



To: All Automobile Statistical Plan Reporting Companies

Date: February 6, 2015

Bulletin No: GISA 2015-02

2014 Automobile Collection of Financial Information - P&C Quarterly Return (Q4), P&C Annual Supplement, Unallocated Adjustment Loss Expense (FI-ULAE) and Main (FI-Main)

In March 2013, as required by participating insurance regulators, GISA started collecting financial information from all automobile reporting companies with the intent to produce exhibits that will enable the regulators to better understand and monitor the automobile insurance industry's financial performance.

GISA has implemented several changes to the 2014 financial collection in order to improve the collection, analysis and reporting processes. These changes have been outlined below in the attached "New in the 2014 FI Collection" appendix.

The 2014 FI Collection will be comprised of the following three phases:

- Phase I - P&C Quarterly Return (Q4) and P&C Annual Supplement
 - Due on or before March 2, 2015

- Phase II - Unallocated Loss Adjustment Expense (FI-ULAE)
 - Due on or before March 9, 2015

- Phase III - Main collection (FI-Main)
 - Due on or before April 6, 2015

All submissions must be submitted by e-mail to: FI@IBC.CA

Please note that P&C Returns and FI-ULAE data are collected ahead of the FI-Main collection to coincide with the publication of Automobile Statistical Plan (ASP) deliverables that require this information.

Reporting Companies must complete both the attached FI-ULAE and FI-Main templates to generate and report their financial information submission. The details for the reporting and submission requirements are included in the attached Automobile Financial Information Reporting and Submission Requirements document.

If you have any questions, kindly contact GISA's service provider, IBC, at FI@IBC.CA

General Insurance Statistical Agency

Attachments:

- Appendix A - New in the 2014 FI Collection
- Appendix B – Frequently Asked Questions
- Automobile Financial Information Reporting and Submission Requirements
- FI-ULAE Reporting Excel Template (2014 FI-ULAE Template.xlsm)
- FI-Main Reporting Excel Template (2014 FI-Main Template.xlsm)

APPENDIX A

New in the 2014 FI Collection

The 2014 FI collection has implemented several changes in order to improve the collection process, analysis and reporting processes. The changes are as follows:

P&C Returns

- In addition to the P&C Quarterly Return (Q4), we will be collecting the P&C Annual Supplement
- Standardize formatting method for the P&C Collection has been applied to include .OSFI extension filings

FI-ULAE

- A certification (Electronic/Printable) has been incorporated in the template and must be completed by the Officer or Designate in order to officially authorize the filings
- Allocation methods have been added to define ULAE and Provincial Health Levy data
- Tab 2-ULAE has a new “Section 4 Auto Total (FARM Only)” section which is automatically computed when the other three (3) sections have been filled out
- Provincial order in Tab 2-ULAE has been revised to coincide with the P&C Returns

FI-Main

- Allocation methods section has been added to define if the ULAE is reported differently than the FI-Main
- The data element “Written Exposure” has been clarified to include actual vehicle count
- The formula to derive the “Net Investment Income” data element has been updated
- “Other than PPA Only” writers will have additional message boxes directing them to required fields
- The data element “Net Premium Financing Revenue” has been clarified and further finance fee information is requested
- Data reporting of the following has been deferred this year, but may be collected in subsequent years:
 - FARM
 - Other than PPA on a detailed level

FI Deficiency Fee System (DFS)

As per GISA Bulletin 2014-12, late fees and resubmission fees have been implemented for the 2014 financial collection year. A detailed outline of the fee schedule can be found in the FI-DFS section of the Automobile Financial Information Reporting and Submission Requirements document.

APPENDIX B

Frequently Asked Questions

P&C Returns

1. **Q:** The creation of the .NUM extension file is very difficult as the P&C software no longer creates that file.

A: *For the 2014 FI Collection, the .OSFI extension filings will be accepted*

FI-ULAE

2. **Q:** For FI-ULAE filing, are we required to submit only federally regulated companies and not the provincially regulated companies?

A: *Both federally and provincially regulated companies must be submitted*

3. **Q:** What are the names of the organizations that would be sending the health levies?

A: *Generally, it will be the Superintendent of Insurance of each province who supplies information to the insurers about the health levies*

4. **Q:** Should FI-ULAE be provided on an “undiscounted Incurred ULAE” or “discounted Incurred ULAE”?

A: *The ULAE should be reported on an undiscounted basis*

5. **Q:** Does the “Provincial Health Levy” need to be included in all 3 lines: Provincial Health Levy (PPA), ULAE (PPA) and Direct Claims Incurred (PPA)?

A: *The “Provincial Health Levy” and “ULAE” should be reported separately but both are included in the “Direct Claims Incurred” total.*

6. **Q:** In the Submission and Reporting Requirement document, page number that is quoted is 67.31 (undiscounted), whereas in a previous year, we used 67.30 (discounted). Which page should be used to complete the ULAE?

A: *Please report both your ULAE and Direct Claims on an undiscounted basis as per page 60.50 and 67.31*

FI-Main

7. **Q:** “Service Charges” (page 20.30, row 07) and “Other” (page 20.30, row 08) were not captured in the template. How should these to be allocated? If not allocated in the template, the Underwriting income (loss), Income Tax, and Equity will not be correct.
A: *“Service Charges” and “Other” are best captured if added to the Direct Premiums Written and also added to Direct Premiums Earned of the FI-Main template. This is also based on OSFI’s instructions where “Services Charges” are not identified separately.*
8. **Q:** In a previous year, Risk Sharing Pool (RSP) was separated from Facility Association Residual Market (FARM) and included in Tabs 2, 3 and 4. As per the instruction, FARM data is excluded. Please confirm if we should include RSP in tabs 2, 3 & 4.
A: *Yes, include RSP data in these tabs as it has always been part of a company’s direct business*
9. **Q:** How do we enter the Ratio in Tab 8-run-off of FI-Main collection?
A: *Ratio column in tab 8 must be entered in number format with two (2) decimal places but without the percentage sign, e.g. computed Ratio of 1.29% should be reported as 1.29*
10. **Q:** The instruction for Tab 8-run-off states that values need to be consistent with P&C Annual Supplement page 60.40 which is for undiscounted claims. If page 60.41 is for discounted claims run-off, which one is required for FI-Main?
A: *In FI-Main Tab 8 - Run-off, the values should be reported in an undiscounted basis*
11. **Q:** Is “Written Exposures” the vehicle count? The Reporting and Submission Requirements document states to “Manually enter values in thousands (\$’000s) per provinces”.
A: *This has been clarified in the new template. Enter the vehicle count on Written Exposures as per the definitions in the document, with actual vehicle count.*
12. **Q:** For companies that write “Other than PPA Only”, they are still required to fill out all Allocation Methods and tabs, however no information is required.
A: *For the 2014 FI Collection, we have revised the template such that only the appropriate fields and tabs need to be completed.*

Additional Questions

13. **Q:** Can the two FI filings be combined into one submission and due at the same time?

A: *No, FI-ULAE data is collected ahead of the FI-Main collection to coincide with the publication of Automobile Statistical Plan (ASP) deliverables that require this information. All submissions are accepted ahead of the provided due dates.*

14. **Q:** Can we link our working files to the final template?

A: *Linking a working file to the FI template is not allowed as this may affect the macros built into the template and affect the results of your file.*

15. **Q:** Can values for the template be copied and pasted from other Excel workbooks?

A: *It is not recommended to paste values from other workbooks, as changes in display format might generate errors in your submission.*