd.	CAD	39.773	31,388,263.24	21.840	17,235,996.96	164,607.96	17,400,604.92	2.8	694,490.72	4.0
2,448,612	PD	Precision Drilling Corp.	CAD	5.677	13,900,390.65	1.030	2,522,070.36		2,522,070.36	0.4	0.00	0.0
1,145,020	SCL	ShawCor Ltd.	CAD	27.148	31,084,768.65	2.710	3,103,004.20		3,103,004.20	0.5	0.00	0.0
713,437	SU	Suncor Energy Inc.	CAD	38.847	27,715,147.66	22.890	16,330,572.93		16,330,572.93	2.7	599,287.08	3.7
					201,206,766.39		85,685,696.28	496,161.11	86,181,857.39	14.1	3,917,089.18	4.6
Materials												
1,428,559	CFP	Canfor Corp.	CAD	17.743	25,346,967.68	11.770	16,814,139.43		16,814,139.43	2.7	0.00	0.0
455,534	NTR	Nutrien Ltd.	CAD	49.119	22,375,313.95	43.620	19,870,393.08	279,196.94	20,149,590.02	3.3	1,116,787.75	5.6
1,325,935	TECK.B	Teck Resources Ltd. CL B	CAD	21.348	28,305,959.75	14.220	18,854,795.70		18,854,795.70	3.1	265,187.00	1.4
					76,028,241.38		55,539,328.21	279,196.94	55,818,525.15	9.1	1,381,974.75	2.5
Industrials												
52,456	CNR	Canadian National Railway Co.	CAD	97.788	5,129,539.03	120.110	6,300,490.16		6,300,490.16	1.0	120,648.80	1.9
781,303	FTT	Finning International Inc.	CAD	22.554	17,621,483.40	18.510	14,461,918.53		14,461,918.53	2.4	640,668.46	4.4
662,831	SNC	SNC-Lavalin Group Inc.	CAD	32.597	21,605,969.89	22.910	15,185,458.21		15,185,458.21	2.5	53,026.48	0.3
1,027,497	TCL.A	Transcontinental Inc. Cl A	CAD	22.272	22,884,362.05	15.100	15,515,204.70		15,515,204.70	2.5	924,747.30	6.0
					67,241,354.37		51,463,071.60		51,463,071.60	8.4	1,739,091.04	3.4
Consumer Discretionary												
199,084	CTC.A	Canadian Tire Corp. Cl A	CAD	83.373	16,598,183.80	117.640	23,420,241.76		23,420,241.76	3.8	905,832.20	3.9
230,038	MG	Magna International Inc.	CAD	43.027	9,897,848.10	60.460	13,908,097.48		13,908,097.48	2.3	501,299.08	3.6
					26,496,031.90		37,328,339.24		37,328,339.24	6.1	1,407,131.28	3.8
Consumer Staples												



PORTFOLIO VALUATION

FGP Canadian Equity Fund

Jun 30, 2020

Reporting Currency: Canadian Dollar
 Account #: 1001
 Account Type: Pooled Fund
 Performance Inception Date: Jan 31, 1993

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
129,563	WN	Weston (George) Ltd.	CAD	94.304	12,218,291.09	99.450	12,885,040.35	68,020.58	12,953,060.93	2.1	272,082.30	2.1
					12,218,291.09		12,885,040.35	68,020.58	12,953,060.93	2.1	272,082.30	2.1
Health Care												
880,457	CSH.UN	Chartwell Retirement Residences (REIT)	CAD	11.994	10,559,870.91	9.370	8,249,882.09	44,903.31	8,294,785.40	1.4	538,839.68	6.5
					10,559,870.91		8,249,882.09	44,903.31	8,294,785.40	1.4	538,839.68	6.5
Financials												
684,103	BNS	Bank of Nova Scotia	CAD	57.317	39,210,877.86	56.180	38,432,906.54		38,432,906.54	6.3	2,462,770.80	6.4
213,767	CM	Cdn. Imperial Bank of Commerce	CAD	80.122	17,127,370.98	90.740	19,397,217.58	312,099.82	19,709,317.40	3.2	1,248,399.28	6.4
777,509	CIX	CI Financial Corp.	CAD	22.176	17,242,146.51	17.270	13,427,580.43	155,782.98	13,583,363.41	2.2	559,806.48	4.2
46,455	FFH	Fairfax Financial Holdings Ltd.	CAD	524.702	24,375,051.83	419.430	19,484,620.65		19,484,620.65	3.2	632,717.44	3.2
298,442	IAG	iA Financial Corporation Inc.	CAD	42.797	12,772,413.36	45.460	13,567,173.32		13,567,173.32	2.2	578,977.48	4.3
1,593,301	MFC	Manulife Financial Corp.	CAD	19.949	31,784,159.85	18.470	29,428,269.47		29,428,269.47	4.8	1,784,497.12	6.1
869,015	POW	Power Corp. of Canada	CAD	27.659	24,036,426.91	23.880	20,752,078.20	388,884.21	21,140,962.41	3.5	1,555,536.85	7.5
482,403	RY	Royal Bank of Canada	CAD	64.938	31,326,449.69	92.110	44,434,140.33		44,434,140.33	7.3	2,083,980.96	4.7
709,927	TD	Toronto Dominion Bank	CAD	44.207	31,383,689.30	60.590	43,014,476.93		43,014,476.93	7.0	2,243,369.32	5.2
					229,258,586.29		241,938,463.45	856,767.01	242,795,230.46	39.6	13,150,055.73	5.4
Information Technology												
222,148	GIB.A	CGI Group Inc.	CAD	49.732	11,047,903.98	85.530	19,000,318.44		19,000,318.44	3.1	0.00	0.0
382,511	OTEX	Open Text Corp.	CAD	31.856	12,185,321.98	57.650	22,051,759.15		22,051,759.15	3.6	363,852.61	1.7
					23,233,225.96		41,052,077.59		41,052,077.59	6.7	363,852.61	0.9
Communication Services												
569,375	RCI.B	Rogers Communications CL B	CAD	48.671	27,711,983.67	54.550	31,059,406.25	289,490.00	31,348,896.25	5.1	1,138,750.00	3.7
662,336	SJR.B	Shaw Communications Inc. CL B	CAD	22.421	14,850,405.29	22.140	14,664,119.04		14,664,119.04	2.4	784,868.16	5.4
					42,562,388.96		45,723,525.29	289,490.00	46,013,015.29	7.5	1,923,618.16	4.2
Utilities												
11,625	ACO.X	ATCO Ltd. Class I Non-Voting	CAD	38.488	447,420.80	40.270	468,138.75		468,138.75	0.1	20,236.80	4.3
588,933	H	Hydro One Ltd.	CAD	20.685	12,182,000.95	25.530	15,035,459.49		15,035,459.49	2.5	597,413.64	4.0
					12,629,421.75		15,503,598.24		15,503,598.24	2.5	617,650.44	4.0
Real Estate												
344,010	CHP.UN	Choice Properties REIT	CAD	12.568	4,323,420.61	12.740	4,382,687.40	21,215.10	4,403,902.50	0.7	254,568.78	5.8
					4,323,420.61		4,382,687.40	21,215.10	4,403,902.50	0.7	254,568.78	5.8
Total Canadian Equities					705,757,599.61		599,751,709.74	2,055,754.05	601,807,463.79	98.3	25,565,953.95	4.3



PORTFOLIO VALUATION

FGP Canadian Equity Fund

Jun 30, 2020

Reporting Currency: Canadian Dollar
Account #: 1001
Account Type: Pooled Fund
Performance Inception Date: Jan 31, 1993

Trade Date Basis

Quantity	Symbol	Security	Currency	Unit Cost	Book Value	Market Price	Principal Value	Accrued Income	Market Value	Pct. Assets	Annual Income	Yield
Total Domestic Equities					705,757,599.61		599,751,709.74	2,055,754.05	601,807,463.79	98.3	25,565,953.95	4.3
Total Portfolio					716,438,060.46		610,438,530.57	2,055,754.05	612,494,284.62	100.0	25,591,556.32	4.2

Book Value means the total amount paid to purchase an investment, including any transaction charges related to the purchase, adjusted for reinvested distributions, return of capital and corporate reorganizations.

Investment returns and assets under management are expressed in Canadian dollars unless otherwise noted. Investment returns are gross of investment management fees, net of fund expenses for FGP pooled funds, and include reinvestment of dividends and income. Returns are time weighted and annualized for periods greater than one year. Values change frequently and past investment performance may not be repeated.

FGP Small Cap Canadian Equity Fund was launched January 23, 2006. Historical performance from February 28, 2002 to March 2006 is based on a segregated Small Cap Canadian Equity portfolio. On March 1, 2006 this portfolio was transferred into the Fund. Performance from this date onwards is based entirely on the Fund.

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QUARTERLY PORTFOLIO REVIEW

Period Ending | June 30, 2020



We enclose your portfolio information for the three months ending June 30, 2020.

Fueled by extensive financial stimulus from central banks across the globe, the rebound in equity markets since the lows of March has been nothing short of remarkable. The swift downturn caused by the global economic shutdown is now officially the shortest bear market in history. Equity markets are once again facing similar extremes from the previous market cycle, driven by speculative and momentum-based investing.

All of our strategies posted strong positive returns for the period. However, apart from our Canadian Income Fund, our strategies were not able to keep up with their relative benchmarks. Underperformance in our equity strategies can largely be attributed to our lower exposure to the higher-valued, momentum-oriented businesses in the information technology and materials sectors. QV's bond strategy benefitted from the narrowing of provincial and corporate credit spreads, but it was not enough to offset the decrease in longer-dated bond yields. Our strategies remain attractively positioned for longer-term growth.

As a reminder, QV's response to COVID-19 is posted on our website, www.qvinvestors.com.

Should you have any questions regarding your portfolios or the enclosed materials, your account representative will be happy to assist you.

Yours sincerely,

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Portfolio Review for Manitoba Public Insurance Employee Future Benefits (EFB)

Portfolio History

Period Ending	Net Cash Flows \$	Market Value \$	Income* \$	Portfolio Index
30-Jun-05	25,000,000	25,576,655	10,910	102.6
31-Dec-15	-16,719,112	58,090,359	1,483,798	294.0
31-Dec-16	-15,000,000	57,833,104	1,639,560	374.3
31-Dec-17	-	61,037,660	1,513,516	395.0
31-Dec-18	-19,100,000	35,859,432	1,688,691	351.3
31-Dec-19	-29,147,676	10,159,668	499,026	407.2
31-Mar-20	-	7,267,271	78,272	291.2
30-Jun-20	-	8,579,152	83,442	343.8
Totals	-54,966,788	8,579,152	6,997,216	

* For pooled fund units, capital gain distributions are included in the income column. Please refer to disclosures for detail on time periods reported.

Performance

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	10 Yr %	15 Yr %	20 Yr %	Inception %
Portfolio	18.1	-15.6	-11.6	-7.0	-2.6	2.3	9.4	8.4	-	8.5
BMO Small Cap Blended (Unwtd) TR Index	45.4	-10.1	-7.1	-8.3	-4.5	-0.3	1.1	2.3	-	2.4

Performance Disclosures

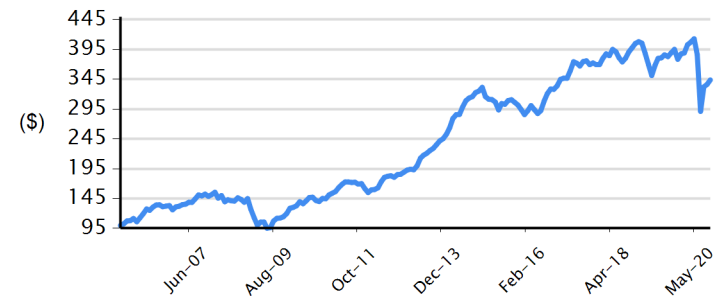
- Returns beyond one year are annualized figures.
- Please see Glossary & Disclosures at back of report for more information on net/gross of fees performance as well as benchmark market indices and how benchmarks are relevant to your portfolio.

Asset Mix

Asset Class	Current Mix %
Cash and Equiv.	1.1
Cdn Equity	98.9
Total	100.0
Cdn Equity Small Cap Exposure*	100.0

* Represents allocation to Small Capitalization Companies within overall Cdn Equity Weight

Portfolio Index Over Time



The above chart shows the performance of your portfolio since QV began managing the portfolio. The Portfolio Index line graphs the change in value of \$100.00 invested in your portfolio over time.



Portfolio Review for Manitoba Public Insurance Employee Future Benefits (EFB)

Quantity	Security	Local Unit Cost	Book Cost	Local Price	Market Value	% Assets	Dividend or Coupon	Annual Income	Yield
Cash and Equiv.									
	Cash Account – Canadian Dollar		4,768.40		4,768.40	0.1			
	Total Cash and Equiv.		4,768.40		4,768.40	0.1			0.0
Equity									
POOLED FUNDS (CAD)									
Pooled Fund Canadian Equity									
377,445.135	QV CANADIAN SMALL CAP FUND CL F	26.31	9,930,191.70	22.72	8,574,383.39	99.9	0.76	288,099.28	3.4
			9,930,191.70		8,574,383.39	99.9		288,099.28	3.4
377,445.14	Total POOLED FUNDS (CAD)		9,930,191.70		8,574,383.39	99.9		288,099.28	3.4
	Total Equity		9,930,191.70		8,574,383.39	99.9		288,099.28	3.4
Total Portfolio			9,934,960.10		8,579,151.79	100.0		288,099.28	3.4

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Portfolio Review for Manitoba Public Insurance Employee Future Benefits (EFB)

Portfolio Transactions – Purchases

Trade Date	Settle Date	Quantity	Security	Unit Cost	Total Cost	Comments
Canadian Dollar						
6/30/2020	6/30/2020	3,673.124	QV CANADIAN SMALL CAP FUND CL F	22.72	83,441.99	REINVESTMENT INCOME DISTRIBUTION
Total Canadian Dollar					83,441.99	

Portfolio Transactions – Dividends

Ex-Date	Pay-Date	Security	Amount	Comments
Canadian Dollar				
6/30/2020	6/30/2020	QV CANADIAN SMALL CAP FUND CL F	83,441.99	INCOME DISTRIBUTION
Total Canadian Dollar			83,441.99	

All transactions are reported in Local Currency



Portfolio Review for Manitoba Public Insurance Extension (EXT)

Portfolio History

Period Ending	Net Cash Flows \$	Market Value \$	Income* \$	Portfolio Index
01-Mar-19	3,566,810	3,566,810	-	100.0
31-Dec-19	1,773	3,778,431	107,091	105.9
31-Mar-20	-	2,702,734	29,110	75.7
30-Jun-20	-	3,190,629	31,032	89.4
Totals	3,568,583	3,190,629	167,233	

* For pooled fund units, capital gain distributions are included in the income column. Please refer to disclosures for detail on time periods reported.

Performance

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	10 Yr %	15 Yr %	20 Yr %	Inception %
Portfolio	18.1	-15.6	-11.6	-	-	-	-	-	-	-8.1
BMO Small Cap Blended (Unwtd) TR Index	45.4	-10.1	-7.1	-	-	-	-	-	-	-7.3

Performance Disclosures

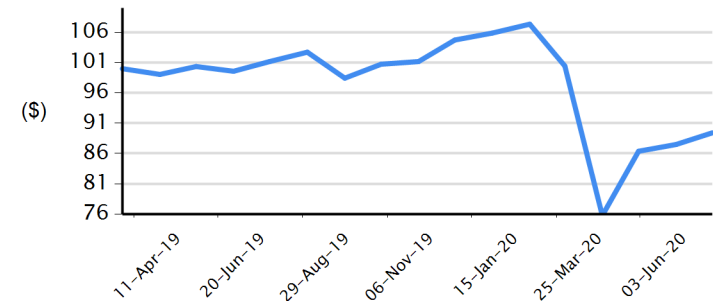
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Asset Mix

Asset Class	Current Mix %
Cash and Equiv.	1.1
Cdn Equity	98.9
Total	100.0
Cdn Equity Small Cap Exposure*	100.0

* Represents allocation to Small Capitalization Companies within overall Cdn Equity Weight

Portfolio Index Over Time



The above chart shows the performance of your portfolio since QV began managing the portfolio. The Portfolio Index line graphs the change in value of \$100.00 invested in your portfolio over time.



Portfolio Review for Manitoba Public Insurance Extension (EXT)

Quantity	Security	Local Unit Cost	Book Cost	Local Price	Market Value	% Assets	Dividend or Coupon	Annual Income	Yield
Cash and Equiv.									
	Cash Account – Canadian Dollar		1,773.39		1,773.39	0.1			
	Total Cash and Equiv.		1,773.39		1,773.39	0.1			0.0
Equity									
POOLED FUNDS (CAD)									
Pooled Fund Canadian Equity									
140,373.734	QV CANADIAN SMALL CAP FUND CL F	26.31	3,693,087.97	22.72	3,188,856.08	99.9	0.76	107,145.56	3.4
			3,693,087.97		3,188,856.08	99.9		107,145.56	3.4
140,373.73	Total POOLED FUNDS (CAD)		3,693,087.97		3,188,856.08	99.9		107,145.56	3.4
	Total Equity		3,693,087.97		3,188,856.08	99.9		107,145.56	3.4
Total Portfolio			3,694,861.36		3,190,629.47	100.0		107,145.56	3.4

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Portfolio Review for Manitoba Public Insurance Extension (EXT)

Portfolio Transactions – Purchases

Trade Date	Settle Date	Quantity	Security	Unit Cost	Total Cost	Comments
Canadian Dollar						
6/30/2020	6/30/2020	1,366.053	QV CANADIAN SMALL CAP FUND CL F	22.72	31,032.49	REINVESTMENT INCOME DISTRIBUTION
Total Canadian Dollar					31,032.49	

Portfolio Transactions – Dividends

Ex-Date	Pay-Date	Security	Amount	Comments
Canadian Dollar				
6/30/2020	6/30/2020	QV CANADIAN SMALL CAP FUND CL F	31,032.49	INCOME DISTRIBUTION
Total Canadian Dollar			31,032.49	

All transactions are reported in Local Currency



Portfolio Review for Manitoba Public Insurance Special Risk Extension (SRE)

Portfolio History

Period Ending	Net Cash Flows \$	Market Value \$	Income* \$	Portfolio Index
01-Mar-19	4,783,208	4,783,208	-	100.0
31-Dec-19	2,378	5,066,999	143,612	105.9
31-Mar-20	-	3,624,455	39,037	75.7
30-Jun-20	-	4,278,738	41,616	89.4
Totals	4,785,586	4,278,738	224,265	

* For pooled fund units, capital gain distributions are included in the income column. Please refer to disclosures for detail on time periods reported.

Performance

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	10 Yr %	15 Yr %	20 Yr %	Inception %
Portfolio	18.1	-15.6	-11.6	-	-	-	-	-	-	-8.1
BMO Small Cap Blended (Unwtd) TR Index	45.4	-10.1	-7.1	-	-	-	-	-	-	-7.3

Performance Disclosures

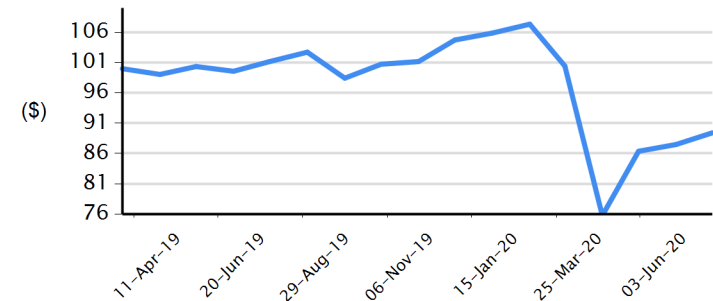
- Returns beyond one year are annualized figures.
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Asset Mix

Asset Class	Current Mix %
Cash and Equiv.	1.1
Cdn Equity	98.9
Total	100.0
Cdn Equity Small Cap Exposure*	100.0

* Represents allocation to Small Capitalization Companies within overall Cdn Equity Weight

Portfolio Index Over Time



The above chart shows the performance of your portfolio since QV began managing the portfolio. The Portfolio Index line graphs the change in value of \$100.00 invested in your portfolio over time.



Portfolio Review for Manitoba Public Insurance Special Risk Extension (SRE)

Quantity	Security	Local Unit Cost	Book Cost	Local Price	Market Value	% Assets	Dividend or Coupon	Annual Income	Yield
Cash and Equiv.									
	Cash Account – Canadian Dollar		2,378.18		2,378.18	0.1			
	Total Cash and Equiv.		2,378.18		2,378.18	0.1			0.0
Equity									
POOLED FUNDS (CAD)									
Pooled Fund Canadian Equity									
188,245.754	QV CANADIAN SMALL CAP FUND CL F	26.31	4,952,551.38	22.72	4,276,359.97	99.9	0.76	143,685.69	3.4
			4,952,551.38		4,276,359.97	99.9		143,685.69	3.4
188,245.75	Total POOLED FUNDS (CAD)		4,952,551.38		4,276,359.97	99.9		143,685.69	3.4
	Total Equity		4,952,551.38		4,276,359.97	99.9		143,685.69	3.4
Total Portfolio			4,954,929.56		4,278,738.15	100.0		143,685.69	3.4

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Portfolio Review for Manitoba Public Insurance Special Risk Extension (SRE)

Portfolio Transactions – Purchases

Trade Date	Settle Date	Quantity	Security	Unit Cost	Total Cost	Comments
Canadian Dollar						
6/30/2020	6/30/2020	1,831.922	QV CANADIAN SMALL CAP FUND CL F	22.72	41,615.58	REINVESTMENT INCOME DISTRIBUTION
Total Canadian Dollar					41,615.58	

Portfolio Transactions – Dividends

Ex-Date	Pay-Date	Security	Amount	Comments
Canadian Dollar				
6/30/2020	6/30/2020	QV CANADIAN SMALL CAP FUND CL F	41,615.58	INCOME DISTRIBUTION
Total Canadian Dollar			41,615.58	

All transactions are reported in Local Currency



Portfolio Review for Manitoba Public Insurance Rate Stabilization Reserve (RSR)

Portfolio History

Period Ending	Net Cash Flows \$	Market Value \$	Income* \$	Portfolio Index
01-Mar-19	6,290,379	6,290,379	-	100.0
31-Dec-19	3,128	6,663,592	188,864	105.9
31-Mar-20	-	4,766,507	51,337	75.7
30-Jun-20	-	5,626,953	54,729	89.4
Totals	6,293,507	5,626,953	294,930	

* For pooled fund units, capital gain distributions are included in the income column. Please refer to disclosures for detail on time periods reported.

Performance

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	10 Yr %	15 Yr %	20 Yr %	Inception %
Portfolio	18.1	-15.6	-11.6	-	-	-	-	-	-	-8.1
BMO Small Cap Blended (Unwtd) TR Index	45.4	-10.1	-7.1	-	-	-	-	-	-	-7.3

Performance Disclosures

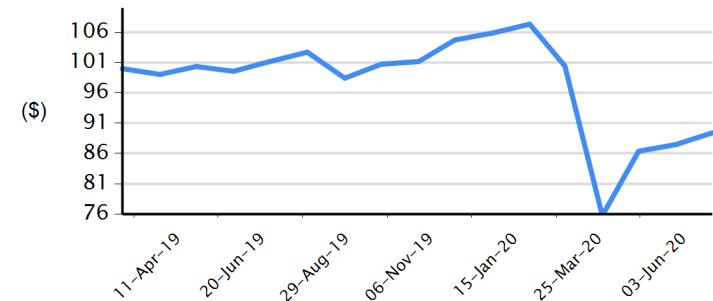
- Returns beyond one year are annualized figures.
- Please see Glossary & Disclosures at back of report for more information on net/gross of fees performance as well as benchmark market indices and how benchmarks are relevant to your portfolio.

Asset Mix

Asset Class	Current Mix %
Cash and Equiv.	1.1
Cdn Equity	98.9
Total	100.0
Cdn Equity Small Cap Exposure*	100.0

* Represents allocation to Small Capitalization Companies within overall Cdn Equity Weight

Portfolio Index Over Time



The above chart shows the performance of your portfolio since QV began managing the portfolio. The Portfolio Index line graphs the change in value of \$100.00 invested in your portfolio over time.



Portfolio Review for Manitoba Public Insurance Rate Stabilization Reserve (RSR)

Quantity	Security	Local Unit Cost	Book Cost	Local Price	Market Value	% Assets	Dividend or Coupon	Annual Income	Yield
Cash and Equiv.									
	Cash Account – Canadian Dollar		3,127.53		3,127.53	0.1			
	Total Cash and Equiv.		3,127.53		3,127.53	0.1			0.0
Equity									
POOLED FUNDS (CAD)									
Pooled Fund Canadian Equity									
247,561.287	QV CANADIAN SMALL CAP FUND CL F	26.31	6,513,081.78	22.72	5,623,825.00	99.9	0.76	188,960.52	3.4
			6,513,081.78		5,623,825.00	99.9		188,960.52	3.4
247,561.29	Total POOLED FUNDS (CAD)		6,513,081.78		5,623,825.00	99.9		188,960.52	3.4
	Total Equity		6,513,081.78		5,623,825.00	99.9		188,960.52	3.4
Total Portfolio			6,516,209.31		5,626,952.53	100.0		188,960.52	3.4

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Portfolio Review for Manitoba Public Insurance Rate Stabilization Reserve (RSR)

Portfolio Transactions – Purchases

Trade Date	Settle Date	Quantity	Security	Unit Cost	Total Cost	Comments
Canadian Dollar						
6/30/2020	6/30/2020	2,409.154	QV CANADIAN SMALL CAP FUND CL F	22.72	54,728.50	REINVESTMENT INCOME DISTRIBUTION
Total Canadian Dollar					54,728.50	

Portfolio Transactions – Dividends

Ex-Date	Pay-Date	Security	Amount	Comments
Canadian Dollar				
6/30/2020	6/30/2020	QV CANADIAN SMALL CAP FUND CL F	54,728.50	INCOME DISTRIBUTION
Total Canadian Dollar			54,728.50	

All transactions are reported in Local Currency

Mandate Performance Summary [^]

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	7 Yr %	8 Yr %	10 Yr %	15 Yr %	20 Yr %
QV Canadian Income Fund	3.1	1.6	3.2	3.4	2.6	2.3	2.8	2.8	3.3	4.0	-
FTSE Canada Short Bond Index	2.1	4.0	4.5	4.3	3.0	2.1	2.5	2.3	2.6	3.2	-
QV Canadian Bond Fund*	4.4	5.6	6.1	5.8	4.1	3.2	3.8	3.5	4.4	4.9	5.8
FTSE Canada Univ. Bond Index	5.9	7.5	7.9	7.6	5.3	4.2	4.6	4.0	4.6	4.7	5.6
QV Canadian Balanced Fund	7.6	-6.6	-2.5	-0.7	0.6	2.2	4.4	5.4	5.8	5.9	7.8
Canadian Balanced Composite**	11.6	-0.8	2.5	3.9	4.6	4.4	5.8	5.6	5.6	5.5	5.3
QV Canadian Equity Fund***	8.3	-16.0	-9.8	-6.5	-2.8	1.1	4.1	5.9	6.2	7.1	11.0
S&P/TSX Composite TR Index	17.0	-7.5	-2.2	0.8	3.9	4.5	6.8	6.9	6.3	6.0	4.8
QV Canadian Small/Mid Cap Equity	19.3	-16.8	-11.7	-7.2	-3.9	0.7	3.9	6.4	7.1	-	-
S&P/TSX Completion TR Index	25.5	-11.8	-5.1	-2.2	0.9	2.0	4.3	4.7	5.3	-	-
QV Canadian Small Cap Fund	18.0	-15.6	-11.6	-6.7	-2.4	2.5	5.6	8.1	9.4	8.4	12.1
BMO Small Cap Blended (Unwtd) TR Index	45.4	-10.1	-7.1	-8.3	-4.5	-0.3	1.4	0.9	1.1	2.3	3.6
QV Global Equity Fund	9.2	-10.7	-5.4	-3.9	2.2	5.4	9.2	11.0	10.6	-	-
MSCI World TR Index Net (\$Cdn)	14.7	-1.1	7.1	6.4	8.5	8.8	12.5	13.7	12.7	-	-

[^] Returns beyond 1 year are annualized figures. All performance data is shown on a gross or before fee basis

* Returns prior to July 2011 reflect the fixed income carve-out of the QV Canadian Balanced Fund

** The Canadian Balanced Composite is weighted 5% FTSE Canada 91 Day T-Bill Index; 40% FTSE Canada Univ. Bond Index; 55% S&P/TSX Composite TR Index

*** Returns prior to January 2007 reflect the Cdn equity carve-out of the QV Cdn Balanced Fund

Supplementary Benchmark Review

	3 Mos %	6 Mos %	1 Yr %	2 Yr %	3 Yr %	5 Yr %	7 Yr %	8 Yr %	10 Yr %	15 Yr %	20 Yr %
Balanced Net Composite ^{^^}	11.3	0.1	3.8	4.7	5.3	5.0	6.5	6.3	6.3	5.7	5.3
FTSE Canada 91 Day T-Bill Index	0.1	0.8	1.6	1.6	1.4	1.0	1.0	1.0	1.0	1.6	2.0
S&P 500 TR (\$Cdn)	15.8	1.7	11.9	10.8	12.5	12.7	16.4	17.3	16.9	9.6	5.5
S&P 500 TR (\$USD)	20.5	-3.1	7.5	8.9	10.7	10.7	12.1	13.2	14.0	8.8	5.9

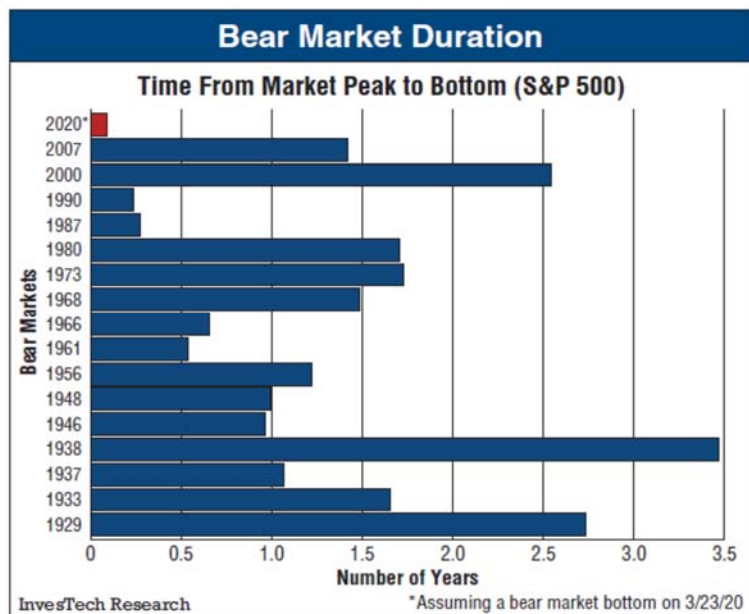
^{^^} The Balanced Composite is weighted Inception - 2014: 5% FTSE Canada 91 Day T-Bill Index ; 45% FTSE Canada Univ. Bond Index; 40% S&P/TSX Comp. TR Index ; 10% MSCI World Net TR Index (\$C) - 2015: 5% FTSE Canada 91 Day T-Bill Index ; 40% FTSE Canada Univ. Bond Index; 40% S&P/TSX Comp. TR Index ; 15% MSCI World Net TR Index (\$C)



Q2/2020 Commentary

Where do we start? A once-in-a-century pandemic shocked the world earlier this year. Despite tens of millions of unemployed workers and economic statistics comparable to the 1930’s era of the Great Depression... stock markets posted significant gains this quarter, with some reaching near-record highs.

The COVID-19 bear market has been unique in many respects. It was driven by an external shock rather than the more typical tightening of an overheated economy. As such, it lacked advance warning and the opportunity to sidestep accompanying volatility. In addition, while it is characteristic for central banks to ease monetary conditions as a recession progresses, the massive, near instantaneous response from the Federal Reserve and other central banks was like nothing witnessed in history. These actions alone put the bottom in the stock market on March 23rd, resulting in the shortest bear market in history (shown below).



Source: InvesTech Research, June 19, 2020

What’s driving this newfound optimism?

The challenge of investing in the current environment is balancing near-term enthusiasm in the stock market with the outstanding economic and health challenges ahead. There is still significant uncertainty about what the next stage of COVID-19 will mean for us all, yet many market participants seem willing to ignore its future impact. This rally has been based on things not getting worse and the trend of economic data improving. The next phase will be more challenging as investors revert back to valuing businesses on their future earnings streams, which carry a wider range of outcomes these days.

Historically, the benefits of bear markets are that they reset valuations, ring out the excesses and redirect capital back to productive uses. Given the unique nature of this downturn, many issues from the previous cycle have not been diminished but rather amplified. Global debt levels have surged. Valuations remain at historically high levels. Frail earnings growth throughout 2019 will continue for some time. The two-tiered market, driven by investors caring less about the valuation of growth stocks, has not only continued but is now approaching extremes. Lastly, we are witnessing examples of speculation and momentum-based investing that are generally associated with market tops rather than bottoms. But, and it’s a big but, actions by the U.S. Federal Reserve and global central banks are offsetting many of these challenges – for now, anyway.

Don’t fight the Fed

The actions of the Fed (and other global central banks) continue to be the biggest support for asset markets, as they have been for the past decade. Aggressive monetary policy and the initiation of quantitative easing (asset buying) as undertaken at the beginning of the 2008-2009 Financial Crisis continue to be today’s playbook, except now the policy is on steroids. The following chart shows the degree to which the Federal Reserve feels it is necessary to alleviate the pressure. It has been very clear it will be ready to further support the system, alongside government fiscal policy. While it is necessary to support the economy, these actions result in significant moral

hazard. Investors are willing to increase risk as they view lawmakers and central banks as an implied insurance policy.



Source: Financial Times; BofA Global Research; Bloomberg

The unwavering belief in Fed policy as the solution to all economic woes is dangerous – just ask Japanese investors. Long-term imbalances are being created alongside a massive debt load every time the Fed steps in with such relief measures. While it has certainly supported the system in the near term, it is not a good foundation for long-term investors to be building from.

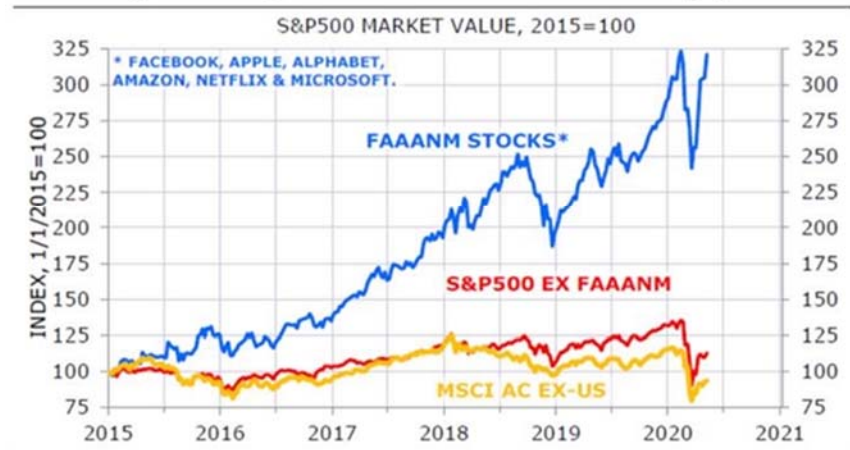
Behind the market indices

We'll discuss the U.S. market here as it has been the golden child for global investors over the past decade. Since the March 23rd lows, the S&P 500 has shot up nearly 40%, the highest return over such a short period of time since 1933. But beneath the surface, much of the market is suffering. Most stocks remain down this year, many of them significantly so. A handful of big winners – those that have been the go-to stocks of the past bull market – are surging.

We find ourselves at an extreme. Like past cycles, it will go on until one day it doesn't. Previous examples of such markets include the bear market of 1973 (Nifty Fifty era) – when the darling stocks of the time rose to near-record valuations while most stocks plummeted, and the 1999 technology bubble – when tech shares surged 80% as most companies in the broader index were left behind. We believe we are making history once again with the extremes unfolding in this current environment.

Through the COVID-19 bear market, the most expensive stocks got even more expensive and the cheapest got cheaper. This is a continuation of pre-COVID market dynamics – the thinking seems to be that big, expensive, high growth businesses must be safer at any price and are sure to beat the market. The chart below illustrates how important a small group of companies have been to the overall returns of the S&P 500. If you strip them out of the U.S. index, or strip the U.S. out of a global index, returns have been paltry in the recent past.

The super 6 explain most of the return gap



Source: MSCI, Datastream, Bloomberg; Minack Advisors

Portfolio Positioning

The Canadian marketplace continues to trail the U.S., small caps continue to trail large caps, and economically sensitive businesses continue to trail technology/growth-oriented businesses. While market conditions have changed drastically in three months, our equity portfolios remain of good quality and are valued at significant discounts to their respective markets. As such, we believe our longer-term return prospects remain attractive. We have been active in our bond portfolios, seeking additional high-quality corporate investments with attractive spreads to government bonds. With yields as low as they are, few investments are competing with attractively valued equities. As such, we are being compensated considerably for the businesses we own in the portfolios.



Canadian Small Cap Strategy Review

*QV's Canadian Small Cap Strategy Review is based upon the **QV Canadian Small Cap Pooled Fund**, which serves as the model for Canadian small cap portfolios. The Fund provides investors with a superior long-term rate of return by investing in common shares of small and mid-cap Canadian companies. All performance data discussed in this strategy review is stated gross of fees.*

Performance

The QV Canadian Small Cap Strategy returned 18.0% in the quarter versus 45.4% for the BMO Small Cap Blended Total Return Index (unweighted). The one-year return was -11.6% for the strategy compared to -7.1% for the benchmark.

The rally off the March 23rd lows has been swift, with the benchmark posting its strongest quarterly return since the strategy's inception. Although all benchmark sectors were positive, performance contribution has been very narrow with one sector, materials, generating 44% of the total benchmark return. Momentum-driven equities and gold, in particular, have led the charge, with the gold sub-index up 91% in the quarter, contributing over 13% to the benchmark return.

Notwithstanding significant outperformance through the downturn, this lower-quality rally has produced the largest quarterly relative performance shortfall in the strategy's history. Over 50% of the quarterly underperformance is attributable to the resource sectors, which contributed nearly 65% of the benchmark's record return. The strategy's overweight in financials also contributed to underperformance. Despite an absolute return of 15.9%, the strategy's financials holdings did not keep up with the small cap market. Together, the resource sectors and financials explain over 70% of underperformance in the quarter.

The strategy's top contributing investments were **Aritzia Inc.**, **Parkland Corp.** and **AltaGas Ltd.** The largest detractors were **Evertz Technologies Ltd.**, **Enerflex Ltd.** and **Winpak Ltd.**

Inside the Fund

During the quarter we purchased **A&W Revenue Royalties Income Fund (AW)**, which collects royalties on the gross sales of A&W franchisees across Canada. With an emphasis on menu innovation, AW has delivered strong same-store-sales growth in recent years. We expect continued network

growth in the form of new restaurant openings to further benefit sales over time. The addition of AW improves diversification among the strategy's consumer discretionary holdings.

Recent volatility also provided an opportunity to own **ATCO Ltd.**, a utility company engaged in electrical and natural gas transmission and power generation. ATCO is characterized by durable, highly regulated cash flows. We initiated the investment at an attractive dividend yield of 5.7%.

We exited several investments displaying weaker balance sheets and/or post-pandemic prospects, including **Cominar Real Estate Investment Trust** – a retail-exposed REIT facing a slow and bumpy recovery – and **AKITA Drilling Ltd.** – an energy service provider facing a lack of earnings and sub-optimal balance sheet. Portfolio actions in the quarter have strengthened the strategy's quality and balance sheet characteristics. Since the beginning of the year, profitability, as measured by 4-year average return on equity, has improved by close to 15%, while valuation risk has declined 15% or more on key metrics such as P/CF and P/B.

Outlook

While the lower-quality rally has challenged relative returns as of late, we have been pleased with the resiliency and operating performance of many of the companies in our strategy. As businesses navigate this difficult period, quality of management has been on display – from the prudent support of workers to conservative dividend policies aimed at maintaining financial flexibility.

Cash remains low in the strategy as we continue to take advantage of opportunities to purchase strong businesses at attractive levels. Despite the relative performance, the market continues to provide select opportunities to improve the portfolio's footing for an uncertain outlook, both by reducing risks and growing return potential. Portfolio actions centered on strong franchises offering significant value and strong balance sheets ultimately improve the underlying portfolio's risk/reward ratio.



Fund Review – QV Canadian Small Cap Fund

Fund Holdings

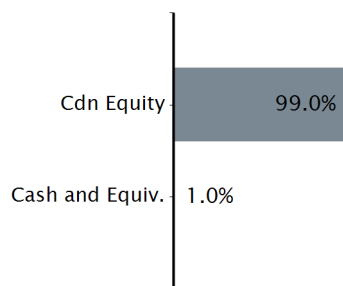
Security Name	Percent Assets
ALTAGAS LTD	6.0
CANADIAN WESTERN BANK	5.9
PARKLAND CORP	5.2
E-L FINANCIAL CORP LTD	5.1
IA FINANCIAL CORP INC	4.9
SUPERIOR PLUS CORP	4.4
ARITZIA INC-SUBORDINATE VOTI	4.4
ELEMENT FLEET MANAGEMENT COR	4.1
LASSONDE INDS INC-CLASS A	4.1
GUARDIAN CAP GRP LTD-CL A	4.0
STANTEC INC	3.8
STELLA-JONES INC	3.5
LEON'S FURNITURE LTD	3.2
WINPAK LTD	2.9
TOROMONT INDUSTRIES LTD	2.8
MULLEN GROUP LTD	2.8
ATCO LTD -CLASS I	2.6
RICHELIEU HARDWARE LTD	2.2
GDI INTEGRATED FACILITY SERV	2.1
WESTSHORE TERMINALS INVESTME	2.1
CROMBIE REAL ESTATE INVESTME	2.1
KNIGHT THERAPEUTICS INC	2.0
PASON SYSTEMS INC	1.9
TRANSCONTINENTAL INC-CL A	1.9
EVERTZ TECHNOLOGIES LTD	1.8
INFORMATION SERVICES CORP	1.7

Security Name	Percent Assets
A&W REVENUE ROYALTIES IN-UTS	1.4
LOGISTEC CORP - CLASS B	1.3
CANFOR PULP PRODUCTS INC	1.2
MAJOR DRILLING GROUP INTL	1.2
MELCOR DEVELOPMENTS LTD	1.2
SECURE ENERGY SERVICES INC	1.2
LABRADOR IRON ORE ROYALTY CO	1.0
ENERFLEX LTD	1.0
ANDLAUER HEALTHCARE GROUP IN	0.7
AGF MANAGEMENT LTD-CLASS B	0.7
BLACK DIAMOND GROUP LTD	0.3
FRESHII	0.0
Cash and Equivalents	Percent Assets
CANADA T-BILL 0 2020-10-15	0.7
Cash Account: Canadian Dollar	0.3

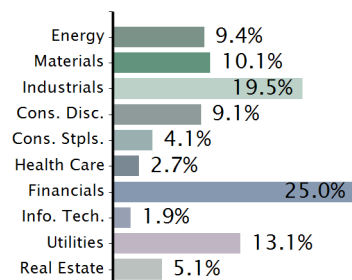


Fund Review – QV Canadian Small Cap Fund

Asset Mix



Equity Diversification*



*Please refer to the Glossary & Disclosures section for methodology and compliance information.

Equity Portfolio Characteristics – as of June 30, 2020

Characteristic	QV Canadian Small Cap Model	BMO Small Cap TR Weighted Index
EST P/E	17.26	60.12
P/CF	5.66	7.75
P/B	1.04	1.11
P/Sales	0.79	1.02
R/R	3.05	-0.24
YoY Sales	1.02	1.00
4 Year avg ROE	9.88	-0.49
ROE NY	8.92	6.31
LT D/E	0.54	0.88
CF/Debt	0.31	0.16
Market Cap \$MM	2,382	1,256
DIV Yield	2.95	2.34

New Investments and Divestments

Bought	Sold
A&W REVENUE ROYALTIES IN-UTS	AKITA DRILLING LTD-CL A
	COMINAR REAL ESTATE INV-TR U
	SAVARIA CORP

Top Ten Equity Holdings

Issuer Name	Industry Sector	Portfolio Weight as of Period end %	Price To Earnings X	Div. Yield %
ALTAGAS LTD	Cdn Utilities	6.0	12.2	6.1
CANADIAN WESTERN BANK	Cdn Financials	5.9	9.2	4.9
PARKLAND CORP	Cdn Energy	5.2	-321.0	3.6
E-L FINANCIAL CORP LTD	Cdn Financials	5.1	3.6	0.7
IA FINANCIAL CORP INC	Cdn Financials	4.9	7.9	4.3
SUPERIOR PLUS CORP	Cdn Utilities	4.4	19.5	6.5
ARITZIA INC-SUBORDINATE VOTI	Cdn Cons. Disc.	4.4	342.2	0.0
ELEMENT FLEET MANAGEMENT COR	Cdn Financials	4.1	13.0	1.8
LASSONDE INDS INC-CLASS A	Cdn Cons. Stpls.	4.1	12.6	1.7
GUARDIAN CAP GRP LTD-CL A	Cdn Financials	4.0	-4.6	3.1
Total:		48.1		



Fund Review – QV Canadian Small Cap Fund

Portfolio Equity Sector Attribution

Industry Sector	Portfolio Avg. Weight %	Index Avg. Weight* %	Portfolio Return %	Index Return* %	Value Add %
Energy	9.3	17.7	29.2	51.7	-6.8
Materials	10.4	28.0	13.1	76.8	-18.7
Industrials	18.7	9.5	26.5	30.8	1.8
Consumer Discretionary	8.1	7.0	22.1	31.1	-0.5
Consumer Staples	3.7	4.5	4.1	34.9	-1.5
Health Care	2.8	10.5	22.9	35.3	-3.2
Financials	24.5	7.3	15.9	21.7	2.2
Information Technology	2.3	4.0	-14.2	43.7	-2.1
Communication Services	0.0	3.0	0.0	15.7	-0.5
Utilities	12.0	1.0	27.6	14.9	2.9
Real Estate	6.1	7.5	3.8	13.6	-0.9
Total			18.0	45.4	-27.4

* BMO Small Cap Blended (Unwtd) TR Index

Note: Attribution is an estimate. A beginning sector weight scheme is utilized and therefore does not completely reflect intra-period sector weight changes.

Top Three Performers

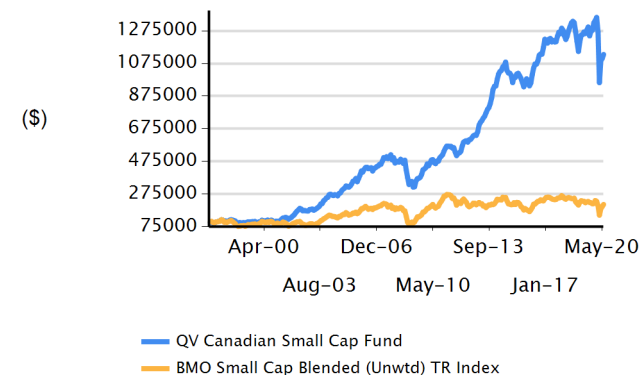
Issuer Name	Portfolio Avg Weight %	Cont. to Return %
ARITZIA INC-SUBORDINATE VOTI	3.9	1.8
PARKLAND CORP	5.3	1.8
ALTAGAS LTD	6.3	1.5

Bottom Three Performers

Issuer Name	Portfolio Avg Weight %	Cont. to Return %
EVERTZ TECHNOLOGIES LTD	2.3	-0.3
ENERFLEX LTD	1.1	-0.2
WINPAK LTD	3.3	-0.1

Investment Values

Based on \$100,000 Investment at Inception*



*Assume reinvestment of income and capital gains distributions



Portfolio Risk Management Terms

Price to Earnings Multiple

The Price to Earnings Multiple is the ratio of a company's share price to its earnings per share. This ratio indicates how many times an investor is paying for each dollar of earnings. A lower number is more attractive.

Return on Equity - 4 Year Average

The Return on Equity - 4 year average is the four year average of the earnings per share expressed as a percentage of the book value per common share. The book value (equity) is the amount shareholders have invested into the firm. This is a common profitability measure. A higher rather than lower percentage is desirable.

Dividend Yield

The Dividend Yield is the annual dividend rate expressed as a percentage of the current price of the stock. The higher the yield, the more income is paid to the investor.

Percentage of Debt to Equity

The Percentage of Debt to Shareholder Equity shows the amount of debt (leverage) used by the company relative to shareholders investment (book value) in their business. Typically, the lower the debt to equity ratio, the lower the financial risk of the company.

Average Yield to Maturity

The Average Yield to Maturity refers to the average annual percent that will be earned on capital if a bond or bond portfolio is held to maturity. The yield to maturity calculation considers the bond's market price, the term (the time remaining to the bond's maturity), and the coupon (the bond's yield at its initial sale). The yield to maturity assumes the semi-annual payments received are reinvested at the prevailing interest rate. The higher the yield, the greater the potential return to the portfolio.

Average Term to Maturity

The Average Term to Maturity is the time remaining until the bond portfolio is repaid by the borrower to the investor. The shorter the average term to maturity for a bond, the less sensitive or more stable the price of the bond is to changes in interest rates.

Duration

Duration is a measure of a bond's sensitivity to interest rate movements. The higher the duration number, the greater the interest rate risk or reward for bond prices. Duration is expressed as a number of years.

Portfolio Review Information

QV Investors Inc. pooled funds are not subject to deferred sales charges (DSC) or any other fees associated with the purchase, redemption or switch of QV Investors Inc. pooled fund units.

Please note that due to rounding differences, the individual components of various portfolio column totals may not sum to exactly 100 percent. Further, "total" amounts may not reconcile completely through the various tables.

Please be advised that the Net Cash Flows and Income columns in the Portfolio History table reflect cumulative transactions from the previous date to the next date's record.

Yields quoted represent gross income yields.

General Disclosures

QV Investors manages investments for a number of publicly listed corporations and may from time to time be invested in their public securities.

Please note, most bond ratings indicated within the quarterly report are provided by Dominion Bond Rating Services (DBRS). QV may use ratings provided by Standard & Poor's if a bond is not rated by DBRS. Bond ratings can vary between various bond rating service providers.

Equity Sector Diversification Disclosure

Equity sector diversification excludes the cash component of the portfolio and reflects a percentage of total equity only. As a result, some sectors may appear to have surpassed our defined policy limit of 25% per sector. The portfolio's sector and security limits are in compliance with the Investment Policy Statement, which includes the cash component in defining policy parameters.

Investor Protection

In the event that the custodian who holds your assets becomes insolvent, your assets will be protected in the following manner:

Trust Company: A Trust company is governed by the Trust and Loan Companies Act (Canada)(TLCA). Pursuant to section 422 of the TLCA, the Trust company is required to segregate its own assets from those held by its clients.

The custodian for the QV Pooled Funds is the Trust company, RBC Investor and Treasury Services (RBCITS). In the event of an insolvency at RBCITS, under the TLCA, a liquidator would be appointed by a court of competent jurisdiction. Under section 358 of the TLCA, the liquidator would make



arrangements as are necessary to transfer client securities held by RBCITS to another trust company. Therefore, in the unlikely event of an insolvency of RBC Investor Services, securities RBCITS holds in custody for the client will therefore not form part of the estate of the trust company to satisfy the insolvent company's creditors.

Investment Dealer: An investment dealer, who is a member of Investment Industry Regulatory Organization of Canada (IIROC), will also be a member of the Canadian Investor Protection Fund (CIPF). Client account assets are protected, within defined limits, if an IIROC investment dealer becomes insolvent. For more details on investor protections provided by the CIPF, please visit their website at www.cipf.ca.

QV Investors: In the event that QV Investors Inc. ceases operations, we may appoint another Investment Manager of the QV Pooled Funds, subject to Unitholder approval. In the case of an insolvency, or lack of unitholder approval for an investment management change, the Trust agreement between RBCITS and QV Investors will terminate.

RBCITS, as Trustee of the QV Pooled Funds, will distribute all the Fund property, net of any liabilities, to registered Unitholders as of the Fund Termination date, based on his or her proportionate share of the value of that Fund in accordance with the number of units which he or she holds.

For clients who hold segregated accounts, the client will resume trading authority over their accounts at the respective custodians in the event QV Investors ceases operations, or becomes insolvent.

Performance Disclosure

Performance is calculated using the daily valuation return formula, including realized and unrealized gains and losses, plus income, and applied by our Client Accounting System – Advent Portfolio Exchange. Prior to 2015, QV employed the Modified Dietz time-weighted rate of return formula, identifying significant cash flows at the asset class and total portfolio levels only and revaluing for contributions/withdrawals that exceeded 10% of the market value.

Returns for portfolios which include segregated and/or F-class pooled fund securities are shown gross of management fees. For portfolios which include fee-paying pooled fund units are shown net of management fees. Lastly, returns for portfolios which include both segregated and/or F-class pooled fund and fee-paying pooled fund units reflect a blended return both gross and net of fees.

Benchmark Disclosures

Benchmark Market Indices

QV Investors will compare the performance of our Funds and strategies to different market indices. The market indices reflect the strategy and security universe of the comparative portfolio. The following market indices are used as benchmarks for the QV Pooled Funds and Strategies:

S&P/TSX Index- Toronto Stock Exchange Total Return Index. – Canadian large cap equity strategies.

BMO SCUI – BMO Small Cap Blended Unweighted Total Return Index. – Canadian small and mid-cap equity strategies

MSCI World TR Net (\$C) – Morgan Stanley Total Return World Index, net of foreign withholding tax, in Canadian Dollars. – Global equity strategies, valued in Canadian dollars.

S&P 500 Index (\$C) – Standard & Poor's Total Return US top 500 companies Index in Canadian Dollars. – US large cap equity only strategies, valued in Canadian dollars.

FTSE Canada Short Bond Index (Formerly DEX Canada Short Bond Index) – QV Canadian Income Fund and short duration bond strategies.

FTSE Canada Universe Bond Index (formerly DEX Canada Universe Bond Index) – QV Bond Fund, and bond strategies, without duration limits.

Custom Benchmarks

QV uses custom benchmarks to compare performance results of portfolios invested in different asset classes and strategies. The custom benchmarks are a combination of the market indices detailed previously, and reflect the asset mix ranges of the client's investment policy. QV Investors commonly uses the following custom benchmarks for multi-strategy portfolios:

Balanced Composite Index – Portfolios following a balanced strategy, with a global equity allocation of less than 20% of the total portfolio.

Canadian Balanced Composite Index – Portfolios following a Canadian balanced strategy with no allocation to global equities. This is the main benchmark for the QV Canadian Balanced Fund.

Global Balanced Composite Index – Portfolios following a balanced strategy with a global equity allocation greater than 20%.

Income Balanced Composite Index – Portfolios following a balanced strategy, with an equity allocation lower than 30%.



Glossary & Disclosures

QV may also create a custom benchmark for a portfolio that combines different market or custom indices in order to properly reflect the investment strategy of a portfolio. We may also provide additional market indices as comparisons to provide you an indication of how a broad market segment, such as the Canadian stock exchange, is performing. QV makes every effort to apply a market index or custom benchmark that is reflective of your portfolio. QV reviews benchmarks quarterly and a change in a portfolio strategy may result in a change to the portfolio performance benchmark.

The components of the custom benchmarks are referenced below the portfolio performance history table, contained in the portfolio review section of this report.

How to use Benchmark information

Benchmarks serve as a guide for a client to gauge the performance of their managed portfolio against a universe of stocks or bonds that have a similar composition. Comparing your results against a market benchmark gives you an indication of how your portfolio is performing. It is a measure in which you can assess the performance of QV Investors as your manager. Comparing different market indices, such as the FTSE Canada Universe Bond Index and the S&P/TSX Index is a good indication of how different market segments are performing.

A disclosure specific to the impact of fees on the return of the client portfolio is included in our reporting. Clients should note that benchmarks do not factor in fees and this should be taken into account in the comparison of results.

QV Investors strives to achieve superior performance results over a long-term investment horizon in comparison to the market benchmarks. QV would consider a reasonable time line for performance comparisons to be 5 years or longer. QV may underperform market benchmarks over different reporting periods. We will provide an explanation for our underperformance in our market commentaries contained within this report.

Please note that an investment strategy change in a client's portfolio that results in a change to a comparative benchmark will make historical comparisons less relevant. In these cases, please refer to the QV Mandate Performance Summary page to track historical performance results of the QV Pooled Funds and other strategies.

Private clients requesting a contribution or withdrawal from your investment account:

Contributions – We will accept contributions to your account by cheque, wire transfer or directly from your bank account. Please make all cheques payable to the custodian for your investment account. For clients directly invested in the QV Pooled Funds, the cheques should be made payable to “RBC Investor and Treasury Services”. Cheques may be sent by mail or courier to the attention of your account representative at QV's mailing address. You may also contact QV to arrange for delivery of your cheque. Please contact your account representative for instructions if you wish to send funds by wire, or if you wish QV to pull funds directly from your bank account.

Withdrawals – Please contact your account representative if you would like to request funds from your investment account(s). All requests sent by email will be verified by phone. All withdrawal requests must be submitted and verified by 11:00am Mountain Time for transactions to occur same day. However, for large withdrawals we require up to 48 hours notice. As a rule of thumb, any amount over \$50,000 would be considered large. Funds will be deposited into the bank account we have on file by electronic funds transfer (EFT), so please make sure you inform us if you change your financial institution. It could take up to two businesses days for the EFT to be processed by your financial institution.

Transfers – Please contact your QV representative to arrange for transfers between QV investment accounts, or from another financial institution.

Change in Previously Written Down Investments Between March 31, 2020 and June 30, 2020 - Basic

Security	Units @ 31-Mar-20	Closing Market Value per unit @ 31-Mar-20	Closing Market Value per unit @ 31-Mar-20	Units @ 30-Jun-20	Market Value per unit @ 30-Jun-20	Market Value @ 30 Jun-20	Change in Units from March to June, 2020	Change in Market Value per unit from March to June, 2020	Change in Market Value from March to June, 2020
ACADIAN GLOBAL MANAGED VOL	2,025,425	10.5364	21,340,687	2,026,263	11.4513	23,203,341	838	0.9149	1,862,654
ACADIAN GLOBAL MANAGED VOL	3,131,287	10.5364	32,992,493	3,131,287	11.4513	35,857,307	0	0.9149	2,864,814
ADDENDA CORP BOND POOLED	3,837,737	9.3850	36,017,163	3,868,915	10.0900	39,037,352	31,178	0.7050	3,020,189
ADDENDA CORP L/T BOND POOLED	5,285,661	11.9120	62,962,795	5,341,418	13.5930	72,605,891	55,757	1.6810	9,643,096
FGP Canadian Equity Fund 1001	213,589	93.0180	19,867,611	216,559	101.3200	21,941,801	2,971	8.3020	2,074,190
FGP Canadian Equity Fund 1001	285,146	93.0180	26,523,712	288,992	101.3200	29,280,697	3,846	8.3020	2,756,985
QV CANADIAN SMALL CAP FUND	280,172	19.4303	5,443,826	283,042	22.7169	6,429,844	2,870	3.2866	986,018
QV CANADIAN SMALL CAP FUND	245,152	19.4303	4,763,379	247,561	22.7169	5,623,825	2,409	3.2866	860,446
SUNLIFE PRIV FIXED INC PLUS	1,871,126	10.8020	20,211,907	1,886,096	11.4019	21,505,077	14,970	0.5999	1,293,170
SUNLIFE PRIV FIXED INC PLUS	5,676,471	10.4776	59,475,797	6,034,642	11.7305	70,789,373	358,171	1.2529	11,313,576

Attachment G
Agenda B.1
March 5, 2020

MANITOBA PUBLIC INSURANCE POLICY FOR WRITING DOWN INVESTMENTS

Procedure

Management will perform an annual review at corporate year end of all individual corporate investments with a market value below book value or cost by \$150,000 or by 20% or more to assess whether there has been a loss in value that is other than a temporary decline in the value of the investment. Any other individual holdings identified in a non-specific manner as having a potential impairment will also be subject to review. The annual review will be on a per security basis, not on a per investment counsel basis and will only be deemed impaired if the impairment is significant or prolonged.

Definitions

Significance:

\$2.5 million per security

With over \$2.5 billion in investments, a movement of \$150,000 is not significant (this is the threshold for review only). A 1% movement in the total investment portfolio would equate to \$25 million. Significance on a portfolio basis would be \$25 million. Significance on an individual security would be a portion of the portfolio significance. Ten percent of the portfolio movement would be \$2.5 million and this would be considered significant on an individual security.

20% decline where decline is over \$500 thousand

A 20% decline is significant so long as there is still a material dollar movement in the security. A 20% decline in an equity security also needs to be more than 20% of the overall significance of an individual security which is \$500 thousand (20% of \$2.5 million).

Prolonged:

A prolonged decline is any decline that has occurred for more than one year.

Considerations

A loss in value of an investment is other than temporary when any one of the following three items occur in isolation or together: a significant decline in the market value below book value or cost; a prolonged decline; or significant changes with an adverse

effect that has taken place in the technological, market, economic or legal environment in which the issuer operates and indicates that the cost of the investment may not be recovered.

The following guidelines, to satisfy International Accounting Standard 39 – Financial Instruments: Recognition and Measurement, will be used in evaluating whether other than temporary impairment in value of an investment may have occurred for consideration under the third requirement noted above.

- Has the issuer experienced severe market value losses in the current year or current and prior years?
- Have financial losses by the issuer existed for a period of years?
- Is the issuer experiencing depressed and declining earnings in relation to competition, erosion of market share, and deteriorating financial position?
- Has the trading of the security been suspended?
- Has the active market for this security disappeared?
- Does the issuer have going concern or liquidity concerns?
- Is the appraised value of the investment below the carrying value?
- What is the expected period of time required for any anticipated recovery in market value?
- Is there an expectation of, or actual default/delay, interest or principal payments for a fixed income security?

Write-Down of Impaired Investments

Once a decline in fair value of a corporate investment is considered other than temporary, it is deemed impaired. The accounting treatment of an impaired asset depends on its classification: 1. Assets measured at amortized cost (Held to Maturity) or 2. Assets measured at fair value (Available for Sale or Fair Value through Profit or Loss) and type (Equity or Fixed income).

1. Assets Measured at Amortized Cost

- **Held To Maturity**

The amount of the impairment loss is the difference between the carrying value and the present value of estimated future cash flows discounted at the financial asset's original effective interest rate (effective interest rate computed at initial recognition) and recognized in profit/loss for the period.

Assets Measured at Fair Value

- **Available for Sale**

Where a decline in fair value has been recognized in other comprehensive income, a cumulative loss is reclassified from accumulated other comprehensive income to profit/loss. The cumulative loss reclassified to profit/loss is the difference between book value (amortized cost) or cost and fair value less any impairment losses previously recognized.

- **Fair Value through Profit or Loss**

The decline in fair value is recognized in profit/loss for the period with no impact on accumulated other comprehensive income.

A write-down of an impaired Available for Sale **equity** investment to reflect a decrease in value that is other than temporary will not be reversed through profit/loss if there is a subsequent increase in value of that investment. Any increase in fair value subsequent to an impairment loss is recognized in other comprehensive income.

A write-down of an impaired Available for Sale **fixed income** investment to reflect a decrease in value that is other than temporary must be reversed through profit/loss if there is a subsequent increase in value of that investment and this increase can be related to a specific event after the loss was recognized.

When the fair value of an investment within a portfolio is significantly less than the book value or cost and no write-down has been taken, disclosure to the Audit, Finance & Risk Committee will be made of:

- the cost, book value, carrying value and the fair value of the investment; and,
- the reasons for not reducing the carrying amount, including the nature of the evidence that provides the basis for management's belief that the decrease in value will be recovered.

Fair Value

Determination of fair value starts with the identification of the current value as indicated by a quoted price (bid or last trade) in active markets, reasonably close to the date of assessment.

When quoted market prices are not available, estimates of fair value are based on the best information available, including prices for similar investments and the results of other acceptable valuation techniques.

PUB (MPI) 1-38

Part and Chapter:	Part VII- Investments Figure INV-26	Page No.:	52
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Investment Performance Relative to Peers		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please add an additional column, and provide the average of ICBC and SGI and provide the comparison with MPI.
- b) Please provide some insight or commentary why SGI's return has been on average 1.6% higher than MPI over the last five years.

Rationale for Question:

To understand the investment performance relative to peers.

RESPONSE:

a) The figure below provides average returns for ICBC & SGI.

Figure 1 Benchmark Average Returns

Line No.	Year-end Period	ICBC		SGI		Average	MPI		
		31-Dec	31-Mar	31-Dec	31-Mar		31-Dec	31-Mar	
2	2015	3.60%		7.10%		5.30%	2.70%		
3	2016	4.00%			0.90%	*N/A	6.50%	1.10%	
4	2017		5.20%		8.30%	6.80%		6.00%	
5	2018		1.70%		7.20%	4.40%		4.80%	
6	2019		5.30%		5.60%	5.40%		6.50%	
7	Annualized Return over the 5 year period:	3.90%		5.80%		4.90%	*5.3% / 4.2%		
8	MPI Value Added	1.40%		-1.60%					
9	*ICBC and SGI returns not comparative, different year-ends.								
10	**5.3%: Comparative return to ICBC, 4.2%: Comparative return to SGI.								

b) Of the 1.6% difference between the 5-year average returns of SGI and MPI, 0.7% results from the asset allocation (SGI has greater exposure to higher returning assets than MPI). The remaining 0.9% results from security selection (in aggregate, SGI-selected securities performed better than those selected by MPI).

PUB (MPI) 1-39

Part and Chapter:	Part VII- Investments; INV Appendix 9	Page No.:	
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Investment Performance Report		
Sub Topic:			

Preamble to IR:

In the 2020 GRA, MPI indicated that the Investment performance for 2019/20 was to be measured by Ellement for the Corporation's 2019/20 fiscal year end.

Question:

- a) Please file a copy of the March 31, 2020 investment performance report prepared by Ellement.
- b) Please file any other internal and or external reports and commentary that evaluates the performance of the Investment portfolio for 2019/20 and 2020/21.

Rationale for Question:

To understand investment portfolio performance.

RESPONSE:

- a) Please find attached Ellement's reports as of March 31, 2020.

Attachment A – Consolidated Corporate Portfolio - Executive Summary Report

Attachment B – Basic Claims Portfolio - Executive Summary Report

Attachment C – RSR/SRE/Extension Portfolios - Executive Summary Report

Attachment D – EFB Portfolio - Executive Summary Report

In the past, the manager's names were identified with the following labels (table below).

Asset Class	Manager's name	Label
CAD Large Cap Equity	Blackrock-S&P/TSX 60 Index ETF	Manager B
CAD Large Cap Equity	Foyston	Manager C
CAD Small Cap Equity	QV Investors	Manager D
US Large Cap	State Street-S&P 500 Index ETF	Manager G
Global Equity (Large Cap)	Guardian Capital	Manager I
Global Equity (Low Volatility)	Acadian Asset Management	Manager J
Corporate Bonds	Addenda Capital	Manager K
Private Debt	Sun Life Investment Management	Manager L
Real Estate	Greystone Real Estate Fund	Manager F
Real Estate	City Place & Parking Lots	Real Estate Direct
Infrastructure	Voyager (Kindle)	Infrastructure Direct
Infrastructure	EagleCrest	Infrastructure Fund (1)
Infrastructure	Sonnet LP (Aquila)	Infrastructure Co-Investment (1)
Infrastructure	GDIF	Infrastructure Fund (2)
Infrastructure	First Gas	Infrastructure Co-Investment (2)

- b) Please refer to Attachment E for the Investment Committee presentation that evaluated the performance of the investment portfolio for the 13 month period ended at March 31, 2020.

The returns for the U.S. equity ETFs that were held in March 2019 & April 2019 were not calculated properly and as a result the returns for the non-Basic

portfolios were understated. The table below shows the corrected returns for each portfolio for the 13 months ended at March 31, 2020.

Portfolio	Previous Return	Revised Return	Change
Basic Claims	6.19%	6.19%	0.00%
RSR	0.54%	1.13%	0.59%
SRE	0.83%	1.47%	0.63%
Extension	0.76%	1.35%	0.59%
EFB	1.04%	1.36%	0.33%

Manitoba Public Insurance



**Manitoba
Public Insurance**

Executive Summary

As of March 31, 2020

Submitted: June 2020



Ellement

Pensions | Benefits | Investments

75 Re	16 S	66 Dy	4 Be	57 La	34 Se	Li	H
105 Db	74 W	58 Ce	22 Ti	18 Ar	59 Pa	24 Cr	39 Y
50 Sn	74 Ru	10 Ca	103 Lr	66 Dy	45 Rh	82 Pb	31 Ga
47 Ag	06 C	13 Al	83 Bi	80 Hg	81 Tl	79 Au	39 V
28 Ni	07 N	32 Ge	51 Sb	78 Pt	76 Os	89 Ac	77 Ir
87 Fr	56 Ba	11 Na	73 Ta	19 K	38 Sr	55 Cs	02 He
10 Ne	08 O	54 Xe	70 Yb	100 Fm	98 Cf	97 Bk	09 F
36 Kr	92 U	94 Pu	95 Am	90 Th	101 Md	99 Es	49 In
107 Bh	64 Gd	63 Eu	69 Tm	65 Tb	17 Cl	109 Mt	48 Cd
106 Sg	92 U	94 Pu	95 Am	90 Th	101 Md	99 Es	49 In
40 Zr	64 Gd	63 Eu	69 Tm	65 Tb	17 Cl	109 Mt	48 Cd

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Manitoba Public Insurance

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Observations

Manitoba Public Insurance

As of 4/30/2020

Based on the implied market valuation of the portfolio, the portfolio increased \$282.6 million over fiscal 2020, bringing market value to \$3,301.8 million at the end of fiscal 2020. The largest shift in assets was Canadian Equity whose asset allocation decreased by 7.1%. Canadian Bonds increased 3.4% during fiscal 2020 and make up 70.9% of the portfolio.

The MPI investment portfolio with Implied Market Valuation returned 4.6% in fiscal 2020, ranking in the second quartile of the Custom Universe, but lagged its Custom Benchmark by 0.5%. Portfolio performance ranks above the Custom Universe median over the 4-year trailing period but trails the Custom Benchmark by 0.6%.

Total Fixed Income with Implied Market Valuations ranked third quartile of the peer universe in fiscal 2020, returning 5.8% and lagging the FTSE Canada Universe Bond Index by 0.6%. Corporate bonds lagged government bonds over fiscal 2020 as spread widened significantly in Q1 2020. Total Fixed Income with Implied Market Valuations ranks first quartile over the 4-year trailing period, 0.2% ahead of the peer universe median.

Canadian Equity was a source of underperformance in fiscal 2020 with a return of -22.5%, underperforming the custom benchmark by 6.4%. FGP ranked in the bottom quartile in fiscal 2020 underperforming its benchmark by 14.5%. The Canadian Equity portfolio has lagged its custom benchmark by 2.7% over the 4-year trailing period while ranking in the bottom quartile of the peer universe.

The portfolio transitioned from US Equity index funds to Global Equity managers during fiscal 2020. Acadian and Guardian Global Equity mandates were added in April 2019 and the portfolio returned 1.9% during fiscal 2020, outperforming its benchmark by 5.0%.

Real Estate & Infrastructure produced strong returns in fiscal 2020 earning 7.4% and 12.7%, respectively. Both asset classes have outperformed their respective benchmarks over the 4-year trailing period. Private Debt was added to the portfolio in July 2019.



Market Update

Manitoba Public Insurance

As of 3/31/2020

The FTSE Canada Universe Bond returned 6.4% during fiscal 2020 as interest rates were cut during Q1 2020 and yields fell due to the impact of the COVID-19 pandemic. The Canadian Equity market had a strong calendar 2019 but returned -12.4% during fiscal 2020 as Q1 2020 returns were impacted significantly by the COVID-19 pandemic and decreased oil demand. Active management detracted value in fiscal 2020 with the median manager return being -12.5%, 0.1% lower than the benchmark index.

The MSCI World All Cap (C\$) returned -3.1% fiscal 2020 and the median active manager outperformed by 0.3%. Global returns (C\$) were positively impacted by the depreciating Canadian dollar. The S&P 500 (C\$) returned 2.3% during fiscal 2020, while the S&P 500 (US\$) returned -4.8%. The US market was the top performer as Information Technology sector returns were the least impacted by the COVID-19 pandemic.

Major Indices	Recent		Annualized					Annual				
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	2020	2019	2018	2017	2016
Fixed Income												
FTSE Canada Universe Bond	1.56	6.37	4.46	4.86	3.68	3.13	2.66	4.46	5.27	1.36	1.51	0.78
FTSE Canada LT Bond	0.16	9.48	5.56	6.42	5.96	4.88	3.77	5.56	7.28	5.06	1.72	-0.56
FTSE Canada MT Bond	3.31	6.92	5.28	5.51	3.47	2.99	2.80	5.28	5.74	-0.49	1.55	2.07
FTSE Canada ST Bond	1.85	3.76	3.21	3.33	2.08	1.88	1.73	3.21	3.46	-0.37	1.27	1.12
FTSE Canada All Government Bond	3.11	7.62	5.64	5.53	4.06	3.18	2.70	5.64	5.42	1.19	0.56	0.81
FTSE Canada All Corp Bond	-2.48	3.05	1.29	3.07	2.65	3.00	2.53	1.29	4.88	1.81	4.05	0.69
Median	0.84	5.83	3.93	4.65	3.57	3.27	2.75	3.93	5.33	1.56	2.34	0.83
Canada												
S&P/TSX Composite	-20.90	-12.38	-14.21	-3.69	-1.92	2.85	0.89	-14.21	8.11	1.71	18.62	-6.57
BMO Small Cap Blended (UW)	-38.21	-35.52	-37.24	-22.76	-17.14	-6.72	-7.18	-37.24	-4.93	-4.67	33.11	-9.02
Median	-20.87	-12.47	-14.32	-4.19	-2.06	2.76	1.30	-14.32	6.50	2.91	17.31	-4.07
US (C\$)												
S&P 500 (C\$)	-11.75	2.29	-0.89	6.04	7.41	10.61	9.25	-0.89	13.46	10.20	20.81	3.95
Russell 1000 Value (C\$)	-19.58	-9.18	-11.75	-1.70	-0.03	5.27	4.31	-11.75	9.50	3.39	22.93	0.55
Russell 2000 Value (C\$)	-29.38	-24.41	-25.04	-11.79	-7.53	1.34	-0.12	-25.04	3.80	1.63	33.39	-5.76
Russell 1000 TR USD	-12.43	1.04	-2.01	5.35	6.94	10.31	8.73	-2.01	13.26	10.18	21.08	2.64
Median	-12.42	0.47	-2.55	4.66	6.30	9.15	7.75	-2.55	12.43	9.98	19.36	2.37
US (US\$)												
S&P 500 (US\$)	-19.60	-4.78	-6.98	0.92	5.10	8.00	6.73	-6.98	9.50	13.99	17.17	1.78
Russell 1000 Value (US\$)	-26.73	-15.47	-17.17	-6.44	-2.18	2.78	1.90	-17.17	5.67	6.95	19.22	-1.54
Russell 2000 Value (US\$)	-35.66	-29.64	-29.64	-16.05	-9.51	-1.05	-2.42	-29.64	0.17	5.13	29.37	-7.72
Russell 1000 TR USD	-20.22	-5.95	-8.03	0.26	4.64	7.70	6.22	-8.03	9.30	13.98	17.43	0.50
Median	-20.21	-6.48	-8.53	-0.39	4.02	6.57	5.27	-8.53	8.50	13.77	15.76	0.23
International												
MSCI EAFE (C\$)	-15.17	-5.82	-8.29	-4.10	0.84	4.37	2.23	-8.29	0.29	11.48	15.73	-5.91
Median	-14.95	-4.04	-7.24	-4.51	1.45	4.39	2.62	-7.24	-1.38	13.56	14.57	-4.64
Global												
MSCI World All Cap (C\$)	-14.53	-3.08	-5.74	0.62	3.89	7.59	5.84	-5.74	7.40	10.75	19.50	-0.89
Median	-14.35	-2.81	-5.80	0.64	3.52	6.44	5.24	-5.80	7.35	10.54	16.80	0.30



Performance Summary

Manitoba Public Insurance

As of 3/31/2020

Performance Summary Asset Class and Manager	MV in Millions	MRQ	YTD	12 Month Results				
				2020	2019	2018	2017	4 Year
Total Fund	\$3,242.7	(2.1)	4.1	2.6	6.3	4.9	6.3	5.0
Total Fund w/ Imp	\$3,301.8	(1.8)	4.6	2.9	6.3	3.9	5.7	4.7
<i>Custom Benchmark</i>		(2.0)	5.2	2.6	8.4	4.0	6.2	5.3
<i>Custom Universe Median</i>		(2.6)	3.6	1.7	5.9	3.0	4.8	3.8
Value Added (TF w/ IMP vs Benchmark)		0.2	-0.5	0.2	-2.1	-0.1	-0.5	-0.6
Value Added (TF w/ IMP vs Median)		0.8	1.1	1.2	0.4	0.9	0.8	0.8

Note: Value Added vs Custom Benchmark

Total Fixed Income	\$2,436.4	(0.2)	5.1	3.3	5.7	4.1	2.5	3.9
MPI w/ Imp	\$2,495.5	0.1	5.8	3.6	5.8	2.7	1.8	3.5
Marketable	\$1,826.0	(0.6)	6.1	3.4	6.2	3.9	1.6	3.8
Non Mkt Imp	\$590.0	2.3	7.0	5.9	5.3	0.7	2.4	3.6
Non Mkt Book	\$530.9	1.1	4.6	4.6	4.6	4.6	4.8	4.6
Callable Short Term	\$79.6	0.4	1.8	1.8	1.7	1.0	0.6	1.2
Provincial		1.4	7.6	5.0	6.3	3.9	1.4	4.2
Corporate		(4.7)	3.7	1.0	5.0	4.3	7.6	4.4
<i>FTSE Canada Universe Bond</i>		1.6	6.4	4.5	5.3	1.4	1.5	3.1
<i>Median</i>		0.8	5.8	3.9	5.3	1.6	2.3	3.3
Value Added (Total Fixed Income)		-1.8	-1.2	-1.2	0.4	2.8	1.0	0.8
Value Added (MPI w/Imp)		-1.5	-0.6	-0.8	0.6	1.3	0.3	0.4
Value Added (Marketable)		-2.2	-0.3	-1.0	1.0	2.6	0.1	0.6
Value Added (Non Mkt Imp)		0.8	0.6	1.4	0.0	-0.7	0.9	0.4
Value Added (Non Mkt Book)		-0.5	-1.8	0.1	-0.7	3.3	3.3	1.5

Note: Value Added vs FTSE Canada Universe Bond

Private Debt	\$123.1	(2.6)						
<i>FTSE Canada All Corp Bond</i>		(2.5)	3.0	1.3	4.9	1.8	4.1	3.0
Value Added (Private Debt)		-0.2						

Canadian Equity	\$103.7	(28.8)	(22.5)	(24.3)	2.4	2.1	20.4	(1.2)
<i>Custom CE Benchmark</i> ¹		(23.6)	(16.1)	(17.9)	6.1	0.7	20.8	1.4
<i>Median</i>		(20.9)	(12.5)	(14.3)	6.5	2.9	17.3	2.8
Value Added (CNEQ vs Custom CE bmk)		-5.1	-6.4	-6.4	-3.7	1.3	-0.4	-2.7
BlackRock Ishares S&P/TSX 60	\$9.3							
FGP	\$76.1	(30.0)	(26.9)	(27.8)	(3.5)	5.3	22.5	(2.6)
<i>S&P/TSX Capped Comp.</i>		(20.9)	(12.4)	(14.2)	8.1	1.7	18.6	2.9
<i>Median</i>		(20.9)	(12.5)	(14.3)	6.5	2.9	17.3	2.8
Value Added (BlackRock vs S&P/TSX)								
Value Added (FGP vs S&P/TSX)		-9.1	-14.5	-13.6	-11.6	3.6	3.9	-5.5
QV Investors	\$18.3	(28.5)	(21.8)	(23.6)	0.3	(0.1)	23.3	(1.4)
<i>BMO Small Cap Blended (UW)</i>		(38.2)	(35.5)	(37.2)	(4.9)	(4.7)	33.1	(6.7)
<i>Median</i>		(28.1)	(18.7)	(19.8)	(1.0)	(0.3)	20.1	(1.4)
Value Added (QV vs BMO SC Blended UW)		9.7	13.8	13.7	5.2	4.5	-9.8	5.3

Note: Value Added vs Respective Benchmark

Note: Rounding issues may arise

¹ Current Benchmark weight: 85% S&P/TSX Capped Composite, 15% BMO Small Cap Blended (Unweighted)

Performance Summary

Manitoba Public Insurance

As of 3/31/2020

Performance Summary				12 Month Results				
Asset Class and Manager	MV in Millions	MRQ	YTD	2020	2019	2018	2017	4 Year
Global Equity	\$267.8	(9.5)	1.9	(1.2)	10.8	2.9	24.4	8.8
<i>Acadian</i>	\$94.8	(13.9)						
<i>Guardian</i>	\$172.9	(6.9)						
<i>MSCI World All Cap (C\$)</i>		(14.5)	(3.1)	(5.7)	7.4	10.7	19.5	7.6
<i>Median</i>		(14.3)	(2.8)	(5.8)	7.4	10.5	16.8	6.4
Value Added (Global Equity)		5.0	5.0	4.6	3.4	-7.8	4.9	1.2
Value Added (Acadian)		0.6						
Value Added (Guardian)		7.6						

Note: Value Added vs MSCI World All Cap (C\$)

Real Estate	\$188.1	2.5	7.4	7.4	8.2	10.9	7.6	8.5
<i>MPI Real Estate</i>	\$68.2	1.5	5.0	4.9	10.8	6.9	6.1	7.1
<i>Greystone Real Estate</i>	\$119.8	3.1	8.9	9.0	7.7	12.0	8.1	9.2
<i>IPD All Prop (Lag)</i>		1.9	6.4	6.1	7.9	7.2	6.0	6.8
<i>Median</i>		1.5	8.9	8.7	8.4	6.6	5.5	7.2
Value Added (Real Estate)		0.6	0.9	1.3	0.3	3.7	1.6	1.7
Value Added (MPI RE)		-0.5	-1.4	-1.2	2.9	-0.3	0.1	0.3
Value Added (Greystone)		1.2	2.4	2.9	-0.2	4.8	2.1	2.4

Note: Value Added vs IPD All Property (lagged by one quarter) Index

Infrastructure	\$123.2	5.1	12.7	11.8	13.8	9.0	5.8	10.1
<i>CPI + 5% (lag)</i>		2.0	7.8	7.3	6.6	7.3	7.2	7.1
Value Added (Infra)		3.2	4.9	4.6	7.3	1.7	-1.4	3.0

Note: Value Added vs CPI + 5% (lagged one month)

Private Equity	\$0.3	(7.6)	(7.0)	(7.6)	(10.9)	16.4	(3.6)	(2.0)
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Note: Rounding issues may arise

Note: Market values may not add due to cash component



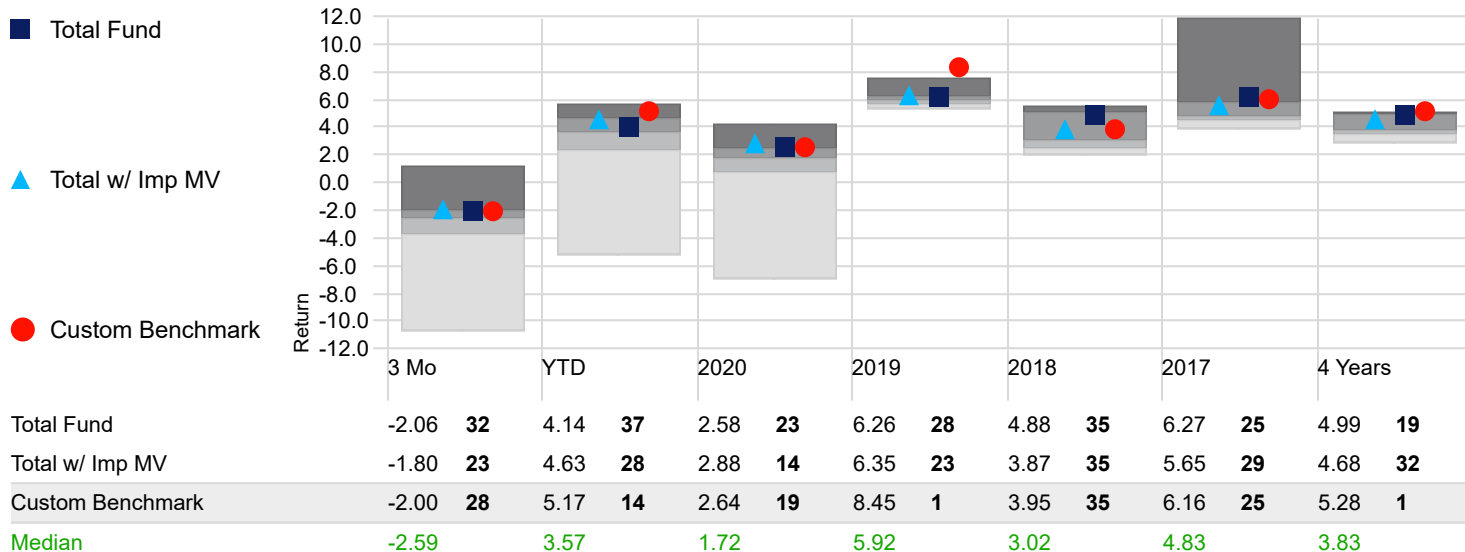
Total Fund

Manitoba Public Insurance

As of 3/31/2020

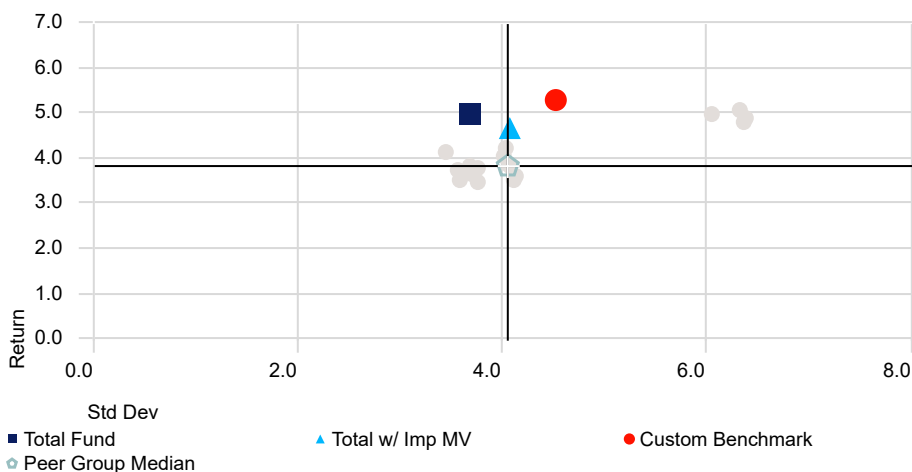
Trailing Performance

Peer Group (5-95%): MPI Custom Universe



The MPI with Implied Market Value on Non Marketable Bonds has a 4-year trailing return of 4.7%, ranking in the 2nd quartile of the Custom MPI Universe. This return exceeded the Custom Universe median by 0.8% but lags the Custom Benchmark by 0.6%. During fiscal 2020, the portfolio ranked in the 2nd quartile of the Custom Universe, outperforming the peer group median by 1.1%, but underperforming its Custom Benchmark by 0.5%. MPI Total Fund returned 4.1% in fiscal 2020 and 5.0% over the 4-year trailing period.

Risk-Reward 4 Year



	Return	Std Dev
Total Fund	4.99	3.68
Total w/ Imp MV	4.68	4.07
Custom Benchmark	5.28	4.53
Median	3.83	4.06

The volatility of the MPI with Implied Market Value on Non Marketable Bonds over the 4-year trailing period is lower than the Custom Benchmark and in-line with the Custom Universe median. Total Fund volatility is lower than the Custom Benchmark and the peer universe median.



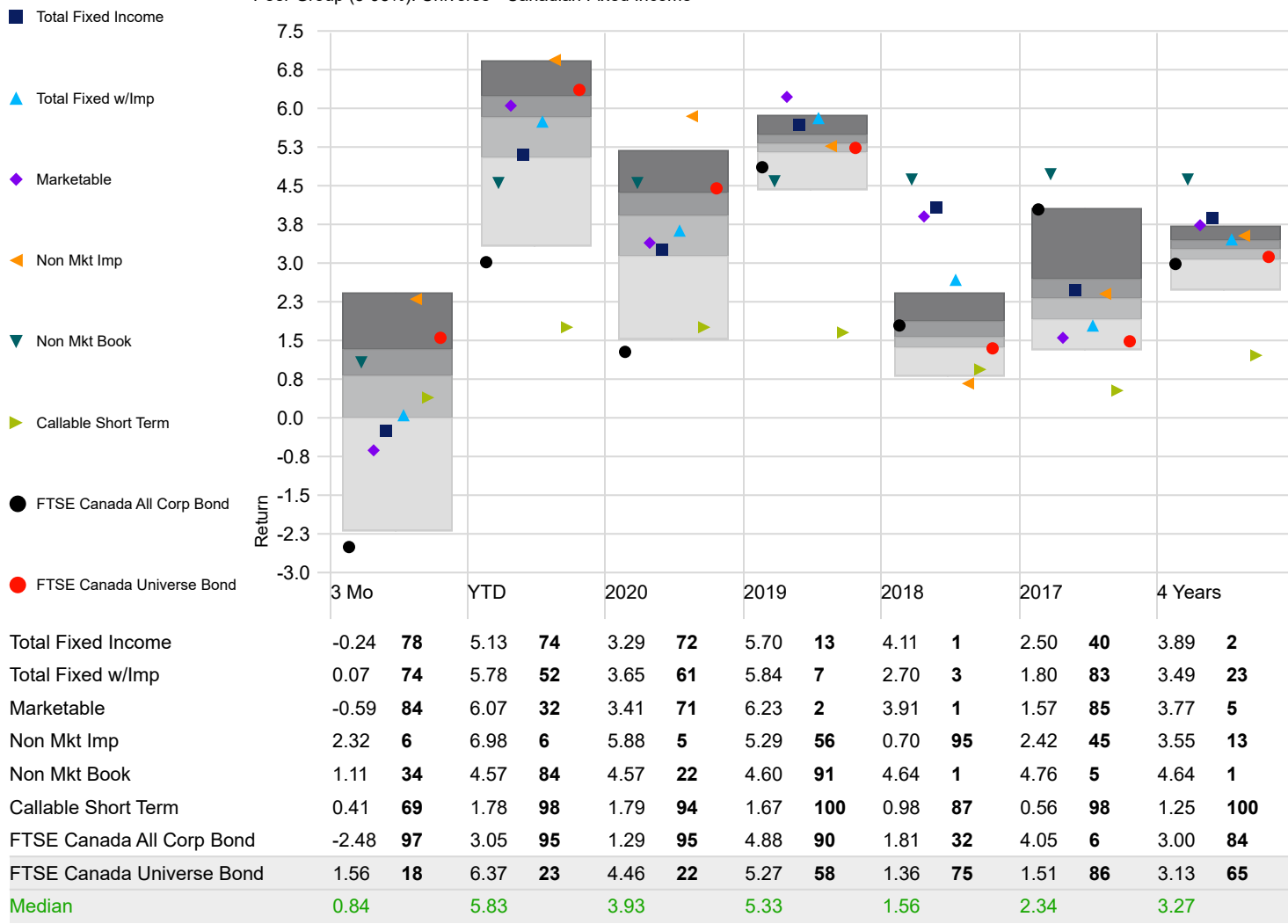
Total Fixed Income

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Fixed Income



Total Bonds with Implied Market Valuations earned 5.8% in fiscal 2020 ranking in the third quartile of the peer universe, while also lagging the Universe Bond Index. Over the 4-year trailing period the portfolio earned 3.5%, ranking in the first quartile of the peer universe with returns ahead of the Universe Bond Index by 0.4%.

Non-Marketable Bonds with Implied Market Value returned 7.0%, ranking in the 1st quartile of the peer universe in fiscal 2020. Marketable Bonds ranked second quartile in fiscal 2020, benefiting from lower exposure to Corporate Bonds which underperformed in fiscal 2020 due to widening spreads in Q1 2020.



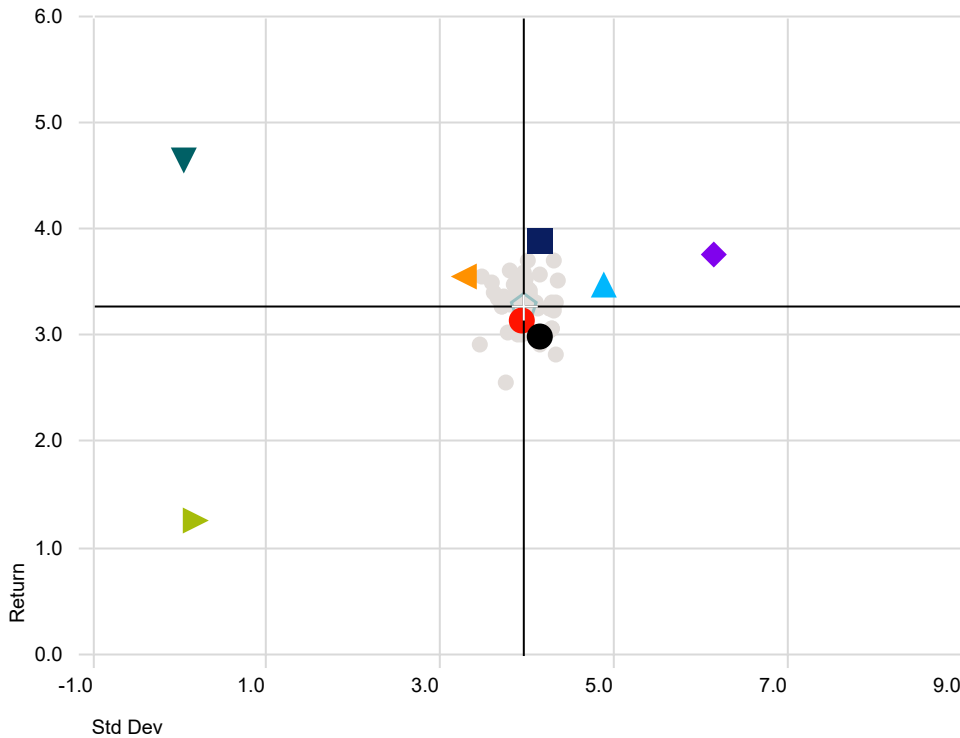
Total Fixed Income

Manitoba Public Insurance

As of 3/31/2020

- Total Fixed Income
- ▲ Total Fixed w/Imp
- ◆ Marketable
- ◀ Non Mkt Imp
- ▼ Non Mkt Book
- ▶ Callable Short Term
- FTSE Canada All Corp Bond
- FTSE Canada Universe Bond

Risk-Reward 4 Year



	Return	Std Dev
Total Fixed Income	3.89	4.15
Total Fixed w/Imp	3.49	4.90
Marketable	3.77	6.16
Non Mkt Imp	3.55	3.28
Non Mkt Book	4.64	0.06
Callable Short Term	1.25	0.19
FTSE Canada All Corp Bond	3.00	4.15
FTSE Canada Universe Bond	3.13	3.95
Median	3.27	3.97

MPI Total Bonds with Implied Market Valuations generated higher returns than the Universe Bonds and All Corporate Bond Indices, but had a higher volatility over the 4-year trailing period.



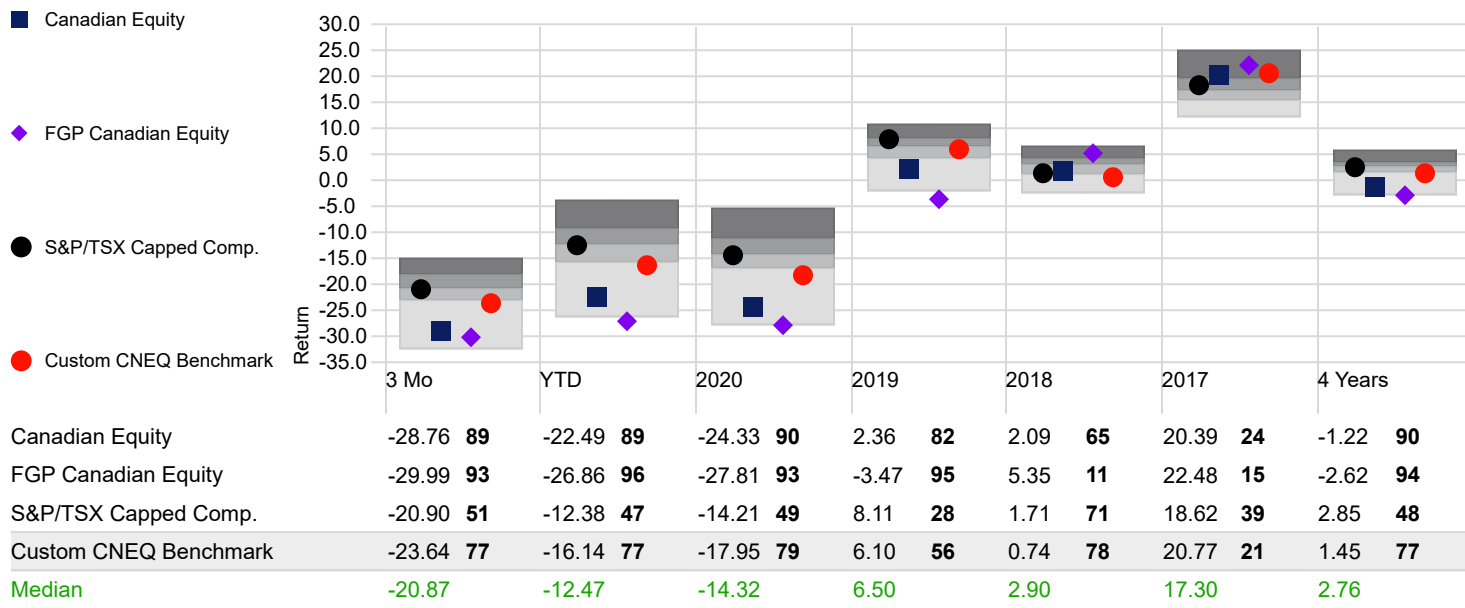
Canadian Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

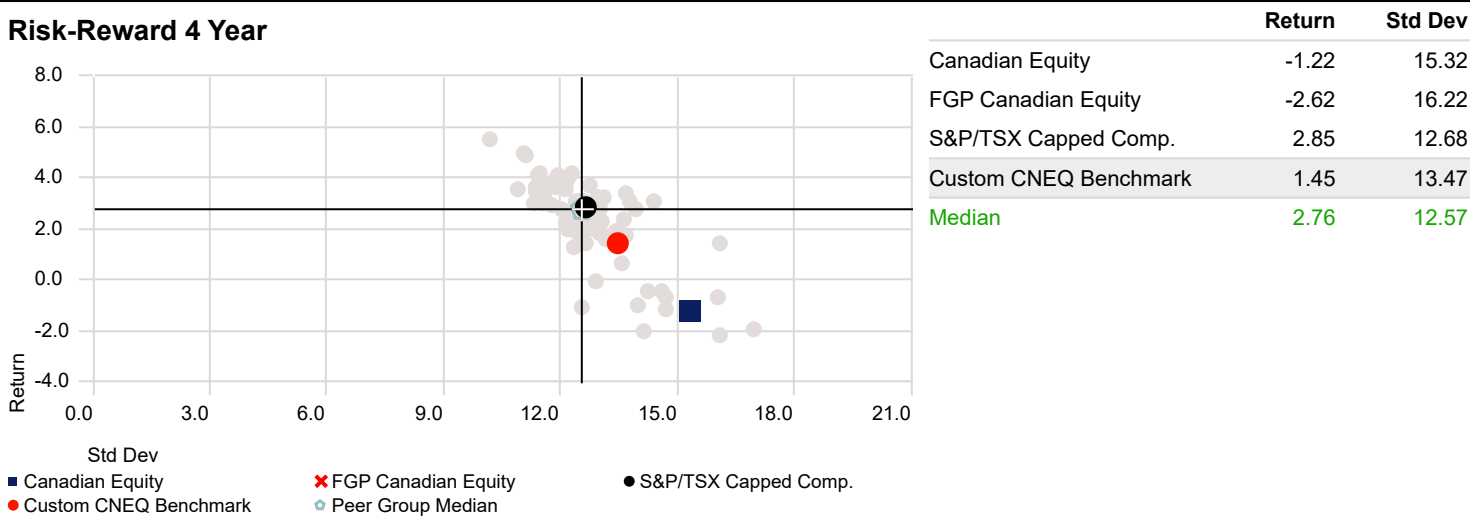
Peer Group (5-95%): Universe - Canadian Equity



MPI Canadian Equity returned -22.5% in fiscal 2020 underperforming the Custom Benchmark, the S&P/TSX Capped Composite and the peer universe median. Over the 4-year trailing period, Canadian Equity has underperformed the Custom Benchmark, the S&P/TSX Capped Composite, and the peer universe median by 2.7%, 4.1%, and 4.0% respectively.

Large Cap Canadian Equity manager FGP struggled in fiscal 2020 ranking in the 4th quartile of the peer universe for the second straight fiscal year and underperformed the S&P/TSX Capped Composite by 14.5%. FGP now ranks bottom decile over the 4-year trailing period, while lagging its benchmark by 5.5%.

Risk-Reward 4 Year



FGP has been more volatile than Custom Canadian Equity benchmark, the S&P/TSX Capped Composite and the peer universe median, while also underperforming all three, over the 4-year trailing period.



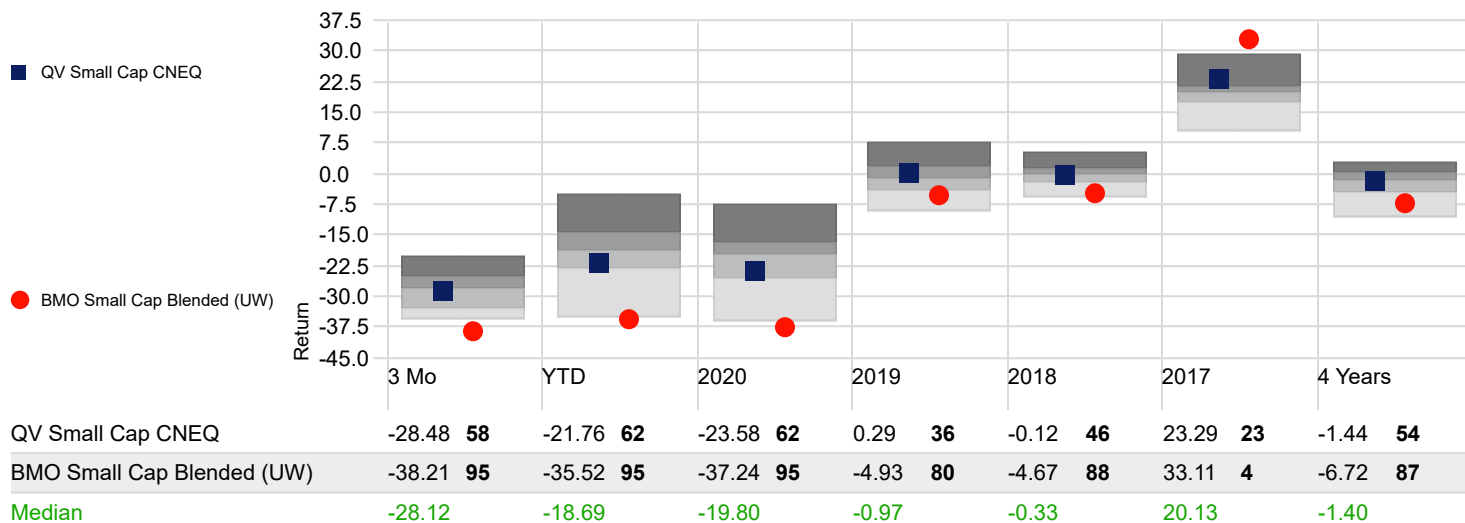
Canadian Small Cap Equity

Manitoba Public Insurance

As of 3/31/2020

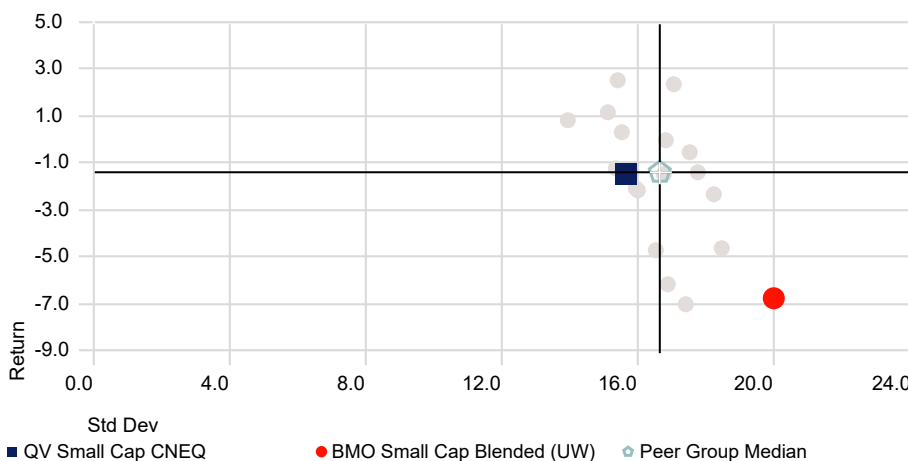
Trailing Performance

Peer Group (5-95%): Universe - Canadian Small Cap Equity



Small Cap Canadian Equity manager QV returned -21.8% in fiscal 2020, outperforming the benchmark by 13.8% but lagged the peer universe median. Over the 4-year trailing period, QV ranks in the 3rd quartile of the peer universe but has added 5.3% versus the benchmark.

Risk-Reward 4 Year



	Return	Std Dev
QV Small Cap CNEQ	-1.44	15.62
BMO Small Cap Blended (UW)	-6.72	20.00
Median	-1.40	16.62

QV earned higher returns than the benchmark and peer universe median over the 4-year trailing period whilst maintaining a lower degree of volatility.

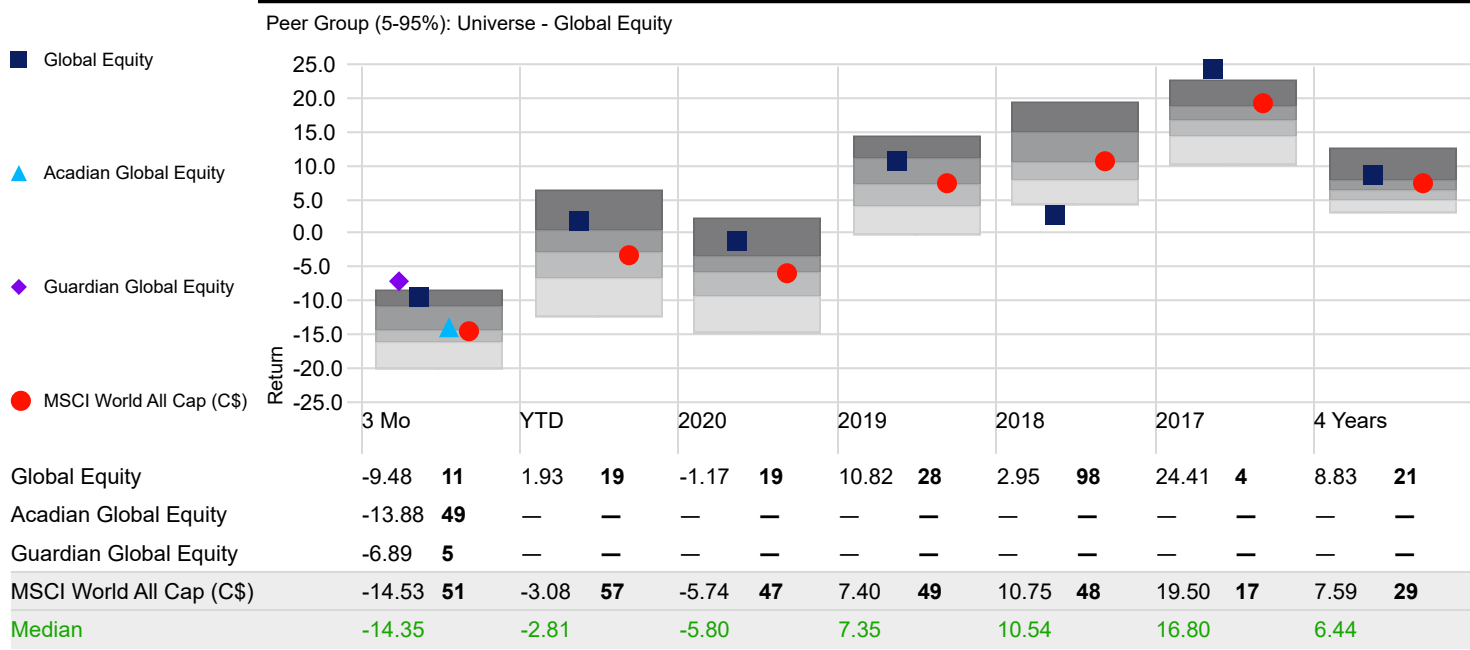


Global Equity

Manitoba Public Insurance

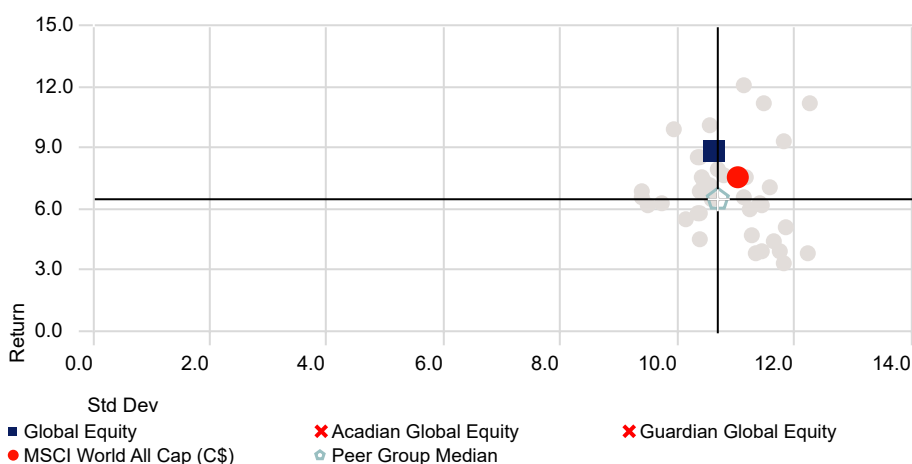
As of 3/31/2020

Trailing Performance



Global Equity returned 1.9% in fiscal 2020 ranking in the 1st quartile of the peer universe and 5.0% ahead of the MSCI World All Cap (C\$) Index. MPI switched from US Equity index funds to Global Equity managers Acadian and Guardian in April 2019. The 4-year trailing return is 8.8%, ranking in the first quartile of the peer universe and 1.2% ahead of the benchmark.

Risk-Reward 4 Year



Over the 4-year trailing period, the Global Equity portfolio volatility is slightly below both the benchmark and peer universe median.



Alternatives

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

	3 Mo	YTD	2020	2019	2018	2017	4 Years
Real Estate	2.48	7.40	7.42	8.24	10.89	7.61	8.53
MPI Real Estate	1.45	5.04	4.85	10.78	6.93	6.10	7.14
Greystone Real Estate	3.07	8.87	9.03	7.65	11.97	8.10	9.17
Infrastructure	5.13	12.67	11.83	13.85	8.97	5.80	10.07
Private Debt	-2.64	—	—	—	—	—	—
Private Equity	-7.58	-7.02	-7.58	-10.88	16.37	-3.62	-1.96
IPD Property Index (lag)	1.91	6.45	6.08	7.90	7.22	6.00	6.80
FTSE Canada All Corp Bond	-2.48	3.05	1.29	4.88	1.81	4.05	3.00
CAN CPI + 5.00%	1.97	7.77	7.27	6.59	7.26	7.19	7.08

MPI Real Estate return added 1.0% over the IPD All Prop Index (lag) in fiscal 2020. Greystone had a strong year outperforming the benchmark by 2.4%. Infrastructure return in fiscal 2020 was 12.7%, outperforming its benchmark CAN CPI + 5%. Private Debt was added to the portfolio in July 2019.

Both Real Estate & Infrastructure have performed well over the trailing 4-year period earning returns of 8.5% and 10.1%, respectfully.



Comparative Measurement*Manitoba Public Insurance*As of 3/31/2020

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75 Re	16 S	66 Dy	4 Be	57 La	34 Se	Li	H
105 Db	74 W	58 Ce	22 Ti	18 Ar	59 Pa	24 Cr	39 Y
50 Sn	74 Ru	10 Ca	103 Lr	66 Dy	45 Rh	82 Pb	31 Ga
47 Ag	06 C	13 Al	83 Bi	80 Hg	81 Tl	79 Au	39 V
28 Ni	07 N	32 Ge	51 Sb	78 Pt	76 Os	89 Ac	77 Ir
87 Fr	56 Ba	11 Na	73 Ta	19 K	38 Sr	55 Cs	02 He
10 Ne	08 O	54 Xe	70 Yb	100 Fm	98 Cf	97 Bk	09 F
36 Kr	92 U	94 Pu	95 Am	90 Th	101 Md	99 Es	49 In
107 Bh	64 Gd	63 Eu	69 Tm	65 Tb	17 Cl	109 Mt	48 Cd
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MPI - Basic Claims



**Manitoba
Public Insurance**

Executive Summary

As of March 31, 2020

Submitted: June 2020



Ellement

Pensions | Benefits | Investments

75 Re	16 S	66 Dy	4 Be	57 La	34 Se	Li	H
105 Db	74 W	58 Ce	22 Ti	18 Ar	59 Pa	24 Cr	39 Y
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Market Update

Manitoba Public Insurance

As of 3/31/2020

The FTSE Canada Universe Bond returned 6.4% during fiscal 2020 as interest rates were cut during Q1 2020 and yields fell due to the impact of the COVID-19 pandemic. The Canadian Equity market had a strong calendar 2019 but returned -12.4% during fiscal 2020 as Q1 2020 returns were impacted significantly by the COVID-19 pandemic and decreased oil demand. Active management detracted value in fiscal 2020 with the median manager return being -12.5%, 0.1% lower than the benchmark index.

The MSCI World All Cap (C\$) returned -3.1% fiscal 2020 and the median active manager outperformed by 0.3%. Global returns (C\$) were positively impacted by the depreciating Canadian dollar. The S&P 500 (C\$) returned 2.3% during fiscal 2020, while the S&P 500 (US\$) returned -4.8%. The US market was the top performer as Information Technology sector returns were the least impacted by the COVID-19 pandemic.

Major Indices	Recent		Annualized					Annual				
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	2020	2019	2018	2017	2016
Fixed Income												
FTSE Canada Universe Bond	1.56	6.37	4.46	4.86	3.68	3.13	2.66	4.46	5.27	1.36	1.51	0.78
FTSE Canada LT Bond	0.16	9.48	5.56	6.42	5.96	4.88	3.77	5.56	7.28	5.06	1.72	-0.56
FTSE Canada MT Bond	3.31	6.92	5.28	5.51	3.47	2.99	2.80	5.28	5.74	-0.49	1.55	2.07
FTSE Canada ST Bond	1.85	3.76	3.21	3.33	2.08	1.88	1.73	3.21	3.46	-0.37	1.27	1.12
FTSE Canada All Government Bond	3.11	7.62	5.64	5.53	4.06	3.18	2.70	5.64	5.42	1.19	0.56	0.81
FTSE Canada All Corp Bond	-2.48	3.05	1.29	3.07	2.65	3.00	2.53	1.29	4.88	1.81	4.05	0.69
Median	0.84	5.83	3.93	4.65	3.57	3.27	2.75	3.93	5.33	1.56	2.34	0.83
Canada												
S&P/TSX Composite	-20.90	-12.38	-14.21	-3.69	-1.92	2.85	0.89	-14.21	8.11	1.71	18.62	-6.57
BMO Small Cap Blended (UW)	-38.21	-35.52	-37.24	-22.76	-17.14	-6.72	-7.18	-37.24	-4.93	-4.67	33.11	-9.02
Median	-20.87	-12.47	-14.32	-4.19	-2.06	2.76	1.30	-14.32	6.50	2.91	17.31	-4.07
US (C\$)												
S&P 500 (C\$)	-11.75	2.29	-0.89	6.04	7.41	10.61	9.25	-0.89	13.46	10.20	20.81	3.95
Russell 1000 Value (C\$)	-19.58	-9.18	-11.75	-1.70	-0.03	5.27	4.31	-11.75	9.50	3.39	22.93	0.55
Russell 2000 Value (C\$)	-29.38	-24.41	-25.04	-11.79	-7.53	1.34	-0.12	-25.04	3.80	1.63	33.39	-5.76
Russell 1000 TR USD	-12.43	1.04	-2.01	5.35	6.94	10.31	8.73	-2.01	13.26	10.18	21.08	2.64
Median	-12.42	0.47	-2.55	4.66	6.30	9.15	7.75	-2.55	12.43	9.98	19.36	2.37
US (US\$)												
S&P 500 (US\$)	-19.60	-4.78	-6.98	0.92	5.10	8.00	6.73	-6.98	9.50	13.99	17.17	1.78
Russell 1000 Value (US\$)	-26.73	-15.47	-17.17	-6.44	-2.18	2.78	1.90	-17.17	5.67	6.95	19.22	-1.54
Russell 2000 Value (US\$)	-35.66	-29.64	-29.64	-16.05	-9.51	-1.05	-2.42	-29.64	0.17	5.13	29.37	-7.72
Russell 1000 TR USD	-20.22	-5.95	-8.03	0.26	4.64	7.70	6.22	-8.03	9.30	13.98	17.43	0.50
Median	-20.21	-6.48	-8.53	-0.39	4.02	6.57	5.27	-8.53	8.50	13.77	15.76	0.23
International												
MSCI EAFE (C\$)	-15.17	-5.82	-8.29	-4.10	0.84	4.37	2.23	-8.29	0.29	11.48	15.73	-5.91
Median	-14.95	-4.04	-7.24	-4.51	1.45	4.39	2.62	-7.24	-1.38	13.56	14.57	-4.64
Global												
MSCI World All Cap (C\$)	-14.53	-3.08	-5.74	0.62	3.89	7.59	5.84	-5.74	7.40	10.75	19.50	-0.89
Median	-14.35	-2.81	-5.80	0.64	3.52	6.44	5.24	-5.80	7.35	10.54	16.80	0.30



Performance Summary

Manitoba Public Insurance

As of 3/31/2020

Performance Summary Asset Class and Manager	MV in Millions	MRQ	YTD	12 Month Results			
				2020	2019	2018	2017
Total Fund	\$2,063.1	(0.2)	5.7	3.9			
Total Fund w/ Imp	\$2,122.1	0.2	6.4	4.3			
<i>Custom Benchmark</i>		0.6	7.0	4.3			
<i>Fixed Income Median</i>		0.8	5.8	3.9			
Value Added (TF w/ IMP vs Benchmark)		-0.3	-0.6	-0.1			
Value Added (TF w/ IMP vs Median)		-0.6	0.6	0.3			

Note: Value Added vs Custom Benchmark

Total Fixed Income	\$2,063.1	(0.0)	5.4	3.6			
MPI w/ Imp	\$2,122.1	0.3	6.1	4.0			
Marketable	\$1,465.5	(0.5)	6.1	3.4			
Non Mkt Imp	\$590.0	2.3	7.0	5.9			
Non Mkt Book	\$530.9	1.1	4.6	4.6			
Callable Short Term	\$66.7	0.4	1.7	1.7			
Government	\$1,069.8	1.2	7.5	4.9			
Corporate	\$385.7	(4.7)	3.0	0.3			
<i>Basic Claims Custom Provincial Benchmark</i>		1.9	7.9	5.3			
<i>Basic Claims Custom Corporate Benchmark</i>		(4.2)	3.5	0.8			
<i>FTSE Canada Universe Bond</i>		1.6	6.4	4.5			
<i>Median</i>		0.8	5.8	3.9			
Value Added (Fixed Income)		-1.6	-1.0	-0.9			
Value Added (MPI w/Imp)		-1.2	-0.3	-0.5			
Value Added (Marketable)		-2.0	-0.2	-1.0			
Value Added (Non Mkt Imp)		0.8	0.6	1.4			
Value Added (Non Mkt Book)		-0.5	-1.8	0.1			

Note: Value Added vs FTSE Canada Universe Bond



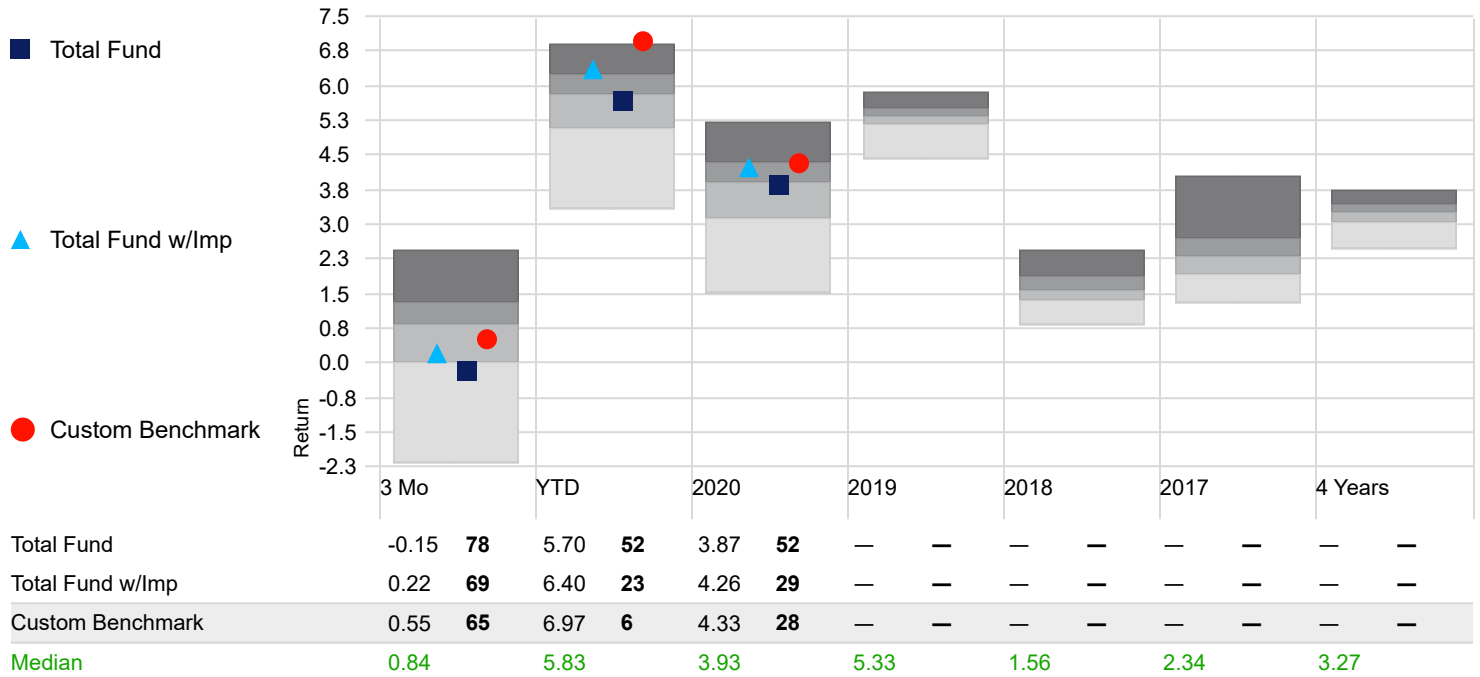
Total Fund

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Fixed Income



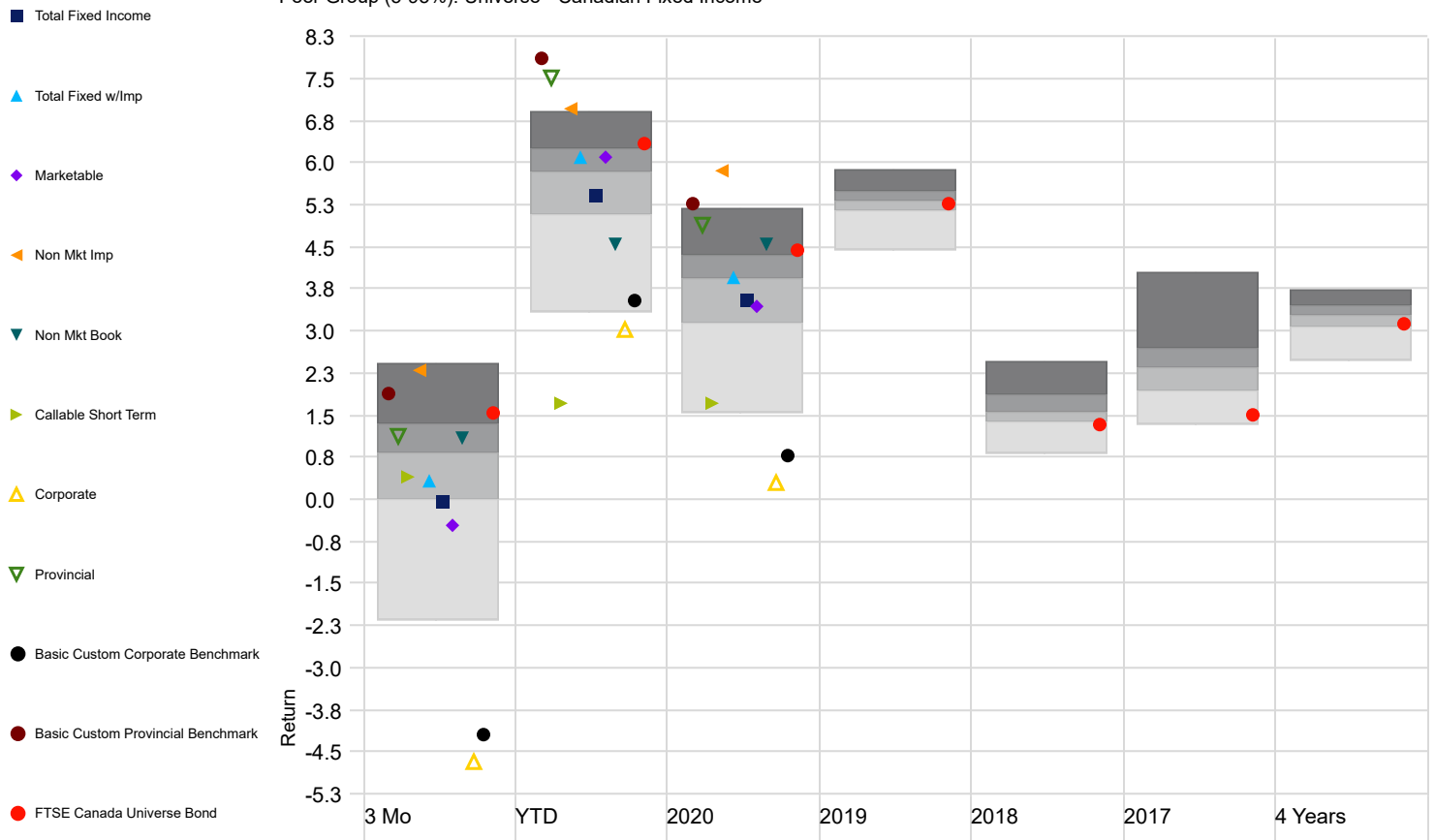
Total Fixed Income

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Fixed Income



	3 Mo	YTD	2020	2019	2018	2017	4 Years
Total Fixed Income	-0.03 75	5.41 68	3.56 62	—	—	—	—
Total Fixed w/Imp	0.34 69	6.11 32	3.96 46	—	—	—	—
Marketable	-0.46 79	6.13 31	3.44 67	—	—	—	—
Non Mkt Imp	2.32 6	6.98 6	5.88 5	—	—	—	—
Non Mkt Book	1.11 34	4.57 84	4.57 22	—	—	—	—
Callable Short Term	0.40 69	1.73 98	1.74 94	—	—	—	—
Corporate	-4.67 98	3.02 95	0.31 98	—	—	—	—
Provincial	1.15 32	7.53 5	4.92 6	—	—	—	—
Basic Custom Corporate Benchmark	-4.19 98	3.55 94	0.79 97	—	—	—	—
Basic Custom Provincial Benchmark	1.90 9	7.87 5	5.27 6	—	—	—	—
FTSE Canada Universe Bond	1.56 18	6.37 23	4.46 22	5.27 58	1.36 75	1.51 86	3.13 65
Median	0.84	5.83	3.93	5.33	1.56	2.34	3.27



Comparative Measurement

Manitoba Public Insurance

As of 3/31/2020

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MPI - RSR/SRE/Extension



**Manitoba
Public Insurance**

Executive Summary As of March 31, 2020

Submitted: June 2020



Ellement

Pensions | Benefits | Investments

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Market Update

Manitoba Public Insurance

As of 3/31/2020

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Major Indices	Recent		Annualized					Annual				
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	2020	2019	2018	2017	2016
Fixed Income												
FTSE Canada Universe Bond	1.56	6.37	4.46	4.86	3.68	3.13	2.66	4.46	5.27	1.36	1.51	0.78
FTSE Canada LT Bond	0.16	9.48	5.56	6.42	5.96	4.88	3.77	5.56	7.28	5.06	1.72	-0.56
FTSE Canada MT Bond	3.31	6.92	5.28	5.51	3.47	2.99	2.80	5.28	5.74	-0.49	1.55	2.07
FTSE Canada ST Bond	1.85	3.76	3.21	3.33	2.08	1.88	1.73	3.21	3.46	-0.37	1.27	1.12
FTSE Canada All Government Bond	3.11	7.62	5.64	5.53	4.06	3.18	2.70	5.64	5.42	1.19	0.56	0.81
FTSE Canada All Corp Bond	-2.48	3.05	1.29	3.07	2.65	3.00	2.53	1.29	4.88	1.81	4.05	0.69
Median	0.84	5.83	3.93	4.65	3.57	3.27	2.75	3.93	5.33	1.56	2.34	0.83
Canada												
S&P/TSX Composite	-20.90	-12.38	-14.21	-3.69	-1.92	2.85	0.89	-14.21	8.11	1.71	18.62	-6.57
BMO Small Cap Blended (UW)	-38.21	-35.52	-37.24	-22.76	-17.14	-6.72	-7.18	-37.24	-4.93	-4.67	33.11	-9.02
Median	-20.87	-12.47	-14.32	-4.19	-2.06	2.76	1.30	-14.32	6.50	2.91	17.31	-4.07
US (C\$)												
S&P 500 (C\$)	-11.75	2.29	-0.89	6.04	7.41	10.61	9.25	-0.89	13.46	10.20	20.81	3.95
Russell 1000 Value (C\$)	-19.58	-9.18	-11.75	-1.70	-0.03	5.27	4.31	-11.75	9.50	3.39	22.93	0.55
Russell 2000 Value (C\$)	-29.38	-24.41	-25.04	-11.79	-7.53	1.34	-0.12	-25.04	3.80	1.63	33.39	-5.76
Russell 1000 TR USD	-12.43	1.04	-2.01	5.35	6.94	10.31	8.73	-2.01	13.26	10.18	21.08	2.64
Median	-12.42	0.47	-2.55	4.66	6.30	9.15	7.75	-2.55	12.43	9.98	19.36	2.37
US (US\$)												
S&P 500 (US\$)	-19.60	-4.78	-6.98	0.92	5.10	8.00	6.73	-6.98	9.50	13.99	17.17	1.78
Russell 1000 Value (US\$)	-26.73	-15.47	-17.17	-6.44	-2.18	2.78	1.90	-17.17	5.67	6.95	19.22	-1.54
Russell 2000 Value (US\$)	-35.66	-29.64	-29.64	-16.05	-9.51	-1.05	-2.42	-29.64	0.17	5.13	29.37	-7.72
Russell 1000 TR USD	-20.22	-5.95	-8.03	0.26	4.64	7.70	6.22	-8.03	9.30	13.98	17.43	0.50
Median	-20.21	-6.48	-8.53	-0.39	4.02	6.57	5.27	-8.53	8.50	13.77	15.76	0.23
International												
MSCI EAFE (C\$)	-15.17	-5.82	-8.29	-4.10	0.84	4.37	2.23	-8.29	0.29	11.48	15.73	-5.91
Median	-14.95	-4.04	-7.24	-4.51	1.45	4.39	2.62	-7.24	-1.38	13.56	14.57	-4.64
Global												
MSCI World All Cap (C\$)	-14.53	-3.08	-5.74	0.62	3.89	7.59	5.84	-5.74	7.40	10.75	19.50	-0.89
Median	-14.35	-2.81	-5.80	0.64	3.52	6.44	5.24	-5.80	7.35	10.54	16.80	0.30



Performance Summary

Manitoba Public Insurance

As of 3/31/2020

Performance Summary				12 Month Results				
Asset Class and Manager	MV in Millions	MRQ	YTD	2020	2019	2018	2017	4 Year
Total Fund	\$721.6	(5.0)	1.2	0.2				
<i>Custom Benchmark</i>		(6.1)	0.6	(1.1)				
<i>Balanced Universe Median</i>		(10.0)	(2.3)	(4.2)	5.7	4.9	11.1	4.1
Value Added (Total Fund)		1.2	0.6	1.2				
Note: Value Added vs Custom Benchmark								
Total Fixed Income	\$288.6	0.2	3.8	2.4				
Marketable	\$276.4	1.1	5.5	3.8				
Callable Short Term	\$12.2	(1.4)	0.3	0.2				
<i>FTSE Canada Universe Bond</i>		1.6	6.4	4.5				
<i>Median</i>		0.8	5.8	3.9				
Value Added (Total Fixed Income)		-1.3	-2.6	-2.1				
Value Added (Marketable)		-0.5	-0.8	-0.7				
Note: Value Added vs Bond Benchmark								
Private Debt	\$43.7	(1.7)						
<i>FTSE Canada All Corp Bond</i>		(2.5)						
Value Added (Private Debt)		0.8						
Canadian Equity	\$70.0	(28.3)	(22.0)	(23.8)				
<i>Custom CE Benchmark ¹</i>		(23.6)	(16.1)	(17.9)				
<i>Median</i>		(20.9)	(12.5)	(14.3)				
Value Added (CNEQ vs Custom CE bmk)		-4.6	-5.9	-5.9				
BlackRock Ishares S&P/TSX 60	\$9.3							
FGP	\$49.6	(30.0)	(26.9)	(27.8)				
<i>S&P/TSX Capped Comp.</i>		(20.9)	(12.4)	(14.2)				
<i>Median</i>		(20.9)	(12.5)	(14.3)				
Value Added (BlackRock vs S&P/TSX)								
Value Added (FGP vs S&P/TSX)		-9.1	-14.5	-13.6				
QV Investors	\$11.1	(28.5)	(21.8)	(23.6)				
<i>BMO Small Cap Blended (UW)</i>		(38.2)	(35.5)	(37.2)				
<i>Median</i>		(28.1)	(18.7)	(19.8)				
Value Added (QV vs BMO SC Blended UW)		9.7	13.8	13.7				
Note: Value Added vs Respective Benchmark								
Note: Rounding issues may arise								
¹ Current Benchmark weight: 85% S&P/TSX Capped Composite, 15% BMO Small Cap Blended (Unweighted)								
Global Equity	\$159.0	(9.9)	1.5	(1.6)				
Acadian	\$66.4	(13.9)						
Guardian	\$92.7	(6.9)						
<i>MSCI World All Cap (C\$)</i>		(14.5)	(3.1)	(5.7)				
<i>Median</i>		(14.3)	(2.8)	(5.8)				
Value Added (Global Equity)		4.6	4.6	4.2				
Value Added (Acadian)		0.7						
Value Added (Guardian)		7.6						
Note: Value Added vs MSCI World All Cap (C\$)								
Real Estate	\$112.0	2.1	6.4	6.4				
Greystone Real Estate	\$43.7	3.1	8.9	9.0				
MPI Real Estate	\$68.2	1.5	5.0	4.9				
<i>IPD All Prop (Lag)</i>		1.9	6.4	6.1				
<i>Median</i>		1.5	8.9	8.7				
Value Added (Real Estate)		0.2	0.0	0.3				
Value Added (Greystone)		1.6	3.8	4.2				
Value Added (MPI Real Estate)		-0.5	-1.4	-1.2				
Note: Value Added vs IPD All Property (lagged by one quarter) Index								
Infrastructure	\$47.9	5.1	12.7	11.8				
<i>CPI + 5% (lag)</i>		2.0	7.8	7.3				
Value Added (Infra)		3.2	4.9	4.6				
Note: Value Added vs CPI + 5% (lagged one month)								
Private Equity	\$0.3	(7.6)	(7.0)	(7.6)				



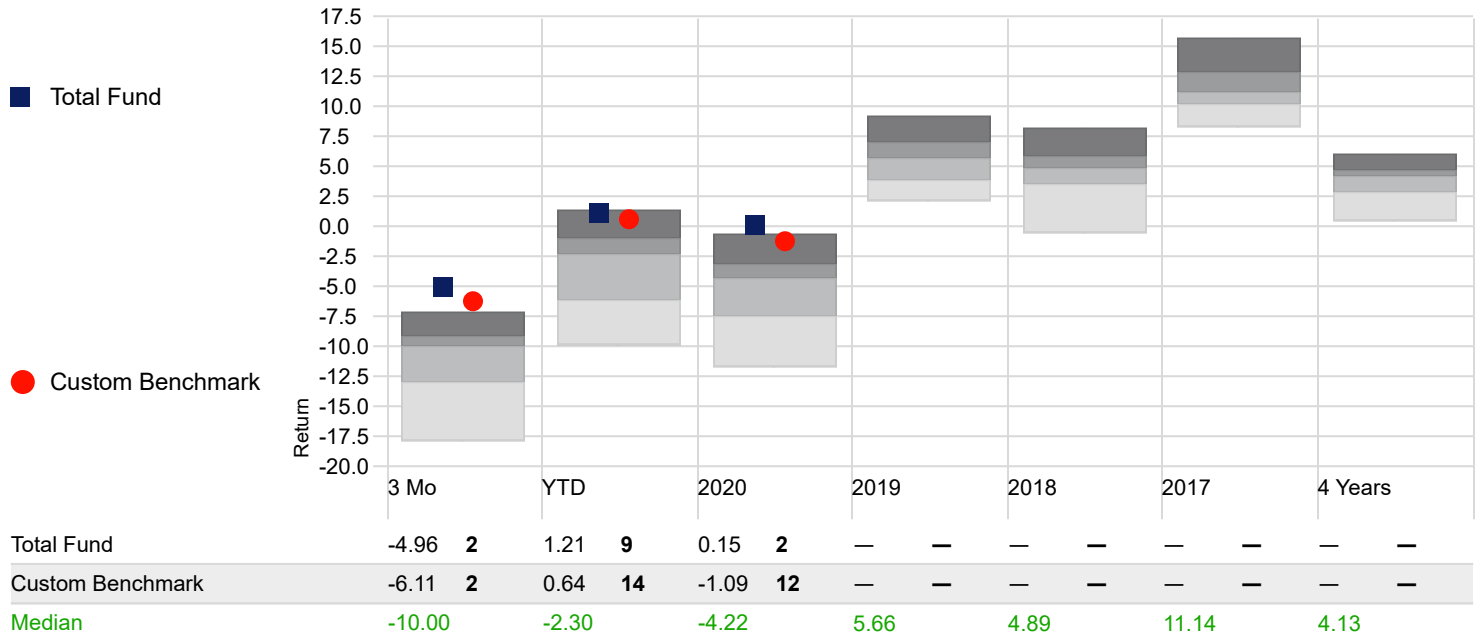
Total Fund

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Balanced



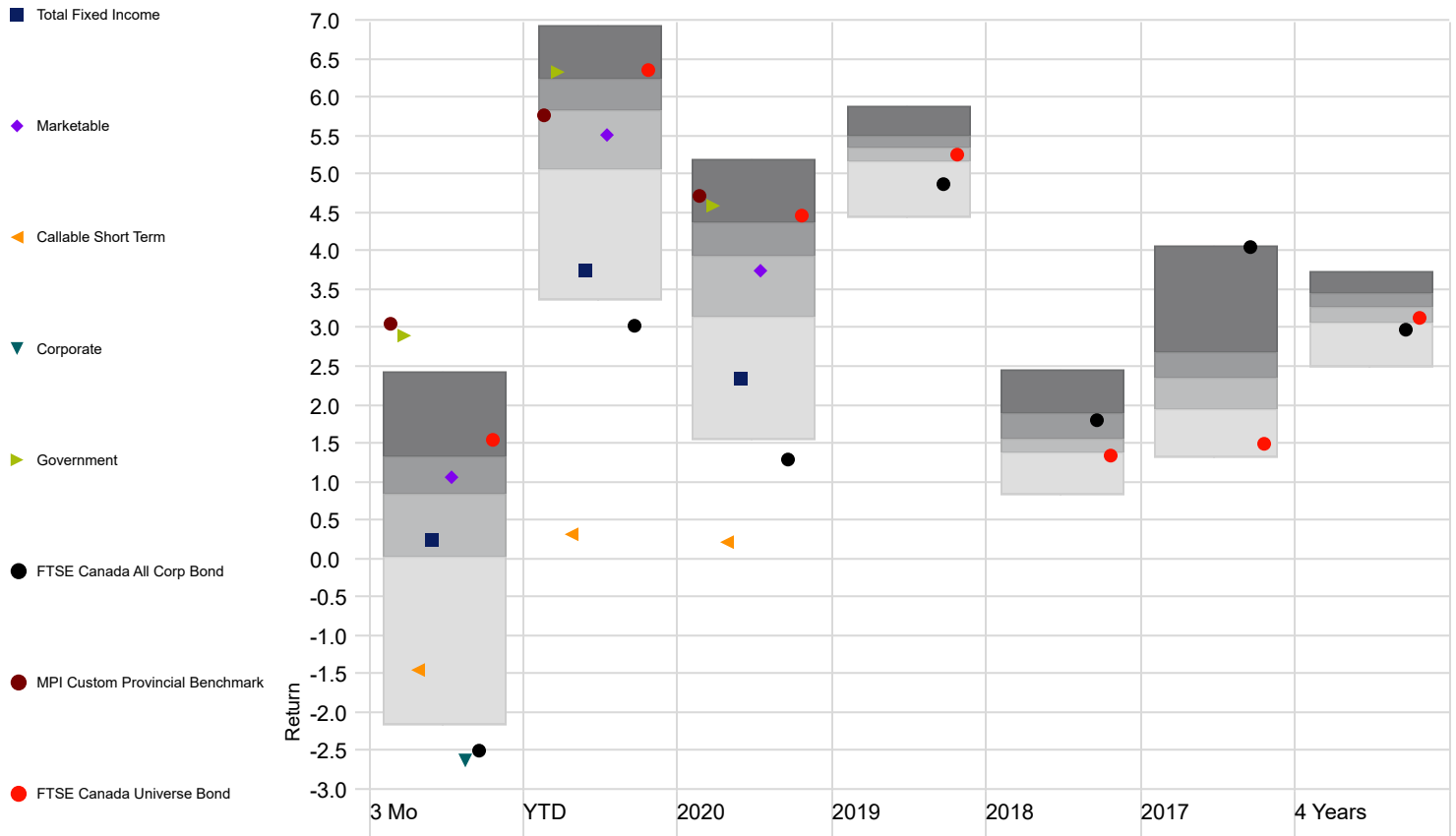
Total Fixed Income

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Fixed Income



	3 Mo		YTD		2020		2019		2018		2017		4 Years
Total Fixed Income	0.25	69	3.75	91	2.36	89	—	—	—	—	—	—	—
Marketable	1.07	41	5.53	61	3.76	55	—	—	—	—	—	—	—
Callable Short Term	-1.44	91	0.32	98	0.22	98	—	—	—	—	—	—	—
Corporate	-2.62	97	—	—	—	—	—	—	—	—	—	—	—
Government	2.92	5	6.33	23	4.61	21	—	—	—	—	—	—	—
FTSE Canada All Corp Bond	-2.48	97	3.05	95	1.29	95	4.88	90	1.81	32	4.05	6	3.00
MPI Custom Provincial Benchmark	3.08	5	5.76	52	4.72	15	—	—	—	—	—	—	—
FTSE Canada Universe Bond	1.56	18	6.37	23	4.46	22	5.27	58	1.36	75	1.51	86	3.13
Median	0.84		5.83		3.93		5.33		1.56		2.34		3.27



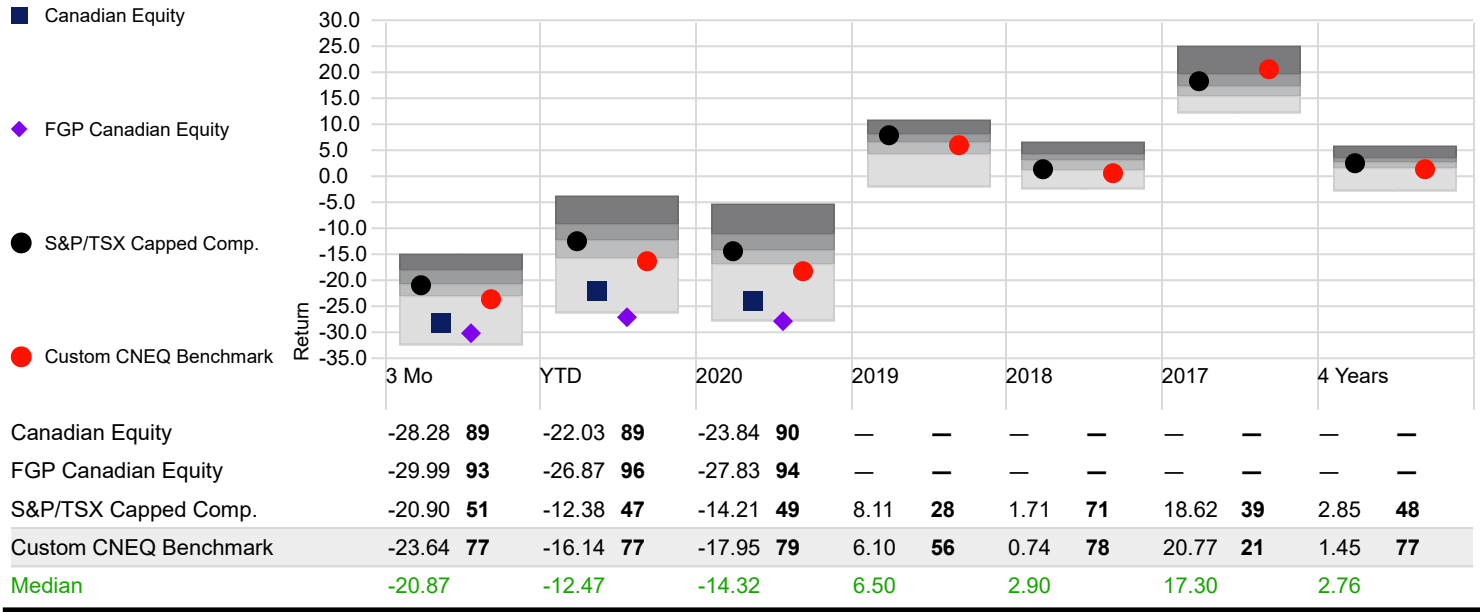
Canadian Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Equity



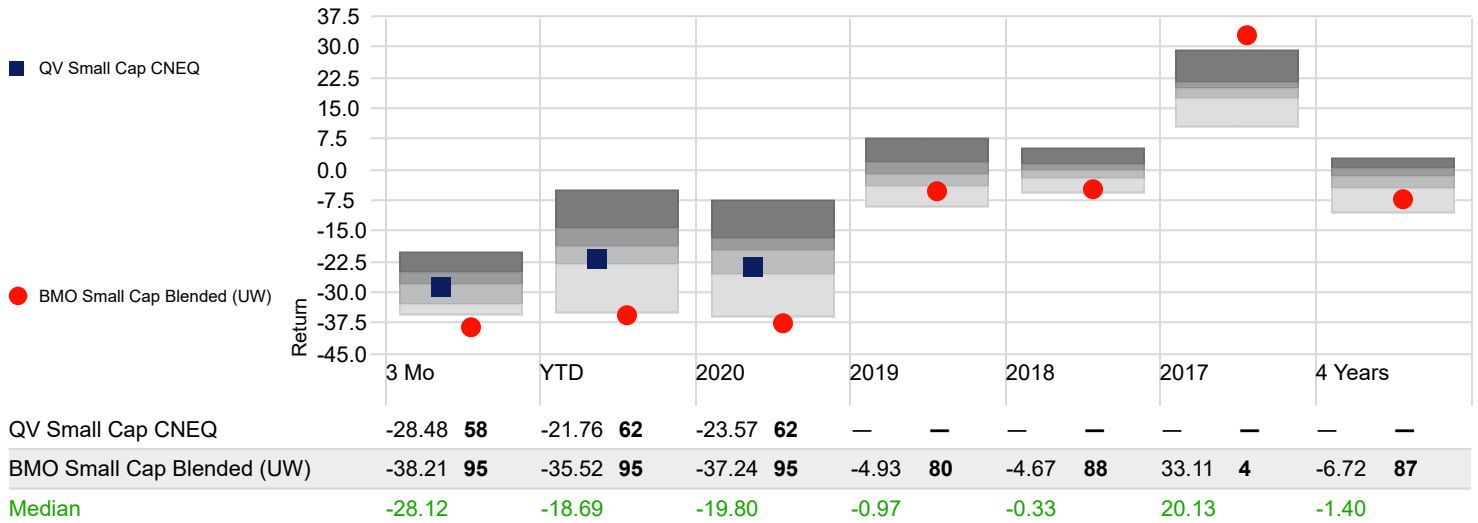
Canadian Small Cap Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Small Cap Equity



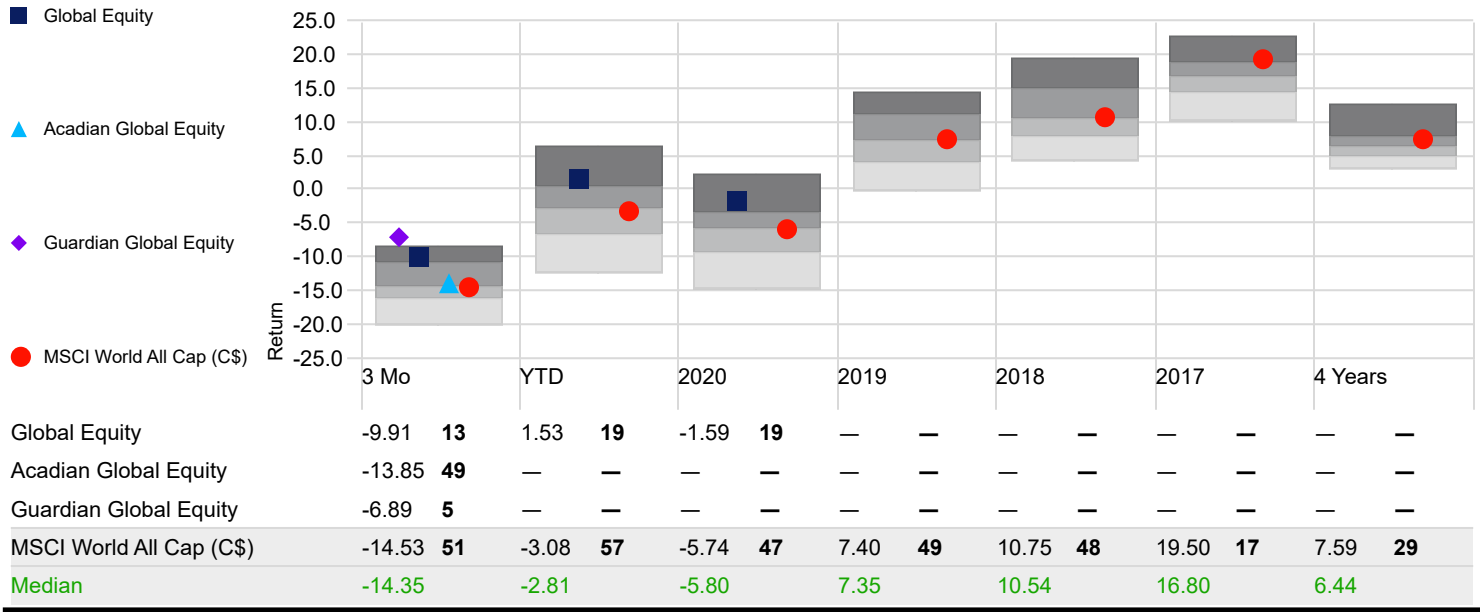
Global Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Global Equity



Alternatives

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

	3 Mo	YTD	2020	2019	2018	2017	4 Years
Real Estate	2.08	6.45	6.39	—	—	—	—
Greystone Real Estate	3.07	8.87	9.03	—	—	—	—
MPI Real Estate	1.45	5.04	4.85	—	—	—	—
Infrastructure	5.13	12.67	11.83	—	—	—	—
Private Debt	-1.68	—	—	—	—	—	—
IPD Property Index (lag)	1.91	6.45	6.08	7.90	7.22	6.00	6.80
CAN CPI + 5.00%	1.97	7.77	7.27	6.59	7.26	7.19	7.08



Comparative Measurement

Manitoba Public Insurance

As of 3/31/2020

To assist the reader of this report, a description of the background universe is being provided. Per instruction from MPI in August 2016, Ellement Consulting Group will no longer be providing Fiscal Year Ending Quarterly Reports. Ellement Consulting Group will now provide measurement of the MPI Fund at calendar year quarter end. Following fiscal year end 2019, Ellement will now provide measurement of the MPI Portfolio and sub portfolio only once a year at fiscal year-end. Peer universes used to rank performance and compare funds are from Morningstar.

With the February 2007 fiscal quarter report, a custom universe has been added. This universe is comprised of pooled funds weighted to MPI's policy asset mix which provides a performance comparison that is independent of asset mix. Prior to that, the Total Fund had been compared only to a Balanced Universe. Beginning with the November 2015 fiscal report, the custom universe is being run out of Morningstar.

Ellement Consulting Group began measuring the MPI fund as of July 1, 2003. Fixed Income returns are supplied by MPI, while Equity returns are calculated independently by Ellement from custodial records. Some data is obtained directly from the investment managers for improved accuracy. Return data prior to 2003 is a combination of MPI records and prior measurement reports.



Disclaimer

1. The rates of return used in this Report are not necessarily a prediction of possible future experience.
2. The rates of return used in this Report are believed to be accurate, complete and timely. Rounding issues may arise.
3. Reliance for data has been made primarily on the custodial statements of the Plan, Morningstar Direct, eVestment, the Bank of Canada, Ellement Performance Measurement Proprietary System and the Canadian Institute of Actuaries publications on Economic Statistics in the preparation of this Report. Additional information provided from investment managers has been of assistance from time to time.
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5. Careful deliberation, perhaps with supplementary information, may be required before investment managers are hired, continued or terminated, or before an asset class mix change is directed.

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MPI - EFB



**Manitoba
Public Insurance**

Executive Summary As of March 31, 2020

Submitted: June 2020



Pensions | Benefits | Investments

75 Re	16 S	66 Dy	4 Be	57 La	34 Se	Li	H
105 Db	74 W	58 Ce	22 Ti	18 Ar	59 Pa	24 Cr	39 Y
50 Sn	74 Ru	10 Ca	103 Lr	66 Dy	45 Rh	82 Pb	31 Ga
47 Ag	06 C	13 Al	83 Bi	80 Hg	81 Tl	79 Au	39 V
28 Ni	07 N	32 Ge	51 Sb	78 Pt	76 Os	89 Ac	77 Ir
87 Fr	56 Ba	11 Na	73 Ta	19 K	38 Sr	55 Cs	02 He
10 Ne	08 O	54 Xe	70 Yb	100 Fm	98 Cf	97 Bk	09 F
36 Kr	92 U	94 Pu	95 Am	90 Th	101 Md	99 Es	49 In
107 Bh	64 Gd	63 Eu	69 Tm	65 Tb	17 Cl	109 Mt	48 Cd
106 Sg	92 U	94 Pu	95 Am	90 Th	101 Md	99 Es	49 In
40 Zr	64 Gd	63 Eu	69 Tm	65 Tb	17 Cl	109 Mt	48 Cd

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Market Update

Manitoba Public Insurance

As of 3/31/2020

The FTSE Canada Universe Bond returned 6.4% during fiscal 2020 as interest rates were cut during Q1 2020 and yields fell due to the impact of the COVID-19 pandemic. The Canadian Equity market had a strong calendar 2019 but returned -12.4% during fiscal 2020 as Q1 2020 returns were impacted significantly by the COVID-19 pandemic and decreased oil demand. Active management detracted value in fiscal 2020 with the median manager return being -12.5%, 0.1% lower than the benchmark index.

The MSCI World All Cap (C\$) returned -3.1% fiscal 2020 and the median active manager outperformed by 0.3%. Global returns (C\$) were positively impacted by the depreciating Canadian dollar. The S&P 500 (C\$) returned 2.3% during fiscal 2020, while the S&P 500 (US\$) returned -4.8%. The US market was the top performer as Information Technology sector returns were the least impacted by the COVID-19 pandemic.

Major Indices	Recent		Annualized					Annual				
	3 Mo	YTD	1 Yr	2 Yr	3 Yr	4 Yr	5 Yr	2020	2019	2018	2017	2016
Fixed Income												
FTSE Canada Universe Bond	1.56	6.37	4.46	4.86	3.68	3.13	2.66	4.46	5.27	1.36	1.51	0.78
FTSE Canada LT Bond	0.16	9.48	5.56	6.42	5.96	4.88	3.77	5.56	7.28	5.06	1.72	-0.56
FTSE Canada MT Bond	3.31	6.92	5.28	5.51	3.47	2.99	2.80	5.28	5.74	-0.49	1.55	2.07
FTSE Canada ST Bond	1.85	3.76	3.21	3.33	2.08	1.88	1.73	3.21	3.46	-0.37	1.27	1.12
FTSE Canada All Government Bond	3.11	7.62	5.64	5.53	4.06	3.18	2.70	5.64	5.42	1.19	0.56	0.81
FTSE Canada All Corp Bond	-2.48	3.05	1.29	3.07	2.65	3.00	2.53	1.29	4.88	1.81	4.05	0.69
Median	0.84	5.83	3.93	4.65	3.57	3.27	2.75	3.93	5.33	1.56	2.34	0.83
Canada												
S&P/TSX Composite	-20.90	-12.38	-14.21	-3.69	-1.92	2.85	0.89	-14.21	8.11	1.71	18.62	-6.57
BMO Small Cap Blended (UW)	-38.21	-35.52	-37.24	-22.76	-17.14	-6.72	-7.18	-37.24	-4.93	-4.67	33.11	-9.02
Median	-20.87	-12.47	-14.32	-4.19	-2.06	2.76	1.30	-14.32	6.50	2.91	17.31	-4.07
US (C\$)												
S&P 500 (C\$)	-11.75	2.29	-0.89	6.04	7.41	10.61	9.25	-0.89	13.46	10.20	20.81	3.95
Russell 1000 Value (C\$)	-19.58	-9.18	-11.75	-1.70	-0.03	5.27	4.31	-11.75	9.50	3.39	22.93	0.55
Russell 2000 Value (C\$)	-29.38	-24.41	-25.04	-11.79	-7.53	1.34	-0.12	-25.04	3.80	1.63	33.39	-5.76
Russell 1000 TR USD	-12.43	1.04	-2.01	5.35	6.94	10.31	8.73	-2.01	13.26	10.18	21.08	2.64
Median	-12.42	0.47	-2.55	4.66	6.30	9.15	7.75	-2.55	12.43	9.98	19.36	2.37
US (US\$)												
S&P 500 (US\$)	-19.60	-4.78	-6.98	0.92	5.10	8.00	6.73	-6.98	9.50	13.99	17.17	1.78
Russell 1000 Value (US\$)	-26.73	-15.47	-17.17	-6.44	-2.18	2.78	1.90	-17.17	5.67	6.95	19.22	-1.54
Russell 2000 Value (US\$)	-35.66	-29.64	-29.64	-16.05	-9.51	-1.05	-2.42	-29.64	0.17	5.13	29.37	-7.72
Russell 1000 TR USD	-20.22	-5.95	-8.03	0.26	4.64	7.70	6.22	-8.03	9.30	13.98	17.43	0.50
Median	-20.21	-6.48	-8.53	-0.39	4.02	6.57	5.27	-8.53	8.50	13.77	15.76	0.23
International												
MSCI EAFE (C\$)	-15.17	-5.82	-8.29	-4.10	0.84	4.37	2.23	-8.29	0.29	11.48	15.73	-5.91
Median	-14.95	-4.04	-7.24	-4.51	1.45	4.39	2.62	-7.24	-1.38	13.56	14.57	-4.64
Global												
MSCI World All Cap (C\$)	-14.53	-3.08	-5.74	0.62	3.89	7.59	5.84	-5.74	7.40	10.75	19.50	-0.89
Median	-14.35	-2.81	-5.80	0.64	3.52	6.44	5.24	-5.80	7.35	10.54	16.80	0.30



Performance Summary

Manitoba Public Insurance

As of 3/31/2020

Performance Summary				12 Month Results				
Asset Class and Manager	MV in Millions	MRQ	YTD	2020	2019	2018	2017	4 Year
Total Fund	\$458.0	(5.7)	1.3	0.4				
<i>Custom Benchmark</i>		(6.7)	2.2	(0.3)				
<i>Balanced Universe Median</i>		(10.0)	(2.3)	(4.2)				
Value Added (Total Fund)		1.0	-0.9	0.7				
Note: Value Added vs Custom Benchmark								
Total Fixed Income	\$84.7	(6.5)	(0.8)	(0.9)				
Marketable	\$84.1	(6.5)						
Callable Short Term	\$0.6	0.5	2.2	2.3				
<i>FTSE Canada Universe Bond</i>		1.6	6.4	4.5				
<i>Median</i>		0.8	5.8	3.9				
Value Added (Total Fixed Income)		-8.1	-7.1	-5.4				
Value Added (Marketable)		-8.1						
Note: Value Added vs Bond Benchmark								
Private Debt	\$79.3	(3.5)						
<i>FTSE Canada All Corp Bond</i>		(2.5)						
Value Added (Private Debt)		-1.0						
Canadian Equity	\$33.8	(29.7)	(23.4)	(25.3)				
<i>Custom CE Benchmark ¹</i>		(23.6)	(16.1)	(17.9)				
<i>Median</i>		(20.9)	(12.5)	(14.3)				
Value Added (CNEQ vs Custom CE bmk)		-6.0	-7.3	-7.3				
FGP	\$26.5	(30.0)	(26.8)	(27.8)				
<i>S&P/TSX Capped Comp.</i>		(20.9)	(12.4)	(14.2)				
<i>Median</i>		(20.9)	(12.5)	(14.3)				
Value Added (FGP vs S&P/TSX)		-9.1	-14.5	-13.6				
QV Investors	\$7.3	(28.5)	(21.8)	(23.6)				
<i>BMO Small Cap Blended (UW)</i>		(38.2)	(35.5)	(37.2)				
<i>Median</i>		(28.1)	(18.7)	(19.8)				
Value Added (QV vs BMO SC Blended UW)		9.7	13.8	13.6				
Note: Value Added vs Respective Benchmark								
Note: Rounding issues may arise								
¹ Current Benchmark weight: 85% S&P/TSX Capped Composite, 15% BMO Small Cap Blended (Unweighted)								
Global Equity	\$108.8	(8.8)	2.5	(0.5)				
Acadian	\$28.5	(14.0)						
Guardian	\$80.3	(6.9)						
<i>MSCI World All Cap (C\$)</i>		(14.5)	(3.1)	(5.7)				
<i>Median</i>		(14.3)	(2.8)	(5.8)				
Value Added (Global Equity)		5.7	5.6	5.2				
Value Added (Acadian)		0.6						
Value Added (Guardian)		7.6						
Note: Value Added vs MSCI World All Cap (C\$)								
Real Estate	\$76.1	3.1	8.9	9.0				
Greystone Real Estate	\$76.1	3.1	8.9	9.0				
<i>IPD All Prop (Lag)</i>		1.9	6.4	6.1				
<i>Median</i>		1.5	8.9	8.7				
Value Added (Real Estate)		1.2	2.4	2.9				
Value Added (Greystone)		1.2	2.4	2.9				
Note: Value Added vs IPD All Property (lagged by one quarter) Index								
Infrastructure	\$75.3	5.1	12.7	11.8				
<i>CPI + 5% (lag)</i>		2.0	7.8	7.3				
Value Added (Infra)		3.2	4.9	4.6				
Note: Value Added vs CPI + 5% (lagged one month)								



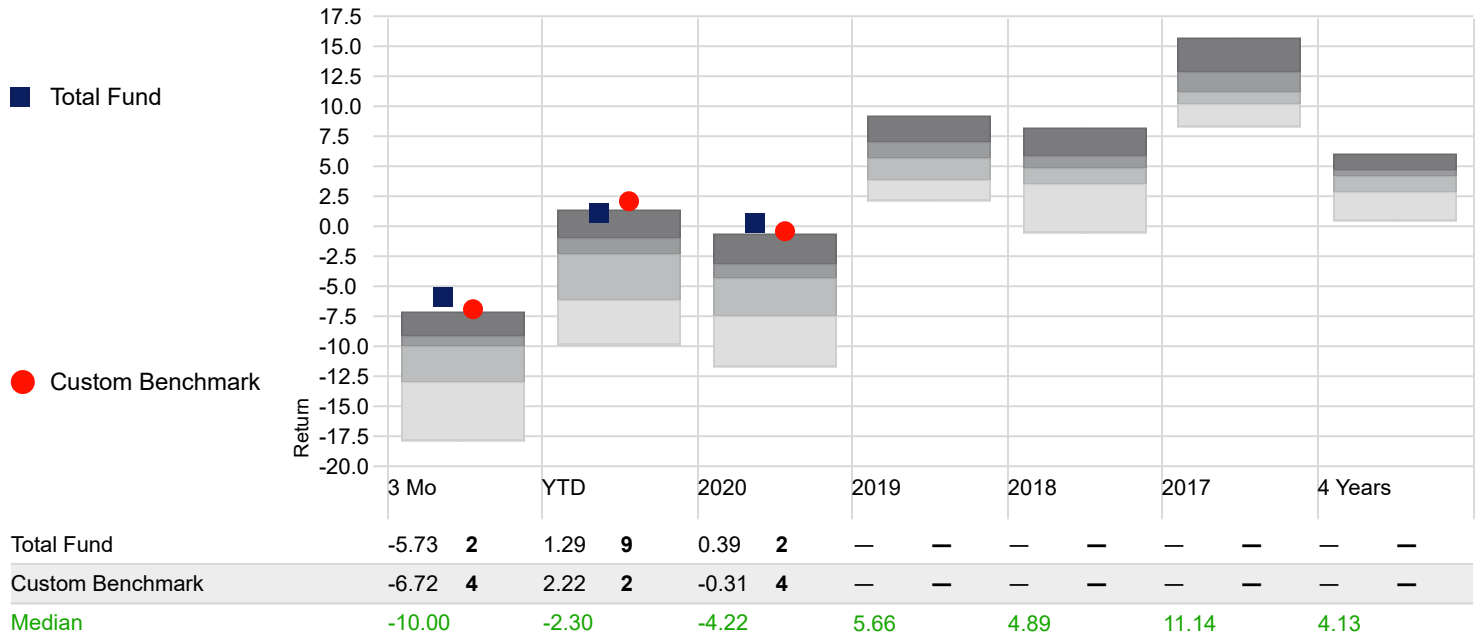
Total Fund

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Balanced



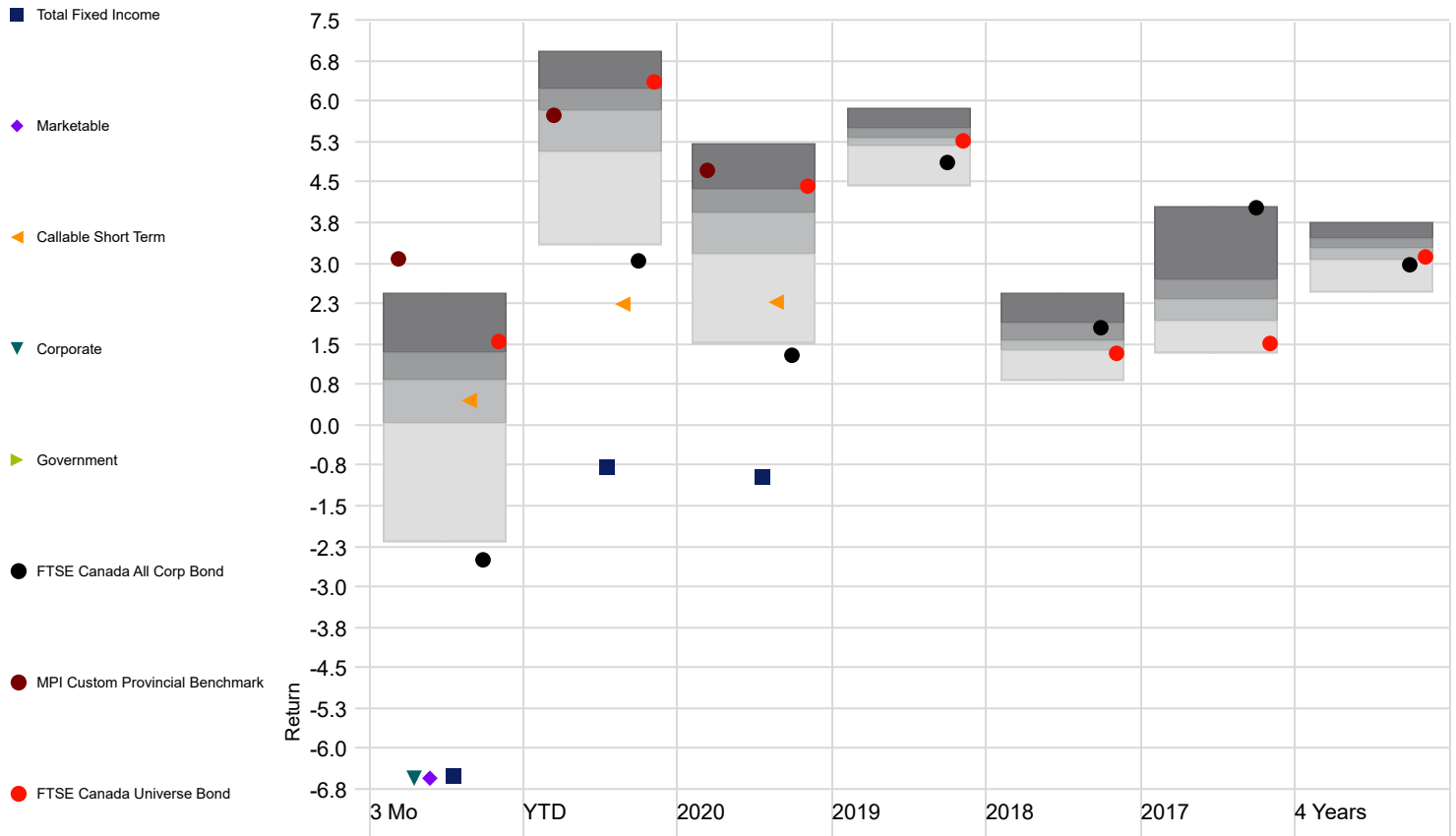
Total Fixed Income

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Fixed Income



	3 Mo	YTD	2020	2019	2018	2017	4 Years
Total Fixed Income	-6.51 98	-0.77 98	-0.94 98	—	—	—	—
Marketable	-6.53 98	—	—	—	—	—	—
Callable Short Term	0.47 67	2.24 97	2.30 89	—	—	—	—
Corporate	-6.53 98	—	—	—	—	—	—
Government	—	—	—	—	—	—	—
FTSE Canada All Corp Bond	-2.48 97	3.05 95	1.29 95	4.88 90	1.81 32	4.05 6	3.00 84
MPI Custom Provincial Benchmark	3.08 5	5.76 52	4.72 15	—	—	—	—
FTSE Canada Universe Bond	1.56 18	6.37 23	4.46 22	5.27 58	1.36 75	1.51 86	3.13 65
Median	0.84	5.83	3.93	5.33	1.56	2.34	3.27



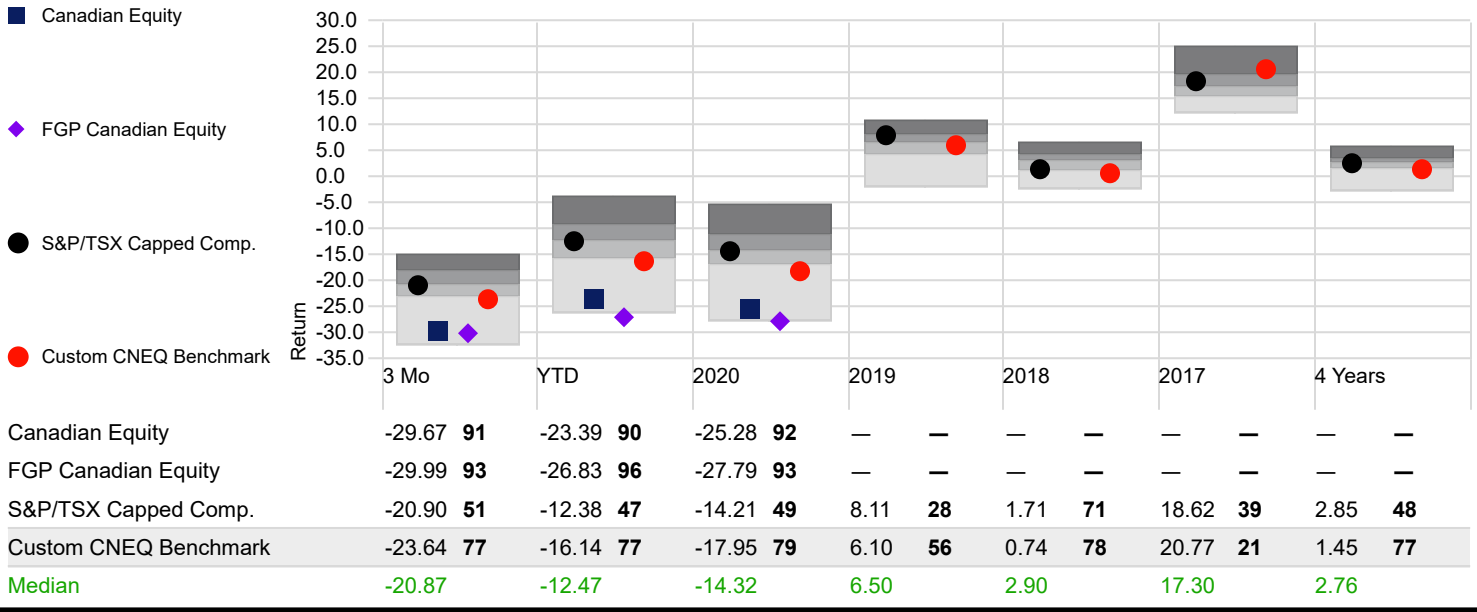
Canadian Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Equity



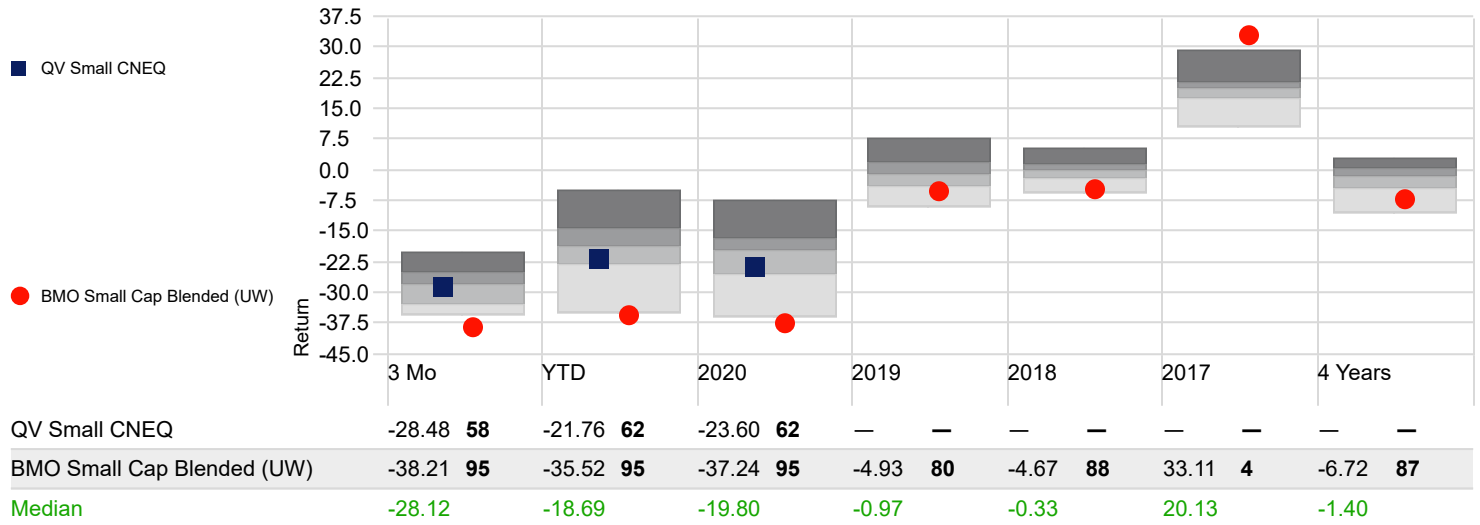
Canadian Small Cap Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Canadian Small Cap Equity



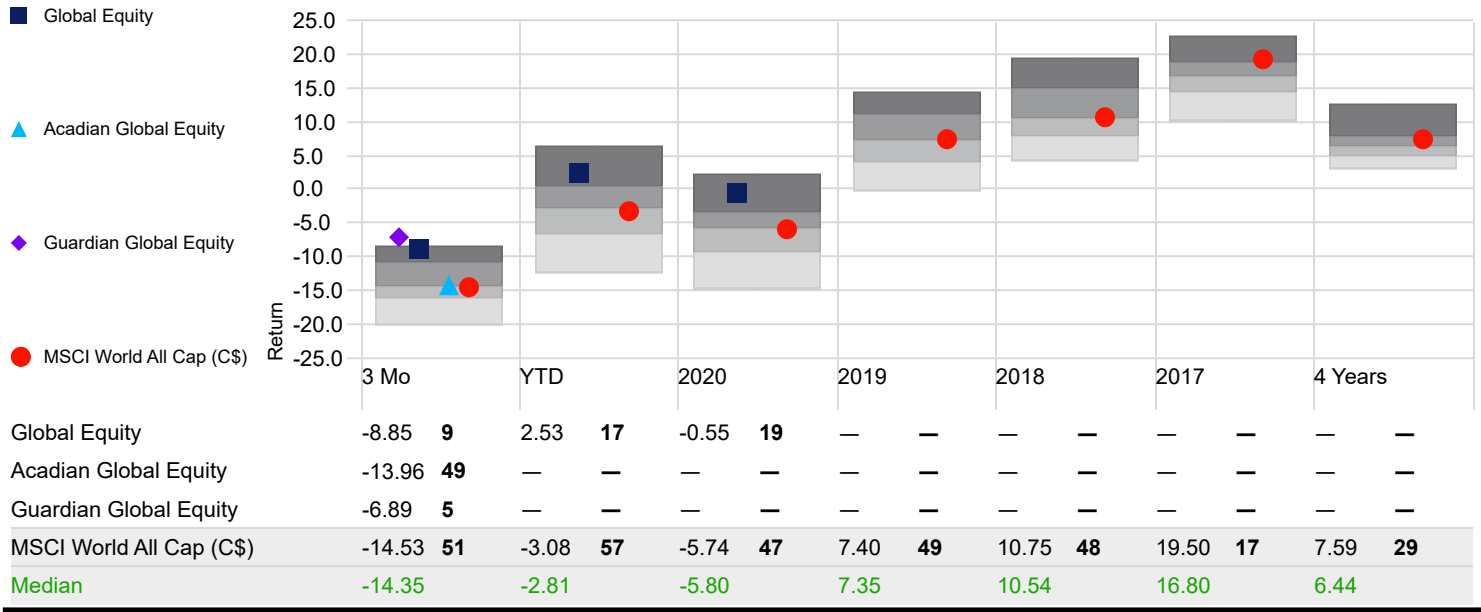
Global Equity

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

Peer Group (5-95%): Universe - Global Equity



Alternatives

Manitoba Public Insurance

As of 3/31/2020

Trailing Performance

	3 Mo	YTD	2020	2019	2018	2017	4 Years
Real Estate	3.07	8.87	9.03	—	—	—	—
Greystone Real Estate	3.07	8.87	9.03	—	—	—	—
Infrastructure	5.13	12.67	11.83	—	—	—	—
Private Debt	-3.51	—	—	—	—	—	—
IPD Property Index (lag)	1.91	6.45	6.08	7.90	7.22	6.00	6.80
FTSE Canada All Corp Bond	-2.48	3.05	1.29	4.88	1.81	4.05	3.00
CAN CPI + 5.00%	1.97	7.77	7.27	6.59	7.26	7.19	7.08



Comparative Measurement

Manitoba Public Insurance

As of 3/31/2020

To assist the reader of this report, a description of the background universe is being provided. Per instruction from MPI in August 2016, Ellement Consulting Group will no longer be providing Fiscal Year Ending Quarterly Reports. Ellement Consulting Group will now provide measurement of the MPI Fund at calendar year quarter end. Following fiscal year end 2019, Ellement will now provide measurement of the MPI Portfolio and sub portfolio only once a year at fiscal year-end. Peer universes used to rank performance and compare funds are from Morningstar.

With the February 2007 fiscal quarter report, a custom universe has been added. This universe is comprised of pooled funds weighted to MPI's policy asset mix which provides a performance comparison that is independent of asset mix. Prior to that, the Total Fund had been compared only to a Balanced Universe. Beginning with the November 2015 fiscal report, the custom universe is being run out of Morningstar.

Ellement Consulting Group began measuring the MPI fund as of July 1, 2003. Fixed Income returns are supplied by MPI, while Equity returns are calculated independently by Ellement from custodial records. Some data is obtained directly from the investment managers for improved accuracy. Return data prior to 2003 is a combination of MPI records and prior measurement reports.



Disclaimer

1. The rates of return used in this Report are not necessarily a prediction of possible future experience.
2. The rates of return used in this Report are believed to be accurate, complete and timely. Rounding issues may arise.
3. Reliance for data has been made primarily on the custodial statements of the Plan, Morningstar Direct, eVestment, the Bank of Canada, Ellement Performance Measurement Proprietary System and the Canadian Institute of Actuaries publications on Economic Statistics in the preparation of this Report. Additional information provided from investment managers has been of assistance from time to time.
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5. Careful deliberation, perhaps with supplementary information, may be required before investment managers are hired, continued or terminated, or before an asset class mix change is directed.

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Investment Activity & Performance Report

for 13 months ending March 31, 2020



**Manitoba
Public Insurance**

Implementation Update

Milestone	Dates	Progress
Fund private debt drawdown notices	August 2019 – March 2020	In Progress
First Gas Liquidation	May 8, 2020	Complete
Sonnet (Thames Water) Liquidation	TBD	Awaiting outcome of appeal of recent regulatory ruling
EagleCrest Liquidation	Dec. 31, 2021	Early exit not an option as the fund exceeded 7% hurdle rate

Funds received from liquidation of First Gas & Sonnet co-investments will be used to fund private debt capital calls. Since we cannot exit the EagleCrest fund until December 31, 2020 there will be no additional funds to redeploy into liquid infrastructure assets until that time.

Asset Allocation Commentary

- Real estate was above the target weight by approximately \$47.2 million at March 31.
- Private Debt drawdowns will be funded by:
 - Sales of Floating Rate Notes in the RSR portfolio.
 - Sales of Floating Rate Notes and real estate in the SRE & Extension portfolios.
 - Sales of infrastructure in the Employee Future Benefits portfolio.

Investment Fund's Dollar Value and Asset Allocation Mix

at March 31, 2020

Mar-20

(in \$ Million)	Consolidated MV + AI	Total current	Basic current	RSR current	SRE current	EXT current	EFB current
Cash, Short Term, & FRNs	\$ 155.5	4.8%	3.7%	14.9%	6.1%	7.4%	0.1%
Fixed Income							
Provincial Bonds	\$ 1,213.7	37.4%	52.0%	20.6%	19.9%	17.3%	
Corporate Bonds	536.0	16.5%	18.6%	9.8%	9.4%	9.0%	18.3%
Non-Marketable Bonds (***)	530.9	16.4%	25.7%				
Private Debt	123.1	3.8%		5.5%	6.7%	6.5%	17.3%
Total Debt	\$ 2,403.7	74.1%	96.3%	35.9%	35.9%	32.9%	35.7%
Public Equities							
Canadian	103.7	3.2%	0.0%	8.5%	11.0%	10.8%	7.4%
Global	172.9	5.3%	0.0%	12.9%	12.0%	13.6%	17.5%
Global Low Vol	94.8	2.9%	0.0%	9.0%	8.7%	10.3%	6.2%
Total Public Equities	\$ 371.5	11.5%	0.0%	30.5%	31.7%	34.7%	31.1%
Alternative Investments							
Canadian Real Estate (*)	\$ 188.1	5.8%	0.0%	13.1%	18.3%	17.6%	16.6%
Venture Capital	0.3	0.0%	0.0%	0.0%	0.2%	0.0%	0.0%
Infrastructure (**)	123.2	3.8%	0.0%	5.6%	7.8%	7.5%	16.5%
Total Alternative Investments	\$ 311.7	9.6%	0.0%	18.7%	26.3%	25.1%	33.1%
Total Assets:	\$ 3,242.4	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

(*) CityPlace at appraised value

(**) Infrastructure based latest valuations from fund manager

(***) MUSH at book value

Status of Funding New Portfolios – March 31

Manager	Asset Class	Commitment (\$ million)	Drawn (\$ million)	Unfunded commitment (\$ million)
Addenda	Corporate Bonds	537	537	0
Guardian	Global Equities	154	154	0
Acadian	Low Volatility Global Equities	88	88	0
Sun Life	Private Debt	228	128	100
Total		1,007	907	100

Corporate Bonds were fully funded on the following dates:

- SRE/RSR/EXT/EFB on April 12, 2019
- Basic Claims portfolio on July 25, 2019 (fully invested by August 31)

Guardian was funded on April 26, 2019

Acadian was funded on April 23, 2019

Private Debt Capital Calls

Month	EFB	RSR	SRE	EXT	Total
July 2019	\$8.9	\$4.9	\$3.7	\$2.8	\$20.3
August	\$7.5	-	-	-	\$7.5
September	\$13.0	-	-	-	\$13.0
October	\$29.8	\$2.5	-	-	\$29.8
November	\$14.9	-	-	-	\$14.9
December	-	-	-	-	-
January 2020	\$5.0	-	-	-	\$5.0
February	\$5.0	\$3.9	\$2.9	\$2.2	\$14.1
March	-	\$9.2	\$6.9	\$5.3	\$21.4
Total	\$84.1	\$20.5	\$13.5	\$10.3	\$128.5

- RSR/SRE/EXT are invested in Sun Life's mid-duration fund
- EFB is invested in Sun Life's long-duration fund

Investment Income vs. Budget

Corporate Investment Income excluding Interest Rate Impacts

Feb. 28, 2019 - March 31, 2020

Asset Class	Budget	Actual	Variance
Canadian Equities	4,883	13,576	8,693
U.S. Equities	8,283	8,343	60
Global Equities	-	4,868	4,868
Real Estate	10,065	14,045	3,980
Infrastructure	5,621	16,356	10,735
Interest Income	94,088	95,555	1,467
Private Debt	-	1,437	1,437
Amortization of Bonds	(7,170)	(6,712)	458
Provision for Pension	(17,813)	(14,742)	3,071
Investment Management Fees	(4,932)	(5,159)	(227)
Impairment of Securities		(67,761)	(67,761)
Total	93,025	59,806	(33,219)
Realized & Unrealized Gains on Bonds		47,357	
Change in Basic Claims Liabilities*		34,400	
Net Impact		12,957	

*excludes DPAC write-down of \$4.2M

Duration and Dollar Matching of Fixed Income in the Basic Claims Portfolio & Claims Liabilities

at February 28, 2020

Fixed Income Assets (excluding Accrued Income) (in \$ million)	Basic Claims Liabilities (in \$ million) (*)	Difference (in \$ million)
2,104	2,113	(9)

Fixed Income Duration (in years)	Claims Liabilities Duration (in years)	Difference (in years)
10.48	10.68	(0.20)

March 31 liability information is not currently available.

Basic Claims Portfolio

at March 31, 2020

Credit Rating	March 2020 Amount (\$ millions)	March 2020 Weights (%)	February 2019 Weights (%)	Difference Weights (%)
AAA	204.9	10.3%	9.4%	0.9%
AA	1,241.1	62.2%	82.8%	-20.6%
A	326.3	16.3%	7.2%	9.1%
BBB	223.3	11.2%	0.6%	10.6%
Total	1,995.6	100%	100%	
Average credit rating (*)		AA	AA	

(*) Moody's ratings when available. Otherwise, S&P and DBRS credit ratings equivalents. Including MUSH bonds.

Changes are primarily due to the sale of Provincial bonds and the purchase of corporate bonds.

Credit Rating Down Grades: Corporate Bonds

Since the beginning of the crisis five corporate bond issuers representing 2.5% of our portfolio have been down graded, but all remain investment grade (BBB- or higher).

Issuer	New Credit Rating	Rating Agency
Genworth MI Canada	BBB+	S&P
Suncor Energy Inc	BBB+	S&P
Heathrow Airport	BBB+	S&P
CT REIT	BBB	S&P
Inter Pipeline Ltd	BBB-	S&P

Credit Rating Down Grades – Private Debt

There were four recent credit down grades in Sun Life’s mid duration fund. These down graded bonds total market value is approximately \$51 million or 2.1% of the fund (based on its AUM of \$2,455 million at March 31).

Type of Issuer	Previous Rating	Current Rating
Pipeline	A-	BBB+
Gaming & Casino	BBB-	BB
CDN Hotel Portfolio	BBB+	BB-
Suncor Energy Inc	BB	B-

There were no down grades in the long duration fund during the quarter

Investment Fund Returns - Portfolio Level

(IPS Benchmarks)

February 28, 2019 – March 31, 2020

Portfolio	MV + AI (**) (\$ million)	Weights (%)	Returns		Alpha (in bps)
			Portfolio	Benchmark	
Basic (*)	\$ 2,063	63.6%	6.19%	7.57%	-138
RSR	\$ 366	11.3%	0.54%	0.70%	-16
SRE	\$ 200	6.2%	0.83%	0.70%	14
EXT	\$ 155	4.8%	0.76%	0.70%	6
EFB	\$ 458	14.1%	1.04%	2.41%	-137
Total	\$ 3,243	100.0%	4.31%	5.51%	-120

(*) MUSH Bonds at Book Value

(**) Market values and accrued interest as of March 2020

- Basic underperformance was driven by the relative underperformance of Corporate and MUSH bonds.
- The RSR portfolio underperformed compared to the Extension and SRE portfolios due to the lower allocation to alternative investments (positive alpha generators) and the larger allocation to corporate bonds (with a larger negative alpha).
- EFB underperformance was due to corporate bonds and global equity not being fully funded until mid April 2019 and the significant underperformance of the large cap Canadian equity manager. Also, private debt was well below its target weight of 20.0% for most the year; the weight was zero from March 2019 to July 2019 and increased to 17.3% by March 2020.

Investment Fund Returns - Portfolio Level (Transitional Benchmarks)

February 28, 2019 – March 31, 2020

Portfolio	MV + AI (**) (\$ million)	Weights (%)	Returns Portfolio	Transitional Benchmark	Alpha (in bps)
Basic (*)	2,063	63.6%	6.19%	7.53%	-134
RSR	366	11.3%	0.54%	0.43%	11
SRE	200	6.2%	0.83%	0.58%	25
EXT	155	4.8%	0.76%	0.56%	20
EFB	458	14.1%	1.04%	0.62%	42
Total	\$ 3,243	100.0%	4.31%	5.08%	-78

(*) MUSH Bonds at Book Value

(**) Market values and accrued interest as of March 2020

- In February 2020 the transitional benchmarks were approved to better facilitate analysis of the relative performance of each portfolio during the transition period.
- Compared to the IPS benchmarks each transitional benchmark had a lower return during the period: 4 bps for the Basic Claims portfolio, 179 bps for the EFB portfolio and 43 bps in total (5.08% vs. 5.51%).
- The aggregate portfolio had alpha of -120 bps vs. the IPS benchmarks compared to -78 bps vs. the transitional benchmarks, resulting in an overall alpha improvement of 43 bps.

Basic Claims Portfolio

February 28, 2019 – March 31, 2020

Basic Claims	Return Portfolio	Benchmark	Alpha (in bps)	Current Weight	Target Weight	Target Weight * Alpha (in bps)
Provincial	8.18%	8.55%	-37	51.9%	60.0%	-22
Corporate (*)	3.29%	3.87%	-58	18.7%	20.0%	-12
MUSH (**)	4.96%	8.24%	-328	25.7%	20.0%	-66
Total	6.19%	7.57%	-138			

(*) Corporate bonds returns comprise three periods:

- A first period where the Department of Finance was the sole manager of the portfolio (February to April 2019).
- A second period where the corporate bond portfolio was transitioned to the new corporate bond manager but was not fully funded (May-August 2019).
- A final period where the corporate bond portfolio was fully funded and managed by the new corporate bond manager (September 2019-March 2020).

(**) MUSH at book value

- The underperformance of MUSH bonds is due to the fact that performance is based on book values while the benchmark return is based on market values. Interest rates decreased during this period (average yields declined by 64 bps), creating capital gains for the benchmark but not for MUSH bonds.
- Using implied market values MUSH bonds returned 7.58%, underperforming the benchmark by only 66 bps.
- With MUSH bonds at implied market value, the portfolio return would have been 7.06% and the underperformance would have decreased to 51 bps.

RSR Portfolio

February 28, 2019 – March 31, 2020

RSR	Return Portfolio	Benchmark	Alpha (in bps)	Current Weight	Target Weight	Target Weight * Alpha (in bps)
Fixed Income						
Provincial	9.40%	6.26%	314	20.4%	20.0%	63
Corporate (*)	1.20%	3.31%	-211	9.8%	10.0%	-21
Private Debt	-0.82%	3.31%	-413	5.5%	20.0%	-83
Public Equity						
Canadian	-26.23%	-17.36%	-887	8.5%	12.0%	-106
Global	0.28%	-2.13%	241	13.0%	10.0%	24
Global Low Volatility	-8.15%	-2.13%	-602	9.0%	13.0%	-78
Alternative Investments						
Canadian Real Estate	7.34%	5.97%	137	13.1%	10.0%	14
Infrastructure	13.48%	7.07%	641	5.6%	5.0%	32
Total	0.54%	0.70%	-16			

(*) Corporate bonds returns comprise two periods:

a. A first period where the corporate bond portfolio was partially funded (April 2019).

b. A second period where the corporate bond portfolio was fully funded and managed by the new corporate bond manager (May 2019-March 2020).

- Provincial bond outperformance was due to a higher duration than the benchmark (by 4.24 years) as yields fell by 88 bps.
- Corporate bond underperformance was mainly due to the fact that the asset class was not funded until April 12.
- Private debt underperformance was due to the asset class being well below the target weight for the entire period.
- Canadian equity underperformance was driven by Foyston's underperformance relative to the TSX Index (by 15.5%).
- Global equity low volatility underperformance was due to the fact that the asset class was not funded until April 23, 2019 and the underperformance of the strategy from October 2019 to January 2020 (by 4.7%).
- Alternative investments, particularly infrastructure, were positive alpha generators. On average, real estate and infrastructure were overweight by 6.0% and 1.3%, respectively, during the period.

SRE Portfolio

February 28, 2019 – March 31, 2020

SRE	Return Portfolio	Benchmark	Alpha (in bps)	Current Weight	Target Weight	Target Weight * Alpha (in bps)
Fixed Income						
Provincial	6.13%	6.26%	-12	19.9%	20.0%	-2
Corporate (*)	1.30%	3.31%	-201	9.4%	10.0%	-20
Private Debt	-0.82%	3.31%	-413	6.7%	20.0%	-83
Public Equity						
Canadian	-25.29%	-17.36%	-794	11.0%	12.0%	-95
Global	0.24%	-2.13%	237	12.0%	13.0%	31
Global Low Volatility	-8.16%	-2.13%	-603	8.7%	10.0%	-60
Alternative Investments						
Canadian Real Estate	7.34%	5.97%	137	18.3%	10.0%	14
Infrastructure	13.48%	7.07%	641	7.8%	5.0%	32
Total	0.83%	0.70%	14			

(*) Corporate bonds returns comprise two periods:

a. A first period where the corporate bond portfolio was partially funded (April 2019).

b. A second period where the corporate bond portfolio was fully funded and managed by the new corporate bond manager (May 2019-March 2020).

- Provincial bond outperformance was due to a higher duration than the benchmark (by 2.39 years) as yields fell by 88 bps
- Corporate bond underperformance was mainly due to the fact that the asset class was not funded until April 12.
- Private debt underperformance was due to the asset class being well below the target weight for the entire period.
- Canadian equity underperformance was driven by Foyston's underperformance relative to the TSX Index (by 15.4%).
- Global equity low volatility underperformance was due to the fact that the asset class was not funded until April 23, 2019 and the underperformance of the strategy from October 2019 to January 2020 (by 4.7%).
- Alternative investments, particularly infrastructure, were positive alpha generators. Real estate was overweight by 7.5% on average and infrastructure by 1.9% on average during the period.

Extension Portfolio

February 28, 2019 – March 31, 2020

EXT	Return Portfolio	Return Benchmark	Alpha (in bps)	Current Weight	Target Weight	Target Weight * Alpha (in bps)
Fixed Income						
Provincial	4.34%	6.26%	-192	17.3%	20.0%	-38
Corporate (*)	1.34%	3.31%	-197	9.0%	10.0%	-20
Private Debt	-0.82%	3.31%	-413	6.5%	20.0%	-83
Public Equity						
Canadian	-25.24%	-17.36%	-789	10.8%	12.0%	-95
Global	0.29%	-2.13%	243	13.6%	13.0%	32
Global Low Volatility	-7.67%	-2.13%	-553	10.3%	10.0%	-55
Alternative Investments						
Canadian Real Estate	7.34%	5.97%	137	17.6%	10.0%	14
Infrastructure	13.47%	7.07%	640	7.5%	5.0%	32
Total	0.76%	0.70%	6			

- Provincial bond shortfall due to a shorter duration vs. benchmark (by 2.94 years) in March 2019 as yields fell by 25 bps.
- Corporate bond underperformance was mainly due to the fact that the asset class was not funded until April 12.
- Private debt underperformance was due to the asset class being well below the target weight for the entire period.
- Canadian equity underperformance was driven by Foyston's underperformance relative to the TSX Index (by 15.4%).
- Global equity low volatility global underperformance was due to the fact that the asset class was not funded until April 23, 2019 and the underperformance of the strategy from October 2019 to January 2020 (by 4.7%).
- Alternative investments, particularly infrastructure, were positive alpha generators. Real estate was overweight by 8.9% on average and infrastructure by 2.5% on average during the period.

Employee Future Benefits Portfolio

February 28, 2019 – March 31, 2020

EFB	Return Portfolio	Benchmark	Alpha (in bps)	Current Weight	Target Weight	Target Weight * Alpha (in bps)
Fixed Income						
Corporate	0.37%	4.70%	-433	18.4%	20.0%	-87
Private Debt	-3.18%	10.31%	-1349	17.3%	20.0%	-270
Public Equity						
Canadian	-25.97%	-17.36%	-862	7.4%	10.0%	-86
Global	0.24%	-2.13%	237	17.6%	7.0%	17
Global Low Volatility	-8.16%	-2.13%	-602	6.2%	18.0%	-108
Alternative Investments						
Canadian Real Estate	9.64%	5.97%	367	16.6%	15.0%	55
Infrastructure	13.48%	7.07%	641	16.4%	10.0%	64
Total	1.04%	2.41%	-137			

- Corporate bond underperformance was mainly due to the fact that the asset class was not funded until April 12.
- Private debt was well below its target weight of 20.0% for most the year. The weight was zero from March 2019 to July 2019 and increased to 17.3% by March 2020
- Canadian equity underperformance was driven by Foyston's underperformance relative to the TSX Index (by 15.4%).
- Global equity low volatility underperformance was due to the fact that the asset class was not funded until April 23, 2019 and the underperformance of the strategy from October 2019 to January 2020 (by 4.5%).
- Alternative investments were positive alpha generators.

Composition of Real Estate and Infrastructure

at March 31, 2020

Real Estate Allocation

CityPlace and Parking Lots	\$	68.2
Greystone Real Estate Fund		119.8
Total Real Estate	\$	188.1

Infrastructure Allocation

Voyager	\$	35.3
EagleCrest		35.4
Sonnet		17.1
GDIF		22.7
First Gas		12.8
Total Infrastructure	\$	123.2

MPI Real Estate: CityPlace & GREF

at March 31, 2020

EXT, SRE and RSR Portfolios (*)	Performance	Benchmark (**)	Out/Underperformance
3 Months to Mar 31, 2020	2.08%	1.13%	0.95%
12 Months to Mar 31, 2020	6.43%	4.92%	1.51%

(*) *Holding period return*

(**) *Benchmark is CPI + 4%*

Infrastructure

at March 31, 2020

	Valuation Date	Market Value (\$ Millions)	12 Month Performance IRR (*)	Benchmark for Infrastructure CPI + 5% (**)	Out/Under Performance	3 Month Performance HPR (***)
Sonnet LP	Mar 2020	17.1	8.1%	5.9%	2.2%	1.2%
EagleCrest Infrastructure Canada LP	Mar 2020	35.4	12.3%	5.9%	6.4%	5.7%
Voyager Investments LP (VILP)	Mar 2020	35.3	26.5%	5.9%	20.6%	1.8%
Global Diversified Infrastructure (GDIF)	Mar 2020	22.7	1.5%	5.9%	-4.4%	1.9%
First Gas Topco Limited	Mar 2020	12.8	-4.0%	5.9%	-9.9%	-4.0%
Total		123.2	11.1%	5.9%	5.2%	2.2%

* Internally calculated and based on the managers' latest unaudited statements.

** Annual CPI as of March 2020.

*** Holding period return for the months from January to March 2020. Assuming all fees and distributions paid on March 31, 2020.



Infrastructure Returns in Local Currency:

12 months to December 31, 2019

Fund	CAD Return	Local Return	Difference	Currencies
Sonnet	9.4%	10.5%	-1.1%	GBP
EagleCrest	7.4%	9.4%	-2.0%	GBP, USD, CAD, EUR
Voyager	26.1%	26.1%	0.0%	CAD
GDIF	2.6%	10.3%	-7.7%	AUD, NZD, GBP, EUR, USD
First Gas	3.2%	8.0%	-4.8%	NZD

Currency exposure is not hedged because:

- The ongoing cost of hedging can be a drag on returns
- Exposure to multiple currencies (GBP, USD, AUS, NZD, EUR) is expected to provide some offset over the long-term
- The randomness of correlations between these major currencies is expected to provide a portfolio effect and diversify the risks of exposure to any one currency.
- A conscious decision was made to accept both the positive and negative impacts from fluctuating currency values on the relatively small portion of the portfolio that is subject to currency revaluation.

Appendix

March 31, 2020



**Manitoba
Public Insurance**

Basic Portfolio Benchmark Composition

at March 31, 2020

Asset Class	Benchmark	Minimum	Target	Maximum	Accounting Class*
Cash and Equivalents	FTSE TMX Canada 91 Day T-Bill Index	0%	0%	5%	AFS
Fixed Income					
Provincial Bonds	55% FTSE Mid Term Provincial Bond Index 45% FTSE Long Term Provincial Bond Index	50%	60%	70%	FVTPL/AFS**
Corporate Bonds	45% FTSE TMX Mid Term Corporate Bond Index 55% FTSE TMX Long Term Corporate Bond Index	10%	20%	30%	FVTPL/AFS**
Non-Marketable Bonds	FTSE TMX Provincial Bond Index	0%	20%	30%	HTM
Total Debt			100%		

RSR, SRE and EXT Portfolio Benchmark Composition

at March 31, 2020

Asset Class	Benchmark	Minimum	Target	Maximum	Accounting Class*
Cash and Equivalents	FTSE TMX Canada 91 Day T-Bill Index	0%	0%	5%	AFS
Fixed Income					
Provincial Bonds	50% FTSE TMX Short Term Provincial Bond Index 50% FTSE TMX Mid Term Provincial Index	10%	20%	30%	FVTPL/AFS**
Corporate Bonds	FTSE TMX Corporate Bond Index	0%	10%	20%	FVTPL/AFS**
Private Debt	FTSE TMX Universe Bond Index	10%	20%	25%	FVTPL/AFS**
Total Debt		40%	50%	60%	
Public Equities					
Canadian	85% S&P TSX Capped Composite Total Return Index 15% BMO Small Cap (Unweighted) Blended Index	7%	12%	17%	AFS
Global	MSCI World Total Return Index	8%	13%	18%	AFS
Global Low Volatility	MSCI World Total Return Index	5%	10%	15%	AFS
Total Public Equities		25%	35%	45%	
Alternative Investments					
Canadian Real Estate	REALPAC/IPD Canada Property Index	7%	10%	13%	FVTPL
Infrastructure	CPI +5%	2%	5%	8%	FVTPL
Venture Capital		0%	0%	1%	
Total Alternative Investments		10%	15%	20%	

EFB Portfolio Benchmark Composition

at March 31, 2020

Asset Class	Benchmark	Minimum	Target	Maximum	Accounting Class*
Cash and Equivalents	FTSE TMX Canada 91 Day T-Bill Index	0%	0%	5%	AFS
Fixed Income					
Corporate Bonds	FTSE TMX Long Term Corporate Bond Index	10%	20%	30%	FVTPL/AFS**
Private Debt	FTSE TSX Long Term Bond Index	10%	20%	30%	FVTPL/AFS**
Total Debt		30%	40%	50%	
Public Equities					
Canadian	85% S&P TSX Capped Composite Total Return Index 15% BMO Small Cap (Unweighted) Blended Index	5%	10%	15%	AFS
Global	MSCI World Total Return Index	13%	18%	23%	AFS
Global Low Volatility	MSCI World Total Return Index	2%	7%	12%	AFS
Total Public Equities		25%	35%	45%	
Alternative Investments					
Canadian Real Estate	REALPAC/IPD Canada Property Index	12%	15%	18%	FVTPL
Infrastructure	CPI +5%	7%	10%	13%	FVTPL
Total Alternative Investments		20%	25%	30%	

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Part and Chapter:	Part VII- Investments INV App. 10	Page No.:	1-4
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Shadow Portfolios		
Sub Topic:	Investment returns		

Preamble to IR:

MPI has provided returns on the shadow portfolio monthly for 13 months Ended March 31, 2020. It has also provided benchmark investment portfolio returns as of February 29, 2020.

Question

Please provide a comparison of the actual returns for the Basic and Pension shadow portfolio at March 31, 2020 with the returns from the Shadow Portfolios for the same comparative period for both the Basic and Pension portfolio and provide commentary on the differences.

Rationale for Question:

To assess reasonableness of investment returns.

RESPONSE:

Please refer to [Appendix 1](#).

For the Basic Claims Portfolio, the actual returns attained by MPI most closely match those identified in Shadow Portfolio P1. The differences between the portfolios are that

Shadow Portfolio P1 had an allocation to real return bonds and did not have an allocation to floating rate notes ("FRNs") or cash and its return on non-marketable bonds was materially higher. However, MPI values its non-marketable bonds based on book value; if market value was used MPI's non-marketable bond return would have been 7.6% and the Basic Claims Portfolio total return would have been 7.1%. Therefore, the decision to use book instead of market values to calculate the non-marketable bond returns explains the most of the difference between these total returns.

Shadow Portfolio P2 differs more considerably from the Basic Claims Portfolio, from a compositional and a returns perspective. Shadow Portfolio P2 has exposure to growth assets (i.e. Canadian equity, private equity, and alternative asset class exposures) whereas the Basic Claims and Shadow PI Portfolios do not. Shadow Portfolio 2 also had short term provincial bond exposure, private bond exposure and 3X real return bond exposure. Canadian and private equity exposures decreased the overall performance of Shadow Portfolio P2, resulting in a lower total return when compared to the Basic Claims Portfolio.

Unlike the Employee Future Benefits (EFB) Portfolio, Shadow Portfolio P3 had no exposure to cash and an allocation to real return bonds when compared to MPI's actual EFB portfolio. Additionally, the corporate bond return of the portfolios differed, largely because MPI did not fully fund its corporate bond portfolio until April (MPI therefore excluded the March return). Similarly omitting the March return from Shadow Portfolio P3 results in a decline in its corporate bonds from 4.7% to 0.8%; a result that is more consistent with the 0.4% result achieved by the EFB Portfolio. For private bonds, the return obtained by MPI exceeds that of Shadow Portfolio P3 because Shadow Portfolio P3 assumes the J-curve effect, which in turn assumes no return for the first 12-months (i.e. it only recognizes the March 2020 monthly return, a poor month for private bonds; incurring a negative return). The MPI Portfolio outperformed Shadow Portfolio P3 with its investments in global equities, Canadian real estate, and infrastructure. It underperformed Shadow Portfolio P3 with regards to its investments in Canadian and global low volatility equities.

Shadow Portfolio P4 also differs considerably from the EFB Portfolio from a compositional and a returns perspective. Unlike the EFB and Shadow P3 Portfolios, it has multiple asset exposures (private equity, provincial bonds, 3X real return bonds, 3X long-term provincial bonds, and non-marketable bonds). In addition, Shadow Portfolio 4 does not allocate any assets to global equities. For private bonds, Shadow Portfolio P4 assumes the J-curve effect, which in turn assumes no return for the first 12-months (i.e. it only recognizes the March 2020 monthly return). The private debt return for Shadow Portfolio P4 is higher than the private debt return for Shadow Portfolio P3 because it was invested in the private debt universe, whereas Shadow Portfolio P3 was invested in longer-term private debt. The EFB Portfolio outperformed Shadow Portfolio P4 with its investments in Canadian real estate, and infrastructure. It underperformed Shadow Portfolio P4 with its investments in Canadian equities.

Shadow Portfolio Returns
Actual vs. Shadow Portfolio Returns

Asset Class	Basic Claims			Employee Future Benefits ("EFB")		
	MPI Portfolio 13 month Return ending March 31, 2020	Shadow Portfolio P1 13 month Return ending March 31, 2020	Shadow Portfolio P2 13 month Return ending March 31, 2020	MPI Portfolio 13 month Return ending March 31, 2020	Shadow Portfolio P3 13 month Return ending March 31, 2020	Shadow Portfolio P4 13 month Return ending March 31, 2020
MPI Total Fund	6.2%	7.2%	2.3%	1.4%	-0.3%	4.9%
Fixed Income						
Cash	1.9%			2.3%		
Fixed Income Portfolio	6.2%			1.3%		
Marketable Bonds	6.8%			0.4%		
Provincials	8.2%	8.5%	5.7%			7.8%
Corporates	3.3%	3.7%		0.4%*	4.7%	
Privates			-2.0%	-3.2%**	-5.5%	-2.0%
FRNs	0.7%					
Real Return Bonds		7.1%			7.1%	
3X Real Return Bonds			15.3%			15.3%
3X Long-Term Provincials						23.7%
Non Marketable Bonds - BV (***)	5.0%	8.2%	8.2%			8.2%
Canadian Equities			-17.4%	-26.0%	-17.4%	-17.4%
Large Capitalization Equities				-28.7%		
Small to Mid Cap Equities				-23.3%		
Global Equities (CAD\$) (****)						
Global				0.2%	-2.1%	
Global Low Volatility				-8.2%	-2.1%	
US Equities (CAD\$) (*****)						
Large Capitalization Equities				7.5%		
Small to Mid Cap Equities						
Private Equity			-17.4%			-17.4%
Alternative Investments						
Canadian Real Estate			7.0%	9.6%	7.0%	7.0%
Infrastructure			8.1%	13.5%	8.1%	8.1%

Source: March 31, 2020 returns were internally calculated. Previously Ellement Consultants calculated returns (since February 29, 2016, prior was API Asset Performance Management) except for Canadian Large Cap Equities,

US Large Cap and Small to Mid Cap Equities which were internally calculated.

(*) A new corporate bond manager was hired to manage corporate bonds for the EFB portfolio with the first drawdowns occurring in April 2019.

a. Returns for the actual portfolio were for May 1, 2019 to March 31, 2020

(**) A new Private Debt mandate was initiated with the first drawdowns occurring in July 2019 for the EFB portfolio.

a. Returns for the actual portfolio were for August 1, 2019 to March 31, 2020.

(***) Based on the market value for the non-marketable bonds the return for the same time-period is 7.6%. Using the non-marketable market value return the total Basic Claims portfolio return increases to 7.1%

(****) New Global Equity and Global Low Volatility Equity mandates were initiated in April 2019 for the EFB portfolio.

a. Returns for the actual portfolio were for May 1, 2019 to February 29, 2020.

(*****) The U.S Equity ETFs were held from March 1, 2019 to April 23, 2019.

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Part and Chapter:	Part VII- Investments Appendix 9	Page No.:	1
PUB Approved Issue No:	8. Performance of the Investment Portfolio and the composition of i) the portfolio, ii) benchmark portfolio(s) on market value basis		
Topic:	Investment Portfolios		
Sub Topic:	Investment Returns vs. Benchmarks		

Preamble to IR:**Question:**

- a) Please explain how MPI determined the transitional benchmarks used for the evaluation of portfolio returns for the year ended February 29, 2020.
- b) Please refile a version of the analysis determining the returns for the year ended March 31, 2020 on a twelve month and or 13 month basis. Please do not include prior years prepared at February 28/29 year end.
- c) Please explain why Canadian Equities large capitalization returns were less than benchmark at February 28, 2019.

Rationale for Question:

To understand factors affecting investment portfolio returns.

RESPONSE:

- a) MPI compared its actual asset allocation from March 2019 to February 2020 to its target asset allocations. During that 12 month period, the actual asset allocation differed from the target asset allocation of the portfolios because of the time required to transition to the new asset allocations. For example, it took

approximately seven months for MPI to reach its new target asset allocation for corporate bonds in the Basic Claims portfolio. Initially MPI was under-invested in corporate bonds at the beginning of that 12 month period by approximately 14%. Therefore, instead of using the target weights of each asset class to calculate the benchmark return, MPI used the average monthly actual weights and the relevant index return to calculate the transitional benchmark return. This was a closer comparison to the actual portfolio than the benchmark, based on the target weights specified in the Investment Policy Statement as MPI was not yet fully invested in each strategy.

- b) MPI created a new version of *Investments Appendix 9* to March 31, 2020 on a 12-month basis (please see *Appendix 1*). The month of March 2020 saw heightened volatility in the financial markets due to the COVID-19 pandemic, travel restrictions and government imposed lockdowns. Therefore the refiled returns are materially different from the originals.
- c) The Canadian Equities large capitalization mandate considerably underperformed the return of the benchmark over the 12-month period ended at February 28, 2020. This negative performance resulted because the fund employs a value-oriented strategy and value stocks greatly underperformed growth stocks over that period, and because of the security selection of the manager.

Benchmark Returns
Actual vs. Benchmark Returns

Asset Class	MPI Basic Claims Portfolio Annual Return ending March 31, 2020	Annual Expected Return Benchmark ending March 31, 2020	MPI RSR Portfolio Annual Return ending March 31, 2020	Annual Expected Return Benchmark ending March 31, 2020	MPI EFB Portfolio Annual Return ending March 31, 2020	Annual Expected Return Benchmark ending March 31, 2020
MPI Total Fund	3.9%	4.3%	-0.1%	-1.1%	0.3%	-0.3%
Fixed Income						
Cash	1.7%	1.9%	3.3%	1.9%	2.2%	1.9%
Fixed Income Portfolio	4.0%	n/a		n/a	1.3%	n/a
Marketable Bonds	3.6%	n/a	3.9%	n/a		
Provincials	4.9%	5.3%	5.8%	4.7%		
Corporates	0.3%	0.8%	1.2%	1.3%	0.4%	0.8%
Privates (*)			-0.8%**	-1.8%**	-3.2%**	0.30%**
FRNs (**)	0.7%	n/a	0.0%	n/a		
Non Marketable Bonds - BV (***)	4.6%	5.0%				
Canadian Equities						
Large Capitalization Equities			-27.9%	-14.2%	-27.8%	-14.2%
Small to Mid Cap Equities			-23.5%	-37.2%	-23.5%	-37.2%
Global Equities (CAD\$)						
Global			0.3%	-4.9%	0.2%	-4.9%
Global Low Volatility			-8.2%	-4.9%	-8.2%	-4.9%
US Equities (CAD\$) (****)						
Large Capitalization Equities			4.0%	8.4%	4.0%	8.4%
Small to Mid Cap Equities			n/a	n/a	n/a	n/a
Alternative Investments						
Canadian Real Estate			6.4%	4.9%	9.0%	4.9%
Infrastructure			11.5%	5.9%	11.5%	5.9%
Total Transitional Benchmark Return	4.4%		-0.6%		-0.4%	

Source: March 31, 2020 returns were internally calculated. Previously Ellement Consultants calculated returns (since February 29, 2016, prior was API Asset Performance Management) except for Canadian Large Cap Equities,

US Large Cap and Small to Mid Cap Equities which were internally calculated.

Actively managed large cap and small cap CAD Equities include an alpha target of 150 bps.

(*) A new Private Debt mandate was initiated with the first drawdowns occurring in July 2019 for the RSR and EFB portfolios.

a. Returns for the portfolio and the benchmark were for August 1, 2019 to March 31, 2020.

(**) A new FRN position was initiated in July for the RSR portfolio. The return is from August 1, 2019 to March 31, 2020.

(***) Based on the market value for the non-marketable bonds the return for the same time-period is 5.9%. Using the non-marketable market value return the total Basic Claims portfolio return increases to 4.4%

(****) The U.S Equity ETFs were held from April 1, 2019 to April 23, 2019.

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Part and Chapter:	Part V- EXP Figure EXP-41 PUB (MPI) 1-41 (2020 GRA) Figure EXP App 17-1	Page No.:	55-56
PUB Approved Issue No:	9. Cost of Operations and Cost Containment Measures		
Topic:	Expenses		
Sub Topic:	Basic Capital Expenditure by Project		

Preamble to IR:

The budgeted Basic Capital expenditures appear to be less than what was forecast at the last GRA over the 2019/20 to 2021/22 period. It is not clear whether budgets or the timing of spending have changed.

Question:

- a) Please refile the table in Figure EXP-41 to include columns for all the prior year expenditures on each of the listed projects, and a total column by project and in total.
- b) Please provide a comparison of the total by Basic Project in (a) with that provided in the 2021 GRA and explain any changes in budgets.
- c) Please provide columns for EXP Appendix 18, including the total for each project.

Rationale for Question:

To understand the details of Basic capital expenditure projects.

RESPONSE:

- a) Please see *Figure 1*.

Figure 1 Basic Capital Expenditures by Project

Line No.	Project	2018/19A	2019/20A	2020/21F	2021/22F	2022/23F	2023/24F	2024/25F	Unassigned Capital**	Total
1	<i>(C\$000s, except where noted)</i>									
2	Deferred Development	-	-	13,346	27,225	10,482	6,265	673	-	57,991
3	Capital Depreciation	-	-	-	-	-	-	-	-	-
4	Expense	-	2,142	1,940	1,663	-	574	435	-	6,754
5	Nova	-	2,142	15,286	28,888	10,482	6,839	1,108	-	64,745
6	Deferred Development	2,912	246	-	-	-	-	-	-	3,158
7	Capital Depreciation	-	-	-	-	-	-	-	-	-
8	Expense	201	942	-	-	-	-	-	-	1,143
9	Technology Risk Management - 2018	3,113	1,188	-	-	-	-	-	-	4,301
10	Deferred Development	-	526	-	-	-	-	-	-	526
11	Capital Depreciation	-	-	-	-	-	-	-	-	-
12	Expense	-	1,070	-	-	-	-	-	-	1,070
13	Technology Risk Management - 2019	-	1,596	-	-	-	-	-	-	1,596
14	Deferred Development	-	-	1,767	-	-	-	-	-	1,767
15	Capital Depreciation	-	-	-	-	-	-	-	-	-
16	Expense	-	-	1,255	-	-	-	-	-	1,255
17	Technology Risk Management - 2020	-	-	3,022	-	-	-	-	-	3,022
18	Deferred Development	-	-	-	2,998	-	-	-	-	2,998
19	Capital Depreciation	-	-	-	-	-	-	-	-	-
20	Expense	-	-	-	396	-	-	-	-	396
21	Technology Risk Management - 2021	-	-	-	3,394	-	-	-	-	3,394
22	Deferred Development	-	-	-	-	2,998	-	-	-	2,998
23	Capital Depreciation	-	-	-	-	-	-	-	-	-
24	Expense	-	-	-	-	396	-	-	-	396
25	Technology Risk Management - 2022	-	-	-	-	3,394	-	-	-	3,394
26	Deferred Development	-	-	-	-	-	2,998	-	-	2,998
27	Capital Depreciation	-	-	-	-	-	-	-	-	-
28	Expense	-	-	-	-	-	396	-	-	396
29	Technology Risk Management - 2023	-	-	-	-	-	3,394	-	-	3,394
30	Deferred Development	-	-	-	-	-	-	2,998	-	2,998
31	Capital Depreciation	-	-	-	-	-	-	-	-	-
32	Expense	-	-	-	-	-	-	396	-	396
33	Technology Risk Management - 2024	-	-	-	-	-	-	3,394	-	3,394
34	Deferred Development	-	280	2,553	887	67	-	-	-	3,787
35	Capital Depreciation	-	-	-	-	-	-	-	-	-
36	Expense	-	201	-	-	-	-	-	-	201
37	Information Security Maturity	-	481	2,553	887	67	-	-	-	3,988

Basic Capital Expenditures by Project (cont'd)

Line No.	Project	2018/19A	2019/20A	2020/21F	2021/22F	2022/23F	2023/24F	2024/25F	Unassigned Capital**	Total
	<i>(C\$000s, except where noted)</i>									
38	Deferred Development	-	640	-	2,246	2,256	1,659	-	-	6,801
39	Capital Depreciation	-	-	-	-	-	-	-	-	-
40	Expense	-	-	-	-	-	29	-	-	29
41	Finance Re-Engineering Initiative	-	640	-	2,246	2,256	1,688	-	-	6,830
42	Deferred Development	-	-	904	-	-	-	-	-	904
43	Capital Depreciation	-	-	-	-	-	-	-	-	-
44	Expense	-	-	-	-	-	-	-	-	-
45	HRMS Optimization - Phase 1	-	-	904	-	-	-	-	-	904
46	Deferred Development	-	117	585	-	-	-	-	-	702
47	Capital Depreciation	-	-	-	-	-	-	-	-	-
48	Expense	-	-	-	-	-	-	-	-	-
49	Salvage Management System	-	117	585	-	-	-	-	-	702
50	Deferred Development	-	124	498	-	-	-	-	-	622
51	Capital Depreciation	-	-	-	-	-	-	-	-	-
52	Expense	-	-	-	-	-	-	-	-	-
53	CERP - Additional Product Changes	-	124	498	-	-	-	-	-	622
54	Deferred Development	-	-	-	-	-	-	-	-	-
55	Capital Depreciation	-	-	-	-	-	-	-	-	-
56	Expense	-	-	450	-	-	-	-	-	450
57	Temporary Registration	-	-	450	-	-	-	-	-	450
58	Deferred Development	-	-	-	-	-	-	-	-	-
59	Capital Depreciation	-	-	-	-	-	-	-	-	-
60	Expense	-	-	250	-	-	-	-	-	250
61	Renewal Communication - Rebate	-	-	250	-	-	-	-	-	250
62	Deferred Development	-	-	-	-	-	-	-	-	-
63	Capital Depreciation	-	-	-	-	-	-	-	-	-
64	Expense	61	27	370	-	-	-	-	-	458
65	BI3 Fineos Upgrade 2020	61	27	370	-	-	-	-	-	458
66	Deferred Development	-	-	-	-	-	-	-	-	-
67	Capital Depreciation	-	-	-	-	-	-	-	-	-
68	Expense	369	1,518	1,474	-	-	-	-	-	3,361
69	Insertions of Work	369	1,518	1,474	-	-	-	-	-	3,361
70	Total BTO / NOVA Project Costs	3,543	7,833	25,392	35,415	16,199	11,921	4,502	-	104,805

- b) Please see *Figure 2* below. The majority of the change in the budget is due to a change in allocation for Project Nova (total decrease from 2019/20 to 2020/21); and projects cancelled, delayed, or transferred to operations.

Figure 2 Basic Capital Expenditures by Project Comparison

Line No.	Project	2021 GRA Total	2020 GRA Total	Difference
1	<i>(C\$000s, except where noted)</i>			
2	Deferred Development	57,991	83,142	(25,151)
3	Capital Depreciation	-	-	-
4	Expense	6,754	1,974	4,780
5	Nova	64,745	85,116	(20,371)
6	Deferred Development	3,158	-	3,158
7	Capital Depreciation	-	-	-
8	Expense	1,143	-	1,143
9	Technology Risk Management - 2018	4,301	-	4,301
10	Deferred Development	526	1,396	(870)
11	Capital Depreciation	-	-	-
12	Expense	1,070	1,110	(40)
13	Technology Risk Management - 2019	1,596	2,506	(910)
14	Deferred Development	1,767	3,204	(1,437)
15	Capital Depreciation	-	-	-
16	Expense	1,255	401	854
17	Technology Risk Management - 2020	3,022	3,605	(583)
18	Deferred Development	2,998	3,204	(206)
19	Capital Depreciation	-	-	-
20	Expense	396	401	(5)
21	Technology Risk Management - 2021	3,394	3,605	(211)
22	Deferred Development	2,998	3,204	(206)
23	Capital Depreciation	-	-	-
24	Expense	396	401	(5)
25	Technology Risk Management - 2022	3,394	3,605	(211)
26	Deferred Development	2,998	2,994	4
27	Capital Depreciation	-	-	-
28	Expense	396	401	(5)
29	Technology Risk Management - 2023	3,394	3,395	(1)
30	Deferred Development	2,998	-	2,998
31	Capital Depreciation	-	-	-
32	Expense	396	-	396
33	Technology Risk Management - 2024	3,394	-	3,394

Basic Capital Expenditures by Project Comparison (cont'd)

Line No.	Project	2021 GRA Total	2020 GRA Total	Difference
	<i>(C\$000s, except where noted)</i>			
34	Deferred Development	3,787	3,204	583
35	Capital Depreciation	-	-	-
36	Expense	201	-	201
37	Information Security Maturity	3,988	3,204	784
38	Deferred Development	6,801	8,920	(2,119)
39	Capital Depreciation	-	-	-
40	Expense	29	361	(332)
41	Finance Re-Engineering Initiative	6,830	9,281	(2,451)
42	Deferred Development	904	-	904
43	Capital Depreciation	-	-	-
44	Expense	-	-	-
45	HRMS Optimization - Phase 1	904	-	904
46	Deferred Development	702	-	702
47	Capital Depreciation	-	-	-
48	Expense	-	-	-
49	Salvage Management System	702	-	702
50	Deferred Development	622	-	622
51	Capital Depreciation	-	-	-
52	Expense	-	330	(330)
53	CERP - Additional Product Changes	622	330	292
54	Deferred Development	-	-	-
55	Capital Depreciation	-	-	-
56	Expense	450	-	450
57	Temporary Registration	450	-	450
58	Deferred Development	-	-	-
59	Capital Depreciation	-	-	-
60	Expense	250	-	250
61	Renewal Communication - Rebate	250	-	250
62	Deferred Development	-	-	-
63	Capital Depreciation	-	-	-
64	Expense	458	523	(65)
65	BI3 Fineos Upgrade 2020	458	523	(65)
66	Deferred Development	-	-	-
67	Capital Depreciation	-	-	-
68	Expense	3,361	1,971	1,390
69	Insertions of Work	3,361	1,971	1,390
70	Total BTO / NOVA Project Costs	104,805	117,141	(12,336)

c) Please see Figure 3 below.

Figure 3 Basic Deferred Development Costs

Line No.	Project	2011/12A	2012/13A	2013/14A	2014/15A	2015/16A	2016/17A	2017/18A	2018/19A	2019/20A*	2020/21F	2021/22F	2022/23F	2023/24F	2024/25F	Impairment of Deferred Development Included	Total (Net of Impairment)
1	(C\$000s, except where noted)																
2	IT Optimization	2,107	4,501	1,967	-	-	37	-	-	-	-	-	-	-	-		8,612
3	Disaster Recovery	365	2,946	9,202	-	-	11	-	-	-	-	-	-	-	-		12,524
4	HR Management System Phase 1 & 2	2,440	4,309	2,261	(210)	-	1,289	-	-	-	-	-	-	-	-		10,089
5	HR Management System Phase 3 & 4	-	-	110	84	-	-	-	-	-	-	-	-	-	-	(184)	194
6	Physical Damage Re-Engineering Phase 1 & 2	-	-	-	1,528	-	360	-	-	-	-	-	-	-	-		1,888
7	PDR Opt Repair - Collaborative Estimating & JSST	-	-	-	8,834	358	635	-	-	-	-	-	-	-	-		9,827
8	PDR Opt Repair - Distributed Estimating	-	-	-	1,183	1,474	2,160	2	-	-	-	-	-	-	-		4,819
9	Physical Damage Re-Engineering Main/Phase 3	-	3,108	10,272	(4,111)	4,354	(2,244)	260	-	-	-	-	-	-	-	(1,146)	11,639
10	PDR Opt Repair - Remote Estimating	-	-	-	1	39	65	107	-	-	-	-	-	-	-	(212)	212
11	BI3 Fineos Upgrade 2016	-	-	257	1,462	1,852	531	-	-	-	-	-	-	-	-		4,102
12	Enterprise Data Masking	-	-	507	950	876	2	-	-	-	-	-	-	-	-		2,335
13	High School Driver Education Phase 2	-	-	-	271	287	1,167	98	-	-	-	-	-	-	-	(1,822)	1,823
14	High School Driver Education Phase 3	-	-	-	-	-	-	595	1,916	407	-	-	-	-	-		2,918
15	High School Driver Education Phase 4	-	-	-	-	-	-	14	592	-	-	-	-	-	-		606
16	Infor/Lawson Upgrade	-	-	-	138	796	1,027	898	340	-	-	-	-	-	-		3,199
17	ITO - High Availability	-	-	-	2,332	3,971	766	-	-	-	-	-	-	-	-		7,069
18	Legal Management Project	-	-	-	868	1,249	(7)	-	-	-	-	-	-	-	-		2,110
19	Predictive Analytics	-	-	-	1,260	488	1	-	-	-	-	-	-	-	-		1,749
20	Corporate Learning Management	-	-	-	210	-	917	1,147	421	-	-	-	-	-	-		2,695
21	Physical Damage - Centre of Excellence	-	-	-	-	471	248	-	-	-	-	-	-	-	-		719
22	Information Security Strategy and Road Map Phase 1	-	-	-	-	1,330	1,579	106	-	-	-	-	-	-	-		3,015
23	Information Security Strategy and Road Map Phase 2	-	-	-	-	-	538	1,433	56	-	-	-	-	-	-		2,027
24	Technology Innovation & Capabilities	-	-	-	-	10	(10)	-	-	-	-	-	-	-	-		-

Basic Deferred Development Costs (cont'd)

Line No.	Project	2011/12A	2012/13A	2013/14A	2014/15A	2015/16A	2016/17A	2017/18A	2018/19A	2019/20A*	2020/21F	2021/22F	2022/23F	2023/24F	2024/25F	Impairment of Deferred Development Included	Total (Net of Impairment)
	<i>(C\$000s, except where noted)</i>																
25	Technology Risk Management - 2016/17	-	-	-	-	-	1,807	118	-	-	-	-	-	-	-		1,925
26	Technology Risk Management - 2017	-	-	-	-	-	1	2,367	1,123	-	-	-	-	-	-		3,491
27	Technology Risk Management - 2018	-	-	-	-	-	-	-	2,912	1,151	-	-	-	-	-	(905)	3,158
28	Technology Risk Management - 2019	-	-	-	-	-	-	-	-	526	-	-	-	-	-		526
29	Technology Risk Management - 2020	-	-	-	-	-	-	-	-	-	1,767	-	-	-	-		1,767
30	Technology Risk Management - 2021	-	-	-	-	-	-	-	-	-	-	2,998	-	-	-		2,998
31	Technology Risk Management - 2022	-	-	-	-	-	-	-	-	-	-	-	2,998	-	-		2,998
32	Technology Risk Management - 2023	-	-	-	-	-	-	-	-	-	-	-	-	2,998	-		2,998
33	Technology Risk Management - 2024	-	-	-	-	-	-	-	-	-	-	-	-	-	2,998		2,998
34	Appointment Manager	-	-	-	-	-	2	1,295	45	-	-	-	-	-	-		1,342
35	Customer Claims Reporting System	-	-	-	-	-	9,764	4,648	714	-	-	-	-	-	-	(15,145)	15,126
36	Enhanced DR Capabilities	-	-	-	-	-	269	1,313	767	-	-	-	-	-	-	(708)	2,349
37	Partner Portal	-	-	-	-	-	268	2,083	6	-	-	-	-	-	-		2,357
38	Financial Re-engineering Initiative	-	-	-	-	-	279	1	-	640	-	2,246	2,256	1,659	-	(255)	7,081
39	Customer Self Service	-	-	-	-	-	-	1,370	2,373	87	-	-	-	-	-	(1,892)	3,830
40	Credit Card Strategy	-	-	-	-	-	-	208	1,897	1,114	-	-	-	-	-	(596)	3,219
41	Nova	-	-	-	-	-	-	-	-	-	13,346	27,225	10,482	6,265	673		57,991
42	Information Security Maturity	-	-	-	-	-	-	-	-	280	2,553	887	67	-	-		3,787
43	Total Loss	-	-	-	-	-	-	-	-	1,371	-	-	-	-	-		1,371
44	HRMS Optimization - Phase 1	-	-	-	-	-	-	-	-	-	904	-	-	-	-		904
45	Salvage Management System	-	-	-	-	-	-	-	-	117	585	-	-	-	-		702
46	CERP - Additional Product Changes	-	-	-	-	-	-	-	-	124	498	-	-	-	-		622
47	Allocation Adjustment	-	-	-	-	-	-	55	-	-	-	-	-	-	-		55
48	Total Deferred Development Costs	4,912	14,864	24,576	14,800	17,555	21,462	18,104	12,584	6,409	19,653	33,356	15,803	10,922	3,671	(22,865)	217,766
49	Impairment of Deferred Development	-	-	-	-	-	-	(18,678)	(2,686)	(1,501)	-	-	-	-	-	22,865	-
50	Total (Net of Impairment)	4,912	14,864	24,576	14,800	17,555	21,462	(574)	9,898	4,908	19,653	33,356	15,803	10,922	3,671	-	217,766

PUB (MPI) 1-43

Part and Chapter:	Part V- EXP Figure EXP App 12-1 Figure EXP App 7-2 p. 5	Page No.:	
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Corporate Operating Expenses		
Sub Topic:	Expense Variations		

Preamble to IR:**Question:**

- a) Please explain why MPI did not identify any salaries for Improvement Initiative Implementation in its forecast for 2019/20 or 2020/21 last year.
- b) Please explain how these one-time implementations related compensation expenditures in 2019/20 and 2020/21 are included in the budget for 2021/22.

Rationale for Question:

To assess reasonableness of Compensation expenses.

RESPONSE:

- a) At the time of forecasting in the 2020 GRA, MPI prepared its estimate based on available information, which did not include compensation.
- b) MPI prepares the 2021/22 budget for Improvement Initiative Implementation based on information available at the time of forecasting. The 2021/22 budget for Improvement Initiative Implementation includes \$510,000 of compensation expenditures.

PUB (MPI) 1-44

Part and Chapter:	Part V- EXP Figure EXP-18, EXP-25 EXP Appendix 5, 7	Page No.:	26, 33
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Operating Expense		
Sub Topic:	Special Services		

Preamble to IR:

MPI indicates that Special Service Other increase of \$2.2 million relates to the reclassification of security and collection fees from claims incurred. The forecast for these two claims incurred items last year was about \$1.3 million.

Merchant fees appear to decline by \$2.2 million in 2020/21 from that forecast last year due to the elimination of the 12-month payment options. They then appear to increase by \$2.5 million from 2020/21 to 2022/23.

Question:

- a) Please update the variance analysis excluding the reclassified costs for Special Services Other detailing the costs reclassified.
- b) Please provide an explanation for the proposed forecast increase in merchant fees and bank charges in 2021/22 and 2022/23 and indicate the extent to which it relates to online services versus growth in premiums.

Rationale for Question:

To understand the Corporation's cost containment efforts.

RESPONSE:

- a) Figure 1 shows an updated variance analysis table that excludes the reclassified costs into Special Services Other.

Figure 1 Special Services Variance Excluding Reclassified Costs

Line No.	Fiscal Year	2021GRA Forecast	2020 GRA Forecast	Variance - 2021 vs 2020	% Change
1	<i>(C\$000s)</i>				
2	2019/20	5,250 (a)	6,767	(1,517)	-22.42%
3	2020/21	7,166	6,726	440	6.54%
4	2021/22	8,766	6,519	2,247	34.47%
5	2022/23	8,670	6,651	2,019	30.36%

Figure 2 represents the list of accounts and costs that have been reclassified from Claims Incurred Expenses to Special Services Expenses along with a comparative to last year's forecast. While the accounts have been reclassified in 2020/21, fiscal results for 2019/20 have also been provided for comparative purposes.

Figure 2 Claims Incurred Expenses Reclassified to Special Services Expenses

Line No.	Expense Description	2019/20 Actual	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast
1	<i>(\$dollars)</i>					
2	Security Services	872,274	751,490	891,490	891,490	909,320
3	Collection Agency Fees	334,462	338,100	338,100	338,100	344,862
4	Apprenticeship Grant Level IV	164,000	154,000	154,000	154,000	157,080
5	Apprenticeship Grant Level II	14,000	28,000	28,000	28,000	28,560
6	Tool Allowance Level IV	108,353	145,000	145,000	145,000	147,900
7	Tool Allowance Level II	14,667	25,300	25,300	25,300	25,806
8	Crown Prosecutor	-	-	-	-	-
9	Investigations	753,641	663,641	900,000	900,000	918,000
10	Total	2,261,397	2,105,531	2,481,890	2,481,890	2,531,528
11	Comparison to 2020 GRA Forecast (Claims Incurred Expenses)					
12	Prior Year forecast	2,289,588	2,341,248	2,731,487	2,786,970	2,818,659
13	Better / (Worse) than prior year forecast	28,191	235,717	249,597	305,080	287,131
14	Note: 2021 GRA Forecast assumes accounts were reclassified in 2020/21					

- b) The proposed forecast increase in merchant fees considered both online services growth and growth in premiums:
- Merchant fees for online services were forecast to experience similar growth as in prior years; projections for merchant fees in this area represent 13% of total merchant fees
 - Merchant fees on financing options were projected based on the removal of the credit card option coupled with the projected shift of some customer behavior from credit card 12-pay financing to full pay credit card and 4-pay credit card payments
 - Merchant fees on face-to-face (in-person) transactions were forecast based on percentage of premium written, as this remains a reliable driver, adjusted for forecast uptake of online services

PUB (MPI) 1-45

Part and Chapter:	Part V- EXP Figure EXP-1	Page No.:	5-6
PUB Approved Issue No:	9. Cost of operations and cost containment measures 18 (d). Operational and financial impact of COVID-19 on MPI financial results and CMP for the 2020/21 and 2021/22 rating years and beyond		
Topic:	Operating Expense		
Sub Topic:	Claims and Operating Expense impact of COVID-19		

Preamble to IR:

In various sections of the Application, the Corporation indicates the impact of COVID-19. With respect to Corporate operating expenses, the fiscal year 2020/21 forecasted base was adjusted to reflect anticipated favorable controllable expense results due to the effects of COVID-19.

Question:

- a) Please provide a detailed schedule that summarizes the impact of COVID-19 on Claims Incurred Expenses in 2020/21 and future forecast years.
- b) Please provide a schedule that summarizes the impact of COVID-19 on Operating, Claims and Road Safety expenses in 2020/21 and future forecast years.

Rationale for Question:

To understand the impact of COVID-19 on expenses.

RESPONSE:

- a) There will be favorable impacts to 2020/21 claims incurred expenses due to COVID-19. Items such as Manitoba Health Services Commission (MHSC) expense

will be favorably impacted. As PIPP injury claims frequency is lower, MHSC costs are expected to be lower. Other claims incurred accounts that should be favorably impacted due to lower physical damage and PIPP frequency include expenses related to Towing, Medical Consultants, and Chiropractor Consultants etc. The details to support the savings related to these expenses are not yet available, as further experience is required. However, these savings will be captured in the October compliance filing based on the August 31, 2020 actual update. There are no savings expected to occur for claims incurred expenses beyond 2020/21.

b) Please see the figure below:

Figure 1 Covid - 19 Expenses

Line No.	<i>(C\$000s, except where noted)</i>	2020/21FB
1	Claims Expense	2,941
2	Road Safety/Loss Prevention	2,756
3	Operating	3,108
4	Regulatory/Appeal	-
5	DVA	591
6	Total Corporate Expenses	9,396

There are no COVID-19 impacts estimated for the years 2021/22 forward.

PUB (MPI) 1-46

Part and Chapter:	Part V- Expenses EXP App 3-5 EXP App 4 EXP App 7	Page No.:	37-38
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Basic Total Expenses		
Sub Topic:	Compounded Annual Growth Rates		

Preamble to IR:**Question:**

- a) Please explain the compounded annual growth rates for 4 years from 16/17 to 19/20 in Compensation – Overtime (-6.5%) and the 9.7% compounded growth through the forecast period (in 2020/21 through 2022/23).
- b) Please elaborate on the expected 6% average annual growth in non-controllable benefit costs in 2020/21 to 2022/23.
- c) Please explain the compounded annual growth rates for 4 years from 16/17 to 19/20 in Special Services (-11.0%) and explain the 18.8% compounded growth through the forecast period (in 2020/21 through 22/23). Please recast the growth rate separating out the collection and security costs that were reclassified from claims incurred expense.
- d) Please explain the compounded annual growth rates for 4 years from 16/17 to 19/20 in Furniture and Equipment (22.1%), and explain the 15.4% compounded growth through the forecast period (in 2020/21 through 2022/23). Please elaborate on the refresh cycle for computer equipment and handsets.

Rationale for Question:

To understand growth in Corporation's expenses.

RESPONSE:

- a) While there exists variability year over year, Overtime costs have trended downward over the last 5 years. While 2019/20 actual results were better than budget, the forecast assumes overtime will increase in 2020/21 with a modest annual growth throughout the forecast period.

Please refer to the 10-year Summary of Corporate Normal Operating Expense found in *Part V Expenses EXP App 5*, which supports percentages calculated in the compounded growth rates.

- b) While 2019/20 actual results were better than budget, the forecast assumes benefits will increase in 2020/21 with a modest annual growth throughout the forecast period. This is mostly attributable to an expected increase in Pension – Superannuation expenses.

Please refer to the 10-year Summary of Corporate Normal Operating Expense found in *Part V Expenses EXP App 5*, which supports percentages calculated in the compounded growth rates.

- c) While there exists variability year over year, special service costs have trended downward over the last 5 years. In addition, while 2019/20 actual results were better than budget, the forecast assumes special services will increase in 2020/21 with a modest annual growth throughout the forecast period primarily due to the reclassification of claims incurred expenses. Please see Figure 1 below for a recast of growth rates.

Figure 1 Compounded Annual Growth Rates (CGAR) – Corporate Normal Operations - excludes reclassified claims incurred expenses

Line No.	Expense	16/17 - 19/20 (4 years)	20/21 - 22/23 (3 years)
1	Special Services	-9.9%	5.6%

As can be seen, the CAGR for special services expenses decreases significantly in the absence of the recategorized claims incurred expenses.

- d) While costs have remained relatively flat over the historical period, consistently deferring the requirement to upgrade computer equipment and mobile devices has resulted in 2019/20 actuals to be higher than the historical average, and the 2020/21 budget to increase with modest annual growth throughout the forecast period.

Please refer to the 10-year Summary of Corporate Normal Operating Expense found in *Part V Expenses EXP App 5*, which supports percentages calculated in the compounded growth rates.

PUB (MPI) 1-47

Part and Chapter:	Part V Expenses EXP 3.2.3, 3.2.4 CI Appendix 8 2021 GRA & 2020 GRA	Page No.:	24-25
PUB Approved Issue No:	Cost of operations and cost containment measures		
Topic:	Basic Total Expenses		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please provide details of the expenses that were reclassified from claims incurred for data processing costs in each of the fiscal years now included in data processing.
- b) Please provide the details of the amounts of claims incurred costs allocated to Special Services in each of the fiscal years. Provide details of Special Service costs.
- c) Please provide a comparison schedule of Claims Incurred Expenses between CI Appendix 8 with that presented in the 2020 GRA, and explain changes and identify those costs that were reclassified versus changes in the budget item.

Rationale for Question:

To understand changes in claims incurred expenses and the costs reclassified to other claims expenses.

RESPONSE:

- a) Please refer to *Figure 1 in CAC (MPI) 1-71(b)*. The Automated Estimating expense shown in line item 1 is the only data processing expense that was transferred into corporate operating expenses from claims incurred expenses.
- b) Please refer to *Figure 1 in CAC (MPI) 1-71(b)*. The remaining expenses in line items 2 to 9 were all transferred into corporate operating expenses from claims incurred expenses and subsequently classified as a special service expense.
- c) Please refer to *Figure 1*. The most notable changes (larger than \$500,000) in forecasts include the following:

Manitoba Health Services Commission – The 2021 GRA forecast assumes a lower base rate per HTA unit as well as a lower index in Health Care costs.

Automated Estimating – Costs were uncertain in the 2020 GRA forecast and were forecast using a 4% annual increase. The updated forecast assumes annual costs are flat within the rating period with a modest increase in 23/24.

Freon Removal – Reduction in the 2021 GRA forecast due to an operational change where fewer total loss vehicles require freon removal.

Figure 1 Claims Incurred/Operational Claims Expenses Comparison - 2021 GRA vs 2020 GRA

Line No.	(\$000s)	2019/20			2020/21			2021/22			2022/23			2023/24		
		2021 GRA	2020 GRA	Chg.	2021 GRA	2020 GRA	Chg.	2021 GRA	2020 GRA	Chg.	2021 GRA	2020 GRA	Chg.	2021 GRA	2020 GRA	Chg.
1	Costs classified as Claims Incurred Expenses vs 2020 GRA Forecast															
2	Personal Property Registry	736	478	258	488	488	-	498	498	-	508	508	-	508	508	-
3	Towing	3,206	3,270	(64)	3,286	3,335	(49)	3,368	3,402	(34)	3,453	3,470	(18)	3,539	3,540	(1)
4	Freon Removal	241	825	(584)	275	825	(550)	275	825	(550)	275	825	(550)	275	825	(550)
5	Claims Arbitration	27	31	(3)	31	31	-	32	32	-	32	32	-	32	32	-
6	Police Reports	33	31	2	32	32	-	32	32	-	33	33	-	33	33	-
7	Direct Repair	1,351	760	591	-	-	-	-	-	-	-	-	-	-	-	-
8	Claims Review Fees	(30)	(27)	(4)	(30)	(27)	(3)	(30)	(28)	(2)	(30)	(28)	(2)	(30)	(28)	(2)
9	Trade Negotiation Payment	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
10	Subrogation Fees/Expenses	(253)	(170)	(83)	(184)	(170)	(14)	(184)	(170)	(14)	(184)	(170)	(14)	(184)	(170)	(14)
11	Non-Registered GST	(1,884)	(1,804)	(80)	(2,016)	(1,840)	(176)	(2,052)	(1,877)	(175)	(2,088)	(1,915)	(174)	(2,124)	(1,915)	(210)
12	PIPP Out of House Counsel	1	-	1	-	-	-	-	-	-	-	-	-	-	-	-
13	Medical Consultants	1,869	1,751	118	1,786	1,786	-	1,822	1,822	-	1,858	1,858	-	1,896	1,896	-
14	TBI Specialist	157	107	49	110	110	-	113	113	-	115	115	-	118	118	-
15	Chiropractic Consultants	228	200	28	205	205	-	210	210	-	215	215	-	220	220	-
16	Occupational Therapy Consultant	2	18	(16)	18	18	-	18	18	-	18	18	-	18	18	-
17	Dental Consultants	245	243	1	255	255	-	255	255	-	255	255	-	255	255	-
18	MHSC	30,074	30,667	(593)	30,356	31,866	(1,511)	30,977	33,325	(2,348)	31,710	35,203	(3,493)	32,834	37,178	(4,344)
19	Health Care Team Directors	404	374	30	385	385	-	397	397	-	409	409	-	421	421	-
20	Physiotherapy Consultant	118	86	31	80	88	(8)	80	91	(11)	80	93	(13)	80	95	(15)
21	PIPP Brandon Housing	9	38	(29)	-	38	(38)	-	38	(38)	-	38	(38)	-	40	(40)
22	Subtotal	36,531	36,878	(347)	35,077	37,426	(2,349)	35,810	38,983	(3,172)	36,659	40,961	(4,301)	37,891	43,066	(5,175)
23	Costs classified as Operational Claims Expenses vs 2020 GRA Forecast															
24	Automated Estimating	5,369	5,847	(478)	5,882	6,081	(199)	5,882	6,324	(442)	5,882	6,577	(695)	6,000	6,577	(577)
25	Security Services	872	891	(19)	751	927	(176)	891	964	(73)	891	1,003	(111)	909	1,043	(134)
26	Collection Agency Fees	334	338	(4)	338	338	-	338	338	-	338	338	-	345	338	7
27	Apprenticeship Grant Level IV	164	154	10	154	154	-	154	154	-	154	154	-	157	154	3
28	Apprenticeship Grant Level II	14	28	(14)	28	28	-	28	28	-	28	28	-	29	28	1
29	Tool Allowance Level IV	108	145	(37)	145	148	(3)	145	151	(6)	145	154	(9)	148	154	(6)
30	Tool Allowance Level II	15	25	(11)	25	26	(1)	25	26	(1)	25	27	(2)	26	27	(1)
31	Crown Prosecutor	-	80	(80)	-	80	(80)	-	80	(80)	-	80	(80)	-	80	(80)
32	Investigations	754	628	126	664	640	23	900	990	(90)	900	1,003	(103)	918	995	(77)
33	Subtotal	7,630	8,137	(507)	7,988	8,422	(435)	8,364	9,056	(692)	8,364	9,364	(1,000)	8,531	9,396	(865)
34	Total	44,162	45,015	(853)	43,065	45,848	(2,784)	44,175	48,038	(3,864)	45,024	50,325	(5,301)	46,422	52,462	(6,040)

PUB (MPI) 1-48

Part and Chapter:	Part V- EXP; Appendix 10 PUB (MPI) 1-46 (2020 GRA)	Page No.:	
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Expense		
Sub Topic:	Staffing Levels		

Preamble to IR:**Question:**

- a) Please provide an update to staff turnover in PUB (MPI) 1-46 from the 2020 GRA.
- b) Please file a copy of retirement statistics over the previous five years.
- c) Please indicate the current number of staff eligible for retirement.
- d) Please provide the current and forecast expenditures related to retirement and post-retirement benefits for 2019/20 and forecast for 2020/21.

Rationale for Question:

To understand the Corporation's attrition-based staff reduction strategy.

RESPONSE:

a) Period of March 1, 2019 – March 31, 2020

Voluntary Turnover	Involuntary Turnover	Retirements	Total	Comments
27	48	65	140	
1.5%	2.7%	3.6%	7.8%	Percentage of overall permanent employee headcount.

b) Retirements over the past five fiscal years:

- 2015/16: 44
- 2016/17: 63
- 2017/18: 73
- 2018/19: 86
- 2019/20: 65

c) There are presently (as of June 30, 2020) 130 employees (including active and inactive employees) who are eligible to retire with unreduced pension.

d) Please see *Figure 1* below:

Figure 1 Retirement and Post Retirement Benefits Expenditures

Line No.	Category	2019/20 Actual	2020/2021 Budget
1	Retirement Benefits		
2	Retiring Allowance	3,104,375	3,219,000
3	Post-Retirement Benefits		
4	In-Scope	225,320	418,244
5	Out-of-Scope	1,211,907	2,196,000
6	Total	1,437,226	2,614,244

PUB (MPI) 1-49

Part and Chapter:	Part V Expenses EXP Appendix 1	Page No.:	2
PUB Approved Issue No:	9. Cost of operations and cost containment measures 19. Impact of the changes to Basic coverage and deductibles enacted on May 7, 2020		
Topic:	Internal Operating Metrics		
Sub Topic:			

Preamble to IR:

The ratio of claims incurred to net premiums earned measures the Corporation's underlying profitability, or loss experience, on its book of business. The ratio has varied from 69.9% in 2019/20 and is forecast to grow to 85.95% by 2022/23.

The claims/claims employee number value measures the number of claims a claims employee can handle or the number of claims employees required to manage claims effectively and efficiently. The Ratio appears to have dropped by 5.03% in 2020/21.

Question:

- a) Please explain the underlying trend that is resulting in the forecast changes in the loss ratio, and indicate the extent to which it is being affected by CERP.
- b) Please provide the reason for the changes in claims/claims employee trend in 202/21.

Rationale for Question:

To understand changes in operating trends.

RESPONSE:

- a) The loss ratio is expected to increase from 69.90% in 2019/20 to 85.95% in 2022/23, primarily as a result of an expected decrease in premiums earned (denominator) in 2022/23 compared to 2019/20. Within the forecast for premiums earned, MPI assumes rate decreases of -0.5% in 2020/21 and -10.5% in 2021/22. Due to staggered renewals, MPI will not experience the full effects of these decreases for approximately two years (i.e. 2022/23). The increased loss ratio therefore results from an expected reduction in premiums earned and a steady growth in claims incurred.
- b) The primary reason for the decrease in the claims/claims employee is the larger proportionate increase in the number of claims employees over the number of claims expected. The increase in anticipated claims staff from 2019/20 to 2020/21 is primarily related to the vacancy allowance. MPI expects a significant increase in vacancy allowance in 2020/21 whereby many of the anticipated FTE positions will not all be filled for the full year due to turnover and vacancy.

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Part and Chapter:	Part IV- VM	Page No.:	82
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Direct Repair Program		
Sub Topic:			

Preamble to IR:

MPI indicates that savings related to the Direct Repair (DR) process increased in 2019/20 due to higher customer uptake. MPI has also indicated that it has removed forecast increases in the Earned Approved Limits (EAL) to avoid the potential for leakage of higher EAL levels.

Question:

- a) Please file an update to PUB/MPI I-50 from the 2020 GRA on the performance for the Direct Repair and Collaborative estimating.
- b) Please indicate the number of repair shops by tier under the EAL in 2019 and 2020.
- c) Please elaborate on why increasing the EAL limits will potentially lead to leakage? Explain how MPI currently measures leakage.
- d) Please provide supporting calculations around the assumed reduced labour savings as a result of changes in the EAL limits.

Rationale for Question:

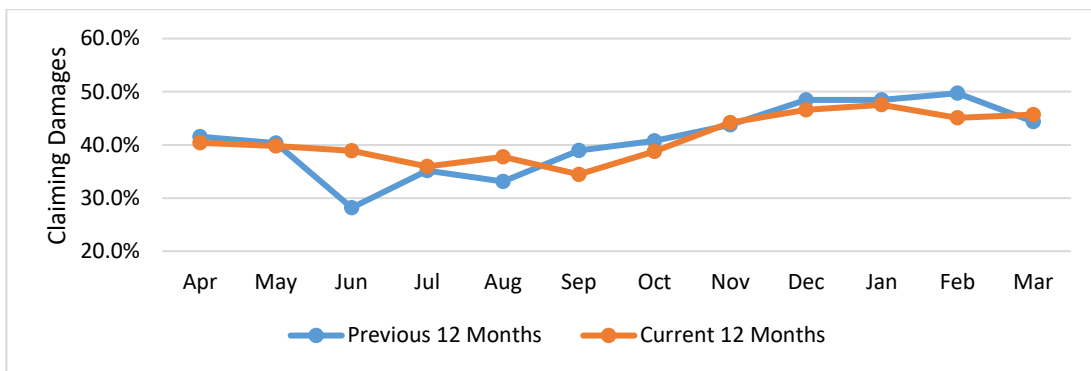
To understand changes in Direct Repair Program evaluation.

RESPONSE:

- a) The following Figures provide an update on the Direct Repair (DR) and Collaborative Estimating programs.

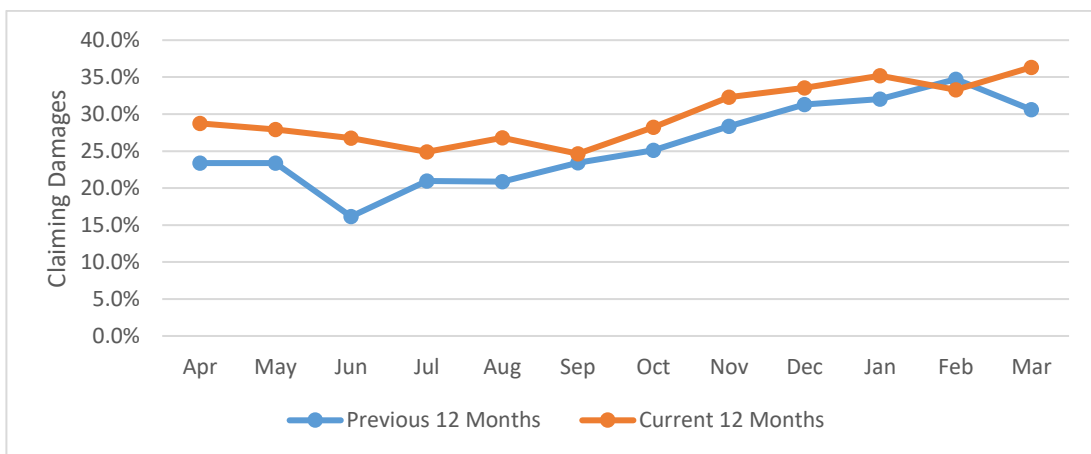
As a result of the COVID-19 pandemic, no Changes were made to the DR program to increase Claim eligibility until March 23, 2020. The results are driven by claim types and claim specifics and impacted by seasonality.

Figure 1 DR Eligible Claims



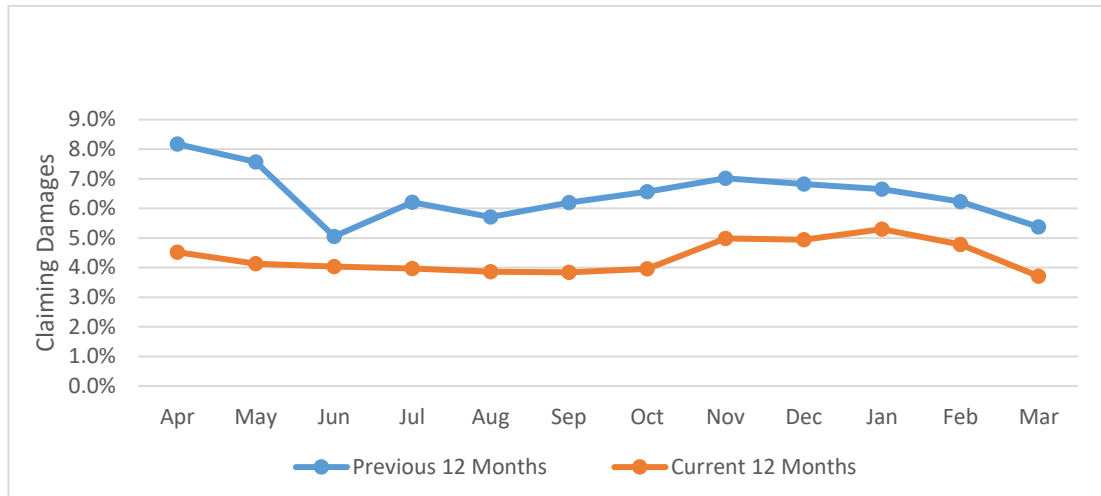
Customer uptake of DR continued to climb over the uptake from the previous year as customers become more familiar with the program.

Figure 2 Customer Chose DR



With a better understanding of the DR program, fewer customers change their mind after selecting DR as their first choice.

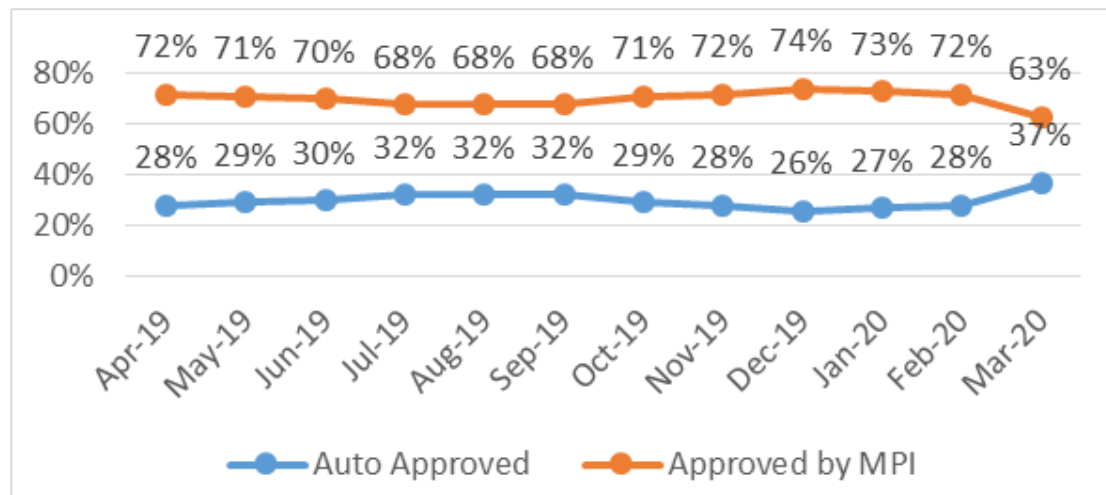
Figure 3 Customer Changed Mind



At first notice of loss, customers who originally select DR as their estimating option contact MPI at a later date to have an MPI estimate appointment booked instead.

Results for both DR and Collaborative Estimating Auto Approved percentages are based on shop Earned Approved Limits (EAL) levels. As seen below, a 1-week increase in EAL due to Covid19 response caused a spike in March.

Figure 4 EAL Results



Below is a breakdown showing DR eligible claims processed through DR, DR eligible claims handled through Collaborative Estimating and DR ineligible claims handled through Collaborative Estimating.

Figure 5 Previous Fiscal

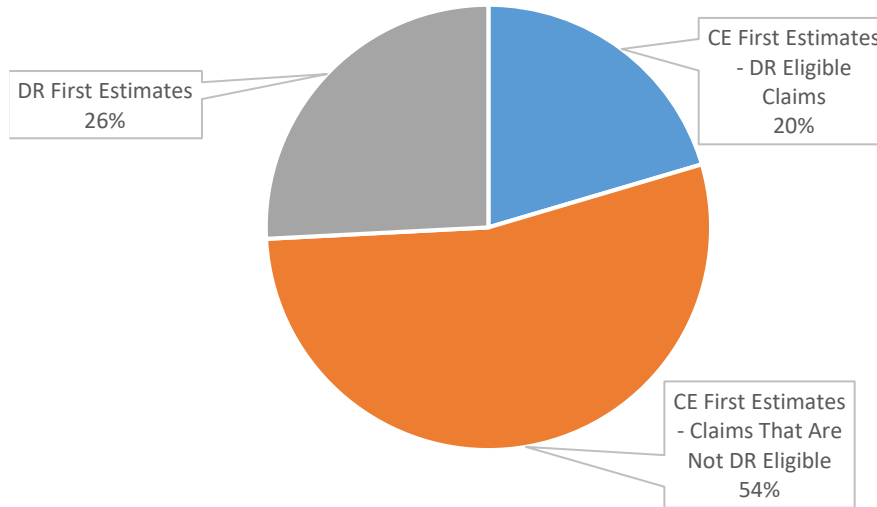
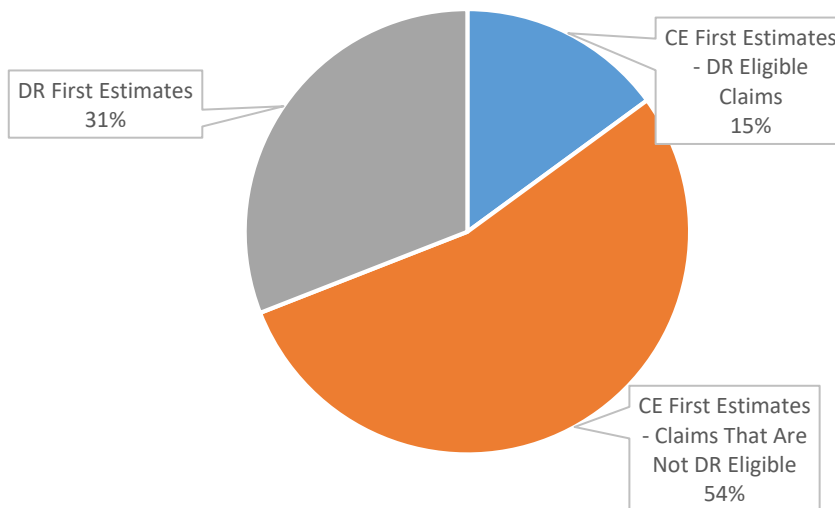


Figure 6 Current Fiscal



- b) The below figure represents EAL levels for shops based on 12 months of key performance indicator (KPI) performance.

Figure 7 EAL Levels

Line No.		Jun-19	2019 Percentage	Jun-20	2020 Percentage	Variance
1	Tier 1	27	11%	29	12%	1%
2	Tier 2	96	40%	116	49%	9%
3	Tier 3	69	29%	62	26%	-3%
4	Tier 4	48	20%	31	13%	-7%
5	Total Shops	240	100%	238	100%	

- c) An increase in EAL limits would result in the auto-approval of more severe and complex claims and potentially more errors on the estimate. Maintaining the manual review process on larger claims provides MPI greater control over repair facility billings. For example, repair facilities may not receive full compensation should MPI discover that they have charged for ineligible repairs. MPI audits at least 25% of all auto-approved transactions to ensure compliance and reviews EAL levels each month to confirm that each aligned level aligns with expected performance as stated in the Performance Recognition guide. KPIs allow MPI to control, assess and address leakages. For example, the ask versus approve shop KPI measures the denial rate for repair facilities. Below is the 12 month average of this KPI over the last 4 years:

Figure 8 KPIs Average

Line No.		
1	2016/2017	2.10%
2	2017/2018	1.70%
3	2018/2019	1.40%
4	2019/2020	1.20%

Increasing EAL levels would increase the volume of claims for auditing and the demand for auditing resources. Though increasing EAL limits would generate additional efficiencies, MPI would not be able to capitalize on them as it requires a minimum number of staff to provide adequate customer service.

- d) The Figure below represents the expected employee capacity in the event of an increase in EAL levels. As indicated, MPI expected a reduction of 15 full-time equivalents if fully realized.

Figure 9 Labour Savings

Line No.	Estimate counts	Actual Fiscal 2019/20 YTD
1	DR Estimates Under EAL	13,769
2	DR Supplements under EAL	6,813
3	Auto approved CE Supplements processed through CE workflow	23,073
4	Subtotal	101,527
5	FTE Savings	
6	DR Estimates under EAL	3.77
7	DR supplements under EAL	0.84
8	CE supplements under EAL	2.84
9	Reduction in supplement estimates submitted by shop	7.13
10	Subtotal	14.58

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Part and Chapter:	Part IV- VM 14	Page No.:	81-89
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Physical Damage Re-engineering		
Sub Topic:			

Preamble to IR:

MPI indicates that the Net Present Value related to the project is now (\$55.6) million revised from (\$49.7) million NPV last GRA. MPI indicates a reduction in savings on a non-discounted basis in the years 2017/18 through 2021/22, totaling \$6,097,468. It is not clear how this reduced level of savings is reflected in the NPV the extent to which project benefits are affected after 2021/22.

Question:

Provide the NPV analysis supporting the (\$49.7) million NPV last year and expand, with additional lines indicating each of the incremental changes in project costs benefits supporting the forecast revised benefit stream and revised NPV analysis. Please provide an Excel worksheet for this revised analysis.

Rationale for Question:

To understand changes in the NPV for the PDR.

RESPONSE:

See [Appendix 1](#) for the Excel worksheet revised NPV analysis.

PROJECT NAME: PDR NPV and Cost Benefit Analysis - GRA 2021 vs GRA 2020

GRA 2020

Number of Years (Cash Flow):

17

Number of Years (Ongoing Benefits):

10

NOTE THAT NUMBER OF BENEFIT YEARS IS SEVEN (7) YEARS LESS THAN "NUMBER OF YEARS (CASH FLOW)". FOR INSTANCE 17 CASH FLOW YEARS = 10 BENEFIT YEARS
First year of Benefits realization was 2017/18

	2010/2011 Year 1	2011/2012 Year 2	2012/2013 Year 3	2013/2014 Year 4	2014/2015 Year 5	2015/2016 Year 6	2016/2017 Year 7	2017/2018 Year 8	2018/2019 Year 9	2019/2020 Year 10	2020/2021 Year 11	2021/2022 Year 12	2022/2023 Year 13	2023/2024 Year 14	2024/2025 Year 15	2025/2026 Year 16	2026/2027 Year 17	10th year of Benefits	Total
Project Costs	(39,939)	(1,345,835)	(3,788,044)	(11,830,738)	(10,128,048)	(7,903,769)	(10,447,049)	(9,505,916)	(1,673,280)	0	0	0	0	0	0	0	0	0	(56,662,618)
Project Net Ongoing (Costs)/Benefits	0	0	0	(4,870,000)	(4,981,769)	(5,080,403)	(5,159,759)	(1,295,196)	(5,423,248)	(2,147,160)	120,662	400,493	338,736	275,467	285,650	296,120	306,884		(26,933,523)
Net Project Impact	(39,939)	(1,345,835)	(3,788,044)	(16,700,738)	(15,109,817)	(12,984,172)	(15,606,808)	(10,801,112)	(7,096,528)	(2,147,160)	120,662	400,493	338,736	275,467	285,650	296,120	306,884		(83,596,140)
Cumulative Net Project Impact	(39,939)	(1,385,774)	(5,173,818)	(21,874,556)	(36,984,373)	(49,968,545)	(65,575,353)	(76,376,465)	(83,472,993)	(85,620,152)	(85,499,491)	(85,098,998)	(84,760,261)	(84,484,794)	(84,199,144)	(83,903,025)	(83,596,140)		

Net Present Value

(49,718,507)

based on discount rate of 9.50%

GRA 2021

	2010/2011 Year 1	2011/2012 Year 2	2012/2013 Year 3	2013/2014 Year 4	2014/2015 Year 5	2015/2016 Year 6	2016/2017 Year 7	2017/2018 Year 8	2018/2019 Year 9	2019/2020 Year 10	2020/2021 Year 11	2021/2022 Year 12	2022/2023 Year 13	2023/2024 Year 14	2024/2025 Year 15	2025/2026 Year 16	2026/2027 Year 17	Total
Project Costs	(39,939)	(1,345,835)	(3,788,044)	(11,830,738)	(10,128,048)	(7,903,769)	(10,447,049)	(9,505,916)	(1,673,280)	0	0	0	0	0	0	0	0	(56,662,618)
Project Net Ongoing (Costs)/Benefits	0	0	0	(4,870,000)	(4,981,769)	(5,080,403)	(5,159,759)	(1,535,196)	(5,636,248)	(2,754,214)	(2,257,026)	(2,427,205)	(2,560,114)	(2,696,322)	(2,760,913)	(2,827,095)	(2,894,908)	(48,441,172)
Net Project Impact	(39,939)	(1,345,835)	(3,788,044)	(16,700,738)	(15,109,817)	(12,984,172)	(15,606,808)	(10,041,112)	(7,661,248)	(2,754,214)	(2,257,026)	(2,427,205)	(2,560,114)	(2,696,322)	(2,760,913)	(2,827,095)	(2,894,908)	(104,455,510)
Cumulative Net Project Impact	(39,939)	(1,385,774)	(5,173,818)	(21,874,556)	(36,984,373)	(49,968,545)	(65,575,353)	(75,616,465)	(83,277,713)	(86,031,926)	(88,288,953)	(90,716,157)	(93,276,271)	(95,972,593)	(98,733,506)	(101,560,602)	(104,455,510)	

Net Present Value

(55,602,669)

based on discount rate of 9.50%

Differences GRA 2021 to GRA 2020

Project Costs	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Project Net Ongoing (Costs)/Benefits	0	0	0	0	0	0	0	(240,000)	(213,000)	(607,054)	(2,377,688)	(2,827,698)	(2,898,850)	(2,971,790)	(3,046,563)	(3,123,215)	(3,201,793)	

Details of (Reduction)/Increase in Project Net Ongoing Benefits

Benefits

Parts Savings								(240,000)	(213,000)	(649,554)	(1,267,000)	(1,650,000)	(1,691,250)	(1,733,531)	(1,776,870)	(1,821,291)	(1,866,824)	
Direct Repair - Internal Efficiencies & Claims Audit Recoveries										(137,038)	(854,438)	(915,041)	(937,917)	(961,365)	(985,399)	(1,010,034)	(1,035,285)	
Predictive Analytics										(82,000)	(256,250)	(262,656)	(269,223)	(275,953)	(282,852)	(289,923)	(297,171)	
Loss of Use staff reduction benefit													(460)	(940)	(1,442)	(1,966)	(2,513)	

Costs

Direct Repair Operating Costs										12,054								
Direct Repair Premiums										249,484								

Total (Reduction)/Increase in Project Net Ongoing Benefits (non-discounted)

	(240,000)	(213,000)	(607,054)	(2,377,688)	(2,827,697)	(2,898,850)	(2,971,790)	(3,046,563)	(3,123,215)	(3,201,793)								
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Part and Chapter:	Part V- Expenses; Appendix 7	Page No.:	3-8
PUB Approved Issue No:	9. Cost of operations and cost containment		
Topic:	ICAM		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please provide the detail of Extension Normal and Initiative – implementation and Initiative - Ongoing in a similar level of detail as Expense Appendix 7 -1 and Expense Appendix 7-2.
- b) Please provide details on the \$1.8 million impairment charge to deferred development in 2019/20.

Rationale for Question:

To understand the reasonableness of the Extension forecast.

RESPONSE:

- a) Please see the Figures 1 and 2 below.

Figure 1 Summary of Comparative Expenses

Line No.	CORPORATE Expense Category	2019/20A		2020/21FB		2021/22F		2022/23F		2023/24F		2024/25F	
		2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA
1	<i>(C\$ 000s, rounding may affect totals)</i>												
2	Compensation Expenses	180,632	172,116	185,590	180,837	188,991	183,890	192,664	187,243	197,372	188,233	-	184,987
3	Administrative Expenses	99,327	93,119	95,079	100,908	96,425	106,359	98,609	116,941	104,190	125,677	-	128,503
4	Amortization/Depreciation Expenses	23,655	23,601	25,410	24,321	23,694	19,864	19,351	15,428	28,864	26,618	-	26,642
5	Total	303,614	288,836	306,079	306,066	309,110	310,113	310,624	319,612	330,426	340,528	n/a	340,132
6	Normal Operations Expenses	298,486	279,692	300,323	298,375	299,568	303,493	299,161	302,828	302,980	307,541	-	314,110
7	Initiative - Implementation Expenses	5,128	9,144	1,251	7,691	849	3,152	886	500	1,750	1,453	-	1,195
8	Initiative - Ongoing Expenses	-	-	4,505	-	8,693	3,468	10,577	16,284	25,696	31,534	-	24,827
9	Total	303,614	288,836	306,079	306,066	309,110	310,113	310,624	319,612	330,426	340,528	n/a	340,132
10	Claims	155,109	149,512	157,509	163,352	157,885	163,537	157,217	168,160	168,440	177,990	-	177,278
11	Operating	127,149	120,880	127,830	124,642	130,508	125,667	132,281	130,611	140,483	141,400	-	141,872
12	Road Safety	16,020	13,776	15,393	12,930	15,362	15,727	15,671	15,618	15,945	15,812	-	15,550
13	Regulatory Appeal	5,336	4,668	5,347	5,142	5,355	5,182	5,455	5,223	5,558	5,326	-	5,432
14	Total	303,614	288,836	306,079	306,066	309,110	310,113	310,624	319,612	330,426	340,528	n/a	340,132
15	EXTENSION												
16	Expense Category	2019/20A		2020/21FB		2021/22F		2022/23F		2023/24F		2024/25F	
17	Compensation Expenses	11,587	11,229	11,369	10,780	11,448	10,903	11,260	11,271	11,424	12,306	-	12,462
18	Administrative Expenses	8,681	8,183	8,363	8,152	8,483	8,767	8,506	9,811	8,874	10,886	-	11,312
19	Amortization/Depreciation Expenses	1,599	1,623	1,629	1,593	1,470	1,274	1,168	1,013	1,804	1,567	-	1,566
20	Total	21,867	21,035	21,361	20,525	21,401	20,944	20,934	22,095	22,102	24,759	n/a	25,340
21	Normal Operations Expenses	21,618	20,596	20,983	20,113	20,800	20,535	20,223	20,993	20,327	22,837	-	23,865
22	Initiative - Implementation Expenses	249	439	63	412	33	168	36	32	93	81	-	68
23	Initiative - Ongoing Expenses	-	-	315	-	568	241	675	1,070	1,682	1,841	-	1,407
24	Total	21,867	21,035	21,361	20,525	21,401	20,944	20,934	22,095	22,102	24,759	n/a	25,340
25	Claims	11,386	11,100	11,026	11,745	10,923	11,678	10,475	12,167	11,177	13,858	-	14,197
26	Operating	9,307	8,910	9,262	7,849	9,419	8,144	9,417	8,796	9,868	9,651	-	9,874
27	Road Safety	1,162	1,013	1,062	919	1,048	1,110	1,026	1,120	1,035	1,232	-	1,246
28	Regulatory Appeal	12	12	11	12	11	12	16	12	22	18	-	23
29	Total	21,867	21,035	21,361	20,525	21,401	20,944	20,934	22,095	22,102	24,759	-	25,340

Summary of Comparative Expenses (cont'd)

30	EXTENSION % of CORPORATE Expense Category	2019/20A		2020/21FB		2021/22F		2022/23F		2023/24F		2024/25F	
		2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA	2020 GRA	2021 GRA
31	Compensation Expenses	6%	7%	6%	6%	6%	6%	6%	6%	6%	7%	-	7%
32	Administrative Expenses	9%	9%	9%	8%	9%	8%	9%	8%	9%	9%	-	9%
33	Amortization/Depreciation Expenses	7%	7%	6%	7%	6%	6%	6%	7%	6%	6%	-	6%
34	Total	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	n/a	7%
35	Normal Operations Expenses	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	-	8%
36	Initiative - Implementation Expenses	5%	5%	5%	5%	4%	5%	4%	6%	5%	6%	-	6%
37	Initiative - Ongoing Expenses	-	-	7%	-	7%	7%	6%	7%	7%	6%	-	6%
38	Total	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	n/a	7%
39	Claims	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%	-	8%
40	Operating	7%	7%	7%	6%	7%	6%	7%	7%	7%	7%	-	7%
41	Road Safety	7%	7%	7%	7%	7%	7%	7%	7%	6%	8%	-	8%
42	Regulatory Appeal	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	-	0%
43	Total	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	n/a	7%

Figure 2 Compare 2019/2020 Expenses 2021 GRA to 2020 GRA

Line No.	CORPORATE Expense Category	Normal Ops			Initiatives - Implementation			Initiatives - Ongoing			Total		
		2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.
1	<i>(C\$000s, rounding may affect totals)</i>												
2	Compensation - Salaries	142,556	135,173	(7,383)	-	1,315	1,315	-	-	-	142,556	136,488	(6,068)
3	Compensation - Overtime	1,830	1,430	(400)	-	11	11	-	-	-	1,830	1,441	(389)
4	Compensation - Benefits	33,179	31,287	(1,892)	-	-	-	-	-	-	33,179	31,287	(1,892)
5	Compensation - H & E Tax	3,067	2,900	(167)	-	-	-	-	-	-	3,067	2,900	(167)
6	Subtotal - Compensation	180,632	170,790	(9,842)	-	1,326	1,326	-	-	-	180,632	172,116	(8,516)
7	Data Processing	23,769	23,347	(422)	5,128	7,705	2,577	-	-	-	28,897	31,052	2,155
8	Special Services	6,767	5,250	(1,517)	-	-	-	-	-	-	6,767	5,250	(1,517)
9	Building Expenses	10,941	9,585	(1,356)	-	-	-	-	-	-	10,941	9,585	(1,356)
10	Safety / Loss Prevention Program	4,198	3,487	(711)	-	-	-	-	-	-	4,198	3,487	(711)
11	Telephone/Telecommunications	2,009	1,733	(276)	-	-	-	-	-	-	2,009	1,733	(276)
12	Advertising & Public Info	3,287	3,100	(187)	-	-	-	-	-	-	3,287	3,100	(187)
13	Printing, Stationery & Supplies	4,249	3,302	(947)	-	58	58	-	-	-	4,249	3,360	(889)
14	Postage	4,676	5,190	514	-	-	-	-	-	-	4,676	5,190	514
15	Regulatory/Appeal	4,885	4,210	(675)	-	-	-	-	-	-	4,885	4,210	(675)
16	Travel & Vehicle Expense	1,428	1,127	(301)	-	30	30	-	-	-	1,428	1,157	(271)
17	Driver Education Program	4,675	3,984	(691)	-	-	-	-	-	-	4,675	3,984	(691)
18	Grant in Lieu of Taxes	1,905	1,879	(26)	-	-	-	-	-	-	1,905	1,879	(26)
19	Furniture & Equipment	2,478	1,438	(1,040)	-	-	-	-	-	-	2,478	1,438	(1,040)
20	Merchant Fees	13,285	11,942	(1,343)	-	-	-	-	-	-	13,285	11,942	(1,343)
21	Other	5,647	5,727	80	-	25	25	-	-	-	5,647	5,752	105
22	Sub total - Other Operating Expenses	94,199	85,301	(8,898)	5,128	7,818	2,690	-	-	-	99,327	93,119	(6,208)
23	Depreciation of Capital Investments	4,864	5,417	553	-	-	-	-	-	-	4,864	5,417	553
24	Amortization of Deferred Development	18,791	18,184	(607)	-	-	-	-	-	-	18,791	18,184	(607)
25	Total Expenses	298,486	279,692	(18,794)	5,128	9,144	4,016	-	-	-	303,614	288,836	(14,778)

Compare 2019/2020 Expenses 2021 GRA to 2020 GRA (cont'd)

26	EXTENSION	Normal Ops			Initiatives - Implementation			Initiatives - Ongoing			Total		
		2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.
27	Expense Category												
28	<i>(C\$000s, rounding may affect totals)</i>												
29	Compensation - Salaries	9,148	8,852	(296)	-	54	54	-	-	-	9,148	8,906	(242)
30	Compensation - Overtime	114	90	(24)	-	-	-	-	-	-	114	90	(24)
31	Compensation - Benefits	2,128	2,044	(84)	-	-	-	-	-	-	2,128	2,044	(84)
32	Compensation - H & E Tax	197	189	(8)	-	-	-	-	-	-	197	189	(8)
33	Subtotal - Compensation	11,587	11,175	(412)	-	54	54	-	-	-	11,587	11,229	(358)
34	Data Processing	1,593	1,598	5	249	381	132	-	-	-	1,842	1,979	137
35	Special Services	439	349	(90)	-	-	-	-	-	-	439	349	(90)
36	Building Expenses	686	610	(76)	-	-	-	-	-	-	686	610	(76)
37	Safety / Loss Prevention Program	305	256	(49)	-	-	-	-	-	-	305	256	(49)
38	Telephone/Telecommunications	134	119	(15)	-	-	-	-	-	-	134	119	(15)
39	Advertising & Public Info	297	284	(13)	-	-	-	-	-	-	297	284	(13)
40	Printing, Stationery & Supplies	124	93	(31)	-	2	2	-	-	-	124	95	(29)
41	Postage	257	294	37	-	-	-	-	-	-	257	294	37
42	Regulatory/Appeal	12	12	-	-	-	-	-	-	-	12	12	-
43	Travel & Vehicle Expense	85	68	(17)	-	1	1	-	-	-	85	69	(16)
44	Driver Education Program	339	293	(46)	-	-	-	-	-	-	339	293	(46)
45	Grant in Lieu of Taxes	119	120	1	-	-	-	-	-	-	119	120	1
46	Furniture & Equipment	165	99	(66)	-	-	-	-	-	-	165	99	(66)
47	Merchant Fees	3,511	3,224	(287)	-	-	-	-	-	-	3,511	3,224	(287)
48	Other	366	379	13	-	1	1	-	-	-	366	380	14
49	Subtotal - Other Operating Expenses	8,432	7,798	(634)	249	385	136	-	-	-	8,681	8,183	(498)
50	Depreciation of Capital Investments	308	350	42	-	-	-	-	-	-	308	350	42
51	Amortization of Deferred Development	1,291	1,273	(18)	-	-	-	-	-	-	1,291	1,273	(18)
52	Total Expenses	21,618	20,596	(1,022)	249	439	190	-	-	-	21,867	21,035	(832)

Compare 2019/2020 Expenses 2021 GRA to 2020 GRA (cont'd)

53	EXTENSION % ALLOCATION	Normal Ops			Initiatives			Ongoing			Total		
		2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.	2020 GRA	2021 GRA	Chg.
54	Expense Category												
55	Compensation - Salaries	6.4%	6.5%	0.1%		4.1%					6.4%	6.5%	0.1%
56	Compensation - Overtime	6.2%	6.3%	0.1%		0.0%					6.2%	6.2%	0.0%
57	Compensation - Benefits	6.4%	6.5%	0.1%							6.4%	6.5%	0.1%
58	Compensation - H & E Tax	6.4%	6.5%	0.1%							6.4%	6.5%	0.1%
59	Subtotal	6.4%	6.5%	0.1%		4.1%					6.4%	6.5%	0.1%
60	Data Processing	6.7%	6.8%	0.1%	4.9%	4.9%	0.1%				6.4%	6.4%	0.0%
61	Special Services	6.5%	6.6%	0.2%							6.5%	6.6%	0.2%
62	Building Expenses	6.3%	6.4%	0.1%							6.3%	6.4%	0.1%
63	Loss Prev/Safety Program	7.3%	7.3%	0.1%							7.3%	7.3%	0.1%
64	Telephone/Telecommunications	6.7%	6.9%	0.2%							6.7%	6.9%	0.2%
65	Advertising & Public Info	9.0%	9.2%	0.1%							9.0%	9.2%	0.1%
66	Printing, Stationery & Supplies	2.9%	2.8%	-0.1%		3.4%					2.9%	2.8%	-0.1%
67	Postage	5.5%	5.7%	0.2%							5.5%	5.7%	0.2%
68	Regulatory/Appeal Expenses	0.2%	0.3%	0.0%							0.2%	0.3%	0.0%
69	Travel & Vehicle Expense	6.0%	6.0%	0.1%		3.3%					6.0%	6.0%	0.0%
70	Driver Education Program	7.3%	7.4%	0.1%							7.3%	7.4%	0.1%
71	Grant in Lieu of Taxes	6.2%	6.4%	0.1%							6.2%	6.4%	0.1%
72	Furniture & Equipment	6.7%	6.9%	0.2%							6.7%	6.9%	0.2%
73	Merchant Fees	26.4%	27.0%	0.6%							26.4%	27.0%	0.6%
74	Other	6.5%	6.6%	0.1%		4.0%					6.5%	6.6%	0.1%
75	Subtotal	9.0%	9.1%	0.2%	4.9%	4.9%	0.1%				8.7%	8.8%	0.0%
76	Depreciation of Capital Investments	6.3%	6.5%	0.1%							6.3%	6.5%	0.1%
77	Amortization of Deferred Development	6.9%	7.0%	0.1%							6.9%	7.0%	0.1%
78	TOTAL	7.2%	7.4%	0.1%	4.9%	4.8%	-0.1%				7.2%	7.3%	0.1%

b) Please see figure below:

Figure 3 2019/20 Impairment Expenses

Line No.	(C\$000s, except where noted)	<u>2019/20A</u>
1	TRM2018 - Info Update	287
2	TRM2018 - VIP Upgrade	82
3	TRM2018 - Loss of Use	158
4	TRM2018 - CDW-EDW Migration	55
5	TRM2018- Team Foundation Servers	53
6	TRM2018- Workstation Security Enhancement	475
7	TRM Total	<u>1,110</u>
8	Credit Card Strategy	730
9	Total 2019/20 Impairment	<u><u>1,840</u></u>

PUB (MPI) 1-53

Part and Chapter:	Part V- Expenses EXP Appendix 10 EXP 10-1 EXP Appendix 11 EXP 11-1	Page No.:	18
PUB Approved Issue No:	9. Cost of operations and cost containment		
Topic:	Compensation		
Sub Topic:			

Preamble to IR:

MPI actual staff for 2019/20 was 1,826.3 FTE, 101.6 FTE lower than the 1,927.9 FTE budgeted in the 2020 GRA. MPI is now forecasting an increase in staff from 1826.3 FTE in 2019/20 to 1,953.54 FTE for 2020/21, an increase of 127.24 FTE in 2021 from its actual staff complement for 2019/20. MPI appears to rely on a vacancy allowance to manage compensation expense.

Question:

- a) Please provide a detailed comparison of Total Corporate Staffing Levels by Category for 2021 budget vs. 2020 Actual staffing level by position.
- b) Please identify which of the difference in positions currently represent vacant positions.

Rationale for Question:

To understand the effect of vacancy levels.

RESPONSE:

- a) The 2020/21 budgeted number of full-time equivalent (FTE) staff is 1,954; however the actual FTE number fluctuates throughout the year, as a result of employee departures and internal churn. MPI annually creates its FTE budget based on its business needs. In the fiscal year 2019/20, MPI experienced an average of 80 FTE vacancies, and built in vacancy allowances to account for them.

- b) Please refer to Figure 2 PUB (MPI 1-54) for vacant FTE number for the current year.

PUB (MPI) 1-54

Part and Chapter:	Part V- Expenses; Appendix 11	Page No.:	1
PUB Approved Issue No:	9. Cost of operations and cost containment		
Topic:	Corporate Normal Operating Expense		
Sub Topic:	Compensation Expense		

Preamble to IR:**Question:**

- a) Please indicate what the historical average annual turnover rate has been for the last five fiscal years.
- b) Please indicate the number of vacant positions during the last five fiscal years and the current level at June 30, 2020.

Rationale for Question:

To review staff turnover history.

RESPONSE:

a) See Figure 1 below:

Figure 1 5-Year Average Annual Turnover Rate vs. Current Year

Line No.	YTD Turnover Rate	5 YEARS PERIOD					Average	2019/20
		2014/15	2015/16	2016/17	2017/18	2018/19		
1	Staff Turnover Rate							
2	Total (Including Retirement)	138	96	123	140	155	130	140
3	Total (Excluding Retirement)	80	52	60	68	76	67	75
4	Turnover by type:							
5	Retirements	58	44	63	72	79	63	65
6	Voluntary Termination	70	45	41	48	52	51	48
7	Involuntary Termination	10	7	19	20	24	16	27

b) Refer to Figure 2 below for Vacant FTEs over the last 5 years vs. current year.

Figure 2 Vacant FTE's Over Last 5 Years vs. Current Year

Line No.		Total Corp Average Actual FTE's	Total Corp Budgeted FTE's	Total Corp Average Vacant Positions	Reference
1	2015/16	1,882.40	1,911.40	29	Actuals from FTE reports, Budget from staffing budgets
2	2016/17	1,920.10	1,956.20	36.1	<u>2018 GRA Volume II Expenses Appendix 8</u>
3	2017/18	1,878.10	1,926.90	48.8	<u>2019 GRA Part V Expenses Appendix 10</u>
4	2018/19	1,789.30	1,902.60	113.3	<u>2020 GRA Part V(i) Expenses Appendix 10</u>
5	2019/20	1,826.30	1,927.90	101.6	<u>2021 GRA Part V(i) Expenses Appendix 10</u>
6	2020/21 YTD	1,771.87	1,900.00	128.13	Current average for April to Jun 2020

PUB (MPI) 1-55

Part and Chapter:	Part V- Expense; App 12, Figures Exp App 12-1, 12-2 ,12-3	Page No.:	
PUB Approved Issue No:	9. Cost of operations and cost containment		
Topic:	Compensation		
Sub Topic:			

Preamble to IR:

Question:

- a) Please refile Figure EXP App 12-1 including an additional column for 2019/20 Forecast, including the total compensation increase analysis providing details of the changes in payroll from what was forecast based on the October update in the 2020 GRA.
- b) Please update figure EXP App 12-2 to include 2020/21 through to 2022/23. In the case of years beyond 2019/20, please indicate the implied total staff count inherent in the forecast total compensation.
- c) Please update Figure EXP App 12-3 to include 2020/21 through to the outlook period.
- d) Please provide details on the determination of the vacancy allowance for 2019/20, 2020/21, 2021/22 and 2022/23 and include the assumed number of FTEs related to the allowance in each of the years.
- e) Please provide a comparison with last year's assumed level of \$1.5 million or 20 FTE and explain the change in forecast.

Rationale for Question:

To assess reasonableness of compensation expense.

RESPONSE:

- a) Figure Expenses Figure EXP App 12-1 provides an analysis of the year to year change of the current year forecast. For comparative analysis and discussion of variances between current year vs last year forecasts, please refer to Expenses Chapter EXP.3.2 – Comparative Analysis.
- b) Please see Expenses Figure EXP App 12-1 for an analysis of the year to year change of the current year forecast. The budget/forecast FTE staff count can be found in Expenses Figure EXP-10.
- c) Please see Expenses Figure EXP App 12-1 for an analysis of the year to year change of the current year forecast.
- d) See Figure 1 below:

Figure 1 Vacancy Allowance

Line No.	Fiscal Year	Budgeted Vacancy Amount (\$000,00)	Related FTE Estimate
1	2019/20	1,500	20.00
2	2020/21	6,210	78.00
3	2021/22	6,210	78.00
4	2022/23	6,210	78.00

- e) Please see figure above for 2019/20 and 2020/21 budgeted vacancy allowances. The change of forecast reflects an increased FTE vacancy expectation to better align with actual results.

PUB (MPI) 1-56

Part and Chapter:	Part V- Expenses; EXP.6 Commissions, Figure EXP-43	Page No.:	59
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Broker Commissions		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please refile EXP-43 including Extension Commissions and the total commissions paid by MPI and indicate the relative mix of Basic vs. Extension commissions to be paid.
- b) Please supplement the information in (a) in a similar format to PUB (MPI) 2-19 2020 GRA including transaction fees and actual and forecast commission rates.

Rationale for Question:

To assess the reasonableness of Basic and Extension forecasts.

RESPONSE:

a) Please see the following figure:

Figure 1 Commissions Summary from Total Corporate and Basic Expenses

Line No.		2015/16A	2016/17A	2017/18A	2018/19A	2019/20A	2020/21FB	2021/22F	2022/23F	2023/24F	2024/25F
1	<i>(\$000's, except where noted)</i>										
2	Total Corporate Expenses	275,343	279,123	299,164	288,276	288,836	306,066	310,113	319,612	340,528	340,132
3	Basic Allocated Corporate Expenses										
4	Claims Expense	118,615	120,972	143,337	126,871	132,028	143,490	143,233	146,819	154,181	153,570
5	Road Safety/Loss Prevention	13,029	12,530	13,146	11,538	12,030	11,234	13,628	13,502	13,553	13,337
6	Operating	71,638	72,785	70,201	76,124	69,859	71,865	72,052	75,921	79,898	79,895
7	Regulatory/Appeal	3,675	4,889	4,443	4,315	4,647	5,120	5,160	5,201	5,293	5,392
8	Total Basic Allocated Corporate Expenses	206,957	211,176	231,127	218,848	218,564	231,709	234,073	241,443	252,925	252,193
9	Percentage of Corporate Operating Expenses	75.2%	75.7%	77.3%	75.9%	75.7%	75.7%	75.5%	75.5%	74.3%	74.1%
10	Basic Direct Expenses										
11	Commissions	33,862	35,086	37,378	40,233	42,332	43,823	43,408	42,817	44,298	45,825
12	Premium Taxes	26,205	27,563	29,143	31,183	33,102	32,292	33,289	32,811	33,965	35,155
13	Total Basic Direct Expenses	60,067	62,649	66,521	71,416	75,434	76,115	76,697	75,628	78,263	80,980
14	Extension Commission Expenses										
15	Commissions	35,303	34,025	34,138	35,256	34,788	35,060	37,094	40,329	41,709	43,169
16	MPI Total (Bas,Ext, DVA)										
17	Commissions	70,419	71,045	73,115	77,254	78,840	80,635	82,330	85,039	87,967	91,023
18	% of Basic commission vs MPI Total	48.1%	49.4%	51.1%	52.1%	53.7%	54.3%	52.7%	50.3%	50.4%	50.3%
19	% of Extension commission vs MPI Total	50.1%	47.9%	46.7%	45.6%	44.1%	43.5%	45.1%	47.4%	47.4%	47.4%

b) Please see the following figure:

Figure 2 Commissions/Fees Paid to Brokers

Line No.	Products/Transactions	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
1	<i>(\$000's, except where noted)</i>										
2	Basic	28,905	30,111	32,439	34,483	36,167	36,965	34,601	35,823	37,096	38,395
3	Extension	33,977	32,952	34,187	34,832	33,454	34,109	38,902	40,210	41,610	43,076
4	Basic Transactions / flat fees*	6,778	6,121	6,270	6,744	6,956	7,170	7,445	7,674	7,910	8,154
5	Extension Transactions / flat fees*	1,827	972	673	709	744	771	804	832	861	892
6	DVA Transactions / flat fees	1,254	1,934	1,599	1,765	1,720	1,752	1,828	1,893	1,960	2,029
7	Total Commission Written	72,741	72,090	75,168	78,533	79,041	80,767	83,580	86,433	89,437	92,546
8	Rate Changes in Year:										
9	Basic	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%	3.00%
10	Extension	21.25%	19.75%	19.75%	19.75%	19.75%	19.75%	19.75%	19.75%	19.75%	19.75%
11	CPI on Flat Fees					1.02	1.02	1.02	1.02	1.02	1.02
12	CPI on Flat Fees - non-resetting	1.042	1.054	1.067	1.085						
13	CPI on Flat Fees - resetting	1.109	1.128	1.139	1.152						
14	* Includes negotiated top-up paid as an adjustment/flat fee in 2015/16, and 2016/17										

PUB (MPI) 1-57

Part and Chapter:	Part V- Expenses; EXP Appendix 3	Page No.:	4
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Regulatory/Appeal Expenses		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please file the detail of regulatory/appeal expenses for each of the years 2015/16 through 2024/25 in similar level of detail provided in MPI Exhibit 61 2020 GRA and compare with that provided last year.
- b) Please provide the FTE staffing represented by the Compensation component of Regulatory/Appeal.

Rationale for Question:

To assess the reasonableness of Basic and Extension forecasts.

RESPONSE:

a) Please see figure below:

Figure 1 Regulatory Appeal Expenses

		2021 GRA									
Line No.	(C\$000s, except where noted)	2015/16	2016/17	2017/18	2018/19	*2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Actual	Actual	Actual	Actual	Actual	Forecast Base	Forecast	Forecast	Forecast	Forecast
1	AICAC & CAO	2,734	2,632	2,477	2,295	2,775	2,773	2,773	2,773	2,828	2,885
2	PUB	887	1,893	1,586	1,587	1,597	1,805	1,833	1,862	1,899	1,937
3	Other	84	66	82	78	92	92	94	96	98	100
4	Total	3,705	4,591	4,145	3,960	4,464	4,670	4,700	4,731	4,825	4,922
5	CAGR (2020/21 - 2022/23)								1.46%		
6	CAGR (2016/17 - 2019/20)					4.77%					
7	*2019/20 is based on 13 months										
		2020 GRA									
Line No.	(C\$000s, except where noted)	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	2022/23	2023/24	2024/25
		Actual	Actual	Actual	Actual	Budget	Forecast	Forecast	Forecast	Forecast	Forecast
11	AICAC & CAO	2,734	2,632	2,477	2,295	2,844	2,844	2,844	2,901	2,959	n/a
12	PUB	887	1,893	1,586	1,587	1,956	1,956	1,956	1,996	2,035	n/a
13	Other	84	66	82	78	85	85	85	86	88	n/a
14	Total	3,705	4,591	4,145	3,960	4,885	4,885	4,885	4,983	5,083	n/a
15	CAGR (2020/21 - 2022/23)								0.66%		
16	CAGR (2016/17 - 2019/20)					7.15%					
		Difference 2021 GRA versus 2020 GRA									
Line No.	(C\$000s, except where noted)	2015/16	2016/17	2017/18	2018/19	*2019/20	2020/21	2021/22	2022/23	2022/23	2022/23
		Actual	Actual	Actual	Actual	Actual	Forecast Base	Forecast	Forecast	Forecast	Forecast
21	AICAC & CAO	-	-	-	-	(69)	(71)	(71)	(128)	(131)	n/a
22	PUB	-	-	-	-	(359)	(151)	(123)	(133)	(136)	n/a
23	Other	-	-	-	-	7	7	9	9	10	n/a
24	Total	-	-	-	-	(421)	(215)	(185)	(252)	(257)	n/a

b) The Regulatory Affairs department consists of 4 FTE for 2020/21 and throughout the forecast.

PUB (MPI) 1-58

Part and Chapter:	Part VIII-AR Appendix 4 PUB (MPI) 1-68 (2020 GRA)	Page No.:	20
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Administrative and Investment Capital Spending		
Sub Topic:			

Preamble to IR:**Question:**

Please provide details of the administrative and investment capital forecast spending by major project, and provide a comparison with that presented at the 2020 GRA.

Rationale for Question:

To review and understand administrative and investment capital forecast spending.

RESPONSE:

See *Figure 1*.

Figure 1 2019/20 Administrative and Investment Capital Forecast - Total Corporate

Line No.		2019/20B	2020/21B	Difference
1	<i>(C\$000s, except where noted)</i>			
2	Land and Buildings ¹	6,962	9,042	2,080
3	Automobiles	365	435	70
4	Furniture and Equipment ²	2,772	3,143	371
5	Investment Capital ³	2,913	1,200	(1,713)
6	Total	13,012	13,820	808
7	Note 1: Land and Buildings			
8	Building	5,972	7,653	1,681
9	Building components (HVAC & Roofing)	830	584	(246)
10	Land Improvements	160	805	645
11	Total	6,962	9,042	2,080
12	Note 2: Furniture and Equipment			
13	Data Processing	2,353	547	(1,806)
14	Equipment	333	1,596	1,263
15	Systems Furniture	86	1,000	914
16	Total	2,772	3,143	371
17	Note 3: Investment Capital			
18	Cityplace projects	2,913	1,200	(1,713)

PUB (MPI) 1-59

Part and Chapter:	Part V- EXP Appendix 19; Figure EXP App 19-2; Figure EXP App 19-4	Page No.:	2,4
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Expenses		
Sub Topic:	IT Expenses		

Preamble to IR:**Question:**

- a) Please provide a schedule detailing the fees paid to consulting professional service firms for the years 2018/19 and 2019/20 and forecast for 2020/21, identifying the service(s) provided for the fees.
- b) Please file an update to PUB (MPI) 1-64 (2020 GRA), including all expenditures made to external consultants by consultant, and detail/ nature of the service provided under each individual contract for the years 2018/19 through 2020/21.
- c) Please indicate the dollar amount of contracts issued for consulting services with MPI's external auditor in 2019/20 and 2020/21.

Rationale for Question:

To understand the level of external consulting expense.

RESPONSE:

a) See *Figure 1* below.

Figure 1 Consulting Fees – Basic

Line No.	Consulting Fees	2018/19A	2019/20A	2020/21F
1	<i>(C\$000s, except where noted)</i>			
2	ITO Operational Activities	2,658	3,555	3,409
3	Improvement Initiatives	10,241	9,124	5,824
5	Consulting services rendered for participation on IT operational activities			
6	and corporate initiatives.			
7	<u>Reference: Expenses Figure Exp App 19-4</u>			

b) See *Appendix 1*.

c) In 2019/20 and 2020/21, the total dollar amount of contracts issued with the external auditor is \$2,775,360.

Appendix 1

Consultant Costs - Basic

Line No.	Consultant Costs - Basic	2018/19A	2019/20A
1	<i>(C\$000s, except where noted)</i>		
2	ACH Consulting		
3	Nova	-	145
4	Audatex		
5	Total Loss	-	1,153
6	BIZFLOW		
7	TRM-2017 Application Risk Management	35	-
8	Capstone		
9	Information Security Maturity	-	9
10	Technology Risk Management - 2019	-	42
11	Cimpex		
12	High School Driver Education Phase 4	-	5
13	Fineos		
14	BI3 Fineos Upgrade 2020	-	27
15	Flextrack		
16	CERP - Additional Product Changes	-	19
17	Claims Dispute Tribunal	-	3
18	Financial Re-engineering Initiative	-	23
19	Fiscal Year End	-	2
20	Information Security Maturity	-	119
21	Nova	-	67
22	Salvage Management Solution	-	12
23	Technology Risk Management - 2018	-	21
24	Technology Risk Management - 2019	-	184
25	Frank Digital		
26	High School Driver Education Phase 3	35	-
27	Genesys Laboratories		
28	Total Loss	-	6
29	Handcraft Creative		
30	High School Driver Education Phase 3	88	-
31	ESIT		
32	Appointment Manager	36	-
33	CERP - Additional Product Changes	-	31
34	Claims Dispute Tribunal	-	48
35	Corporate Learning Management	338	-
36	Credit Card Strategy	1,355	1,053
37	Customer Claims Reporting System	652	-
38	Customer Self Service	759	84
39	Enhanced DR Capabilities	621	-

Appendix 1

Consultant Costs - Basic

Line No.	Consultant Costs - Basic (C\$000s, except where noted)	2018/19A	2019/20A
40	ESIT (cont'd)		
41	Financial Re-engineering Initiative	-	159
42	Fiscal Year End	-	143
43	High School Driver Education Phase 3	1,491	256
44	High School Driver Education Phase 4	-	374
45	Infor/Lawson Upgrade	110	-
46	Information Security Strategy and Road Map Phase 2	56	-
47	Information Security Maturity	-	234
48	Legacy Systems Assessment	-	151
49	Nova	-	822
50	OOTB Exploration	-	18
51	Salvage Management Solution	-	77
52	Technology Risk Management - 2017	500	-
53	Technology Risk Management - 2018	1,188	412
54	Technology Risk Management - 2019	-	699
55	Total Loss	-	266
56	IBM		
57	Appointment Manager	8	-
58	Credit Card Strategy	470	-
59	Customer Claims Reporting System	6	-
60	Enhanced DR Capabilities	36	-
61	Financial Re-engineering Initiative	-	9
62	Enhanced DR Capabilities	36	-
63	Financial Re-engineering Initiative	-	-
64	High School Driver Education Phase 3	141	55
65	High School Driver Education Phase 4	66	90
66	Nova	-	85
67	Partner Portal	5	-
68	Technology Risk Management - 2017	248	-
69	Technology Risk Management - 2018	1,445	530
70	Technology Risk Management - 2019	-	385
71	Imaginet Resources		
72	Technology Risk Management - 2017	64	-
73	Infor		
74	Financial Re-engineering Initiative	-	437
75	Infor/Lawson Upgrade	96	-
75	OOTB Exploration	-	24
76	Insight		
77	Technology Risk Management - 2018	2	36

Appendix 1

Consultant Costs - Basic

Line No.	Consultant Costs - Basic <i>(C\$000s, except where noted)</i>	2018/19A	2019/20A
78	Key Data		
79	Technology Risk Management - 2018	19	-
80	Konica Minolta		
81	Technology Risk Management - 2017	20	-
82	M2 Management		
83	Technology Risk Management - 2018	-	13
84	Technology Risk Management - 2019	-	21
85	Magnet Forensics		
86	Technology Risk Management - 2018	-	20
87	MCIS Language Solutions		
88	High School Driver Education Phase 3	-	11
89	Mitra Tech Holdings		
90	Technology Risk Management - 2017	5	-
91	Norima		
92	CERP - Additional Product Changes	-	28
93	One Identity		
94	Technology Risk Management - 2018	12	-
95	Open Text		
96	Corporate Learning Management	22	-
97	Technology Risk Management - 2018	-	83
98	Paradigm		
99	Information Security Maturity	-	60
100	Nova	-	29
101	Technology Risk Management - 2018	-	15
102	Technology Risk Management - 2019	-	25
103	Powerland Computers		
104	Technology Risk Management - 2018	2	-
105	Price Waterhouse Coopers		
106	Information Security Maturity	-	10
107	Nova	-	340
108	Technology Risk Management - 2018	146	13
109	Professional Quality Assurance		
110	High School Driver Education Phase 3	-	5
111	High School Driver Education Phase 4	-	22

Appendix 1

Consultant Costs - Basic

Line No.	Consultant Costs - Basic <i>(C\$000s, except where noted)</i>	2018/19A	2019/20A
112	Select IT Management		
113	Credit Card Strategy		14
114	Information Security Maturity	-	47
115	Nova	-	18
116	Sudden Technologies		
117	Technology Risk Management - 2019	-	22
118	Teel		
119	Technology Risk Management - 2018	-	12
120	Titus Inc		
121	Technology Risk Management - 2017	160	-
122	Translacom		
123	Customer Self Service	(1)	-
124	Other		
125	Corporate Learning Management	1	-
126	Credit Card Strategy	1	2
127	Customer Self Service	1	-
128	High School Driver Education Phase 3	2	-
129	High School Driver Education Phase 2	-	-
130	High School Driver Education Phase 4	-	1
131	Total Consultant Costs	10,277	9,126

PUB (MPI) 1-60

Part and Chapter:	Part V- EXP; Appendix 16	Page No.:	1
PUB Approved Issue No:	9. Cost of operations and cost containment measures		
Topic:	Basic Capital Expenditures		
Sub Topic:	Project Cost Comparison		

Preamble to IR:**Question:**

Please provide a listing of 2019/20 building projects forecast last year and compare with the spending this year and indicate which projects have been cancelled versus delayed.

Rationale for Question:

To understand the changes of notable Basic capital expenditure projects.

RESPONSE:

See *Figure 1*.

Figure 1 Basic Building Projects

Line No.	Building Project Location	2019/20B	2019/20A	Difference	Cancelled or Delayed
1	<i>(C\$000s, except where noted)</i>				
2	St. Mary's	16	11	(5)	Under budget
2	Pembina	120	-	(120)	Cancelled
3	Main St	16	-	(16)	Delayed
3	Gateway	-	32	32	Project carried over from 2018/19
4	Brandon	24	-	(24)	Cancelled
4	Selkirk	40	9	(31)	Under budget
5	Beausejour	12	-	(12)	Cancelled
5	Steinbach	120	50	(70)	Under budget
6	Swan River	8	-	(8)	Cancelled
6	The Pas	68	-	(68)	Delayed
7	Thompson	160	180	20	Over budget
7	Plessis Bld C	184	93	(91)	Delayed & under budget
8	Plessis Bld B	64	-	(64)	Delayed
8	Cityplace	4,744	171	(4,573)	Delayed & under budget
9	Total	5,576	546	(5,030)	

PUB (MPI) 1-61

Part and Chapter:	Part IV (ii) - IT Appendix 1	Page No.:	4
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

Within the IT Strategy Executive Summary, MPI has provided a table indicating the direction of the strategy, how success is measured, and progress made.

For a number of areas within the "Progress we have made" comments, there does not appear to be any difference in content from the prior GRA.

Question:

Please clarify if this was indeed the case, and if so, what is the intention of "Progress we have made" commentary within this table.

Rationale for Question:

To understand how progress is being noted within the IT strategy and to confirm progress indicated in previous IT strategies with associated spend has been achieved.

RESPONSE:

The content is very similar between the two documents, reflecting MPI's continued focus on the five identified areas. MPI management anticipates removal of this section in the next iteration of the IT strategy.

PUB (MPI) 1-62

Part and Chapter:	Part IV (ii) - IT Appendix 1	Page No.:	8
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

MPI has indicated 2020/21 key priorities have evolved to include:

- Finances
- Operations
- Culture
- Users
- Stakeholders

The above five key priorities are noted to align with 2019/20 key priorities of:

- Predictability
- Operational Excellence
- Product & Service Leadership

Question:

- a) Please explain the alignment of the 2020/21 key priorities to the 2019/20 key priorities.
- b) Please provide supporting commentary indicating why the 2020/21 key priorities have been identified.

- c) Please denote whether there is an IT budget consequence/defined to each of the new priorities and if so, proportion of the overall IT budget used for each priority.

Rationale for Question:

To understand consistency and rationale pertaining to evolution of IT Strategy given the strategy directly affects current and future initiatives, spends, and priorities.

RESPONSE:

- a) MPI continues to focus on fiscal prudence and financial stability ('Finances' in 2019/20 / 'Predictability' in 2020/21) and delivery of services ('Operational Excellence' in 2019/20 and 'Operations' in 2020/21). 'Product and Service Leadership' has shifted from the internal development of solutions for customers to further partnership with external stakeholders to deliver services to customers. 'Users' reflects all the key 'Stakeholders' of Project NOVA (customers, partners, internal staff) and has been added to reflect the importance of this major transformational initiative. Finally, 'Culture' has been added to reflect its importance in achieving results in all four other areas.
- b) A key function of the IT strategy is to link IT investments to the annual business plan. In section 8, MPI illustrates this linkage by identifying an area of investment (bolded header), the strategic priority (as described in subsection 2 of the IT strategy and indicated in the MPI business plan), to business capabilities, IT capabilities, and the specific projects that provide those results.
- c) The financial details associated with initiatives listed in subsection 8 of the IT strategy can be found in Value Management VM.1 and Expenses Appendix 17. While the IT strategy indicates which business priority or priorities are linked to each initiative, MPI does not separate its investments by strategic priority.

PUB (MPI) 1-63

Part and Chapter:	Part IV (ii) - IT Appendix 1	Page No.:	15-16
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

MPI has provided two tables noting inventory of business capabilities, current progress in review/analysis of capabilities and impact of Project Nova on business capabilities. On page 15, items noted in light grey indicate capabilities which will be documented in subsequent projects. The table notes the identical light grey items as 2019/20 IT Strategy. In GRA 2020, MPI noted the capabilities table will continue to evolve year-over-year.

Gartner noted MPI continue to improve Enterprise Architecture Maturity ensuring relationships with business stakeholders is stronger because it involves finding opportunities to delivery transformative value to the organization (Benchmarking, p. 4, #5.02).

QUESTION:

- a) Please provide commentary pertaining to why the list of capabilities reviewed and documented were not advanced further.
- b) Please indicate a plan to further document outstanding capabilities.
- c) Please provide Gartner's comments on the relative progress towards improving Enterprise Architecture maturity via development of Business and IT Capabilities.

RATIONALE FOR QUESTION:

To understand consistency and rationale pertaining to evolution of business capabilities as it pertains to the priorities and resource allocation within the IT Strategy.

RESPONSE:

- a) The full list of capabilities reviewed and documented represent a future-state architecture towards which MPI is working, on an incremental basis. The indicated capabilities are to be explored and documented based on initiatives/projects that MPI undertakes. As MPI is currently focusing its effort on Project Nova, few projects in other areas await further analysis.
- b) MPI plans to maintain its current approach to updating and analyzing outstanding capabilities at the time at which new initiatives/projects are identified for that area. This ensures that MPI remains focused on work prioritized by the business and is able to efficiently allocate its resources.
- c) The focus of the Gartner evaluation is to provide feedback and recommendations to MPI on areas for improvement. This year, their evaluation highlights the need to ensure the documentation of governance, standards and guidelines to round out the Enterprise Architecture (EA) practice at MPI. Their evaluation also recognizes that the EA capabilities of MPI are nascent and have improved significantly (for example, personal capacity has expanded, matured and improved over the last 3-5 years). Further, the evaluation appreciates the transitioning by MPI of its EA capabilities; from focusing on solutions to incorporating business strategy.

PUB (MPI) 1-64

Part and Chapter:	Part IV (ii) - IT Appendix 1	Page No.:	17 & 18
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

MPI has noted 7 key capabilities under development. For each noted capability under development, the Business Capability affected is listed and mostly aligns with a column within the listed MPI Business Capabilities (IT Strategy Appendix 1, pg. 15) with a couple of noted exceptions. MPI expends resources to evolve and support these capabilities as they are defined and operationalized.

Question:

- a) Capability 8.3 lists Physical Loss Recoveries as a business capability. Please confirm whether this should instead be Property & Casualty Administration.
- b) If (a) is no, please comment on mapping of capabilities under development to the broader capabilities matrix.
- c) Capability 8.6 lists Driver Records as a business capability. However, this business capability is not listed in the inventory of business capabilities on page 15. Please explain.

Rationale for Question:

To understand the consistency and evolution of business capabilities progress IT Strategy year over year.

RESPONSE:

a) and b)

Correct, the Physical Loss Recovery is part of the Property & Casualty Administration. As such, Property & Casualty Administration could have been used. MPI used the specific capability level to avoid confusion on the area of impact.

The hierarchy for Physical Loss Recovery is as follows:

- a. Business Domain: Property & Casualty Administration
 - i. Business Capability Level 1: Physical Damage Claims Management
 - 1. Business Capability Level 2: Physical Loss Recovery.

- c) Driver Records is a Level 3 Capability (Business Domain: Driver and Vehicle Administration, Level 1 Capability: Driver Licensing, Level 2 Capability: Driver's License Management).

Separately identifying Driver Records as a capability for 8.6 was an oversight as the Driver and Vehicle Administration business domain was already identified.

PUB (MPI) 1-65

Part and Chapter:	Part IV (ii) - IT Appendix 2	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:	Update on Contingent Workforce Strategy		

Preamble to IR:

MPI has indicated an additional projected amount of \$800,000 savings are expected to exceed the \$500,000 target noted in 2019/20.

Question:

- a) Please provide details pertaining to how this savings was calculated.
- b) Please provide a list of reasons leading to the potential additional savings.

Rationale for Question:

To understand the drivers behind the additional savings to contingent workforce strategy.

RESPONSE:

MPI achieved \$471,959 in savings compared to the \$500,000 savings target for the Contingent Workforce Strategy for 2019/20. 2019/20 was an implementation year for this strategy, releasing a Request for Standing Offers that produced new agreements with 30 contingent workforce vendors and a Request for Proposal for a service and tool to manage the contingent workforce process. The savings are calculated by comparing the hourly rates for the external resources signed under the Contingent

Workforce process to the hourly rates under the legacy staff augmentation vendors that MPI was utilizing prior to the Contingent Workforce Strategy. The difference is then multiplied by the hours the resources worked at MPI (later invoiced). The table below is a sample of how those savings are calculated.

Position	New Contingent Workforce Rate	Legacy Staff Augmentation Rate	Hourly Rate Difference	19/20 Yearly Savings*	20/21 Yearly Savings*
Business Architect	130.00	187.25	57.25	\$85,188.00	\$114,042.00
Senior Project Manager	123.00	162.29	39.29	\$56,577.60	\$78,265.68
Project Director	128.00	174.75	46.75	\$53,482.00	\$93,126.00

The additional \$800,000 savings are not 2019/20 savings. Those additional savings are what is estimated for 2020/21 as 2020/21 has a target of \$1,300,000 in Contingent Workforce Strategy savings. There was an error in the calculation which was reported in *Information Technology Appendix 2*.

PUB (MPI) 1-66

Part and Chapter:	Part IV (ii) - IT Appendix 2	Page No.:	1-2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

In the 2019/20 GRA an update on Project Management Resources was provided. An update to Project Management Resources was not supplied in this Application.

Question:

- a) Please file an update to Project Management Resources if available.
- b) If an update is not available, provide rationale pertaining to why an update of Project Management resources was not included in 2020/21 updates.

Rationale for Question:

To understand current state and future plans pertaining to project management resources.

RESPONSE:

a) Project Management Resources update for 2020/21 is set out below:

Figure 1 Project Management Resources

Line No.	Position	2020/21	
		Internal	External
1	Project Control Analyst/Project Coordinator	4	3
2	Project Director		4
3	Project Manager	7	10
4	Grand Total	11	17

- MPI has continued to optimize and improve its Enterprise Project Management Office to guide project delivery. Controlling external labour costs and utilization of internal resourcing continues to be a focus for MPI.

b) Not applicable.

PUB (MPI) 1-67

Part and Chapter:	Part IV (ii) - IT Appendix 2	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:			

Preamble to IR:

MPI intends to leverage the Managed Service Provider for Nova for consultants, specialized resources, and significant resource request.

Question:

Please outline the expected number of consultants and areas of focus for the Nova project that MPI currently estimates will be required to deliver Project Nova.

Rationale for Question:

To assess the number of overall consultants and their roles, and the overall costs and potential cost savings.

RESPONSE:

Based on the original Project Nova business case, MPI currently estimates using 27 consultants, on a contingent basis, which number associates with the MPI labour commitment for Project Nova and is included in the business case. MPI does not expect to engage consultants contemporaneously and the length of their engagement will vary depending on the scope of work. The forecast excludes any consultants the system integrator vendors require to implement the Property & Casualty Insurance software platform, Driver and Vehicle Administration software platform, and

Application Platform. These vendors are not only responsible for managing/overseeing their staff, but must also determine the number and type of staff/consultants they require on their own to implement and support their platforms in accordance with their fixed-price contracts.

MPI requires the following number and types of consultant resources:

- 2 x organizational change management specialists
- 5 x project managers
- 20 x software developers

Finally, MPI is reviewing/confirming this external labour forecast as part of the stated Project Nova business case re-baseline efforts due for completion in October 2020.

PUB (MPI) 1-68

Part and Chapter:	Part IV (ii) - IT Appendix 3	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:	External Labour Measures and Metrics		

Preamble to IR:

MPI is using external resources to support legacy technologies which will be replaced by Project Nova. When the legacy technologies are decommissioned, the external resources supporting them will no longer be required.

Question:

- a) Please confirm that these external resources are included in the "55" total.
- b) Please also confirm that when the systems are decommissioned there will be consultant cost savings.

Rationale for Question:

To assess the level of consultant support.

RESPONSE:

- a) Confirmed.
- b) The Project Nova business case¹ forecasts the realization of external labour savings with the decommissioning of the associated legacy technologies.

¹ Attached to CAC(MPI) 1-60 c.

PUB (MPI) 1-69

Part and Chapter:	Part IV (ii) - IT Appendix 3	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:	External Labour Measures and Metrics		

Preamble to IR:

IT APP 3-1 does not include any consulting increase associated with Project Nova.

Question:

Please outline when and how many consultants will be needed for Nova, and subsequent operational needs.

Rationale for Question:

To assess cost and aggregate consultants for projects and those for operations.

RESPONSE:

Please see the response to *PUB (MPI) 1-67* regarding the number of consultants required to implement Project Nova. Ensuring that MPI staff can run, support and maintain the new software platforms without external assistance is one of the business objectives of Project Nova. As such, MPI does not intend to use external labour for these purposes.

PUB (MPI) 1-70

Part and Chapter:	Part V- EXP Appendix 17 Part IV IT Appendix 4 p. 14	Page No.:	1
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Basic Capital Expenditures		
Sub Topic:	Project Cost Comparison		

Preamble to IR:**Question:**

- a) Please provide information as to why Infor Major Upgrade 2022 forecast has changed from 2020 GRA.
- b) Please explain why the Financial Re-engineering project has seen a delay in project spending from what was forecast last year.

Rationale for Question:

To understand the changes of notable Basic capital expenditure projects.

RESPONSE:

- a) The Infor Major Upgrade 2022 forecast changed with the 2020/21 budget – as there was a focus on the Human Resource Management System addition that was not included in the previous scope. The focus with Infor for the 2020/21 fiscal year is the HRMS Optimization project.
- b) The delay in project spending for the Financial Re-engineering project is due to the timing of the statement of work with the vendor. The statement of work delays

were specific to Project Accounting and Dynamic Enterprise Performance Management modules. Further detail is provided in CAC (MPI) 1-62.

PUB (MPI) 1-71

Part and Chapter:	Part V EXP Appendix 16 EXP App 16-1	Page No.:	1
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Capital Expenditures		
Sub Topic:	Impairments		

Preamble to IR:**Question:**

- a) Please provide a full listing of projects that were written off in 2019/20, and any proposed write offs in 2020/21, a description of the project including the amount of the write-off, and the reason the projects no longer have any enduring value.
- b) Please provide the analysis supporting the impairment write-offs.
- c) Please provide a full schedule of impairment write-offs by project and year for the last five fiscal years.

Rationale for Question:

To assess reasonableness of project write-offs.

RESPONSE:

a) See *Figure 1* below.

Figure 1 2019/2020 Impairment

Line No.	Project	2019/20 Impairment
1	<i>(C\$000s, except where noted)</i>	
2	Technology Risk Management - 2018	832
3	Credit Card Strategy	548
4	Total	1,380

b) Impairments were processed for a portion of costs in two initiatives outlined in Figure 1. The impairment amount relating to Technology Risk Management – 2018 was determined based on specific projects/outcomes within the overall program which did not meet the amortization of intangible asset policy requirements. These project costs were identified and impaired as a result. The Credit Card Strategy impairment was the result of work that was completed but not implemented. The costs relating to this potential solution were impaired due to lack of future benefit.

c) See *Figure 2* below.

Figure 2 List of Impaired Projects - Basic

Line No.	Project Impairment	2015/16*	2016/17*	2017/18*	2018/19	2019/20
1	<i>(C\$000s, except where noted)</i>					
2	Technology Risk Management - 2018	-	-	-	-	832
3	Credit Card Strategy	-	-	-	-	548
4	Enhanced DR Capabilities	-	-	628	80	-
5	Customer Self Service	-	-	-	2,001	-
6	Customer Claims Reporting System	-	-	14,431	714	-
7	Physical Damage Re-Engineering Main/Phase 3	-	-	1,146	-	-
8	Financial Re-engineering Initiative	-	-	255	-	-
9	High School Driver Education Phase 2	-	-	1,822	-	-
10	PDR Opt Repair - Remote Estimating	-	-	212	-	-
11	HR Management System Phase 3 & 4	-	-	184	-	-
12	Total	-	-	18,678	2,795	1,380

PUB (MPI) 1-72

Part and Chapter:	Part V- EXP; Appendix 17 VM App 1-2	Page No.:	1
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Basic Capital Expenditures		
Sub Topic:	Project Cost Comparison		

Preamble to IR:

MPI has indicated that it is delayed in launching Project Nova. Project Nova spend is trending less than 2019/20 budget and has noted contributing factors to support this trend. A key contributing factor is due to timeline delays and actual work not meeting planned milestones. In addition, in VM App 1 – 2 MPI has forecasted the 2019/20 variance to be (\$6,748,392). It is not clear whether this favourable variance is related to budget variances versus future required spending to complete the business streams.

Question:

- a) Please provide VM App 1 – 2 table with forecasted spend for 2019/20 resulting an updated 2019/20 forecasted variance.
- b) Please indicate the extent to which the expenditures in each of the Business streams totaling \$10 million budgeted for 2019/20 is forecast to be spent in 2020/21.

Rationale for Question:

To understand the changes of notable Basic capital expenditure projects.

RESPONSE:

- a) Please see the updated V-M App 1-2 table with the life to date project spending related to Project Nova for the fiscal year ending March 31, 2020. The updated chart includes all year-end adjustments, allocations related to unplanned work, updated variances and revisions to business streams to align with revised delivery plans.

A high level summary of the items that have changed since the initial submission are as follows:

- i. DVA Stream - updated stream name for Program Planning and Readiness and updated life to date actuals with year-end adjustments.
- ii. P&C Insurance Stream – Combined Program Readiness, SRE – As-Is Requirements & Delivery Planning and Personal & Extension As-Is Requirements (lines 9, 10 & 11) into new stream called “P&C Planning Phase”. Updated actuals with year-end adjustments.
- iii. Updated Common Services stream name to reflect change to Digital (Foundation) and Leadership Stream. Provided a more detailed breakout of the budget and costs related to RFPs and System Integration (lines 15 to 19). Allocated unplanned work to specific line items. Updated actuals based on year-end adjustments.

Figure 1 Project Nova Life to date Spend vs 2019/20 Budget (Updated chart previously submitted in 2021 GRA / Value Management Appendix 1 Figure VM App 1-2, page 11)

Line No	Nova Stream	Business Stream	2019/20	Life to date Actuals*	Variance (Life to Date vs 2019/20B)
1	<i>(CAD\$000s except where noted)</i>				
2		DVA Stream:			
3	DVA	RFP Costs - DVA	1,250	230	-1,020
4	DVA	DVA Planning Phase (Formerly Program Readiness & As-is Requirements)	526	583	57
5	DVA	DVA Totals	1,776	813	-963
6		P&C Insurance Stream:			
7	P&C	FRP Costs	625	2	-623
8		P&C Plannig Phase:			
9	P&C	Program Readiness	550		
10	P&C	SRE As-is Requirements & Delivery Planning	250		
11	P&C	Personal & Extension As-is Requirements & Delivery Planning	389		
12	P&C	P&C Planning Phase Subtotal	1,189	700	-489
13	P&C	P&C insurance Totals	1,814	701	-1,113
14		Digital (Foundation) and Leadership Stream (Formerly Common Services):			
15	Digital & Leadership	Digital and Leadership RFPs and System Implementation (SI):			
16	Digital & Leadership	RFP (78K) & SI integration Platform (400K)	478	77	-401
17	Digital & Leadership	RFP (78k) & SI implementation (400K) Business Application Platform	478	286	-192
18	Digital & Leadership	RFP Independent program Governance Advisor	150	26	-124
19	Digital & Leadership	Subtotal Digital and Leadership RFPs & SI Costs	1,106	389	-717
20	Digital & Leadership	Nova Leadership - npmo (formerly Year 1 Implementation Activities)	2,705	267	-2,438
21	Digital & Leadership	Organizational Risk Strategy & pre-Program Planning**	599	0	-599
22	Digital & Leadership	Nova-Digital (Foundation) Planning Phase	0	234	234
23	Digital & Leadership	Nova Leadership - npmo (formerly Year 1 Implementation Activities)	0	560	560
24	Digital & Leadership	Governance Vendor***	0	426	426
25	Digital & Leadership	Digital and Leadership Totals	4,410	1,876	-2,534
26	All	Subtotal (Before Contingency)	8,000	3,390	-4,610
27	Contingency	Contingency (25%)***	2,000	0	-2,000
28	All	Total Budget year 1	10,000	3,390	-6,610

29 * Note - Decision Request approved to include \$135,879 in expenses from 2018/19

30 ** Monles originally identifies for Org. Risk and PreProgram Planning were directed towards Leadership and the Nova Digital (Foundation) Planning Phase

31 ***Note - 217K of contingency was utilized for Governance vendor in 2019/20 - included in 426K Governance spend. Accounting adjustment will be made in 2020/21
32 to reduce contingency by this amount.

b) As requested, current MPI projections related to the balance of the \$10 million dollar 2019/20 budget is forecasted to be spent as follows (Refer to "Estimate to Complete" – Column C below):

Figure 2 Project Nova Life to date Spend plus Estimated Costs to Complete vs 2019/20 Budget

Line No	Nova Stream	Business Stream	2019/20 Budget A	Life to date Actuals* B	Estimate to Complete C	Life to Date Plus Estimate Complete to B+C = D	Variance (Life to Date vs 2019/20B) D-A
1	<i>(CAD\$000s except where noted)</i>						
2		DVA Stream:					
3	DVA	RFP Costs - DVA	1,250	230	0	230	-1,020
4	DVA	DVA Planning Phase (Formerly Program Readiness & As-is Requirements)	526	583	381	965	438
5	DVA	DVA Totals	1,776	813	381	1,194	-582
6		P&C Insurance Stream:					
7	P&C	FRP Costs	625	2	83	85	-540
8		P&C Plannig Phase:					
9	P&C	Program Readiness	550				
10	P&C	SRE As-is Requirements & Delivery Planning	250				
11	P&C	Personal & Extension As-is Requirements & Delivery Planning	389				
12	P&C	P&C Planning Phase Subtotal	1,189	700	439	1,139	-51
13	P&C	P&C insurance Totals	1,814	701	522	1,223	-591
14		Digital (Foundation) and Leadership Stream (Formerly Common Services):					
15	Digital & Leadership	Digital and Leadership RFPs and System Implementation (SI):					
16	Digital & Leadership	RFP (78K) & SI integration Platform (400K)	478	77	471	548	70
17	Digital & Leadership	RFP (78k) & SI implementation (400K) Business Application Platform	478	286	449	735	257
18	Digital & Leadership	RFP Independent program Governance Advisor	150	26	0	26	-124
19	Digital & Leadership	Subtotal Digital and Leadership RFPs & SI Costs	1,106	389	920	1,309	203
20	Digital & Leadership	Nova Leadership - npmo (formerly Year 1 Implementation Activities)	2,705	267	408	675	-2,030
21	Digital & Leadership	Organizational Risk Strategy & pre-Program Planning**	599	0	0	0	-599
22	Digital & Leadership	Nova-Digital (Foundation) Planning Phase	0	234	295	529	529
23	Digital & Leadership	Nova Leadership - npmo (formerly Year 1 Implementation Activities)	0	560	572	1,132	1,132
24	Digital & Leadership	Governance Vendor***	0	426	0	426	426
25	Digital & Leadership	Digital and Leadership Totals	4,410	1,876	2,195	4,071	-339
26	All	Subtotal (Before Contingency)	8,000	3,390	3,098	6,488	-1,512
27	Contingency	Contingency (25%)***	2,000	0	0	0	-2,000
28	All	Total Budget year 1	10,000	3,390	3,098	6,488	-3,512

29 Rounding may affect totals

30 * Note - Decision Request approved to include \$135,879 in expenses from 2018/19

31 ** Monles originally identifies for Org. Risk and PreProgram Planning were directed towards Leadership and the Nova Digital (Foundation) Planning Phase

32 ***Note - 217K of contingency was utilized for Governance vendor in 2019/20 - included in 426K Governance spend. Accounting adjustment will be made in 2020/21 to reduce contingency by this amount.

Major Forecast variances explained as follows (\$000s):

Lines 4 & 8 RFP Costs – DVA (-1,020) /P&C (-540): Baseline estimate included external resources to complete. MPI utilized mostly internal resources, many of them non-incremental to the program budget. Forecast to be under budget.

Line 5 - DVA Planning Phase (+438) - (formerly Program Readiness & As-Is Requirements): Forecasted expenses include the incremental resources identified in March 2020 - \$3.1 million additional spend approved by MPI Board (will be part of fall re-baseline).

Line 18 - RFP & SI Implementation for Business Application Platform (+257): Relates specifically to the RFP, baseline estimates understated the size and complexity of Application Platform RFP forecasted to be over for RFP portion.

Line 21 – Nova Leadership – npmo (-2,030). Overestimated year 1 spend, the spending estimate relates to spending to the end of October. The remainder will be spent, but will be throughout the lifetime of the program. Extra funds to be redistributed as part of the fall re-baseline.

Line 22 – Organizational Risk Strategy and Pre-Program planning (-599): Monies originally identified for this Category were redirected towards Leadership (line 24) and Nova Digital (Foundation) Planning Phase (line 23).

Line 24 – Nova Leadership (+1,132): Forecasted expenses include the incremental leadership resources identified in March 2020 - \$6.2 million additional spend approved by MPI Board (will be part of fall re-baseline).

Line 25 – Governance Vendor (+426): Underestimated year 1 spend for Governance - Expenses started earlier than planned (expected to start in 2020).

PUB (MPI) 1-73

Part and Chapter:	Part IV VM Appendix 1	Page No.:	8
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Capital Projects		
Sub Topic:	Project Nova		

Preamble to IR:

MPI indicates that Project Nova is progressing at a slower pace than originally planned. By the end of FY 2020/21, all of the foundational elements will be in place and MPI is confident that it will transition from the planning and readiness phase to the execution and delivery phase into years 3-7 of the project, with incremental adherence to the delivery roadmap.

Question:

- a) Please provide a comparison of the proposed spending by year presented at the last GRA on Project Nova and compare with that now forecast this year.
- b) Please file a copy of the existing business case for Project Nova.
- c) Please provide a comparison of the business case presented last year with the current business case and explain any changes.
- d) Please file when available an update to the estimated cost of Project Nova based on completed RFPs.

Rationale for Question:

To assess reasonableness in Project Nova spending.

RESPONSE:

- a) Please refer to Value Management Appendix 1 Figure VM App 1-1 for a comparison of the proposed spend by year.

- b) Please refer to Appendix 1, Project Nova, which MPI seeks confidential treatment. The formal business case for Project Nova has not changed in comparison to what MPI filed last year. However, adjustments to CAPEX and OPEX expenses are being tracked for interim financial analysis and value management related processes. Please see (d) for further information on the next steps related to the Project Nova business case.

- c) The Project Nova business case changes known at this time are depicted below in Figure 1. Please also see (d) below regarding next steps on Project Nova business case. The primary business case variances explanations are:
 - Program Governance Vendor costs are higher than original estimate
 - Software licensing actuals are higher than original estimate for the Property & Casualty Insurance software platform
 - Project Nova leadership resources funding not included in original estimate
 - Incremental MPI resources required in excess of original estimate

Figure 1 Original Business Case Changes

Line No.	One-Time Modernization Cost	Original Estimated Cost (\$M)	Revised Estimated Cost (\$M)	Variance
1	Program Governance Vendor	1.2	2.5	1.3
2	Insurance & Claims (Personal, Extension and SRE) software licensing	0.6	12.6	12
3	Leadership & Incremental Resources	-	9.3	9.3
4	Total One Time Costs	1.8	24.4	22.6

It should be noted that the Driver and Vehicle Administration, Application Platform, Property & Casualty Insurance System Integrator, and Integration Platform RFPs negotiated costs could result in incremental increases or decreases in business case estimated costs as part of the re-baseline exercise. Also, the Project Nova team is in the process of confirming MPI labour efforts as well as impacts to project costs due to extended delivery timelines and potential impacts of ongoing COVID-19 to MPI workforce or system integrator working relationships.

- d) The Project Nova business case re-baseline process, slated for completion in October 2020, will include all confirmed and pre-negotiated Request for Proposals costs for the final preferred vendors for the Property & Casualty Insurance system integrator and Integration Platform software vendor. Following the October 2020 review with the Board of Directors, MPI will share the updated RFP costs as well as the overall business case and Net Present Value analysis.

**Appendix 1:
Legacy Systems Modernization 2018-19**

This material is the subject of a confidential motion.

PUB (MPI) 1-74

Part and Chapter:	Part IV(ii) IT Appendix 3 Figure IT App 3-8 Part V EXP App 19-4	Page No.:	
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Contingent workforce savings		
Sub Topic:			

Preamble to IR:

Question:

Please reconcile the IT personnel – consultant costs in Figure IT App 3-8 with that provide in Appendix 19-4.

Rationale for Question:

To understand the consulting costs related to Basic.

RESPONSE:

MPI made some year-end adjustments to update the projected figures to actuals after submitting Information Technology Figure IT App 3-8. The Expenses Figure EXP App 19-4 reflects these adjustments and is accurate. However, MPI did not update Information Technology Figure IT App 3-8.

See Figures 1 and 2 for the blackline and clean versions of Information Technology Figure IT 3-8, with projected figures updated to actuals.

Figure 1 IT Personnel – Consultant Costs (blacklined)**(Updated chart previously submitted in response to PUB (MPI) 2-30,
2020 GRA MPI Information Technology Figure IT App 3-8)**

Line No.	Fiscal Year	2021 GRA Forecast (Revised)	2021 GRA Forecast (Original)	2020 GRA Forecast	Variance 2020 vs 2019	% Change
1	<i>(C\$000s except where noted)</i>					
2	2018/19(A)	\$ 12,899	\$ 11,517	\$ 11,517	\$ 1,382	12.0%
3	2019/20(A)	\$ 12,681	\$ 11,276	\$ 11,039	\$ 1,642	14.9%
4	2020/21(F)	\$ 9,234	\$ 8,523	\$ 11,211	\$ (1,977)	-17.6%
5	2021/22(F)	\$ 9,351	\$ 8,625	\$ 11,386	\$ (2,035)	-17.9%
6	2022/23(F)	\$ 9,469	\$ 8,730	n/a		

Figure 2 IT Personnel – Consultant Costs (clean)**(Updated chart previously submitted in response to PUB (MPI) 2-30,
2020 GRA MPI Information Technology Figure IT App 3-8)**

Line	Fiscal Year	2021 GRA Forecast	2021 GRA Forecast	Variance 2020 vs 2019	% Change
1	<i>(C\$000s except where noted)</i>				
2	2018/19(A)	\$ 12,899	\$ 11,517	\$ 1,382	12.0%
3	2019/20(A)	\$ 12,681	\$ 11,039	\$ 1,642	14.9%
4	2020/21(F)	\$ 9,234	\$ 11,211	\$ (1,977)	-17.6%
5	2021/22(F)	\$ 9,351	\$ 11,386	\$ (2,035)	-17.9%
6	2022/23(F)	\$ 9,469	n/a		

PUB (MPI) 1-75

Part and Chapter:	Part IV- IT Appendix 2	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Contingent workforce savings		
Sub Topic:			

Preamble to IR:

Based upon a preliminary review of resources and rates in GRA 2020, this approach was expected to save between \$1.5 million and \$2.5 million annually based on average annual spend on IT consultants. Savings projections are set to exceed these numbers. Partial year savings in 2020/21 FY were \$1.3 million compared to a target of \$0.5 million.

Question:

- a) Please provide supporting documentation and calculations used to calculate actual and expected savings on average annual spend on IT consultants.
- b) Please provide supporting comparison of the 2019/20 actual savings versus the budget of \$500,000 for that year.
- c) Please provide a comparative analysis detailing the partial year savings of \$1.3 million versus \$500,000 forecast for 2020/21 and the updated forecast for 2021/22 versus that forecast at the 2020 GRA.
- d) Please comment on the level of savings anticipated related to contingent workforce savings in 2020/21 and 2021/22.

Rationale for Question:

To confirm financial savings are correctly stated to support workforce strategy.

RESPONSE:

- a) MPI calculated the savings by comparing the hourly rates for the external resources signed under the Contingent Workforce process to the hourly rates of the legacy staff augmentation vendors MPI used prior to the Contingent Workforce Strategy. It then multiplied the difference by the hours those resources work at and invoice MPI. The figure below provides an example of the calculation of those savings.

Figure 1 Actual and Expected Savings on IT Consultants

Line No.	Position	New Contingent Workforce Rate	Legacy Staff Augmentation Rate	Hourly Rate Difference	19/20 Yearly Savings*	20/21 Yearly Savings*
1	Business Architect	130	187.25	57.25	\$85,188.00	\$114,042.00
2	Senior Project Manager	123	162.29	39.29	\$56,577.60	\$78,265.68
3	Project Director	128	174.75	46.75	\$53,482.00	\$93,126.00

- b) MPI achieved a savings of \$471,959 for 2019/20 compared to the \$500,000 target. Additional details can be found in PUB (MPI)-1-65.
- c) At July 2020 MPI can confirm a savings of \$1,031,823 for contingent resource contracts signed to date and to the end of the fiscal year. Based on estimated demand for contingent workforce resources for the remainder of the year, MPI estimates a cost savings of \$1.3M for 2020/21. For 2021/22 the contingent workforce estimate is between \$2M - \$2.5M based on expected contingent resource demand.
- d) 2020/21 expected savings are \$1.3M and 2021/22 expected savings are between \$2M - \$2.5M.

PUB (MPI) 1-76

Part and Chapter:	Part IV - VM	Page No.:	8-9
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:			

Preamble to IR:

MPI has noted the reason for the following projects having an unfavorable variance was due to mismatched skill sets of internal resources with new technologies as the project unfolded:

- VIP Upgrade
- Loss of Use – Platform Upgrade

MPI has noted for the following initiatives, which had unfavorable variances, that human resource changes during the project have contributed towards the budget overrun:

- MS Active Directory Review & Restructure
- IBM Network Hardware Vitality
- MS Active Directory Review and Restructure
- Windows Server Migration

In addition, for the merged Infrastructure Risk Management project, MPI has indicated a contributing factor to the budget overrun is due to unbudgeted on-going support and licensing costs.

Project Nova is MPI's most significant IT initiative spanning many years requiring new capabilities, technology tools, and skills. In addition, due to usage of COTS solutions,

Project Nova will require management of ongoing support and licensing costs. Given the size of this initiative, issues pertaining to skill gap and human resources can be magnified due to the sizable effort and forecasted budget spend.

Question:

- a) Please provide details on how MPI Value Management and/or Project Management execution will address both mismatched skill and key human resource changes to mitigate and minimize unfavorable variances.
- b) Please provide commentary on how Value Management will be adapted to account for ongoing support and licensing costs.

Rationale for Question:

To understand MPI's management of project costs and resources.

RESPONSE:

- a) In the development of the business case and related assumptions and financial forecasts, resource needs were identified and costed at a high level in terms of roles, responsibilities, hours of effort and mix of internal vs external resources. As the project deliverables are defined in greater detail, the specific expertise requirements are defined and Project Nova leadership are charged with securing these resource needs. They are supported by Project Nova, Human Resources, and change and vendor management teams to ensure not only the appropriate skill sets are engaged but that the appropriate number of internal staff are involved in the transition to operations.

Project Nova recognizes the need for a strong resource plan that aligns skill sets and minimizes changing of resources. In the Project Nova planning phase, a capabilities assessment will be completed to identify key skill sets required to deliver Project Nova. Training, upskilling, and in some cases external recruitment will be used to address any capability gaps. To reduce turnover, the majority of

resources on Project Nova will be fully dedicated. The projects listed in the preamble above relied on, at times, shared resources. Project Nova is MPI's top priority and top talent will be assigned to the project.

Project Nova is creating a resource plan to forecast resource needs and determine the best fits within MPI. All MPI resources on Project Nova will be assigned to a leader who is responsible for leadership, people care, and performance management of the resource.

Critical positions within Project Nova will be identified and successions plans will be established and reviewed on an annual cycle for these critical roles.

The Nova Program Management Office will also have a dedicated Resource Coordinator who will be responsible for the onboarding and tracking of all MPI resources on Project Nova.

MPI will be using System Integrators for the implementation of the three main technology platforms. The System Integrators are experienced in implementing these platforms and will be accountable for the performance of their resources.

The ongoing monitoring of resource management, project costs and status of project deliverables by the leadership, governance, finance and value management teams will ensure potential gaps are identified and corrective action taken on a timely basis.

- b) Value Management's goal is to continually mature MPI processes and learn from the gaps seen in prior projects. As a result of early work on Project Nova, MPI has a better understanding of software licensing and the implications that different licensing models can have on both capital and operating costs. As negotiations take place with the vendors selected for Project Nova, MPI's approach has been to work with its new partners on longer term agreements. Both capital and operating expenses are identified and agreed to up front, so that MPI is aware of the future ongoing costs and can build them into the forecasts. Business Case assumptions

are also adjusted to reflect the most current information available and to support any revisions in the net present value of the project.

PUB (MPI) 1-77

Part and Chapter:	Part IV - VM	Page No.:	8, 15
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:	Close Out Reports		

Preamble to IR:**Question:**

Please provide copy of project close out reports for the following projects:

- a) VIP Upgrade
- b) Merged Infrastructure Risk Management

Rationale for Question:

To review completion of Value Management deliverables pertaining to project close outs.

RESPONSE:

See [Appendix 1](#) for the VIP Upgrade project close out report. The Infrastructure Risk Management project is not scheduled for completion until October 2020 and as a result the project close out report has not yet been created.



Project Closeout Report

Very Interesting Party(VIP) Upgrade 2772

This report has been prepared as advice, opinions, proposals, recommendations, analyses or policy options developed by or for the public body or a minister, as per Section 23(1) of the Freedom of Information and Protection of Privacy Act.

Project Manager: Trevor Mohr

Version: 1.0

Date: April 8, 2019

Revision History

Date	Version #	Description of changes	Author
April 1, 2019	1.0	Initial Version	Trevor Mohr

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1 Purpose

The Project Closeout Report is the Project Manager's report evaluating how well the project performed against the original project plan. The purpose of this document is to define and provide links and attached documentation required at project closeout should an audit be performed.

The audience for the Project Closeout Report includes:

- The Project Manager
- The TRM Sponsors
- Value Management
- Potential Auditors (both internal and external)

Information within the closeout report will be leveraged for post project audits, and therefore must be included within this document as attachments, embedded documents, or links to the location of the source documents.

2 Project Description

This project would merge our outdated VIP applications into a single modern application.

In general, VIP flags customers for various reasons such as violent customers, bad debts, fraudulent claims; and these reasons come from different areas such as Special Investigation Unit, Special Accounts Services, CARS, and AOL.

The current overall process has been cobbled together over the last 20 years using many applications and technologies.

Consolidating and standardizing many of the overall components will simplify and streamline our processes. Data access will be better secured and audited.

At least 2 MS Access applications will be outright decommissioned. The two applications are VIP2 and VIP Inquiry.

Post-project we will be better positioned for future enhancements.

2.1 Planned Scope of Work

The following identifies the products and services originally agreed to as deliverables for the project and which were approved through the original Project Plan.

Major Deliverable	Link to Support Document
Project Charter / Program Charter	http://projects/mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20VIP%20Project%20Charter.docx
Stakeholder Kick Off Presentation	http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20VIP%20Upgrade%20Stakeholder%20Presentation.pptx
Business Case	http://projects/mpiprojects/TRM2018/2772-VIPUpgrade/Restricted%20Documents/ITBT-2018-005%20VIP%20bcase%202017.docx
Project Delivery Approach Presentation	No longer a project deliverable; merged with the Stakeholder Kick Off
Project Delivery Control Log	http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20VIP%20Deliverable%20Log.xlsx
Project Plan	http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20VIP%20Mini%20Project%20Plan.docx
Threat Risk Assessment Questionnaire	http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/TRAQ%202772%20VIP%20Phase1%2009-2018.docx
Architecture Definition Document	http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20Architectural%20Definition%20(Technical).docx

A detailed list of Project Deliverables Control Log can be found by selecting the following link:

<http://mpiprojects/TRM2018/2772-VIPUpgrade/ProjectDocuments/2772%20VIP%20Deliverable%20Log.xlsx>

The following identifies the work products and services that were ultimately delivered or items that were originally in scope but were excluded through Change Requests (CRs) or Decision Requests (DRs).

Major Deliverable / Release #	Link to Support Document
CR-001- VIP – Change in Go Live Date	http://mpiprojects/TRM2018/2772-VIPUpgrade/Restricted%20Documents/CR-001-VIP%20-%20Change%20in%20Go%20Live%20Date.doc
ISDR – PE – VIP – Unmasked Data - 001	http://mpiprojects/TRM2018/2772-VIPUpgrade/Restricted%20Documents/ISDR-PE-VIP-unmasked-data-001.docx

Project Delivery Control Log:



VIP Control Log.xlsx

2.2 Outstanding Defects

The following outstanding defects or items have been accepted as work which will be corrected through Production Support.

Work ticket	Work Ticket	Severity	Assigned To
ALM # 27594	When a VIP Profile is updated the row's "row create date" column is erased.	Low	ESS
ALM # 27628	Save confirmation messages are not displayed. A "save successful" message is supposed to be displayed to the user after a record is saved.	Low	ESS

2.3 Outstanding Issues

The following outstanding issues have been identified. To ensure clear understanding, information pertaining to the resolution, status, who is assigned the issue, or next steps should be included.

Issue	Issue Details	Actions	Assigned To
ALM # 27548	Addition of SIU number to be viewed on the screen; data is available to the form, just not displayed.	Future release	ESS
ALM # 27631	Addition of a new gen sec role for the BI3 link to use that will prevent users from conducting searches	Future release	ESS
ALM # 27531	BizTalk migration from old VIP web service to new VIP web API. Used by BI3 customer search and first notice of loss to check if a customer is in VIP.	Future release	ESS

3 Planned vs. Delivered Milestones

Major Milestone	Schedule Baseline	Actual Date	Comments (Include CR#s)
Architectural Definition Document	Dec 2018	Feb 6, 2019	
Threat Risk Assessment Questionnaire	Oct 1, 2018	Sep 26, 2018	
Project Schedule	Dec 13, 2018		
Project Delivery Approach Presentation		Exempt	Combined with Kick Off Presentation
Project Delivery Log	Oct 13, 2018	Oct 13, 2018	
Project Kick Off Presentation	Dec 13, 2018	Dec 10, 2018	
Mini Project Plan	Dec 13, 2018	Jan 9, 2019	
IBM Infrastructure Forecast	N/A	N/A	
User Acceptance Strategy	Jan 11, 2019	Jan 17, 2019	
Server Request Form	N/A	N/A	
Perform UAT	Feb 4, 2019	Mar 13, 2019	CR-001
Hold CCB go / no go call	Feb 13, 2019	Mar 13, 2019	Done via email
Perform Production Implementation	Feb 17, 2019	Mar 17, 2019	CR-001
Transition to Production Documents	Mar 1, 2019	April 3, 2019	
Project Closure Report	Mar 1, 2019	April 5, 2019	

4 Project Financials

The following is a summary of the financial history of the project.

Fiscal Year	<u>2017/2018</u>
Statement of Work/Insertion of Work	<u> </u>
Corporate Intake Request #	<u> </u>
Project Code(s)	<u>2772</u>
Project Code(s) Closed (Y/N)	<u>Y</u>
If no, please provide explanation	<u> </u>
Original Approved Budget	<u>\$19,877</u>
<u>Change Requests</u>	
CR ###	<u>\$149,139</u>
CR 001	<u>\$1,500</u>
CR _____	<u>\$</u>
<u>Decision Requests</u>	
DR _____	<u>\$</u>
DR _____	<u>\$</u>
DR _____	<u>\$</u>
<u>Executive Direction/Budget Audit Documentation</u>	
Exec #1 (insert link to document)	<u>\$</u>
Exec #2 (insert link to document)	<u>\$</u>
Exec #3 (insert link to document)	<u>\$</u>
Current Budget	<u>\$169,016</u>
Life to Date Actuals	<u>\$82,292</u>
Variance to Current Budget	<u>(\$88,244)</u>
Variance to Original Budget	<u>+\$62,415</u>

4.1 Schedule and Budget Report

The following highlights variances between estimated and actual effort (hours) and budget (dollars) required for each stream within the project.

Budget by Project Streams	Estimated (Hours)	Revised (Hours)	Actual (Hours)	Variance %	Estimated \$\$	Actual \$\$	Variance %
Phase 1 - Initiation	300	300	330	10%	\$22,500	\$24,750	10%
Phase 2 – Elaboration (Business/Technical)	275	275	275	0%	\$20,625	\$20,625	0%
Phase 3 - Build	430	430	453	5%	\$32,250	\$33,975	5%
Phase 4 - Test	200	260	295	13%	\$15,000	\$22,125	47%
Phase 5 – Implementation & Warranty	150	150	225	50%	\$11,250	\$16,875	50%
TOTAL(s)	1355	1415	1578	12%	\$101,625	\$118,350	16%

4.2 Resource Management Summary

Question	Response
A Staffing Plan was documented and defined the roles and responsibilities of staff on the project?	No. Project team was small and roles were clear.
How many resource requests submitted during the project?	8
Were the resource requests filled satisfactorily and within a timely manner? If no, please identify or explain laps in resource fulfillment.	All were approved, see last comment.
Were the resources provided the correct resources based on the requests submitted? If no, please identify or explain.	Yes, Dan Schwab did the best he could.
Overall, please provide a summary for the project resourcing as it relates to the success for the project delivery.	Corporate priorities overruled this project on more than one occasion. Very poor communication between PMs placed the MPI employee in the awkward position to tell the VIP PM that they would not be doing the assigned work as approved.

5 Lessons Learned Recommendations and Assignments

This section is intended to help apply the lessons learned by incorporating them into process(s). Provide a summary of lessons learned gathered from the project. Identify key suggestions and recommendations which may assist future project from experiencing similar problems.

Action Item #	Action Item	Responsibility	Due Date	Status
1	Firewall changes have a slow turnaround time and are prone to needing follow-up work. Get these CRs initiated as early as possible to avoid any impact to the project timelines.	Project Management		Closed
2	ADD signoff was delayed due to change of Technical Architect and unavoidable workload problems for approvers.	Technical Architecture		Closed
3	Application installation in 'pre-prod' mode was very beneficial. Recommended anytime that it is possible for a project to do so. However, the confirmation tasks for this project should have been extended to keep the CR open until the next install window to ensure the goal of the overall CR was successful. Consultation with the Change Management area is needed to ensure the lengthened confirmation tasks are permissible.	Project Management		Closed
4	Remedy approvals do not reflect project conditions; production support people are sent approvals for project CRs/Workorders, forcing them to rubber stamp approvals for project activities.	Project Management / Change Management / Prod Sup		Discussion
5	Adding a Security team resource to the Project would have been beneficial to working through road blocks that were discovered in serial fashion. When each discovered issue needed a Workorder the combined turnaround for one goal took over a week instead of a few hours of actual work.	Project Management		Closed

6 Appendix C – User Documentation – for IT Support

The following document is for the MPI Security team on all the steps needed to create new users and some possible trouble-shooting steps.



Very Interesting
Party - VIP IT Support

7 Appendix D – User Documentation – for VIP Inquiry

The following document is for MPI staff on the use of the new VIP Inquiry Web App. It details how to access the web site, search, and view records.



Very Interesting
Party - VIP Inquiry.doc

8 Appendix E – User Documentation – for VIP Profile

The following 2 documents is for MPI staff on the use of the new VIP Profile Web App. It details how to access the web site, search, view records, and add/editing a customer in the VIP database.



Very Interesting
Party - VIP Profile.doc

The original version of this application was known as VIP2 and primarily serves the Finance area, this document has some addition information on the areas of interest to the former VIP2 users.



Very Interesting
Party - VIP Profile for

9 TRM - 2017 AUTHORIZATION

Approval of the Project Closeout Report indicates an understanding and formal agreement the project for which this Closeout Report has been prepared for has completed all required tasks and is ready to be closed.

Name:	John Krupinski	Signature:	<i>See SharePoint Workflow</i>
Role:	Manager, Budgeting	Date:	
Name:	John Remillard	Signature:	<i>See SharePoint Workflow</i>
Role:	Corporate Business Architect	Date:	
Name:	Lawrence Lazarko	Signature:	<i>See SharePoint Workflow</i>
Role:	Director, Information Technology	Date:	

PUB (MPI) 1-78

Part and Chapter:	Part IV - VM	Page No.:	66
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:	Agile Delivery		

Preamble to IR:

Gartner has indicated people and skills development and training should be improved for all areas of IT (Benchmarking, p. 6, #5.04). Project Nova will use Agile delivery throughout the delivery life cycle and MPI is undertaking training to upgrade in-house human resource skills. In 2019 the approach for the BI³/Fineos project included the training of the in-house BI³ Agile team to become self-sufficient.

Question:

- a) For the BI³/Fineos project, please provide metrics utilized to monitor and determine whether the training was successfully occurring and whether it is complete.
- b) Please provide estimates on the number of sprints and costs / sprint for the upgrade.

Rationale for Question:

To understand how Agile delivery is applied to new projects and on-going skill progression.

RESPONSE:

- a) For the BI³/Fineos project, MPI used the successful completion of training by each participant as the metric for determining whether it was successful and complete. At the conclusion of training, the BI3 support team was required to demonstrate effective Agile delivery.

- b) MPI is finalizing the upgrade plan, but estimates completion in 18 – two week sprints. The BI3 Agile team consists of the operational internal resources that support and maintain the application. The upgrade budget of \$500,000 represents incremental costs required beyond the operational support team (i.e. FINEOS charges, external labour, Data Centre costs, etc).

PUB (MPI) 1-79

Part and Chapter:	Part IV - VM	Page No.:	71
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:	Agile Delivery		

Preamble to IR:**Question:**

- a) Please indicate whether Agile delivery will be utilized for the Salvage Management System project and rationale for why or why not.
- b) If Agile delivery will be used, please provide estimated sprint number and anticipated costs / sprint.

Rationale for Question:

To understand the MPI's viewpoint on applicability, scope and usage of Agile delivery for projects.

RESPONSE:

- a) and b)

The Salvage Management Project will not use the Agile delivery methodology. Though MPI continues to make progress in becoming a more Agile-oriented organization, it selected the Waterfall methodology for the Salvage Management System project because its focus was on the formation of the Autopac On-Line and Driver Licensing System Agile teams. MPI also has a well-defined Waterfall methodology, which means that the project could begin without impacting the Agile Transformation Roadmap.

PUB (MPI) 1-80

Part and Chapter:	Part IV - VM	Page No.:	73
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:	Agile Delivery		

Preamble to IR:

Three separate project initiatives resulting from CERP have been approved to proceed with a rolling set of release dates through 2020 and 2021.

Gartner has indicated usage of standards to monitor project deliverables. In addition, these standards are consistently used, measured, and monitored (Benchmarking, p. 8, #5.06).

Question:

- a) Please provide the full list and description on the standard Agile delivery metrics utilized to monitor the progression of the CERP projects.
- b) If the list provided in (a) is not the full list of the standard Agile metrics used for projects going forward, please provide the full list of standard Agile metrics.
- c) Please provide summary of methodology used to estimate number of Agile sprints and cost for each sprint.

Rationale for Question:

To understand the MPI's viewpoint on applicability, scope and usage of Agile delivery for projects.

RESPONSE:

- a) The Autopac On-Line (AOL) Product teams were formed shortly before the assignment of delivering the CERP changes. As a result, the metrics used by those teams are still maturing. MPI therefore uses a combination of management oversight and status updates that are more typical of a waterfall approach with monitoring features assigned to sprints to ensure the delivery of features as planned.

- b) MPI continues to develop the reporting for the Agile teams and the plan to bridge the gap between current capabilities and long term vision for Agile reporting, which includes:
 - a. Epic Portfolio Level Metrics
 - i. Epic Work Intake Reporting (Priority, Dates, Status)
 - ii. Epic Backlog Reporting (Priority, Dates, Status)

 - b. Epic Level Metrics
 - i. Epic Roadmap Status Tracking (Planned dates and actual status of features)
 - ii. Epic Burndown Charts (Visual progress to plan tracking)
 - iii. Cost of Epic to Date

 - c. Feature Level Metrics
 - i. Feature Story Point Estimates vs. Actuals (for Difficulty and Value)
 - ii. Both at a summarized (total sprint) and detailed (feature specific) level

 - d. Sprint Level Metrics
 - i. Planned to Done % (User Stories)
 - ii. Average Velocity (User Stories)
 - iii. User Story Point Estimates vs. Actuals (for Difficulty and Value)
 - iv. Sprint Burndown Charts (Visual progress to plan tracking)
 - v. Cost Per Sprint

- c) MPI estimated CERP changes using its historical estimating techniques, which it later validated against new Agile processes. MPI estimates cost per sprint by calculating the salary costs of employees and the rates of any consultants assigned to the Agile team. Time card tracking and actual external labour charges incurred track actual costs. For a given Epic, MPI calculates the number of sprints by reviewing the features within the Epic and determining the capacity required to deliver (i.e. partial sprint, full sprint, or multiple sprints).

PUB (MPI) 1-81

Part and Chapter:	Part IV - VM	Page No.:	71,73
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Value Management		
Sub Topic:	Salvage Management System		

Preamble to IR:**Question:**

a) Please provide business case for the following projects:

- i. Salvage Management System
- ii. CERP

Rationale for Question:

To review consistency as it relates to Value Management processes of business case development and validation of project costs, contingency, and discount rate used for the project.

RESPONSE:

Please refer to Appendix 1 for the Salvage Management Solution Business Case, Appendix 1a Salvage Management Solution Financial Analysis; and, Appendix 2 for the CERP Business Plan. MPI seeks confidential treatment of the non-redacted versions of these documents but will file redacted versions on the public record.

Manitoba Public Insurance Business Case

Type: Thin Detailed

PROJECT NAME	Salvage Management Solution
ITBT Tracking number <small>(internal)</small>	
VM -BUSINESS CASE # <small>(internal)</small>	16-22
DATE SUBMITTED:	November 25, 2017 REVISED October 15, 2018 REVISED January 29 2019 based on RFI market research REVISED March 7 2019 based on feedback from EC REVISED May 1, 2019 based on changes to cost/benefit estimates (Detailed business case to be completed after RFP results) REVISED September 3, 2019 based on RFP results and evaluation (currently in progress) REVISED September 24, 2019 Updates April 17,2020
PREPARED/SUBMITTED BY	Revised by Dana Frazer, Manager Estimating and Salvage Operations
BUSINESS OWNER	Dana Frazer, Manager, Estimating & Salvage Operations
DEPARTMENT	Salvage & Holding Compound – PDC Claims Operations
DIVISION	Customer Service

PROJECT DESCRIPTION: <i>(Provide a summary description of the project along with the current process and proposed future process)</i>
Executive Summary
<p>In 2003, the Salvage Management System (SMS) was launched to support the disposition of total loss vehicles at Manitoba Public Insurance. As time passes and new technology and systems have been introduced to MPI, SMS quickly became an outdated system which positioned the Salvage Operations for both short-and-long-term challenges; SMS is unable to interface/interact with new softwares such as Mitchell, VTS, and Credit Card Strategy Payment Application; SMS has also experienced downtimes resulting in the implementation of manual procedures to process sales transactions.</p> <p>To mitigate the financial and operational impacts of the outdated system, the department has implemented innovative strategies and process changes and improvements that have led to a reduction in operational costs and an increase in sales and profit. The “Rural Strategy” was one such initiative that has increased sales and profits. These recent gains are no longer sustainable with the existing Salvage Management System.</p> <p>Although Salvage vehicle sales have experienced an annual average of 5% incremental sales growth over the last 3 years from the existing software no further sales increases are</p>

expected after 2019/20. Acquiring new on-line software application with updated features and functionality is expected to improve incremental sales growth, lead to internal efficiencies and secure a stable platform that reduces the risk of system downtime.

RFP 2922 Salvage Management Solution was released on May 6, 2019. The purpose of this RFP was to solicit proposals from qualified Vendors to provide an online Salvage Management Solutions as well as real time vehicle tracking that include the following capabilities:

1. Online Auction
2. Vehicle Tracking
3. Inventory Management

All responding vendors were required to visit the Salvage and Holding Compound prior to submitting their detailed proposals. On June 14, 2019, RFP2922 received three responses, 2 of which were compliant bids and 1 non-compliant. The RFP responses were reviewed and evaluated by the evaluation committee. A scoring matrix was used to assess each element of the RFP which was scored according to the degree to which requirements were met. Impact Auto Auctions was rated top-ranked vendor by evaluators in meeting total requirements evaluation and costing.

Implementation of the proposed Salvage Management Solution from Impact Auto Auction is projected to increase annual salvage sales by \$1.5M

Revenues and Savings:

- \$3.5 million per year in increased revenues, additional revenue streams and cost efficiencies
 - 2% in (2020/21) Year 2 and 3% in Years 3 to 5 conservative revenue potential with increased market share outside Manitoba (Access to Impact's buyer network of 5,800 Active CDN Buyers). Note that while sales over the last 3 years have averaged 5%, we expect future sales under the current system not to increase beyond 2019/20 (\$1M Year 2 to \$1.5M Years 3 to 5)) due to the following reasons:
 - Business inefficiencies continue to accumulate
 - Business needs are exceeding SMS capability
 - Customer expectation is not being met
 - Lack of access to real-time information
 - Integration issues
 - Per unit selling fees of 2% (\$900k)
 - The effective sales increase from the increased market share and unit selling fees amount to a 4% increase in (2020/21) Year 2 and a 5% increase in Years 3 to 5.
 - Additional revenue item - cash handling fees of 2% (\$26k)
 - \$0.7 million ongoing savings per year in Moneris merchant fees. Paid by vendor.
 - \$0.4 million ongoing savings per year with 6 FTE reductions
 - 2 Salvage clerical, 2 Receiving clerical, 2 internal Tow Truck Operators

- Phasing out of the in person auction means phasing out auctioneer fees (\$40,000 yearly)
- Disposal of 3 tow trucks with the use of the province wide tow app (\$90,000 to \$120,000)

Costs:

- [Redacted]
 - [Redacted]
- \$183,000 project resourcing costs in (2020/21) year 1 and \$473,000 in (2021/22) year 2

Five Year Forecast:

Net Present Value: \$4,182,873 (based on a discount rate of 6%)

Payback Period: 1.55 years

Internal Rate of Return: 337.5%

Detailed Salvage Management System Overview:

Our current Salvage Management System (SMS) was launched in 2003. SMS is the hub for all Salvage Inventory for the corporation. The application is used to build, process and close auction and tender sales. SMS was developed internally and used solely by the Salvage Operations team. This application is currently being supported by the ACE Support Team (Application Services).

Inventory control in the Salvage and Holding Department is maintained on a stand-alone, internally built system called Vehicle Tracking System (VTS). This system does not work in conjunction with SMS and therefore, many inventory tracking issues arise. Cycle time and throughput are impeded by using two separate systems to track and then dispose of vehicle inventory.

Since its launch in 2003, neither the SMS application nor the Vehicle Tracking System have seen significant upgrades to address challenges to current business requirements. The business clients (staff & support teams) of the SMS Application have identified a number of essential enhancements needed to be able to continue to dispose of the increasing number of total losses that incur year over year. The business clients continue to experience VTS shut downs and restricted reporting abilities to properly control the 2000+ units that are in MPI inventory daily.

The thin business case sought approval to release a Request for Proposal (RFP) to find a suitable vendor who can provide an online salvage management system combined with an automated inventory management system. The Vice-President Customer Service approved releasing the RFP on April 30, 2019. Subsequent to obtaining RFP results the detailed business case, confirming project costs and ongoing costs and benefits, will be presented for approval to proceed with this initiative.

This detailed business case now includes a preliminary cost estimate results of the RFP process. The project costs will be further refined as follows:

1. Vendor costs – through Vendor Management negotiations with the selected vendor
2. Internal staffing costs – through a more detailed assessment by MPI's BTO management.

Current SMS and VTS Limitations:

- **Limited Market Share opportunities:** The current Salvage Management System is limited to a Manitoba market. Salvage auction at MPI is restricted to an in-person Manitoba auction process. Customers must reside in Manitoba to bid on auction sales or bid on the current rural tender. This limits our revenue potential.
- **Non-competitive closed bidding system (Rural Tender):** Bidders on the rural tender must submit bids via email. When submitting a bid, the bidder is unaware of the highest bidder. This prevents a competitive system which would increase rural salvage sales.
- **Non-Automation:** The current Salvage Management System (SMS) is primarily manual in process. The system does not have automated functionality and cannot adapt to any changes outside of how the original system was developed. The SMS is not supported externally, which leaves MPI and all of our Salvage customers at risk. In the event of an auction day system crash, the department must perform a manual process. Once the system is back up, the salvage department needs to recreate the sale and enter all the data into SMS. This poses a high risk of salvage revenue losses as well as customer service dissatisfaction.
- **Re-Occurring System Downtime:** The SMS experiences weekly outages; nearly 400 customers attend every auction sale. This leaves staff and customers at a standstill until the application resumes. These system outages trigger ongoing additional operating cost in the form of overtime to be paid to staff members in order to complete the manual process of the salvage auction. When an outage occurs this leaves staff & customers patiently waiting for the system to come back up. When SMS goes down, staff currently rely on ACE Support to get the server back up and running.
- **Loss of Functionality:** Over the years, SMS application has suffered loss of functionality due to changes in related systems made by other initiatives (Mitchell – Work Centre, Increase Tender Sales & POS Standards). This has resulted in an increase in manual labor and related overtime being paid to staff members at a time and a half rate of pay.
 - Example: The department currently requires an employee to transfer pictures from Mitchell WorkCentre to IDMS. This is a requirement to ensure vehicles are sold with pictures.
- **Lack of Reporting:** The current SMS does not provide accurate, timely or ad-hoc reporting. Reporting has been manually performed by administrative staff. This poses a risk of data integrity and again forces Salvage Management to use human resources in the place of

automation. For instance, month-end reports required by finance are done on spreadsheets. This excel report is updated manually with weekly and monthly data.

[Redacted]

Proposed Future Process:

An online and integrated Salvage Management System (SMS) product would allow for the altering of business processes by streamlining tender sales, expediting product turnover and introducing controls over financial transactions.

By integrating with an automated Vehicle Tracking System, manual processing would be greatly reduced, resulting in an improved management of holding compound inventory, the avoidance of vehicle misplacement and more accurate inventory valuation. Together the new automated systems would allow for the eventual implementation of a fully on-line auction if this was deemed beneficial.

With changes in regulations, other project initiatives and developments such as collaborative estimating and Mitchell automation, as well as industry standards, our current business model has been impacted. Introducing an enhanced SMS would allow the Salvage Department to process vehicles in an e-commerce and competitive environment, which would expand our market and increase revenue opportunities. Currently, when a high Actual Cash Value (ACV) vehicle is to be disposed through auction, we leverage ADESA (a private online auction company) to sell on our behalf. We pay a percentage of the selling price, which is an expense to MPI, but realize much higher salvage revenues. (2014 Ferrari sold through an ADESA auction brought a selling price of \$94,500. Predicted salvage sale at MPI was approx. \$45,000-\$60,000) The increased customer base would allow greater revenue.

[Redacted]

A stable new SMS system integrated with a new Vehicle Tracking System will reduce the incidents of system outages, address current control weaknesses in processing financial transactions and lead to a superior customer experience.

Project Description:

Salvage Leadership is requesting the release of a Request for Proposal to seek a third party to provide an online and automated Salvage management System and Vehicle Tracking System combined in one software suite.

The following is the proposed project approach:

RFP Milestone	Activity Description
Phase 1 - Requirements	1.0 RFP Requirements Gathering & Development
	1.1 Engage Gartner & Peers as required to develop requirements

	2.0	RFP Initial Requirements Review & Feedback
	2.1	Reviewers: Project Team, Vendor Management, ITBT Leadership team (Directors), Business Stakeholders....
	3.0	Review RFP document with Gartner and receive their feedback – if required for complex tenders
	4.0	Integrate requirements feedback from the Initial Review process into RFP
	5.0	Finalize RFP Evaluation Scoring Matrix
Phase 2 – Review & Approval	6.0	Define preferred vendor list based on Gartner feedback and research
	7.0	Request RFP number from Purchasing
	8.0	Complete Legal Review
	9.0	Send final RFP document to key stakeholders (i.e. ITBT Director(s) responsible for initiative) for final review
Phase 3 – RFP Response Evaluations and Vendor Selection	10.0	Release RFP to Vendors
	11.0	Receive RFP responses
	12.0	Execute RFP Evaluation Scoring Matrix with all participants to determine successful vendor
	12.1	If required execute Demonstrations, POC and Reference Checks and update evaluation scoring matrix
	13.0	Create RFP recommendation presentation for ITBT Directors and VP
	14.0	[Redacted]
Phase 4 – Vendor Engagement and Contract Negotiations	15.0	Notify successful vendor
	16.0	Notify Legal
	17.0	Start negotiations and creation of contract documents (MSA, MLA, SOW..)
	18.0	Finalize contract reviews and approvals (Legal, ITBT Directors)
	19.0	Sign Contract

Project to be led by Salvage Leadership and in house subject matter experts and a Business Analyst as well as assistance from Vendor Management, Enterprise Systems Support, Business Transformation Office who will be assigning a project manager and other key MPI stakeholders as outlined in the Impact Analysis section of this business case.

At the time of the preparation of the detailed business case in September 2019 the project is near completion of Phase 3 Vendor Selection requiring approval of the RFP recommendation. The current cost estimates for the project consist of:

- the Vendor software implementation costs (current RFP quote to be refined through negotiations with vendor.
- the internal staffing cost estimate which will be confirmed with the MPI's BTO management.

Board Approval for RFP 2922 Salvage Management Solutions (SMS) was occurred on October 10, 2019. Alex Ramirez and his Vendor Management team will notify vendors by October 15th and will start the contract negotiation process immediately. [Redacted]

BUSINESS NEED:

(Provide a detailed description of the project/initiative and how it will satisfy the business need. Include opportunities and the issues that led you to prepare this document)

The current Salvage Management System and Vehicle Tracking system applications are running on unstable, unsupported technology that is difficult to update. Any significant change to the applications would be more effort than a re-platform, and many of the desired enhancements are not possible using the current technology.

As a result, it is critical to replace the existing system with an innovative solution that will meet our new requirements.

[Redacted]

PROJECT OBJECTIVES:

(List SMART objectives – Specific, Measurable, Attainable, Realistic, Time-limited)

Online Salvage Management system with automated vehicle tracking system

1. Leverage a third party vendor that would provide online auction ability, automated vehicle tracking and online payment processing.
2. Decommission the current Salvage application and any servers which will be relinquished by the new application.
3. Revise all current business practices related to the Salvage application / process.
4. Revise all current business practices related to the Vehicle Tracking System application/process

Success will be measured by the completion of the new application, deployment of the application, and decommission of the current Salvage application. This includes all bug fixes which will be completed within the warranty period identified.

All project deliverables will be completed within the Project which is estimated to be completed in 6 months – 1 year. This time-line will be further refined after the RFP process and awarding of the winning bid and when completing the detailed business case.

PROJECT BENEFITS:

(Provide a description of the benefits that this project/initiative would provide)

1. Online model reaching a wider market share
 - Competitive bidding resulting in higher revenues
 - Introduction of a buyer fee for online advantage (additional revenue stream)
 - Online presence to MPI salvage buyers
 - Increased revenue resulting from additional information provided on available vehicles
 - Acquisition of larger wholesale-type customers outside of Manitoba jurisdiction. These customers can purchase larger amounts of MPI vehicles using a revised Web Site; this includes other Canadian provinces and US States
2. Operational Efficiencies
 - Reduction of all manual and non-value added activities
 - Free up staff dedicated manual processes supporting current action methods
 - End the temporary interim processes established to support current state
3. [Redacted]
4. Operational cost reductions
 - Reduction of overtime
 - [Redacted]
 - [Redacted]
 - Reduction of related towing expenses
5. Increased customer service
 - Improved service offerings to customers
 - Increased vehicle information for our customers
 - Enhanced Customer and User experience
 - Re-establish lost customers due to the lack of information available on the current website
6. Reduced cycle time in towing, storage and salvage disposal

MONITORING OF ACTUAL PROJECT BENEFITS AND ACTUAL PROJECT COSTS:

(List tools and processes to monitor attainment of listed project benefits and of project costs)

1. Operational Efficiencies: The realization of our operational efficiency improvements will be monitored through management review. Each month as paper and manual processes decline, automation and technology should replace those archaic methods. [Redacted]
2. [Redacted]
3. Operational cost reductions: Historical operating expense budgets will be the tool used to ensure costs are decreasing year over year.
4. Revenue generation: Historical SMS revenue tracking and Salvage Management statement of operations will be used to track revenues from salvage sales and to compare to prior periods.
5. Increased customer service: An email based survey will be developed with assistance of KMS to survey our salvage buyers.

IMPACT ANALYSIS:

(Describe the involvement of departments/third party vendors in meeting the objectives of this project and the quantifiable and non-quantifiable effects of the outcome of this project on said departments. Include a summary only)

Who will be impacted	What is the impact
MPI Communications – Internal & External	Tender Sales, information would need to be update on website regarding changes that are seen by public
MPI Human Resources	The new build should allow for a more efficient process. This will allow some restructuring, as some staff would be freed up.
Org Readiness (Change Management)	Change Management would need to be brought in to mitigate the risk of employee fear (new system may bring fear of perceived job losses) and to help transition staff to the new online model of salvage disposal and vehicle control.
IT – Enterprise System Support	Responsible for testing the software
IT – Vendor Management	Responsible for researching and sourcing vendors, obtaining quotes with pricing and capabilities, negotiating contracts, managing relationships and ensuring payments for licence renewals are made
IT – ISO Department	Responsible for developing and implementing a comprehensive information security program designed to protect information assets and supporting information systems from any unauthorized access, use, disclosure, corruption or destruction

IT – Infrastructure	Responsible for managing any aspect of the application lifecycle: testing, install, support, maintenance, decommissioning legacy SMS system, security (granting access)
IT – BTO	Will be assigning a project manager responsible for developing and managing a project plan, communication plan, budget, allocating tasks, and setting milestones.
KMS	Training and Communicating the changes to the public
Salvage Department	Required to be the subject matter experts and will be required to help support the application build.
Receiving and Towing Salvage Department	Adopt new vehicle tracking processes. Required to be the subject matter experts and will be required to help support the application build.

RISK ANALYSIS: <i>(Describe the impact of risk and the likelihood of it happening, both for proceeding or not proceeding with the project)</i>		
Potential Risk	Likelihood (L,M,H)	Description of Impact of Risk and description of planned action taken to mitigate this risk
Risks/Obstacles of Proceeding with Project <i>(A high likelihood of risk without sufficient planned action for mitigation, may impact the discount rate used in calculating the Net Present Value of forecasted financial benefits. Impact to be discussed with the VM office)</i>		
[Redacted]	[Redacted]	[Redacted]
Introducing New Tender Procedures to Customers	Low	Strong communication and customer readiness would be required to prepare for increase tender production
Increased Volume to MPI / Salvage Website	Med	Changes may need to occur to handle volume
Secured Buying Process MPI website	Med	Changes to current model. Introduction to a secured buyer’s site. The costs of securing the website are included in the project costs.

Risks of NOT Proceeding with Project		
Loss of Opportunity – Getting involved in an E- Commerce Sales	High	Auction sales are completed during the week and mid-day. This reduces the amount of people that are able to attend our auctions on a weekly basis. Introduction into an E-Commerce business style would allow easier access for customer and would introduce vehicle sales to a new market.
[Redacted]	[Redacted]	[Redacted]
[Redacted]	[Redacted]	[Redacted]
Holding Compound Maximum Reached	High	In the winter of 2017, the Holding Compound reached 2698. 200 units over capacity. With increased TL’s and complex vehicles being written off sooner than ever, we are at grave risk for not being able to handle winter volumes.
Legend L=Low; M=Medium; H=High		

PROPOSED TIMING: <i>(When, how long, and organization capacity)</i>
<p>Estimated Project Start Date: October 2019</p> <p>Estimated Project Implementation Date: To be determined – dependent on timelines to be provided by vendor (FY2020/21)</p> <p>See “Significant Milestone” section for tentative milestone dates</p> <p>Forecasted benefits realization begin in Year 2 (2020/21)</p>

LEGAL REVIEW REQUIRED? *(To be considered for detailed business cases)*

Yes No

If yes, include legal review's response:

IT Vendor Management Review Required? *(To be considered for detailed business cases)*

- Does this solution involve the procurement of new technology or technology services?
 Yes No
- Does this solution potentially add/change or leverage services provided by existing technology partners?
 Yes No

If the answer to either question above is Yes, IT Vendor Management is to complete the following:

Reviewed date: 4/30/2019

Review Completed By: Alex Ramirez

Findings: No significant findings, Vendor Management has partnered with the business unit on the tendering approach and we are in alignment.

Recommended to proceed: Yes No

ENTERPRISE ARCHITECTURE AND INFORMATION SECURITY REVIEW REQUIRED?

(To be considered for detailed business cases where technology is involved in the business solution)

Yes No

A workshop was conducted with Vendor Management in November 2018. After discussing our requirements, they performed market research and obtained quotes with pricing. It was later determined to proceed with an RFP, which was released May 6, 2019. The RFP received a response from three vendors, [Redacted]. The evaluation was conducted from June 26, 2019 to July 25, 2019 and consisted of the following participants:

- Salvage Management Team
 - Dave Chimuk- Director PDC Claims Operations
 - Dana Frazer - Manager Estimating and Salvage Operations
 - Christine Ragasa - Business Analyst
 - Jessie Duval - Towing Lead and Subject Matter Expert
- Vendor Management
 - Alex Ramirez - Manager Vendor Management
 - Arasu Subramaniam – IT Managed Services Analyst
 - Wayne Prasek – IT Managed Services Controller
- Technical Architecture
 - Paul Burke - Corporate Application Architect
- Business Architecture
 - Bryan Reeves – Subject Matter Expert
- Information Security Office
 - David Bravi - Information Security Architect
 - Darryl Ludba – Information Security Officer

The final evaluation revealed Impact Auto Auctions to have higher overall rating in terms of meeting functional and non-functional requirements, corporate evaluation, implementation service, reference checks and demos, costing and value add features.

INFORMATION SECURITY PROFILE

(If applicable, please answer the following questions in order to identify the information security profile)

Applicable Not Applicable

- What kind of information is the project dealing with? (Choose all applicable from the list below)

- Personal health
- Financial
- Customer information

- Who has access to the information? (Choose all applicable from the list below)

- Public,
- Partners,
- Internal.

- Where is the information being accessed from? (Choose all applicable from the list below)

- Internal (MPI network),
- External (Internet connection),
- Partner network (private business to business link).

- Where is the information stored? (Choose all applicable from the list below)

- Cloud,
- On premises,
- Unknown

Note: The answer to the questions above will have high level cost estimation implications.

INFORMATION SECURITY REVIEW:

(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)

Information Security
Office

Reviewed Date:
Review Completed By:
Findings:

Recommended to proceed: Yes No

ENTERPRISE ARCHITECTURE REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i>	
Business Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: <input type="checkbox"/> Yes <input type="checkbox"/> No
Technical Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: <input type="checkbox"/> Yes <input type="checkbox"/> No

HIGH LEVEL ESTIMATED COST/BENEFIT ANALYSIS:		
Project cost (must be completed)		
1. Total estimated range of project cost (initial outlay)	\$	668,955 (rounded to \$670k)
2. Ongoing yearly cost	\$	2,000,000 (Licensing & Service Fees)
3. Capital percentage (if known)	%	

<p><u>Project Cost Assumption</u></p> <ol style="list-style-type: none"> <u>Project costs will be incurred in Year 1 -2019/20 (\$183k) and Year 2 2020/21 (\$487k) October 2019 to TBD 2020)</u> Project software costs based on estimate provided by vendor. Project Implementation labour costs based on estimate provided by vendor and BTO labour for a similar software implementation for the 2019/20 Total Loss valuation software. BTO to confirm implementation labour estimate. <u>Project costs also includes a 20% contingency on the software cost estimate</u> <p><u>Ongoing yearly cost and benefit assumptions</u></p> <ol style="list-style-type: none"> Ongoing benefits and costs will not begin until Year 2 - 2020/21 and are assumed to begin in April 2020. Once a firm implementation completion date can be confirmed, a re-forecasting of these ongoing costs and benefits will be performed starting with the first month of operations. [Redacted] [Redacted] [Redacted] [Redacted]
--

9. [Redacted]

Estimated increase in revenue

A new SMS would provide MPI the ability to generate a competitive model, as opposed to current non-competitive model. A competitive model is bidding in real time, where the active bidders competitively react to increasing bids. MPI’s current bidding system is an in person model where you must be in attendance to bid, or a rural tender which is a closed bidding system by email.

MPI could also acquire larger wholesale-type customers outside of Manitoba jurisdiction. These customers can purchase larger amounts of MPI vehicles using a revised Web Site; this includes other Canadian provinces and US States.

Revenue forecasts are as follows (re-forecast will occur should April 2020 implementation completion date be revised):

		2%	3%	3%	3%	
	2019-20	2020-21	2021-22	2022-23	2023-24	
Details of Revenue Increase	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Salvage Revenue (5% increase from current state of approx. \$51,450,000 - Year 2: 2%, Year 3 to 5: 3% increase)	\$ -	\$ 1,029,000	\$ 1,543,500	\$ 1,543,500	\$ 1,543,500	\$ 5,659,500
[Redacted]						
Online per unit selling fee (new revenue - estimated to be 2% of total sales)		\$ 1,049,580	\$ 1,059,870	\$ 1,059,870	\$ 1,059,870	\$ 4,229,190
Cash Handling Fee (new revenue from Winnipeg Auction cash payments. A 2% handling fee is charged on all cash payments of \$1000 or greater with a \$50 minimum charge) 2018-19 Cash Payments: \$2,850,851.64 >\$1000 = 46% \$1318568*0.46 = \$26371 , increase by 0% in year 1 and 2% in Year 2 and 3% in Years 2 to 5 (in line with sales increase)	\$ -	\$ 26,520	\$ 26,780	\$ 26,780	\$ 26,780	\$ 106,860
TOTAL REVENUE INCREASE	\$ -	\$ 2,105,100	\$ 2,660,150	\$ 2,660,150	\$ 2,660,150	\$10,085,550

Using historical average and RFP responses, the Salvage Revenue is forecasted to increase 2% in Year 2 and 3% in Year 3 to 5. Without a new salvage sales system no sales increases are expected. See Revenue assumptions below.

Cost/Benefit Analysis		
(To generate these measures see Business Case Financials template at end of package)		
• Discounted Payback in years (<i>The year discounted benefits exceed discounted costs</i>)	Yrs.	1.59
• Payback in years (<i>The year accumulated benefits exceed accumulated costs</i>)	Yrs.	1.55
• Internal Rate of Return (IRR)	%	337.5%

<ul style="list-style-type: none"> Net Present Value (NPV) 	\$	4,182,873
		Assumes “Medium” risk project – discount rate of 6.0%
INITIAL ASSUMPTIONS: <i>(What are you assuming to be true, or what conditions are you assuming will prevail that will make this achievable?)</i>		
Cost Assumptions	[Redacted]	
Cost/Benefit Assumptions	<ul style="list-style-type: none"> All benefits realization amounts were calculated based on an implementation date of April 2020. Should the implementation occur at a later date there will be a re-forecasting of benefits by year. Based on RFP responses, the project is expected to generate a sales revenue increase of approximately 1% to 8% annually. For the purpose of this business case, the following will be used to project future financial outcome (Year 1: 0%, Year 2: 2%, Year 3 to 5: 3%). <ul style="list-style-type: none"> Revenue Baseline: Baseline sales started with actual gross salvage sales revenues of \$49,000,000 for fiscal 2018-19 year end. The last two fiscal years showed an average increase of 5% each year. This 5% increase was due to new efficiencies gained, and are expected to stay flat if nothing is changed in technology or market exposure. For the purposes of the project, the baseline of \$49M was grown by 5% to \$51,450,000 and remains flat for future years. Annual sales increase percentages are not compounded. (i.e. applied against the previous year's sales volume. For instance Year 4's increase of 3% is not applied against Year 3's increased sales volume but rather against Year 1 sales volume). New Revenue – online per unit selling fee (assuming 2% of 2018/19 Net Return of \$51,450,000, + Forecasted Sales increase) New Revenue – cash handling fee applied to Winnipeg In-Person Auction cash payments. A 2% handling fee on cash payments of \$1000 or greater with a \$50 minimum charge Merchant Fees Savings – fees will be paid by Impact Auto Auctions. Savings are based on actual merchant fees paid during March 2018 to February 2019 with increases of: Year 1: 0%, Year 2: 2%, Year 3 to 5: 3% (in line with sales revenue forecasted increase) [Redacted] 	

	<ul style="list-style-type: none"> [Redacted]
Other Assumptions	Project costs include a 20% contingency

CONSTRAINTS/DEPENDENCIES: <i>(What are the constraints or dependencies, if any, that limit the range of options?)</i>	
Cost Constraints	
Schedule Constraints/ Dependencies	<ul style="list-style-type: none"> Implementation of pre-existing projects (Car Part Pro, Total Loss Implementation)
Other Constraints/ Dependencies	<ul style="list-style-type: none"> Weather dependencies (catastrophic hail, snow etc)

SIGNIFICANT MILESTONES: <i>(List the high-level key events, and their dates, that need to occur for this project to be delivered as planned)</i>	
Business Case revision	October 15 2018
RFP Requirements Gathering and Development performed by Vendor Management	November 2018 - DONE
Request for Proposal Drafted	Complete- January 2019 (DONE)
Review and Approval Business Case	April 2019
Review and Approval of RFP	April 2019
RFP Release to Vendors	May 6, 2019
RFP Response Evaluations	June 26 – July 25, 2019
Demonstrations, POC and Reference Checks	July 2019
Post Demo and Reference Check Evaluation Scoring	August 23-30, 2019
Final RFP Evaluation Result and Recommendation	September 2019
Vendor Selection	September 2019
Board Approval	October 10 2019
Notify successful vendor	October 2019
Contract Negotiations	November - December 2019
Finalize contract reviews and approvals (Legal, ITBT Directors)	January 2020
Sign Contract	January 2020
Commencement of Implementation	January 2020
Project Completion	To be determined – Awaiting timelines from vendor
Monitor Progress	Ongoing after implementation and make changes as necessary

DETAILS OF ALTERNATIVES CONSIDERED	
<i>(Describe at least two available alternatives that would achieve the project objectives)</i>	
DESCRIPTION OF ALTERNATIVE	
Alternative A	Fully outsource salvage operation with third party and leasing available space
Alternative B	Fully outsource salvage operations to a third party and selling land and buildings
RFP Options	As part of the RFP responses, 3 service and pricing options were presented (Option 1, 2 and 3). This business case reflects the terms of Option 2. See attached Appendix for a summary of the 3 options.

Evaluation Areas	Alternative A	Alternative B
Benefits (Financial/Non-financial)	Elimination of administrative work, reduction of salvage customer issue handling, lease/rent income of approximately \$960,000, [Redacted]	Elimination of administrative work, reduction of salvage customer issue handling, one-time capital gain of \$13,648,200 from the sale of land and building, [Redacted]
Cost	Annual cost of approximately \$8,900,000	Annual cost of approximately \$8,900,000
Risk	Loss of operational control, severity risk on yearly fees, possible rate impact to MB rate payers, loss control to support Provincial SWVMP, BICC Programs, zero ability to capitalize on revenue opportunities	Loss of operational control, severity risk on yearly fees, possible rate impact to MB rate payers, loss control to support Provincial SWVMP, BICC Programs, zero ability to capitalize on revenue opportunities
Reason for not selecting this solution	Less revenue potential and greater risks	Less revenue potential and greater risks

APPROVAL REQUEST/RECOMMENDATION:

(Indicate what project stage and funding \$ amount you are requesting approval for)

Requesting Vice President Customer Service approval to proceed with releasing a Request for Proposal to obtain quotes on a software solution for an online salvage management system, integrated with an automated vehicle tracking system. The RFP will allow a more detailed cost analysis to be performed and will allow for Salvage Management to include the appropriate MPI internal stakeholders to prepare for an implementation. RFP process was approved on April 30, 2019.

Upon completion of RFP process the detailed business case will be completed including:

- finalizing cost and benefit estimates and NPV calculations
- Enterprise Architecture and Information Security Review

Thereafter, this will be submitted to Executive Committee for final approval to proceed with project. This approval was obtained on September 17th 2019.

The Enterprise Architecture Review and BTO project cost estimate will be finalized before requesting Board approval at the October 2019 meeting.

Requesting Board approval to proceed with the implementation of the new Salvage Management Solution at a cost not to exceed \$669,000. Commencement of the work is dependent on completion of negotiations with the proposed successful vendor and on BTO resource capacity. As a result the project will either be an insertion of work for 2019/20 or a capital project for 2020/21.

SIGN-OFF BY DOCUMENT CONTRIBUTORS:

(Sign if you have contributed to this document and are comfortable with proceeding to the next stage, as indicated above)

Area/Department	Date	Name of Individual Required for Sign-off	Signature or email evidence of approval
Dana Frazer, manager Estimating and Salvage Operations	October 2018	Dana Frazer	Dana Frazer
David Chimuk, Director PDC Claims Operations	November 2018	David Chimuk	David Chimuk

VALUE MANAGEMENT REVIEW:

Reviewed By	Date	Printed Name	Signature or email evidence of review
Joe Riel	Version 1 - Nov 8, 2017 Version 2 – Nov 27, 2017		

Joe Riel/Sally Palatino	Version 3 October 16, 2018		
Joe Riel	Version 4 November 5, 2018 Version 5, November 8, 2018		
Joe Riel	Thin Business Case (TBC) Final Version – January 31, 2019		
Sally Palatino	TBC Version – Feb 20, 2019		
Joe Riel	Detailed Business Case version 1 – March 7, 2019		
Joe Riel	Detailed Business Case – version 2 – May 4, 2019		
Joe Riel	Detailed Business Case version 3 – Sept 13, 2019		
Joe Riel	Detailed Business Case version 4 – post presentation to EC – Sept 24 2019		
Joe Riel	Detailed Business Case version 5 post presentation to EC – October 2, 2019		
Joe Riel	April 17, 2020		

VALUE MANAGEMENT APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of review
Joe Riel	TBC – January 31, 2019 business owner response to VM feedback of Jan 31, 2019		
Joe Riel	Detailed Business Case – October 2, 2019		

MANAGEMENT APPROVAL:			
Should this go to executive for approval? <input type="checkbox"/> Yes <input type="checkbox"/> No			
Approved By	Date	Printed Name	Signature or email evidence of approval

EXECUTIVE APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of approval
Executive Committee	September 17, 2019		
Board	October 10, 2019		

APPENDIX 1

[Redacted]

PROJECT NAME: 16-22 Salvage Management Solution

	2019-20 Year 1	2020-21 Year 2	2021-22 Year 3	2022-23 Year 4	2023-24 Year 5	Total
Project Costs	(183,278)	(485,678)	0	0	0	(668,955)
Project Benefit	0	816,062	1,560,250	1,785,763	1,789,514	5,951,588
Net Project Impact	(183,278)	330,384	1,560,250	1,785,763	1,789,514	5,282,633
Cumulative Net Project Impact	(183,278)	147,107	1,707,356	3,493,119	5,282,633	

Net Present Value	4,182,873	based on discount rate of 6.00%				
IRR	337.5%					
Payback Period in years	1.55	1.55				
Return on Investment	-100%	22%	255%	522%	790%	
Discounted Payback Period in years	1.59	1.59				

PROJECT NAME: 16-22 Salvage Management Solution

General Project Assumptions	Comments	Location within file																												
Project start date is October 2019	Only resourcing costs occur in 2019-20																													
Project implementation date is April 2020	Implementation to align with fiscal year start																													
Project duration from start date to end date is 18 months (six months of project, 12 months considered implementation year)	2019-20 is considered the project year of six months. 2020-21 is considered the implementation year of 12 months																													
In-person auction attendance will decrease and fully operate online by year four	Management will phase out in year three, if operationally feasible. Business Case assumes elimination of Auctioneer Fees in Year 4.	Post Project Impact Tab																												
Once we phase out the in person auction, all sales will be transacted online. Even if we keep our salvage auction hall running to help ease our buyers into the new normal, all transactions will be through the merchant number of Impact, thus enabling them to absorb the merchant fees. Eventually, all transactions will be online, through the Impact portal.																														
Inflation increase will not be applied within Year 1 to 5 but will be applied in Year 6 to 10	The initial term of the agreement will be for a period of 5 years. CPI will not come into effect until renewal term.	Post Project Impact Tab																												
Costs are based on the costs provided by the highest scoring vendor, Impact Auto Auctions	The other two vendors who submitted RFP responses became non-compliant throughout the evaluation process																													
Costs reflect Impact Auto Auctions option #2 as MPI's best financial option	See Impact costing tab for details between the three options	Impact AA Appendix C costing Tab																												
Project Contingency Rate: 20%		Project Costs																												
Interest/Discount Rate for NPV calculation: 6%	4% for low risk project; 6.0% for medium risk project; or 9.0% for high risk project.	Project Financial Summary																												
Inflation increase on expenses/costs: 2.50%																														
Using an out of the box software package, with no customization required, and minimal configuration (i.e., we don't have to implement it in our environment) then this is similar to parts of TL"																														
Staffing Assumptions	Comments	Location within file																												
Productive hours per internal MPI employee is 1885 hours per year		Staffing Tab																												
Project Management requirements for the project phase of year 1 assumes 1000hrs @ \$125/hr. This is based on stated requirements from the vendor.	See staffing tab for additional internal resources to be leveraged. An update to staffing will occur as negotiations begin.	Staffing Tab																												
Staffing resources for the project include: <table border="1"> <thead> <tr> <th colspan="4">SEE NOTE 1 BELOW</th> </tr> <tr> <th>Project Staff</th> <th>Role/ Type</th> <th># of Hours</th> <th>Rate/hr</th> </tr> </thead> <tbody> <tr> <td>External</td> <td>Project Manager*</td> <td>1000</td> <td>\$125.00</td> </tr> <tr> <td>Internal</td> <td>BA**</td> <td>1178</td> <td>\$ 75.00</td> </tr> <tr> <td>Internal</td> <td>KMS**</td> <td>590</td> <td>\$ 75.00</td> </tr> <tr> <td>External</td> <td>Bus Architect*</td> <td>943</td> <td>\$125.00</td> </tr> <tr> <td>External</td> <td>IT*</td> <td>943</td> <td>\$125.00</td> </tr> </tbody> </table>	SEE NOTE 1 BELOW				Project Staff	Role/ Type	# of Hours	Rate/hr	External	Project Manager*	1000	\$125.00	Internal	BA**	1178	\$ 75.00	Internal	KMS**	590	\$ 75.00	External	Bus Architect*	943	\$125.00	External	IT*	943	\$125.00	*Benefit do not apply as PM is a consultant **Benefits applied to all inscope MPI resources	See staffing tab for Impact Auto Auctions RFP responses regarding staffing requirements
SEE NOTE 1 BELOW																														
Project Staff	Role/ Type	# of Hours	Rate/hr																											
External	Project Manager*	1000	\$125.00																											
Internal	BA**	1178	\$ 75.00																											
Internal	KMS**	590	\$ 75.00																											
External	Bus Architect*	943	\$125.00																											
External	IT*	943	\$125.00																											

Staffing Assumptions (cont'd)	Comments	Location within file
<p>Due to Increased Efficiencies, reductions of 3 FTE's beginning in Year 2 and 6 FTEs by Year 3: [Redacted]</p>	<p>This is ongoing throughout the duration of the forecast under the assumption that if we do nothing, the FTE would still be needed.</p> <p>[Redacted]</p>	<p>Staffing Tab</p>
Revenue Assumptions	Comments	Location within file
<p>Revenue Baseline: Baseline sales started with actual gross salvage sales revenues of \$49,000,000 for fiscal 2018-19 year end. The last two fiscal years showed an average increase of 5% each year. This 5% increase was due to new efficiencies gained, and are expected to stay flat if nothing is changed in technology or market exposure. For the purposes of the project, the baseline of \$49M was grown by 5% to \$51,450,000 and remains flat for future years.</p>	<p>Based on the statement of operations for the period ending July 2019, salvage operations in again on track to see a yearly increase of 5% due to the efficiencies gained from 2018 and 2019. This will flatten if no technology changes or market exposure is changed</p>	<p>Post Project Impact Note 8</p>
<p>Incremental Revenue: Based on jurisdictional comparisons, the project is expected to generate sales revenues increases between 5-8%. For the purpose of this business case, a conservative approach was used. The following will be used to project future financial outcome (Year 2: 2% and Year 3 to 5: 3%)</p>	<p>SOURCE: Impact Auto Auctions in RFI and RFP phase, Co-Part International Auction in RFI phased, ICBC and SGI in Crown Insurer consortium quarterly meetings. Impact Auto Auction published in their RFP response that they believe there is potential for MPI's salvage recovery per unit to improve by \$600 from its base revenue of \$1446 per unit in 2018-19. We continue to forecast this business case on a more conservative approach</p>	<p>Post Project Impact</p>
<p>Incremental Revenue: The Sales growth percentages for all 4 years (Years 2 to 5) are applied to 2019/20 estimated sales. (i.e. Year 2 growth of 2% is applied to the 2019/20 estimated total sales of \$51,450,000. The Year 5 growth of 3% is also applied against the \$51,450,000).</p>	<p>This is to clarify that annual sales increase percentages are not compounded. (i.e. applied against the previous year's sales volume. For instance Year 4's increase of 3% is not applied against Year 3's increased sales volume but rather against Year 1 sales volume).</p>	<p>Post Project Impact</p>
<p>New Revenue Stream: Online per unit selling fee (assuming 2% of total sales)</p>	<p>Industry accepted practice with comparable jurisdictions has online auctions charging a standard 2% per unit sold on vehicles over a certain sales threshold. To be fine-tuned and possibly negotiated during negotiation phase. SOURCE: Impact Auto Auctions in RFI and RFP phase, Co-Part International Auction in RFI phased, ICBC and SGI in Crown Insurer consortium quarterly meetings.</p>	<p>Post Project Impact</p>
<p>Online selling fee will not impede the forecasted revenue growth expected (Year 1: 0%, Year 2: 2%, Year 3 to 5: 3%)</p>	<p>Industry accepted practice with comparable jurisdictions has online auctions charging a standard 2% per unit sold on vehicles over a certain sales threshold. Jurisdictional comparisons show that buyers adapt to the change in market exposure. The increased competition and potential new buyer base mitigates risk of buyers bidding accordingly to absorbed the selling fees. SOURCE: Impact Auto Auctions in RFI and RFP phase, Co-Part International Auction in RFI phased, ICBC and SGI in Crown Insurer consortium quarterly meetings.</p>	

Revenue Assumptions (cont'd)	Comments	Location within file												
New Revenue Stream: Cash handling fee for cash payments from Winnipeg in-person auction 2% of purchased amounts over \$1000)	Industry accepted practice with comparable jurisdictions has online auctions charging a standard 2% for cash handling admin fees in an effort to encourage all sales electronic. SOURCE: Impact Auto Auctions in RFI and RFP phase, Co-Part International Auction in RFI phased, ICBC and SGI in Crown Insurer consortium quarterly meetings	Post Project Impact & Impact AA Appendix C Tab												
Merchant Fees Savings: Fees will be by Impact Auto Auction. Savings based on actual paid during March 2018 to February 2019 (see yellow) with increases of Year 1: 0%, Year 2: 2% and Year 3 to 5:3% (in line with the projected sales increase) Total Merchant Fees paid in 2018 equals \$682,791	Calculation: <table border="1" style="margin-left: 40px;"> <tr> <td></td> <td></td> <td style="text-align: right;">\$682,791.30</td> </tr> <tr> <td style="text-align: center;">Year 2</td> <td style="text-align: center;">3%</td> <td style="text-align: right;">\$ 703,275</td> </tr> <tr> <td style="text-align: center;">Year 3</td> <td style="text-align: center;">3%</td> <td style="text-align: right;">\$ 703,275</td> </tr> <tr> <td style="text-align: center;">Year 4 & 5</td> <td style="text-align: center;">3%</td> <td style="text-align: right;">\$ 703,275</td> </tr> </table>			\$682,791.30	Year 2	3%	\$ 703,275	Year 3	3%	\$ 703,275	Year 4 & 5	3%	\$ 703,275	Post Project Impact Tab
		\$682,791.30												
Year 2	3%	\$ 703,275												
Year 3	3%	\$ 703,275												
Year 4 & 5	3%	\$ 703,275												
Costing Assumptions	Comments	Location within file												
[Redacted]	[Redacted]	[Redacted]												
[Redacted]	[Redacted]	[Redacted]												

PROJECT NAME: 16-22 Salvage Management Solution

List all major financial assumptions used to develop the Financial Template

Spreadsheet Assumptions	Percentage	Source
Project Contingency	20%	Project
Interest/Discount Rate for NPV calculation	6.00%	See Note 1 for guidance on discount rate to use for calculating net present value. 4% for low risk project; 6.0% for medium risk project; or 9.0% for high risk project.
Inflation increase on expenses/costs	2.50%	Finance unless fixed price - amend specific cells
Benefits Gross up as % of Salary	30%	HR/Finance covers pension, cpp, ei, health benefits, etc

Note 1

Risk free discount rate (i.e. Corporate Cost of Capital or the average expected investment return from MPI's investment portfolio as projected for the next several years (See 2018 GRA) is 4%. This is the rate to be used on low risk initiatives such as repetitive MPI work where the risks to the success of the project are known and have been managed well in the past. A premium rate can be added to the discount rate to reflect riskier than normal project initiatives where there is greater uncertainty of realizing the projected future cash flows or of estimating costs. For these medium risk projects we recommend a discount rate of 6.0%. For instance, the longer the period of expected cash flows, the riskier the realization of such cash flows. Also initiatives in areas new to the corporation or where the corporation has no past experience, this increases the risk of realizing projected cash flows or estimating costs. In these circumstances, this warrants a higher discount rate in calculating the net present value of a project's cash flows. For these high risk projects we recommend a discount rate of 9.0%.

PROJECT NAME: Salvage Management System						
	2019-20	2020-21	2021-22	2022-23	2023-24	Total
	Year 1	Year 2	Year 3	Year 4	Year 5	
External Labour (list various categories)						
IBM to decommission servers (see assumption 1)						0
Project Manager (see assumption 2)	86,500	151,375				237,875
Bus Architect - 1 @ 100% (see assumption 2)	21,625	43,375				65,000
IT Developer - 1 developer @50% (see assumption 2)		65,000				65,000
						0
Total External Labour	108,125	259,750	0	0	0	367,875
Other External Operating Costs						
Travel						0
Training						0
						0
Total Other External Operating Costs	0	0	0	0	0	0
Capital Expenditures						
Software - See Assumption 3						0
Hardware - Honeywells (See assumption 4)		11,000				11,000
Furniture						0
						0
Total Capital Expenditures	0	11,000	0	0	0	11,000
Total External Cost before Contingency	108,125	270,750	0	0	0	378,875
Contingency						
20%	21,625	54,150	0	0	0	75,775
Total External Costs	129,750	324,900	0	0	0	454,650
Internal Incremental Costs (list)						
Staffing	53,528	160,778	0	0	0	214,305
See Staffing tab and Assumption #2 below						0
						0
Total Internal Incremental Costs	53,528	160,778	0	0	0	214,305
Total Project Costs	\$183,278	\$485,678	\$0	\$0	\$0	\$668,955

ASSUMPTIONS

- 1 No cost to MPI to decommission SMS and VTS - per Vendor Management
- 2 Impact Auto Auctions' response to RFP2922 indicate an estimated project implementation effort :

MPI Team Members Required for the Implementation of the Salvage Management Solution:

Internal/External	Column2
Internal	Project Sponsor
Internal/External	SME Business
Internal	SME Technology
Internal	Project Owner
Internal	SME BAT
Internal	SME Technology
External	Project Management

Estimated Manitoba Public Insurance Project Implementation Effort

Column1	Column2	Hours	Backfill?
External	Project Management	1,000	N/A
Internal	Training	400	No
Internal	Business SMEs	480	No
Internal	IT	520	Unknown

BTO WILL REVIEW THE STAFFING BUDGET ONCE WE ARE IN THE NEGOTIATION PHASE

After discovery of additional information, the business case should be further developed and adjust staffing resource accordingly:

Project Staff	Role/ Type	# of Hours	Rate/hr	2019-2020	2020-2021
External	Project Manager*	1907	\$ 125.00	Dec 2019 - Mar 2020	Apr 2020 - Oct 2020
External	Bus Architect*	520	\$ 125.00	Mar 2020 - Mar 2020	Apr 2020 - May 2020
External	IT Developer*	520	\$ 125.00	N/A	May 2020 - Oct 2020
Internal	BA**	1728	\$ 75.00	Jan 2020 - Mar 2020	Apr 2020 - Oct 2020
Internal	KMS**	628	\$ 75.00	Mar 2020 - Mar 2020	Apr 2020 - Oct 2020

3 Originally a \$250,000 estimated amount was included for software costs until negotiations with Impact Auto Auctions were completed. Upon completion of negotiations it was determined that no software costs were needed. Upon further examination of the budget it was deemed prudent to re-allocate this budget towards staffing resources. This resulted in External staffing being revised to \$367,875 and Internal Staff to \$214,305. See supporting assumption details for these two cost elements.



4 During the Fit Gap Analysis discussion, it was identified that there may be a need for additional Honeywell Hardware in order to support and achieve the major changes the business is looking to make

PROJECT NAME: 16-22 Salvage Management Solution

See Staff Tracking tab for Monthly Breakdown

Project Staff	Role/Type	# of Hours	Rate/hr
External	Project Manager*	1907	\$ 125.00
Internal	BA**	1728	\$ 75.00
Internal	KMS**	628	\$ 75.00
External	Bus Architect*	520	\$ 125.00
External	IT Developer*	520	\$ 125.00

Salvage Management System- Project Ressources prior to implementation					
2019-20	2020-21	2021-22	2022-23	2023-24	
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$ 86,500	\$ 151,375				\$ 237,875
\$ 35,325	\$ 82,425				\$ 117,750
\$ 5,850	\$ 41,250				\$ 47,100
\$ 21,625	\$ 43,375				\$ 65,000
	\$ 65,000				\$ 65,000
Total Salary	\$ 149,300	\$ 383,425	\$ -	\$ -	\$ 532,725
30% Benefits	\$ 12,353	\$ 37,103	\$ -	\$ -	\$ 49,455
Total Salary and Benefits	\$ 161,653	\$ 420,528	\$ -	\$ -	\$ 582,180

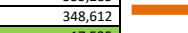
*Benefit do not apply as PM is a consultant
**Benefits applied to all inscope MPI resources

Impact of Project on Staffing (Increases and Decreases)

Reduction of Staff	Role/Type	# of Hours	Rate/hr
	Salvage Operations	1885	\$ 24.66
	Receiving	1885	\$ 25.41
	Towing	1885	\$ 26.42
ASSUME SALARY INCREASES OF 2% BEGINNING IN YEAR 3			
Total Salary		\$ 144,184	\$ 294,135
30% Benefits		\$ 43,255	\$ 88,240
Total Salary and Benefits		\$ 187,439	\$ 382,375

ORIGINAL SUBMISSION: Summary of Staffing Reductions- post implementation					
2019-20	2020-21	2021-22	2022-23	2023-24	
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$ -	\$ 46,484	\$ 92,968	\$ 92,968	\$ 92,968	\$ 325,389
\$ -	\$ 47,898	\$ 95,796	\$ 95,796	\$ 95,796	\$ 335,285
\$ -	\$ 49,802	\$ 99,603	\$ 99,603	\$ 99,603	\$ 348,612
	\$ -	\$ 5,767	\$ 5,883	\$ 5,885	\$ 17,535
Total Salary	\$ -	\$ 144,184	\$ 294,135	\$ 294,250	\$ 1,026,821
30% Benefits	\$ -	\$ 43,255	\$ 88,240	\$ 88,275	\$ 308,046
Total Salary and Benefits	\$ -	\$ 187,439	\$ 382,375	\$ 382,525	\$ 1,334,867

REVISED SUBMISSION: Summary of Staffing Reductions- post implementation					
2019-20	2020-21	2021-22	2022-23	2023-24	
Year 1	Year 2	Year 3	Year 4	Year 5	Total
\$ -	\$ -	\$ 46,484	\$ 92,968	\$ 92,968	\$ 232,421
\$ -	\$ -	\$ 47,898	\$ 95,796	\$ 95,796	\$ 239,489
\$ -	\$ -	\$ 49,802	\$ 99,603	\$ 99,603	\$ 249,009
		\$ -	\$ 2,884	\$ 2,941	\$ 5,826
Total Salary	\$ -	\$ 147,067	\$ 291,309	\$ 294,193	\$ 732,569
30% Benefits	\$ -	\$ 44,120	\$ 87,393	\$ 88,258	\$ 219,771
Total Salary and Benefits	\$ -	\$ 191,188	\$ 378,701	\$ 382,452	\$ 952,340



Wpg Salvage Admin
Receiving
Tow truck operators
Totals

ORIGINAL SUBMISSION Details of FTE Reductions					
2019-20	2020-21	2021-22	2022-23	2023-24	
Year 1 **	Year 2	Year 3	Year 4	Year 5	
FTEs	FTEs	FTEs	FTEs	FTEs	
0	1	2	2	2	
0	1	2	2	2	
0	1	2	2	2	
Totals	3	6	6	6	



REVISED SUBMISSION Details of FTE Reductions					
2019-20	2020-21	2021-22	2022-23	2023-24	
Year 1	Year 2	Year 3	Year 4	Year 5	
FTEs	FTEs	FTEs	FTEs	FTEs	
0	0	1	2	2	
0	0	1	2	2	
0	0	1	2	2	
Totals	0	3	6	6	

**No FTE reduction is expected to occur in Year 1 as ALL staff will be required during the project phase and transition period. FTE reduction will begin Year 2

** Given that the COVID 19 crisis has presented MPI with unprecedented uncertainties, the business and project team suspect that the implementation of the SMS project may be delayed more significantly than the original projected date. **FTE reduction will begin YEAR 3**

Impact Auto Auctions' response to RFP2922 indicate an estimated project implementation effort :

MPI Team Members	Key Project Responsibilities
Project Sponsor – TBD	<ul style="list-style-type: none"> Project Business Sponsor Provide feedback that developed solution will meet needs of the Perris facilities
SME – Business – TBD	<ul style="list-style-type: none"> Business Acceptance Testing Implementation at Perris facilities Subject Matter Expert
SME - Technology – TBD	<ul style="list-style-type: none"> Ensures components consumed by MPI meets requirements Subject Matter Expert – technology architecture
Project Owner – TBD	<ul style="list-style-type: none"> Project Owner
SME – BAT – TBD	<ul style="list-style-type: none"> Provide feedback that developed solution integrates with Claim handling Business Acceptance Testing Subject Matter Expert
SME - Technology – TBD	<ul style="list-style-type: none"> Technology Subject Matter Expert System Integration Acceptance Testing
Project Management – TBD	<ul style="list-style-type: none"> MPI Project Management System Integration Acceptance Testing

Table 3 – Estimated Manitoba Public Insurance Project Implementation Effort

Type	Description	Effort (Hours)
Project Management		1,000 hrs
Training		400 hrs
Business SMEs		480 hrs
IT		520 hrs
Other		

Staff Tracking

[Redacted]

PROJECT NAME: 16-22 Salvage Management Solution
[Redacted]

Impact AA Appendix C Costing

[Redacted]

Revenues and Savings	2024-25	2025-26	2026-27	2027-28	2028-29	Ten Year
	Year 6	Year 7	Year 8	Year 9	Year 10	Totals
Incremental Revenue	\$ 1,543,500	\$ 1,543,500	\$ 1,543,500	\$ 1,543,500	\$ 1,543,500	\$ 13,377,000
Online per unit selling fee (2%)	\$ 914,363	\$ 914,363	\$ 914,363	\$ 914,363	\$ 914,363	\$ 8,220,389
Merchant Fees- savings	\$ 703,275	\$ 703,275	\$ 703,275	\$ 703,275	\$ 703,275	\$ 6,322,647
FTE reductions (6)	\$ 382,528	\$ 382,528	\$ 382,528	\$ 382,528	\$ 382,528	\$ 3,247,507
Cash handling fee (2% for cash tx over \$1000)	\$ 26,780	\$ 26,780	\$ 26,780	\$ 26,780	\$ 26,780	\$ 240,760
Auctioneer Fees	\$ 38,950	\$ 38,950	\$ 38,950	\$ 38,950	\$ 38,950	\$ 270,750
Sale of tow trucks (3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 90,000
Total Revenues and Savings	\$ 3,609,396	\$ 3,609,396	\$ 3,609,396	\$ 3,609,396	\$ 3,609,396	\$ 31,769,053
Project Costs						
Project Resourcing costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
External labour- SMS decommissioning	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Project software costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Project Costs	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
On-going yearly costs- <i>not yet negotiated</i>						
Yearly Licensing Fee	\$ (1,107,000)	\$ (1,107,000)	\$ (1,107,000)	\$ (1,107,000)	\$ (1,107,000)	\$ (9,855,000)
Service Fee (20% over \$1446)	\$ (937,222)	\$ (937,222)	\$ (937,222)	\$ (937,222)	\$ (937,222)	\$ (8,334,684)
Total on-going/yearly costs	\$ (2,044,222)	\$ (2,044,222)	\$ (2,044,222)	\$ (2,044,222)	\$ (2,044,222)	\$ (18,189,684)
Profit	\$ 1,565,174	\$ 1,565,174	\$ 1,565,174	\$ 1,565,174	\$ 1,565,174	\$ 13,579,369
Conservative Revenue projections	3%	3%	3%	3%	3%	
Base Revenue (2019-20 projected)						

Manitoba Public Insurance Business Case

PROJECT NAME:	Examining Manitoba Public Insurance's Basic Deductible
ITBT Tracking number (internal)	
VM -BUSINESS CASE # (internal)	18-11
DATE SUBMITTED:	October 17, 2018 Updated Financial Analysis – December 2019
PREPARED/SUBMITTED BY:	Dana Khan, Business Analyst, Compulsory Insurance
BUSINESS OWNER	Mike Senkowsky, Manager, Compulsory Insurance; Doug Overwater, Director, Insurance & Underwriting
DEPARTMENT	Insurance and Underwriting
DIVISION	Product & Risk Management

PROJECT DESCRIPTION:

(Provide a summary description of the project along with the current process and proposed future process)

This business case will examine whether a change is warranted to the current Basic \$500¹ deductible. The paper will consider whether there is a compelling business case to modify the current Basic deductible and, if so, what changes should be undertaken.

Background

The Basic deductible is a key component to providing comprehensive, accessible automobile accident insurance in Manitoba and, at \$500, is the lowest compulsory deductible offered in Canada. The current Basic deductible remains unchanged since 1997.

Over the lifetime of MPI, deductibles have only increased twice: In 1988, the Basic deductible increased from \$200 to \$350, and in 1997 from \$350 to \$500. It is important to note that if deductibles kept pace with the rate of inflation, today's Basic deductible would be \$720.

Lower deductible options are currently available through Autopac Extension. Presently, 86% of policyholders in Manitoba buy down their deductibles to one of the \$300, \$200, or \$100 Autopac Extension options.

Current Practice

Basic Autopac insurance represents the minimum coverage provided by and required under The Manitoba Public Insurance Corporation Act and its Regulations. Basic Autopac includes basic All Perils coverage, basic Third Party Liability coverage, and Personal Injury Protection Plan (PIPP) coverage. Schedule B of Regulation 290/88 R (Automobile Insurance Coverage Regulation) is the enabling legislation for Basic deductibles.

¹ Including the other Basic deductibles applicable trailers, certain trucks and mopeds.

The Basic deductible for All Perils coverage depends on the vehicle type and the insurance use. For private passenger vehicles, the basic deductible is \$500 and customers can purchase optional Extension coverage to reduce this basic deductible. Some of the Extension deductibles offer a zero deductible on glass repair, collision with animal, vandalism, and total theft claims. Under optional Extension coverage, the \$500 All Perils deductible can be decreased to \$300, \$200, or \$100, as noted above. No deductible per se applies to PIPP claims.

Any proposed increase to the Basic deductible would result in the addition of an optional Autopac Extension reduced deductible product.

BUSINESS NEED:

Rate Stabilization

Rate stability is a key corporate priority for MPI. The corporation considers rate increases above the rate of inflation (typically 2.00%, on average) would be considered rate shock. Accordingly, any increases within the 2% average rate of inflation would be considered stable.

Mitigating claims costs, investment strategies, operational controls, and policy changes are all methods through which rate increases are minimized. It is important to note that increasing the deductible is not a standalone, long-term policy strategy to reduce rate increases. It is one component of many used to mitigate claims costs and is significant because a deductible applies to nearly every physical damage claim.

Increasing claims costs

For the last seven years, Basic collision severity growth has outpaced the 1.55% average rate of inflation over the same period.² Prior to 2011, MPI experienced largely minor increases in the severity of claims. Increases in severity are an important point of analysis for the Basic program because any severity increases on claims above the current \$500 Basic deductible must be fully absorbed by Basic.³

² <http://www.inflation.eu/inflation-rates/canada/historic-inflation/cpi-inflation-canada.aspx>

³ Example: If a claimant has a \$200 reduced deductible, a \$650 claim = \$200 deductible + \$300 Extension + \$150 to Basic. If severity increases \$5, \$655 claim = \$200 deductible + \$300 Extension + \$155 Basic

The following chart illustrates the growth in claim severity since 2004:⁴

Year	Average Claim Severity	Severity Growth Percentage	Canada Annual Rate of Inflation
2004	\$2,264	1.61%	2.13%
2005	\$2,358	4.17%	2.09%
2006	\$2,366	0.34%	1.67%
2007	\$2,400	1.41%	2.38%
2008	\$2,434	1.44%	1.16%
2009	\$2,510	3.12%	1.32%
2010	\$2,551	1.64%	2.35%
2011	\$2,699	5.80%	2.30%
2012	\$2,813	4.22%	0.83%
2013	\$2,983	6.06%	1.24%
2014	\$3,125	4.76%	1.47%
2015	\$3,458	10.64%	1.61%
2016	\$3,577	3.43%	1.50%
2017	\$3,743	4.65%	1.87%

Claims frequencies are likewise increasing as low Autopac Extension deductibles incentivize claims. A simultaneous rate increase to Autopac Extension deductibles may help increase the impact of a higher deductible to further deter customers from filing low value claims.

The Basic program is facing significant rate increases primarily driven by physical damage frequency and severity, with some perils such as vandalism and glass causing rate increases purely because a large percentage of small claims are now exceeding the deductible due to inflationary effects.⁵ This is one indication that it may be time to consider a deductible change.

Some savings could be expected through abandonment of claims if the Basic deductible were increased from, for example, \$500 to \$700. To better illustrate how a higher deductible discourages the pursuit of low-value claims as a financial disincentive, the focal point of this analysis was the level to which estimates did not result in a repair and marginal claims dropped off. The parameters of analysis were:

- Repairable claims (no total losses)
- Claimants were at fault and had a \$500 deductible
- Claims had a completed estimate
- Claims occurred in the 2015 insurance year

⁴ Source: Tyler Clearwater: Pricing, Forecasting, and Economics - Manitoba Public Insurance

⁵ Source: Luke Johnston, Chief Actuary, Pricing, Forecasting, and Investments. October 27, 2017.

The chart below illustrates the impact of an increased deductible on the rate of abandonment. For an increase to \$700, estimates in the incremental \$0-\$100 range and the \$100-\$200 range are guaranteed to drop off because there is no financial incentive for the claimant to pursue the claim through MPI.⁶

Net Incremental Estimate Total (dollars)	Number of Estimates Completed	Sum of Net Savings
0-100	115	\$5,756.23
100-200	183	\$28,277.99
200-300	253	\$63,545.53
300-400	268	\$93,128.96
400-500	287	\$129,691.25
500-600	353	\$194,233.80

The analysis of the 0-100 and 100-200 groups demonstrate that increasing the Basic deductible to \$700 would result in a savings of \$34,000 and a reduction in claims by 300 over the insurance year. While not a large number, it is important to remember that, firstly, only 14% of motorists currently have the Basic deductible, secondly, that these are Basic deductible claims only for which the driver is found to be at fault, and, lastly, that this dollar amount will occur in tandem with other claims cost savings that will result from raising the deductible. It is also reasonable to expect – though difficult to quantify – that some amongst the 200-300 and 300-400 estimate levels would choose to abandon their claims as well, when factors are added that increase overall cost to the claimant such as a lowering of the claimant’s DSR. Also not analyzed in-depth are the reduction in administrative costs associated with low-value claims. Any decrease in claim numbers will have a corresponding reduction in claims administrative expenses.

Benchmarking

Benchmarking demonstrates that MPI deductibles are lower than those across the Canadian and US insurance industries for comparable coverage. While benchmarking is an acceptable means through which best practices may be determined and analyzed, caution should be taken that interjurisdictional comparison not be the sole rationale for a change in policy. Benchmarking to SGI coverage is, however, useful as a point of analysis because the operational philosophies of the two corporations are fundamentally similar. Taken in tandem with the points mentioned above, increasing the deductible from the current \$500 to the \$700 offered by SGI becomes a reasonable course of action for MPI to consider.

Customer Satisfaction

As previously noted, Rolling Polls conducted by MPI Customer Research analyzed through 2008-2016 consistently found that Manitobans prefer complete coverage over the lowest-

⁶ Sources: Lucas Rodewald & Ed Stoyka, Service Operations Policy & Control

price option.⁷ Further, the current 86% deductible buy down rate indicates that the vast majority of MPI policyholders appreciate the security of incurring low out-of-pocket expenses in the event of an at-fault claim, as well as waivers for glass and vandalism claims. Rolling Polls also found that Manitobans believe MPI to be trustworthy and have favourable views about the coverage they receive from their insurance premiums, especially with respect to physical damage claims.⁸ A price increase for an established product, therefore, does not necessarily equate to customer dissatisfaction; Customer Research has noted that MPI’s positive reputation in Manitoba contributes to quick rebounds in support when declines occur following the announcement of rate increases.⁹

PROJECT OBJECTIVES:

(List SMART objectives – Specific, Measurable, Attainable, Realistic, Time-limited)

- Mitigate the rising cost of claims
- Stabilize rates
- Align with industry standards and best practice
- Increase/Maintain customer satisfaction

PROJECT BENEFITS:

(Provide a description of the benefits that this project/initiative would provide)

- Reduced Claim Costs – customers will be responsible for a larger deductible which will contribute to claims costs and may also lead to fewer claims as a result of abandonment.
- Smaller/Fewer rate increases – reduced claim costs will result in rate increases that are less significant and frequent which will lead to overall customer satisfaction
- Allow increased options for Autopac Extension deductibles
- Aligns MPI with other compulsory first party all-perils PD jurisdictions in Canada

MONITORING OF ACTUAL PROJECT BENEFITS AND ACTUAL PROJECT COSTS:

(List tools and processes to monitor attainment of listed project benefits and of project costs)

- Claims information
 - # of Claims
 - Severity of claims
 - Overall claims costs
- Frequency and severity of rate increases
- Customer Satisfaction surveys

⁷ Manitoba Public Insurance. February 2008, July 2015, & October 2016 *Rolling Poll Executive Summary*.

⁸Approval ratings average around 70% between the 2008-2016 Rolling Polls

⁹Manitoba Public Insurance. *July 2015 Rolling Poll Executive Summary*. “Corporate Reputation.” p.4.

IMPACT ANALYSIS: <i>(Describe the involvement of departments/third party vendors in meeting the objectives of this project and the quantifiable and non-quantifiable effects of the outcome of this project on said departments. Include a summary only)</i>	
Who will be impacted	What is the impact
Customer & Corporate Communications	<ul style="list-style-type: none"> Communicate changes in Coverage Implement and update changes to KnowledgeNet Update brochures and advertising material
Broker Support Service	<ul style="list-style-type: none"> Communicate changes to broker network Inform customer of new levels of Extension coverage
Information Technology & Business Transformation	Implement and coordinate corporate wide changes to all applicable systems
Driver and Vehicle Policy Administration	Draft legislative changes
Product and Risk Management	<ul style="list-style-type: none"> Determine pricing strategy implement additional levels of coverage through Autopac Extension assist in development of communications Review draft legislation
Legal Services	Review drafted legislation
Service Center/Claims Operations	<ul style="list-style-type: none"> Frontline Claims handling Communicating with customers who make claims
Broker Network	<ul style="list-style-type: none"> Increased commissions Training and communication will be required

RISK ANALYSIS: <i>(Describe the impact of risk and the likelihood of it happening, both for proceeding or not proceeding with the project)</i>		
Potential Risk	Likelihood (L,M,H)	Description of Impact of Risk and description of planned action taken to mitigate this risk
Risks/Obstacles of Proceeding with Project <i>(A high likelihood of risk without sufficient planned action for mitigation, may impact the discount rate used in calculating the Net Present Value of forecasted financial benefits. Impact to be discussed with the VM office)</i>		
Temporary customer dissatisfaction	H	Dissatisfaction initially when higher deductible is implemented. Likely to subside with presumably lower premiums and less frequent and severe rate increases

Potential Risk	Likelihood (L,M,H)	Description of Impact of Risk and description of planned action taken to mitigate this risk
Lack of customer awareness	M	Customers may only realize the deductible has increased at time of claim leading to dissatisfaction or ability to pay the increased rate.
Poorly maintained vehicles	M	Customers who are deterred from making a claim because of the deductible increase may be operating cars with damage or are poorly maintained on the roadways.
Basic Deductible increase, in isolation, minimal long term impact	L	If only the Basic deductible is increased, without consideration to the pricing strategy and product offering of Autopac Extension, the impact may not significantly impact the frequency and severity of claims.

Risks of NOT Proceeding with Project		
Claims costs continue to rise	H	Without taking steps to prevent the rising costs of claims, costs will continue to increase leading to annual deficits
Rate increases	H	Rising claims costs will lead to more frequent and significant rate increases
Customer dissatisfaction	H	Rising rates will eventually lead to customer dissatisfaction
Increasing number of low value claims	H	Low value claims are increasingly frequent
Legend L=Low; M=Medium; H=High		

PROPOSED TIMING
<i>(When, how long, and organizational capacity)</i>
TBA

LEGAL REVIEW REQUIRED?
<i>(To be considered for detailed business cases)</i>
No Yes
If yes, include legal review's response:

ENTERPRISE ARCHITECTURE AND INFORMATION SECURITY REVIEW REQUIRED? <i>(To be considered for detailed business cases where technology is involved in the business solution)</i>	
No	Yes
ENTERPRISE ARCHITECTURE REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i>	
Business Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes / No
Technical Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes/No

INFORMATION SECURITY REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i>	
Information Security Office	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes / No

HIGH LEVEL ESTIMATED COST/BENEFIT ANALYSIS:		
Project cost (must be completed)		
• Total estimated range of project cost (Basic deductible change only)	\$	\$104,300
• Total estimated range of project costs (w/ additional extension product offering)		\$219,295
• Capital percentage (if known)	%	
Estimated reduction in cost (must be completed if applicable)		
• Continuing annual cost reduction amount	\$	
• One time cost reduction	\$	
• Other (specify)	\$	
Estimated increase in revenue (must be completed if applicable)		
• Continuing annual incremental increase in revenue	\$	
• One time revenue increase	\$	
• Other	\$	

Cost/Benefit Analysis		
<i>(To generate these measures see Business Case Financials template at end of package)</i>		
• Discounted Payback in years <i>(The year discounted benefits exceed discounted costs)</i>	Yrs	
• Payback in years <i>(The year accumulated benefits exceed accumulated costs)</i>	Yrs	
• Internal Rate of Return (IRR)	%	
• Net Present Value (NPV) (Basic Only)	\$	(\$97,935)
• Net Present Value (NPV) (Extension Product offering)		(\$205,911)
• Other (specify)		

INITIAL ASSUMPTIONS:	
<i>(What are you assuming to be true, or what conditions are you assuming will prevail that will make this achievable?)</i>	
Cost Assumptions (Basic deductible change only)	<ul style="list-style-type: none"> • No code changes (IRC, AOL, CARS) • No business rule changes • A reference data change • Release is part of PUB release • PM, QCM and technical architect, security analyst are required but will be part of PUB costs - no additional effort • This will be a BTO project.

	<ul style="list-style-type: none"> • There is no warehouse changes. • Internal resources are not considered incremental to the project • Project Cost contingency of 20% (\$17,383)
Cost Assumptions (w/Extension product offering)	<ul style="list-style-type: none"> • Code changes (IRC, AOL, CARS) • A reference data change • Release is part of PUB release • PM, technical architect, security analyst are required but will be part of PUB costs • This will be a BTO project. • There is no warehouse changes. • A new extension product for \$500 deductible • Internal resources are not considered incremental to the project • Project Cost contingency of 20% (\$36,549)
Cost/Benefit Assumptions	
Other Assumptions	

CONSTRAINTS/DEPENDENCIES: <i>(What are the constraints or dependencies, if any, that limit the range of options?)</i>	
Cost Constraints	
Schedule Constraints/ Dependencies	
Other Constraints/ Dependencies	

SIGNIFICANT MILESTONES: <i>(List the high-level key events, and their dates, that need to occur for this project to be delivered as planned)</i>	
Project Start Date	
Project End Date	
Other Milestones	

APPROVAL REQUEST/RECOMMENDATION: <i>(Indicate what project stage and funding \$ amount you are requesting approval for)</i>	
<p>In order to support stable rates, based on the information provided, there appears to be sufficient evidence to recommend moving forward with a detailed business case.</p> <p>Increasing the Basic deductible from \$500 to \$700 appears to be a reasonable and effective measure to mitigate the increase in claims costs MPI has experienced over the past several years, and offers support for rate stabilization, cost containment and overall customer satisfaction. In order to offset the reduction in coverage, consideration may be given to</p>	

increasing coverage to other core components (I.e. increased Third Party Liability, increased Maximum Insured Value) of the Basic policy.

Any proposed increase to the Basic deductible would coincide with the addition of an optional Autopac Extension reduced deductible product (i.e. \$500).

SIGN-OFF BY DOCUMENT CONTRIBUTORS:			
<i>(Sign if you have contributed to this document and are comfortable with proceeding to the next stage, as indicated above)</i>			
Area/Department	Date	Name of Individual Required for Sign-off	Signature or email evidence of approval

VALUE MANAGEMENT REVIEW:			
Reviewed By	Date	Printed Name	Signature or email evidence of review
VMO	September 11, 2019	Joe Riel	
VMO	Dec 19, 2019	Rhonda von Dohren	

VALUE MANAGEMENT APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of review

MANAGEMENT APPROVAL:			
Should this go to executive for approval?			Circle YES or NO
Approved By	Date	Printed Name	Signature or email evidence of approval

EXECUTIVE APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of approval

Manitoba Public Insurance Business Case

PROJECT NAME:	Maximum Insured Value Review
ITBT Tracking number <i>(internal)</i>	
VM -BUSINESS CASE # <i>(internal)</i>	18-12
DATE SUBMITTED:	October 17, 2018 Updated Financial Analysis – December 2019
PREPARED/SUBMITTED BY:	Denise Youell, Sr. Business Analyst, Compulsory Insurance
BUSINESS OWNER	Mike Senkowsky, Manager, Compulsory Insurance; Doug Overwater, Director, Insurance & Underwriting
DEPARTMENT	Insurance & Underwriting
DIVISION	Product and Risk Management

<p>PROJECT DESCRIPTION: <i>(Provide a summary description of the project along with the current process and proposed future process)</i></p> <p>The purpose of this business case is to determine whether the current Maximum Insured Value (MIV) under Basic Autopac continues to provide sufficient coverage for MPI customers or whether an in-depth review of the limit should be undertaken.</p> <p>There is some concern that the current MIV limit under Basic Autopac may not sufficiently cover an increasing proportion of the current fleet of vehicles insured by MPI, due to inflation and the rising costs of new vehicles.</p> <p>Background Maximum Insured Value (MIV) is the maximum limit payable under Basic Autopac for loss or damage to a vehicle. Currently, the MIV for a passenger vehicle, truck, or truck tractor is \$50,000 including all taxes.¹⁰ The MIV on all perils coverage was increased to \$50,000 for all types of vehicles effective March 1, 1998.¹¹ ¹²The increase in declared value ranges and maximum insured value limits was designed to satisfy two objectives: to reflect the increase in new vehicle prices, and to simplify the various limits making the coverage more understandable to customers.</p> <p>Current Practice The MIV for a bus, motor home, motorcycle, moped, or trailer is the lesser of \$50,000 or the amount the registered owner declares as the actual cash value (ACV) of the vehicle at the time of application. Vehicles with a declared value that exceeds \$50,000 may be eligible for</p>
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¹⁰ <http://knowledgenet/Pages/Rule/Maximum%20Insured%20Value%20MIV.aspx>

¹¹ 1998 Rate Application Pre-Filed Testimony – PT.DRK, June 4, 1997

¹² Some Basic eligible vehicles are limited to a declared value that may be less than the Basic MIV.

Excess Value coverage either through Autopac Extension or through Special Risk Extension (SRE).

Typically, the ACV of a vehicle is only calculated at the time a total loss occurs or for the purposes of purchasing additional coverage through Autopac Extension, namely, Excess Value Coverage (for vehicles who's ACV exceeds \$50,000) and New Vehicle Protection (value indicated on bill of sale).

Applicable Jurisdictions

Saskatchewan Government Insurance (SGI)

Vehicles are covered to the actual cash value, which is the market value of the vehicle compared to similar vehicles, with similar equipment, mileage and condition to the insured vehicle.¹³

Insurance Corporation of British Columbia (ICBC)

ICBC assumes the vehicle is insured for the full value. The value of the vehicle is incorporated into the premium and in circumstance of Total Loss, the claimant will be paid the lesser of the actual cash value or the declared value.

Data & Analysis

To determine if the current MIV limit provides sufficient coverage for Manitobans, we must examine MPI's fleet of registered vehicles.

ACV is difficult to track due to constant fluctuation in value as a result of depreciation caused by mileage, age, usage, and condition. The only definitive way to know if the current limit is sufficient for MPI's current fleet of vehicles is to know the ACV of each vehicle registered with MPI at a given point in time. This data is not currently available within MPI's reporting system, therefore we must look at other indicators where the value of the vehicle must be established to help determine if the current Basic MIV limit provides sufficient coverage.

The following indicators will be used to determine the value of MPI's fleet:

- Total Loss Claims Experience
- New Vehicle Protection Policies
- Excess Value policies
- New Vehicle Prices

Total Loss Claims Experience

This is the only instance in which the ACV of a vehicle is calculated and what the Basic MIV is intended to cover. If the number of vehicles with an ACV over \$50,000 is increasing significantly year over year, it may indicate the need to raise the limit.

¹³ <https://www.sgi.sk.ca/individuals/registration/coverage/physicaldamage.html>

Based on total loss claims experience from 2013 to 2017, the Basic MIV of \$50,000 covers over 99.75% of all total losses. This suggests that the current limit of \$50,000 is more than adequate coverage.

Interesting to note is that 98% of total loss claims were under \$30,000, which is well below the Basic MIV limit.

Percentage of Total Losses 2013 to 2017

ACV with taxes	2013	2014	2015	2016	2017	Average 2013 to 2017	Cumulative Total
\$ 0 - \$ 10,000	80.24%	79.87%	78.39%	77.30%	73.74%	77.91%	77.91%
\$ 10,001 - \$ 20,000	15.16%	14.79%	15.79%	16.46%	18.32%	16.11%	94.01%
\$ 20,001 - \$ 30,000	3.32%	3.75%	3.74%	4.02%	5.12%	3.99%	98.00%
\$ 30,001 - \$ 40,000	0.90%	1.05%	1.36%	1.40%	1.75%	1.29%	99.30%
\$ 40,001 - \$ 50,000	0.25%	0.34%	0.46%	0.54%	0.65%	0.45%	99.75%
\$ 50,001 - \$ 60,000	0.05%	0.11%	0.14%	0.15%	0.20%	0.13%	99.88%
\$ 60,001 - \$ 70,000	0.02%	0.05%	0.04%	0.05%	0.07%	0.05%	99.93%
\$ 70,001 - \$ 80,000	0.02%	0.01%	0.04%	0.04%	0.05%	0.03%	99.96%
\$ 80,001 - \$ 90,000	0.01%	0.00%	0.01%	0.02%	0.02%	0.01%	99.97%
\$ 90,001 - \$ 100,000	0.01%	0.01%	0.01%	0.01%	0.01%	0.01%	99.98%
Over \$ 100,000	0.02%	0.02%	0.02%	0.02%	0.05%	0.02%	100.00%
Grand Total	100%	100%	100%	100%	100%	100%	

Note: Total loss data is based on: loss year, ACV includes taxes, claims are based on both Basic and Extension; and percentages are calculated based on vehicle counts.

NVP Policies

Customers have the option to purchase this coverage based on the insurable value (ACV + Depreciation) of the vehicle, this coverage protects the vehicle from depreciation in case of a total loss. The insurable value of vehicles can be used as a proxy to determine if there is a significant number of new vehicles valued over \$50,000.

The table below represents the insurable value of vehicles as of the first of the month indicated, where NVP has been purchased. The insurable value was determined by multiplying the units purchased by \$1,000. The data set below includes all NVP products (New, Used, and Seasonal). Data from the most recent five years shows the insurable value distribution of vehicles with NVP and the breakdown of their insurable value in relation to the Basic MIV limit.

Breakdown of NVP Insured Value: 2013-2017

Vehicle Insurable Value	7/1/2013	7/1/2014	7/1/2015	6/1/2016	7/1/2017	Average	Cumulative Total
\$ 0 - \$ 10,000	0.09%	0.09%	0.19%	0.42%	0.64%	0.28%	0.28%
\$ 10,001 - \$ 20,000	3.39%	3.10%	2.74%	2.90%	2.73%	2.97%	3.26%
\$ 20,001 - \$ 30,000	29.20%	26.95%	23.63%	20.68%	16.96%	23.48%	26.74%
\$ 30,001 - \$ 40,000	33.25%	31.46%	30.07%	27.67%	25.57%	29.61%	56.35%
\$ 40,001 - \$ 50,000	20.66%	22.21%	23.20%	23.24%	23.29%	22.52%	78.87%
\$ 50,001 - \$ 60,000	8.16%	9.63%	11.35%	13.12%	15.19%	11.49%	90.36%
\$ 60,001 - \$ 70,000	3.20%	4.02%	5.19%	6.69%	8.48%	5.52%	95.88%
\$ 70,001 - \$ 80,000	1.23%	1.45%	1.96%	2.88%	3.93%	2.29%	98.17%
\$ 80,001 - \$ 90,000	0.40%	0.57%	0.89%	1.29%	1.60%	0.95%	99.12%
\$ 90,001 - \$ 100,000	0.17%	0.21%	0.35%	0.55%	0.83%	0.42%	99.54%
Over \$ 100,001	0.23%	0.31%	0.43%	0.58%	0.76%	0.46%	100.00%
Grand Total	100%	100%	100%	100%	100%	100%	
Total over \$50K	13%	16%	20%	25%	31%	21%	

Based on the five year period 2013 to 2017, vehicles with NVP and with an insurable value over \$50,000 are trending upwards. In 2013 approximately 13% of NVP policies had an insurable value over \$50,000, and in 2017 that proportion increased to 31%.

The insurable value for vehicles with NVP coverage are becoming more expensive year over year which indicates that the current \$50,000 is becoming inadequate for more and more customers with new vehicles. Customers with insurable value over \$50,000 have the option to purchase excess value coverage if they want to cover the full ACV in case of a total loss.

Excess Value Coverage

In a total loss situation a customer will receive the lesser of \$50,000 or the ACV of their vehicle, unless they purchase optional Excess Value Coverage. To receive the full value of the vehicle in a total loss situation, Excess Value coverage must be purchased (in \$1,000 increments) for the value of the vehicle over the Basic MIV Limit (\$50,000).

For example, if a vehicle’s ACV is \$65,000, \$15,000 of excess value coverage must have been purchased to receive the full amount in a total loss.

This data may be used as an indicator of the number of vehicles that require coverage in excess of \$50,000.

The table below shows the number of Excess Value policies on July 1, of each year from 2013-2017:

Breakdown of Policies with Excess Value Coverage: 2013 to 2017

Excess Value Coverage	7/1/2013	7/1/2014	7/1/2015	6/1/2016	7/1/2017
MIV	16,403	19,967	24,130	29,144	34,721
Lay-up MIV	303	321	344	407	466
Su MIV	0	45	71	106	149
Total	16,706	20,333	24,545	29,657	35,336

The number of active Excess Value policies increased year over year from 2013 to 2017. It is currently unclear as to what contributes to this increase. This may indicate vehicles are becoming increasingly expensive, or may be a result of customers being more aware, informed, and finding value in purchasing Excess Value extension coverage.

The percentage of policies with the MIV of the vehicle ranging between the following ranges: \$50,001 to \$60,000; \$60,001 to \$70,000; \$70,001 to \$80,000; and \$80,001 to \$90,000 are presented below. Overall the distribution as a percentage of total policies within each of those buckets has shifted upward, with an increasing proportion of policies in the range of \$60,000 to \$80,000.

Excess Value Policies by Value Range: 2013 to 2017

As a percentage of Excess Value Policy Total	7/1/2013	7/1/2014	7/1/2015	6/1/2016	7/1/2017
\$ 50,001 - \$ 60,000	51.0%	50.1%	47.9%	45.7%	44.8%
\$ 60,001 - \$ 70,000	24.6%	25.2%	25.7%	26.6%	26.8%
\$ 70,001 - \$ 80,000	11.6%	11.9%	12.6%	13.2%	13.3%
\$ 80,001 - \$ 90,000	4.9%	5.0%	5.4%	6.0%	6.2%

*Policy Counts are based on Distinct Policy Registration and combines excess value, lay-up excess value, and seasonal earning products.

It is important to note, that any increase in the Basic MIV would negatively impact Excess Value coverage and associated revenue. A nominal increase to \$60,000 would eliminate approximately 45% of excess value policies and associated revenue.

Analysis of the NVP and Excess Value data available indicates that the number of vehicles purchasing Excess Value coverage is increasing and a higher proportion of customers purchasing NVP have an insurable value over \$50,000. Although this data may appear to indicate there are more vehicles valued over \$50,000, it is difficult to determine if these two products are reliable indicators of an increase towards the Basic MIV limit or if customers are becoming more aware of these extension products and find value in these two optional product offerings.

In contrast, from a claims perspective, the percentage of vehicles with ACV over \$50,000 that suffer a total loss is less than 1% indicating that over 99% of total losses are sufficiently covered by the current Basic Autopac MIV limit.

Vehicle Prices

Another consideration in assessing the adequacy of the MIV limit, are the new vehicle prices for Manitoba. Statistics Canada data for new vehicle sales (i.e. units sold and dollar amounts) was used to calculate average vehicle price by vehicle type for the five year period 2013 to 2017.

The table below shows that prices for new passenger vehicles are increasing. In 2017, a new vehicle is estimated to cost \$41,400 on average in Manitoba, below the current MIV limit of \$50,000.

Statistics Canada: Manitoba New Motor Vehicle Sales 2013 to 2017¹⁴

Vehicle Type	2013	2014	2015	2016	2017
Total, new motor vehicles	\$35,527	\$36,524	\$38,845	\$40,159	\$41,428
Passenger cars	\$25,370	\$25,837	\$27,034	\$28,270	\$29,400
Trucks (1)	\$40,654	\$41,177	\$43,342	\$44,131	\$44,717
Light trucks (2)	\$36,807	\$37,642	\$38,953	\$40,855	\$41,804
Heavy trucks (3)	\$109,188	\$108,387	\$114,243	\$122,500	\$127,314
Buses	\$203,073	\$142,596	\$217,709	\$99,377	\$179,743

- (1) Trucks include minivans, sport-utility vehicles, light and heavy trucks, vans and buses.
- (2) Light trucks: include minivans, sport-utility vehicles, light trucks and vans.
- (3) Heavy trucks: include class 4, 5, 6, 7 and 8 trucks.

BUSINESS NEED:

(Provide a detailed description of the project/initiative and how it will satisfy the business need. Include opportunities and the issues that led you to prepare this document)

The current MIV has remained unchanged since 1998. Annual inflation impacts the value of vehicles year after year and the percentage of vehicles valued over \$50,000 is increasing. There is concern with the rising costs of vehicles that the current limit no longer covers the same proportion of vehicles it once did and it may be insufficient. If the Basic MIV limit had increased with inflation, it would be equivalent to approximately \$72,000 in 2018.

Although NVP, Excess Value Coverage, and new vehicle sales support that vehicles are increasing in value, MPI’s Total Loss claims experience (where the Basic MIV applies) indicates that the current limit is sufficient to cover over 99.75% of total loss claims (2013-2017).

However, as a Corporation, MPI is responsible for periodically reviewing the Basic coverage limits and investigation external factors that may render current limits insufficient, presently, or in the future.

¹⁴ Statistics Canada. Table 079-0004 - New motor vehicle sales, Canada, provinces and territories, seasonally unadjusted, annual, CANSIM (database).

Given this information, in isolation, it appears there is no evidence to support increasing the Basic MIV limit. It is possible that consideration may be given to increasing the limit if combined with other factors, or changes to core components of the Basic coverage.

PROJECT OBJECTIVES:

(List SMART objectives – Specific, Measurable, Attainable, Realistic, Time-limited)

- Review the current MIV limits and associated business rules to determine if they are meeting the needs of MPI and customers.
- Formulate a rationale as to the extent Basic MIV should cover Manitobans and take into consideration the following:
 - Compulsory plan should not subsidize luxury vehicle owners
 - Stability of Basic Autopac rates
 - Manitobans should not be forced to look elsewhere for full coverage auto insurance
 - Explore the minimum threshold for assessing an increase to MIV (e.g. MIV must cover the ACV of 95% of vehicles eligible for Basic)
- Review the impact of the range of potential changes to MIV limits including; no change to the current limit of \$50,000, increasing, or decreasing the limit. The related impacts to Autopac Extension and Special Risk Extension products will be considered.
- Determine the impacts of any proposed changes to MIV on Basic Premium. Any increases or decreases in the MIV for Basic Autopac will require a review of the Basic Autopac rates to ensure rates reflect the coverage as well as the impact to Autopac Extension revenue.
- Benchmark MIV limits against other relevant jurisdictions.
- If changes are recommended, determine the necessary steps to amend the Standard Automobile Policy to align with the proposed regulatory changes. This is governed by the Insurance Act and under the direction of the Superintendent of Insurance for Manitoba.
- Assess the customer/broker impact for the proposed changes and determine if any other documentation (policy guide, etc.) will need to be updated.

PROJECT BENEFITS:

(Provide a description of the benefits that this project/initiative would provide)

- Inform the corporation of the sufficiency of the current limit for MPI customers
- Identify metrics that can be used as indicators of the value of the fleet
- Determine a threshold in which the Corporation can consider the fleet to be sufficiently covered
- Determine if increasing the Basic MIV limit would be appropriate to combine with other changes to the Basic policy.

MONITORING OF ACTUAL PROJECT BENEFITS AND ACTUAL PROJECT COSTS:

(List tools and processes to monitor attainment of listed project benefits and of project costs)

- Total Loss Claims Experience
- Count of NVP policies and value of vehicles
- Count and value of Excess Value policies
- Industry data relating to value of vehicles sold

IMPACT ANALYSIS: <i>(Describe the involvement of departments/third party vendors in meeting the objectives of this project and the quantifiable and non-quantifiable effects of the outcome of this project on said departments. Include a summary only)</i>	
Who will be impacted	What is the impact
Customer & Corporate Communications	<ul style="list-style-type: none"> • Communicate changes in Coverage • Implement and update changes to KnowledgeNet • Update brochures and advertising material • Ensure public is aware of changes and the impact on their policy
Broker Support Service	<ul style="list-style-type: none"> • Communicate changes to broker network
Information Technology & Business Transformation	<ul style="list-style-type: none"> • Implement and coordinate corporate wide changes to all applicable systems
Driver and Vehicle Policy Administration	<ul style="list-style-type: none"> • Draft and review legislative changes
Product and Risk Management	<ul style="list-style-type: none"> • Determine pricing strategy • Assess impacts on other products (Excess Value coverage) • Assist in development of communications • Review draft legislation
Legal Services	<ul style="list-style-type: none"> • Review drafted legislation
Service Center/Claims Operations	<ul style="list-style-type: none"> • Frontline Claims handling • Communicating with customers who make claims
Broker Network	<ul style="list-style-type: none"> • Communicating with customers about changes in coverage and how it impacts their policy • Training and communication will be required • Increased limit could affect purchase behavior of customers and associated commissions.

RISK ANALYSIS: <i>(Describe the impact of risk and the likelihood of it happening, both for proceeding or not proceeding with the project)</i>		
Potential Risk	Likelihood (L,M,H)	Description of Impact of Risk and description of planned action taken to mitigate this risk
Risks/Obstacles of Proceeding with Project <i>(A high likelihood of risk without sufficient planned action for mitigation, may impact the discount rate used in calculating the Net Present Value of forecasted financial benefits. Impact to be discussed with the VM office)</i>		

<p>ENTERPRISE ARCHITECTURE AND INFORMATION SECURITY REVIEW REQUIRED? <i>(To be considered for detailed business cases where technology is involved in the business solution)</i></p>	
<p>No Yes</p>	
<p>ENTERPRISE ARCHITECTURE REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i></p>	
<p>Business Architecture</p>	<p>Reviewed Date:</p> <p>Review Completed By:</p> <p>Findings:</p> <p>Recommended to proceed: Yes / No</p>
<p>Technical Architecture</p>	<p>Reviewed Date:</p> <p>Review Completed By:</p> <p>Findings:</p> <p>Recommended to proceed: Yes/No</p>

<p>INFORMATION SECURITY REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i></p>	
<p>Information Security Office</p>	<p>Reviewed Date:</p> <p>Review Completed By:</p> <p>Findings:</p> <p>Recommended to proceed: Yes / No</p>

HIGH LEVEL ESTIMATED COST/BENEFIT ANALYSIS:		
Project cost (must be completed)		
• Total estimated range of project cost	\$	104,300
• Capital percentage (if known)	%	
Estimated reduction in cost (must be completed if applicable)		
• Continuing annual cost reduction amount	\$	
• One time cost reduction	\$	
• Other (specify)	\$	
Estimated increase in revenue (must be completed if applicable)		
• Continuing annual incremental increase in revenue	\$	
• One time revenue increase	\$	
• Other	\$	

Cost/Benefit Analysis		
<i>(To generate these measures see Business Case Financials template at end of package)</i>		
• Discounted Payback in years <i>(The year discounted benefits exceed discounted costs)</i>	Yrs	
• Payback in years <i>(The year accumulated benefits exceed accumulated costs)</i>	Yrs	
• Internal Rate of Return (IRR)	%	
• Net Present Value (NPV)	\$	(\$97,935)
• Other (specify)		

INITIAL ASSUMPTIONS:	
<i>(What are you assuming to be true, or what conditions are you assuming will prevail that will make this achievable?)</i>	
Cost Assumptions	Project contingency is 20% (\$17,383) No code changes (IRC, AOL, CARS) No business rule changes A reference data change Release is part of PUB release PM, QCM and technical architect, security analyst are required but will be part of PUB costs - no additional effort This will be a BTO project. There is no warehouse changes. All Internal resources will be non - incremental to the project.
Cost/Benefit Assumptions	
Other Assumptions	

CONSTRAINTS/DEPENDENCIES: <i>(What are the constraints or dependencies, if any, that limit the range of options?)</i>	
Cost Constraints	
Schedule Constraints/ Dependencies	
Other Constraints/ Dependencies	

SIGNIFICANT MILESTONES: <i>(List the high-level key events, and their dates, that need to occur for this project to be delivered as planned)</i>	
Project Start Date	
Project End Date	
Other Milestones	

APPROVAL REQUEST/RECOMMENDATION: <i>(Indicate what project stage and funding \$ amount you are requesting approval for)</i>	
<p>Although, in isolation, there appears to be insufficient evidence to increase the Basic limit for Maximum Insured Value, it is recommended to proceed to a detailed business case.</p> <p>It is beneficial to fully understand the cost/benefit implications of increasing the Basic MIV limit for future consideration should an increase in Basic MIV be bundled with and/or utilized to offset other changes to the core components of the Basic policy (increase in deductible, increase in TPL, etc.).</p>	

SIGN-OFF BY DOCUMENT CONTRIBUTORS: <i>(Sign if you have contributed to this document and are comfortable with proceeding to the next stage, as indicated above)</i>			
Area/Department	Date	Name of Individual Required for Sign-off	Signature or email evidence of approval

VALUE MANAGEMENT REVIEW:			
Reviewed By	Date	Printed Name	Signature or email evidence of review
VMO	Sept 11, 2019	Joe Riel	
VMO	Dec 19, 2019	Rhonda von Dohren	

VALUE MANAGEMENT APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of review

MANAGEMENT APPROVAL:			
Should this go to executive for approval?			Circle YES or NO
Approved By	Date	Printed Name	Signature or email evidence of approval

EXECUTIVE APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of approval

Manitoba Public Insurance Business Case

PROJECT NAME:	Basic Third Party Liability Limit Review
ITBT Tracking number <i>(internal)</i>	
VM -BUSINESS CASE # <i>(internal)</i>	18-13
DATE SUBMITTED:	October 17, 2018 Updated Financial Analysis – December 2020
PREPARED/SUBMITTED BY:	Martin Riddell, Business Analyst, Compulsory Insurance
BUSINESS OWNER	Mike Senkowsky, Manager, Compulsory Insurance; Doug Overwater, Director, Insurance & Underwriting
DEPARTMENT	Insurance and Underwriting
DIVISION	Product & Risk Management

PROJECT DESCRIPTION:

(Provide a summary description of the project along with the current process and proposed future process)

The minimum Third Party Liability (TPL) limit of \$200,000 for Basic Autopac is being reviewed to determine if the current amount is sufficient.

MPI's Basic TPL covers damages for injuries to a person, or damages to property within Canada and the United States. For accidents within Manitoba, TPL coverage would not be used to cover injuries to another person due to all bodily injuries in Manitoba being covered under the Personal Injury Protection Plan (PIPP).

All motorists in Canada and the United States are required to carry specified minimum limits of TPL protection in order to operate a motor vehicle on a roadway. These minimum limits, set by law, vary by province, territory and state. In Manitoba, the minimum TPL coverage is \$200,000. Where an accident occurs in a jurisdiction with a greater TPL requirement, the higher limit must be provided by the insuring company.

In addition to vehicle policies, every valid Manitoba Driver's License includes its own TPL of \$200,000 (Driver's Policy) to provide liability insurance to a driver who uses a vehicle they don't own (or have registered under their name), believing it to be properly licensed and insured. Additionally, if an uninsured motorist causes damage to property in a collision occurring within Manitoba, the property owner may make a claim against MPI for any uninsured portion of the loss.

The basic \$200,000 TPL, which is required by law in Manitoba, can be increased by purchasing Autopac optional extension coverage. TPL coverage can be increased to: \$1 million, \$2 million, \$5 million, \$7 million, or \$10 million.

The majority of customers choose to increase their TPL limit above the Basic minimum.

Breakdown of TPL limits purchased

Product	Policy Count	% of Active Policies
Basic with TPL \$200,000	83,358	10%
Extension TPL \$1M	221,434	28%
Extension TPL \$2M	307,314	38%
Extension TPL \$5M	162,170	20%
Extension TPL \$7M	5,018	1%
Extension TPL \$10M	20,520	3%

Due in part to the range of optional extension products that allow customers to increase their TPL protection, there has not been overwhelming evidence to indicate a need to increase the minimum coverage. Meanwhile, there have been TPL claims both inside and outside of Manitoba that have both neared and exceeded \$200,000. In these cases, MPI will not pay anything over and above the TPL limit, so the customer may be responsible for significant damages (amounts in excess of \$200,000). The reality of these large TPL claims has repelled any notion that the limit should be decreased.

Applicable Jurisdictions

All Canadian jurisdictions have a required minimum TPL of \$200,000 except for Quebec (\$50,000), and Nova Scotia ((\$500,000).

BUSINESS NEED:

(Provide a detailed description of the project/initiative and how it will satisfy the business need. Include opportunities and the issues that led you to prepare this document)

The current TPL limit has remained unchanged since 1983. Based on inflation, \$200,000 in 1983 is \$466,000 in 2018, meaning the current limit provides less than half the coverage it provided in 1983.

The intent of MPI’s compulsory coverage is to ensure all of our customers are adequately insured. Given the significant inflation since the previous minimum TPL increase, the resulting increase in claims costs has made TPL claims greater than \$200,000 more common (approximately 9/year).

It is also valid to consider a change to the current TPL limit in conjunction with other changes to the core components of the Basic Policy (i.e. deductible, MIV, etc.) to offset any negative impacts.

Currently only 10% of Basic policies opted to remain with the minimum amount of coverage, indicating the vast majority of Manitobans are seeking additional TPL protection.

Based on claims data from 2012-2017, Basic Autopac has covered 99.9% of all TPL claims. Over this time, there have been 51 (<1%) TPL claims against MPI insureds that have exceeded \$200,000 in incurred costs. Of these 51 claims, 73% (37 claims) have been under \$500,000.

It is significant to note, any changes (increase or decrease) in basic TPL limit, has the potential of impacting Autopac Extension products. An increase near or beyond \$1M would negatively impact premiums generated by Autopac Extension while at the same time any increase to the Basic TPL would positively impact the exposure for Autopac Extension products. While decreasing the Basic TPL may signal to customers that it's unnecessary to purchase higher limits.

Any increase to the Basic TPL coverage will require an investigation into the impact it will have on Autopac Extension revenue and rates. Autopac Extension pricing may require an adjustment since exposure will be reduced.

For the purposes of this business case, only an increase to the Basic TPL will be considered.

PROJECT OBJECTIVES:

(List SMART objectives – Specific, Measurable, Attainable, Realistic, Time-limited)

- Ensure Manitobans are adequately insured
- Ensure current limits are still applicable and adequate
- Determine if an increase in limit is necessary and to what extent
- Determine price impact of changes to the TPL coverage

PROJECT BENEFITS:

(Provide a description of the benefits that this project/initiative would provide)

- Corporation will be informed on adequacy of current coverage
- Updated data related to TPL limits and usage
- Impacts to changes in coverage will be illustrated
- Determine industry standard and confirm the corporation meets or exceeds that standard

MONITORING OF ACTUAL PROJECT BENEFITS AND ACTUAL PROJECT COSTS:

(List tools and processes to monitor attainment of listed project benefits and of project costs)

- TPL claims data
 - Frequency and severity of claims
 - Frequency of claims exceeding current or proposed limits
 - Frequency of claims that are underinsured

IMPACT ANALYSIS:	
<i>(Describe the involvement of departments/third party vendors in meeting the objectives of this project and the quantifiable and non-quantifiable effects of the outcome of this project on said departments. Include a summary only)</i>	
Who will be impacted	What is the impact
Customer & Corporate Communications	<ul style="list-style-type: none"> • Communicate changes in Coverage • Implement and update changes to KnowledgeNet • Update brochures and advertising material • Ensure public is aware of changes and the impact on their policy
Broker Support Service	<ul style="list-style-type: none"> • Communicate changes to broker network • Inform customer of new levels of coverage and any changes to Autopac Extension coverage levels
Information Technology & Business Transformation	Implement and coordinate corporate wide changes to all applicable systems
Driver and Vehicle Policy Administration	Draft and review legislative changes
Product and Risk Management	<ul style="list-style-type: none"> • Determine pricing strategy (for basic and extension) • implement changes to levels of coverage through Autopac Extension (if any) • Assist in development of communications • Review draft legislation
Legal Services	Review drafted legislation
Service Center/Claims Operations	<ul style="list-style-type: none"> • Frontline Claims handling • Communicating with customers who make claims
Broker Network	<ul style="list-style-type: none"> • Communicating with customers about changes in coverage and how it impacts their policy • Training and communication may be required • Increased limit could affect purchase behavior of customers and associated commissions.

RISK ANALYSIS: <i>(Describe the impact of risk and the likelihood of it happening, both for proceeding or not proceeding with the project)</i>		
Potential Risk	Likelihood (L,M,H)	Description of Impact of Risk and description of planned action taken to mitigate this risk
Risks/Obstacles of Proceeding with Project <i>(A high likelihood of risk without sufficient planned action for mitigation, may impact the discount rate used in calculating the Net Present Value of forecasted financial benefits. Impact to be discussed with the VM office)</i>		
Increased Basic Rate	H	Customers will experience increases to their premiums, although nominal
Over insured customers	H	Basic Policy will provide customers more coverage than the vast majority will ever need
Increased exposure to the corporation	H	Corporation will be subject to increased exposure for those covered only by the Basic TPL limit.

Risks of NOT Proceeding with Project		
Increasing claims costs that go beyond Basic coverage	L	Customers may be subject to claims that are beyond the Basic TPL limit. Data shows this is not a significant number now, but may increase in the future.
Legend L=Low; M=Medium; H=High		

PROPOSED TIMING <i>(When, how long, and organizational capacity)</i>
TBA

LEGAL REVIEW REQUIRED? <i>(To be considered for detailed business cases)</i>
No Yes
If yes, include legal review’s response:

ENTERPRISE ARCHITECTURE AND INFORMATION SECURITY REVIEW REQUIRED? <i>(To be considered for detailed business cases where technology is involved in the business solution)</i>
No Yes

ENTERPRISE ARCHITECTURE REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i>	
Business Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes / No
Technical Architecture	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes/No

INFORMATION SECURITY REVIEW: <i>(Technical review of the proposed solution to ensure alignment to corporate policies, standards, and business rules)</i>	
Information Security Office	Reviewed Date: Review Completed By: Findings: Recommended to proceed: Yes / No

HIGH LEVEL ESTIMATED COST/BENEFIT ANALYSIS:		
Project cost (must be completed)		
• Total estimated range of project cost	\$	109,781
• Capital percentage (if known)	%	
Estimated reduction in cost (must be completed if applicable)		
• Continuing annual cost reduction amount	\$	
• One time cost reduction	\$	
• Other (specify)	\$	

Estimated increase in revenue (must be completed if applicable)		
• Continuing annual incremental increase in revenue	\$	
• One time revenue increase	\$	
• Other	\$	

Cost/Benefit Analysis		
<i>(To generate these measures see Business Case Financials template at end of package)</i>		
• Discounted Payback in years <i>(The year discounted benefits exceed discounted costs)</i>	Yrs	N/A
• Payback in years <i>(The year accumulated benefits exceed accumulated costs)</i>	Yrs	N/A
• Internal Rate of Return (IRR)	%	
• Net Present Value (NPV)	\$	(103,081)
• Other (specify)		

INITIAL ASSUMPTIONS:	
<i>(What are you assuming to be true, or what conditions are you assuming will prevail that will make this achievable?)</i>	
Cost Assumptions	<ul style="list-style-type: none"> • No code changes (IRC, AOL, CARS) • No business rule changes • A reference data change • Release is part of PUB release • PM, QCM and technical architect, security analyst are required but will be part of PUB costs - no additional effort • This will be a BTO project. • There is no warehouse changes. • All Internal resources will be non - incremental to the project. • Includes 20% contingency of \$18,297
Cost/Benefit Assumptions	
Other Assumptions	

CONSTRAINTS/DEPENDENCIES:	
<i>(What are the constraints or dependencies, if any, that limit the range of options?)</i>	
Cost Constraints	
Schedule Constraints/Dependencies	
Other Constraints/Dependencies	

SIGNIFICANT MILESTONES: <i>(List the high-level key events, and their dates, that need to occur for this project to be delivered as planned)</i>	
Project Start Date	
Project End Date	
Other Milestones	

APPROVAL REQUEST/RECOMMENDATION: <i>(Indicate what project stage and funding \$ amount you are requesting approval for)</i>
Although evidence does not support modifying the Basic TPL limit in isolation, it is recommended to go forward with a detailed business case.
It is beneficial to fully understand the cost/benefit implications of increasing the Basic TPL limit for future consideration should an increase in Basic TPL be bundled with other changes to the core components of the Basic policy (increase in deductible, increase in Maximum Insured Value).

SIGN-OFF BY DOCUMENT CONTRIBUTORS: <i>(Sign if you have contributed to this document and are comfortable with proceeding to the next stage, as indicated above)</i>			
Area/Department	Date	Name of Individual Required for Sign-off	Signature or email evidence of approval

VALUE MANAGEMENT REVIEW:			
Reviewed By	Date	Printed Name	Signature or email evidence of review
VMO	Sept 11, 2019	Joe Riel	
VMO	Dec 19, 2019	Rhonda von Dohren	

VALUE MANAGEMENT APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of review

MANAGEMENT APPROVAL:			
Should this go to executive for approval?			Circle YES or NO
Approved By	Date	Printed Name	Signature or email evidence of approval

EXECUTIVE APPROVAL:			
Approved By	Date	Printed Name	Signature or email evidence of approval

PROJECT NAME: CERP 18-11(Basic Deductible/Ext ; 18-12 (Max Insured Value) ; 18-13 (Third Party Liability)

PROJECT FINANCIAL SUMMARY

	Year 1 (2020-2021)	Year 2 (20__-20__)	Year 3 (20__-20__)	Year 4 (20__-20__)	Year 5 (20__-20__)	Total
Project Costs	(540,000)	0	0	0	0	(540,000)
Post Project Net (Cost)/Benefit	0	0	0	0	0	0
Net Project Impact	(540,000)	0	0	0	0	(540,000)
Cumulative Net Project Impact	(540,000)	(540,000)	(540,000)	(540,000)	(540,000)	

Net Present Value based on discount rate of 6.00%

IRR

Payback Period in years

Return on Investment -100% -100% -100% -100% -100%

Discounted Payback Period in years

PROJECT NAME: CERP 18-11(Basic Deductible/Ext ; 18-12 (Max Insured Value) ; 18-13 (Third Party Liability)

List all major financial assumptions used to develop the Financial Template

Spreadsheet Assumptions		Percentage	Source
Project Contingency		0%	Contingency included in Sprint and KMS labour estimates
Interest/Discount Rate for NPV calculation		6.00%	See Note 1 for guidance on discount rate to use for calculating net present value. 3.5% for low risk project; 6% for medium risk project; or 8.5% for high risk project.
Inflation increase on expenses/costs		2.50%	Finance (unless fixed price - amend specific cells)
Benefits Gross up as % of Salary		30%	HR/Finance (covers pension, cpp, ei, health benefits, etc)

Note 1:

Risk free discount rate (i.e. Corporate Cost of Capital or the average expected investment return from MPI's investment portfolio as projected for the next several years (See **GRA 2021 Value Management Chapter** Appendix 15 "MPI Determination of Cost of Capital for Value Management Business Cases") is **3.5%**. This is the rate to be used on low risk initiatives such as repetitive MPI work where the risks to the success of the project are known and have been managed well in the past. A premium rate can be added to the discount rate to reflect riskier than normal project initiatives where there is greater uncertainty of realizing the forecasted future cash flows or of estimating costs. For these medium risk projects we recommend a discount rate of **6%**. For instance, the longer the period of expected cash flows, the riskier the realization of such cash flows. Also initiatives in areas new to the corporation or where the corporation has no past experience, increases the risk of realizing forecasted cash flows or estimating costs. In such circumstances, this warrants a higher discount rate in calculating the net present value of a project's cash flows. For these high risk projects we recommend a discount rate of **8.5%**.

Project Specific Assumptions (please list)

1	
2	

PROJECT NAME: CERP 18-11(Basic Deductible/Ext ; 18-12 (Max Insured Value) ; 18-13 (Third Party Liability)

PROJECT COST				Year 1 (2020-2021)	Year 2 (20__-20__)	Year 3 (20__-20__)	Year 4 (20__-20__)	Year 5 (20__-20__)	Total
External Labour (list various categories)									
			Rate per Sprint						
1	Sprints	13	36,000	468,000	-	-	-	-	468,000
2	KMS - incremental labour			72,000					72,000
3			125	-					-
4			125	-					-
5			125	-					-
6			125	-					-
Total External Labour				540,000	-	-	-	-	540,000
Other External Operating Costs									
Travel									-
Training									-
									-
									-
Total Other External Operating Costs				-	-	-	-	-	-
Capital Expenditures									
Hardware									-
Software									-
Furniture									-
									-
Total Capital Expenditures				-	-	-	-	-	-
Total External Cost before Contingency				540,000	-	-	-	-	540,000
Contingency		0%		-	-	-	-	-	-
Total External Costs				540,000	-	-	-	-	540,000
Internal Incremental Costs (list)									
Staffing				-	-	-	-	-	-
									-
									-
Total Internal Incremental Costs				-	-	-	-	-	-
Total Project Costs (Excluding Non-Incremental Cost)				540,000	-	-	-	-	540,000

Internal Non-Incremental Costs (list)						
Staffing	-	-	-	-	-	-
						-
						-
						-
Total Internal Non-Incremental Costs	-	-	-	-	-	-
Total Project Costs including Non-Incremental Cost	540,000	-	-	-	-	540,000

Project Cost Assumptions (please list)

1	Based on past sprint activity ESS estimates each sprint will cost approximately \$35,000
2	KMS provided incremental labour for this project at \$70,000
3	
Note that the original project cost estimate was created using the Waterfall project methodology. The decision was made to implement the Agile methodology to implement this project.	

PROJECT NAME: CERP 18-11(Basic Deductible/Ext ; 18-12 (Max Insured Value) ; 18-13 (Third Party Liability)

PROJECT IMPACT	Year 1 (2020-2021)	Year 2 (20__-20__)	Year 3 (20__-20__)	Year 4 (20__-20__)	Year 5 (20__-20__)	Total
One time Impact						
Cost Savings/(Increase)		-	-	-	-	-
Cost Avoidance						-
Revenue Increase/(Decrease)						-
Total One Time Impact	-	-	-	-	-	-
On Going Impact						
Cost Increases						
Maintenance		-	-	-	-	-
IBM		-	-	-	-	-
Licensing		-	-	-	-	-
Facilities		-	-	-	-	-
Other		-	-	-	-	-
		-	-	-	-	-
Total Cost Increases	-	-	-	-	-	-
Cost Decreases/avoidance						
Staffing net (increase)/decrease	-	-	-	-	-	-
Maintenance		-	-	-	-	-
IBM		-	-	-	-	-
Licensing		-	-	-	-	-
Facilities		-	-	-	-	-
Other		-	-	-	-	-
		-	-	-	-	-
Total Cost Decreases/avoidance	-	-	-	-	-	-
Claims Incurred Decrease		-	-	-	-	-
Revenue Increase		-	-	-	-	-
Total Ongoing Impact	-	-	-	-	-	-
Total Project Impact	-	-	-	-	-	-

Describe in detail all Project Impact amounts below:

- 1
- 2
- 3

PROJECT NAME: CERP 18-11(Basic Deductible/Ext ; 18-12 (Max Insured Value) ; 18-13 (Third Party Liability)

STAFFING (INCREMENTAL) - See Note below				Year 1 (2020-2021)	Year 2 (20__-20__)	Year 3 (20__-20__)	Year 4 (20__-20__)	Year 5 (20__-20__)	Total
	Role/ Type	# of Hours	Rate/hr						
1			57	-					-
2			57	-					-
3			57	-					-
4			57	-					-
Total Salary				-	-	-	-	-	-
Benefits			30%	-	-	-	-	-	-
Total Salary and Benefits				-	-	-	-	-	-
Impact of Project on Post Project Staffing (Increase) and/or Reduction of Staff Costs									
Reduction of Staff					-	-	-	-	-
New Staff (\$)					-	-	-	-	-
					-	-	-	-	-
Total Salary				-	-	-	-	-	-
Benefits			30%	-	-	-	-	-	-
Total Salary and Benefits - INCREMENTAL				-	-	-	-	-	-
STAFFING (NON-INCREMENTAL) - See Note below									
	Role/ Type	# of Hours	Rate/hr						
1			57	-					-
2			57	-					-
3			57	-					-
4			57	-					-
Total Salary				-	-	-	-	-	-
Benefits			0%	-	-	-	-	-	-
Total Salary and Benefits - NON INCREMENTAL				-	-	-	-	-	-

NOTE:

Incremental Cost - costs charged to an approved project financial budget- not part of operational budget

Non-incremental Cost - Operations labour applied to project but charged to normal operations

Project Staff: Using the **Common Resource List**, please describe the type of staff, role needed or job title; the estimated number of hours; and the rate of pay (use \$57 unless otherwise justified). Annual Staffing costs will be automatically calculated based on your entry for Year 1. Directly enter estimated total costs for Years 2 - 20 if applicable.

Describe in detail all Staffing changes resulting from the project below:

1	
2	

Here is a listing of some common Internal &/or External Resources to consider when completing Staffing tab and the External labour estimates.

The Abbreviations can be used in the column where you Identify the Role being required.

Abreviation	Full name
PM	Project Manager
PD	Program Director
PCA	Project Control Analyst
AOL Dev	AOL Developer or Analyst for testing
BI3	BI3 Developer or Analyst for testing
CCO	Contact Center Operations
EDMS	Electronic Document Management System Developer or Analyst for testing
AES	Application-Enterpsie Services Developer or Analyst for testing
DLS	Driver License System Developer or analyst for testing
IWS	IWS Developer or Analyst for testing
Fin	Finance - IT Analyst for testing
PTG	Personal Technologies Group
CIN	IT Network (firewalls, IP addresses etc.)
DBA	DataBase Analyst
Bus Arch	Business Architect
Data Arch	Data Architect
Tech. Arch	Technical Architect
App.Arch	Application Architect
T. Writer	Technical Writer
Sec Arch	Security Architect
ISO	Information Security Officer
Sec Admin	Security Administrator
Sys A.	System Analyst
Bus. A.	Business Analyst
BRM	Business Relationship Manager
Int Com	Internal Communication
Ext Com	External Communication
KMS	Knowledge Management Services
OCM	Organization Change Management

PUB (MPI) 1-82

Part and Chapter:	Part IV (ii) - VM Appendix 1	Page No.:	1
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Project Nova		
Sub Topic:			

Preamble to IR:

MPI completed an exhaustive business case for the LSM project, now called Project Nova, in September 2019. The business case outlined the rationale, general strategy, and financials governing the initiative. This business case was taken through Value Management (VM) practices and subsequently the initiative was approved, funded and the project commenced during 2019/20.

In the current year, MPI has indicated "The approach to Project Nova has significantly changed since the initial LSM business case was prepared".

Question:

- a) Please elaborate on the drivers leading to significantly changing the approach to Project Nova since the business case was prepared.
- b) As the original business case was taken through VM processes and supported by Avasant and Deloitte, please elaborate on gaps in VM process pertaining to Project Nova which will require attention to ensure similar significant shifts to project approaches going forward will be mitigated.

Rationale for Question:

To confirm VM processes/practices are complete and will prevent rework of approved business cases in future years.

RESPONSE:

- a) In late 2019 and early 2020, the Project Nova leadership team conducted research and gathered information from comparable companies that had recently completed a legacy modernization initiative similar to Project Nova. Additionally, the Team engaged and received insight from Gartner, and industry analysts with significant experience in the domains of insurance and legacy system modernization.

One frequently identified take away was to avoid 'lifting and shifting' existing business processes into a replacement commercial-off-the-shelf software (COTS) platform like the platform offered by Duck Creek Technologies. As MPI understands the lesson, the 'lift and shift' approach can require significant customizations to the COTS platform, significantly delay the delivery of the project, increase project and ongoing costs and prevent the realization of operational efficiency or enhanced customer service/experience gains. The Project Nova leadership team therefore decided to adopt the Lean methodology and review existing processes with a view to determining customer value, eliminating waste and enhancing the overall customer experience/service delivery business vision. The results of this review will be new processes designed and implemented with the capabilities and limitations of the COTS platform in mind.

Incrementally, MPI intends to engage customer input in the early stages and throughout the Project Nova delivery lifecycle to confirm that the business vision and envisioned customer experience/service delivery model adequately respond to the needs of Manitobans. As a result, should MPI require customization of the COTS platform to achieve its aligned business vision, it will apply a Value Management-oriented process based on the Project Nova governance model/structure prior to approving or implementing any such customization. This overall revised approach will enhance customer service delivery and the overall

customer experience while leveraging the existing capabilities of the COTS platform. It will also maximize tangible and intangible benefits realized via Project Nova.

- b) Through education MPI has evolved its approach to delivering Project Nova. MPI has a better appreciation of the capabilities of the available products as well as the potential pitfalls and methods to avoid them. Many departments, including Value Management, have and will continue to gain valuable knowledge and experience which will benefit future projects. MPI can mitigate against significant future shifts in project approaches by drawing on its collective knowledge and experience, reflecting on the lessons learned by it and by others, and by increasing planning time.

Value Management will continue to play an important role in assessing, adding and updating the underlying support for the financial and non-financial assumptions made in this and other business cases. The goal is to continually mature processes and learn from gaps identified in prior projects. MPI now has a much better understanding of software licensing models and their potential effect on costs. MPI is also now better positioned to evaluate and challenge these types of business case assumptions in the future.

PUB (MPI) 1-83

Part and Chapter:	Part IV (ii) - Value Management Appendix 1	Page No.:	5, 10, 11
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Project Nova		
Sub Topic:	Contingency Usage		

Preamble to IR:

MPI has entered into a 36-month agreement with PwC to provide Governance Services to the MPI Board of Directors for Project Nova. MPI has indicated Project Nova contingency actuals relate to a \$1.3M in forecasted costs approved by the Board of Directors for the Independent Program Governance Vendor engagement.

In VM App 1-2 actual contingency usage for 2019/20 is noted to be \$180,600.

2019/20 variance for Project Nova is noted as minus \$6,748,392 (VM App 1-2)

Question:

- a) Please confirm whether the \$180,600 contingency usage is fully attributable to the Independent Program Governance Vendor engagement.
- b) If the answer to (a) is yes, please confirm whether the noted \$1.3M contingency actuals will be fully attributed to the Independent Governance Vendor engagement and if not, how the \$1.3M contingency will be utilized.
- c) Please provide actual table of cost detailing the \$180,600 contingency usage.
- d) Please provide rationale to use \$1.3M of contingency while 2019/20 variance is expected to be (\$6,748,392).

Rationale for Question:

To understand the usage of the contingency budget for Project Nova.

RESPONSE:

a) and b)

The to-date \$180,600 contingency project costs actuals relate to the engagement of the Independent Program Governance Vendor. The Board of Directors approved a \$1.3M allocation of the contingency budget to the Independent Program Governance Vendor costs in relation to Project Nova – Project Costs.

c) The figure below details the utilization of the \$180,600 contingency:

Figure 1 Project Nova Contingency Usage FY2019/20

Line No.	Month	Contingency Usage Actuals \$
1	Nov-19	36,115
2	Dec-19	36,115
3	Jan-20	36,115
4	Feb-20	36,115
5	Mar-20	36,115
6	TOTAL	180,575
7	rounded to nearest hundred	

d) The original Project Nova business case assigns projected funded categories and includes a specific project cost category for the Independent Program Governance Vendor. In accordance with the Project Nova governance structure, the Board of Directors decided to assess the initial business case by drawing from the project contingency, trace the forecasted spend and compare it to actuals. As shared in VM Appendix 1, Project Nova has progressed at a slower pace than anticipated, resulting in the significant underspend identified for FY2019/20.

PUB (MPI) 1-84

Part and Chapter:	Part IV (ii) – VM Appendix 1	Page No.:	8, 11
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Project Nova		
Sub Topic:			

Preamble to IR:

MPI has indicated Project Nova is progressing “at a slower pace than originally planned”. MPI has provided contributing factors to the slower progress. MPI also indicates with the completion of RFPs and Project leadership roles that “it can achieve milestone dates going forward”. However, MPI has indicated the expected overall timeline will change.

Question:

Please provide further rationale supporting the statement denoting MPI can achieve milestone dates going forward given the project is progressing slower at such an early stage of the initiative.

Rationale for Question:

To understand how further risk to Project Nova timelines are expected to be mitigated and managed going forward.

RESPONSE:

As shared in *Value Management Appendix 1*, Project Nova has progressed at a slower pace than originally planned. During FY2019/20, MPI learned a number of early stage critical lessons and made corresponding changes to the program. From a lessons

learned perspective, the size and complexity of the Request for Proposals (RFPs) that were issued to market were significantly under estimated in relation to the initial delivery roadmap and the associated RFP preparation timelines. Incrementally, MPI also underestimated the number of hours and resources required to score, calibrate and make informed recommendations on the preferred vendors for the RFPs and to balance day-to-day operational needs and demands and RFP scoring. This issue was compounded by the volume of complex RFPs and the number of vendors who responded to the RFPs for the Property & Casualty Insurance Software, Driver and Vehicle Administration Software/System Integrator, Application Platform, Property & Casualty Insurance Software System Integrator, and Integration Platform (which was higher than originally anticipated). Also, during FY19/20, the Operational Business Champions were not dedicated full-time to Project Nova and the Program Director position was not filled until September 2019.

With these early stage realizations, MPI took steps to mitigate against future delivery oriented risks and delays, the first step being the appointments of the Chief Transformation Officer and Program Director in September 2019. This action put in place the foundational Project Nova delivery leadership team and provided a more definitive plan and oversight for the remaining aspects of the planning phase as well as a refined approach to establishing requirements and future state vision by applying Lean tools. This was used for current state mapping and will be used for future state mapping as well, with a focus on customer value add to improve customer service delivery experiences.

Since then, MPI has more successfully achieved the RFP and planning phase high-level milestones in preparation for the discovery phase of the project, scheduled to begin November 2020. In early January 2020, MPI also dedicated the four Operational Business Champions full-time to Project Nova and transitioned all of their prior operational responsibilities to other members of the MPI management team. This provided the necessary focus and commitment from the now expanded Project Nova Leadership Team to dedicate all efforts to the project going forward.

The COVID-19 global pandemic has caused a 1-month delay in realizing some RFP milestones as the Project Nova team and vendors had to transition to a remote

working/communication environment to adhere to travel restrictions and public health and safety guidelines. As the RFPs are awarded to the final preferred vendors, the associated contracts and statements of work (SOWs), (to be formalized in legal agreements), will be fixed price contracts that will be governed by delivery/deliverable based milestones and payments. This will also contribute as a critical success factor going forward in achieving future Project Nova milestones in the subsequent discovery and delivery phases of the project.

Lastly, MPI is also readily preparing, from a workforce management perspective, a proactive plan for MPI resource needs, capability and capacity gaps. It is also developing action plans to mitigate/manage prior to the surge of resource requirement needs forecasted to start in early 2021.

The previously stated, in progress, and planned actions are some of the keys measures being taken by MPI to ensure that future delivery milestones are realized going forward on Project Nova.

PUB (MPI) 1-85

Part and Chapter:	Part IV (ii) – VM Appendix 1	Page No.:	13
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Project Nova		
Sub Topic:			

Preamble to IR:

MPI has indicated a significant gap has been identified pertaining to absence of licensing costs in the one-time funding of Driver and Vehicle Licensing Administration software. The unplanned variance is ~\$12 million.

Question:

- a) As this is a significant gap, please provide rationale describing why the Value Management process was not able to adequately raise and denote this issue.
- b) Please provide corrective actions taken in Value Management to mitigate this issue going forward.
- c) Please indicate whether the \$12M unplanned variance will be taken out of the 25% project Contingency.
- d) If contingency will not be utilized please indicate how the unplanned variance will be accounted within the go forward budget and why contingency will not be utilized.

Rationale for Question:

Value Management is expected to ensure gaps in budget are accounted for in advance of initiatives approval and commencement.

RESPONSE:

- a) Please note - the \$12M shortfall relates to Insurance (P&C) rather than DVA, as indicated in the preamble.

MPI developed both its Legacy Insurance and Driver and Vehicle Administration (DVA) systems in-house, which left it without a point of reference for new potential licensing models. To assist with the licensing cost assumptions and estimates, MPI relied on the expertise of the two global consulting firms, hired for their knowledge on implementation and licensing costs. Neither consulting firm identified the specific licensing costs in issue. The Property & Casualty (P&C) solution was \$12M higher than anticipated on the capital side, after MPI received vendor submissions in response to its request for proposals (RFPs).

- b) The goal of Value Management is to continually mature its processes and to learn from experience. As a result of Project Nova, Value Management better understands software licensing and the effect that different licensing models can have on costs. Value Management is now better positioned to assess assumptions and conduct future evaluations.

- c) and d)

The Board of Directors has yet to make a final decision as to whether it will take the \$12M unplanned variance out of the 25% contingency. It is important to highlight that the RFPs for DVA, P&C Insurance System Integrator, and Application Platform and Integration Platform are all in the final stages of the procurement process. The objectives are to finalize software licensing costs, system integrator costs (if applicable) and MPI labour costs/resourcing needs, in order to support the implementation of the associated software platforms. MPI expects to complete these efforts by the end of September 2020 and will provide an updated financial

forecast of all related costs in the Project Nova business case and compare it against the original. While MPI has informally allocated the \$12M unplanned variance to the 25% contingency, its Board of Directors will make a final decision in October 2020, as part of the Project Nova business case re-baseline exercise. The October 2020 business case re-baseline discussion will solidify the overall project costs, benefits, and contingency funding and allocation, which MPI will then use to update its financial analysis, cash flow and Net Present Value for the Project Nova business case.

PUB (MPI) 1-86

Part and Chapter:	Part IV- VM Appendix 8 PUB (MPI) 1-75 Appendix 3 (2020 GRA)	Page No.:	
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Capital Expenditures		
Sub Topic:	Cost of Capital		

Preamble to IR:

The medium risk is based on the results of the Capital Asset Pricing Model (CAPM). In the 2020 GRA MPI determined the discount rate based on CAPM to be 5.97% rounded to 6%. This year MPI's determination of the discount rate on this basis yields a rate of 6.22%. MPI chose to round down 22 basis points to 6%. It would appear rounding up 3 basis point to 6.25% would be consistent with how MPI treated the determination of the medium risk hurdle rate last year.

Question:

- a) Please explain why MPI chose to retain the medium risk at 6% when the results of its analysis indicate an increase to 6.22% or 6.25% given rounding.
- b) In light of the higher risk target decreasing to 8.5% how does the Corporation interpret the narrowing of the range between the risk based on the CAPM and the high range based on Scor reporting.
- c) Please indicate how the hurdle rates would change for low-medium risk and medium high risk if the medium risk were set at 6.25%.
- d) Please indicate to what extent the medium risk target would change if the CAPM was based on current June 30, 2020 market conditions including COVID-19 impacts.

- e) Please file a copy of the 2019 Scor report.
- f) Please explain why the Corporation excluded Co-operators General from this year's analysis for determining the market discount rate.
- g) Please refile the market discount rate using the same comparable accounts used in last year's 2018 ROE and explain any difference.

Rationale for Question:

To assess reasonableness of comparative accounts and market discount rates.

RESPONSE:

- a) Consistent with prior years, MPI rounds the discount rate to the nearest 0.5%. In this case the 6.22% is closer to 6.0% than 6.5%. In MPI's experience to-date the use of a 6.25% vs 6.0% discount rate for medium risk projects would on its own not have impacted the decision to proceed with proposed projects.
- b) The CAPM and the Average Return on Equity methodologies are independent of each other and can result in slight variations from year to year. The overall trend does demonstrate a significant enough gap between "a minimum rate of return with a risk premium" and "an expected return the public would demand" which differentiates the discount rates applied to medium vs high risk projects. It should be noted that the discount rate gap between low risk (3.5%) and high risk (8.5%) projects remains constant at 5.0%.
- c) If the discount rate for medium risk projects were changed to 6.25% there would be no impact to the Medium-High risk discount rate of 7.5% as a 1% gap with the High Risk discount rate (8.5%) would be maintained. The discount rate for Low-Medium risk projects would remain at 5.0% as the gap with Low risk projects (3.5%) would not exceed 1.5%.

- d) Applying the June 30, 2020 financial inputs into the CAPM formula results in a calculated medium risk discount rate of 6.37% as compared to 6.22% calculated as of April 30, 2020. This would be rounded to 6.5%.
- e) See [Appendix 1](#) for copy of 2019 Scor report.
- f) Co-operators General results were not included in the 2019 Scor report. There is no explanation for this exclusion. It should be noted that in the 2018 Scor report the last 3 years' results for Co-operators General was 9.57% in 2016, 7.79% in 2017 and reduced to a negative (2.33%) return in 2018. Under MPI's criteria for selecting companies for the "Average Return on Equity" methodology, another negative return in 2019 may have excluded Cooperators General even if their 2019 results were included on the Scor report.
- g) Please see attached for 2019 ROE results using the same comparable companies as in the 2018 ROE reported results submitted in last year's GRA. The re-filed 2019 report now includes Co-Operators General. However because no Co-operators General ROE was reported for 2019 in the Scor report, the average ROE used was the same as the average reported in 2018 (four year average 2015 to 2018). The overall revised average 2019 ROE is 8.30% as compared to 8.43% without Co-operators General. Both result in a rounded average of 8.50% for the return on equity calculated discount rate. See [Appendix 2](#).

Year / Année 2019

The SCOR Report - Results of Canadian P&C Insurance Companies

Le Rapport SCOR - Résultats des compagnies Canadiennes d'assurances IARD

SCOR Canada Reinsurance Co. /
Compagnie de Réassurance

COMPANY NAME NOM DE LA SOCIÉTÉ	YEAR ANNÉE	DIRECT PREMIUM WRITTEN / PRIMES DIRECTES SOUSCRITES (000's)	NET PREMIUM WRITTEN / PRIMES NETTES SOUSCRITES (000's)	NET PREMIUM EARNED / PRIMES NETTES ACQUISES (000's)	LOSS RATIO / RATIO DE SINISTRES	EXPENSE RATIO / RATIO DES FRAIS	COMBINED RATIO / RATIO COMBINÉ	U/W RESULT / RÉSULTATS TECHNIQUES (000's)	INVESTMENT INCOME / REVENUS DE PLACEMENT (000's)	NET AFTER TAX INCOME / BÉNÉFICE NET APRÈS IMPÔT (000's)	ROE
Affiliated FM Insurance Company	2017	125,141	94,290	90,832	88.36%	27.73%	116.08%	(14,618)	14,235	3,862	1.85%
	2018	132,623	96,228	94,717	289.31%	40.57%	329.87%	(217,741)	4,553	(188,208)	-67.28%
	2019	145,724	101,205	92,488	122.48%	24.17%	146.65%	(43,157)	13,562	(42,641)	-11.00%
AIG Insurance Company of Canada	2017	1,212,452	396,091	389,998	80.71%	18.94%	99.65%	2,180	87,318	37,088	4.63%
	2018	1,237,095	397,517	398,798	77.55%	22.48%	100.03%	553	64,769	84,940	10.38%
	2019	1,269,544	358,295	385,625	76.45%	19.95%	96.40%	14,880	67,372	38,087	4.66%
Alberta Motor Association Insurance Company	2017	258,258	232,646	241,038	90.13%	28.53%	118.66%	(36,661)	9,749	(19,198)	-11.12%
	2018	229,597	207,866	217,687	70.21%	27.04%	97.25%	14,506	6,235	15,592	8.39%
	2019	223,559	205,015	206,948	59.20%	26.98%	86.18%	36,918	9,434	32,659	16.13%
Allied World Specialty Insurance Company	2017	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
	2018	42,178	25,145	13,094	150.69%	31.71%	182.40%	(10,789)	338	(10,560)	n/a
	2019	76,532	33,168	22,483	48.16%	22.41%	70.57%	6,616	798	7,075	n/a
Antigonish Farmers' Mutual Insurance Company	2017	6,193	5,046	5,018	43.30%	43.72%	87.02%	793	733	1,311	9.31%
	2018	6,407	5,149	5,030	39.60%	46.34%	85.94%	853	386	1,083	7.24%
	2019	6,643	5,381	5,247	73.70%	50.83%	124.53%	(1,135)	558	(217)	-1.42%
Arch Insurance Canada Ltd.	2017	75,597	8,258	7,869	38.72%	50.81%	89.53%	824	74	203	0.22%
	2018	88,741	10,379	9,524	57.27%	28.10%	85.37%	1,394	1,527	3,273	4.01%
	2019	118,811	13,727	10,339	66.21%	62.92%	129.13%	(3,011)	2,078	(1,356)	-1.66%
Aviva Canada Inc. (Consolidated)	2017	5,268,384	5,086,600	4,945,723	72.05%	31.49%	103.54%	(175,005)	180,049	(58,885)	-4.07%
	2018	5,267,472	5,065,677	5,111,740	68.88%	31.36%	100.24%	(12,032)	136,461	33,203	2.38%
	2019	5,440,876	1,970,465	2,495,659	45.11%	54.72%	99.83%	4,193	302,325	146,249	10.38%
CAA Insurance Company	2017	220,294	211,924	199,974	54.20%	40.52%	94.72%	13,249	10,114	17,443	9.95%
	2018	295,026	284,258	242,974	58.27%	38.50%	96.77%	11,131	10,621	16,093	8.35%
	2019	397,238	381,954	325,944	58.63%	36.46%	95.09%	19,888	18,421	31,015	14.21%

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Chubb Insurance Company of Canada	2017	957,558	401,729	416,637	55.07%	33.18%	88.25%	48,948	74,419	83,102	7.98%
	2018	1,004,016	438,442	418,621	51.32%	24.44%	75.76%	101,467	56,389	118,030	12.56%
	2019	1,143,143	514,332	449,947	49.63%	25.02%	74.65%	114,045	60,769	12,204	13.78%
Continental Casualty Company	2017	289,775	281,601	271,917	44.62%	34.89%	79.51%	54,623	31,657	67,113	n/a
	2018	346,255	331,500	312,019	66.99%	34.58%	101.57%	(4,762)	33,037	23,439	n/a
	2019	397,806	368,501	348,460	55.75%	34.41%	90.16%	34,692	36,320	54,836	n/a
Desjardins Groupe d'Assurances Générales Inc. (1)	2017	4,445,410	4,312,354	3,834,651	66.11%	26.05%	92.16%	320,253	202,409	175,208	7.07%
	2018	4,920,444	4,796,923	4,402,029	72.91%	24.89%	97.80%	89,129	5,008	184,926	8.15%
	2019	5,535,806	5,249,826	4,987,864	73.48%	24.69%	98.17%	107,319	456,376	193,716	8.59%
Echelon Insurance	2017	243,371	232,995	194,813	69.00%	35.87%	104.87%	(7,545)	8,616	605	0.68%
	2018	341,382	328,126	282,667	64.77%	36.54%	101.31%	(1,212)	2,918	1,264	1.24%
	2019	461,433	409,376	377,727	72.85%	33.20%	106.05%	(19,453)	14,314	(4,944)	-3.73%
Economical Mutual Insurance Company	2017	2,288,664	2,218,087	2,165,821	74.88%	37.82%	112.70%	(258,501)	135,555	(92,678)	-5.25%
	2018	2,456,314	2,380,738	2,244,630	78.22%	37.02%	115.24%	(261,315)	163,019	(72,994)	-4.43%
	2019	2,510,981	2,330,965	2,343,173	73.87%	32.84%	106.71%	(147,235)	175,122	17,374	1.09%
Factory Mutual Insurance Company	2017	350,993	248,165	260,178	84.06%	19.97%	104.03%	(10,490)	52,261	33,742	4.97%
	2018	361,339	245,231	249,101	135.26%	18.86%	154.12%	(134,796)	16,088	(84,164)	-10.93%
	2019	354,151	234,141	242,143	28.52%	19.61%	48.13%	125,620	34,399	123,321	14.47%
Federal Insurance Company	2017	24,497	13,812	13,028	-34.74%	20.99%	-13.75%	14,820	1,997	14,729	n/a
	2018	18,761	16,365	18,399	28.36%	10.40%	38.76%	11,267	2,327	9,368	n/a
	2019	561	49	7,457	44.24%	18.33%	62.57%	2,791	2,561	3,835	n/a
Fonds d'Assurance Responsabilité Professionnelle du Barreau du Québec	2017	15,109	13,653	13,677	100.50%	13.80%	114.30%	(1,951)	3,906	3,702	4.50%
	2018	14,974	14,171	14,170	50.00%	15.16%	65.16%	4,999	5,532	9,104	10.03%
	2019	13,661	12,843	12,893	80.71%	16.12%	96.83%	4,089	4,943	8,094	8.19%

(1) The amount of investment income of \$ 456,376 (\$ 5,008 in 2018) is disclosed in accordance with IFRS 9. This investment income, adjusted by the amount of the overlay approach, is of \$ 341,869 (\$ 336,284 in 2018), which essentially brings the information in accordance with IAS 39.

(1) Le montant de revenus de placement de 456 376 \$ (5 008 \$ en 2018) est présenté conformément à la norme IFRS 9. Ces revenus de placement, ajustés du montant de l'approche par superposition, s'élevaient à 341 869 \$ (336 284 \$ en 2018), ce qui ramène essentiellement l'information conformément à la norme IAS 39.

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Gore Mutual Insurance Company	2017	434,384	412,001	400,383	76.69%	34.40%	111.09%	(34,391)	22,558	(7,137)	-2.30%
	2018	442,212	418,896	415,422	66.24%	34.04%	100.28%	2,098	24,986	21,344	7.01%
	2019	475,128	449,679	434,348	64.35%	34.80%	99.15%	7,023	19,433	13,948	4.36%
Groupe Estrie-Richelieu (Le), Compagnie d'Assurance	2017	53,790	38,970	37,813	65.19%	34.97%	100.16%	(64)	3,625	3,561	3.36%
	2018	59,898	42,943	41,119	69.69%	36.48%	106.17%	(2,535)	3,597	1,062	0.98%
	2019	65,451	45,626	43,974	75.53%	43.60%	119.13%	(8,412)	3,866	219	0.20%
Groupe Industrielle Alliance	2017	519,183	390,369	360,553	74.55%	28.58%	103.13%	(11,284)	10,426	(621)	-0.38%
	2018	562,057	414,388	386,160	67.59%	29.48%	97.07%	11,310	12,300	17,569	9.41%
	2019	610,631	458,998	418,086	66.10%	28.83%	94.92%	21,234	15,869	27,552	12.68%
Insurance Company of Prince Edward Island (ICPEI)	2017	32,489	29,343	28,070	63.67%	38.46%	102.13%	(244)	1,050	620	4.04%
	2018	33,937	30,531	29,937	64.95%	37.68%	102.63%	(400)	410	72	0.46%
	2019	36,829	34,789	32,397	72.09%	36.17%	108.26%	(2,291)	1,182	(710)	-4.62%
Intact Financial Corporation	2017	8,730,000	8,527,000	8,558,000	64.71%	29.18%	93.89%	523,000	432,000	792,000	12.80%
	2018	10,125,000	9,732,000	9,765,000	64.93%	30.03%	94.96%	493,000	541,000	707,000	9.90%
	2019	11,019,000	10,576,000	10,275,000	68.02%	29.71%	97.73%	233,000	576,000	754,000	10.00%
Kings Mutual Insurance Company (The)	2017	11,890	10,533	10,110	29.81%	57.68%	87.49%	(227)	1,887	1,429	3.60%
	2018	12,668	11,217	10,804	49.81%	56.53%	106.34%	(1,121)	1,372	331	0.83%
	2019	13,788	12,218	11,601	52.25%	58.11%	110.36%	(1,021)	1,712	651	1.61%
La Capitale assurances générales inc.	2017	962,518	933,558	903,610	67.87%	31.06%	98.93%	10,616	35,874	43,874	10.51%
	2018	1,040,740	1,011,037	967,201	68.77%	31.45%	100.22%	(1,117)	32,285	31,692	7.41%
	2019	1,200,596	1,154,574	1,099,767	66.43%	30.44%	96.87%	13,843	43,208	79,471	17.01%
Lawyers' Professional Indemnity Company	2017	115,655	108,505	108,464	97.89%	20.51%	118.40%	(19,949)	20,470	616	0.24%
	2018	114,784	107,582	107,539	75.31%	22.06%	97.37%	2,826	19,711	16,852	6.65%
	2019	114,724	107,596	107,607	92.40%	22.71%	115.11%	(16,262)	23,021	4,848	1.85%

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Lloyd's Canada Inc.	2017	3,035,370	3,411,904	3,329,541	55.18%	32.04%	87.22%	425,528	63,243	356,698	
	2018	3,517,275	3,885,731	3,679,886	55.71%	28.74%	84.45%	558,156	193,997	953,711	
	2019	3,552,026	3,947,503	3,842,182	62.77%	26.77%	89.54%	402,207	329,334	594,133	
Millenium Insurance Corporation	2017	170,622	120,849	92,282	53.33%	22.42%	75.75%	22,381	14,107	31,071	13.10%
	2018	183,249	127,923	102,987	55.34%	21.45%	76.79%	23,905	(32,121)	2,157	0.92%
	2019	201,983	139,701	113,808	53.90%	32.04%	85.94%	16,000	18,945	29,136	13.18%
Mitsui Sumitomo Insurance Company, Limited	2017	23,511	21,223	20,423	11.11%	33.19%	44.30%	11,375	1,782	9,696	n/a
	2018	25,632	23,068	22,163	24.81%	32.03%	56.84%	9,566	2,069	8,441	n/a
	2019	27,474	24,895	23,916	29.05%	29.47%	58.52%	9,921	2,124	8,845	n/a
Motors Insurance Corporation	2017	98,150	45,461	52,689	31.78%	12.85%	44.63%	24,569	6,592	22,950	14.34%
	2018	91,435	40,180	51,255	41.98%	18.29%	60.27%	17,097	7,187	18,534	12.52%
	2019	83,345	35,752	47,593	42.50%	21.14%	63.64%	17,187	6,693	17,778	12.07%
Mutual Fire Insurance Company of British Columbia (The)	2017	85,816	36,969	38,102	58.69%	40.35%	99.04%	495	2,288	2,406	5.42%
	2018	96,443	44,193	41,575	67.70%	39.97%	107.67%	(3,029)	2,579	(923)	-2.03%
	2019	127,322	56,860	50,693	59.18%	48.94%	108.12%	(3,914)	1,786	(1,979)	-4.36%
Mutuelle des municipalités du Québec (La)	2017	40,998	34,779	34,381	45.52%	36.89%	82.41%	6,047	1,143	4,227	14.15%
	2018	43,070	37,000	35,915	58.10%	35.78%	93.88%	2,196	1,306	519	1.61%
	2019	45,143	38,694	37,902	64.17%	37.94%	102.11%	(800)	1,603	804	2.44%
My Mutual Insurance Limited	2017	23,501	19,827	18,084	52.48%	43.58%	96.06%	955	93	952	6.96%
	2018	27,338	22,501	20,709	44.42%	42.50%	86.92%	3,014	379	2,852	18.30%
	2019	29,656	23,645	22,445	47.98%	44.80%	92.78%	1,954	624	1,894	10.55%
Northbridge Financial Corporation	2017	1,525,555	1,380,982	1,322,383	63.23%	34.00%	97.24%	36,546	206,469	185,310	12.42%
	2018	1,704,615	1,520,518	1,449,954	62.12%	33.78%	95.90%	59,447	(64,229)	11,727	0.82%
	2019	2,008,210	1,791,637	1,645,580	64.97%	33.27%	98.24%	28,942	45,912	29,075	2.08%

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Old Republic Insurance Company of Canada	2017	170,126	147,481	138,514	61.43%	41.29%	102.72%	1,256	4,552	4,266	5.94%
	2018	243,210	195,044	175,770	52.40%	38.43%	90.83%	18,526	5,532	17,652	21.77%
	2019	275,202	211,139	204,568	58.67%	36.24%	94.91%	11,821	6,311	13,248	13.56%
Ontario Mutual Insurance Association	2017	767,063	664,915	641,732	65.19%	39.54%	104.73%	(24,024)	60,846	26,682	2.26%
	2018	835,076	729,588	692,585	67.23%	37.58%	104.81%	(26,256)	2,324	(12,564)	-1.05%
	2019	937,902	825,712	774,340	65.77%	38.65%	104.42%	(26,226)	118,551	66,967	5.50%
Ontario School Boards' Insurance Exchange	2017	31,585	28,566	29,021	52.71%	11.66%	64.37%	10,340	6,438	16,990	14.14%
	2018	30,911	27,892	28,347	74.87%	12.16%	87.03%	3,678	8,482	12,413	10.45%
	2019	31,079	28,187	28,692	81.99%	12.00%	93.99%	1,953	9,069	11,355	9.40%
Optimum Général Inc.	2017	170,761	132,328	127,679	57.40%	38.63%	96.03%	5,074	3,030	6,436	6.94%
	2018	184,533	142,364	138,005	59.63%	37.74%	97.37%	3,625	4,431	6,867	7.14%
	2019	198,033	151,707	146,508	57.94%	37.98%	95.92%	5,988	6,363	12,807	12.50%
Orion Travel Insurance Company	2017	74,629	71,662	71,017	51.36%	49.90%	101.26%	(898)	728	(140)	-0.49%
	2018	84,455	80,956	77,673	51.57%	51.78%	103.35%	(2,601)	405	(1,626)	-5.27%
	2019	103,498	98,536	93,547	50.62%	49.16%	99.78%	205	898	108	0.32%
Pacific Coast Fishermen's Mutual Marine Insurance Company	2017	5,922	5,439	5,426	21.53%	16.96%	38.49%	3,338	346	3,690	50.52%
	2018	5,798	5,214	5,411	11.61%	17.22%	28.83%	3,851	222	4,086	57.51%
	2019	5,768	5,222	5,073	5.32%	19.50%	24.82%	3,814	475	4,290	60.07%
Peace Hills General Insurance Company	2017	214,686	125,677	129,059	69.80%	40.16%	109.96%	(10,043)	4,035	(3,844)	-5.71%
	2018	225,211	131,972	128,205	69.51%	40.45%	109.96%	(9,937)	3,969	(4,172)	-6.76%
	2019	246,050	145,047	138,476	60.54%	38.48%	99.02%	4,505	1,593	4,686	7.24%
PEI Mutual Insurance Company	2017	23,891	21,601	20,881	60.04%	33.14%	93.18%	1,424	3,111	1,876	3.82%
	2018	25,694	23,260	22,198	71.11%	32.14%	103.25%	(722)	1,618	1,005	1.95%
	2019	27,890	24,979	23,614	63.60%	31.56%	95.16%	1,143	4,575	4,189	7.57%

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Portage La Prairie Mutual Insurance Company (The)	2017	187,700	167,281	167,209	59.29%	40.50%	99.79%	3,199	13,758	13,393	8.98%
	2018	192,994	169,298	166,642	64.22%	41.32%	105.54%	(6,273)	2,547	(1,467)	-0.97%
	2019	218,187	194,990	181,779	56.69%	42.17%	98.86%	5,399	18,127	19,181	12.11%
Promutuel Assurance	2017	819,200	791,054	770,995	68.98%	34.84%	103.82%	(29,440)	54,823	21,392	3.95%
	2018	868,499	842,602	820,629	68.42%	34.22%	102.64%	(21,682)	10,894	(4,894)	-0.91%
	2019	916,701	883,844	862,357	66.10%	32.77%	98.87%	9,813	19,387	17,507	3.21%
Red River Mutual Insurance Company	2017	105,038	93,275	90,519	45.80%	43.40%	89.20%	11,203	4,114	11,675	14.85%
	2018	113,878	95,962	91,390	56.00%	48.29%	104.29%	(2,484)	388	(823)	-0.99%
	2019	125,567	108,516	103,723	51.08%	47.95%	99.03%	2,149	3,082	4,937	5.73%
Royal & Sun Alliance Financial Services Limited (All Companies/RSA Canada Group)	2017	2,868,796	1,718,758	1,860,037	54.23%	37.22%	91.45%	158,968	115,559	149,185	8.75%
	2018	3,029,968	2,466,610	2,404,817	70.13%	28.69%	98.82%	28,556	105,845	91,550	6.47%
	2019	3,131,993	2,496,186	2,506,394	69.01%	27.14%	96.15%	96,423	113,416	133,401	9.46%
Saskatchewan Mutual Insurance Company	2017	74,554	64,557	61,569	55.75%	41.32%	97.07%	2,302	599	2,165	4.80%
	2018	76,555	74,854	69,937	61.40%	40.94%	102.34%	(1,111)	2,449	1,002	2.09%
	2019	83,070	76,699	73,381	51.78%	42.22%	94.00%	4,951	2,503	5,487	10.50%
SGI Canada (Consolidated)	2017	792,871	745,004	712,092	61.86%	37.34%	99.20%	5,701	54,174	67,124	18.14%
	2018	886,560	830,581	776,970	65.03%	36.92%	101.95%	(15,159)	25,491	18,939	5.01%
	2019	984,332	928,284	883,482	60.24%	37.35%	97.59%	21,271	82,738	104,815	25.95%
Sompo Japan Nipponkoa Insurance Inc.	2017	6,278	6,861	6,753	69.23%	42.01%	111.24%	(759)	1,394	724	n/a
	2018	7,351	7,903	7,622	68.80%	40.86%	109.66%	(736)	1,369	796	n/a
	2019	7,357	8,157	8,012	69.16%	41.40%	110.56%	(846)	1,459	717	n/a
SSQ, Société d'Assurance Inc. (P&C)	2017	241,922	236,861	227,393	65.81%	31.33%	97.14%	6,517	3,605	7,654	6.55%
	2018	258,378	253,305	235,819	68.61%	32.18%	100.79%	(1,868)	8,715	5,668	4.62%
	2019	298,136	292,746	259,597	69.84%	31.40%	101.24%	(3,210)	8,817	4,595	3.58%

COMPANY NAME NOM DE LA SOCIÉTÉ	YEAR ANNÉE	DIRECT PREMIUM WRITTEN / PRIMES DIRECTES SOUSCRITES (000's)	NET PREMIUM WRITTEN / PRIMES NETTES SOUSCRITES (000's)	NET PREMIUM EARNED / PRIMES NETTES ACQUISES (000's)	LOSS RATIO / RATIO DE SINISTRES	EXPENSE RATIO / RATIO DES FRAIS	COMBINED RATIO / RATIO COMBINÉ	U/W RESULT / RÉSULTATS TECHNIQUES (000's)	INVESTMENT INCOME / REVENUS DE PLACEMENT (000's)	NET AFTER TAX INCOME / BÉNÉFICE NET APRÈS IMPÔT (000's)	ROE
TD Insurance General Insurance (Security National Insurance Co. Consolidated)	2017	2,993,562	1,139,887	1,528,608	45.74%	51.36%	97.10%	44,393	103,179	113,968	8.49%
	2018	3,184,729	2,303,125	2,247,313	69.34%	29.04%	98.38%	36,253	73,590	83,870	7.36%
	2019	3,527,541	2,566,912	2,419,263	74.51%	29.02%	103.53%	(85,197)	220,690	107,426	9.27%
Travelers Canada (combining The Dominion of Canada General Insurance Company, Travelers Insurance Company of Canada, and St. Paul Fire and Marine Insurance Company)	2017	1,564,195	1,499,112	1,459,721	58.40%	38.20%	96.60%	61,112	116,471	129,919	7.90%
	2018	1,691,073	1,632,451	1,572,379	68.60%	37.70%	106.30%	(88,306)	89,642	3,517	0.20%
	2019	1,753,485	1,681,346	1,659,658	68.20%	35.00%	103.20%	(41,665)	99,882	40,051	2.40%
Trisura Guarantee Insurance Company	2017	145,723	99,621	79,439	23.93%	68.97%	92.90%	8,871	3,767	9,639	13.68%
	2018	163,470	113,005	88,012	21.59%	68.94%	90.53%	11,986	6,406	14,115	19.13%
	2019	181,628	127,628	100,231	24.66%	67.25%	91.91%	12,202	7,991	15,780	19.14%
Wawanesa Mutual Insurance Company (The)	2017	2,955,542	2,846,793	2,859,236	79.56%	29.46%	109.02%	(237,938)	432,887	200,658	6.15%
	2018	3,233,937	3,118,980	3,008,918	75.96%	30.01%	105.97%	(125,837)	222,824	150,639	4.58%
	2019	3,704,650	3,586,177	3,377,642	76.38%	30.72%	107.10%	(211,585)	331,290	113,335	3.36%
Western Surety Company	2017	25,828	17,567	17,194	21.46%	78.31%	99.77%	40	899	776	2.83%
	2018	27,782	17,846	17,391	13.34%	76.83%	90.17%	1,709	1,596	2,500	8.83%
	2019	26,815	17,308	17,556	18.59%	76.20%	94.79%	914	1,630	1,940	6.41%
Wynward Insurance Group	2017	107,499	86,595	82,579	51.17%	44.19%	95.36%	3,830	3,750	5,787	8.41%
	2018	118,041	99,652	94,268	63.90%	39.27%	103.17%	(2,989)	5,359	2,370	3.39%
	2019	155,942	130,242	111,848	56.99%	39.25%	96.24%	4,207	14,552	13,957	19.39%
Zurich Insurance Company Ltd (Canada Branch)	2017	583,652	400,556	474,557	60.52%	28.56%	89.08%	56,359	49,082	62,878	n/a
	2018	590,120	326,869	352,891	103.46%	31.34%	134.80%	(116,813)	43,545	(43,446)	n/a
	2019	768,837	440,652	381,752	74.15%	26.30%	100.45%	2,662	52,277	36,080	n/a
TOTAL FOR ABOVE COMPANIES:	2017	46,576,151	40,390,975	39,927,292	65.21%	32.43%	97.65%	1,027,097	2,677,846	2,567,892	
TOTAL SOCIÉTÉS CI-DESSUS :	2018	50,921,200	45,802,756	44,386,018	68.52%	30.84%	99.36%	452,475	1,883,679	2,285,326	
	2019	55,417,438	46,117,626	44,882,789	67.06%	31.38%	98.44%	796,362	3,416,340	2,915,831	
NUMBER OF COMPANIES:	55										
NOMBRES DE SOCIÉTÉS :	55										

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**Appendix 2:
Return on Equity (ROE) Data from 2019 SCOR Report
(Includes Co-operators General)**

Company*	ROE for 2016	ROE for 2017	ROE for 2018	ROE for 2019	Four Year Average 2016/19
AIG Insurance Co. of Canada	6.75	4.63	10.38	4.66	6.61
Aviva Canada	16.66	(4.07)	2.38	10.38	6.34
CAA Insurance Company	13.07	9.95	8.35	14.21	11.40
Chubb Insurance Company	1.25	7.98	12.56	13.78	8.89
Co-operators General (consolidated)	9.57	7.79	(2.33)	note 1	6.51
Desjardins Groupe D'assurances Generales	12.37	7.07	8.15	8.59	9.05
Gore Mutual	9.96	(2.30)	7.01	4.36	4.76
Intact Financial Corporation (formerly ING)	.60	12.80	9.90	10.00	10.58
La Capitale	11.34	10.51	7.41	17.01	11.57
Motors Insurance Company	12.53	14.34	12.52	12.07	12.87
Northbridge Financial Corp	6.41	12.42	0.82	2.08	5.43
Ontario Mutual Insurance Association	4.48	2.28	(1.05)	5.50	2.80
Royal Sunalliance Group	5.17	8.75	6.47	9.46	7.46
SGI Canada Consolidated	16.52	18.14	5.01	25.95	16.41
Wawanesa Mutual	1.56	6.15	4.58	3.36	3.91
AVERAGE	9.15	7.76	6.14	10.10	8.30
Rounded					8.50%

Note 1 - Co-Operators was not reported in the 2019 SCOR report. The average ROE of 6.51% represents same average from the 2018 Scor Report.

* Out of the 49 companies with a 4 years of reported ROEs identified on the 2018 SCOR report, 15 companies were selected for the benchmark analysis based on comparable premium volume (or higher) to MPI and/or similarity to MPI business. Companies with a negative four year average ROE were also excluded. Note that the four year average ROE for all 49 companies was 7.29%

* Out of the 40 companies with a 4 years of reported ROEs identified on the 2019 SCOR report, 14 companies were selected for the benchmark analysis based on comparable premium volume (or higher) to MPI and/or similarity to MPI business. Companies with a negative four year average ROE were also excluded. Note that the four year average ROE for all 40 companies was 8.50%

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Part and Chapter:	Part IV - VM	Page No.:	3-90
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	Progress Reports (Various)		
Sub Topic:			

Preamble to IR:**Question:**

Please provide a table listing all Value Management IT initiatives with associated focus, current status, 2020/21 budget, 2021/22 forecast, actuals to date, additional to be spent, and total budget over/under totals.

Rationale for Question:

To provide clear visibility of portfolio financial health across all IT initiatives.

RESPONSE:

See [Appendix 1](#) for the requested figure.

Figure 1 IT Initiatives Progress Report

Line No.	Initiative Title	2018/19 Budget \$	2019/20 Budget	2020/21 Budget	2021/22 Forecast	2020/21 Forecast at Completion Forecast date- May 2020	LTD Actuals \$	Additional to be Spent in 2020/21 \$	Estimated Project Over/(Under) budget at end of project \$	Current Status
1	(C\$000s, expect where noted)	(a)				(b)	(c)	(b - c)	(a - b)	
2	TRM 2018/19¹									
3	Applications Informatica & \$U Upgrade	93	0	0	0	391	335	56	298	In progress to execute phase 2 plan , end date extended from June 30 to Sept 30/20
4	Information Security Security Risk Management	1,362	0	0	0	1,236	1,232	4	(126)	Full deployment continues, project scheduled to complete July 28/20
5	Infrastructure Infrastructure Risk Management	1,390	0	0	0	2,876	2,755	121	1,486	In implementation phase with end date Oct 31/20. Please see Value Management chapter for the analysis.
6	TRM 2019/20									
7	Applications Exchange Upgrade Vitality		287	103	0	362	259	103	75	In build phase - end date extended from April to Sept 30, 2020
8	Information Security Identity and Access Management		231	0	0	393	393	0	162	See Value Management Chapter for the analysis to January 2020. Project is now closed
9	Information Security DLP Implementation Plan		173	0	0	211	211	0	38	See Value Management Chapter for the analysis to January 2020. Project is now closed
10	Infrastructure MS Active Directory and Restructure		214	0	0	282	174	108	68	In elaboration phase -documentation of implementation strategy and operational support
11	Infrastructure Intel Server Hardware Upgrade		836	0	0	511	256	255	(325)	In implementation & warranty phase
12	Infrastructure IBM Network Hardware Vitality		300	0	0	800	75	725	500	In elaboration phase - documentation of network requirements. See note #2 below.
13	Infrastructure Windows Server Migration		391	0	4	335	330	5	(56)	Project beginning to implement various pieces of work – set to complete Aug 11/20.
14	Infrastructure IT Governance Process and Control		183	0	0	212	189	23	29	In progress
15	Risk Registry Risk Registry Remediation		513	0	0	396	396	0	(117)	See Value Management Chapter for the analysis to January 2020. Project is now closed

IT Initiatives Progress Report (cont'd)

Line No.	Area of Focus	Initiative Title	2018/19 Budget \$	2019/20 Budget	2020/21 Budget	2021/22 Forecast	2020/21 Forecast at Completion Forecast date- May 2020	LTD Actuals \$	Additional to be Spent in 2020/21 \$	Estimated Project Over/(Under) budget at end of project \$	Current Status	
			(a)				(b)	(c)	(b - c)	(a - b)		
16	TRM 2020/21											
17	Applications	SAP ASE Upgrade			431	0	431	1	430	0	In inception phase - project control log review;	
18	Information Security	Privilege Access Management			1,230	64	1,202	36	1,166	(28)	In inception phase - project charter development	
19	Information Security	Infrastructure Security Remediation			500	0	500	0	500	0	In project start up phase - searching for PM	
20	Infrastructure	AD Auditing			157	0	157	0	157	0	In project start up phase	
21	Infrastructure	Active Directory Federation Services			279	0	279	0	279	0	In project inception phase - project charter review and updates	
22	Infrastructure	MS Active Directory Review and Restructure			216	0	216	1	215	0	In project start up phase - scope definition meetings continue including high level estimating	
23	Risk Registry	Data Governance and Protection			1,128	936	1,064	50	1,014	(64)	In project elaboration phase - DLP classification, ETA Aug 14/20	
24	Non-TRM	Information Security Maturity Program (4 yr program)		373	3,406	1,183	5,822	842	4,980	(21)	Total project cost is \$5.8M. Project is ongoing.	
25	Non-TRM	HRMS Optimization Phase 1			1,206	0	1,206	0	1,206	0	Not started yet	
26	Non-TRM	CERP			540	0	540	187	353	0	In progress	
27	Non-TRM	Salvage Management Solution			670	0	579	91	488	(91)	In progress	
28	Total	Total	2,845	3,501	9,866	2,187	20,001	7,813	12,188	1,828		

29 Rounding may affect total Rounding may affect totals

30 **Note:**

31 1. TRM 2018/19 list does not include completed projects that had been reported in the Value Management Chapter. They are as follows:

32	Focus Area	Initiative Title
33	Applications	VIP Upgrade
34	Applications	Loss of Use
35	Applications	CDW-EDW
36	Applications	Team Foundation & Visual Upgrade
37	Information Security	Workstation Security Enhancement
38	Information Security	Cyber Security Analysis and Roadmap
39	Infrastructure	Security Device Refresh
40	Infrastructure	Window Server Vitality

41 2. IBM Network Hardware Vitality - an additional \$600,000 network solution was identified. This amount will be taken from TRM2020/21 budget.

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Part and Chapter:	Part VI RM Appendix 3	Page No.:	1-6
PUB Approved Issue No:	12. Claims experience to date for the Vehicles for Hire (VFH) class and implications, if any, of new market entrants		
Topic:	VFH Claims Experience		
Sub Topic:			

Preamble to IR:**Question:**

Please provide the claims experience and associated premiums for Private Passenger Vehicles for Hire separate for Public Vehicles for Hire for all years of experience.

Rationale for Question:

To understand the emerging claims experience for the two subsets of Vehicles for Hire.

RESPONSE:

Please refer to *Figure 1* below showing the vehicle-for-hire claims experience as of February 29, 2020. The indicated rates for all classifications follow the PUB-approved ratemaking methodology. Although certain rating classifications may have different loss ratios in the short time, all rating classifications eventually move toward the indicated break-even actuarial-required rate, as a result of the ratemaking methodology.

Figure 1 Vehicle-for-Hire Claims Experience as of February 29, 2020

Line No.	Classification	Loss Year	Incurred	Earned Unit	Earned Premium	Loss Ratio
1	Passenger Vehicle-for-Hire (Passenger Vehicle)	2018	1,046,439.02	452.86	816,906.80	128.10%
2	Passenger Vehicle-for-Hire (Passenger Vehicle)	2019	1,710,275.12	746.16	1,405,817.13	121.66%
3	Passenger Vehicle-for-Hire (Passenger Vehicle)	Total	2,756,714.14	1,199.02	2,222,723.93	124.02%
4	Passenger Vehicle-for-Hire (Truck 4,499 kg or less GVW)	2018	31,202.27	10.06	14,681.59	212.53%
5	Passenger Vehicle-for-Hire (Truck 4,499 kg or less GVW)	2019	6,486.31	16.96	24,714.85	26.24%
6	Passenger Vehicle-for-Hire (Truck 4,499 kg or less GVW)	Total	37,688.58	27.02	39,396.44	95.66%
7	Private Passenger Major Class (a)	2018	1,077,641.29	462.93	831,588.39	129.59%
8	Private Passenger Major Class (a)	2019	1,716,761.43	763.12	1,430,531.98	120.01%
9	Private Passenger Major Class (a)	Total	2,794,402.72	1,226.04	2,262,120.37	123.53%
10	Accessible Vehicle-for-Hire	2018	350,880.95	112.19	211,122.28	166.20%
11	Accessible Vehicle-for-Hire	2019	563,011.90	201.68	394,766.28	142.62%
12	Accessible Vehicle-for-Hire	Total	913,892.85	313.86	605,888.56	150.84%
13	Limousine Vehicle-for-Hire	2018	60,497.68	66.40	184,898.54	32.72%
14	Limousine Vehicle-for-Hire	2019	118,561.02	76.02	199,734.66	59.36%
15	Limousine Vehicle-for-Hire	Total	179,058.70	142.42	384,633.20	46.55%
16	Taxicab Vehicle-for-Hire	2018	3,408,571.74	540.41	3,942,182.89	86.46%
17	Taxicab Vehicle-for-Hire	2019	3,937,466.63	624.51	4,600,555.72	85.59%
18	Taxicab Vehicle-for-Hire	Total	7,346,038.37	1,164.92	8,542,738.61	85.99%
19	Public Major Class (b)	2018	3,819,950.37	718.99	4,338,203.71	88.05%
20	Public Major Class (b)	2019	4,619,039.55	902.21	5,195,056.66	88.91%
21	Public Major Class (b)	Total	8,438,989.92	1,621.20	9,533,260.37	88.52%
22	All Vehicle-for-Hire	2018	4,897,591.66	1,181.92	5,169,792.10	94.73%
23	All Vehicle-for-Hire	2019	6,335,800.98	1,665.32	6,625,588.64	95.63%
24	All Vehicle-for-Hire	Total	11,233,392.64	2,847.24	11,795,380.74	95.24%
25	Notes:					
26	(a) Includes all Passenger Vehicle-for-Hire					
27	(b) Includes Accessible Vehicle-for-Hire, Limousine Vehicle-for-Hire and Taxicab Vehicle-for-Hire					

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Part and Chapter:	Part VI DSR.2, DSR.3	Page No.:	5-6, 15
PUB Approved Issue No:	13. Driver Safety Rating		
Topic:	Timeline and Major Milestones		
Sub Topic:			

Preamble to IR:

MPI states that:

"...substantial changes to the DSR should be planned to coincide with the installation of the new system, to avoid having to modify the existing system just prior to its decommissioning."

"Assuming there is a desire to make regulatory changes and that the changes will not occur prior to the implementation of Project Nova, a decision will be required on whether to have the changes go live with the implementation of Project Nova or at a subsequent date."

Question:

- a) Please elaborate on the comment "Assuming there is a desire to make regulatory changes..." Does this refer to MPI's desire to initiate the process of Ministerial approval?
 - i. If yes, what factors (apart from Project Nova) affect MPI's intention to initiate substantial changes to the DSR?

- b) MPI has stated that it intends to use the current Registered Owner model in the "near term". What does MPI consider to be the near term?
 - i. When does MPI intend to look at more substantial changes to the DSR?

- ii. Has MPI yet determined where in the Project Nova lifecycle it intends to implement substantial changes to the DSR?

Rationale for Question:

To understand the Corporation's progress in responding to prior Board Orders regarding the DSR system.

RESPONSE:

- a) MPI is developing recommendations for the future of the Driver Safety Rating (DSR) system. The future state ultimately recommended by MPI may require regulatory changes to implement. MPI will consider all relevant factors when evaluating the potential future state of the DSR system.
- b) MPI does not intend to change the *design* of the DSR model prior to the completion of Project NOVA (i.e. MPI will not propose changes to the current Registered Owner model). However, once the future state of the DSR system is proposed and approved, MPI *may* seek regulatory changes to implement the new system *following* the completion of Project NOVA. Although MPI does not plan to implement any changes in the near term, the requirements of the future state of the DSR system must be developed in the next 12 months to ensure it can accommodate any planned changes.

Regulatory changes are not required to change the driver premiums and vehicle premiums discounts in the existing DSR model.

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Part and Chapter:	Part III Benchmarking EXP Appendix 1 Part IV(i) – Benchmarking BMK.4 (2020 GRA)	Page No.:	
PUB Approved Issue No:	14. Operational Benchmarking		
Topic:	Corporate and Operational Metrics		
Sub Topic:			

Preamble to IR:

MPI has indicated that it is currently participating in a Crown benchmarking exercise comparing results of various corporate and operational metrics with ICBC and SGI. MPI provided both corporate and operational benchmarks at the 2020 GRA. MPI also provided a list of internal operation measures in EXP Appendix 1.

Question:

- a) Please indicate which of the corporate and operational benchmark measures provided last year are to be incorporated in the comparison.
- b) Please provide a description of the metric and the result of the Corporation's performance against that metric in the past five fiscal years.

Rationale for Question:

To understand the Corporations trend relative to performance under various internal corporate and operational metrics.

RESPONSE:

- a) MPI expects the following metrics to be included in the benchmark report:
- i. **Full-time equivalents (FTEs) per \$100 Million of Gross Premiums Written (GPW)** – FTEs per \$100 million of GPW (represents the amount of staff utilized in servicing the business per each \$100 million unit of GPW)
 - ii. **Mgmt FTEs per \$100 Million of GPW** – Management FTEs per \$100 million of GPW (represents the amount of management staff utilized in servicing the business per each \$100 million unit of GPW)
 - iii. **Staff FTEs per \$100 Million of GPW** – Non-management FTEs per \$100 million of GPW (represents the amount of non-management staff utilized in servicing the business per each \$100 million unit of GPW)
 - iv. **Ratio of Staff to Management** – Staff FTE divided by Management FTE (represents span of control)
 - v. **Total Gross Expenses as a % of GPW** – Total expenses including Operating expenses, Commissions, Premium taxes, and Regulatory/Appeal costs divided by GPW (measures expense efficiency)
 - vi. **Average GPW (000's)** – Average GPW in the period (equates to the GPW volume for the fiscal year)
 - vii. **GPW per FTE** – GPW divided by FTE count (measures the level of GPW supported by one FTE)
 - viii. **GPW Growth** – percentage change in year-over-year GPW
 - ix. **Net Premiums Written as a % of GPW** – Net premiums written divided by GPW (represents the percentage of retained business net of reinsurance)
 - x. **Total Net Expenses as a % of Net Premiums Written** - Total expenses net of reinsurance including Operating expenses, Commissions, Premium taxes, and Regulatory/Appeal costs divided by Net Premiums Written (measures expense efficiency)
 - xi. **Adjusted Policies In Force per FTE** – Policies in force divided by FTE counts (represents the number of policies supported by one FTE)
 - xii. **Total Gross Expenses per Adjusted Policy In Force** – Total expenses including Operating expenses, Commissions, Premium taxes, and Regulatory/Appeal costs divided by policies in force (represents the cost to maintain one policy)

- xiii. **Total Traffic Safety Expenses (000's)** – Amount spent on Road safety and loss prevention during the period
 - xiv. **Total Traffic Safety Expenses as a % of GPW** – Total traffic safety expenses divided by gross premiums written; represents the amount of GPW devoted to traffic safety
 - xv. **Pure Loss Ratio** – net claims incurred divided by net premiums earned
 - xvi. **Personal Lines Loss Ratio** – net claims incurred divided by net premiums earned for personal lines only (i.e. excluding commercial activities)
 - xvii. **Loss Adjustment Expense Ratio** – loss adjustment expenses divided by net premiums earned (measures costs of claims handling and adjudication)
 - xviii. **Total Gross Expenses per FTE** - Total expenses including Operating expenses, Commissions, Premium taxes, and Regulatory/Appeal costs divided by FTE counts (represents total gross expenses per FTE)
- b) Please see answer to part (a) for a description of each measure. At present, the participants are processing the pertinent data for the fiscal years 2017/18 and 2018/19. If agreeable to the other crown insurers, the report will include an additional three years of data. The report will be provided upon its completion and approval for release by the participants.

PUB (MPI) 1-91

Part and Chapter:	Part V- Expenses; Figure EXP-39 App EXP – 15-2	Page No.:	51
PUB Approved Issue No:	9. Cost of operations and cost containment measures 18 d. Operational and financial impact of COVID-19 on MPI financial results and CMP for the 2020/21 and 2021/22 rating years and beyond		
Topic:	Road Safety Expenses		
Sub Topic:			

Preamble to IR:**Question:**

- a) Please provide a separate schedule comparing 2019/20 forecast base budget Road Safety and Loss Prevention Program Cost presented in the 2020 GRA with the Actual 2019/20 program costs, and explain all material differences for that year.
- b) Provide an update of the 2020/21 Forecast Base at June 30, 2020 and indicate whether there are any further changes to the forecast related to COVID-19.

Rationale for Question:

To review road safety spending against forecasts.

RESPONSE:

- a) Please see *Figure 1* below.

Figure 1 Road Safety and Loss Prevention Program Cost Comparison

Line No.	Program	2021 GRA 2019/20 Actual	2020 GRA 2019/20 Forecast Base	Increase (Decrease)
1	(C\$000's)			
2	Driver Education and Training	3,479	4,080	(600)
3	Impaired Driving Prevention Strategies	2,452	2,758	(306)
4	Speed Management Strategies	288	935	(647)
5	Occupant Safety Education Strategies	57	124	(66)
6	Auto-Crime Prevention Strategies	640	405	235
7	Fraud Prevention	-	-	-
8	Motorcycle Safety Education	38	43	(5)
9	Vulnerable Road User Education Strategies	172	348	(177)
10	Safety Programming Other	818	803	15
11	Road Safety Production and Advertising	50	122	(73)
12	Program Evaluation	30	154	(124)
13	Cell Phone/Distracted Driver Advertising	512	427	85
14	Other	593	629	(36)
15	Total Program Costs	9,128	10,828	(1,700)
16	Departmental Expenses	2,901	3,149	(247)
17	Total Program Costs/Expenses	12,030	13,977	(1,947)

The \$600 thousand under budget variance related to Driver Education and Training is mainly due to the deferral of Adult Driver Training Program partnerships, and reductions associated with transition from the old to the new Driver Z Program.

Impaired driving prevention strategies were under budget by approximately \$300 thousand due to the deferral of the alcohol and drug survey as well as reduced enhanced enforcement spending. For Speed Management, the primary driver of the under budget spend is due to the deferral of spending for the automated speed enforcement expansion in Winnipeg and accompanying awareness campaign.

- b) At the time of filing, MPI estimated the favorable impact to spending related to the Driver Education Program to be approximately \$1.2 million. As of June 30, 2020 MPI revised its spending expectations to approximately \$900 thousand in savings versus the initially estimated \$1.2 million.

MANITOBA PUBLIC INSURANCE

2021 GENERAL RATE APPLICATION

Round 1 Information Requests

Confidential Questions - Public Responses

August 5, 2020

Public Utilities Board



MANITOBA
PUBLIC INSURANCE

PUB (MPI) CI 1-2 - Confidential

Part and Chapter:	Part IV - VM Appendix 3 - Confidential	Page No.:	21-23, 26
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Strategy		
Sub Topic:	Project Nova		

Preamble to IR:

The revised roadmap tasks and time frame does not appear to align with the timing of revised project costs.

Question:

- a) Please indicate how the Corporation determined the revised budget spending by year in light of the changes of the delivery time frame;
- b) Please provide the spending on each key initiative on the revised project roadmap by year.

Rationale for Question:

To assess reasonableness in Project Nova capital budget spend.

RESPONSE:

- a) MPI determined the revised Project Nova budget in the fall of 2019 as part of its annual corporate budget process/cycle, which included determining required capital funding requests in order to permit a review/approval of the corporate operating budget by the MPI Board of Directors. This determination was an approval of the projected spend of \$25M for the fiscal year 2020/21, not the entire

\$85M Project Nova budget. MPI determined the revised budget costs by using the expenses to-date and remaining forecast projection spend for the fiscal year 2019/20 and revisiting the Project Nova delivery roadmap and associated timing of expected expenses. Please note that MPI refined the Project Nova delivery roadmap in February 2020. The annual project spend does not reflect those adjustments at this time.

The revised budget determination is not supported by a revised business case and financial model as requests for proposals (RFPs) remained unissued or were in progress at that time. As shared in other Project Nova related responses, MPI will re-baseline the Project Nova business case in October 2020 and will include a definitive projection of actual expenses and timing of year-over-year expenses and consider the completion or near completion of RFPs as well as the re-validation of all other project-related expenses. Thus, the Project Nova budget and annual spend that the FY21/20 corporate annual budget will incorporate will be based on facts and knowns versus the assumptions utilized to generate the FY20/21 expense projections.

- b) MPI did not update the project-level spending on each initiative as part of its FY20/21 project expense annual spend exercise. MPI is however completing this as part of the re-baseline exercise in October 2020. Once complete, MPI will share the requested information.

PUB (MPI) CI 1-8 - Confidential

Part and Chapter:	Part IV - IT Appendix 4 -Confidential	Page No.:	2
PUB Approved Issue No:	10. Current IT Strategic Plan and IT Expenses and Projects, including Project Nova and other initiatives planned for or ongoing in the rating years		
Topic:	IT Status of Strategic Initiatives		
Sub Topic:	HSDE Status		

Preamble to IR:

Program close-out activities related to HSDE Phase 3 & 4 have been completed. In the 2019/20 GRA, MPI indicated the forecasted budget at completion was \$6,964,481. In the 2020/21 GRA, the forecasted budget at completion is \$4,112,846.

Question:

- a) Please provide project close out report for HSDE;
- b) Please comment on the difference between the previous year forecast at completion and the current year forecast (difference of \$2,851,635).

Rationale for Question:

To review completion of Value Management deliverables pertaining to project close outs and to understand forecasted completion budget statement.

RESPONSE:

- a) See Appendix 1.

- b) The change in the forecast to completion is the result of HSDE phase 1&2 being removed from the total as noted in the report. Phase 1 & 2 work was closed and has either been previously expensed or is being amortized.



Project Closeout Report

HSDE Curriculum Re-design (2741),
Pilot and Implementation (2822)



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Revision History

Date	Document Version	Description of Changes	Author
28/10/2019	0.1	Draft Close out report	Lekan Dada
14/11/2019	0.2	Updated feedback from Project Business Analyst, Technical Architect and OBC	Lekan Dada
15/11/2019	0.3	Updated revised budget/forecast as at end of October received from finance	Lekan Dada
22/11/2019	0.4	Updated feedback from Value Management	Lekan Dada
Click here to enter a date.			



1. Introduction

1.1. Purpose

The purpose of this document is to mark the completion of the project by assessing the project's performance, identifying the lessons learned and best practices for future projects, and confirming that essential procedures and other project closure activities have been completed.

This document is also used to measure the benefits/outcomes delivered by the project.

Information within the closeout report will be leveraged for post project audits and or post implementation reviews, and therefore must include within this document attachments, embedded screenshots/documents, or links to the location of the source documents in SharePoint.

1.2. Project Closeout Report Goals

This Project Closeout Report is created to accomplish the following goals:

Review and validate the deliverables, milestones and success of the project against the original project plan and business case.

- Identify project highlights, lessons learned and best proposed practices for future projects.
- Document and confirm outstanding issues, risks, defects, and recommendations.
- Outline outstanding tasks activities and assigned owners to transition to operations and close off the project.

2. PROJECT ASSESSMENT

2.1. Project Overview

The purpose of formal driver education is to establish good driving beliefs and behaviors that contribute to a safe road culture and to develop driving skills to prevent collisions on Manitoba roadways. Educating drivers before they receive their license is a critical early intervention that positively affects driver preparedness and attitude for the long term.

The High School Driver Education (HSDE) currently offered by Manitoba Public Insurance (MPI) requires renewal to meet the needs of future drivers and the expectations of customers. The redevelopment project is a complete re-visioning, redesign, and redeployment of the program, including what we teach, how we teach, what tools we use, and the delivery model we employ to provide the teen novice driver with the best foundation possible in preparation for their life as a driver. The redevelopment project represents the first major overhaul of the program since the mid-1990s.

The overall project involves four phases over several years. Phases one (visioning) and two (proof of technology concepts) are complete and a project close-out report was completed in January 2017, please see link [HSDE Phase 1 and 2 Close out Report](#)

This close out documentation is focused on phase three (curriculum redesign) and phase four (Pilot and Implementation). By using behavioural science, research and proven approaches, the new Driver Z program focuses on altering driver behaviour and reducing a teen's risk of collision.

Phase One: Engagement with IBM to create stakeholder profiles (students, parents/guardians, and instructors) and establish a journey map of the program experience to focus tactical and strategic redevelopment efforts. Tactical outcomes included online/web learning technologies, increasing and improving practice driving time, use of vehicle telematics¹, and stronger parental/co-pilot and student engagement. A roadmap for implementation and the transition to an envisioned future state and identification of strategic priorities was completed, providing the foundation for future phases of development.

Phase Two: Proof of technology concepts to determine if telematics, simulators and mobile/on-line learning technologies would be valuable additions to the program to enhance learning and if they could be successfully operationalized efficiently and effectively. Multiple hypotheses were

¹ Telematics is a method of monitoring a vehicle and the driving behaviours of the operator. The technology combines Global Positioning System with on-board vehicle diagnostics to record and map where a vehicle has travelled and, by also using telemetry, can monitor and record speed, braking and cornering experiences, and other data that may be useful in objectively determining driver behaviour.



developed and tested in real-world class scenarios. Results informed the approach to curriculum redesign in Phase three.

Phase Three: Redevelopment activities associated with the detailed vision and associated curriculum for the new program, including the integration of new technologies, learning tools and instructor competencies and supports. New technologies will be developed to support detailed in-car and in-class learning objectives and lesson plans with integration of higher-order learning strategies; the development of on-line mobile learning components for students, parents and co-pilots; a flexible delivery model design for interchangeable components; reimagined video, animations, and simulations; new assessment and progression dashboard with gamification and social community connectivity; and modified timeline of course events and requirements.

- Development of curriculum redesign strategy, curriculum redesign, roadmap, and phased implementation plan that encompasses higher order learning, mobile and on-line learning, and supporting technologies.
- Components will include learning needs analysis of the existing program, piloting changes and implementation of a redesigned roadmap/journey that keeps participants engaged beyond the classroom training through to the road test via: parent involvement, refresher modules, etc.
- Creation of a new assessment model for students to support all aspects of the new curriculum (in-car and in-class) to enable analysis and measurement of training effectiveness.
- This includes ongoing personalization of feedback and content to remediate and target learners and guardians/parents based on their individual needs.
- Revamping of the instructor model to enable facilitation of the new curriculum. Competency model will be created in parallel to allow for the appropriate skill set of instructor capabilities.

Phase Four: Driver Z pilot implementation took place in 20 High Schools in Winnipeg, Brandon and selected rural locations. The pilot provided valuable insight to areas within the program that required adjustments to people readiness, processes, procedures, curriculum content and Driver Z application. The scope of the phase four included the following:



- Release 2 implementation and support
- People readiness activities
- French lessons content
- Driver Z French Language Capability
- Congratulatory email and Certificate
- Total 240 Bugs and backlog items were resolved in Phase 4
- Performance Load Testing
- Mobile testing

The full operational implementation of the Driver Z program launch September 2019. .

The High School Driver Education (HSDE) currently offered by Manitoba Public Insurance (MPI) requires renewal to meet the needs of future drivers and the expectations of customers. The redevelopment project is a complete re-visioning, redesign, and redeployment of the program, including what we teach, how we teach, what tools we use, and the delivery model we employ to provide the teen novice driver with the best foundation possible in preparation for their life as a driver. The redevelopment project represents the first major overhaul of the program since the mid-1990s.

2.2. Goals and Objectives Performance

The following table provides a comparison of the original project objectives to what the project delivered.

OBJECTIVE	STATUS	SUPPORTING EVIDENCE
Curriculum redesign including: vision, learning objectives, lesson plans, instructional design, complete on-line lessons (students, parents/co-pilots), in-class guided facilitation teaching materials, new scripts and video production, in-class and in-car assessment requirements and methods, parent/co-pilot coaching resources and route guidance, instructor training, and business architecture.	Completed	<ul style="list-style-type: none"> • Offline Curriculum – Driver Education Instructor Community (DEIC) - DEIC Link • Online Curriculum (English & French) <ul style="list-style-type: none"> • In-Car curriculum (English & French) • In-Class Curriculum (English & French) • Approved Curriculum Contents • Business Architecture - Business Architecture • DE SharePoint - Driver Education SharePoint Driver Z application https://driverz.mpi.mb.ca
Technology support in the form of: estimates, requirements, and development of system integrations, Customer Learning Management System, Customer and Partner Portals, on-line book and pay for course registration, new program-specific application with in-car and	Completed	<ul style="list-style-type: none"> • Project Estimate completed Phase 3 Assessment Worksheet Phase 4 Assessment Worksheet • Requirements in SharePoint Link to Approved Business Use Case • Driver Z has in-car and In-class assessment.



<p>in-class assessment and two-way feedback from instructor to student and co-pilot, student progression history and scores, and notifications.</p>		<ul style="list-style-type: none"> • Driver Z has student progression history and scores including email notifications. https://driverz.mpi.mb.ca • Corporate decision made not to proceed with Customer Self Service phase 2 and 3 which include Customer and Partner Portals, online book and pay for course registration.
<p>People Readiness as evidenced by: prepared and resourced operations within Driver Education department, a recruited and fully trained team of contracted instructors, informed and prepared brokers, and an informed public through executed communication and marketing strategy.</p>	<p>Completed</p>	<ul style="list-style-type: none"> • Instructor training completed Instructor Post-Training Email • DE September Training Instructor Survey • DE/Liaison officer training completed. • Training brokers/service center and contact center. • Continuous training. • Driver Z promotional video available on public website Promotional Driver Z Video • Additional information provided through the public website Driver Z Program Information • Distribute Driver Z takeaway – a handout explaining the Driver Z program - to broker offices and Service Centres Broker Takeaway • Communication to frontline resources./brokers/service centre/contact center. Communications Strategy Driver Z (March 2019) • ESC did not approve marketing strategy.



2.3. Project Changes and Decisions

The following table summarizes impacts through Change Requests (CRs) and Decision Requests (DRs).

DATE	CR NUMBER (with hyperlink)	NAME/DESCRIPTION OF CHANGES	STATUS	Scope/Objective	Benefits	Resources	Schedule	Budget	IBM/Vendor	Infor Security	Other
12/18/2017	CR-HSDE-01	Revised Schedule and Budget	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5/29/2018	CR-HSDE-02	Revised Schedule and Budget – April 2018	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11/20/2018	CR-HSDE-03	Revised Schedule and Budget	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12/28/2018	CR-HSDE-04A	Architecture Change Request - Instructor Authentication	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5/30/2019	CR-HSDE-04	Increase Phase 4 Spending from Phase 3 Savings	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Total Value of CR Changes \$ 0

[Link to HSDE Change Request](#)



Pilot and Implementation (2822), **Error! No text of specified style in document.**

DATE	DR NUMBER (with hyperlink)	NAME/DESCRIPTION OF CHANGES	STATUS	Scope/Objective	Benefits	Resources	Schedule	Budget	IBM/Vendor	Infor Security	Other
7/31/2017	DR-HSDE-01	Curriculum Redesign – Project Iterative Approach	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11/27/2017	DR-HSDE-02	Driver’s Handbook and Animations	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6/19/2018	DR-HSDE-003	Business Vision Word Document Exemption	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
5/31/2018	DR-HSDE-004	DES Decision Approach	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12/17/2018	DR-HSDE-07	Impact of Shelving CSS Phase 2 & 3 on HSDE, IWS and AOL changes	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
12/28/2018	DR-HSDE-08	Versioning in HSDZ	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12/28/2018	DR-HSDE-09	MPI Learn Decision	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12/28/2018	DR-HSDE-10	Program Fees	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12/28/2018	DR-HSDE-11	Telematics	Approved	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10/28/2019	DR-HSDE012	Operational Funding of HSDE Transitioned Budget Items	Approved	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
				<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

August 5, 2020

PUBLIC

2021 GRA Information Requests - Round 1
PUB (MPI) CI 1-8(a) Appendix 1 - Confidential

Project Closeout Report



Total Value of DR Changes \$ 0

[Link to HSDE Decision Request](#)



2.4. Planned Scope of Work – Project Control Log

The following link identifies the key project deliverables that were produced throughout the project lifecycle during phase three and four.

MPI Project Control Log											
Phase	Phase 0: Project Start-Up	Phase 1: Inception	Phase 2: Elaboration (Business & System)	Phase 3: Build	Phase 4: Test (SIT & UAT)	Phase 5: Implementation & Warranty					
Approved Preliminary Deliverables Note: Exceptions can be applied for through BTO Management.	BRM & ODC Assignment	X	Inception Schedule - Baseline 1	Business Requirements / Business Use Cases	Design Specifications (Modifiable)	X	SIT (Modifiable)	CCB Go/No Go Decision	✓		
	Business Case	X	Vision Document	Security Requirements	Code Development	✓	ISO Testing: Penetration Test Scope	X	KM Summary	✓	
	PM Assignment	✓	Architecture Definition Document (ADD) - Solution Concept	Stakeholder Analysis (Business Impact Assessment)	Prepare Test Environments	✓	ISO Testing: Secure Code Review	✓	Implementation/Cut-over Activities	✓	
	Set-up Project Site, Schedule, Core Resources	✓	EM Infrastructure Forecast (Project Intake tab only)	ADD - Solution Outline	X	Go-Live Criteria	✓	Implementation Task List	✓	Project Close Out Report	✓
	Project Charter	X	Threat Risk Assessment Questionnaire (TRAQ)	X	EM Infrastructure Forecast (Requirements baseline tab)	X	SIT Plan (Modifiable)	X	User Acceptance Testing	✓	
			High Level Security Requirements	X	Elaboration Schedule (Update) - Baseline 3	X	SIT Test Cases/Data	✓	Operational Acceptance Testing	✓	
			Project Control Log	✓	Data Conversion Strategy	X	Acceptance Test Plan (UAT, DAT)	✓	Change Management Activities / Cut-over Preparations	✓	
			Elaboration Schedule (Develop) - Baseline 2	✓	Implementation Strategy (Modifiable)	✓	UAT Test Cases/Data	✓	Project to Operations Transition Plan	✓	
			Vendor Agreements	✓	Change Management Strategy and Plan	✓	Readiness Plan (Integrated Communication Plan)	✓	Load Test Plan	✓	
					Test Strategy (Modifiable)	✓	Implementation Plan	✓	Change Plan	✓	
					Operational Support Model (OSM) Modifiable	✓	Training Materials	✓	Stakeholder Analysis	✓	
					Knowledge Management (PM) Strategy	✓	User Documentation	✓			
					System Use Cases / User Stories	✓	Communication Materials	✓			
					ADD - Target Architecture	X	Communications Strategy	✓			
					Environment Requirements	X	Need Assessment	X			
					RFS/RS3P	X	Project Plan	X			

Legend
 # = Inception work & Project Start
 # = X / ✓ = In Progress
 # = Required ✓
 # = Not Required X

Approved DR - HSDE Phase 4 Control Log

Major Deliverable	Link to Support Document
HSDE Business Case	HSDE Business case - Final May 2018
HSDE Program Charter	HSDE Program Charter
HSDE Project Plan	HSDE Project Plan
Business Policies Discussion - EC	EC Operations - Project Overview and Business Policies
HSDE - Business Use Case	Link to Approved Business Use Case
HSDE – System Use Case	Link to Approved System Use Cases
HSDE Risks	Link to HSDE Risks in PPM
HSDE Issues	Link to HSDE Issues in PPM
Status Reports	BTO Projects
Meeting Minutes	Link to SharePoint Click Author Group: HSDE Meeting Minutes
Architecture Definition Document	HSDE ADD - Final



Major Deliverable	Link to Support Document
Project Presentations	HSDE Phase 4 Presentations
Change Request	Link to HSDE Change Request
Decision Request	Link to HSDE Decision Request
HSDE Implementation Strategy	HSDE Phase 3 Implementation Strategy
Business Architecture Vision	HSDE Business Architecture Vision Phase 3
Test Strategy	HSDE Test Strategy
HSDE Support Model	HSDE Operational Support Model
Communication Strategy	Communications Strategy Driver Z (March 2019)
Driver Z Video Links	Driver Z Video Link - Master List
Mobile Testing Status – Phase 3	Mobile Testing - Status Update July 15, 2019
HSDE Phase 3 Readiness Plan	HSDE Readiness Plan (Integrated Comms Plan) - Phase 3
Penetration Testing – Phase 3	2019 MPI Application Assessment Final 20190408
Lessons Learned Phase 3	Lessons Learned - HSDE Phase 3 (Business Team) Lessons Learned - HSDE Phase 3 (Technical Team)
Load Test Plan	Performance Load Test Plan
Contracts/RFP	Link to SharePoint Click on Author Group : Vendor Management
Communications Audit	HSDE Communications Audit
Project Approach/Kick off	HSDE Project Approach/Kick Off
KM Summary Report (Phase 4)	PH 4 KM Summary Report
Km Summary Report (Phase 3)	KM Summary Report
Driver Z Stakeholder Analysis	Stakeholder Analysis - Phase 4
People Readiness Plan	Driver Z Phase People Readiness Plan
Driver Z Change Management Strategy	Change Management Strategy - Phase 4
KM Training Plan	KM Training Plan Phase 4
ESC Meeting notes	Link to ESC Meeting Notes
Driver Z Aug End to End Test Plan	End to End Test Plan
Implementation task list (Aug 25th)	Aug 25th Implementation task list
Implementation task list (Warranty)	Oct 20 2019 Implementation Task List
Operational Reporting Requirement	Driver Z KPI and Program Monitoring Reporting Requirements
Transition to Operations	Approved Transition to Operation



2.5. Project Summary: Schedule and Effort

This section provides a comparison between planned and actual schedule, planned and actual effort and SPI (schedule performance index) for both phase 3 and phase 4

Task Name	Publis	% Complete	Start	Finish	Work	Actual Work	Duration	Actual Duration	SPI
▲ HSDE Phase 3 - Curriculum Redesign	No	100%	Wed 3/1/17	Fri 9/6/19	162,536.76 hrs	162,536.76 hrs	657.94 days	657.94 days	0.91
▶ Phase 0-Project Start-Up	No	100%	Wed 3/1/17	Thu 3/9/17	40 hrs	40 hrs	6 days	6 days	0
▶ Inception Phase	No	100%	Thu 3/2/17	Fri 6/29/18	1,158.25 hrs	1,158.25 hrs	346 days	346 days	1
▶ Elaboration Phase	No	100%	Tue 4/4/17	Fri 3/8/19	8,862.84 hrs	8,862.84 hrs	503.94 days	503.94 days	1.54
▶ Build Phase	No	100%	Fri 7/21/17	Thu 6/6/19	133,942.86 hrs	133,942.86 hrs	489.69 days	489.69 days	0.61
▶ Test Phase	No	100%	Mon 5/14/18	Mon 6/3/19	11,020.9 hrs	11,020.9 hrs	275.94 days	275.94 days	0.95
▶ Implementation & Warranty Phase	No	100%	Wed 3/1/17	Fri 9/6/19	7,511.91 hrs	7,511.91 hrs	657.94 days	657.94 days	107.77

Task Name	Publis	RAG	%	Start	Finish	Work	Actual Work	Duration	Actual Duration	SPI
▲ HSDE Phase 4 Implementation	No		99%	Wed 5/1/19	Fri 11/29/19	12,434.06 hrs	12,388.86 hrs	153 days	151.91 days	0.41
▲ HSDE Phase 4 Implementation	No	●	99%	Wed 5/1/19	Fri 11/29/19	12,434.06 hrs	12,388.86 hrs	153 days	151.91 days	0
▶ Phase 0 - Project Start-Up	No	✓	100%	Wed 5/1/19	Thu 5/16/19	55.6 hrs	55.6 hrs	11.13 days	11.13 days	0.33
▶ Phase 1 - Inception	No	✓	100%	Mon 5/6/19	Mon 6/3/19	99 hrs	99 hrs	20.25 days	20.25 days	0.25
▶ Phase 2 - Elaboration (Business & Systems)	No	✓	100%	Wed 5/1/19	Mon 9/2/19	851.2 hrs	851.2 hrs	89 days	89 days	0.42
▶ Phase 3 - Build	No	✓	100%	Wed 5/1/19	Thu 9/5/19	6,248.32 hrs	6,248.32 hrs	91.16 days	91.16 days	0.16
▶ Phase 4 - Test (SIT & UAT)	No	✓	100%	Mon 6/17/19	Thu 10/31/19	745.46 hrs	745.46 hrs	98 days	98 days	0.28
▶ Phase 5 - Implementation & Warranty	No	✓	100%	Mon 7/8/19	Thu 11/7/19	2,196.02 hrs	2,196.02 hrs	88 days	88 days	2.72
▶ 5.3 Project Closeout	No	●	96%	Wed 5/1/19	Fri 11/29/19	2,238.46 hrs	2,193.25 hrs	153 days	146.97 days	54.9

***Remarks** – An SPI ratio greater than 1 indicates that you're ahead of schedule. Likewise, an SPI ratio less than 1 indicates that you're behind schedule. For example, an SPI of 1.5 means that you've taken only 67 percent of the planned time to complete a portion of a task in a given time period. An SPI of 0.8 means that you've spent 25 percent more time on a task than was planned.





Project Financials

- Link to the financial library - [HSDE Financial Library](#)
- HSDE Phase 3 (2741) - [Phase 3 Assessment Worksheet \(ESC Approved\)](#)
- HSDE Phase 4 (2822) - [Phase 4 Assessment Worksheet \(ESC Approved\)](#)

Phase Category	Total Original Approved Budget	Total Actuals as at Oct 31, 2019	Variance to Original Approved Budget over/(under)
Phase 3			
HP External Resources	2,454,178.47	2,734,550.11	280,371.64
Internal Resources	563,875.69	290,573.02	(273,302.67)
Consultant Travell/Parking	-	2,541.75	2,541.75
Employees Travell/Parking	-	1,420.30	1,420.30
Video Production	287,533.18	234,741.61	(52,791.57)
Other: Facilitator Workshop; Security Penetration Test; French Translation; Mobile Testing; Authentication Work	78,812.00	79,754.11	942.11
Contingency - 20% (Sept'18 to Apr'19)	287,564.31	-	(287,564.31)
Printing Material	10,000.00	-	(10,000.00)
Variance between Phase 3 & Phase 4 due to timing	(30,526.00)		30,526.00
Total	3,651,437.65	3,343,580.90	(307,856.75)
Phase 4			
HP External Resources	168,000.00	513,124	345,123.88
Internal Resources	73,080.00	105,590	32,510.24
Consultant Travell/Parking		589	589.25
Employees Travell/Parking		100	100.00
Contingency - 20%	220,976.00		(220,976.00)
Implementation Support (KMS, Operational Support - incremental)	448,800.00		(448,800.00)
Marketing & Promotional Materials	150,000.00	1,155.00	(148,845.00)
Training materials	15,000.00		(15,000.00)
Driver 2 student Incentives	60,000.00		(60,000.00)
Other one time cost (tablets)	160,000.00		(160,000.00)
Rural area classes	30,000.00		(30,000.00)
French Translation & instructor validation		10,944.30	10,944.30
Load Testing (Implementation support)		12,474.00	12,474.00
Load Testing -F5 Upgrade License		52,820.94	52,820.94
Mobile Testing Vendor (PQA) (Implementation support)		21,175.00	21,175.00
Printing Material		20,592	20,592.21
Food Refreshment - Instructor in service training refreshment expense		453	452.96
Total	1,325,856.00	739,017.78	(586,838.22)

Grand Total	4,977,293.65	4,082,598.68	(894,694.97)
Note:			
Finance budget on Phase 4 is \$1,295,330 which is \$30,526 different from above. This is based on timing difference when finance set budget and when HSDE received approval at ESC and the board as per attached high level assesment worksheet of Sept 5th, 2018. The total budget approved for Phase 3 & Phase 4 remain the same - \$4,977,293.65			

Budget	Totals
Revised Program Budget	\$7,066,645
Phase 1 & 2 – Actuals	\$2,089,352
Phase 3 – Estimate At Completion	\$3,343,581
Phase 4 – Estimate At Completion	\$1,125,895
Overall Under Budget Variance (Phase 1 – 4)	\$507,817

The total cost of the items being transitioned to FY 2020/2021 is **\$353,465 by December 2019** as per attached DR [DR-HSDE012](#)

- **\$160,000 – ITBT (tablets)**
- **\$193,465– Driver Education**
 - **\$60,000 – Driver Z incentive**
 - **\$30,000 – Rural Class Areas**
 - **\$103,465 - Liaison Officer and Clerk 2 \$103,465 (Dec 2019 – Sept 2020)**
- The **\$160,000** will be handled by ITBT as a variance to their operational budget.
- The **\$193,465** will be handled by Driver Education Department as a variance to their operational budget starting from December 2019 to September 2020.
- Estimate At Completion in Fiscal Year 2019 - \$772,430 (\$ 1,125,895 - \$353,465)

Variance Explanations

- The phase 3 and phase 4 contingencies were unused.

[HSDE Program Charter \(Phase 1 & 2\)](#)

[HSDE Project Plan](#)

[HSDE Phase 4 Schedule](#)



3. Transition to Operations

3.1. Project to Operations Transition Form

The following link outlines outstanding defects, Remedy tickets, or items have been accepted as work, which have been accepted and will be corrected through Operations.

[Approved Transition to Operation](#)

3.2. Outstanding Issues

The following table outlines outstanding deliverables, issues, or actions from the project that remain to be completed. To ensure clear understanding, information pertaining to the resolution, status, who is assigned the issue, or next steps should be included. Where appropriate, provide recommendations/actions as to how these may be dealt with.

ISSUE	DETAILS	ACTIONS	ASSIGNED TO
N/A	N/A	N/A	N/A

Documents identified in the project are found in the Project Issue Log through the link below.

Insert Link to the Project Issue Log.

4. Project Outcomes

4.1. Lessons Learned

This section identifies and describes the major successes, issues and challenges encountered during the course of the project. These Lessons Learned will be incorporated into EPMO's consolidated Lessons Learned database and recommendations derived from successes will contribute to continuous improvement best practices.

[Lessons Learned - HSDE Phase 3 \(Business Team\)](#)
[Lessons Learned - HSDE Phase 3 \(Technical Team\)](#)
[HSDE – Phase 4 Survey Summary \(November, 2019\)](#)

4.2. Post Implementation - Value Management

This section provides the specific planned/intended business benefits or positive results expected from the operations of the project end-result. These benefits/outcomes were identified in the business case. The below table is used to confirm that specified outcomes were realized.

Outcome	Status	Supporting evidence
A reduction in the rate of claims frequency, achieved incrementally as students graduate the new program. By 2030 the entire eligible 15-24 year old age cohort will have exposure to the new program and when benefits of redevelopment will reach their full maturity.	Deferred	The outcome will not be measurable for a few years until a significant number of Driver Z students have experienced the course and been driving for a number of years.
Downward trending of at-fault serious injury and fatality collisions by 15-24 year olds over ten years.	Deferred	Same as above
Improve the Class 5 road test pass rate to 75 per cent for program participants and maintain knowledge test past rate of 85 per cent.	Deferred	Same as above
Downward trending of conviction rates will demonstrate that the education program has changed young driver attitudes and behaviors.	Deferred	Same as above
Maintain enrollment of eligible demographic and increase completion rate from 30 per cent to 50 per cent.	Deferred	Same as above

If the outcomes are not immediately realized, the table below indicates the date reporting will commence and we may be able to see the trending starting at this time, but the outcome realization would be realized later in the future.

Benefit	Action	Date Reporting will Commence	Responsible



A reduction in the rate of claims frequency, achieved incrementally as students graduate the new program	The Rate of at-fault claims will be the primary indicator	20/21	Driver Education Dept.
Downward trending of at-fault serious injury and fatality collisions by 15-24 year olds over ten years.	The rate of at-fault fatality and injury claims will be the primary indicator of benefits.	20/21	Driver Education Dept.
Improve the Class 5 road test pass rate to 75 per cent for program participants and maintain knowledge test pass rate of 85 per cent	The decrease in test attempts will be spread across the province and the entire population of driver examiners and service centres.	20/21	Driver Education Dept.
Downward trending of conviction rates will demonstrate that the education program has changed young driver attitudes and behaviors.	This intended outcome will not be quantified into financial benefits.	20/21	Driver Education Dept.
Maintain enrollment of eligible demographic and increase completion rate from 30 per cent to 50 per cent.	Better completion rate will achieve more sanctioned on-road practice and a larger student audience will expand incremental benefits.	20/21	Driver Education Dept.



5. REVIEW AND APPROVAL

This section contains the signatures of key stakeholders, signifying they have reviewed and accepted the project close-out document and have agreed to close the project.

5.1. Business Transformation Office Review & Approvals

Name

Robin Hildawa

Role

Manager, EPMO

The EPMO Manager is responsible for ensuring the project follows and aligns with corporate Project Management Methodology.

See SharePoint Workflow:

Enter link to workflow

Name

Lindsay Jurkowski

Role

Manager, Business Services

The Business Services Manager is responsible for the supporting and reporting of project financials.

See SharePoint Workflow:

Enter link to workflow

Name

Gary Dessler

Role

Corporate Systems Architect

The Corporate Systems Architect is responsible for the overall technical solution supporting the business objectives.

See SharePoint Workflow:

Enter link to workflow



Name

David Paradis

Role

Director, Project Delivery

The Director of Project Delivery has shared responsibility to ensure alignment to overall corporate objectives and the successful implementation of the program or project.

See SharePoint Workflow:

Enter link to workflow

5.2. Senior Management Review & Approval

Name

Lawrence Lazarko

Role

Director, BTO

The Director of BTO is responsible for the successful planning and implementation and overall direction and guidance of the project.

See SharePoint Workflow:

Enter link to workflow

Name

Maria Minenna

Role

Operational Business Champion (OBC)

The OBC represents the corporate division for which the project was initiated and is responsible for providing executive and operational support for the project.

See SharePoint Workflow:

Enter link to workflow