

**AUDIT COMMITTEE MEETING**

Gordon Goodman

Michael Swartz

Margaret McNee

Videoconference Meeting – Coordinates in electronic meeting invitation
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Thursday, February 15, 2022 @ 9:00 a.m.

AGENDA		<u>Responsibility</u>	<u>Tab</u>
1.	Constitution of Meeting	Gordon Goodman	
2.	Appointment of Secretary	Gordon Goodman	
3.	Approval of November 8, 2021 Meeting Minutes <b>Proposed Motion: To approve the minutes.</b>	Gordon Goodman	A1
4.	Report of the Actuary	Julie-Linda Laforce	
	• Actuarial Valuation Report		B1
	• Presentation of the Actuary		B2
5.	Report of the General Manager	Patrick Mahoney	
	• Draft Audited Financial Statements		C1
	• P&C1 Regulatory Filing		C2
	• Alberta Minimum Reserve and Guarantee Fund		
6.	Report of the Auditors	Elaine Hultzer	
	• Audit Findings Report		D1
	<b>Proposed Motion: To recommend to the Board that the financial statements be approved.</b>		
7.	Other Business	Patrick Mahoney	
	• Delivery of final Audited Statements for Board Distribution		
	• Signature on Management Representation Letter ( <i>included under Tab D1</i> )		

(In-camera session with Auditor and Audit Committee to follow formal part of meeting)

**CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY  
(CLLAS)**

**Minutes of the meeting of the Audit Committee held by videoconferencing on  
November 8, 2021, 9.00 a.m. Toronto time.**

**Present:**

Gordon Goodman (Chair)  
Michael Swartz  
Margaret McNee

Cassels Brock & Blackwell LLP  
WeirFoulds LLP  
McMillan LLP

**Also Present:**

Ken Crofoot (CLLAS Chair)  
Elaine Hultzer  
Tess Collins  
Ryan Durrell  
Patrick Mahoney  
Cecilia Jeganathan

Goodmans LLP  
Deloitte  
Deloitte  
Axxima  
Office of the General Manager  
Office of the General Manager

**1. Constitution of Meeting**

The Chair called the meeting to order.

**2. Secretary of the Meeting**

Cecilia Jeganathan acted as Secretary.

**It was moved by Margaret McNee and seconded by Michael Swartz that the minutes of the February 11, 2021 meeting of the Audit Committee be approved. The motion was carried unanimously.**

**3. 2021 Audit Plan**

Elaine Hultzer and Tess Collins reviewed the 2021 Audit Service Plan including the scope of the audit and the key areas of audit focus, which are actuarial/claims estimates, investments, reinsurance receivables, internal control environment and accounting/financial reporting.

As required by professional standards, the Audit Committee members were asked for their input on the risk of fraud, knowledge of any fraud or suspected fraud and any changes in the role the Committee exercises in the oversight of assessment of the risk of fraud and procedures and controls established to mitigate these risks.

Ms. Hultzer advised that the preliminary estimate of materiality for the year ending December 31, 2021 has been set at \$770,000 and the reporting threshold at \$38,500.

Based on the initial risk assessment, the following have been identified as areas of significant audit risk for CLLAS:

- Provision for unpaid claims and adjustment expenses, gross and net of amount recoverable from reinsurers (valuation)
- Management Override of Controls

A base audit fee of \$106,700 was proposed. The current year fees reflect a once off professional cost adjustment of 10% in 2021, in light of the very tight professional services market.

Transition to IFRS 17 and IFRS 9 timeline and audit fee budget for years 2022 and 2023 were highlighted.

(Deloitte left the meeting)

#### 4. Colchester Management Financials at June 30, 2021

Patrick Mahoney provided a high-level overview of Colchester's management financial statements as of June 30, 2021. No concerns were noted.

#### 5. Reinsurance Security Schedule

Ryan Durrell presented the Report on Reinsurance Security. The report provides with a status review of the current CLLAS reinsurance security consistent with CLLAS' Reinsurance Security Policy. CLLAS' exposure is considered significant to the reinsurer if its share of CLLAS' total current liabilities or claim limit exposure exceeds 0.1% of the reinsurer's assets or 0.5% of the reinsurer's capital and surplus.

The reinsurers subject to Level II monitoring and which Level II monitoring criteria was triggered were discussed.

AWAC's and Colchester's participation on the CLLAS program was discussed. Colchester's participation increased from 23% to 33%.

Overall, it was noted that there are no significant concerns coming out of the report.

There being no other business, the meeting was terminated.

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Chair

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Secretary

**CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY**

**Report on the Valuation of Policy Liabilities as at December 31, 2021**

Draft Report  
January 18, 2022

Prepared by Julie-Linda Laforce, FCIA FCAS MAAA




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## PART 1—EXECUTIVE SUMMARY

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The purpose of this section is to summarize the key findings of our actuarial valuation of the Canadian Lawyers Liability Assurance Society (“CLLAS”) policy liabilities as at December 31, 2021. This valuation includes all policy liabilities, namely:

- Claim liabilities;
- Liabilities in connection with unearned premium; and
- Other policy liabilities.

This valuation has been prepared in accordance with the standards of practice of the Canadian Actuarial Standards Board. CLLAS’s policy liabilities were valued both on a gross and net of reinsurance basis.

We have performed a reconciliation of the premium and claims data received from CLLAS and are satisfied that no material data was omitted.

### Valuation of Claim Liabilities

#### Undiscounted Claim Liabilities

The Bornhuetter-Ferguson method was used to estimate gross ultimate losses and loss adjustment expenses by policy period and loss layer. The Incurred but Not Reported (“IBNR”) provisions were determined as the difference between estimated ultimate losses and losses reported to date.

CLLAS cedes paid losses, case reserves and provisions for IBNR in three ways:

1. **Proportional reinsurance:** The amounts ceded to proportional reinsurance in each layer vary according to the reinsurance arrangements effective in each policy period.
2. **Aggregate reinsurance:** CLLAS’s aggregate reinsurance with Colchester Reinsurance Limited (“Colchester”) is applicable to its retention after reflection of proportional reinsurance. The amounts ceded to aggregate reinsurance vary according to the reinsurance arrangements effective in each policy period.
3. **Loss portfolio transfer:** At June 30, 2012, CLLAS entered into a loss portfolio transfer agreement with Colchester which covers all outstanding claim obligations on policies written between July 1, 1987 and June 30, 2012.

CLLAS’s net obligations for losses and loss adjustment expenses are therefore limited to those on policy periods after June 30, 2012.



The provision for unallocated loss adjustment expenses (“ULAE”) represents the estimated cost of CLLAS’s future claims management expenses expected to arise on claims incurred as of December 31, 2021. The provision was derived using an aggregate approach based on the estimated internal claim management expenses for 2022, the annual indexing of such expenses by 2% and the portion of such future annual expenses related to the outstanding claim liabilities. The provision for ULAE is entirely retained by CLLAS.

Based on the above, the undiscounted claim liabilities were estimated at \$69,568,159 on a gross basis and \$4,877,202 on a net basis. Claim liabilities include the provision for IBNR, the provision for ULAE and the case reserves recorded by CLLAS.

### Discounting and Provision for Adverse Deviation

Accepted actuarial practice requires the valuation of policy liabilities on a discounted basis (i.e. reflecting the time value of money) and the addition of a Provision for Adverse Deviation (“PFAD”) to these discounted liabilities. Liabilities were discounted using a 1.30% rate of return assumption.

The following table is a summary of the claim liabilities on a gross and net basis as determined per accepted actuarial practice:

	Gross Basis	Net Basis
Undiscounted Claim Liabilities		
Case Reserves	\$ 19,271,657	\$ 1,124,876
Provision for IBNR	48,008,961	1,464,785
Provision for ULAE	2,287,541	2,287,541
Total	\$ 69,568,159	\$ 4,877,202
Discounted Claim Liabilities	65,574,650	4,599,402
Provision for Adverse Deviation (“PFAD”)	7,292,803	3,559,884
Discounted Claim Liabilities plus PFAD	\$ 72,867,454	\$ 8,159,286
Carried in Financial Statements	\$ 72,867,454	\$ 8,159,286

### Comparison of Actual and Expected Experience

The net claim development on prior policy years during 2021 was favourable by \$422,797, mainly due to a favorable claims development for all policy years.

### Valuation of Liabilities in Connection with Unearned Premium

CLLAS’s net liabilities in connection with unearned premiums at December 31, 2021 were estimated per accepted actuarial practice at \$967,571 (i.e. on a discounted basis including PFAD). As CLLAS has net unearned premiums of \$1,008,750, the maximum deferrable policy acquisition expense is



estimated at \$41,179 and there is a no premium deficiency. CLLAS's recorded deferrable policy acquisition expense is \$41,179.

### **Valuation of Other Policy Liabilities**

CLLAS has no other policy liabilities at December 31, 2021.

### **COVID-19**

We have considered COVID-19 to have no impact on the policy liabilities as of December 31, 2021.






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## PART 2—INTRODUCTION AND SCOPE

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### Introduction

Company:	Canadian Lawyers Liability Assurance Society (also referred to as “CLLAS” in this report)
Date of Valuation:	December 31, 2021
Purpose:	Actuarial opinion and valuation report as required under section 407 of the Alberta Insurance Act
Author:	Julie-Linda Laforce, FCIA FCAS MAAA Axxima Inc. 2200 Marie-Victorin, suite 201 St-Bruno-de-Montarville, Quebec J3V 0M2 Phone : 450.646.2500 ext. 200 Fax : 1.855.529.9462 Email : julielindalaforce@axxima.ca
Authority:	Actuary to CLLAS
Distribution:	This report is strictly for the use of CLLAS, its external auditors and its advisors in the context of their work in connection with the financial statements and the Annual Return. Any other use or disclosure should be discussed first with Axxima Inc. If this report is distributed further, it must be distributed in its entirety. All recipients of this report should be aware that the person signing it is available to answer questions about it.

This report was prepared and filed with the regulatory authorities in accordance with the relevant legislation and accepted actuarial practice based on the appropriate Standards of Practice of the Canadian Actuarial Standards Board.

### Scope

Actuarial valuation of all policy liabilities, including:

- Claim liabilities,
- Liabilities in connection with unearned premium, and
- Other policy liabilities.



## Operations

### General

CLLAS was formed in 1986 and licensed in Ontario as an insurer in 1987 with the first policies issued with an effective date of July 1, 1987. Effective July 1, 2012, CLLAS's lead regulator was changed from Ontario to Alberta. CLLAS is licensed in Alberta, British Columbia and Ontario, and since March 4, 2015, it is also licensed in Nova Scotia.

CLLAS provides professional liability insurance to subscribing law firms in excess of the compulsory coverage provided by the various law societies. Since inception, coverage provided by CLLAS has been on a claims-made basis. For the first policy term (i.e., July 1, 1987 to June 30, 1988), coverage was in excess of \$600,000. Coverage in subsequent policy terms is in excess of \$1,000,000.

A summary of the coverage provided by CLLAS is set out below:

CLLAS HISTORICAL COVERAGE SUMMARY	
Coverage Period	Coverage Provided (in million \$)
July 1, 1987 to June 30, 1988	\$24.4 excess of \$0.6
July 1, 1988 to June 30, 1989 to July 1, 1989 to June 30, 1990	\$24.0 excess of \$1.0
July 1, 1990 to June 30, 1991	\$24.0 excess of \$1.0* plus \$25.0 excess of \$50.0
July 1, 1991 to June 30, 1992 to July 1, 1996 to June 30, 1997	\$34.0 excess of \$1.0* plus \$25.0 excess of a minimum of \$50.0
July 1, 1997 to June 30, 1998	\$34.0 excess of \$1.0* plus \$25.0 excess of a minimum of \$50.0 \$15.0 excess of \$120.0 (optional layer)
July 1, 1998 to June 30, 1999	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$130.0 (optional layer)
July 1, 1999 to June 30, 2000 **	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$130.0 (optional layer)
July 1, 2000 to June 30, 2001 to July 1, 2002 to June 30, 2003 **	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$140.0 (optional layer)
July 1, 2003 to June 30, 2004 to July 1, 2005 to June 30, 2006 ***	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$140.0 (optional layer)



CLLAS HISTORICAL COVERAGE SUMMARY	
Coverage Period	Coverage Provided (in million \$)
July 1, 2006 to June 30, 2007 to July 1, 2007 to June 30, 2008 ***	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$140.0 (optional layer 1) \$20.0 excess of \$160.0 (optional layer 2)
July 1, 2008 to June 30, 2009 to July 1, 2009 to June 30, 2010 ***	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$140.0 (optional layer 1) \$10.0/20.0/30.0 excess of \$160.0 (optional layer 2)
July 1, 2010 to June 30, 2011 ***	\$34.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$50.0 \$20.0 excess of \$140.0 (optional layer 1) \$20.0/30.0/40.0 excess of \$160.0 (optional layer 2)
July 1, 2011 to June 30, 2012 to July 1, 2015 to June 30, 2016 ****	\$49.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$65.0 \$10.0/20.0/30.0/40.0/50.0/60.0 excess of \$160.0 (optional layer)
July 1, 2017 to June 30, 2018 to July 1, 2019 to June 30, 2022 ****	\$49.0 excess of \$1.0* plus \$30.0 excess of a minimum of \$65.0 \$10.0/20.0/30.0/40.0/50.0/60.0 excess of \$160.0 (optional layer) 5% of \$30.0 excess of \$50.0 or \$110.0 excess of \$50.0

\* The excess policies are endorsed to drop down to excess of \$250,000 (\$25,000 starting in 2008/2009) in certain instances

\*\* For Quebec, all CLLAS coverage is provided in excess of a \$5 million retention up to and including policy year 2002/2003

\*\*\* For Quebec, for policy years 2003/2004 and after, CLLAS coverage is provided \$30million in excess of a \$10 million retention

\*\*\*\* For Quebec, for policy year 2011/2012 and after, CLLAS coverage is provided \$40 million in excess of a \$10 million retention

The policy limits presented above are also firm aggregate limits. As of July 1, 2002, the firm aggregate limit on the first \$5 million of coverage, inclusive of underlying, was set at \$25 million. This was reduced as of July 1, 2007 to \$12 million and further reduced to \$5 million as of July 1, 2008. Starting on July 1, 2011, there is no longer a firm aggregate specific aggregate limit.

The umbrella layer of coverage (\$30 million excess of a minimum of \$65 million) is subject to an annual aggregate of \$60 million for all law firms combined. Coverage between the basic coverage described above (\$49 million excess of \$1 million) and the minimum attachment point of \$65 million of the umbrella layer is not provided by CLLAS, but left to individual subscribers to arrange, except for a small retention starting on July 1, 2017.

As of July 1, 2008, CLLAS began offering an option of \$10 million excess of \$160 million, \$20 million excess of \$160 million or \$30 million excess of \$160 million in optional layer 2. As of July 1, 2010, CLLAS began offering an option of \$20 million excess of \$160 million, \$30 million excess of \$160 million or \$40 million excess of \$160 million in optional layer 2. As of July 1, 2011, CLLAS replaced its two optional



layers with a single layer excess of \$160 million (increased from previous years' \$140 million attachment point) with options ranging from \$10 million to \$60 million in \$10 million increments.

### Reinsurance

CLLAS cedes paid losses, case reserves and provisions for IBNR in three ways:

1. **Proportional reinsurance:** The amounts ceded to proportional reinsurance in each layer vary according to the reinsurance arrangements effective in each policy period. The size and number of layers have varied over time.
2. **Aggregate reinsurance:** CLLAS's aggregate reinsurance with Colchester Reinsurance Limited ("Colchester") is applicable to its retention after reflection of proportional reinsurance. The amounts ceded to aggregate reinsurance vary according to the reinsurance arrangements effective in each policy period.
3. **Loss portfolio transfer:** At June 30, 2012, CLLAS entered into a loss portfolio transfer agreement with Colchester which covers all outstanding claim obligations on policies written between July 1, 1987 and June 30, 2012. CLLAS's remaining net claim liabilities attributable to the business written prior to June 30, 2012 are provisions for unallocated loss adjustment expenses.

The current and historical reinsurance arrangements are summarized in Schedule 1.

### Membership and Management Changes

The number of insured lawyers increased from approximately 1,450 to 4,309 (including 23 patent and trademark agents) from 1987 to 2021. Included in the 4,309 lawyers are 172 lawyers practicing in the US or the UK which are covered by the optional layers and the shared umbrella layer. The firm Blake, Cassels & Graydon LLP withdrew from CLLAS at June 30, 2012 and the firm Dentons withdrew from CLLAS at June 30, 2017. Prior Heenan Blaikie lawyers joined various CLLAS firms in 2014. Their exposure was reflected in the tail reported coverage purchased.

CLLAS has been managed by Axxima Insurance Services, a division of 3303128 Canada Inc. ("Axxima Insurance Services") since September 2013. There have not been any major changes in management policies and philosophy in recent years. There have been no management changes in 2021.

### Claims Administration and Reserving

Based on discussions with CLLAS management, claims administration and reserving practices are generally consistent with prior years. CLLAS establishes its own claims reserves with consideration for the reserves set by the Law Society of Ontario and other law societies which offer the underlying compulsory program, as well as the circumstances of individual claims. CLLAS reserves are monitored



on an ongoing basis and are reviewed and modified on a quarterly basis by CLLAS Claims Committee as deemed appropriate.

### Standard of Materiality

The standard of materiality encompasses both approximation errors and errors due to inaccurate information. The standard has been communicated to the auditor. The standard of materiality selected by the auditor is \$TBD. I have selected a standard of materiality of \$250,000, deemed appropriate under the circumstances with due consideration given to:

- The surplus position of CLLAS (\$250,000 represents TBD% of the surplus),
- The value of the unpaid liabilities (\$250,000 represents 3.1% of the net claims liabilities), and
- The potential users of CLLAS's financial statements, which include regulators, auditors, management and subscribers.

### Limitations

In carrying out this valuation, I have relied on CLLAS's financial records and I have verified the consistency of the valuation data with the CLLAS financial records. I have asked Deloitte, CLLAS's external auditor, to report to me on the following:

1. To employ appropriate tests and sampling of CLLAS's individual records to ensure accurate and proper recording of premium, claim and asset information;
2. To employ appropriate tests and sampling to ascertain that proper management controls are in place to ensure the completeness of premium, claim and asset data;
3. To employ appropriate tests to ensure that our premium and claim data sets correspond in aggregate to internal CLLAS reports; and
4. Subsequent events which could have a significant effect on the valuation.

I have received a satisfactory report from the auditors for the year ended December 31, 2021.

I am satisfied that the data utilized are reliable and sufficient for the valuation of these liabilities.

Policy liabilities are estimates. The ultimate liabilities will depend upon future contingent, and by definition, uncertain events. Examples of such events include unanticipated changes in inflation, changes to the legal system and judgements establishing precedents.

It must be recognized that the future emergence of loss and loss adjustment expenses may deviate from our estimates by a significant margin. In estimating these liabilities, I have used models,



procedures and assumptions which, in my opinion, are reasonable and appropriate and I believe the resulting estimates are reasonable given the information available.

## **Specific Disclosure Requirements**

### **Reporting Relationships and Annual Required Reporting to the Board or Audit Committee**

This report has been provided to Mr. Patrick Mahoney, General Manager of CLLAS. Further, I will meet with CLLAS's audit committee on February 15, 2022 to present the results of this valuation.

I met with CLLAS's audit committee on February 11, 2021, February 13, 2020, February 14, 2019, February 15, 2018 and February 16, 2017 to present the results of the 2020, 2019, 2018, 2017 and 2016 valuations respectively.

### **Continuing Professional Development Requirements**

I am in compliance with the Continuing Professional Development requirements of the Canadian Institute of Actuaries.

### **Financial Condition Testing**

No Financial Condition Testing analysis was requested by the regulator in 2021.

### **External Peer Review**

A full external peer review was requested by the regulator in 2014 for the valuation report. This review was conducted on a pre-release basis by Ms. Lisa Yeung of PwC. The report is dated February 18, 2015. The external peer reviewer concluded that the assumptions and methodologies used in the report were reasonable and that the work had been completed in accordance with accepted actuarial practice.

The peer reviewer had two recommendations:

1. Provide descriptive details regarding methodology for selecting industry development factors;
2. The provision for ULAE is reasonable, but the actuary should consider other assumptions for the length of time period and rate of decrease applied to the estimated 2015 claims management expenses.

As a result of these recommendations, additional commentary can be found in Part 5 of this report.



Another full external peer review was requested by the regulator in 2017 for the valuation report. This review was conducted on a pre-release basis by M. Pierre Bourassa of PwC. The report is dated February 2, 2018. The external peer reviewer concluded that the assumptions and methodologies used in the report were reasonable and that the work had been completed in accordance with accepted actuarial practice.

The peer reviewer had the following recommendations:

1. In the Expression of Opinion, line 9 shows only “Unearned Commissions” in the table of premium liabilities. According to the OSFI Memorandum for the Appointed Actuary, line 9 also includes “Ceded Deferred Premium Taxes” and “Ceded Deferred Insurance Operations Expenses”. Please change the line name and add those amounts to line 9, if any.
2. In the section of Discounting and Provision for Adverse Deviation (page 16), the discount rate is reduced by the investment expenses of 0.17%. I would recommend adding a comment on how you derive the investment expenses.
3. I would recommend adding some comments on the explicit margin for expected credit-related events in the discount rate section.
4. I would consider adding more uncertainty to MfAD for premium liability or comment on your reasoning to select the same level of margins.
5. I recommend adding commentary on the differences between page 60.40 and AAR’s runoff exhibit.
6. OSFI requires that the AAR contain the references to the report sections, exhibits and/or appendices on how to derive the Appointed Actuary’s figures. I would consider including the supplementary information supporting the Opinions.

As a result of these recommendations, additional commentary and Part 10 can be found in this report.

An external peer review was requested by the regulator as of December 31, 2020. This external peer review was conducted on a pre-release basis by Ms. Denise Cheung of PwC. The report is dated February 8, 2021. The peer reviewer concluded that the assumptions and methodologies used in the report were reasonable and that the work had been completed in accordance with accepted actuarial practice.

The peer reviewer had following recommendations:

1. I recommend editing the Expression of Opinion table (page 12) to be consistent with OSFI requirements.



2. I recommend mentioning for Exhibits 15.1 and 15.2 that Unpaid Claims analysis is including Allocated Loss Adjustment Expenses (ALAE), but excluding Unallocated Loss Adjustment Expenses (ULAE), except for lines 13 to 15 (Exhibit 15.2 only). Also, for both exhibits mention that all amounts are on a net basis and in \$'000.
3. Various comments of an editorial nature.

All recommendations were addressed in the final December 31, 2020, report.

### **Disclosure of Compensation**

I attest that all my direct and indirect compensation is derived using the following methodology:

Axxima operates on a fee for service basis and hence the compensation that we receive from CLLAS is a function of the time and personnel involved in the engagement.

I confirm that I have performed my duties without regard to any personal considerations or to any influence, interest or relationship in respect of the affairs of my client or employer that might impair my professional judgement or objectivity. I confirm that my ability to act fairly is unimpaired, that there has been full disclosure of the methodology used to derive my compensation to all known direct users of my services.





## PART 3—EXPRESSION OF OPINION

I have valued the policy liabilities and reinsurance recoverables of the Canadian Lawyers Liability Assurance Society for its statement of financial position at December 31, 2021 and their changes in the statement of comprehensive income for the year then ended in accordance with accepted actuarial practice in Canada, including selection of appropriate assumptions and methods.

The results of my valuation together with amounts carried in the Annual Return are the following:

Claim Liabilities	Carried in Annual Return	Actuary's Estimate
(1) Direct unpaid claims and adjustment expenses	\$72,867,454	\$72,867,454
(2) Assumed unpaid claims and adjustment expenses	0	0
(3) Gross unpaid claims and adjustment expenses	72,867,454	72,867,454
(4) Ceded unpaid claims and adjustment expenses	64,708,168	64,708,168
(5) Other amounts to recover	0	0
(6) Other net liabilities	0	0
(7) Net unpaid claims and adjustment expenses [(3)-(4)-(5)+(6)]	\$8,159,286	\$8,159,286

Premium Liabilities	Carried in Annual Return (Col. 1)	Actuary's Estimate (Col. 2)
(1) Gross policy liabilities in connection with unearned premiums		\$7,977,231
(2) Net policy liabilities in connection with unearned premiums		967,571
(3) Gross unearned premiums	\$6,244,910	
(4) Net unearned premiums	1,008,750	
(5) Premium deficiency	0	\$0
(6) Other net liabilities	0	0
(7) Deferred policy acquisition expenses	41,179	
(8) Maximum policy acquisition expenses deferrable [(4)+(5)+(9)-(2)]Col. 1 – (2)Col. 2		\$41,179
(9) Unearned Commissions + Ceded Deferred Premium Taxes + Ceded Deferred insurance Operation Expenses	\$0	

In my opinion, the amount of policy liabilities net of reinsurance recoverables makes appropriate provision for all policy obligations and the financial statements fairly present the results of the valuation.

Julie-Linda Laforce  
Fellow, Canadian Institute of Actuaries

St-Bruno-de-Montarville, Quebec  
January 18, 2022



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## PART 4—COMPARISON OF ACTUAL AND EXPECTED EXPERIENCE

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The expected experience represents the net ultimate loss projections as of December 31, 2012, through December 31, 2020, and the actual experience represents the net ultimate loss projections as of December 31, 2021. Exhibit 13.2 shows both actual and expected experience net of proportional reinsurance, stop loss reinsurance and loss portfolio transfer with Colchester.

The net claim development on prior policy years during 2021 favourable by \$422,797, mainly due to a favorable claims development for all policy years.

The net development presented in our report excludes ULAE. Please note that ULAE development is included in the Annual Report page 60.40 (of the P&C-1).




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## PART 5—CLAIM LIABILITIES

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### General

The claim liabilities consist of both case reserves and incurred but not reported (“IBNR”) reserves. IBNR reserves are established as a bulk provision to supplement the case reserves. IBNR is broadly defined to include a provision for development of known claims as well as a provision for claims reported after the valuation date.

### Considerations

Homogeneity/Credibility:	The same coverage is offered to all subscribers. The risk exposures of the CLLAS subscribers are considered to be homogeneous for estimating claim liabilities. Given the excess nature of the coverage provided by CLLAS, claims experience is very limited. For that reason, provisions for IBNR were estimated based upon anticipated future development of expected losses.
Mix of Business:	There have been no material changes in the mix of business since CLLAS’s inception.
Case Reserving Practices:	CLLAS utilizes case reserves set by the law societies and reviews large claims. However it may, if deemed appropriate, set reserves higher than the law societies for claims which have the potential of piercing into CLLAS’s coverage layers. The case reserving practices have been consistent over time.
Claims Recording/Settlement:	Claims recording and claims settlement practices during 2021 were consistent with historical practices. The year-end cut-off date was December 31, 2021.
Frequency/Severity:	Given the excess nature of the coverage provided by CLLAS, claims experience has been very volatile from year to year.
Reopened Claim Potential:	Our analysis indicates that in the past, no material reopening claim activity has taken place. I am not aware of any precedent-setting judicial opinions, liberalizing legislation or company procedures which might affect the claims reopening potential.
Claims Runoff:	The net one-year claims runoff was favourable in 2021.



Coverage Changes:	CLLAS offered new limits starting in 2017. The current and historical coverage limits provided by CLLAS are presented in Part 2 – Operations.
Retention/Reinsurance:	Details of the current and historical reinsurance arrangements are provided in Part 7 and Schedule 1 of this report.
Aggregate Limits:	The aggregate limits of CLLAS’S reinsurance with Colchester have changed at July 1, 1998 and subsequently at July 1, 2002, July 1, 2005, July 1, 2006, July 1, 2011 and July 1, 2012 as described in detail in Part 7.
Collateral Sources:	Case reserves used in this valuation are assumed to be net of salvage and subrogation. We are not aware of any other collateral sources which might reduce the claim liabilities.
Marketing Strategy:	There have been no changes in marketing strategy for CLLAS in 2021.
Regulatory Changes:	Effective July 1, 2012, CLLAS’s lead regulator was changed from Ontario to Alberta.
Mass Tort or Latent Claim:	We are not aware of any exposure to tort and latent claims.
External Influences:	We are not aware of any legal or regulatory changes or any precedents set in case law that would impact our estimates.
Pools and Associations:	CLLAS does not participate in any voluntary or involuntary underwriting pools or associations. Therefore, CLLAS is not subject to any liabilities from participation in any pools or associations.

## Methodology and Assumptions – Gross and Net Losses and Loss Adjustment Expenses

The methodologies used to estimate the ultimate loss and allocated loss adjustment expense liabilities are consistent with those used in the last valuation. The data underlying the projections and estimates is documented in Part 8 of this report.

The Provisions for IBNR have been established using a Bornhuetter-Ferguson approach, based upon expected losses for each coverage period, and an assumed claim emergence pattern. The expected loss volumes have been estimated as the product of the exposure count (earned lawyer years) and pure premiums (expected loss costs per lawyer).



All reference to losses or claims are meant to include allocated loss adjustment expenses unless otherwise noted.

Rating studies are performed annually and expected loss costs assumptions are revised with each rating study. The last such rating study took place in early 2021 which led to revised expected loss costs per lawyer for the period covering from July 1, 2021 through June 30, 2022. These were used in the December 31, 2021 valuation. The revised and prior loss costs per lawyer assumptions for each layer of proportional reinsurance are summarized below:

Reinsurance Layer (in million \$)	Expected Loss Costs Per Lawyer	
	Prior	Revised
\$0.975 xs \$0.025	\$ 120	\$ 122
\$4.0 xs \$1.0	1,232	1,242
\$5.0 xs \$5.0	614	618
\$10.0 xs \$10.0	787	745
\$30.0 xs \$20.0	1,115	1,026
\$30.0 xs minimum \$65.0	10	8
5% of \$30.0 xs \$50.0	17	14
5% of \$110.0 xs \$50.0	29	21
\$60.0 xs \$160.0	26	15

The selected claim emergence pattern was derived using the observed development for lawyers' professional liability excess loss experience from a number of the law societies as a guide. Loss development factors for losses in excess of \$25,000; \$50,000; \$100,000; \$200,000; \$300,000 and \$500,000 were derived from loss data from law societies. The development factors in excess of \$1,000,000 were determined by fitting a linear function to these loss development indications. The selected loss development patterns are shown in Exhibit 1.8.

The selected claim payment pattern was also derived using the observed payout for lawyers' professional liability excess loss experience from a number of the law societies as a guide. The selected payment pattern is shown in Exhibits 1.1 and 1.4 on a gross and net basis respectively.

## Methodology and Assumptions – Unallocated Loss Adjustment Expenses

The provision for unallocated loss adjusting expenses ("ULAE") were established at 3.40% of the gross indemnity and legal expense liabilities, assuming that all ULAE costs would be retained by CLLAS. It should be noted that ULAE represents solely CLLAS internal claims management expenses.

The derivation of the ULAE ratio as shown in Exhibit 6 is based upon the following key assumptions:

- Estimated internal claims management expenses equal to \$390,500 in 2022;
- Indexing of such expenses at 2% a year in future years; and



- The portion of such annual expenses related to the outstanding claim liabilities as of December 31, 2021 will decrease at an annual rate of 1/10 per year from 2022 to 2031.

The provision for ULAE resulting from the above assumptions represents 3.39% of the gross case reserves and provision for IBNR as of December 31, 2021. A 3.40% assumption was selected to determine the provision for ULAE as of December 31, 2021. As shown in Exhibit 7, the provision amounts to \$2,287,541 (i.e., \$655,236 based on gross case reserves plus \$1,632,305 based on the gross provision IBNR).

### Summary of Undiscounted Liabilities

The unpaid claim liabilities on an undiscounted basis are as follows:

	Gross	Net
Case Reserves	\$19,271,657	\$1,124,876
Provision for IBNR	48,008,961	1,464,785
Provision for ULAE	2,287,541	2,287,541
<b>Total</b>	<b>\$69,568,159</b>	<b>\$4,877,202</b>

Exhibits 3 to 7 show the ground-up incurred loss amounts as well as the impact of proportional reinsurance, aggregate reinsurance, loss portfolio transfer to Colchester, and unallocated loss adjustment expenses.

### Discounting and Provision for Adverse Deviation

A discount rate of 1.30% (0.45% at December 31, 2020) was selected based on the yield of CLLAS's investment portfolio as at December 31, 2021. The basis upon which this selection was made can be found on Exhibit 8. The assets selected for the purpose of estimating a discount rate are sufficient to support the net policy liabilities and generate a cash flow that is consistent with the cash flows associated with the net policy liabilities.

The yield reflects the market value of bonds since CLLAS has classified its bond portfolio as available-for-sale. The selected discount rate is 0.25% less than the indication to account for investment management expenses (estimated based on CLLAS investment management expenses in relation to invested assets). In the selection of the discount rate it is assumed that there are no expected asset defaults based on a review of the investment portfolio.

The Consolidated Standards of Practice of the Canadian Actuarial Standards Board (ASB) provides explicit guidance for the setting of the provision for adverse deviation associated with claim liabilities. There are three major valuation variables in any property and casualty insurance valuation. Associated with each of these variables, the ASB has established a recommended range of low and high margins which varies with the uncertainty of the variable.



The variables involved and the range of margin for each is shown below:

Variable	Margin
1. Claims Development	Low margin: 2.5% of discounted liabilities High margin: 20.0% of discounted liabilities
2. Reinsurance Recovery	Low margin: 0.0% of discounted liabilities High margin: 15.0% of discounted liabilities
3. Interest Rate	Low margin: 25 basis points (0.25%) High margin: 200 basis points (2.0%)

Evaluation of these margins can be found in Exhibit 9.

#### **Selected Margin for Claims Development**

The liabilities are long-tailed and require a number of years of development before a precise picture of the ultimate liabilities can be obtained. In addition, since the coverage is in excess of \$1,000,000, losses are subject to a high degree of variability. As a result of these considerations, the margin for claim development was selected at 10.0%. The selected margin is unchanged from the one selected in the December 31, 2020 valuation.

#### **Selected Margin for Reinsurance Recovery**

The selected margin is 5.0%. The selected margin is unchanged from the one selected in the December 31, 2020 valuation.

#### **Selected Margin for Interest Rate**

The investment portfolio is comprised of money market securities, treasury bills, government bonds and corporate bonds. Due to the high quality of investment holdings, we believe the risk of asset default is low. The margin for interest rate was selected at 25 basis points (0.25%) and reflects the quality of the investment portfolio. The selected margin is unchanged from the one selected in the December 31, 2020 valuation.



## Summary of Discounted Liabilities and Provisions for Adverse Deviation

The unpaid claim liabilities are summarized as follows:

Claim Liabilities	Gross	Net
Undiscounted	\$69,568,159	\$4,877,202
Discounted	65,574,650	4,599,402
PFAD	7,292,803	3,559,884
Discounted plus PFAD	\$72,867,454	\$8,159,286

## Impact of Changes in Methodology and Assumptions on Reserve Estimates

No material changes were made to the methodology in 2021. The total impact of changes in assumptions implemented in my December 31, 2021 valuation is a decrease of \$3,626,813 and of \$470,398 in gross and net discounted liabilities plus provision for adverse deviation. The impact is mainly explained by the change in payout pattern, ULAE selection, discount rate and change in loss development factors.

## Subsequent Events

We are not aware of any events subsequent to the December 31, 2021 valuation date which are significant to this valuation.

## COVID-19

COVID-19 was declared to be an international pandemic on March 11, 2020. Shortly thereafter, local governments in Canada took unprecedented steps to restrict the physical interaction between people, which led to temporary closures or disruptions in several services, including slow down and closure of judicial courts.

These disruptions impacted both existing claims prior to March 11, 2020, which were still open and in the adjudication process, as well as new claims reported after March 11, 2020. In recommending the ultimate losses in this valuation, we have taken into account the qualitative information provided by management.

COVID-19 brings added uncertainty in the determination of ultimate claim values due to potentially new reporting and settlement patterns which may not be comparable to those observed prior to the pandemic. These considerations were taken into account in the selection of the margins for actuarial deviation. To date, CLLAS has experienced no change in frequency and after experiencing some court delays in early spring 2020, matters are now proceeding. In order to ease any COVID-19 impact on its Subscribers, CLLAS moved to quarterly premium instalments for 2020/2021 and 2021/2022.






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## PART 6—PREMIUM LIABILITIES AND OTHER LIABILITIES

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### Liabilities in Connection with Unearned Premium

#### Considerations

The liabilities in connection with unearned premium are based upon the review of the following considerations:

Frequency/Severity Trends:	Coverage provided by CLLAS is expected to give rise to a combination of low frequency/high severity claims. Given the small volume of claims experience to date, frequency/severity trends are subject to high degree of volatility.
External Influences:	We are not aware of any legal or regulatory changes or precedents set in case law expected to have a material impact on the future cost of claims.
Reinsurance Arrangements:	The types of reinsurance arrangements, their conditions and retention levels applicable to the unexpired portion of the policies in force are identical to those currently in force.
Premium Collection:	We are not aware of any premium collectability problems. This was confirmed by CLLAS management.
Seasonality of Losses:	We are not aware of any variations in the frequency or severity of claims caused by seasonality. Therefore, the loss exposure arising from policies currently in force is not expected to be subject to seasonal variation.
Coverage Changes:	We are not aware of any coverage change which could affect the claim costs arising from the unexpired portion of the business in force.

#### Unearned Premium

Unearned premiums are computed using the daily pro rata method. The gross and net unearned premiums are \$6,244,910 and \$1,008,750 respectively.



### Summary of Liabilities in Connection with Unearned Premium

The liabilities in connection with unearned premiums are computed in Exhibit 14. Summarized below are the assumptions used in the calculation of the liabilities.

- **Expected Ultimate Loss Ratio:** The expected ultimate loss ratio was estimated based on expected losses for 2021/2022 from CLLAS's 2021/2022 rating study, divided by the earned premiums.
- **Unallocated Loss Adjustment Expenses:** The selected unallocated loss adjusting expenses as a percentage of losses is shown in Exhibit 6. A 3.40% ratio was used for liabilities in connection with unearned premium.
- **Policyholder Servicing Costs:** Policyholder servicing costs were selected at 2.0% of premiums.
- **Change in Reinsurance Costs:** Because the policy and reinsurance contract dates are the same, there is no applicable change in reinsurance cost amount.
- **Anticipated broker/agent commission:** Not applicable
- **Expected adjustments to swing rated policies:** Not applicable
- **Expected changes to premiums as a result of audits, late reporting or endorsements:** Not applicable
- **Expected commission adjustments on policies with variable commissions:** Not applicable

### Deferred Policy Acquisition Expenses

The maximum allowable deferred expenses are \$41,179. CLLAS has recorded deferred policy acquisition expenses of \$41,179.

### Premium Deficiency

There is a no premium deficiency at December 31, 2021.

### Discounting and Provision for Adverse Deviation

Discounting and provision for adverse deviation calculations also apply to claim liabilities in connection with unearned premium. The variables involved, and the selected margins are the same as noted in the section on claim liabilities and the calculations can be found in Exhibit 14.2. In the case of CLLAS, we have considered that the same level of uncertainty is appropriate for the premium liabilities given the net claims liabilities are almost entirely based on IBNR and ULAE.



### **Other Policy Liabilities**

CLLAS has no other policy liabilities at December 31, 2021.

### **Subsequent Events**

We are not aware of any events subsequent to the December 31, 2021 valuation date which are significant to this valuation.




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## PART 7—REINSURANCE

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### Proportional Reinsurance

CLLAS has had proportional reinsurance arrangements since inception. Reinsurance ceded is on a claims-made basis. CLLAS coverage was divided into various layers and a certain proportion in each layer is ceded to different reinsurers. CLLAS also retains a variable proportion of each layer.

### Aggregate Reinsurance

CLLAS has arranged since July 1, 1989 aggregate reinsurance with Colchester which is applicable to its retention after reflection of proportional reinsurance. These reinsurance arrangements are summarized in Schedule 1.

In June 1996, the following changes were made to CLLAS non-proportional reinsurance arrangements with Colchester retrospectively for the policy periods 1993/1994 to 1995/1996 and for future policy periods unless the arrangement is terminated by either CLLAS or Colchester:

- As per the initial reinsurance terms, CLLAS's non-proportional reinsurer was assuming the first \$3,000,000 of CLLAS net of proportional aggregate retention. As a result of the June 1996 amendments, CLLAS assumes the first \$250,000 of this \$3,000,000 aggregate retention;
- The initial premium paid by CLLAS for each of these policy periods is subject to an adjustment, plus or minus, if actual losses are above or below a permissible loss ratio of 70%;
- The additional premium payable is subject to a maximum of 25% of the initial (deposit) premium, while the return premium is subject to a maximum of 10% of the initial premium;
- Any premium payable which is in excess of the 25% maximum adjustment is carried forward to subsequent policy periods, unless the retrospective rating arrangement is terminated by either CLLAS or Colchester. Similarly any premium receivable by CLLAS, which is in excess of the maximum 10% adjustment, is carried forward to the subsequent policy periods; and
- The first retrospective premium adjustment is made 24 months after the expiration of each policy period on the basis of the losses paid at the time of the adjustment and subsequent adjustments are made annually thereafter.



In June 1998 the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- The retrospective rating arrangement applicable to policy years 1993/1994 to 1997/1998 has been terminated. As a result any premium liability arising from such arrangement as of June 30, 1998 was eliminated;
- Also the deficit carry-forward of \$3,733,000 as of December 31, 1997 under such retrospective rating arrangement was eliminated as of June 30, 1998;
- For the 1998/1999 policy period CLLAS retains the first \$3,300,000 of its net of proportional aggregate retention instead of \$250,000 and Colchester assumes \$4,700,000 excess of CLLAS new \$3,300,000 aggregate retention after proportional reinsurance;
- CLLAS also assumes \$6,000,000 excess of \$8,000,000 of its aggregate retention after proportional reinsurance;
- Colchester continues to assume \$14,000,000 excess of \$14,000,000 of CLLAS retention after proportional reinsurance;
- It was also agreed between CLLAS and Colchester that the revised 1998/1999 reinsurance arrangements would apply retroactively to fiscal year 1995/1996.

On June 30, 2003, the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- For the 2002/2003, 2003/2004 and 2004/2005 policy periods CLLAS retains the first \$5,500,000 of its net proportional aggregate losses. Colchester assumes \$7,500,000 in excess of CLLAS's \$5,500,000 aggregate retention after proportional reinsurance. CLLAS also retains \$7,000,000 of its net proportional aggregate losses in excess of the underlying \$13,000,000 net of proportional reinsurance and Colchester assumes losses in the layer \$20,000,000 excess of \$20,000,000.

On June 30, 2005, the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- For the 2005/2006 policy period CLLAS retains the first \$5,500,000 of its net proportional aggregate losses. Colchester assumes \$9,500,000 in excess of CLLAS's \$5,500,000 aggregate retention after proportional reinsurance. CLLAS also retains \$5,000,000 of its net proportional aggregate losses in excess of the underlying \$15,000,000 net of proportional reinsurance and Colchester assumes losses in the layer \$20,000,000 excess of \$20,000,000.



On June 30, 2006, the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- For the 2006/2007 through 2008/2009 policy periods CLLAS retains the first \$15,000,000 of its net proportional aggregate losses. Colchester assumes \$5,000,000 in excess of CLLAS's \$15,000,000 aggregate retention after proportional reinsurance. Colchester also assumes losses in the layer \$20,000,000 excess of \$20,000,000.

On June 30, 2008, the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- Starting in policy period 2008/2009, CLLAS's retention of \$250,000 to which claims would "drop down" and attach to in certain instances has been reduced to \$25,000. However, Colchester does not assume the additional exposure between \$25,000 and \$250,000.

On June 30, 2009, the reinsurance arrangements between CLLAS and Colchester were modified as follows:

- For 2009/2010 onwards, CLLAS retains the first \$15,000,000 of its net proportional aggregate losses. Colchester assumes \$10,000,000 in excess of CLLAS's \$15,000,000 aggregate retention after proportional reinsurance. Colchester also assumes losses in the layer \$15,000,000 excess of \$25,000,000.

On June 30, 2011, the reinsurance arrangements between CLLAS and Colchester have been modified as follows:

- For 2011/2012, the-per claim retention for CLLAS subject to the aggregate limit includes 100% of the layer \$975,000 excess of \$25,000 and 25% of the layer \$49,000,000 excess of \$1,000,000. The per-claim retention for Colchester subject to the aggregate limit includes 25% of the layer \$4,000,000 excess of \$1,000,000. The aggregate coverage provides reinsurance of \$22,500,000 in excess of a \$17,500,000 limit on the combined basis. CLLAS's recoveries from Colchester will be for its share of the combined losses in the layer.

On June 30, 2012, the reinsurance arrangements between CLLAS and Colchester have been modified as follows:

- For 2012/2013, the-per claim retention for CLLAS subject to the aggregate limit includes 100% of the layer \$975,000 excess of \$25,000. Colchester provides reinsurance for 35% of the layer \$49,000,000 excess of \$1,000,000, with the following net retentions after retrocession: 35% of the layer \$4,000,000 excess of \$1,000,000, 15% of the layer \$5,000,000 excess of \$5,000,000 and 5% of the layer \$40,000,000 excess of \$10,000,000. Colchester provides an aggregate reinsurance coverage of \$10,000,000 in excess of a \$5,000,000 limit.



On June 30, 2013, the reinsurance arrangements between CLLAS and Colchester have been modified as follows:

- For 2013/2014, the-per claim retention for CLLAS subject to the aggregate limit includes 100% of the layer \$975,000 excess of \$25,000. Colchester provides reinsurance for 30% of the layer \$49,000,000 excess of \$1,000,000, with the following net retentions after retrocession: 30% of the layer \$4,000,000 excess of \$1,000,000 and 10% of the layer \$5,000,000 excess of \$5,000,000. Colchester provides an aggregate reinsurance coverage of \$10,000,000 in excess of a \$5,000,000 limit.

From June 30, 2014, the reinsurance arrangements between CLLAS and Colchester have been modified as follows:

- The-per claim retention for CLLAS subject to the aggregate limit includes 100% of the layer \$975,000 excess of \$25,000. Colchester provides reinsurance for 20% of the layer \$49,000,000 excess of \$1,000,000, with the following net retentions after retrocession: 20% of the layer \$4,000,000 excess of \$1,000,000. The 20% was increased to 23% in 2019/2020 and 2020/2021 and 33% in 2021/2022. Colchester provides an aggregate reinsurance coverage of \$10,000,000 in excess of a \$5,000,000 limit.
- For policy years 2016/2017, 2017/2018, 2018/2019, 2019/2020, 2020/2021 and 2021/2022, the optional excess layers are also ceded to Colchester at 5.0%, 7.5%, 7.5%, 10.0%, 10.0% and 10.0% respectively.
- Starting in 2020/2021, Colchester also provides the reinsurance for the 5% in the \$30,000,000 xs \$50,000,000 and \$50,000,000 xs \$50,000,000 layers.

## Loss Portfolio Transfer

On June 30, 2012, Colchester purchased CLLAS's loss portfolio of net outstanding claims obligations on policies written between July 1, 1987 and June 30, 2012. CLLAS's remaining net claim liabilities attributable to the business written prior to June 30, 2012 are provisions for unallocated loss adjustment expenses.

## Recoverable Amounts from Reinsurers

The amounts assumed to be recoverable from reinsurers in the calculation of the net claim and other policy liabilities are as follows:

Claim Liabilities	\$64,708,168
Liabilities in Connection with Unearned Premium	7,009,660
<b>Total</b>	<b>\$71,717,828</b>



## Unusual Problems or Delays

I have discussed reinsurance matters with CLLAS's management and external auditor regarding whether there are unusual problems and/or delays expected to be encountered in the collection of amounts from the reinsurers.

I have specifically discussed whether any of the following situations existed with the management and the external auditor with respect to proportional reinsurers:

- A reinsurance contract or cover note is not signed;
- A dispute has arisen with a reinsurer;
- A reinsurer that has a history of not settling accounts properly;
- A reinsurer's experience under a treaty is so bad or other circumstance exists that cause there to be a high probability that the reinsurer will deny liability;
- A reinsurer that is known to have been the subject of regulatory restrictions in its home jurisdiction; and
- Insolvent reinsurers.

All CLLAS proportional reinsurers are believed to be in sound financial condition.

I am not aware of the existence of any of the above situations or unusual problems or delays which could affect the collection of amounts recoverable from other proportional reinsurers.

Based on my review of the reinsurance agreements in place for the business underwritten by CLLAS, and my discussions with management, to the best of my knowledge, there are no material financial reinsurance agreements.

## Colchester Reinsurance Limited

Colchester is an off-shore captive reinsurer domiciled in Barbados. The shareholders of Colchester are twelve Toronto-based legal firms or their related service corporations. Those twelve shareholders are unrelated to each other. However, each of Colchester's shareholders is, or is related to, one of CLLAS's twelve subscribers.

Colchester has provided aggregate reinsurance to CLLAS since July 1, 1989. The terms of the current aggregate reinsurance arrangements provided to CLLAS are described in Schedule I. To my knowledge, Colchester does not provide reinsurance to any other entity than CLLAS.






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## PART 8—DATA RELIABILITY AND CONSISTENCY

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### Data

I have relied on the following data provided by CLLAS as at December 31, 2021:

- Historical individual claim information, including paid and case reserve amounts;
- Historical premium information;
- Historical number of lawyers by jurisdiction;
- Estimate of internal management expenses for 2021 and 2022 (budgeted);
- Investment details;
- Reinsurance details; and
- Draft financial statements.

### Reliance and Verification

I have relied on these data in the preparation of this report. I have not audited such data except to observe its consistency with prior years and to perform those checks necessary to satisfy myself that the information provides a reliable and sufficient basis for estimating the policy liabilities.

I have relied on the external auditor, Deloitte, to verify the accuracy of the CLLAS's records. I have received assurance from the external auditor that the CLLAS's data is complete.

### Reconciliation

A reconciliation of the claims data used in the valuation with the company's financial records was performed. I am satisfied that no material data was omitted.

The details of my reconciliation are as follows:

	Gross Paid At December 31, 2021	Gross Case Reserve at December 31, 2021
Reported in CLLAS's Financial Records	\$261,175,129	\$19,271,657
Reported in CLLAS's Claims Bordereaux	261,175,129	19,271,657
Difference	\$0	\$0




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## PART 9—LIST OF SCHEDULES AND EXHIBITS

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### List of Schedules

Schedule 1	CLLAS Reinsurance Arrangements
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### List of Exhibits

Exhibit 1.1	Cumulative Paid Losses and ALAE - Gross Basis
Exhibit 1.2	Case Reserves - Gross Basis
Exhibit 1.3	Incurred Losses - Gross Basis
Exhibit 1.4	Cumulative Paid Losses and ALAE - Net Basis
Exhibit 1.5	Case Reserves - Net Basis
Exhibit 1.6	Incurred Losses - Net Basis
Exhibit 1.7	Cumulative Number of Claims Reported - Gross and Net Basis
Exhibit 1.8	Indicated Loss Development Factors for Losses
Exhibit 2.1 to 2.48	IBNR - Reflecting Proportional Reinsurance
Exhibit 3	Summary of Gross Loss Experience
Exhibit 4	Summary of Reinsured Experience – Proportional, Stop Loss and Loss Portfolio Transfer
Exhibit 5	Summary of Net Loss Experience
Exhibit 6	Unallocated Loss Adjustment Expenses Ratio
Exhibit 7	Provision for Unallocated Loss Adjustment Expenses
Exhibit 8	Investment Portfolio Valuation & Selection of Discount Rate
Exhibit 9	Selection of Margins for Adverse Deviation
Exhibit 10	Actuarial Present Value Claims Liabilities – Gross Basis
Exhibit 11	Actuarial Present Value Claims Liabilities – Net Basis
Exhibit 12.1 to 12.4	Summary of Gross and Net Claims Liabilities by Policy Year and Calendar Year
Exhibit 13.1 to 13.2	Comparison of Actual Experience with Expected Experience from the December 31, 2012 through December 31, 2021 Valuations – Gross and Net Basis
Exhibit 14.1 to 14.2	Premium Liabilities – Gross and Net Basis
Exhibit 15.1 to 15.2	Unpaid Claims and Loss Ratio Analysis Exhibit




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**PART 10— DATA SOURCES FOR THE OPINION**


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<b>Claims Liabilities</b>	<b>Appointed Actuary's Estimate</b>	<b>Report Narrative Reference</b>	<b>Exhibit Reference</b>
(1) Direct unpaid claims and adjustment expenses	\$72,867,454		
(2) Assumed unpaid claims and adjustment expenses	0		
(3) Gross unpaid claims and adjustment expenses	72,867,454	Part 5	Exhibit 10
(4) Ceded unpaid claims and adjustment expenses	64,708,168	Part 5	Exhibit 10 – Exhibit 11
(5) Other amounts to recover	0	-	-
(6) Other net liabilities	0	-	-
(7) Net unpaid claims and adjustment expenses = (3) – (4) – (5) + (6)	\$8,159,286	Part 5	Exhibit 11
<b>Premium Liabilities</b>	<b>Appointed Actuary's Estimate</b>	<b>Report Narrative Reference</b>	<b>Exhibit Reference</b>
(1) Gross policy liabilities in connection with unearned premiums	\$7,977,231	Part 6	Exhibit 14.1
(2) Net policy liabilities in connection with unearned premiums	\$967,571	Part 6	Exhibit 14.1
(3) Gross unearned premiums			
(4) Net unearned premiums			
(5) Premium deficiency	\$0	Part 6	Exhibit 14.1
(6) Other net liabilities			
(7) Deferred policy acquisition expenses			
(8) Maximum policy acquisition expenses deferrable	\$41,179	Part 6	Exhibit 14.1
(9) Unearned commissions + Ceded Deferred Premium Taxes + Ceded Deferred Insurance Operations Expenses			

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/1987 - 6/1988	\$4.4 xs \$0.6	50.00%	0.00%	50.00%
	\$5.0 xs \$5.0	8.00%	78.16%	13.84%
	\$15.0 xs \$10.0	16.00%	53.50%	30.50%
7/1988 - 6/1989	\$4.0 xs \$1.0	50.00%	0.00%	50.00%
	\$5.0 xs \$5.0	8.00%	74.90%	17.10%
	\$15.0 xs \$10.0	17.33%	54.38%	28.29%
7/1989 - 3/1990	\$4.0 xs \$1.0	50.00%	0.00%	50.00%
	\$5.0 xs \$5.0	8.00%	75.87%	16.13%
	\$15.0 xs \$10.0	17.33%	62.51%	20.16%
4/1990 - 6/1990	\$4.0 xs \$1.0	50.00%	27.50%	22.50%
	\$5.0 xs \$5.0	8.00%	75.87%	16.13%
	\$15.0 xs \$10.0	17.33%	68.13%	14.54%
7/1990 - 6/1991	\$4.0 xs \$1.0	50.00%	50.00%	0.00%
	\$5.0 xs \$5.0	8.00%	81.10%	10.90%
	\$15.0 xs \$10.0	17.33%	74.49%	8.18%
	\$25.0 xs \$50.0	0.00%	79.55%	20.45%
7/1991 - 6/1992	\$4.0 xs \$1.0	50.00%	50.00%	0.00%
	\$7.5 xs \$5.0	20.00%	71.50%	8.50%
	\$12.5 xs \$12.5	18.00%	72.52%	9.48%
	\$10.0 xs \$25.0	12.50%	87.50%	0.00%
	\$25.0 xs \$50.0	0.00%	79.75%	20.25%
7/1992 - 6/1993	\$4.0 xs \$1.0	50.00%	50.00%	0.00%
	\$7.5 xs \$5.0	20.00%	71.60%	8.40%
	\$12.5 xs \$12.5	18.00%	75.34%	6.66%
	\$10.0 xs \$25.0	12.50%	87.50%	0.00%
	\$25.0 xs \$50.0	0.00%	89.81%	10.19%
7/1993 - 6/1994	\$4.0 xs \$1.0	50.00%	50.00%	0.00%
	\$7.5 xs \$5.0	20.00%	73.62%	6.38%
	\$12.5 xs \$12.5	18.00%	75.44%	6.56%
	\$10.0 xs \$25.0	12.50%	87.50%	0.00%
	\$25.0 xs \$50.0	0.00%	86.41%	13.59%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/1994 - 6/1995	\$4.0 xs \$1.0	50.00%	44.58%	5.42%
	\$7.5 xs \$5.0	20.00%	74.93%	5.07%
	\$12.5 xs \$12.5	18.00%	76.30%	5.70%
	\$10.0 xs \$25.0	12.50%	87.50%	0.00%
	\$25.0 xs \$50.0	0.00%	85.48%	14.52%
7/1995 - 6/1996	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4.0 xs \$1.0	50.00%	42.35%	7.65%
	\$7.5 xs \$5.0	20.00%	75.21%	4.79%
	\$12.5 xs \$12.5	18.00%	77.41%	4.59%
	\$10.0 xs \$25.0	12.50%	81.80%	5.70%
	\$25.0 xs \$50.0	0.00%	88.12%	11.88%
7/1996 - 6/1997	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4.0 xs \$1.0	50.00%	42.94%	7.06%
	\$7.5 xs \$5.0	20.00%	75.22%	4.78%
	\$12.5 xs \$12.5	18.00%	77.97%	4.03%
	\$10.0 xs \$25.0	12.50%	81.80%	5.70%
	\$25.0 xs \$50.0	0.00%	87.74%	12.26%
7/1997 - 6/1998	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4.0 xs \$1.0	50.00%	42.94%	7.06%
	\$7.5 xs \$5.0	20.00%	74.34%	5.66%
	\$12.5 xs \$12.5	18.00%	77.97%	4.03%
	\$10.0 xs \$25.0	12.50%	79.03%	8.47%
	\$25.0 xs \$50.0	0.00%	87.17%	12.83%
	\$15.0 xs \$120.0	0.00%	89.02%	10.98%
7/1998 - 6/1999	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	50.00%	42.63%	7.37%
	\$7.5 xs \$5.0	20.00%	74.04%	5.96%
	\$12.5 xs \$12.5	18.00%	77.93%	4.07%
	\$10 xs \$25	12.50%	79.03%	8.47%
	\$30 xs \$50	0.00%	87.17%	12.83%
	\$20 xs \$130	0.00%	89.02%	10.98%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/1999 - 6/2000	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	50.00%	46.80%	3.20%
	\$7.5 xs \$5.0	20.00%	75.98%	4.02%
	\$12.5 xs \$12.5	18.00%	77.61%	4.39%
	\$10 xs \$25	12.50%	79.12%	8.38%
	\$30 xs \$50	0.00%	86.00%	14.00%
	\$20 xs \$130	0.00%	88.16%	11.84%
7/2000 - 6/2001	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	50.00%	46.80%	3.20%
	\$7.5 xs \$5.0	20.00%	75.98%	4.02%
	\$12.5 xs \$12.5	18.00%	77.61%	4.39%
	\$10 xs \$25	12.50%	79.12%	8.38%
	\$30 xs \$50	0.00%	86.00%	14.00%
	\$20 xs \$140	0.00%	88.16%	11.84%
7/2001 - 6/2002	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	50.00%	46.80%	3.20%
	\$7.5 xs \$5.0	20.00%	80.00%	0.00%
	\$12.5 xs \$12.5	18.00%	78.97%	3.03%
	\$10 xs \$25	12.50%	79.12%	8.38%
	\$30 xs \$50	0.00%	86.00%	14.00%
	\$20 xs \$140	0.00%	88.16%	11.84%
7/2002 - 6/2003	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	20.00%	80.00%	0.00%
	\$12.5 xs \$12.5	18.00%	82.00%	0.00%
	\$10 xs \$25	12.50%	63.42%	24.08%
	\$30 xs \$50	0.00%	76.46%	23.54%
	\$20 xs \$140	0.00%	18.23%	81.77%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/2003 - 6/2004	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	20.00%	80.00%	0.00%
	\$12.5 xs \$12.5	18.00%	82.00%	0.00%
	\$10 xs \$25	12.50%	57.50%	30.00%
	\$30 xs \$50	0.00%	73.85%	26.15%
	\$20 xs \$140	0.00%	9.66%	90.34%
7/2004 - 6/2005	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	20.00%	75.00%	5.00%
	\$12.5 xs \$12.5	18.00%	82.00%	0.00%
	\$10 xs \$25	12.50%	63.05%	24.45%
	\$30 xs \$50	0.00%	74.86%	25.14%
	\$20 xs \$140	0.00%	9.66%	90.34%
7/2005 - 6/2006	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	20.00%	75.00%	5.00%
	\$12.5 xs \$12.5	18.00%	80.00%	2.00%
	\$10 xs \$25	12.50%	87.50%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
7/2006 - 6/2007	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	20.00%	75.00%	5.00%
	\$12.5 xs \$12.5	18.00%	77.00%	5.00%
	\$10 xs \$25	12.50%	87.50%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
	\$20 xs \$160	0.00%	100.00%	0.00%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/2007 - 6/2008	\$0.75 xs \$0.25	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	30.00%	65.00%	5.00%
	\$12.5 xs \$12.5	18.00%	77.00%	5.00%
	\$10 xs \$25	12.50%	87.50%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
	\$20 xs \$160	0.00%	100.00%	0.00%
7/2008 - 6/2009	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	35.00%	60.00%	5.00%
	\$12.5 xs \$12.5	24.00%	71.00%	5.00%
	\$10 xs \$25	12.50%	87.50%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
	\$30 xs \$160	0.00%	100.00%	0.00%
7/2009 - 6/2010	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	45.00%	52.00%	3.00%
	\$12.5 xs \$12.5	28.00%	68.00%	4.00%
	\$10 xs \$25	15.00%	85.00%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
	\$30 xs \$160	0.00%	100.00%	0.00%
7/2010 - 6/2011	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$4 xs \$1.0	100.00%	0.00%	0.00%
	\$7.5 xs \$5.0	50.00%	47.50%	2.50%
	\$12.5 xs \$12.5	30.00%	67.50%	2.50%
	\$10 xs \$25	20.00%	80.00%	0.00%
	\$30 xs \$50	0.00%	100.00%	0.00%
	\$20 xs \$140	0.00%	36.00%	64.00%
	\$40 xs \$160	0.00%	100.00%	0.00%



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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/2011 - 6/2012	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	25.00%	50.00%	25.00%
	\$30 xs min\$65	0.00%	100.00%	0.00%
	\$40/\$60 xs \$160	0.00%	76.00%	24.00%
7/2012 - 6/2013	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	65.00%	35.00%
	\$30 xs min\$65	0.00%	100.00%	0.00%
	\$40/\$60 xs \$160	0.00%	76.00%	24.00%
7/2013 - 6/2014	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	70.00%	30.00%
	\$30 xs min\$65	0.00%	88.00%	12.00%
	\$40/\$60 xs \$160	0.00%	93.00%	7.00%
7/2014 - 6/2015	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	80.00%	20.00%
	\$30 xs min\$65	0.00%	88.00%	12.00%
	\$40/\$60 xs \$160	0.00%	93.00%	7.00%
7/2015 - 6/2016	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	80.00%	20.00%
	\$30 xs min\$65	0.00%	88.00%	12.00%
	\$40/\$60 xs \$160	0.00%	93.00%	7.00%
7/2016 - 6/2017	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	80.00%	20.00%
	\$30 xs min\$65	0.00%	88.00%	12.00%
	\$40/\$60 xs \$160	0.00%	88.00%	12.00%
7/2017 - 6/2018	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	80.00%	20.00%
	\$30 xs min\$65	0.00%	94.00%	6.00%
	\$40/\$60 xs \$160	0.00%	85.50%	14.50%
	\$30/\$110 xs \$50	0.00%	5.00%	0.00%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Proportional Basis (Continued)**

<u>Fiscal Period</u>	<u>Layer (in million \$)</u>	<u>Retained Portion</u>	<u>Portion Reinsured with:</u>	
			<u>Registered Companies</u>	<u>Unregistered Companies</u>
7/2018 - 6/2019	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	80.00%	20.00%
	\$30 xs min\$65	0.00%	94.00%	6.00%
	\$40/\$60 xs \$160	0.00%	85.50%	14.50%
	\$30/\$110 xs \$50	0.00%	5.00%	0.00%
7/2019 - 6/2020	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	77.00%	23.00%
	\$30 xs min\$65	0.00%	94.00%	6.00%
	\$60 xs \$160	0.00%	83.00%	17.00%
	\$30/\$110 xs \$50	0.00%	5.00%	0.00%
7/2020 - 6/2021	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	77.00%	23.00%
	\$30 xs min\$65	0.00%	94.00%	6.00%
	\$60 xs \$160	0.00%	83.00%	17.00%
	\$30/\$110 xs \$50	0.00%	5.00%	0.00%
7/2021 - 6/2022	\$0.975 xs \$0.025	100.00%	0.00%	0.00%
	\$49 xs \$1.0	0.00%	67.00%	33.00%
	\$30 xs min\$65	0.00%	94.00%	6.00%
	\$60 xs \$160	0.00%	83.00%	17.00%
	\$30/\$50 xs \$50	0.00%	0.00%	5.00%
	\$60 xs \$100	0.00%	5.00%	0.00%

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Aggregate Basis Ceded to Unregistered Company**

- |                 |   |
|-----------------|---|
| 7/1989 - 6/1990 | <ul style="list-style-type: none"> <li>a) Aggregate of \$750,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$4,250,000 excess \$15,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>                             |
| 7/1990 - 6/1991 | <ul style="list-style-type: none"> <li>a) Aggregate of \$900,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$4,250,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>                          |
| 7/1991 - 6/1992 | <ul style="list-style-type: none"> <li>a) Aggregate of \$1,000,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$25,000,000 excess of \$12,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>                       |
| 7/1992 - 6/1993 | <ul style="list-style-type: none"> <li>a) Aggregate of \$1,000,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$25,000,000 excess of \$12,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>                       |
| 7/1993 - 6/1994 | <ul style="list-style-type: none"> <li>a) Aggregate of \$2,750,000 excess of \$250,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>   |
| 7/1994 - 6/1995 | <ul style="list-style-type: none"> <li>a) Aggregate of \$2,750,000 excess of \$250,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul>   |
| 7/1995 - 6/1996 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul> |
| 7/1996 - 6/1997 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul> |

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Aggregate Basis Ceded to Unregistered Company (Continued)**

- |                 |   |
|-----------------|---|
| 7/1998 - 6/1999 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance.</li> </ul> |
| 7/1999 – 6/2000 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2000 – 6/2001 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2001 – 6/2002 | <ul style="list-style-type: none"> <li>a) Aggregate of \$4,700,000 excess of \$3,300,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$14,000,000 excess of \$14,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2002 – 6/2003 | <ul style="list-style-type: none"> <li>a) Aggregate of \$7,500,000 excess of \$5,500,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2003 – 6/2004 | <ul style="list-style-type: none"> <li>a) Aggregate of \$7,500,000 excess of \$5,500,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2004 – 6/2005 | <ul style="list-style-type: none"> <li>a) Aggregate of \$7,500,000 excess of \$5,500,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |
| 7/2005 – 6/2006 | <ul style="list-style-type: none"> <li>a) Aggregate of \$9,500,000 excess of \$5,500,000 of CLLAS retention after reflection of proportional reinsurance, and</li> <li>b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance</li> </ul>  |

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Aggregate Basis Ceded to Unregistered Company (Continued)**

7/2006 – 6/2007	a) Aggregate of \$5,000,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance, and b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2007 – 6/2008	a) Aggregate of \$5,000,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance, and b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2008 – 6/2009	a) Aggregate of \$5,000,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance, and b) \$20,000,000 excess of \$20,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2009 – 6/2010	a) Aggregate of \$10,000,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance, and b) \$15,000,000 excess of \$25,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2010 – 6/2011	a) Aggregate of \$10,000,000 excess of \$15,000,000 of CLLAS retention after reflection of proportional reinsurance, and b) \$15,000,000 excess of \$25,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2011 – 6/2012	Aggregate of \$22,500,000 excess of \$17,500,000 of CLLAS/Colchester retention after reflection of reinsurance
7/2012 – 6/2013	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2013 – 6/2014	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2014 – 6/2015	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2015 – 6/2016	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance

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**SCHEDULE I: CLLAS REINSURANCE ARRANGEMENTS**


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**Aggregate Basis Ceded to Unregistered Company (Continued)**

7/2016 – 6/2017	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2017 – 6/2018	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2018 – 6/2019	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2019 – 6/2020	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2020 – 6/2021	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance
7/2021 – 6/2022	Aggregate of \$10,000,000 excess of \$5,000,000 of CLLAS retention after reflection of proportional reinsurance

**Exhibit 1.1**  
**Canadian Lawyers Liability Assurance Society**

Cumulative Paid Losses and ALAE (in \$000s)  
 Gross of Reinsurance  
 As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	Ultimate*
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	0	0	0	0	1,007	2,773	3,593	3,593	3,593	3,593	3,593	3,593	3,593	3,593	3,593	3,593
1991/1992	0	0	0	0	0	1,244	6,061	6,036	6,036	6,036	6,036	7,417	7,417	7,417	7,417	7,417	7,417	7,417	7,417
1992/1993	0	0	0	0	0	0	0	0	0	305	326	327	327	327	327	327	327	327	327
1993/1994	0	0	0	15,287	15,279	15,279	15,280	15,280	15,280	15,280	16,314	16,832	17,109	30,655	30,655	30,655	30,655	30,655	30,655
1994/1995	0	26	58	7,885	7,903	7,903	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319
1995/1996	0	0	1,217	1,375	1,393	1,407	3,752	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	0	0	1,094	20,159	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297
1999/2000	0	0	0	0	0	421	421	7,026	7,026	8,482	8,493	8,493	8,493	8,493	8,493	8,493	8,493	8,493	8,493
2000/2001	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2001/2002	0	0	0	3,046	3,144	17,180	17,553	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554
2002/2003	0	0	4	5	10	342	868	3,395	3,398	3,416	3,422	3,444	3,465	3,466	3,466	3,466	3,467	3,467	3,467
2003/2004	0	0	22,503	24,279	24,447	25,735	28,084	37,302	37,503	38,933	38,933	38,933	38,933	38,933	38,933	38,933	38,933	38,933	38,933
2004/2005	0	11	912	945	975	980	987	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262
2005/2006	0	3	3	683	712	712	712	712	764	766	766	766	766	766	766	766	766	766	766
2006/2007	0	0	0	0	0	0	6,389	6,469	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474
2007/2008	0	0	2,166	2,184	13,439	14,160	14,165	14,168	13,938	13,707	13,246	12,040	12,040	12,040	12,040	12,040	12,040	12,040	15,540
2008/2009	0	5	5	5	5	355	355	2,806	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
2009/2010	0	20	20	523	523	7,637	8,203	9,326	9,673	40,518	40,518	40,523	40,568						43,168
2010/2011	0	1,663	2,155	2,160	3,696	3,903	4,230	4,426	7,199	35,188	35,204	35,204							35,651
2011/2012	10	107	107	196	2,281	2,553	2,553	4,438	4,438	4,464	4,508								5,534
2012/2013	0	0	12	234	238	238	246	1,653	1,653	1,653									2,046
2013/2014	0	0	0	0	784	2,594	5,164	5,302	5,416										9,711
2014/2015	0	0	7	17	25	43	51	86											1,658
2015/2016	0	0	0	0	0	1,760	3,002												9,257
2016/2017	0	29	1,415	3,179	3,179	3,179													5,520
2017/2018	0	0	0	0	0														4,689
2018/2019	0	0	0	0	0														7,291
2019/2020	293	332	411																11,983
2020/2021	0	0																	13,831
2021/2022	0																		7,470
																			328,456

\* From Exh. 3, Col. (4)

**Paid-to-Ultimate Pattern**

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988																		
1988/1989																		
1989/1990																		
1990/1991								28.0%	77.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1991/1992						16.8%	81.7%	81.4%	81.4%	81.4%	81.4%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1992/1993										93.3%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1993/1994				49.9%	49.8%	49.8%	49.8%	49.8%	49.8%	49.8%	53.2%	54.9%	55.8%	100.0%	100.0%	100.0%	100.0%	100.0%
1994/1995		0.3%	0.6%	84.6%	84.8%	84.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1995/1996			32.5%	36.7%	37.2%	37.6%	100.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1996/1997																		
1997/1998																		
1998/1999				5.4%	99.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1999/2000						5.0%	5.0%	82.7%	82.7%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2000/2001																		
2001/2002				17.4%	17.9%	97.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2002/2003			0.1%	0.1%	0.3%	9.9%	25.0%	97.9%	98.0%	98.5%	98.7%	99.3%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%
2003/2004			57.8%	62.4%	62.8%	66.1%	72.1%	95.8%	96.3%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2004/2005		0.9%	72.2%	74.8%	77.2%	77.6%	78.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005/2006		0.4%	0.4%	89.2%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%	93.0%
2006/2007							98.7%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/2008			13.9%	14.1%	86.5%	91.1%	91.2%	91.2%	89.7%	88.2%	86.7%	85.2%	77.5%	77.5%	77.5%			
2008/2009		0.2%	0.2%	0.2%	0.2%	12.6%	12.6%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2009/2010		0.0%	0.0%	1.2%	1.2%	17.7%	19.0%	21.6%	22.4%	93.9%	93.9%	93.9%	94.0%					
2010/2011		4.7%	6.0%	6.1%	10.4%	10.9%	11.9%	12.4%	20.2%	98.7%	98.7%	98.7%						
2011/2012	0.2%	1.9%	1.9%	3.5%	41.2%	46.1%	46.1%	80.2%	80.2%	80.7%	81.5%							
2012/2013			0.6%	11.4%	11.6%	11.6%	12.0%	80.8%	80.8%									
2013/2014					8.1%	26.7%	53.2%	54.6%	55.8%									
2014/2015			0.4%	1.0%	1.5%	2.6%	3.1%	5.2%										
2015/2016						19.0%	32.4%											
2016/2017		0.5%	25.6%	57.6%	57.6%	57.6%												
2017/2018																		
2018/2019																		
2019/2020	2.4%	2.8%	3.4%															
2020/2021																		
2021/2022																		

**Payout Pattern Selections**

	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222
Selected at 12/31/2020	1.0%	4.5%	11.5%	20.5%	30.0%	40.0%	50.0%	60.0%	70.0%	78.5%	83.5%	86.5%	89.5%	92.5%	95.0%	97.0%	98.5%	99.3%	100.0%
Selected at 12/31/2021	1.0%	4.5%	11.5%	23.0%	32.5%	40.0%	50.0%	59.0%	67.0%	74.0%	81.0%	86.5%	89.5%	92.5%	95.0%	97.0%	98.5%	99.3%	100.0%

**Exhibit 1.2**  
**Canadian Lawyers Liability Assurance Society**

Case Reserves (in \$000s)  
Gross of Reinsurance  
As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	500	600	600	200	1,225	650	0	0	0	0	0	0	0	0	0
1991/1992	0	0	1,750	2,500	4,050	8,000	993	1,500	1,500	1,500	1,500	20	0	0	0	0	0	0
1992/1993	0	0	0	0	0	0	0	500	500	35	13	0	0	0	0	0	0	0
1993/1994	0	0	0	1,959	3,791	3,752	6,752	15,750	15,750	15,750	14,716	15,698	15,421	0	0	0	0	0
1994/1995	0	775	2,724	818	1,250	2,100	500	0	0	0	0	0	0	0	0	0	0	0
1995/1996	0	750	148	20	50	2,036	1	0	0	0	0	0	0	0	0	0	0	0
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	215	4,215	17,005	892	215	0	0	0	0	0	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	7,000	7,000	1,256	1,250	11	0	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	500	500	1,000	1,000	1,000	1,000	0	0	0	0	0	0	0
2001/2002	500	500	6,700	5,642	16,207	1,570	1,196	1,196	700	700	0	0	0	0	0	0	0	0
2002/2003	0	100	96	95	4,590	5,555	5,226	3,126	3,123	3,105	3,099	3,077	557	556	556	0	0	0
2003/2004	0	500	4,916	3,775	3,607	3,311	3,525	1,364	1,750	0	0	0	0	0	0	0	0	0
2004/2005	1,000	1,764	938	905	875	870	863	812	812	812	812	0	0	0	0	0	0	0
2005/2006	0	0	0	30	0	0	0	0	50	50	0	0	0	0	0	0	0	0
2006/2007	250	1,550	1,800	2,550	3,550	6,750	578	99	0	0	0	0	0	0	0	0	0	0
2007/2008	0	0	2,100	4,582	1,927	1,106	2,201	3,582	3,581	3,581	3,581	3,581	3,500	3,500	3,500	0	0	0
2008/2009	0	20	20	0	1,100	600	1,000	156	0	0	0	0	0	0	0	0	0	0
2009/2010	25	1,280	2,280	3,597	7,500	4,271	34,176	33,553	34,345	2,000	2,500	2,495	2,450					
2010/2011	0	365	1,594	5,082	11,546	11,339	11,012	11,816	28,072	163	123	123						
2011/2012	215	15	0	1,360	994	750	750	750	750	724	679							
2012/2013	0	0	13	22	518	518	1,192	0	0	0								
2013/2014	0	0	1,000	2,000	4,000	5,965	3,082	3,944	3,830									
2014/2015	0	10	13	55	47	50	1,042	1,006										
2015/2016	0	0	0	2,250	3,000	5,150	5,658											
2016/2017	0	1,641	2,425	658	658	158												
2017/2018	0	0	0	0	0													
2018/2019	0	0	0	250														
2019/2020	1,608	1,702	1,618															
2020/2021	0	0																
2021/2022	0																	



**Exhibit 1.3**  
**Canadian Lawyers Liability Assurance Society**

Incurred Losses (in \$000s)  
Gross of Reinsurance  
As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	500	600	600	200	2,232	3,423	3,593	3,593	3,593	3,593	3,593	3,593	3,593	3,593	3,593
1991/1992	0	0	1,750	2,500	4,050	9,244	7,054	7,536	7,536	7,536	7,536	7,436	7,417	7,417	7,417	7,417	7,417	7,417
1992/1993	0	0	0	0	0	0	0	500	500	339	339	327	327	327	327	327	327	327
1993/1994	0	0	0	17,246	19,070	19,031	22,031	31,030	31,030	31,030	31,030	32,530	32,530	30,655	30,655	30,655	30,655	30,655
1994/1995	0	801	2,782	8,704	9,153	10,003	9,819	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319	9,319
1995/1996	0	750	1,365	1,395	1,443	3,443	3,753	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743	3,743
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	215	4,215	18,099	21,051	20,512	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297	20,297
1999/2000	0	0	0	0	0	7,421	7,421	8,282	8,276	8,493	8,493	8,493	8,493	8,493	8,493	8,493	8,493	8,493
2000/2001	0	0	0	0	0	500	500	1,000	1,000	1,000	1,000	0	0	0	0	0	0	0
2001/2002	500	500	6,700	8,688	19,351	18,749	18,749	18,749	18,254	18,254	17,554	17,554	17,554	17,554	17,554	17,554	17,554	17,554
2002/2003	0	100	100	100	4,600	5,898	6,094	6,521	6,521	6,521	6,521	6,521	4,021	4,021	4,021	3,467	3,467	3,467
2003/2004	0	500	27,420	28,054	28,054	29,047	31,609	38,666	39,253	38,933	38,933	38,933	38,933	38,933	38,933	38,933	38,933	38,933
2004/2005	1,000	1,775	1,850	1,850	1,850	1,850	1,850	2,074	2,074	2,074	2,074	1,262	1,262	1,262	1,262	1,262	1,262	1,262
2005/2006	0	3	3	712	712	712	712	712	814	816	766	766	766	766	766	766	766	766
2006/2007	250	1,550	1,800	2,550	3,550	6,750	6,967	6,568	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474	6,474
2007/2008	0	0	4,266	6,766	15,366	15,266	16,366	17,749	17,519	17,288	17,057	16,827	15,540	15,540	15,540	15,540	15,540	15,540
2008/2009	0	25	25	5	1,105	955	1,355	2,962	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
2009/2010	25	1,300	2,300	4,120	8,023	11,908	42,379	42,879	44,018	42,518	43,018	43,018	43,018	43,018	43,018	43,018	43,018	43,018
2010/2011	0	2,027	3,750	7,242	15,242	15,242	15,242	16,242	35,271	35,350	35,327	35,327	35,327	35,327	35,327	35,327	35,327	35,327
2011/2012	225	122	107	1,557	3,275	3,303	3,303	5,188	5,188	5,188	5,187	5,187	5,187	5,187	5,187	5,187	5,187	5,187
2012/2013	0	0	25	256	756	756	1,438	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653	1,653
2013/2014	0	0	1,000	2,000	4,784	8,559	8,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246	9,246
2014/2015	0	10	20	72	72	93	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093
2015/2016	0	0	0	2,250	3,000	6,910	8,660	8,660	8,660	8,660	8,660	8,660	8,660	8,660	8,660	8,660	8,660	8,660
2016/2017	0	1,670	3,840	3,837	3,837	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337	3,337
2017/2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018/2019	0	0	0	250	250	250	250	250	250	250	250	250	250	250	250	250	250	250
2019/2020	1,901	2,035	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030	2,030
2020/2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021/2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Reported Age-to-Age Factors**

Policy Period	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	To Ult
1987/1988																		
1988/1989																		
1989/1990																		
1990/1991				1.200	1.000	0.333	11.158	1.534	1.050	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1991/1992			1.429	1.620	2.282	0.763	1.068	1.000	0.987	1.000	0.987	1.000	1.000	1.000	1.000	1.000	1.000	
1992/1993								1.000	0.678	1.000	0.963	1.000	1.000	1.000	1.000	1.000	1.000	
1993/1994				1.106	0.998	1.158	1.408	1.000	1.000	1.000	1.048	1.000	0.942	1.000	1.000	1.000	1.000	
1994/1995		3.473	3.129	1.052	1.093	0.982	0.949	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1995/1996		1.820	1.022	1.034	2.386	1.090	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996/1997																		
1997/1998																		
1998/1999		19.605	4.294	1.163	0.974	0.990	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999/2000						1.000	1.116	0.999	1.026	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/2001						1.000	2.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/2002	1.000	13.400	1.297	2.227	0.969	1.000	1.000	0.974	1.000	0.962	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002/2003		1.000	1.000	46.000	1.282	1.033	1.070	1.000	1.000	1.000	0.617	1.000	1.000	0.862	1.000	1.000	1.000	
2003/2004		54.839	1.023	1.000	1.035	1.088	1.223	1.015	0.992	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004/2005	1.775	1.042	1.000	1.000	1.000	1.000	1.121	1.000	1.000	1.000	0.609	1.000	1.000	1.000	1.000	1.000	1.000	
2005/2006		1.000	251.330	1.000	1.000	1.000	1.000	1.143	1.002	0.939	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2006/2007	6.200	1.161	1.417	1.392	1.901	1.032	0.943	0.986	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2007/2008			1.586	2.271	0.993	1.072	1.085	0.987	0.987	0.987	0.986	0.924	1.000	1.000	1.000	1.000	1.000	
2008/2009		1.000	0.202	219.163	0.864	1.419	2.186	0.948	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2009/2010	52.000	1.769	1.791	1.947	1.484	3.559	1.012	1.027	0.966	1.012	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010/2011		1.849	1.931	2.105	1.000	1.000	1.066	2.172	1.002	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2011/2012	0.542	0.878	14.547	2.104	1.008	1.000	1.571	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2012/2013			10.234	2.954	1.000	1.902	1.150	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013/2014			2.000	2.392	1.789	0.963	1.121	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2014/2015		2.000	3.619	1.000	1.281	11.782	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2015/2016				1.333	2.303	1.253	1.253	1.253	1.253	1.253	1.253	1.253	1.253	1.253	1.253	1.253	1.253	
2016/2017		2.300	0.999	1.000	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	0.870	
2017/2018																		
2018/2019																		
2019/2020	1.070	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	0.998	
2020/2021																		
2021/2022																		

**Exhibit 1.4**  
**Canadian Lawyers Liability Assurance Society**

Cumulative Paid Losses and ALAE (in \$000s)  
 Net of Proportional Reinsurance  
 As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	Ultimate*
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	0	0	0	0	503	1,387	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797
1991/1992	0	0	0	0	0	622	2,785	2,780	2,780	2,780	2,780	3,470	3,470	3,470	3,470	3,470	3,470	3,470	3,470
1992/1993	0	0	0	0	0	0	0	0	0	152	163	163	163	163	163	163	163	163	163
1993/1994	0	0	0	4,182	4,180	4,180	4,191	4,191	4,191	4,191	4,708	4,967	5,105	8,388	8,388	8,388	8,388	8,388	8,388
1994/1995	0	13	29	3,916	3,925	3,925	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633
1995/1996	0	0	608	688	696	703	1,876	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	0	0	0	6,185	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254
1999/2000	0	0	0	0	0	210	210	2,731	2,731	3,459	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465
2000/2001	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2001/2002	0	0	0	1,523	1,572	5,532	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602
2002/2003	0	0	4	5	10	342	868	3,395	3,398	3,416	3,422	3,444	3,465	3,466	3,466	3,466	3,467	3,467	3,467
2003/2004	0	0	7,481	9,033	9,064	10,352	11,009	12,342	12,503	13,933	13,933	13,933	13,933	13,933	13,933	13,933	13,933	13,933	13,933
2004/2005	0	11	912	945	975	980	987	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262	1,262
2005/2006	0	3	3	683	712	712	712	712	764	766	766	766	766	766	766	766	766	766	766
2006/2007	0	0	0	0	0	0	5,688	5,764	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769
2007/2008	0	0	2,166	2,184	8,361	8,520	8,521	8,521	8,292	8,061	7,830	7,600	6,393	6,393	6,393	6,393	6,393	6,393	9,893
2008/2009	0	5	5	5	5	355	355	2,806	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
2009/2010	0	20	20	523	523	7,441	8,007	9,130	9,392	18,697	18,697	18,702	18,747						21,287
2010/2011	0	1,663	2,155	2,160	3,696	3,903	4,230	4,426	7,199	16,275	16,280	16,280							16,603
2011/2012	10	107	107	129	650	785	785	1,257	1,257	1,263	1,274								1,539
2012/2013	0	0	12	200	203	203	203	203	203	203									215
2013/2014	0	0	0	0	0	0	0	0	0										14
2014/2015	0	0	7	17	25	43	51	86											1,110
2015/2016	0	0	0	0	0	0	0												19
2016/2017	0	29	107	650	650	650													720
2017/2018	0	0	0	0	0														147
2018/2019	0	0	0	0	0														225
2019/2020	293	332	411																828
2020/2021	0	0																	423
2021/2022	0																		239
																			116,914

\* From Exh. 4, Col. (4)

## Paid-to-Ultimate Pattern

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988																		
1988/1989																		
1989/1990																		
1990/1991								28.0%	77.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1991/1992						17.9%	80.3%	80.1%	80.1%	80.1%	80.1%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1992/1993										93.3%	99.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1993/1994				49.9%	49.8%	49.8%	50.0%	50.0%	50.0%	50.0%	56.1%	59.2%	60.9%	100.0%	100.0%	100.0%	100.0%	100.0%
1994/1995		0.3%	0.6%	84.5%	84.7%	84.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1995/1996			32.5%	36.7%	37.2%	37.6%	100.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1996/1997																		
1997/1998																		
1998/1999					98.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
1999/2000						6.1%	6.1%	78.8%	78.8%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2000/2001																		
2001/2002				27.2%	28.1%	98.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2002/2003			0.1%	0.1%	0.3%	9.9%	25.0%	97.9%	98.0%	98.5%	98.7%	99.3%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%
2003/2004			53.7%	64.8%	65.1%	74.3%	79.0%	88.6%	89.7%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2004/2005		0.9%	72.2%	74.8%	77.2%	77.6%	78.2%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2005/2006		0.4%	0.4%	89.2%	93.0%	93.0%	93.0%	93.0%	99.8%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2006/2007							98.6%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
2007/2008			21.9%	22.1%	84.5%	86.1%	86.1%	86.1%	83.8%	81.5%	79.1%	76.8%	64.6%	64.6%	64.6%			
2008/2009		0.2%	0.2%	0.2%	0.2%	12.6%	12.6%	99.9%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%				
2009/2010		0.1%	0.1%	2.5%	2.5%	35.0%	37.6%	42.9%	44.1%	87.8%	87.8%	87.9%	88.1%					
2010/2011		10.0%	13.0%	13.0%	22.3%	23.5%	25.5%	26.7%	43.4%	98.0%	98.1%							
2011/2012	0.6%	6.9%	7.0%	8.4%	42.2%	51.0%	51.0%	81.6%	81.6%	82.1%	82.8%							
2012/2013			5.5%	92.8%	94.4%	94.4%	94.4%	94.4%	94.4%									
2013/2014																		
2014/2015			0.6%	1.5%	2.3%	3.9%	4.6%	7.8%										
2015/2016																		
2016/2017		4.1%	14.8%	90.3%	90.3%	90.3%												
2017/2018																		
2018/2019																		
2019/2020	35.4%	40.2%	49.7%															
2020/2021																		
2021/2022																		

## Payout Pattern Selections

	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210	222
Selected at 12/31/2020	1.0%	4.5%	11.5%	20.5%	30.0%	40.0%	50.0%	60.0%	70.0%	78.5%	83.5%	86.5%	89.5%	92.5%	95.0%	97.0%	98.5%	99.3%	100.0%
Selected at 12/31/2021	1.0%	4.5%	11.5%	23.0%	32.5%	40.0%	50.0%	59.0%	67.0%	74.0%	81.0%	86.5%	89.5%	92.5%	95.0%	97.0%	98.5%	99.3%	100.0%

**Exhibit 1.5**  
**Canadian Lawyers Liability Assurance Society**

Case Reserves (in \$000s)  
Net of Proportional Reinsurance  
As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	250	300	300	100	613	325	0	0	0	0	0	0	0	0	0
1991/1992	0	0	875	1,250	2,025	3,100	499	750	750	750	750	10	0	0	0	0	0	0
1992/1993	0	0	0	0	0	0	0	250	250	17	7	0	0	0	0	0	0	0
1993/1994	0	0	0	833	1,882	1,875	2,700	4,425	4,425	4,425	3,908	3,919	3,780	0	0	0	0	0
1994/1995	0	388	1,362	409	625	1,050	250	0	0	0	0	0	0	0	0	0	0	0
1995/1996	0	375	74	10	25	1,018	1	0	0	0	0	0	0	0	0	0	0	0
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	108	2,108	2,233	385	108	0	0	0	0	0	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	2,600	2,600	626	625	5	0	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	250	250	500	500	500	500	0	0	0	0	0	0	0
2001/2002	250	250	3,350	2,821	4,893	667	598	598	350	350	0	0	0	0	0	0	0	0
2002/2003	0	100	96	95	4,590	5,555	5,226	3,126	3,123	3,105	3,099	3,077	557	556	556	0	0	0
2003/2004	0	500	3,755	1,939	1,909	744	463	1,325	1,750	0	0	0	0	0	0	0	0	0
2004/2005	1,000	1,764	938	905	875	870	863	812	812	812	812	0	0	0	0	0	0	0
2005/2006	0	0	0	30	0	0	0	0	50	50	0	0	0	0	0	0	0	0
2006/2007	250	1,550	1,800	2,550	3,550	6,150	505	60	0	0	0	0	0	0	0	0	0	0
2007/2008	0	0	2,100	4,582	1,263	1,086	2,185	3,582	3,581	3,581	3,581	3,581	3,500	3,500	3,500	0	0	0
2008/2009	0	20	20	0	1,100	600	1,000	156	0	0	0	0	0	0	0	0	0	0
2009/2010	25	1,280	2,280	3,597	7,500	4,271	12,551	11,928	12,805	2,000	2,500	2,495	2,450	0	0	0	0	0
2010/2011	0	365	1,594	4,582	6,746	6,539	6,212	7,016	9,229	133	123	123	0	0	0	0	0	0
2011/2012	215	15	0	340	249	188	188	188	188	181	170	0	0	0	0	0	0	0
2012/2013	0	0	13	22	18	18	0	0	0	0	0	0	0	0	0	0	0	0
2013/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2014/2015	0	10	13	55	47	50	1,042	1,006	0	0	0	0	0	0	0	0	0	0
2015/2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2016/2017	0	621	543	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2017/2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018/2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019/2020	108	202	118	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2020/2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021/2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Exhibit 1.6**  
**Canadian Lawyers Liability Assurance Society**

Incurred Losses (in \$000s)  
 Net of Proportional Reinsurance  
 As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	250	300	300	100	1,116	1,712	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797	1,797
1991/1992	0	0	875	1,250	2,025	3,722	3,284	3,530	3,530	3,530	3,530	3,480	3,470	3,470	3,470	3,470	3,470	3,470
1992/1993	0	0	0	0	0	0	0	250	250	170	170	163	163	163	163	163	163	163
1993/1994	0	0	0	5,014	6,063	6,056	6,891	8,616	8,616	8,616	8,616	8,886	8,886	8,886	8,388	8,388	8,388	8,388
1994/1995	0	400	1,391	4,326	4,550	4,975	4,883	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633	4,633
1995/1996	0	375	682	698	721	1,721	1,876	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871	1,871
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	108	2,108	2,233	6,570	6,362	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254	6,254
1999/2000	0	0	0	0	0	2,810	2,810	3,358	3,356	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465	3,465
2000/2001	0	0	0	0	0	250	250	500	500	500	500	0	0	0	0	0	0	0
2001/2002	250	250	3,350	4,344	6,465	6,200	6,200	6,200	5,952	5,952	5,602	5,602	5,602	5,602	5,602	5,602	5,602	5,602
2002/2003	0	100	100	100	4,600	5,898	6,094	6,521	6,521	6,521	6,521	6,521	4,021	4,021	4,021	3,467	3,467	3,467
2003/2004	0	500	11,236	10,973	10,973	11,097	11,471	13,666	14,253	13,933	13,933	13,933	13,933	13,933	13,933	13,933	13,933	13,933
2004/2005	1,000	1,775	1,850	1,850	1,850	1,850	1,850	2,074	2,074	2,074	2,074	1,262	1,262	1,262	1,262	1,262	1,262	1,262
2005/2006	0	3	3	712	712	712	712	712	814	816	766	766	766	766	766	766	766	766
2006/2007	250	1,550	1,800	2,550	3,550	6,150	6,193	5,824	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769	5,769
2007/2008	0	0	4,266	6,766	9,624	9,606	10,706	12,103	11,872	11,642	11,411	11,180	9,893	9,893	9,893	9,893	9,893	9,893
2008/2009	0	25	25	5	1,105	955	1,355	2,962	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809	2,809
2009/2010	25	1,300	2,300	4,120	8,023	11,712	20,558	21,058	22,197	20,697	21,197	21,197	21,197	21,197	21,197	21,197	21,197	21,197
2010/2011	0	2,027	3,750	6,742	10,442	10,442	10,442	10,442	11,442	16,428	16,408	16,403	16,403	16,403	16,403	16,403	16,403	16,403
2011/2012	225	122	107	469	899	973	973	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444	1,444
2012/2013	0	0	25	221	221	221	203	203	203	203	203	203	203	203	203	203	203	203
2013/2014	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2014/2015	0	10	20	72	72	93	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093	1,093
2015/2016	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2016/2017	0	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650	650
2017/2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018/2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019/2020	401	535	530	530	530	530	530	530	530	530	530	530	530	530	530	530	530	530
2020/2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021/2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Reported Age-to-Age Factors**

Policy Period	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	To Ult
1987/1988																		
1988/1989																		
1989/1990																		
1990/1991				1.200	1.000	0.333	11.158	1.534	1.050	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1991/1992			1.429	1.620	1.838	0.882	1.075	1.000	1.000	1.000	0.986	0.997	1.000	1.000	1.000	1.000	1.000	
1992/1993								1.000	0.678	1.000	0.963	1.000	1.000	1.000	1.000	1.000	1.000	
1993/1994				1.209	0.999	1.138	1.250	1.000	1.000	1.000	1.031	1.000	0.944	1.000	1.000	1.000	1.000	
1994/1995		3.473	3.110	1.052	1.093	0.982	0.949	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1995/1996		1.820	1.022	1.034	2.386	1.090	0.997	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1996/1997																		
1997/1998																		
1998/1999		19.605	1.059	2.943	0.968	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
1999/2000						1.000	1.195	1.000	1.032	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2000/2001						1.000	2.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2001/2002	1.000	13.400	1.297	1.488	0.959	1.000	1.000	0.960	1.000	0.941	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2002/2003		1.000	1.000	46.000	1.282	1.033	1.070	1.000	1.000	1.000	0.617	1.000	1.000	0.862	1.000	1.000	1.000	
2003/2004		22.471	0.977	1.000	1.011	1.034	1.191	1.043	0.978	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2004/2005	1.775	1.042	1.000	1.000	1.000	1.000	1.121	1.000	1.000	1.000	0.609	1.000	1.000	1.000	1.000	1.000	1.000	
2005/2006		1.000	251.330	1.000	1.000	1.000	1.000	1.143	1.002	0.939	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2006/2007	6.200	1.161	1.417	1.392	1.732	1.007	0.940	0.991	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2007/2008			1.586	1.422	0.998	1.115	1.130	0.981	0.981	0.980	0.885	1.000	1.000	1.000	1.000	1.000	1.000	
2008/2009		1.000	0.202	219.163	0.864	1.419	2.186	0.948	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2009/2010	52.000	1.769	1.791	1.947	1.460	1.755	1.024	1.054	0.932	1.024	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2010/2011		1.849	1.798	1.549	1.000	1.000	1.096	1.436	0.999	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2011/2012	0.542	0.878	4.383	1.916	1.083	1.000	1.484	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2012/2013			8.856	1.000	1.000	0.918	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2013/2014																		
2014/2015		2.000	3.619	1.000	1.281	11.782	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2015/2016																		
2016/2017		1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
2017/2018																		
2018/2019																		
2019/2020	1.333	0.991																
2020/2021																		
2021/2022																		

**Reported Averages**

	6-18	18-30	30-42	42-54	54-66	66-78	78-90	90-102	102-114	114-126	126-138	138-150	150-162	162-174	174-186	186-198	198-210	To Ult
Simple Average																		
All years	10.475	4.654	15.938	14.497	1.198	1.546	1.660	1.052	0.983	0.994	0.976	0.971	0.996	1.000	0.990	1.000	1.000	
Latest 5	1.333	0.995	2.310	1.000	1.094	4.567	1.145	1.122	0.986	1.001	0.996	0.977	1.000	1.000	0.972	1.000	1.000	
Medial Average																		
All years	2.577	3.651	2.209	3.876	1.150	1.071	1.198	1.032	0.996	0.996	0.996	0.992	1.000	1.000	1.000	1.000	1.000	
Latest 5	-	-	-	-	1.000	1.000	1.048	1.027	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	
Volume Weighted Average																		
All years	4.523	3.604	1.545	1.489	1.168	1.131	1.108	1.059	0.984	0.999	0.989	0.962	0.993	1.000	0.991	1.000	1.000	
Latest 5	2.954	0.996	1.078	1.000	1.022	1.763	1.116	1.179	0.965	1.005	0.996	0.969	1.000	1.000	0.978	1.000	1.000	

**Exhibit 1.7**  
**Canadian Lawyers Liability Assurance Society**

Cumulative Number of Claims Reported  
Gross and Net of Reinsurance  
As at December 31, 2021

[illegible]

Number of Claims Open  
Gross and Net of Reinsurance  
As at December 31, 2021

Policy Period	6	18	30	42	54	66	78	90	102	114	126	138	150	162	174	186	198	210
1987/1988	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1990/1991	0	0	0	1	2	2	1	1	1	0	0	0	0	0	0	0	0	0
1991/1992	0	0	2	3	4	2	1	1	1	1	1	1	0	0	0	0	0	0
1992/1993	0	0	0	0	0	0	0	1	1	1	1	0	0	0	0	0	0	0
1993/1994	0	0	0	4	4	4	4	3	3	3	3	3	3	0	0	0	0	0
1994/1995	0	2	3	5	2	2	1	0	0	0	0	0	0	0	0	0	0	0
1995/1996	0	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0
1996/1997	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
1998/1999	0	1	2	3	3	1	0	0	0	0	0	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	1	1	2	1	1	0	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	1	1	1	1	1	1	0	0	0	0	0	0	0
2001/2002	1	1	3	4	4	5	4	4	2	2	0	0	0	0	0	0	0	0
2002/2003	0	1	1	1	2	2	2	1	1	1	1	1	1	1	1	0	0	0
2003/2004	0	1	3	2	2	2	2	3	1	0	0	0	0	0	0	0	0	0
2004/2005	1	2	2	2	2	2	2	2	2	2	1	0	0	0	0	0	0	0
2005/2006	0	0	0	1	0	0	0	0	1	1	0	0	0	0	0	0	0	0
2006/2007	1	1	2	2	2	2	2	2	0	0	0	0	0	0	0	0	0	0
2007/2008	0	0	3	3	3	3	4	2	2	2	2	2	1	1	1	0	0	0
2008/2009	0	1	1	1	3	2	2	1	0	0	0	0	0	0	0	0	0	0
2009/2010	1	2	3	4	3	3	3	4	3	1	1	1	1	0	0	0	0	0
2010/2011	0	2	3	2	2	2	2	3	2	2	1	1	0	0	0	0	0	0
2011/2012	2	1	0	2	2	1	1	1	1	1	1	0	0	0	0	0	0	0
2012/2013	0	0	1	1	2	2	1	0	0	0	0	0	0	0	0	0	0	0
2013/2014	0	0	1	2	3	3	2	2	2	0	0	0	0	0	0	0	0	0
2014/2015	0	1	1	2	2	1	1	1	1	0	0	0	0	0	0	0	0	0
2015/2016	0	0	0	3	3	3	4	0	0	0	0	0	0	0	0	0	0	0
2016/2017	0	1	2	2	2	1	0	0	0	0	0	0	0	0	0	0	0	0
2017/2018	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2018/2019	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2019/2020	2	2	3	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2020/2021	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2021/2022	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**Exhibit 1.8**  
**Canadian Lawyers Liability Assurance Society**

Indicated and Selected Incurred Loss Development Factors  
For Losses in Excess of Various Per Occurrence Retentions \*  
As at December 31, 2021

Retention per Occurrence	Loss Development Factor to Ultimate at Duration t (in months)													
	6	18	30	42	54	66	78	90	102	114	126	138	150	162
25,000	3.207	1.692	1.316	1.169	1.066	0.980	0.950	0.960	0.967	0.973	0.979	0.973	0.976	1.457
50,000	3.948	1.926	1.439	1.241	1.101	0.993	0.954	0.962	0.968	0.970	0.976	0.968	0.971	1.449
100,000	4.995	2.222	1.613	1.360	1.160	1.016	0.964	0.969	0.972	0.972	0.978	0.964	0.964	1.437
200,000	6.434	2.428	1.793	1.466	1.211	1.023	0.966	0.967	0.972	0.975	0.985	0.961	0.961	1.421
300,000	7.602	2.399	1.810	1.490	1.216	1.007	0.946	0.954	0.965	0.965	0.987	0.953	0.957	1.409
500,000	11.283	2.419	1.771	1.522	1.218	0.995	0.915	0.952	0.954	0.932	0.981	0.934	0.946	1.392
Interpolated at 1,000,000	19.403	8.538	2.639	1.939	1.473	1.093	0.910	0.893	0.918	0.927	0.948	0.936	0.908	0.900
<b>Selected at 12/31/2021</b>														
Loss Dev. Factor	<b>19.675</b>	<b>8.725</b>	<b>2.750</b>	<b>2.025</b>	<b>1.550</b>	<b>1.173</b>	<b>1.043</b>	<b>1.038</b>	<b>1.033</b>	<b>1.025</b>	<b>1.020</b>	<b>1.018</b>	<b>1.008</b>	<b>1.000</b>
IBNR Factor	<b>0.949</b>	<b>0.885</b>	<b>0.636</b>	<b>0.506</b>	<b>0.355</b>	<b>0.147</b>	<b>0.041</b>	<b>0.037</b>	<b>0.032</b>	<b>0.024</b>	<b>0.020</b>	<b>0.018</b>	<b>0.008</b>	<b>0.000</b>
<b>Selected at 12/31/2020</b>														
Loss Dev. Factor	18.175	8.225	2.750	2.025	1.550	1.173	1.043	1.038	1.033	1.025	1.020	1.018	1.008	1.000
IBNR Factor	0.945	0.878	0.636	0.506	0.355	0.147	0.041	0.037	0.032	0.024	0.020	0.018	0.008	0.000

\* Based on industry data for Lawyers Professional Liability insurance.

**Exhibit 2.1**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period: 1987-2 to 1988-1  
As at December 31, 2021

Layer	4.4 xs .6	5 xs 5	15 xs 10	Total
<b><u>Derivation of Ultimate Incurred</u></b>				
Earned Lawyer Count	1,479	1,479	1,479	
Expected Loss Cost per Lawyer	\$527	\$298	\$465	
Gross Expected Loss Volume	\$779,433	\$440,742	\$687,735	
IBNR Factor	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$0	\$0	\$0	\$0
<b><u>Derivation of Loss Adjustment Expenses</u></b>				
IBNR LAE	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>				
Retention	0.5000	0.0800	0.1600	
Reinsured	0.5000	0.9200	0.8400	
Paid to Date Retained	\$0	\$0	\$0	\$0
Paid Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0
Case Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0
Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0

**Exhibit 2.2**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period: 1988-2 to 1990-1  
As at December 31, 2021

Layer	4 xs 1	5 xs 5	15 xs 10	Total
<b><u>Derivation of Ultimate Incurred</u></b>				
Earned Lawyer Count	3,885	3,885	3,885	
Expected Loss Cost per Lawyer	\$483	\$298	\$465	
Gross Expected Loss Volume	\$1,876,455	\$1,157,730	\$1,806,525	
IBNR Factor	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$0	\$0	\$0	\$0
<b><u>Derivation of Loss Adjustment Expenses</u></b>				
IBNR LAE	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>				
Retention	0.5000	0.0800	0.1733	
Reinsured	0.5000	0.9200	0.8267	
Paid to Date Retained	\$0	\$0	\$0	\$0
Paid Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0
Case Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0
Reserves Ceded to				
Registered Reinsurers	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0



**Exhibit 2.3**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period: 1990-2 to 1991-1  
As at December 31, 2021

<b>Layer</b>	<b>4 xs 1</b>	<b>5 xs 5</b>	<b>15 xs 10</b>	<b>25 xs 50</b>	<b>Total</b>
<b><u>Derivation of Ultimate Incurred</u></b>					
Earned Lawyer Count	2,352	2,352	2,352	2,352	
Expected Loss Cost per Lawyer	\$483	\$298	\$465	\$200	
Gross Expected Loss Volume	\$1,136,016	\$700,896	\$1,093,680	\$470,400	
IBNR Factor	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$3,593,148	\$0	\$0	\$0	\$3,593,148
Total Ultimate Incurred	\$3,593,148	\$0	\$0	\$0	\$3,593,148
<b><u>Derivation of Loss Adjustment Expenses</u></b>					
IBNR LAE	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>					
Retention	0.5000	0.0800	0.1733	0.0000	
Reinsured	0.5000	0.9200	0.8267	1.0000	
Paid to Date Retained	\$1,796,574	\$0	\$0	\$0	\$1,796,574
Paid Ceded to					
Registered Reinsurers	\$1,796,574	\$0	\$0	\$0	\$1,796,574
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to					
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to					
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to					
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.4**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period: 1991-2 to 1994-2  
As at December 31, 2021

Layer	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	25 xs 50	Total
<b><u>Derivation of Ultimate Incurred</u></b>						
Earned Lawyer Count	8,597	8,597	8,597	8,597	8,597	
Expected Loss Cost per Lawyer	\$680	\$520	\$420	\$220	\$277	
Gross Expected Loss Volume	\$5,845,960	\$4,470,440	\$3,610,740	\$1,891,340	\$2,385,130	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$19,806,907	\$15,792,618	\$7,654,825	\$0	\$0	\$43,254,351
Total Ultimate Incurred	\$19,806,907	\$15,792,618	\$7,654,825	\$0	\$0	\$43,254,351
<b><u>Derivation of Loss Adjustment Expenses</u></b>						
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>						
Retention	0.5000	0.2000	0.1800	0.1250	0.0000	
Reinsured	0.5000	0.8000	0.8200	0.8750	1.0000	
Paid to Date Retained	\$9,903,454	\$3,158,524	\$1,377,869	\$0	\$0	\$14,439,846
Paid Ceded to						
Registered Reinsurers	\$9,640,239	\$11,609,722	\$5,774,800	\$0	\$0	\$27,024,761
Unregistered Reinsurers	\$263,215	\$1,024,373	\$502,157	\$0	\$0	\$1,789,744
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to						
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to						
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to						
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.5**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period: 1995-1 to 1997-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	25 xs 50	Total
<b><u>Derivation of Ultimate Incurred</u></b>							
Earned Lawyer Count	6,376	6,376	6,376	6,376	6,376	6,376	
Expected Loss Cost per Lawyer	\$10	\$1,035	\$636	\$521	\$269	\$317	
Gross Expected Loss Volume	\$63,760	\$6,597,580	\$4,052,030	\$3,324,730	\$1,716,670	\$2,019,230	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$8,117,555	\$87,714	\$0	\$0	\$0	\$8,205,269
Total Ultimate Incurred	\$0	\$8,117,555	\$87,714	\$0	\$0	\$0	\$8,205,269
<b><u>Derivation of Loss Adjustment Expenses</u></b>							
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>							
Retention	1.0000	0.5000	0.2000	0.1800	0.1250	0.0000	
Reinsured	0.0000	0.5000	0.8000	0.8200	0.8750	1.0000	
Paid to Date Retained	\$0	\$4,058,778	\$17,543	\$0	\$0	\$0	\$4,076,320
Paid Ceded to							
Registered Reinsurers	\$0	\$3,527,486	\$65,724	\$0	\$0	\$0	\$3,593,209
Unregistered Reinsurers	\$0	\$531,292	\$4,447	\$0	\$0	\$0	\$535,739
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to							
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to							
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to							
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.6**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 1997-2 to 1998-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	25 xs 50	15 xs 120	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,640	2,640	2,640	2,640	2,640	2,640	2,012	
Expected Loss Cost per Lawyer	\$10	\$1,100	\$680	\$560	\$290	\$290	\$125	
Gross Expected Loss Volume	\$26,400	\$2,904,000	\$1,795,200	\$1,478,400	\$765,600	\$765,600	\$251,500	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	0.5000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured	0.0000	0.5000	0.8000	0.8200	0.8750	1.0000	1.0000	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.7**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 1998-2 to 2000-1  
As at December 31, 2021

<b>Layer</b>	<b>.75 xs .25</b>	<b>4 xs 1</b>	<b>7.5 xs 5</b>	<b>12.5 xs 12.5</b>	<b>10 xs 25</b>	<b>30 xs 50</b>	<b>20 xs 130</b>	<b>Total</b>
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	6,067	6,067	6,067	6,067	6,067	6,085	4,643	
Expected Loss Cost per Lawyer	\$10	\$1,125	\$760	\$651	\$345	\$293	\$196	
Gross Expected Loss Volume	\$60,669	\$6,825,875	\$4,611,537	\$3,949,360	\$2,090,538	\$1,782,830	\$908,167	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$13,545,071	\$10,105,779	\$5,138,403	\$0	\$0	\$0	\$28,789,254
Total Ultimate Incurred	\$0	\$13,545,071	\$10,105,779	\$5,138,403	\$0	\$0	\$0	\$28,789,254
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	0.5000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured	0.0000	0.5000	0.8000	0.8200	0.8750	1.0000	1.0000	
Paid to Date Retained	\$0	\$6,772,536	\$2,021,156	\$924,913	\$0	\$0	\$0	\$9,718,604
Paid Ceded to								
Registered Reinsurers	\$0	\$6,019,744	\$7,532,871	\$4,004,358	\$0	\$0	\$0	\$17,556,972
Unregistered Reinsurers	\$0	\$752,792	\$551,752	\$209,133	\$0	\$0	\$0	\$1,513,677
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.8**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2000-2 to 2002-1  
As at December 31, 2021

<b>Layer</b>	<b>.75 xs .25</b>	<b>4 xs 1</b>	<b>7.5 xs 5</b>	<b>12.5 xs 12.5</b>	<b>10 xs 25</b>	<b>30 xs 50</b>	<b>20 xs 140</b>	<b>Total</b>
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	8,249	8,249	8,249	8,249	8,249	8,311	6,254	
Expected Loss Cost per Lawyer	\$70	\$1,463	\$1,167	\$948	\$436	\$82	\$43	
Gross Expected Loss Volume	\$577,453	\$12,068,775	\$9,626,972	\$7,820,368	\$3,596,709	\$681,516	\$268,908	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$7,162,827	\$7,500,000	\$2,890,929	\$0	\$0	\$0	\$17,553,756
Total Ultimate Incurred	\$0	\$7,162,827	\$7,500,000	\$2,890,929	\$0	\$0	\$0	\$17,553,756
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	0.5000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured	0.0000	0.5000	0.8000	0.8200	0.8750	1.0000	1.0000	
Paid to Date Retained	\$0	\$3,581,414	\$1,500,000	\$520,367	\$0	\$0	\$0	\$5,601,781
Paid Ceded to								
Registered Reinsurers	\$0	\$3,352,203	\$6,000,000	\$2,282,966	\$0	\$0	\$0	\$11,635,170
Unregistered Reinsurers	\$0	\$229,210	\$0	\$87,595	\$0	\$0	\$0	\$316,806
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.9**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2002-2  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,175	2,175	2,175	2,175	2,175	2,175	1,971	
Expected Loss Cost per Lawyer	\$73	\$1,524	\$1,224	\$1,002	\$464	\$92	\$49	
Gross Expected Loss Volume	\$158,739	\$3,313,938	\$2,661,588	\$2,178,849	\$1,008,968	\$200,054	\$96,555	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$271,947	\$0	\$0	\$0	\$0	\$0	\$271,947
Total Ultimate Incurred	\$0	\$271,947	\$0	\$0	\$0	\$0	\$0	\$271,947
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.8000	0.8200	0.6342	0.7646	0.1823	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.2408	0.2354	0.8177	
Paid to Date Retained	\$0	\$271,947	\$0	\$0	\$0	\$0	\$0	\$271,947
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.10**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2003-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,349	2,349	2,349	2,349	2,349	2,349	2,040	
Expected Loss Cost per Lawyer	\$73	\$1,524	\$1,224	\$1,002	\$464	\$92	\$49	
Gross Expected Loss Volume	\$171,450	\$3,579,305	\$2,874,717	\$2,353,322	\$1,089,762	\$216,074	\$99,948	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$3,194,779	\$0	\$0	\$0	\$0	\$0	\$3,194,779
Total Ultimate Incurred	\$0	\$3,194,779	\$0	\$0	\$0	\$0	\$0	\$3,194,779
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.8000	0.8200	0.6342	0.7646	0.1823	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.2408	0.2354	0.8177	
Paid to Date Retained	\$0	\$3,194,779	\$0	\$0	\$0	\$0	\$0	\$3,194,779
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



**Exhibit 2.11**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2003-2  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,349	2,349	2,349	2,349	2,349	2,349	2,040	
Expected Loss Cost per Lawyer	\$76	\$1,592	\$1,218	\$1,025	\$483	\$103	\$57	
Gross Expected Loss Volume	\$178,496	\$3,739,011	\$2,861,780	\$2,407,226	\$1,134,252	\$241,908	\$116,266	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$1,637,555	\$0	\$0	\$0	\$0	\$0	\$1,637,555
Total Ultimate Incurred	\$0	\$1,637,555	\$0	\$0	\$0	\$0	\$0	\$1,637,555
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.8000	0.8200	0.5750	0.7385	0.0966	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.3000	0.2615	0.9034	
Paid to Date Retained	\$0	\$1,637,555	\$0	\$0	\$0	\$0	\$0	\$1,637,555
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.12**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2004-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,371	2,371	2,371	2,371	2,371	2,371	2,059	
Expected Loss Cost per Lawyer	\$76	\$1,592	\$1,215	\$1,023	\$482	\$103	\$57	
Gross Expected Loss Volume	\$180,168	\$3,774,035	\$2,879,622	\$2,424,815	\$1,143,109	\$244,174	\$117,370	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$7,295,780	\$7,500,000	\$12,500,000	\$10,000,000	\$0	\$0	\$37,295,780
Total Ultimate Incurred	\$0	\$7,295,780	\$7,500,000	\$12,500,000	\$10,000,000	\$0	\$0	\$37,295,780
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.8000	0.8200	0.5750	0.7385	0.0966	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.3000	0.2615	0.9034	
Paid to Date Retained	\$0	\$7,295,780	\$1,500,000	\$2,250,000	\$1,250,000	\$0	\$0	\$12,295,780
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$6,000,000	\$10,250,000	\$5,750,000	\$0	\$0	\$22,000,000
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$3,000,000	\$0	\$0	\$3,000,000
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.13**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2004-2  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,371	2,371	2,371	2,371	2,371	2,371	2,059	
Expected Loss Cost per Lawyer	\$79	\$1,668	\$1,284	\$1,092	\$520	\$118	\$66	
Gross Expected Loss Volume	\$187,279	\$3,954,203	\$3,043,825	\$2,588,971	\$1,232,842	\$279,734	\$135,902	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$1,223,995	\$0	\$0	\$0	\$0	\$0	\$1,223,995
Total Ultimate Incurred	\$0	\$1,223,995	\$0	\$0	\$0	\$0	\$0	\$1,223,995
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.7500	0.8200	0.6305	0.7486	0.0966	
Reinsured to Unregistered	0.0000	0.0000	0.0500	0.0000	0.2445	0.2514	0.9034	
Paid to Date Retained	\$0	\$1,223,995	\$0	\$0	\$0	\$0	\$0	\$1,223,995
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.14**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2005-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,373	2,373	2,373	2,373	2,373	2,373	2,049	
Expected Loss Cost per Lawyer	\$79	\$1,668	\$1,280	\$1,090	\$519	\$118	\$66	
Gross Expected Loss Volume	\$187,428	\$3,957,330	\$3,036,359	\$2,585,526	\$1,231,847	\$279,955	\$135,201	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$38,338	\$0	\$0	\$0	\$0	\$0	\$0	\$38,338
Total Ultimate Incurred	\$38,338	\$0	\$0	\$0	\$0	\$0	\$0	\$38,338
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.7500	0.8200	0.6305	0.7486	0.0966	
Reinsured to Unregistered	0.0000	0.0000	0.0500	0.0000	0.2445	0.2514	0.9034	
Paid to Date Retained	\$38,338	\$0	\$0	\$0	\$0	\$0	\$0	\$38,338
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.15**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2005-2  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,373	2,373	2,373	2,373	2,373	2,373	2,049	
Expected Loss Cost per Lawyer	\$83	\$1,752	\$1,359	\$1,171	\$565	\$139	\$79	
Gross Expected Loss Volume	\$196,918	\$4,156,620	\$3,223,221	\$2,778,400	\$1,339,985	\$329,778	\$161,832	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$762,712	\$0	\$0	\$0	\$0	\$0	\$762,712
Total Ultimate Incurred	\$0	\$762,712	\$0	\$0	\$0	\$0	\$0	\$762,712
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.7500	0.8000	0.8750	1.0000	0.3600	
Reinsured to Unregistered	0.0000	0.0000	0.0500	0.0200	0.0000	0.0000	0.6400	
Paid to Date Retained	\$0	\$762,712	\$0	\$0	\$0	\$0	\$0	\$762,712
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.16**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2006-1  
As at December 31, 2021

Layer	.75 xs .25	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	Total
<b><u>Derivation of Ultimate Incurred</u></b>								
Earned Lawyer Count	2,397	2,397	2,397	2,397	2,397	2,397	2,076	
Expected Loss Cost per Lawyer	\$83	\$1,752	\$1,357	\$1,170	\$564	\$139	\$79	
Gross Expected Loss Volume	\$198,972	\$4,199,982	\$3,251,953	\$2,804,645	\$1,352,973	\$333,218	\$164,004	
IBNR Factor	0.000	0.000	0.000	0.000	0.000	0.000	0.000	
IBNR Amount	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid to Date	\$0	\$2,833	\$0	\$0	\$0	\$0	\$0	\$2,833
Total Ultimate Incurred	\$0	\$2,833	\$0	\$0	\$0	\$0	\$0	\$2,833
<b><u>Derivation of Loss Adjustment Expenses</u></b>								
IBNR LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>								
Retention	1.0000	1.0000	0.2000	0.1800	0.1250	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.7500	0.8000	0.8750	1.0000	0.3600	
Reinsured to Unregistered	0.0000	0.0000	0.0500	0.0200	0.0000	0.0000	0.6400	
Paid to Date Retained	\$0	\$2,833	\$0	\$0	\$0	\$0	\$0	\$2,833
Paid Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Reserves Ceded to								
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

**Exhibit 2.17**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2006-2  
As at December 31, 2021

[illegible]

**Exhibit 2.18**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2007-1  
As at December 31, 2021

[illegible]



**Exhibit 2.19**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2007-2  
As at December 31, 2021

[illegible]

**Exhibit 2.20**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2008-1  
As at December 31, 2021

[illegible]

**Exhibit 2.21**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2008-2  
As at December 31, 2021

[illegible]

**Exhibit 2.22**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2009-1  
As at December 31, 2021

[illegible]

**Exhibit 2.23**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2009-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	30 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,402	2,402	2,402	2,402	2,402	2,402	2,118	1,441	
Expected Loss Cost per Lawyer	\$143	\$1,419	\$1,093	\$844	\$373	\$13	\$7	\$5	
Gross Expected Loss Volume	\$343,640	\$3,408,081	\$2,624,425	\$2,027,484	\$894,687	\$31,220	\$14,828	\$7,206	
IBNR Factor	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008	
IBNR Amount	\$2,749	\$27,265	\$20,995	\$16,220	\$7,157	\$250	\$119	\$58	\$74,813
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$2,749	\$27,265	\$20,995	\$16,220	\$7,157	\$250	\$119	\$58	\$74,813
Paid to Date	\$0	\$5,638,777	\$7,500,000	\$12,500,000	\$10,000,000	\$0	\$0	\$0	\$35,638,777
Total Ultimate Incurred	\$2,749	\$5,666,042	\$7,520,995	\$12,516,220	\$10,007,157	\$250	\$119	\$58	\$35,713,590
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$93	\$927	\$714	\$551	\$243	\$8	\$4	\$2	\$2,544
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$93	\$927	\$714	\$551	\$243	\$8	\$4	\$2	\$2,544
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>									
Retention	1.0000	1.0000	0.4500	0.2800	0.1500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.5200	0.6800	0.8500	1.0000	0.3600	1.0000	
Reinsured to Unregistered	0.0000	0.0000	0.0300	0.0400	0.0000	0.0000	0.6400	0.0000	
Paid to Date Retained	\$0	\$5,638,777	\$3,375,000	\$3,500,000	\$1,500,000	\$0	\$0	\$0	\$14,013,777
Paid Ceded to									
Registered Reinsurers	\$0	\$0	\$3,900,000	\$8,500,000	\$8,500,000	\$0	\$0	\$0	\$20,900,000
Unregistered Reinsurers	\$0	\$0	\$225,000	\$500,000	\$0	\$0	\$0	\$0	\$725,000
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$2,749	\$27,265	\$9,448	\$4,542	\$1,074	\$0	\$0	\$0	\$45,077
IBNR Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$10,918	\$11,030	\$6,084	\$250	\$43	\$58	\$28,381
Unregistered Reinsurers	\$0	\$0	\$630	\$649	\$0	\$0	\$76	\$0	\$1,355
Total Reserves Retained	\$2,749	\$27,265	\$9,448	\$4,542	\$1,074	\$0	\$0	\$0	\$45,077
Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$10,918	\$11,030	\$6,084	\$250	\$43	\$58	\$28,381
Unregistered Reinsurers	\$0	\$0	\$630	\$649	\$0	\$0	\$76	\$0	\$1,355

**Exhibit 2.24**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2010-1  
As at December 31, 2021

<b>Layer</b>	<b>.975 xs .025</b>	<b>4 xs 1</b>	<b>7.5 xs 5</b>	<b>12.5 xs 12.5</b>	<b>10 xs 25</b>	<b>30 xs 50</b>	<b>20 xs 140</b>	<b>30 xs 160</b>	<b>Total</b>
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,416	2,416	2,416	2,416	2,416	2,416	2,135	1,466	
Expected Loss Cost per Lawyer	\$144	\$1,428	\$1,095	\$846	\$373	\$13	\$7	\$5	
Gross Expected Loss Volume	\$347,777	\$3,449,111	\$2,644,515	\$2,042,387	\$900,893	\$31,402	\$14,947	\$7,331	
IBNR Factor	0.008	0.008	0.008	0.008	0.008	0.008	0.008	0.008	
IBNR Amount	\$2,782	\$27,593	\$21,156	\$16,339	\$7,207	\$251	\$120	\$59	\$75,507
Case Reserves	\$0	\$2,449,783	\$0	\$0	\$0	\$0	\$0	\$0	\$2,449,783
Total Reserves (Ind. & Leg.)	\$2,782	\$2,477,376	\$21,156	\$16,339	\$7,207	\$251	\$120	\$59	\$2,525,290
Paid to Date	\$0	\$4,572,821	\$356,558	\$0	\$0	\$0	\$0	\$0	\$4,929,379
Total Ultimate Incurred	\$2,782	\$7,050,197	\$377,714	\$16,339	\$7,207	\$251	\$120	\$59	\$7,454,669
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$95	\$938	\$719	\$556	\$245	\$9	\$4	\$2	\$2,567
Case Reserves LAE	\$0	\$83,293	\$0	\$0	\$0	\$0	\$0	\$0	\$83,293
Total LAE(3.40%)	\$95	\$84,231	\$719	\$556	\$245	\$9	\$4	\$2	\$85,860
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>									
Retention	1.0000	1.0000	0.4500	0.2800	0.1500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.5200	0.6800	0.8500	1.0000	0.3600	1.0000	
Reinsured to Unregistered	0.0000	0.0000	0.0300	0.0400	0.0000	0.0000	0.6400	0.0000	
Paid to Date Retained	\$0	\$4,572,821	\$160,451	\$0	\$0	\$0	\$0	\$0	\$4,733,272
Paid Ceded to									
Registered Reinsurers	\$0	\$0	\$185,410	\$0	\$0	\$0	\$0	\$0	\$185,410
Unregistered Reinsurers	\$0	\$0	\$10,697	\$0	\$0	\$0	\$0	\$0	\$10,697
Case Reserves Retained	\$0	\$2,449,783	\$0	\$0	\$0	\$0	\$0	\$0	\$2,449,783
Case Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$2,782	\$27,593	\$9,520	\$4,575	\$1,081	\$0	\$0	\$0	\$45,551
IBNR Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$11,001	\$11,111	\$6,126	\$251	\$43	\$59	\$28,591
Unregistered Reinsurers	\$0	\$0	\$635	\$654	\$0	\$0	\$77	\$0	\$1,365
Total Reserves Retained	\$2,782	\$2,477,376	\$9,520	\$4,575	\$1,081	\$0	\$0	\$0	\$2,495,334
Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$11,001	\$11,111	\$6,126	\$251	\$43	\$59	\$28,591
Unregistered Reinsurers	\$0	\$0	\$635	\$654	\$0	\$0	\$77	\$0	\$1,365

**Exhibit 2.25**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2010-2  
As at December 31, 2021

<b>Layer</b>	<b>.975 xs .025</b>	<b>4 xs 1</b>	<b>7.5 xs 5</b>	<b>12.5 xs 12.5</b>	<b>10 xs 25</b>	<b>30 xs 50</b>	<b>20 xs 140</b>	<b>40 xs 160</b>	<b>Total</b>
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,368	2,368	2,368	2,368	2,368	2,368	2,094	1,434	
Expected Loss Cost per Lawyer	\$132	\$1,350	\$1,057	\$838	\$367	\$20	\$13	\$9	
Gross Expected Loss Volume	\$311,556	\$3,197,598	\$2,502,009	\$1,983,277	\$869,590	\$47,355	\$27,222	\$12,902	
IBNR Factor	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	
IBNR Amount	\$5,608	\$57,557	\$45,036	\$35,699	\$15,653	\$852	\$490	\$232	\$161,127
Case Reserves	\$0	\$122,587	\$0	\$0	\$0	\$0	\$0	\$0	\$122,587
Total Reserves (Ind. & Leg.)	\$5,608	\$180,144	\$45,036	\$35,699	\$15,653	\$852	\$490	\$232	\$283,715
Paid to Date	\$242,012	\$27,413	\$0	\$0	\$0	\$0	\$0	\$0	\$269,425
Total Ultimate Incurred	\$247,620	\$207,557	\$45,036	\$35,699	\$15,653	\$852	\$490	\$232	\$553,139
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$191	\$1,957	\$1,531	\$1,214	\$532	\$29	\$17	\$8	\$5,478
Case Reserves LAE	\$0	\$4,168	\$0	\$0	\$0	\$0	\$0	\$0	\$4,168
Total LAE(3.40%)	\$191	\$6,125	\$1,531	\$1,214	\$532	\$29	\$17	\$8	\$9,646
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>									
Retention	1.0000	1.0000	0.5000	0.3000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.4750	0.6750	0.8000	1.0000	0.3600	1.0000	
Reinsured to Unregistered	0.0000	0.0000	0.0250	0.0250	0.0000	0.0000	0.6400	0.0000	
Paid to Date Retained	\$242,012	\$27,413	\$0	\$0	\$0	\$0	\$0	\$0	\$269,425
Paid Ceded to									
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$122,587	\$0	\$0	\$0	\$0	\$0	\$0	\$122,587
Case Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,608	\$57,557	\$22,518	\$10,710	\$3,131	\$0	\$0	\$0	\$99,523
IBNR Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$21,392	\$24,097	\$12,522	\$852	\$176	\$232	\$59,272
Unregistered Reinsurers	\$0	\$0	\$1,126	\$892	\$0	\$0	\$314	\$0	\$2,332
Total Reserves Retained	\$5,608	\$180,144	\$22,518	\$10,710	\$3,131	\$0	\$0	\$0	\$222,110
Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$21,392	\$24,097	\$12,522	\$852	\$176	\$232	\$59,272
Unregistered Reinsurers	\$0	\$0	\$1,126	\$892	\$0	\$0	\$314	\$0	\$2,332

**Exhibit 2.26**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2011-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	7.5 xs 5	12.5 xs 12.5	10 xs 25	30 xs 50	20 xs 140	40 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,403	2,403	2,403	2,403	2,403	2,403	2,140	1,472	
Expected Loss Cost per Lawyer	\$131	\$1,347	\$1,056	\$837	\$367	\$20	\$13	\$9	
Gross Expected Loss Volume	\$315,296	\$3,235,990	\$2,537,427	\$2,011,531	\$882,137	\$48,065	\$27,814	\$13,250	
IBNR Factor	0.018	0.018	0.018	0.018	0.018	0.018	0.018	0.018	
IBNR Amount	\$5,675	\$58,248	\$45,674	\$36,208	\$15,878	\$865	\$501	\$239	\$163,287
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$5,675	\$58,248	\$45,674	\$36,208	\$15,878	\$865	\$501	\$239	\$163,287
Paid to Date	\$0	\$6,904,952	\$7,500,000	\$12,500,000	\$8,029,705	\$0	\$0	\$0	\$34,934,658
Total Ultimate Incurred	\$5,675	\$6,963,200	\$7,545,674	\$12,536,208	\$8,045,584	\$865	\$501	\$239	\$35,097,945
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$193	\$1,980	\$1,553	\$1,231	\$540	\$29	\$17	\$8	\$5,552
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$193	\$1,980	\$1,553	\$1,231	\$540	\$29	\$17	\$8	\$5,552
<b><u>Distribution of Losses between CLLAS and Proportional Reinsurers</u></b>									
Retention	1.0000	1.0000	0.5000	0.3000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.0000	0.4750	0.6750	0.8000	1.0000	0.3600	1.0000	
Reinsured to Unregistered	0.0000	0.0000	0.0250	0.0250	0.0000	0.0000	0.6400	0.0000	
Paid to Date Retained	\$0	\$6,904,952	\$3,750,000	\$3,750,000	\$1,605,941	\$0	\$0	\$0	\$16,010,893
Paid Ceded to									
Registered Reinsurers	\$0	\$0	\$3,562,500	\$8,437,500	\$6,423,764	\$0	\$0	\$0	\$18,423,764
Unregistered Reinsurers	\$0	\$0	\$187,500	\$312,500	\$0	\$0	\$0	\$0	\$500,000
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,675	\$58,248	\$22,837	\$10,862	\$3,176	\$0	\$0	\$0	\$100,798
IBNR Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$21,695	\$24,440	\$12,703	\$865	\$180	\$239	\$60,122
Unregistered Reinsurers	\$0	\$0	\$1,142	\$905	\$0	\$0	\$320	\$0	\$2,367
Total Reserves Retained	\$5,675	\$58,248	\$22,837	\$10,862	\$3,176	\$0	\$0	\$0	\$100,798
Reserves Ceded to									
Registered Reinsurers	\$0	\$0	\$21,695	\$24,440	\$12,703	\$865	\$180	\$239	\$60,122
Unregistered Reinsurers	\$0	\$0	\$1,142	\$905	\$0	\$0	\$320	\$0	\$2,367



**Exhibit 2.27**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2011-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,340	2,340	2,340	2,340	2,340	2,340	714	1,770	
Expected Loss Cost per Lawyer	\$125	\$1,248	\$640	\$780	\$870	\$1	\$8	\$9	
Gross Expected Loss Volume	\$291,817	\$2,919,370	\$1,497,082	\$1,824,927	\$2,034,400	\$2,918	\$5,398	\$16,206	
IBNR Factor	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	
IBNR Amount	\$5,836	\$58,387	\$29,942	\$36,499	\$40,688	\$58	\$108	\$324	\$171,842
Case Reserves	\$0	\$678,699	\$0	\$0	\$0	\$0	\$0	\$0	\$678,699
Total Reserves (Ind. & Leg.)	\$5,836	\$737,086	\$29,942	\$36,499	\$40,688	\$58	\$108	\$324	\$850,541
Paid to Date	\$196,253	\$3,705,500	\$0	\$0	\$0	\$0	\$0	\$0	\$3,901,753
Total Ultimate Incurred	\$202,089	\$4,442,586	\$29,942	\$36,499	\$40,688	\$58	\$108	\$324	\$4,752,294
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$198	\$1,985	\$1,018	\$1,241	\$1,383	\$2	\$4	\$11	\$5,843
Case Reserves LAE	\$0	\$23,076	\$0	\$0	\$0	\$0	\$0	\$0	\$23,076
Total LAE(3.40%)	\$198	\$25,061	\$1,018	\$1,241	\$1,383	\$2	\$4	\$11	\$28,918
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.2500	0.2500	0.2500	0.2500	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2500	0.2500	0.2500	0.2500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.5000	0.5000	0.5000	0.5000	1.0000	0.7600	0.7600	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2400	0.2400	
Paid to Date Retained	\$196,253	\$926,375	\$0	\$0	\$0	\$0	\$0	\$0	\$1,122,628
Paid Ceded to									
Colchester	\$0	\$926,375	\$0	\$0	\$0	\$0	\$0	\$0	\$926,375
Registered Reinsurers	\$0	\$1,852,750	\$0	\$0	\$0	\$0	\$0	\$0	\$1,852,750
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$169,675	\$0	\$0	\$0	\$0	\$0	\$0	\$169,675
Case Reserves Ceded to									
Colchester	\$0	\$169,675	\$0	\$0	\$0	\$0	\$0	\$0	\$169,675
Registered Reinsurers	\$0	\$339,349	\$0	\$0	\$0	\$0	\$0	\$0	\$339,349
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,836	\$14,597	\$7,485	\$9,125	\$10,172	\$0	\$0	\$0	\$47,215
IBNR Reserves Ceded to									
Colchester	\$0	\$14,597	\$7,485	\$9,125	\$10,172	\$0	\$0	\$0	\$41,379
Registered Reinsurers	\$0	\$29,194	\$14,971	\$18,249	\$20,344	\$58	\$82	\$246	\$83,145
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$26	\$78	\$104
Total Reserves Retained	\$5,836	\$184,271	\$7,485	\$9,125	\$10,172	\$0	\$0	\$0	\$216,890
Reserves Ceded to									
Colchester	\$0	\$184,271	\$7,485	\$9,125	\$10,172	\$0	\$0	\$0	\$211,054
Registered Reinsurers	\$0	\$368,543	\$14,971	\$18,249	\$20,344	\$58	\$82	\$246	\$422,494
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$26	\$78	\$104

**Exhibit 2.28**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2012-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,368	2,368	2,368	2,368	2,368	2,368	721	1,496	
Expected Loss Cost per Lawyer	\$127	\$1,267	\$650	\$780	\$870	\$1	\$8	\$9	
Gross Expected Loss Volume	\$299,961	\$3,000,842	\$1,538,861	\$1,847,159	\$2,059,183	\$2,953	\$5,452	\$13,699	
IBNR Factor	0.020	0.020	0.020	0.020	0.020	0.020	0.020	0.020	
IBNR Amount	\$5,999	\$60,017	\$30,777	\$36,943	\$41,184	\$59	\$109	\$274	\$175,362
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$5,999	\$60,017	\$30,777	\$36,943	\$41,184	\$59	\$109	\$274	\$175,362
Paid to Date	\$0	\$606,364	\$0	\$0	\$0	\$0	\$0	\$0	\$606,364
Total Ultimate Incurred	\$5,999	\$666,381	\$30,777	\$36,943	\$41,184	\$59	\$109	\$274	\$781,726
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$204	\$2,041	\$1,046	\$1,256	\$1,400	\$2	\$4	\$9	\$5,962
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$204	\$2,041	\$1,046	\$1,256	\$1,400	\$2	\$4	\$9	\$5,962
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.2500	0.2500	0.2500	0.2500	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2500	0.2500	0.2500	0.2500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.5000	0.5000	0.5000	0.5000	1.0000	0.7600	0.7600	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2400	0.2400	
Paid to Date Retained	\$0	\$151,591	\$0	\$0	\$0	\$0	\$0	\$0	\$151,591
Paid Ceded to									
Colchester	\$0	\$151,591	\$0	\$0	\$0	\$0	\$0	\$0	\$151,591
Registered Reinsurers	\$0	\$303,182	\$0	\$0	\$0	\$0	\$0	\$0	\$303,182
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,999	\$15,004	\$7,694	\$9,236	\$10,296	\$0	\$0	\$0	\$48,229
IBNR Reserves Ceded to									
Colchester	\$0	\$15,004	\$7,694	\$9,236	\$10,296	\$0	\$0	\$0	\$42,230
Registered Reinsurers	\$0	\$30,008	\$15,389	\$18,472	\$20,592	\$59	\$83	\$208	\$84,811
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$26	\$66	\$92
Total Reserves Retained	\$5,999	\$15,004	\$7,694	\$9,236	\$10,296	\$0	\$0	\$0	\$48,229
Reserves Ceded to									
Colchester	\$0	\$15,004	\$7,694	\$9,236	\$10,296	\$0	\$0	\$0	\$42,230
Registered Reinsurers	\$0	\$30,008	\$15,389	\$18,472	\$20,592	\$59	\$83	\$208	\$84,811
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$26	\$66	\$92

**Exhibit 2.29**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2012-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,064	2,064	2,064	2,064	2,064	2,064	720	1,473	
Expected Loss Cost per Lawyer	\$121	\$1,178	\$673	\$847	\$1,103	\$10	\$28	\$35	
Gross Expected Loss Volume	\$249,311	\$2,431,845	\$1,389,765	\$1,748,431	\$2,277,091	\$20,641	\$19,857	\$50,969	
IBNR Factor	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	
IBNR Amount	\$5,983	\$58,364	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$196,510
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$5,983	\$58,364	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$196,510
Paid to Date	\$0	\$34,457	\$0	\$0	\$0	\$0	\$0	\$0	\$34,457
Total Ultimate Incurred	\$5,983	\$92,821	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$230,967
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$203	\$1,984	\$1,134	\$1,427	\$1,858	\$17	\$16	\$42	\$6,681
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$203	\$1,984	\$1,134	\$1,427	\$1,858	\$17	\$16	\$42	\$6,681
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.3500	0.3500	0.3500	0.3500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.6500	0.6500	0.6500	0.6500	1.0000	0.7600	0.7600	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2400	0.2400	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$12,060	\$0	\$0	\$0	\$0	\$0	\$0	\$12,060
Registered Reinsurers	\$0	\$22,397	\$0	\$0	\$0	\$0	\$0	\$0	\$22,397
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,983	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,983
IBNR Reserves Ceded to									
Colchester	\$0	\$20,427	\$11,674	\$14,687	\$19,128	\$0	\$0	\$0	\$65,916
Registered Reinsurers	\$0	\$37,937	\$21,680	\$27,276	\$35,523	\$495	\$362	\$930	\$124,202
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$114	\$294	\$408
Total Reserves Retained	\$5,983	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,983
Reserves Ceded to									
Colchester	\$0	\$20,427	\$11,674	\$14,687	\$19,128	\$0	\$0	\$0	\$65,916
Registered Reinsurers	\$0	\$37,937	\$21,680	\$27,276	\$35,523	\$495	\$362	\$930	\$124,202
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$114	\$294	\$408

**Exhibit 2.30**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2013-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,064	2,064	2,064	2,064	2,064	2,064	720	1,473	
Expected Loss Cost per Lawyer	\$121	\$1,178	\$673	\$847	\$1,103	\$10	\$28	\$35	
Gross Expected Loss Volume	\$249,311	\$2,431,845	\$1,389,765	\$1,748,431	\$2,277,091	\$20,641	\$19,857	\$50,969	
IBNR Factor	0.024	0.024	0.024	0.024	0.024	0.024	0.024	0.024	
IBNR Amount	\$5,983	\$58,364	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$196,510
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$5,983	\$58,364	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$196,510
Paid to Date	\$203,270	\$1,415,656	\$0	\$0	\$0	\$0	\$0	\$0	\$1,618,926
Total Ultimate Incurred	\$209,254	\$1,474,020	\$33,354	\$41,962	\$54,650	\$495	\$477	\$1,223	\$1,815,436
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$203	\$1,984	\$1,134	\$1,427	\$1,858	\$17	\$16	\$42	\$6,681
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$203	\$1,984	\$1,134	\$1,427	\$1,858	\$17	\$16	\$42	\$6,681
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.3500	0.3500	0.3500	0.3500	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.6500	0.6500	0.6500	0.6500	1.0000	0.7600	0.7600	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.2400	0.2400	
Paid to Date Retained	\$203,270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$203,270
Paid Ceded to									
Colchester	\$0	\$495,480	\$0	\$0	\$0	\$0	\$0	\$0	\$495,480
Registered Reinsurers	\$0	\$920,176	\$0	\$0	\$0	\$0	\$0	\$0	\$920,176
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$5,983	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,983
IBNR Reserves Ceded to									
Colchester	\$0	\$20,427	\$11,674	\$14,687	\$19,128	\$0	\$0	\$0	\$65,916
Registered Reinsurers	\$0	\$37,937	\$21,680	\$27,276	\$35,523	\$495	\$362	\$930	\$124,202
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$114	\$294	\$408
Total Reserves Retained	\$5,983	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,983
Reserves Ceded to									
Colchester	\$0	\$20,427	\$11,674	\$14,687	\$19,128	\$0	\$0	\$0	\$65,916
Registered Reinsurers	\$0	\$37,937	\$21,680	\$27,276	\$35,523	\$495	\$362	\$930	\$124,202
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$114	\$294	\$408

**Exhibit 2.31**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2013-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,029	2,029	2,029	2,029	2,029	2,029	785	1,451	
Expected Loss Cost per Lawyer	\$109	\$1,112	\$595	\$755	\$919	\$10	\$17	\$21	
Gross Expected Loss Volume	\$221,779	\$2,255,576	\$1,207,600	\$1,531,464	\$1,864,171	\$20,285	\$13,233	\$30,301	
IBNR Factor	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	
IBNR Amount	\$7,097	\$72,178	\$38,643	\$49,007	\$59,653	\$649	\$423	\$970	\$228,621
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$7,097	\$72,178	\$38,643	\$49,007	\$59,653	\$649	\$423	\$970	\$228,621
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$7,097	\$72,178	\$38,643	\$49,007	\$59,653	\$649	\$423	\$970	\$228,621
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$241	\$2,454	\$1,314	\$1,666	\$2,028	\$22	\$14	\$33	\$7,773
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$241	\$2,454	\$1,314	\$1,666	\$2,028	\$22	\$14	\$33	\$7,773
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.3000	0.3000	0.3000	0.3000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.7000	0.7000	0.7000	0.7000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$7,097	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,097
IBNR Reserves Ceded to									
Colchester	\$0	\$21,654	\$11,593	\$14,702	\$17,896	\$0	\$0	\$0	\$65,845
Registered Reinsurers	\$0	\$50,525	\$27,050	\$34,305	\$41,757	\$571	\$394	\$902	\$155,504
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$78	\$30	\$68	\$175
Total Reserves Retained	\$7,097	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,097
Reserves Ceded to									
Colchester	\$0	\$21,654	\$11,593	\$14,702	\$17,896	\$0	\$0	\$0	\$65,845
Registered Reinsurers	\$0	\$50,525	\$27,050	\$34,305	\$41,757	\$571	\$394	\$902	\$155,504
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$78	\$30	\$68	\$175

**Exhibit 2.32**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2014-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,095	2,095	2,095	2,095	2,095	2,095	785	1,451	
Expected Loss Cost per Lawyer	\$109	\$1,112	\$595	\$755	\$919	\$10	\$17	\$21	
Gross Expected Loss Volume	\$229,054	\$2,329,562	\$1,247,211	\$1,581,698	\$1,925,319	\$20,950	\$13,233	\$30,301	
IBNR Factor	0.032	0.032	0.032	0.032	0.032	0.032	0.032	0.032	
IBNR Amount	\$7,330	\$74,546	\$39,911	\$50,614	\$61,610	\$670	\$423	\$970	\$236,075
Case Reserves	\$0	\$3,829,850	\$0	\$0	\$0	\$0	\$0	\$0	\$3,829,850
Total Reserves (Ind. & Leg.)	\$7,330	\$3,904,396	\$39,911	\$50,614	\$61,610	\$670	\$423	\$970	\$4,065,925
Paid to Date	\$0	\$5,416,420	\$0	\$0	\$0	\$0	\$0	\$0	\$5,416,420
Total Ultimate Incurred	\$7,330	\$9,320,816	\$39,911	\$50,614	\$61,610	\$670	\$423	\$970	\$9,482,345
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$249	\$2,535	\$1,357	\$1,721	\$2,095	\$23	\$14	\$33	\$8,027
Case Reserves LAE	\$0	\$130,215	\$0	\$0	\$0	\$0	\$0	\$0	\$130,215
Total LAE(3.40%)	\$249	\$132,749	\$1,357	\$1,721	\$2,095	\$23	\$14	\$33	\$138,241
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.3000	0.3000	0.3000	0.3000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.7000	0.7000	0.7000	0.7000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$1,624,926	\$0	\$0	\$0	\$0	\$0	\$0	\$1,624,926
Registered Reinsurers	\$0	\$3,791,494	\$0	\$0	\$0	\$0	\$0	\$0	\$3,791,494
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$1,148,955	\$0	\$0	\$0	\$0	\$0	\$0	\$1,148,955
Registered Reinsurers	\$0	\$2,680,895	\$0	\$0	\$0	\$0	\$0	\$0	\$2,680,895
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$7,330	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,330
IBNR Reserves Ceded to									
Colchester	\$0	\$22,364	\$11,973	\$15,184	\$18,483	\$0	\$0	\$0	\$68,004
Registered Reinsurers	\$0	\$52,182	\$27,938	\$35,430	\$43,127	\$590	\$394	\$902	\$160,562
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$80	\$30	\$68	\$178
Total Reserves Retained	\$7,330	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,330
Reserves Ceded to									
Colchester	\$0	\$1,171,319	\$11,973	\$15,184	\$18,483	\$0	\$0	\$0	\$1,216,959
Registered Reinsurers	\$0	\$2,733,077	\$27,938	\$35,430	\$43,127	\$590	\$394	\$902	\$2,841,458
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$80	\$30	\$68	\$178

**Exhibit 2.33**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2014-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,103	2,103	2,103	2,103	2,103	2,103	365	1,511	
Expected Loss Cost per Lawyer	\$113	\$1,133	\$619	\$797	\$953	\$10	\$14	\$18	
Gross Expected Loss Volume	\$238,431	\$2,382,095	\$1,301,602	\$1,674,936	\$2,003,504	\$21,028	\$5,241	\$26,778	
IBNR Factor	0.037	0.037	0.037	0.037	0.037	0.037	0.037	0.037	
IBNR Amount	\$8,822	\$88,138	\$48,159	\$61,973	\$74,130	\$778	\$194	\$991	\$283,184
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$8,822	\$88,138	\$48,159	\$61,973	\$74,130	\$778	\$194	\$991	\$283,184
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$8,822	\$88,138	\$48,159	\$61,973	\$74,130	\$778	\$194	\$991	\$283,184
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$300	\$2,997	\$1,637	\$2,107	\$2,520	\$26	\$7	\$34	\$9,628
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$300	\$2,997	\$1,637	\$2,107	\$2,520	\$26	\$7	\$34	\$9,628
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$8,822	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,822
IBNR Reserves Ceded to									
Colchester	\$0	\$17,628	\$9,632	\$12,395	\$14,826	\$0	\$0	\$0	\$54,480
Registered Reinsurers	\$0	\$70,510	\$38,527	\$49,578	\$59,304	\$685	\$180	\$921	\$219,706
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$93	\$14	\$69	\$176
Total Reserves Retained	\$8,822	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,822
Reserves Ceded to									
Colchester	\$0	\$17,628	\$9,632	\$12,395	\$14,826	\$0	\$0	\$0	\$54,480
Registered Reinsurers	\$0	\$70,510	\$38,527	\$49,578	\$59,304	\$685	\$180	\$921	\$219,706
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$93	\$14	\$69	\$176

**Exhibit 2.34**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2015-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,095	2,095	2,095	2,095	2,095	2,095	365	1,511	
Expected Loss Cost per Lawyer	\$113	\$1,132	\$619	\$797	\$953	\$10	\$14	\$18	
Gross Expected Loss Volume	\$237,405	\$2,371,850	\$1,296,004	\$1,668,962	\$1,996,358	\$20,953	\$5,241	\$26,778	
IBNR Factor	0.037	0.037	0.037	0.037	0.037	0.037	0.037	0.037	
IBNR Amount	\$8,784	\$87,758	\$47,952	\$61,752	\$73,865	\$775	\$194	\$991	\$282,071
Case Reserves	\$1,006,483	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,006,483
Total Reserves (Ind. & Leg.)	\$1,015,267	\$87,758	\$47,952	\$61,752	\$73,865	\$775	\$194	\$991	\$1,288,554
Paid to Date	\$86,269	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$86,269
Total Ultimate Incurred	\$1,101,535	\$87,758	\$47,952	\$61,752	\$73,865	\$775	\$194	\$991	\$1,374,823
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$299	\$2,984	\$1,630	\$2,100	\$2,511	\$26	\$7	\$34	\$9,590
Case Reserves LAE	\$34,220	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,220
Total LAE(3.40%)	\$34,519	\$2,984	\$1,630	\$2,100	\$2,511	\$26	\$7	\$34	\$43,811
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$86,269	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$86,269
Paid Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$1,006,483	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,006,483
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$8,784	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,784
IBNR Reserves Ceded to									
Colchester	\$0	\$17,552	\$9,590	\$12,350	\$14,773	\$0	\$0	\$0	\$54,265
Registered Reinsurers	\$0	\$70,207	\$38,362	\$49,401	\$59,092	\$682	\$180	\$921	\$218,846
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$93	\$14	\$69	\$176
Total Reserves Retained	\$1,015,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,015,267
Reserves Ceded to									
Colchester	\$0	\$17,552	\$9,590	\$12,350	\$14,773	\$0	\$0	\$0	\$54,265
Registered Reinsurers	\$0	\$70,207	\$38,362	\$49,401	\$59,092	\$682	\$180	\$921	\$218,846
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$93	\$14	\$69	\$176



**Exhibit 2.35**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2015-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,071	2,071	2,071	2,071	2,071	2,071	352	1,497	
Expected Loss Cost per Lawyer	\$110	\$1,110	\$595	\$779	\$894	\$10	\$15	\$18	
Gross Expected Loss Volume	\$228,692	\$2,298,213	\$1,231,451	\$1,612,951	\$1,851,470	\$20,706	\$5,161	\$27,092	
IBNR Factor	0.041	0.041	0.041	0.041	0.041	0.041	0.041	0.041	
IBNR Amount	\$9,376	\$94,227	\$50,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$298,305
Case Reserves	\$0	\$2,900,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,900,000
Total Reserves (Ind. & Leg.)	\$9,376	\$2,994,227	\$50,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$3,198,305
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$9,376	\$2,994,227	\$50,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$3,198,305
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$319	\$3,204	\$1,717	\$2,248	\$2,581	\$29	\$7	\$38	\$10,142
Case Reserves LAE	\$0	\$98,600	\$0	\$0	\$0	\$0	\$0	\$0	\$98,600
Total LAE(3.40%)	\$319	\$101,804	\$1,717	\$2,248	\$2,581	\$29	\$7	\$38	\$108,742
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$580,000	\$0	\$0	\$0	\$0	\$0	\$0	\$580,000
Registered Reinsurers	\$0	\$2,320,000	\$0	\$0	\$0	\$0	\$0	\$0	\$2,320,000
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$9,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,376
IBNR Reserves Ceded to									
Colchester	\$0	\$18,845	\$10,098	\$13,226	\$15,182	\$0	\$0	\$0	\$57,351
Registered Reinsurers	\$0	\$75,381	\$40,392	\$52,905	\$60,728	\$747	\$197	\$1,033	\$231,383
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$102	\$15	\$78	\$194
Total Reserves Retained	\$9,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,376
Reserves Ceded to									
Colchester	\$0	\$598,845	\$10,098	\$13,226	\$15,182	\$0	\$0	\$0	\$637,351
Registered Reinsurers	\$0	\$2,395,381	\$40,392	\$52,905	\$60,728	\$747	\$197	\$1,033	\$2,551,383
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$102	\$15	\$78	\$194

**Exhibit 2.36**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2016-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,071	2,071	2,071	2,071	2,071	2,071	352	1,497	
Expected Loss Cost per Lawyer	\$110	\$1,110	\$595	\$779	\$894	\$10	\$15	\$18	
Gross Expected Loss Volume	\$228,692	\$2,298,213	\$1,231,451	\$1,612,951	\$1,851,470	\$20,706	\$5,161	\$27,092	
IBNR Factor	0.041	0.041	0.041	0.041	0.041	0.041	0.041	0.041	
IBNR Amount	\$9,376	\$94,227	\$50,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$298,305
Case Reserves	\$0	\$1,997,718	\$760,000	\$0	\$0	\$0	\$0	\$0	\$2,757,718
Total Reserves (Ind. & Leg.)	\$9,376	\$2,091,945	\$810,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$3,056,023
Paid to Date	\$0	\$3,002,282	\$0	\$0	\$0	\$0	\$0	\$0	\$3,002,282
Total Ultimate Incurred	\$9,376	\$5,094,227	\$810,489	\$66,131	\$75,910	\$849	\$212	\$1,111	\$6,058,305
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$319	\$3,204	\$1,717	\$2,248	\$2,581	\$29	\$7	\$38	\$10,142
Case Reserves LAE	\$0	\$67,922	\$25,840	\$0	\$0	\$0	\$0	\$0	\$93,762
Total LAE(3.40%)	\$319	\$71,126	\$27,557	\$2,248	\$2,581	\$29	\$7	\$38	\$103,905
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.9300	0.9300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$600,456	\$0	\$0	\$0	\$0	\$0	\$0	\$600,456
Registered Reinsurers	\$0	\$2,401,825	\$0	\$0	\$0	\$0	\$0	\$0	\$2,401,825
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$399,544	\$152,000	\$0	\$0	\$0	\$0	\$0	\$551,544
Registered Reinsurers	\$0	\$1,598,175	\$608,000	\$0	\$0	\$0	\$0	\$0	\$2,206,175
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$9,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,376
IBNR Reserves Ceded to									
Colchester	\$0	\$18,845	\$10,098	\$13,226	\$15,182	\$0	\$0	\$0	\$57,351
Registered Reinsurers	\$0	\$75,381	\$40,392	\$52,905	\$60,728	\$747	\$197	\$1,033	\$231,383
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$102	\$15	\$78	\$194
Total Reserves Retained	\$9,376	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,376
Reserves Ceded to									
Colchester	\$0	\$418,389	\$162,098	\$13,226	\$15,182	\$0	\$0	\$0	\$608,895
Registered Reinsurers	\$0	\$1,673,556	\$648,392	\$52,905	\$60,728	\$747	\$197	\$1,033	\$2,437,557
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$102	\$15	\$78	\$194

**Exhibit 2.37**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2016-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,042	2,042	2,042	2,042	2,042	2,042	354	1,444	
Expected Loss Cost per Lawyer	\$116	\$1,105	\$577	\$782	\$1,020	\$10	\$23	\$29	
Gross Expected Loss Volume	\$237,721	\$2,257,486	\$1,179,345	\$1,596,796	\$2,083,427	\$20,422	\$8,216	\$42,008	
IBNR Factor	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	
IBNR Amount	\$34,945	\$331,851	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$1,091,537
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$34,945	\$331,851	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$1,091,537
Paid to Date	\$0	\$1,308,068	\$0	\$0	\$0	\$0	\$0	\$0	\$1,308,068
Total Ultimate Incurred	\$34,945	\$1,639,919	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$2,399,605
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$1,188	\$11,283	\$5,894	\$7,981	\$10,413	\$102	\$41	\$210	\$37,112
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$1,188	\$11,283	\$5,894	\$7,981	\$10,413	\$102	\$41	\$210	\$37,112
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0500	0.0500	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.8800	0.8800	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to									
Colchester	\$0	\$261,614	\$0	\$0	\$0	\$0	\$0	\$0	\$261,614
Registered Reinsurers	\$0	\$1,046,454	\$0	\$0	\$0	\$0	\$0	\$0	\$1,046,454
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$34,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,945
IBNR Reserves Ceded to									
Colchester	\$0	\$66,370	\$34,673	\$46,946	\$61,253	\$0	\$60	\$309	\$209,611
Registered Reinsurers	\$0	\$265,480	\$138,691	\$187,783	\$245,011	\$2,642	\$1,063	\$5,434	\$846,104
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$360	\$85	\$432	\$877
Total Reserves Retained	\$34,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,945
Reserves Ceded to									
Colchester	\$0	\$66,370	\$34,673	\$46,946	\$61,253	\$0	\$60	\$309	\$209,611
Registered Reinsurers	\$0	\$265,480	\$138,691	\$187,783	\$245,011	\$2,642	\$1,063	\$5,434	\$846,104
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$360	\$85	\$432	\$877

**Exhibit 2.38**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2017-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>									
Earned Lawyer Count	2,042	2,042	2,042	2,042	2,042	2,042	354	1,444	
Expected Loss Cost per Lawyer	\$116	\$1,105	\$577	\$782	\$1,020	\$10	\$23	\$29	
Gross Expected Loss Volume	\$237,721	\$2,257,486	\$1,179,345	\$1,596,796	\$2,083,427	\$20,422	\$8,216	\$42,008	
IBNR Factor	0.147	0.147	0.147	0.147	0.147	0.147	0.147	0.147	
IBNR Amount	\$34,945	\$331,851	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$1,091,537
Case Reserves	\$0	\$158,144	\$0	\$0	\$0	\$0	\$0	\$0	\$158,144
Total Reserves (Ind. & Leg.)	\$34,945	\$489,995	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$1,249,681
Paid to Date	\$650,000	\$1,220,788	\$0	\$0	\$0	\$0	\$0	\$0	\$1,870,788
Total Ultimate Incurred	\$684,945	\$1,710,783	\$173,364	\$234,729	\$306,264	\$3,002	\$1,208	\$6,175	\$3,120,469
<b><u>Derivation of Loss Adjustment Expenses</u></b>									
IBNR LAE	\$1,188	\$11,283	\$5,894	\$7,981	\$10,413	\$102	\$41	\$210	\$37,112
Case Reserves LAE	\$0	\$5,377	\$0	\$0	\$0	\$0	\$0	\$0	\$5,377
Total LAE(3.40%)	\$1,188	\$16,660	\$5,894	\$7,981	\$10,413	\$102	\$41	\$210	\$42,489
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>									
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0500	0.0500	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.8800	0.8800	0.8800	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.1200	0.0700	0.0700	
Paid to Date Retained	\$650,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$650,000
Paid Ceded to									
Colchester	\$0	\$244,158	\$0	\$0	\$0	\$0	\$0	\$0	\$244,158
Registered Reinsurers	\$0	\$976,630	\$0	\$0	\$0	\$0	\$0	\$0	\$976,630
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to									
Colchester	\$0	\$31,629	\$0	\$0	\$0	\$0	\$0	\$0	\$31,629
Registered Reinsurers	\$0	\$126,515	\$0	\$0	\$0	\$0	\$0	\$0	\$126,515
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$34,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,945
IBNR Reserves Ceded to									
Colchester	\$0	\$66,370	\$34,673	\$46,946	\$61,253	\$0	\$60	\$309	\$209,611
Registered Reinsurers	\$0	\$265,480	\$138,691	\$187,783	\$245,011	\$2,642	\$1,063	\$5,434	\$846,104
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$360	\$85	\$432	\$877
Total Reserves Retained	\$34,945	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,945
Reserves Ceded to									
Colchester	\$0	\$97,999	\$34,673	\$46,946	\$61,253	\$0	\$60	\$309	\$241,239
Registered Reinsurers	\$0	\$391,996	\$138,691	\$187,783	\$245,011	\$2,642	\$1,063	\$5,434	\$972,620
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$360	\$85	\$432	\$877

**Exhibit 2.39**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2017-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	1,791	1,791	1,791	1,791	1,791	1,791	51	1,775	349	1,468	
Expected Loss Cost per Lawyer	\$115	\$1,110	\$566	\$776	\$1,039	\$12	\$20	\$33	\$30	\$38	
Gross Expected Loss Volume	\$206,387	\$1,986,970	\$1,014,034	\$1,389,283	\$1,860,615	\$21,489	\$994	\$58,710	\$10,418	\$55,211	
IBNR Factor	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	
IBNR Amount	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$2,491	\$23,983	\$12,239	\$16,769	\$22,458	\$259	\$12	\$709	\$126	\$666	\$79,712
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$2,491	\$23,983	\$12,239	\$16,769	\$22,458	\$259	\$12	\$709	\$126	\$666	\$79,712
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	0.0750	0.0750	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.9400	1.0000	1.0000	0.8550	0.8550	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$73,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,267
IBNR Reserves Ceded to											
Colchester	\$0	\$141,075	\$71,996	\$98,639	\$132,104	\$0	\$0	\$0	\$277	\$1,470	\$445,561
Registered Reinsurers	\$0	\$564,299	\$287,986	\$394,556	\$528,415	\$7,171	\$353	\$20,842	\$3,162	\$16,758	\$1,823,542
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$458	\$0	\$0	\$259	\$1,372	\$2,089
Total Reserves Retained	\$73,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,267
Reserves Ceded to											
Colchester	\$0	\$141,075	\$71,996	\$98,639	\$132,104	\$0	\$0	\$0	\$277	\$1,470	\$445,561
Registered Reinsurers	\$0	\$564,299	\$287,986	\$394,556	\$528,415	\$7,171	\$353	\$20,842	\$3,162	\$16,758	\$1,823,542
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$458	\$0	\$0	\$259	\$1,372	\$2,089

**Exhibit 2.40**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2018-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	1,791	1,791	1,791	1,791	1,791	1,791	51	1,775	349	1,468	
Expected Loss Cost per Lawyer	\$115	\$1,110	\$566	\$776	\$1,039	\$12	\$20	\$33	\$30	\$38	
Gross Expected Loss Volume	\$206,387	\$1,986,970	\$1,014,034	\$1,389,283	\$1,860,615	\$21,489	\$994	\$58,710	\$10,418	\$55,211	
IBNR Factor	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	0.355	
IBNR Amount	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$73,267	\$705,374	\$359,982	\$493,196	\$660,518	\$7,629	\$353	\$20,842	\$3,699	\$19,600	\$2,344,460
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$2,491	\$23,983	\$12,239	\$16,769	\$22,458	\$259	\$12	\$709	\$126	\$666	\$79,712
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$2,491	\$23,983	\$12,239	\$16,769	\$22,458	\$259	\$12	\$709	\$126	\$666	\$79,712
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	0.0750	0.0750	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.9400	1.0000	1.0000	0.8550	0.8550	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$73,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,267
IBNR Reserves Ceded to											
Colchester	\$0	\$141,075	\$71,996	\$98,639	\$132,104	\$0	\$0	\$0	\$277	\$1,470	\$445,561
Registered Reinsurers	\$0	\$564,299	\$287,986	\$394,556	\$528,415	\$7,171	\$353	\$20,842	\$3,162	\$16,758	\$1,823,542
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$458	\$0	\$0	\$259	\$1,372	\$2,089
Total Reserves Retained	\$73,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$73,267
Reserves Ceded to											
Colchester	\$0	\$141,075	\$71,996	\$98,639	\$132,104	\$0	\$0	\$0	\$277	\$1,470	\$445,561
Registered Reinsurers	\$0	\$564,299	\$287,986	\$394,556	\$528,415	\$7,171	\$353	\$20,842	\$3,162	\$16,758	\$1,823,542
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$458	\$0	\$0	\$259	\$1,372	\$2,089

**Exhibit 2.41**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2018-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	1,855	1,855	1,855	1,855	1,855	1,855	51	1,841	354	1,529	
Expected Loss Cost per Lawyer	\$120	\$1,198	\$614	\$772	\$990	\$10	\$16	\$26	\$17	\$21	
Gross Expected Loss Volume	\$222,811	\$2,221,502	\$1,139,255	\$1,432,656	\$1,835,964	\$18,550	\$818	\$47,340	\$6,149	\$32,853	
IBNR Factor	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	
IBNR Amount	\$112,742	\$1,124,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,520,696
Case Reserves	\$0	\$250,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$250,000
Total Reserves (Ind. & Leg.)	\$112,742	\$1,374,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,770,696
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$112,742	\$1,374,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,770,696
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$3,833	\$38,219	\$19,600	\$24,647	\$31,586	\$319	\$14	\$814	\$106	\$565	\$119,704
Case Reserves LAE	\$0	\$8,500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,500
Total LAE(3.40%)	\$3,833	\$46,719	\$19,600	\$24,647	\$31,586	\$319	\$14	\$814	\$106	\$565	\$128,204
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	0.0750	0.0750	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.9400	1.0000	1.0000	0.8550	0.8550	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$50,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$50,000
Registered Reinsurers	\$0	\$200,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$200,000
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$112,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,742
IBNR Reserves Ceded to											
Colchester	\$0	\$224,816	\$115,293	\$144,985	\$185,800	\$0	\$0	\$0	\$233	\$1,247	\$672,373
Registered Reinsurers	\$0	\$899,264	\$461,170	\$579,939	\$743,198	\$8,823	\$414	\$23,954	\$2,660	\$14,213	\$2,733,636
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$563	\$0	\$0	\$218	\$1,164	\$1,945
Total Reserves Retained	\$112,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,742
Reserves Ceded to											
Colchester	\$0	\$274,816	\$115,293	\$144,985	\$185,800	\$0	\$0	\$0	\$233	\$1,247	\$722,373
Registered Reinsurers	\$0	\$1,099,264	\$461,170	\$579,939	\$743,198	\$8,823	\$414	\$23,954	\$2,660	\$14,213	\$2,933,636
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$563	\$0	\$0	\$218	\$1,164	\$1,945

**Exhibit 2.42**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2019-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	40 xs 160	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	1,855	1,855	1,855	1,855	1,855	1,855	51	1,841	354	1,529	
Expected Loss Cost per Lawyer	\$120	\$1,198	\$614	\$772	\$990	\$10	\$16	\$26	\$17	\$21	
Gross Expected Loss Volume	\$222,811	\$2,221,502	\$1,139,255	\$1,432,656	\$1,835,964	\$18,550	\$818	\$47,340	\$6,149	\$32,853	
IBNR Factor	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	0.506	
IBNR Amount	\$112,742	\$1,124,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,520,696
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$112,742	\$1,124,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,520,696
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$112,742	\$1,124,080	\$576,463	\$724,924	\$928,998	\$9,386	\$414	\$23,954	\$3,112	\$16,623	\$3,520,696
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$3,833	\$38,219	\$19,600	\$24,647	\$31,586	\$319	\$14	\$814	\$106	\$565	\$119,704
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$3,833	\$38,219	\$19,600	\$24,647	\$31,586	\$319	\$14	\$814	\$106	\$565	\$119,704
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2000	0.2000	0.2000	0.2000	0.0000	0.0000	0.0000	0.0750	0.0750	
Reinsured to Registered	0.0000	0.8000	0.8000	0.8000	0.8000	0.9400	1.0000	1.0000	0.8550	0.8550	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$112,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,742
IBNR Reserves Ceded to											
Colchester	\$0	\$224,816	\$115,293	\$144,985	\$185,800	\$0	\$0	\$0	\$233	\$1,247	\$672,373
Registered Reinsurers	\$0	\$899,264	\$461,170	\$579,939	\$743,198	\$8,823	\$414	\$23,954	\$2,660	\$14,213	\$2,733,636
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$563	\$0	\$0	\$218	\$1,164	\$1,945
Total Reserves Retained	\$112,742	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112,742
Reserves Ceded to											
Colchester	\$0	\$224,816	\$115,293	\$144,985	\$185,800	\$0	\$0	\$0	\$233	\$1,247	\$672,373
Registered Reinsurers	\$0	\$899,264	\$461,170	\$579,939	\$743,198	\$8,823	\$414	\$23,954	\$2,660	\$14,213	\$2,733,636
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$563	\$0	\$0	\$218	\$1,164	\$1,945



**Exhibit 2.43**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2019-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>										
Earned Lawyer Count	1,942	1,942	1,942	1,942	1,942	1,942	53	1,930	1,971	
Expected Loss Cost per Lawyer	\$121	\$1,275	\$633	\$800	\$1,132	\$10	\$18	\$30	\$28	
Gross Expected Loss Volume	\$234,084	\$2,475,816	\$1,229,350	\$1,553,117	\$2,198,689	\$19,419	\$967	\$57,303	\$55,794	
IBNR Factor	0.636	0.636	0.636	0.636	0.636	0.636	0.636	0.636	0.636	
IBNR Amount	\$148,877	\$1,574,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$4,976,406
Case Reserves	\$0	\$1,500,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,500,000
Total Reserves (Ind. & Leg.)	\$148,877	\$3,074,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$6,476,406
Paid to Date	\$309,773	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$309,773
Total Ultimate Incurred	\$458,650	\$3,074,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$6,786,179
<b><u>Derivation of Loss Adjustment Expenses</u></b>										
IBNR LAE	\$5,062	\$53,537	\$26,583	\$33,585	\$47,544	\$420	\$21	\$1,239	\$1,206	\$169,198
Case Reserves LAE	\$0	\$51,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$51,000
Total LAE(3.40%)	\$5,062	\$104,537	\$26,583	\$33,585	\$47,544	\$420	\$21	\$1,239	\$1,206	\$220,198
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>										
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2300	0.2300	0.2300	0.2300	0.0000	0.0000	0.0000	0.1000	
Reinsured to Registered	0.0000	0.7700	0.7700	0.7700	0.7700	0.9400	1.0000	1.0000	0.8300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	
Paid to Date Retained	\$309,773	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$309,773
Paid Ceded to										
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to										
Colchester	\$0	\$345,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$345,000
Registered Reinsurers	\$0	\$1,155,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,155,000
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$148,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$148,877
IBNR Reserves Ceded to										
Colchester	\$0	\$362,162	\$179,829	\$227,190	\$321,624	\$0	\$0	\$0	\$3,549	\$1,094,354
Registered Reinsurers	\$0	\$1,212,457	\$602,037	\$760,592	\$1,076,742	\$11,609	\$615	\$36,445	\$29,453	\$3,729,950
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$741	\$0	\$0	\$2,484	\$3,225
Total Reserves Retained	\$148,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$148,877
Reserves Ceded to										
Colchester	\$0	\$707,162	\$179,829	\$227,190	\$321,624	\$0	\$0	\$0	\$3,549	\$1,439,354
Registered Reinsurers	\$0	\$2,367,457	\$602,037	\$760,592	\$1,076,742	\$11,609	\$615	\$36,445	\$29,453	\$4,884,950
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$741	\$0	\$0	\$2,484	\$3,225

**Exhibit 2.44**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2020-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 110 xs 50	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>										
Earned Lawyer Count	1,942	1,942	1,942	1,942	1,942	1,942	53	1,930	1,971	
Expected Loss Cost per Lawyer	\$121	\$1,275	\$633	\$800	\$1,132	\$10	\$18	\$30	\$28	
Gross Expected Loss Volume	\$234,084	\$2,475,816	\$1,229,350	\$1,553,117	\$2,198,689	\$19,419	\$967	\$57,303	\$55,794	
IBNR Factor	0.636	0.636	0.636	0.636	0.636	0.636	0.636	0.636	0.636	
IBNR Amount	\$148,877	\$1,574,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$4,976,406
Case Reserves	\$118,393	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$118,393
Total Reserves (Ind. & Leg.)	\$267,270	\$1,574,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$5,094,799
Paid to Date	\$101,607	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$101,607
Total Ultimate Incurred	\$368,877	\$1,574,619	\$781,866	\$987,782	\$1,398,366	\$12,350	\$615	\$36,445	\$35,485	\$5,196,406
<b><u>Derivation of Loss Adjustment Expenses</u></b>										
IBNR LAE	\$5,062	\$53,537	\$26,583	\$33,585	\$47,544	\$420	\$21	\$1,239	\$1,206	\$169,198
Case Reserves LAE	\$4,025	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,025
Total LAE(3.40%)	\$9,087	\$53,537	\$26,583	\$33,585	\$47,544	\$420	\$21	\$1,239	\$1,206	\$173,223
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>										
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2300	0.2300	0.2300	0.2300	0.0000	0.0000	0.0000	0.1000	
Reinsured to Registered	0.0000	0.7700	0.7700	0.7700	0.7700	0.9400	1.0000	1.0000	0.8300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0700	
Paid to Date Retained	\$101,607	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$101,607
Paid Ceded to										
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$118,393	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$118,393
Case Reserves Ceded to										
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$148,877	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$148,877
IBNR Reserves Ceded to										
Colchester	\$0	\$362,162	\$179,829	\$227,190	\$321,624	\$0	\$0	\$0	\$3,549	\$1,094,354
Registered Reinsurers	\$0	\$1,212,457	\$602,037	\$760,592	\$1,076,742	\$11,609	\$615	\$36,445	\$29,453	\$3,729,950
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$741	\$0	\$0	\$2,484	\$3,225
Total Reserves Retained	\$267,270	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$267,270
Reserves Ceded to										
Colchester	\$0	\$362,162	\$179,829	\$227,190	\$321,624	\$0	\$0	\$0	\$3,549	\$1,094,354
Registered Reinsurers	\$0	\$1,212,457	\$602,037	\$760,592	\$1,076,742	\$11,609	\$615	\$36,445	\$29,453	\$3,729,950
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$741	\$0	\$0	\$2,484	\$3,225

**Exhibit 2.45**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2020-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 50 xs 50	5% of 60 xs 100	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	1,982	1,982	1,982	1,982	1,982	1,982	51	1,977	1,977	2,017	
Expected Loss Cost per Lawyer	\$121	\$1,238	\$617	\$787	\$1,115	\$10	\$17	\$23	\$6	\$26	
Gross Expected Loss Volume	\$239,128	\$2,453,626	\$1,222,415	\$1,560,390	\$2,209,537	\$19,823	\$888	\$44,475	\$11,201	\$52,560	
IBNR Factor	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	
IBNR Amount	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$7,195	\$73,830	\$36,782	\$46,952	\$66,485	\$596	\$27	\$1,338	\$337	\$1,582	\$235,125
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$7,195	\$73,830	\$36,782	\$46,952	\$66,485	\$596	\$27	\$1,338	\$337	\$1,582	\$235,125
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2300	0.2300	0.2300	0.2300	0.0000	1.0000	1.0000	0.0000	0.1000	
Reinsured to Registered	0.0000	0.7700	0.7700	0.7700	0.7700	0.9400	0.0000	0.0000	1.0000	0.8300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0000	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$211,629	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211,629
IBNR Reserves Ceded to											
Colchester	\$0	\$499,436	\$248,823	\$317,617	\$449,751	\$0	\$786	\$39,361	\$0	\$4,652	\$1,560,425
Registered Reinsurers	\$0	\$1,672,023	\$833,015	\$1,063,328	\$1,505,689	\$16,491	\$0	\$0	\$9,913	\$38,608	\$5,139,067
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$1,053	\$0	\$0	\$0	\$3,256	\$4,309
Total Reserves Retained	\$211,629	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211,629
Reserves Ceded to											
Colchester	\$0	\$499,436	\$248,823	\$317,617	\$449,751	\$0	\$786	\$39,361	\$0	\$4,652	\$1,560,425
Registered Reinsurers	\$0	\$1,672,023	\$833,015	\$1,063,328	\$1,505,689	\$16,491	\$0	\$0	\$9,913	\$38,608	\$5,139,067
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$1,053	\$0	\$0	\$0	\$3,256	\$4,309

**Exhibit 2.46**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2021-1  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 50 xs 50	5% of 60 xs 100	60 xs 160	Total
<b>Derivation of Ultimate Incurred</b>											
Earned Lawyer Count	1,982	1,982	1,982	1,982	1,982	1,982	51	1,977	1,977	2,017	
Expected Loss Cost per Lawyer	\$121	\$1,238	\$617	\$787	\$1,115	\$10	\$17	\$23	\$6	\$26	
Gross Expected Loss Volume	\$239,128	\$2,453,626	\$1,222,415	\$1,560,390	\$2,209,537	\$19,823	\$888	\$44,475	\$11,201	\$52,560	
IBNR Factor	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	0.885	
IBNR Amount	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$211,629	\$2,171,459	\$1,081,837	\$1,380,945	\$1,955,440	\$17,544	\$786	\$39,361	\$9,913	\$46,516	\$6,915,429
<b>Derivation of Loss Adjustment Expenses</b>											
IBNR LAE	\$7,195	\$73,830	\$36,782	\$46,952	\$66,485	\$596	\$27	\$1,338	\$337	\$1,582	\$235,125
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$7,195	\$73,830	\$36,782	\$46,952	\$66,485	\$596	\$27	\$1,338	\$337	\$1,582	\$235,125
<b>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.2300	0.2300	0.2300	0.2300	0.0000	1.0000	1.0000	0.0000	0.1000	
Reinsured to Registered	0.0000	0.7700	0.7700	0.7700	0.7700	0.9400	0.0000	0.0000	1.0000	0.8300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0000	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$211,629	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211,629
IBNR Reserves Ceded to											
Colchester	\$0	\$499,436	\$248,823	\$317,617	\$449,751	\$0	\$786	\$39,361	\$0	\$4,652	\$1,560,425
Registered Reinsurers	\$0	\$1,672,023	\$833,015	\$1,063,328	\$1,505,689	\$16,491	\$0	\$0	\$9,913	\$38,608	\$5,139,067
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$1,053	\$0	\$0	\$0	\$3,256	\$4,309
Total Reserves Retained	\$211,629	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$211,629
Reserves Ceded to											
Colchester	\$0	\$499,436	\$248,823	\$317,617	\$449,751	\$0	\$786	\$39,361	\$0	\$4,652	\$1,560,425
Registered Reinsurers	\$0	\$1,672,023	\$833,015	\$1,063,328	\$1,505,689	\$16,491	\$0	\$0	\$9,913	\$38,608	\$5,139,067
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$1,053	\$0	\$0	\$0	\$3,256	\$4,309

**Exhibit 2.47**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
Period : 2021-2  
As at December 31, 2021

Layer	.975 xs .025	4 xs 1	5 xs 5	10 xs 10	30 xs 20	30 xs Min 65	5% of 30 xs 50	5% of 50 xs 50	5% of 60 xs 100	60 xs 160	Total
<b><u>Derivation of Ultimate Incurred</u></b>											
Earned Lawyer Count	2,073	2,073	2,073	2,073	2,073	2,073	59	2,060	2,060	2,105	
Expected Loss Cost per Lawyer	\$122	\$1,242	\$618	\$745	\$1,026	\$8	\$14	\$17	\$4	\$15	
Gross Expected Loss Volume	\$251,962	\$2,575,362	\$1,281,843	\$1,543,211	\$2,127,103	\$16,582	\$802	\$35,811	\$7,747	\$31,428	
IBNR Factor	0.949	0.949	0.949	0.949	0.949	0.949	0.949	0.949	0.949	0.949	
IBNR Amount	\$239,112	\$2,444,018	\$1,216,469	\$1,464,508	\$2,018,620	\$15,736	\$761	\$33,985	\$7,352	\$29,825	\$7,470,387
Case Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Reserves (Ind. & Leg.)	\$239,112	\$2,444,018	\$1,216,469	\$1,464,508	\$2,018,620	\$15,736	\$761	\$33,985	\$7,352	\$29,825	\$7,470,387
Paid to Date	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Ultimate Incurred	\$239,112	\$2,444,018	\$1,216,469	\$1,464,508	\$2,018,620	\$15,736	\$761	\$33,985	\$7,352	\$29,825	\$7,470,387
<b><u>Derivation of Loss Adjustment Expenses</u></b>											
IBNR LAE	\$8,130	\$83,097	\$41,360	\$49,793	\$68,633	\$535	\$26	\$1,155	\$250	\$1,014	\$253,993
Case Reserves LAE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total LAE(3.40%)	\$8,130	\$83,097	\$41,360	\$49,793	\$68,633	\$535	\$26	\$1,155	\$250	\$1,014	\$253,993
<b><u>Distribution of Losses between CLLAS, Colchester and Proportional Reinsurers</u></b>											
Retention	1.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000	
Reinsured to Colchester	0.0000	0.3300	0.3300	0.3300	0.3300	0.0000	1.0000	1.0000	0.0000	0.1000	
Reinsured to Registered	0.0000	0.6700	0.6700	0.6700	0.6700	0.9400	0.0000	0.0000	1.0000	0.8300	
Reinsured to Unregistered	0.0000	0.0000	0.0000	0.0000	0.0000	0.0600	0.0000	0.0000	0.0000	0.0700	
Paid to Date Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Paid Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Retained	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Case Reserves Ceded to											
Colchester	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Registered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IBNR Reserves Retained	\$239,112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$239,112
IBNR Reserves Ceded to											
Colchester	\$0	\$806,526	\$401,435	\$483,288	\$666,145	\$0	\$761	\$33,985	\$0	\$2,982	\$2,395,122
Registered Reinsurers	\$0	\$1,637,492	\$815,034	\$981,220	\$1,352,476	\$14,792	\$0	\$0	\$7,352	\$24,755	\$4,833,121
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$944	\$0	\$0	\$0	\$2,088	\$3,032
Total Reserves Retained	\$239,112	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$239,112
Reserves Ceded to											
Colchester	\$0	\$806,526	\$401,435	\$483,288	\$666,145	\$0	\$761	\$33,985	\$0	\$2,982	\$2,395,122
Registered Reinsurers	\$0	\$1,637,492	\$815,034	\$981,220	\$1,352,476	\$14,792	\$0	\$0	\$7,352	\$24,755	\$4,833,121
Unregistered Reinsurers	\$0	\$0	\$0	\$0	\$0	\$944	\$0	\$0	\$0	\$2,088	\$3,032

**Exhibit 2.48**  
**Canadian Lawyers Liability Assurance Society**

IBNR - Reflecting Proportional Reinsurance  
 Period: All Years  
 As at December 31, 2021

<b>Layer</b>	<b>Total</b>
IBNR Amount	\$48,008,961
Case Reserves	\$19,271,657
Total Reserves (Ind. & Leg.)	\$67,280,618
Paid to Date	\$261,175,131
Total Ultimate Incurred	\$328,455,749
 Paid to Date Retained	 \$107,685,132
Paid Ceded to	
Colchester	\$4,316,659
Registered Reinsurers	\$140,338,474
Unregistered Reinsurers	\$8,834,865
 Case Reserves Retained	 \$7,366,920
Case Reserves Ceded to	
Colchester	\$2,876,802
Registered Reinsurers	\$9,027,934
Unregistered Reinsurers	\$0
 IBNR Reserves Retained	 \$1,851,179
IBNR Reserves Ceded to	
Colchester	\$10,932,508
Registered Reinsurers	\$35,187,829
Unregistered Reinsurers	\$37,445
 Total Reserves Retained	 \$9,218,099
Reserves Ceded to	
Colchester	\$13,809,310
Registered Reinsurers	\$44,215,764
Unregistered Reinsurers	\$37,445

**Exhibit 3**  
**Canadian Lawyers Liability Assurance Society**

Summary of Loss Experience  
Gross of Reinsurance  
As at December 31, 2021

Policy Period	(1) Paid Losses	(2) Case Reserves	(3) Provision for IBNR	(4) Ultimate Losses	(5) Earned Premium	(6) Ultimate Loss Ratio
1987/1988	0	0	0	0	4,434,000	0%
1988/1989	0	0	0	0	3,614,000	0%
1989/1990	0	0	0	0	3,740,400	0%
1990/1991	3,593,148	0	0	3,593,148	4,233,600	85%
1991/1992	7,416,563	0	0	7,416,563	4,320,000	172%
1992/1993	326,599	0	0	326,599	4,478,400	7%
1993/1994	30,654,825	0	0	30,654,825	4,512,600	679%
1994/1995	9,318,988	0	0	9,318,988	5,153,700	181%
1995/1996	3,742,644	0	0	3,742,644	5,807,500	64%
1996/1997	0	0	0	0	5,276,196	0%
1997/1998	0	0	0	0	6,587,610	0%
1998/1999	20,296,669	0	0	20,296,669	10,826,416	187%
1999/2000	8,492,585	0	0	8,492,585	12,093,829	70%
2000/2001	0	0	0	0	14,968,458	0%
2001/2002	17,553,756	0	0	17,553,756	14,694,378	119%
2002/2003	3,466,726	0	0	3,466,726	17,346,379	20%
2003/2004	38,933,335	0	0	38,933,335	22,376,007	174%
2004/2005	1,262,333	0	0	1,262,333	24,676,487	5%
2005/2006	765,546	0	0	765,546	25,025,027	3%
2006/2007	6,474,107	0	0	6,474,107	33,356,139	19%
2007/2008	12,039,569	3,500,000	0	15,539,569	27,040,048	57%
2008/2009	2,808,791	0	0	2,808,791	24,343,680	12%
2009/2010	40,568,156	2,449,783	150,319	43,168,258	23,632,747	183%
2010/2011	35,204,082	122,587	324,414	35,651,084	20,852,074	171%
2011/2012	4,508,118	678,699	347,205	5,534,021	17,006,743	33%
2012/2013	1,653,383	0	393,020	2,046,403	14,228,728	14%
2013/2014	5,416,420	3,829,850	464,696	9,710,966	13,954,400	70%
2014/2015	86,269	1,006,483	565,255	1,658,007	12,895,931	13%
2015/2016	3,002,282	5,657,718	596,610	9,256,610	12,438,547	74%
2016/2017	3,178,856	158,144	2,183,074	5,520,074	10,610,344	52%
2017/2018	0	0	4,688,919	4,688,919	7,138,422	66%
2018/2019	0	250,000	7,041,393	7,291,393	7,390,585	99%
2019/2020	411,380	1,618,393	9,952,812	11,982,585	9,288,383	129%
2020/2021	0	0	13,830,857	13,830,857	10,667,036	130%
2021/2022	0	0	7,470,387	7,470,387	6,348,417	118%
Total	261,175,131	19,271,657	48,008,961	328,455,749	445,357,211	74%
December 31, 1996 Retroassessment Call					7,000,000	
June 30, 1998 Retroassessment Call					1,600,000	
Total Including Retroassessment Calls				328,455,749	453,957,211	72%

(1), (2) and (3) from Exh. 2, excluding ULAE

(4) = (1) + (2) + (3)

(5) from CLLAS

(6) = (4) / (5)

**Exhibit 4**  
**Canadian Lawyers Liability Assurance Society**

Summary of Reinsured Experience - Proportional, Stop Loss and Loss Portfolio Transfer  
As at December 31, 2021

Policy Period	Net of Proportional Reinsurance				Stop Loss						Loss Portfolio Transfer			
	(1) Paid Losses	(2) Case Reserves	(3) Provision for IBNR	(4) Ultimate Losses	(5) Stop Loss Reins. Ratio	(6) Stop Loss Limit	(7) Paid Losses	(8) Case Reserves	(9) Provision for IBNR	(10) Ultimate Losses	(11) Paid Losses	(12) Case Reserves	(13) Provision for IBNR	(14) Ultimate Losses
1987/1988	0	0	0	0	0.0%	n/a	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0.0%	n/a	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	30.0%	750,000	0	0	0	0	0	0	0	0
1990/1991	1,796,574	0	0	1,796,574	33.0%	900,000	900,000	0	0	900,000	0	0	0	0
1991/1992	3,470,496	0	0	3,470,496	36.0%	1,000,000	1,000,000	0	0	1,000,000	0	0	0	0
1992/1993	163,299	0	0	163,299	36.0%	1,000,000	163,299	0	0	163,299	0	0	0	0
1993/1994	8,388,230	0	0	8,388,230	60.0%	\$2.75M xs \$0.25M	2,750,000	0	0	2,750,000	0	0	0	0
1994/1995	4,633,180	0	0	4,633,180	60.0%	\$2.75M xs \$0.25M	2,750,000	0	0	2,750,000	0	0	0	0
1995/1996	1,871,322	0	0	1,871,322	30.0%	\$4.7M xs \$3.3M	0	0	0	0	0	0	0	0
1996/1997	0	0	0	0	30.0%	\$4.7M xs \$3.3M	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	30.0%	\$4.7M xs \$3.3M	0	0	0	0	0	0	0	0
1998/1999	6,254,045	0	0	6,254,045	30.0%	\$4.7M xs \$3.3M	2,954,045	0	0	2,954,045	0	0	0	0
1999/2000	3,464,559	0	0	3,464,559	30.0%	\$4.7M xs \$3.3M	164,559	0	0	164,559	0	0	0	0
2000/2001	0	0	0	0	30.0%	\$4.7M xs \$3.3M	0	0	0	0	0	0	0	0
2001/2002	5,601,781	0	0	5,601,781	30.0%	\$4.7M xs \$3.3M	2,301,781	0	0	2,301,781	0	0	0	0
2002/2003	3,466,726	0	0	3,466,726	30.0%	\$7.5M xs \$5.5M	0	0	0	0	50,928	0	0	50,928
2003/2004	13,933,335	0	0	13,933,335	30.0%	\$7.5M xs \$5.5M	7,500,000	0	0	7,500,000	0	0	0	0
2004/2005	1,262,333	0	0	1,262,333	30.0%	\$7.5M xs \$5.5M	0	0	0	0	0	0	0	0
2005/2006	765,546	0	0	765,546	40.0%	\$9.5M xs \$5.5M	0	0	0	0	53,432	0	0	53,432
2006/2007	5,769,472	0	0	5,769,472	10.0%	\$5M xs \$15M	0	0	0	0	719,159	0	0	719,159
2007/2008	6,393,298	3,500,000	0	9,893,298	10.0%	\$5M xs \$15M	0	0	0	0	85,259	3,500,000	0	3,585,259
2008/2009	2,808,791	0	0	2,808,791	10.0%	\$5M xs \$15M	0	0	0	0	2,803,749	0	0	2,803,749
2009/2010	18,747,049	2,449,783	90,628	21,287,460	15.0%	\$10M xs \$15M	3,747,049	2,449,783	90,628	6,287,460	14,980,304	0	0	14,980,304
2010/2011	16,280,318	122,587	200,321	16,603,227	17.5%	\$10M xs \$15M	1,280,318	122,587	200,321	1,603,227	12,926,564	0	0	12,926,564
2011/2012	1,274,219	169,675	95,445	1,539,338	3.5%	\$22.5M xs \$17.5M	0	0	3,341	3,341	1,167,713	169,675	92,104	1,429,492
2012/2013	203,270	0	11,967	215,237	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2013/2014	0	0	14,427	14,427	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2014/2015	86,269	1,006,483	17,606	1,110,357	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2015/2016	0	0	18,753	18,753	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2016/2017	650,000	0	69,890	719,890	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2017/2018	0	0	146,535	146,535	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2018/2019	0	0	225,484	225,484	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2019/2020	411,380	118,393	297,754	827,527	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2020/2021	0	0	423,257	423,257	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
2021/2022	0	0	239,112	239,112	0.0%	\$10M xs \$5M	0	0	0	0	0	0	0	0
Total	107,695,493	7,366,920	1,851,179	116,913,592			25,511,052	2,572,370	294,290	28,377,712	32,787,108	3,669,675	92,104	36,548,887

(1), (2) and (3) from Exh. 2, excluding ULAE; in 1993/1994, an expense amount of \$10,361 for claim 94-010 is fully assumed by CLLAS.

(4) = (1) + (2) + (3)

(5) selected judgmentally based on rating exercise

(6) from CLLAS

(7) = (1) subject to the stop loss attachment points and limits in (6)

(8) = (2) subject to the stop loss attachment points and limits in (6)

(9) = (3) x (5) when stop loss attachment point has not been reached; = (3) x 100% when stop loss attachment point has been reached but stop loss limit has not been reached; = (3) x 0% when stop loss limit has been reached

(10) = (7) + (8) + (9)

(11) = (1) - (7) - Exh. 5, Col. (1) for policy periods prior to June 30, 2012; = 0 otherwise

(12) = (2) - (8) for policy periods prior to June 30, 2012; = 0 otherwise

(13) = (3) - (9) for policy periods prior to June 30, 2012; = 0 otherwise

(14) = (11) + (12) + (13)



**Exhibit 5**  
**Canadian Lawyers Liability Assurance Society**

Summary of Loss Experience  
Net of Reinsurance  
As at December 31, 2021

	(1)	(2)	(3)	(4)	(5)	(6)
Policy Period	Paid Losses	Case Reserves	Provision for IBNR	Ultimate Losses	Earned Premium	Ultimate Loss Ratio
1987/1988	0	0	0	0	1,883,829	0%
1988/1989	0	0	0	0	1,137,725	0%
1989/1990	0	0	0	0	689,957	0%
1990/1991	896,574	0	0	896,574	586,847	153%
1991/1992	2,470,496	0	0	2,470,496	577,354	428%
1992/1993	0	0	0	0	389,208	0%
1993/1994	5,638,230	0	0	5,638,230	373,280	1510%
1994/1995	1,883,180	0	0	1,883,180	1,328,836	142%
1995/1996	1,871,322	0	0	1,871,322	1,930,552	97%
1996/1997	0	0	0	0	1,070,215	0%
1997/1998	0	0	0	0	1,627,963	0%
1998/1999	3,300,000	0	0	3,300,000	4,368,122	76%
1999/2000	3,300,000	0	0	3,300,000	5,100,300	65%
2000/2001	0	0	0	0	6,734,718	0%
2001/2002	3,300,000	0	0	3,300,000	5,919,526	56%
2002/2003	3,415,798	0	0	3,415,798	4,631,546	74%
2003/2004	6,433,335	0	0	6,433,335	6,619,932	97%
2004/2005	1,262,333	0	0	1,262,333	6,832,821	18%
2005/2006	712,114	0	0	712,114	6,259,056	11%
2006/2007	5,050,313	0	0	5,050,313	12,326,959	41%
2007/2008	6,308,039	0	0	6,308,039	10,121,699	62%
2008/2009	5,042	0	0	5,042	9,812,057	0%
2009/2010	19,696	0	0	19,696	9,849,698	0%
2010/2011	2,073,436	0	0	2,073,436	8,040,957	26%
2011/2012	106,506	0	0	106,506	5,101,008	2%
2012/2013	203,270	0	11,967	215,237	3,352,235	6%
2013/2014	0	0	14,427	14,427	3,154,848	0%
2014/2015	86,269	1,006,483	17,606	1,110,357	2,452,086	45%
2015/2016	0	0	18,753	18,753	2,414,074	1%
2016/2017	650,000	0	69,890	719,890	2,176,665	33%
2017/2018	0	0	146,535	146,535	2,013,796	7%
2018/2019	0	0	225,484	225,484	1,873,194	12%
2019/2020	411,380	118,393	297,754	827,527	1,995,479	41%
2020/2021	0	0	423,257	423,257	2,015,966	21%
2021/2022	0	0	239,112	239,112	1,001,066	24%
Total	49,397,333	1,124,876	1,464,785	51,986,993	135,763,574	38%
December 31, 1996 Retroassessment Call					7,000,000	
June 30, 1998 Retroassessment Call					1,600,000	
June 30, 2012 Loss Portfolio Transfer					(44,700,000)	
Total Including Retroassessment Calls				51,986,993	99,663,574	52%

(1) Fixed per L.P.T. for periods prior to June 30, 2012 except for recoveries in 2007/2008;

Exh. 4 Col. (1) - Exh. 4 Col. (5) - Exh. 4 Col. (11) otherwise

(2) 0 per L.P.T. for periods prior to June 30, 2012; Exh. 4 Col. (2) - Exh. 4 Col. (6) - Exh. 4 Col. (12) otherwise

(3) 0 per L.P.T. for periods prior to June 30, 2012; Exh. 4 Col. (3) - Exh. 4 Col. (7) - Exh. 4 Col. (13) otherwise

(4) = (1) + (2) + (3)

(5) from CLAS

(6) = (4) / (5)

**Exhibit 6**  
**Canadian Lawyers Liability Assurance Society**

Unallocated Loss Adjustment Expenses Ratio  
As at December 31, 2021

Calendar Year	(1) Estimated Annual Claims Management Expenses	(2) Assumed Portion Applicable to Losses Outstanding As at December 31, 2021	(3) Future Indexing (2% per year)	(4) Estimated Provision As at December 31, 2021
2022	390,500	10/10	1.000	390,500
2023	390,500	9/10	1.020	358,479
2024	390,500	8/10	1.040	325,021
2025	390,500	7/10	1.061	290,081
2026	390,500	6/10	1.082	253,614
2027	390,500	5/10	1.104	215,572
2028	390,500	4/10	1.126	175,907
2029	390,500	3/10	1.149	134,569
2030	390,500	2/10	1.172	91,507
2031	390,500	1/10	1.195	46,668
Total				2,281,917

**Gross Outstanding Liabilities**

(5) Case Reserves	19,271,657
(6) IBNR	48,008,961
(7) Total	67,280,618

**Unallocated Loss Adjustment Expenses Provision  
as a % of Gross Outstanding liabilities**

(8) Indicated	3.39%
(9) Selected	<b>3.40%</b>

(1) Based upon actual CLLAS internal claims management expenses of \$351,106 in 2021 and estimated 2022 expenses of \$390,500

(2) Selected per actuarial judgment

(3) =  $1.02^{(\text{Year} - 2022)}$

(4) = (1) x (2) x (3)

(5) = Exh. 3, Col. (2)

(6) = Exh. 3, Col. (3)

(7) = (5) + (6)

(8) = (4) / (7)

(9) Selected per actuarial judgment

**Exhibit 7**  
**Canadian Lawyers Liability Assurance Society**

Provision for Unallocated Loss Adjustment Expenses  
As at December 31, 2021

Policy Period	(1) Case Reserves	(2) ULAE Ratio	(3) Provision for ULAE	(4) Provision for IBNR			(7) Total Provision for ULAE
	Reserves			Reserves	ULAE Ratio	Provision for ULAE	
1987/1988	0	3.40%	0	0	3.40%	0	0
1988/1989	0	3.40%	0	0	3.40%	0	0
1989/1990	0	3.40%	0	0	3.40%	0	0
1990/1991	0	3.40%	0	0	3.40%	0	0
1991/1992	0	3.40%	0	0	3.40%	0	0
1992/1993	0	3.40%	0	0	3.40%	0	0
1993/1994	0	3.40%	0	0	3.40%	0	0
1994/1995	0	3.40%	0	0	3.40%	0	0
1995/1996	0	3.40%	0	0	3.40%	0	0
1996/1997	0	3.40%	0	0	3.40%	0	0
1997/1998	0	3.40%	0	0	3.40%	0	0
1998/1999	0	3.40%	0	0	3.40%	0	0
1999/2000	0	3.40%	0	0	3.40%	0	0
2000/2001	0	3.40%	0	0	3.40%	0	0
2001/2002	0	3.40%	0	0	3.40%	0	0
2002/2003	0	3.40%	0	0	3.40%	0	0
2003/2004	0	3.40%	0	0	3.40%	0	0
2004/2005	0	3.40%	0	0	3.40%	0	0
2005/2006	0	3.40%	0	0	3.40%	0	0
2006/2007	0	3.40%	0	0	3.40%	0	0
2007/2008	3,500,000	3.40%	119,000	0	3.40%	0	119,000
2008/2009	0	3.40%	0	0	3.40%	0	0
2009/2010	2,449,783	3.40%	83,293	150,319	3.40%	5,111	88,403
2010/2011	122,587	3.40%	4,168	324,414	3.40%	11,030	15,198
2011/2012	678,699	3.40%	23,076	347,205	3.40%	11,805	34,881
2012/2013	0	3.40%	0	393,020	3.40%	13,363	13,363
2013/2014	3,829,850	3.40%	130,215	464,696	3.40%	15,800	146,015
2014/2015	1,006,483	3.40%	34,220	565,255	3.40%	19,219	53,439
2015/2016	5,657,718	3.40%	192,362	596,610	3.40%	20,285	212,647
2016/2017	158,144	3.40%	5,377	2,183,074	3.40%	74,225	79,601
2017/2018	0	3.40%	0	4,688,919	3.40%	159,423	159,423
2018/2019	250,000	3.40%	8,500	7,041,393	3.40%	239,407	247,907
2019/2020	1,618,393	3.40%	55,025	9,952,812	3.40%	338,396	393,421
2020/2021	0	3.40%	0	13,830,857	3.40%	470,249	470,249
2021/2022	0	3.40%	0	7,470,387	3.40%	253,993	253,993
Total	19,271,657	3.40%	655,236	48,008,961	3.40%	1,632,305	2,287,541

(1) = Exh. 3, Col. (2)

(2) = Exh. 6, Line (9)

(3) = (1) x (2)

(4) = Exh. 3, Col. (3)

(5) = Exh. 6, Line (9)

(6) = (4) x (5)

(7) = (3) + (6)

**Exhibit 8**  
**Canadian Lawyers Liability Assurance Society**

Selection of Discount Rate  
As at December 31, 2021

Issuer	(1) Holdings	(2) Coupon Rate	(3) Maturity Date	(4) Cost	(5) Market Value	(6) Valuation Date	(7) Market Yield	(8) Effective Yield	(9) Duration
<b>MONEY MARKET</b>									
Canadian Imperial Bank BA	1,175,000		January 14, 2022	1,174,665	1,174,665	2021-12-31	0.23%	0.23%	0.038
Canadian Imperial Bank BA	1,220,000		January 31, 2022	1,219,558	1,219,475	2021-12-31	0.23%	0.23%	0.084
Toronto Dominion Bank BA	1,200,000		March 2, 2022	1,199,357	1,199,357	2021-12-31	0.23%	0.23%	0.169
Toronto Dominion Bank BA	1,255,000		February 1, 2022	1,254,596	1,254,410	2021-12-31	0.23%	0.23%	0.087
<b>TREASURY BILLS</b>									
Canada Treasury Bills	1,300,000		January 6, 2022	1,299,741	1,299,741	2021-12-31	0.07%	0.07%	0.016
Canada Treasury Bills	1,305,000		January 20, 2022	1,304,697	1,304,697	2021-12-31	0.07%	0.07%	0.054
Canada Treasury Bills	1,210,000		March 3, 2022	1,209,439	1,209,439	2021-12-31	0.07%	0.07%	0.171
Canada Treasury Bills	1,320,000		February 3, 2022	1,319,997	1,319,901	2021-12-31	0.07%	0.07%	0.092
Canada Treasury Bills	1,380,000		February 17, 2022	1,379,916	1,379,800	2021-12-31	0.07%	0.07%	0.130
<b>GOVERNMENT BONDS</b>									
Canada Housing Trust	200,000	2.40%	December 15, 2022	200,740	203,126	2021-12-31	0.76%	0.76%	0.950
Canada Housing Trust	200,000	2.35%	September 15, 2023	211,240	204,336	2021-12-31	1.06%	1.07%	1.670
Canada Housing Trust	250,000	2.90%	June 15, 2024	256,600	259,991	2021-12-31	1.24%	1.25%	2.387
Canada Housing Trust	300,000	2.25%	December 15, 2025	302,940	309,239	2021-12-31	1.45%	1.45%	3.807
Canada Housing Trust	250,000	2.35%	March 15, 2028	259,900	260,290	2021-12-31	1.65%	1.66%	5.781
Canada Housing Trust	200,000	2.10%	September 15, 2029	205,780	205,365	2021-12-31	1.73%	1.73%	7.120
Canada Housing Trust	275,000	1.10%	March 15, 2031	258,638	257,903	2021-12-31	1.84%	1.85%	8.731
Ontario Province	250,000	3.15%	June 2, 2022	247,600	252,864	2021-12-31	0.41%	0.41%	0.420
Ontario Province	150,000	3.15%	June 2, 2022	152,400	151,718	2021-12-31	0.41%	0.41%	0.420
Ontario Province	350,000	2.85%	June 2, 2023	361,025	359,051	2021-12-31	1.01%	1.01%	1.400
Ontario Province	150,000	2.85%	June 2, 2023	150,405	153,879	2021-12-31	1.01%	1.01%	1.400
Ontario Province	250,000	2.60%	June 2, 2025	250,375	259,503	2021-12-31	1.46%	1.46%	3.291
Ontario Province	150,000	2.60%	June 2, 2025	153,930	155,702	2021-12-31	1.46%	1.46%	3.291
British Columbia Province	350,000	2.30%	June 18, 2026	365,400	361,827	2021-12-31	1.51%	1.52%	4.269
Ontario Province	350,000	2.60%	June 2, 2027	341,460	366,757	2021-12-31	1.67%	1.68%	5.090
Ontario Province	150,000	2.05%	June 2, 2030	152,775	151,249	2021-12-31	1.94%	1.95%	7.767

**Exhibit 8**  
**Canadian Lawyers Liability Assurance Society**

Selection of Discount Rate  
As at December 31, 2021

Issuer	(1) Holdings	(2) Coupon Rate	(3) Maturity Date	(4) Cost	(5) Market Value	(6) Valuation Date	(7) Market Yield	(8) Effective Yield	(9) Duration
<b>CORPORATE BONDS</b>									
Royal Bank of Canada	150,000	1.97%	March 2, 2022	150,075	150,393	2021-12-31	0.41%	0.41%	0.169
National Bank of Canada	250,000	2.11%	March 18, 2022	255,100	250,896	2021-12-31	0.42%	0.42%	0.213
Wells Fargo	150,000	3.46%	January 24, 2023	153,542	153,820	2021-12-31	1.05%	1.05%	1.040
Toronto Dominion Bank	200,000	1.91%	July 18, 2023	205,160	202,133	2021-12-31	1.21%	1.21%	1.521
Toronto Dominion Bank	100,000	1.91%	July 18, 2023	102,730	101,066	2021-12-31	1.21%	1.21%	1.521
Toronto Dominion Bank	250,000	3.23%	July 24, 2024	255,050	260,803	2021-12-31	1.50%	1.51%	2.452
CIBC	250,000	3.30%	May 26, 2025	250,600	263,818	2021-12-31	1.62%	1.63%	3.243
Wells Fargo	200,000	2.98%	May 19, 2026	204,300	206,691	2021-12-31	2.17%	2.18%	4.134
Bank of Nova Scotia	200,000	2.62%	December 2, 2026	198,460	207,470	2021-12-31	1.82%	1.83%	4.646
Bank of Nova Scotia	100,000	2.62%	December 2, 2026	107,750	103,735	2021-12-31	1.82%	1.83%	4.646
Bank of Montreal	150,000	2.70%	December 9, 2026	163,140	156,097	2021-12-31	1.84%	1.84%	4.657
Bell Canada	75,000	2.20%	May 29, 2028	74,663	74,041	2021-12-31	2.42%	2.43%	6.000
<b>TOTAL</b>	<b>17,265,000</b>			<b>17,353,743</b>	<b>17,405,247</b>			<b>1.56%</b>	<b>1.213</b>

(10) Duration-Weighted Effective Market Yield: 1.56%

(11) Selected Discount Rate: 1.30%  
Selected Last Year 0.45%

(1) - (5) From Investment Manager

(6) Valuation Date = December 31, 2021

(7) Expected future yield on bond

(8) =  $[(1 + (7) / 2) ^ 2] - 1$

(9) Duration of bond

(10) =  $[(5) \times (8) \times (9)] / [(5) \times (9)]$

(11) Selected per actuarial judgment

**Exhibit 9**  
**Canadian Lawyers Liability Assurance Society**

Selection of Margins for Adverse Deviation  
As at December 31, 2021

Major Valuation Variables	Low Margin	High Margin	Considerations	Evaluation (Note 1)	Weight (Note 2)	Indicated MFAD	Selected MFAD
Claims Development	2.50%	20.00%	Company practices: Consistency in claims handling procedures and personnel	0	1	10.00%	10.00%
			System changes	0	1		
			Changes in case reserve estimation	0	1		
			Data: Number of years of past experience on which expected development is based	0	1		
			Volume of business in each year	1	1		
			Changes in volume of business over last five to seven years	1	1		
			Changes in mix of business over last five to seven years	0	1		
			Homogeneity of data grouping	1	1		
			Stability of historical development	1	1		
			Potential impact of large individual claims	2	1		
			Line of Business: Length of time over which potential development might take place from reporting of new losses	2	2		
			Likelihood of external changes which may significantly affect development	2	1		
			Net retention of the company for the line of business	0	1		
			Change in policy form	0	1		
Reinsurance Recovery	0.00%	15.00%	Ceded claims ratio	0	1	2.50%	5.00%
			Potential problem reinsurers	1	1		
			Balance sheet exposure for each assuming company	0	1		
Interest Rate	0.25%	2.00%	Investment portfolio	0	2	0.25%	0.25%
			Investment climate	0	1		
			Method of valuing assets	0	1		
			Matching of investments to claims payments patterns	0	1		

(1) Evaluation of Consideration: Low Margin=0  
Medium Margin=1  
High Margin=2

(2) Consideration Weight: Low Weight=0  
Medium Weight=1  
High Weight=2

**Exhibit 10**  
**Canadian Lawyers Liability Assurance Society**

Discounted Claim Liabilities including Provisions for Adverse Deviation  
Gross of Reinsurance  
As at December 31, 2021

Policy Period	(1)	(2)	(3)	(4)	(5) Present Value of Gross Outstanding Liabilities		(6)	(7) Provisions for Adverse Deviation			(9)	(10)	(11)
	Case Reserves	Provision for IBNR	Provision for ULAE	Total	at 1.30%	at 1.05%		Claims at 10.00%	Reinsurance at 5.00%	Interest Rate at 0.25%		Total	Gross Claim Liabilities
1987/1988	0	0	0	0	0	0		0	0	0		0	0
1988/1989	0	0	0	0	0	0		0	0	0		0	0
1989/1990	0	0	0	0	0	0		0	0	0		0	0
1990/1991	0	0	0	0	0	0		0	0	0		0	0
1991/1992	0	0	0	0	0	0		0	0	0		0	0
1992/1993	0	0	0	0	0	0		0	0	0		0	0
1993/1994	0	0	0	0	0	0		0	0	0		0	0
1994/1995	0	0	0	0	0	0		0	0	0		0	0
1995/1996	0	0	0	0	0	0		0	0	0		0	0
1996/1997	0	0	0	0	0	0		0	0	0		0	0
1997/1998	0	0	0	0	0	0		0	0	0		0	0
1998/1999	0	0	0	0	0	0		0	0	0		0	0
1999/2000	0	0	0	0	0	0		0	0	0		0	0
2000/2001	0	0	0	0	0	0		0	0	0		0	0
2001/2002	0	0	0	0	0	0		0	0	0		0	0
2002/2003	0	0	0	0	0	0		0	0	0		0	0
2003/2004	0	0	0	0	0	0		0	0	0		0	0
2004/2005	0	0	0	0	0	0		0	0	0		0	0
2005/2006	0	0	0	0	0	0		0	0	0		0	0
2006/2007	0	0	0	0	0	0		0	0	0		0	0
2007/2008	3,500,000	0	119,000	3,619,000	3,547,606	3,561,102		354,761	0	13,496		368,257	3,915,863
2008/2009	0	0	0	0	0	0		0	0	0		0	0
2009/2010	2,449,783	150,319	88,403	2,688,506	2,614,018	2,628,027		261,402	0	14,009		275,411	2,889,429
2010/2011	122,587	324,414	15,198	462,200	447,093	449,927		44,709	0	2,834		47,543	494,636
2011/2012	678,699	347,205	34,881	1,060,784	1,024,816	1,031,547		102,482	0	6,730		109,212	1,134,028
2012/2013	0	393,020	13,363	406,382	391,927	394,627		39,193	0	2,700		41,892	433,819
2013/2014	3,829,850	464,696	146,015	4,440,560	4,266,745	4,299,144		426,675	0	32,399		459,073	4,725,818
2014/2015	1,006,483	565,255	53,439	1,625,177	1,555,805	1,568,708		155,580	0	12,904		168,484	1,724,289
2015/2016	5,657,718	596,610	212,647	6,466,976	6,167,974	6,223,469		616,797	0	55,495		672,293	6,840,266
2016/2017	158,144	2,183,074	79,601	2,420,819	2,300,257	2,322,584		230,026	0	22,326		252,352	2,552,610
2017/2018	0	4,688,919	159,423	4,848,343	4,577,694	4,627,690		457,769	0	49,996		507,765	5,085,460
2018/2019	250,000	7,041,393	247,907	7,539,300	7,084,290	7,168,118		708,429	0	83,828		792,257	7,876,547
2019/2020	1,618,393	9,952,812	393,421	11,964,626	11,200,833	11,341,174		1,120,083	0	140,342		1,260,425	12,461,258
2020/2021	0	13,830,857	470,249	14,301,107	13,289,109	13,474,534		1,328,911	0	185,426		1,514,336	14,803,445
2021/2022	0	7,470,387	253,993	7,724,380	7,106,484	7,219,338		710,648	0	112,854		823,502	7,929,987
Total	19,271,657	48,008,961	2,287,541	69,568,159	65,574,650	66,309,989		6,557,465	0	735,338		7,292,803	72,867,454

(1) = Exh. 3, Col. (2)

(2) = Exh. 3, Col. (3)

(3) = Exh. 7, Col. (7)

(4) = (1) + (2) + (3)

(5) Present value of column (4) at a 1.30% discount factor using the payment pattern selected in Exh. 1.1

(6) Present value of column (2) at a 1.05% discount factor using the payment pattern selected in Exh. 1.1

(7) = 10.00%

(8) = 0

(9) = (6) - (5)

(10) = (7) + (8) + (9)

(11) = (5) + (10)

**Exhibit 11**  
**Canadian Lawyers Liability Assurance Society**

Discounted Claim Liabilities including Provisions for Adverse Deviation  
Net of All Reinsurance  
As at December 31, 2021

Policy Period	(1)	(2)	(3)	(4)	(5) Present Value of Net Outstanding Liabilities		(6)	(7) Provisions for Adverse Deviation			(8)	(9)	(10)	(11)
	Case Reserves	Provision for IBNR	Provision for ULAE	Total	at 1.30%	at 1.05%		Claims at 10.00%	Reinsurance at 5.00%	Interest Rate at 0.25%			Total	Net Claim Liabilities
1987/1988	0	0	0	0	0	0		0	0	0			0	0
1988/1989	0	0	0	0	0	0		0	0	0			0	0
1989/1990	0	0	0	0	0	0		0	0	0			0	0
1990/1991	0	0	0	0	0	0		0	0	0			0	0
1991/1992	0	0	0	0	0	0		0	0	0			0	0
1992/1993	0	0	0	0	0	0		0	0	0			0	0
1993/1994	0	0	0	0	0	0		0	0	0			0	0
1994/1995	0	0	0	0	0	0		0	0	0			0	0
1995/1996	0	0	0	0	0	0		0	0	0			0	0
1996/1997	0	0	0	0	0	0		0	0	0			0	0
1997/1998	0	0	0	0	0	0		0	0	0			0	0
1998/1999	0	0	0	0	0	0		0	0	0			0	0
1999/2000	0	0	0	0	0	0		0	0	0			0	0
2000/2001	0	0	0	0	0	0		0	0	0			0	0
2001/2002	0	0	0	0	0	0		0	0	0			0	0
2002/2003	0	0	0	0	0	0		0	0	0			0	0
2003/2004	0	0	0	0	0	0		0	0	0			0	0
2004/2005	0	0	0	0	0	0		0	0	0			0	0
2005/2006	0	0	0	0	0	0		0	0	0			0	0
2006/2007	0	0	0	0	0	0		0	0	0			0	0
2007/2008	0	0	119,000	119,000	116,652	117,096		11,665	171,548	444			183,657	300,309
2008/2009	0	0	0	0	0	0		0	0	0			0	0
2009/2010	0	0	88,403	88,403	85,954	86,415		8,595	126,403	461			135,459	221,413
2010/2011	0	0	15,198	15,198	14,701	14,794		1,470	21,620	93			23,183	37,884
2011/2012	0	0	34,881	34,881	33,698	33,919		3,370	49,556	221			53,147	86,845
2012/2013	0	11,967	13,363	25,330	24,429	24,597		2,443	18,375	168			20,986	45,415
2013/2014	0	14,427	146,015	160,441	154,161	155,332		15,416	205,629	1,171			222,216	376,377
2014/2015	1,006,483	17,606	53,439	1,077,528	1,031,532	1,040,088		103,153	26,214	8,555			137,922	1,169,455
2015/2016	0	18,753	212,647	231,400	220,701	222,687		22,070	297,364	1,986			321,419	542,120
2016/2017	0	69,890	79,601	149,491	142,046	143,425		14,205	107,911	1,379			123,494	265,540
2017/2018	0	146,535	159,423	305,958	288,879	292,034		28,888	214,441	3,155			246,484	535,362
2018/2019	0	225,484	247,907	473,392	444,822	450,085		44,482	331,973	5,264			381,719	826,541
2019/2020	118,393	297,754	393,421	809,568	757,887	767,383		75,789	522,147	9,496			607,432	1,365,319
2020/2021	0	423,257	470,249	893,506	830,279	841,864		83,028	622,942	11,585			717,554	1,547,833
2021/2022	0	239,112	253,993	493,105	453,660	460,864		45,366	332,641	7,204			385,212	838,872
Total	1,124,876	1,464,785	2,287,541	4,877,202	4,599,402	4,650,584		459,940	3,048,762	51,182			3,559,884	8,159,286

(1) = Exh. 5, Col. (2)

(2) = Exh. 5, Col. (3)

(3) = Exh. 7, Col. (7)

(4) = (1) + (2) + (3)

(5) Present value of column (4) at a 1.30% discount factor using the payment pattern selected in Exh. 1.1

(6) Present value of column (2) at a 1.05% discount factor using the payment pattern selected in Exh. 1.1

(7) = 10.00% x (5)

(8) = 5.00% x [Exh. 10 Col. (5) - Exh. 11 Col. (5)]

(9) = (6) - (5)

(10) = (7) + (8) + (9)

(11) = (5) + (10)



**Exhibit 12.1**  
**Canadian Lawyers Liability Assurance Society**

Summary of Outstanding Liabilities and Provisions for Adverse Deviations  
 By Policy Year  
 Gross of Reinsurance  
 As at December 31, 2021

(1) Policy Period	(2) Undiscounted			(5) Discounted incl. PFAD			(7)
	(2) Case Reserves	(3) Provisions for IBNR and ULAE	(4) Total Reserves	(5) Case Reserves	(6) Provisions for IBNR and ULAE	Total Reserves	
1987/1988	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0
1990/1991	0	0	0	0	0	0	0
1991/1992	0	0	0	0	0	0	0
1992/1993	0	0	0	0	0	0	0
1993/1994	0	0	0	0	0	0	0
1994/1995	0	0	0	0	0	0	0
1995/1996	0	0	0	0	0	0	0
1996/1997	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0
1998/1999	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	0	0
2001/2002	0	0	0	0	0	0	0
2002/2003	0	0	0	0	0	0	0
2003/2004	0	0	0	0	0	0	0
2004/2005	0	0	0	0	0	0	0
2005/2006	0	0	0	0	0	0	0
2006/2007	0	0	0	0	0	0	0
2007/2008	3,500,000	119,000	3,619,000	3,500,000	415,863	3,915,863	
2008/2009	0	0	0	0	0	0	0
2009/2010	2,449,783	238,723	2,688,506	2,449,783	439,647	2,889,429	
2010/2011	122,587	339,612	462,200	122,587	372,049	494,636	
2011/2012	678,699	382,085	1,060,784	678,699	455,330	1,134,028	
2012/2013	0	406,382	406,382	0	433,819	433,819	
2013/2014	3,829,850	610,710	4,440,560	3,829,850	895,968	4,725,818	
2014/2015	1,006,483	618,694	1,625,177	1,006,483	717,806	1,724,289	
2015/2016	5,657,718	809,257	6,466,976	5,657,718	1,182,548	6,840,266	
2016/2017	158,144	2,262,675	2,420,819	158,144	2,394,466	2,552,610	
2017/2018	0	4,848,343	4,848,343	0	5,085,460	5,085,460	
2018/2019	250,000	7,289,300	7,539,300	250,000	7,626,547	7,876,547	
2019/2020	1,618,393	10,346,233	11,964,626	1,618,393	10,842,865	12,461,258	
2020/2021	0	14,301,107	14,301,107	0	14,803,445	14,803,445	
2021/2022	0	7,724,380	7,724,380	0	7,929,987	7,929,987	
Total	19,271,657	50,296,502	69,568,159	19,271,657	53,595,797	72,867,454	

(1) The policy period runs from July 1 to June 30.

(2) from Exh. 3, Col. (2)

(3) from Exh. 3, Col. (3) + Exh. 7, Col. (7)

(4) = (2) + (3)

(5) = (2)

(6) = (7) - (5)

(7) from Exh. 10, Col. (11)

**Exhibit 12.2**  
**Canadian Lawyers Liability Assurance Society**

Summary of Outstanding Liabilities and Provisions for Adverse Deviations  
 By Calendar Year  
 Gross of Reinsurance  
 As at December 31, 2021

(1) Calendar Year	(2) Undiscounted			(5) Discounted incl. PFAD			(7)
	(2) Case Reserves	(3) Provisions for IBNR and ULAE	(4) Total Reserves	(5) Case Reserves	(6) Provisions for IBNR and ULAE	Total Reserves	
1987	0	0	0	0	0	0	0
1988	0	0	0	0	0	0	0
1989	0	0	0	0	0	0	0
1990	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0
1992	0	0	0	0	0	0	0
1993	0	0	0	0	0	0	0
1994	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0
2007	1,750,000	59,500	1,809,500	1,750,000	207,931	1,957,931	
2008	1,750,000	59,500	1,809,500	1,750,000	207,931	1,957,931	
2009	1,224,891	119,361	1,344,253	1,224,891	219,823	1,444,715	
2010	1,286,185	289,168	1,575,353	1,286,185	405,848	1,692,033	
2011	400,643	360,849	761,492	400,643	413,689	814,332	
2012	339,349	394,234	733,583	339,349	444,574	783,924	
2013	1,914,925	508,546	2,423,471	1,914,925	664,894	2,579,819	
2014	2,418,166	614,702	3,032,869	2,418,166	806,887	3,225,054	
2015	3,332,100	713,976	4,046,076	3,332,100	950,177	4,282,277	
2016	2,907,931	1,535,966	4,443,897	2,907,931	1,788,507	4,696,438	
2017	79,072	3,555,509	3,634,581	79,072	3,739,963	3,819,035	
2018	125,000	6,068,821	6,193,821	125,000	6,356,003	6,481,003	
2019	934,196	8,817,766	9,751,963	934,196	9,234,706	10,168,902	
2020	809,196	12,323,670	13,132,866	809,196	12,823,155	13,632,351	
2021	0	14,874,933	14,874,933	0	15,331,709	15,331,709	
Total	19,271,657	50,296,502	69,568,159	19,271,657	53,595,797	72,867,454	

(1) The calendar year runs from January 1 to December 31.

(2) Based on Exh. 12.1, Col. (2)

(3) Based on Exh. 12.1, Col. (3)

(4) = (2) + (3)

(5) = (2)

(6) = (7) - (5)

(7) Based on Exh. 12.1, Col. (7)

**Exhibit 12.3**  
**Canadian Lawyers Liability Assurance Society**

Summary of Outstanding Liabilities and Provisions for Adverse Deviations  
 By Policy Year  
 Net of Reinsurance  
 As at December 31, 2021

(1) Policy Period	(2) Undiscounted			(5) Discounted incl. PFAD			(7)
	(2) Case Reserves	(3) Provisions for IBNR and ULAE	(4) Total Reserves	(5) Case Reserves	(6) Provisions for IBNR and ULAE	(6) Total Reserves	
1987/1988	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0
1990/1991	0	0	0	0	0	0	0
1991/1992	0	0	0	0	0	0	0
1992/1993	0	0	0	0	0	0	0
1993/1994	0	0	0	0	0	0	0
1994/1995	0	0	0	0	0	0	0
1995/1996	0	0	0	0	0	0	0
1996/1997	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0
1998/1999	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	0	0
2001/2002	0	0	0	0	0	0	0
2002/2003	0	0	0	0	0	0	0
2003/2004	0	0	0	0	0	0	0
2004/2005	0	0	0	0	0	0	0
2005/2006	0	0	0	0	0	0	0
2006/2007	0	0	0	0	0	0	0
2007/2008	0	119,000	119,000	0	300,309	300,309	0
2008/2009	0	0	0	0	0	0	0
2009/2010	0	88,403	88,403	0	221,413	221,413	0
2010/2011	0	15,198	15,198	0	37,884	37,884	0
2011/2012	0	34,881	34,881	0	86,845	86,845	0
2012/2013	0	25,330	25,330	0	45,415	45,415	0
2013/2014	0	160,441	160,441	0	376,377	376,377	0
2014/2015	1,006,483	71,045	1,077,528	1,006,483	162,972	1,169,455	0
2015/2016	0	231,400	231,400	0	542,120	542,120	0
2016/2017	0	149,491	149,491	0	265,540	265,540	0
2017/2018	0	305,958	305,958	0	535,362	535,362	0
2018/2019	0	473,392	473,392	0	826,541	826,541	0
2019/2020	118,393	691,175	809,568	118,393	1,246,926	1,365,319	0
2020/2021	0	893,506	893,506	0	1,547,833	1,547,833	0
2021/2022	0	493,105	493,105	0	838,872	838,872	0
Total	1,124,876	3,752,326	4,877,202	1,124,876	7,034,411	8,159,286	0

(1) The policy period runs from July 1 to June 30.

(2) from Exh. 5, Col. (2)

(3) from Exh. 5, Col. (3) + Exh. 7, Col. (7)

(4) = (2) + (3)

(5) = (2)

(6) = (7) - (5)

(7) from Exh. 11, Col. (11)

**Exhibit 12.4**  
**Canadian Lawyers Liability Assurance Society**

Summary of Outstanding Liabilities and Provisions for Adverse Deviations  
 By Calendar Year  
 Net of Reinsurance  
 As at December 31, 2021

(1) Calendar Year	(3) Undiscounted			(6) Discounted incl. PFAD			(7)
	(2) Case Reserves	Provisions for IBNR and ULAE	(4) Total Reserves	(5) Case Reserves	Provisions for IBNR and ULAE	Total Reserves	
1987	0	0	0	0	0	0	0
1988	0	0	0	0	0	0	0
1989	0	0	0	0	0	0	0
1990	0	0	0	0	0	0	0
1991	0	0	0	0	0	0	0
1992	0	0	0	0	0	0	0
1993	0	0	0	0	0	0	0
1994	0	0	0	0	0	0	0
1995	0	0	0	0	0	0	0
1996	0	0	0	0	0	0	0
1997	0	0	0	0	0	0	0
1998	0	0	0	0	0	0	0
1999	0	0	0	0	0	0	0
2000	0	0	0	0	0	0	0
2001	0	0	0	0	0	0	0
2002	0	0	0	0	0	0	0
2003	0	0	0	0	0	0	0
2004	0	0	0	0	0	0	0
2005	0	0	0	0	0	0	0
2006	0	0	0	0	0	0	0
2007	0	59,500	59,500	0	150,155	150,155	
2008	0	59,500	59,500	0	150,155	150,155	
2009	0	44,202	44,202	0	110,707	110,707	
2010	0	51,801	51,801	0	129,649	129,649	
2011	0	25,039	25,039	0	62,365	62,365	
2012	0	30,105	30,105	0	66,130	66,130	
2013	0	92,885	92,885	0	210,896	210,896	
2014	503,241	115,743	618,984	503,241	269,675	772,916	
2015	503,241	151,222	654,464	503,241	352,546	855,788	
2016	0	190,446	190,446	0	403,830	403,830	
2017	0	227,725	227,725	0	400,451	400,451	
2018	0	389,675	389,675	0	680,952	680,952	
2019	59,196	582,284	641,480	59,196	1,036,734	1,095,930	
2020	59,196	792,341	851,537	59,196	1,397,380	1,456,576	
2021	0	939,858	939,858	0	1,612,788	1,612,788	
Total	1,124,876	3,752,326	4,877,202	1,124,876	7,034,411	8,159,286	

(1) The calendar year runs from January 1 to December 31.

(2) Based on Exh. 12.3, Col. (2)

(3) Based on Exh. 12.3, Col. (3)

(4) = (2) + (3)

(5) = (2)

(6) = (7) - (5)

(7) Based on Exh. 12.3, Col. (7)

**Exhibit 13.1**  
**Canadian Lawyers Liability Assurance Society**

Historical Estimates of Ultimate Incurred Losses (Excl. Provision for ULAE)  
Gross of Reinsurance  
From December 31, 2012 to December 31, 2021

Policy Period	Selected Ultimate Losses									
	as at Dec. 31, 2012	as at Dec. 31, 2013	as at Dec. 31, 2014	as at Dec. 31, 2015	as at Dec. 31, 2016	as at Dec. 31, 2017	as at Dec. 31, 2018	as at Dec. 31, 2019	as at Dec. 31, 2020	as at Dec. 31, 2021
1987/1988	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0
1990/1991	3,593,000	3,593,000	3,593,000	3,593,000	3,593,000	3,593,000	3,593,000	3,593,000	3,593,148	3,593,148
1991/1992	7,417,000	7,417,000	7,417,000	7,417,000	7,417,000	7,417,000	7,417,000	7,417,000	7,416,563	7,416,563
1992/1993	327,000	327,000	327,000	327,000	327,000	327,000	327,000	327,000	326,599	326,599
1993/1994	30,655,000	30,655,000	30,655,000	30,655,000	30,655,000	30,655,000	30,655,000	30,655,000	30,654,825	30,654,825
1994/1995	9,319,000	9,319,000	9,319,000	9,319,000	9,319,000	9,319,000	9,319,000	9,319,000	9,318,988	9,318,988
1995/1996	3,743,000	3,743,000	3,743,000	3,743,000	3,743,000	3,743,000	3,743,000	3,743,000	3,742,644	3,742,644
1996/1997	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0
1998/1999	20,297,000	20,297,000	20,297,000	20,297,000	20,297,000	20,297,000	20,297,000	20,297,000	20,296,669	20,296,669
1999/2000	8,493,000	8,493,000	8,493,000	8,493,000	8,493,000	8,493,000	8,493,000	8,493,000	8,492,585	8,492,585
2000/2001	0	135,000	0	0	0	0	0	0	0	0
2001/2002	17,696,000	17,874,000	17,696,000	17,554,000	17,554,000	17,554,000	17,554,000	17,554,000	17,553,756	17,553,756
2002/2003	6,821,000	6,921,000	4,381,000	4,181,000	4,021,000	3,467,000	3,467,000	3,467,000	3,466,726	3,466,726
2003/2004	39,662,000	39,362,000	39,362,000	39,319,000	39,105,000	38,933,000	38,933,000	38,933,000	38,933,335	38,933,335
2004/2005	3,170,000	2,622,000	2,531,000	1,719,000	1,673,000	1,445,000	1,262,000	1,262,000	1,262,333	1,262,333
2005/2006	1,888,000	1,647,000	1,403,000	1,255,000	1,255,000	1,206,000	961,000	766,000	765,546	765,546
2006/2007	8,230,000	7,699,000	7,369,000	7,106,000	7,000,000	7,000,000	6,948,000	6,685,000	6,474,107	6,474,107
2007/2008	17,526,000	17,343,000	18,625,000	18,211,000	17,777,000	17,465,000	17,234,000	15,906,000	15,539,569	15,539,569
2008/2009	6,471,000	2,953,000	2,219,000	3,736,000	3,421,000	3,241,000	3,169,000	3,169,000	2,952,840	2,808,791
2009/2010	13,158,000	12,889,000	13,768,000	43,281,000	43,687,000	44,657,000	42,969,000	43,394,000	43,356,158	43,168,258
2010/2011	15,446,000	14,974,000	19,513,000	17,098,000	16,107,000	17,017,000	35,884,000	35,783,000	35,687,130	35,651,084
2011/2012	14,982,000	10,852,000	8,848,000	7,910,000	5,230,000	4,136,000	5,934,000	5,778,000	5,604,212	5,534,021
2012/2013	15,196,000	13,903,000	10,162,000	7,281,000	5,357,000	2,705,000	2,224,000	2,358,000	2,177,409	2,046,403
2013/2014	n/a	13,246,000	12,227,000	9,655,000	8,361,000	9,010,000	10,447,000	8,943,000	9,783,575	9,710,966
2014/2015	n/a	n/a	14,098,000	12,934,000	9,278,000	6,855,000	4,885,000	2,369,000	1,719,115	1,658,007
2015/2016	n/a	n/a	n/a	13,475,000	12,485,000	8,949,000	9,176,000	8,166,000	9,049,066	9,256,610
2016/2017	n/a	n/a	n/a	n/a	13,856,000	14,531,000	13,196,000	11,352,000	9,109,049	5,520,074
2017/2018	n/a	n/a	n/a	n/a	n/a	12,376,000	11,504,000	8,400,000	6,683,361	4,688,919
2018/2019	n/a	n/a	n/a	n/a	n/a	n/a	13,081,000	12,176,000	8,850,446	7,291,393
2019/2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	18,559,000	15,774,661	11,982,585
2020/2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	14,806,274	13,830,857
2021/2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	14,940,774
Total	244,090,000	246,264,000	256,046,000	288,559,000	290,011,000	294,391,000	322,672,000	328,864,000	333,390,689	335,926,135

Policy Period	Changes in Ultimate Losses									
	From 2012 to 2021	From 2013 to 2021	From 2014 to 2021	From 2015 to 2021	From 2016 to 2021	From 2017 to 2021	From 2018 to 2021	From 2019 to 2021	From 2020 to 2021	2021
1987/1988	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0
1990/1991	148	148	148	148	148	148	148	148	0	0
1991/1992	(437)	(437)	(437)	(437)	(437)	(437)	(437)	(437)	0	0
1992/1993	(401)	(401)	(401)	(401)	(401)	(401)	(401)	(401)	0	0
1993/1994	(175)	(175)	(175)	(175)	(175)	(175)	(175)	(175)	0	0
1994/1995	(12)	(12)	(12)	(12)	(12)	(12)	(12)	(12)	0	0
1995/1996	(356)	(356)	(356)	(356)	(356)	(356)	(356)	(356)	0	0
1996/1997	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0
1998/1999	(331)	(331)	(331)	(331)	(331)	(331)	(331)	(331)	0	0
1999/2000	(415)	(415)	(415)	(415)	(415)	(415)	(415)	(415)	0	0
2000/2001	0	(135,000)	0	0	0	0	0	0	0	0
2001/2002	(142,244)	(320,244)	(142,244)	(244)	(244)	(244)	(244)	(244)	0	0
2002/2003	(3,354,274)	(3,454,274)	(914,274)	(714,274)	(554,274)	(274)	(274)	(274)	0	0
2003/2004	(728,665)	(428,665)	(428,665)	(385,665)	(171,665)	335	335	335	0	0
2004/2005	(1,907,667)	(1,359,667)	(1,268,667)	(456,667)	(410,667)	(182,667)	333	333	0	0
2005/2006	(1,122,454)	(881,454)	(637,454)	(489,454)	(489,454)	(440,454)	(195,454)	(454)	0	0
2006/2007	(1,755,893)	(1,224,893)	(894,893)	(631,893)	(525,893)	(525,893)	(473,893)	(210,893)	0	0
2007/2008	(1,986,431)	(1,803,431)	(3,085,431)	(2,671,431)	(2,237,431)	(1,925,431)	(1,694,431)	(366,431)	0	0
2008/2009	(3,662,209)	(144,209)	589,791	(927,209)	(612,209)	(432,209)	(360,209)	(360,209)	(144,049)	0
2009/2010	30,010,258	30,279,258	29,400,258	(112,742)	(518,742)	(1,488,742)	199,258	(225,742)	(187,900)	0
2010/2011	20,205,084	20,677,084	16,138,084	18,553,084	19,544,084	18,634,084	(232,916)	(131,916)	(36,046)	0
2011/2012	(9,447,979)	(5,317,979)	(3,313,979)	(2,375,979)	304,021	1,398,021	(399,979)	(243,979)	(70,191)	0
2012/2013	(13,149,597)	(11,856,597)	(8,115,597)	(5,234,597)	(3,310,597)	(658,597)	(177,597)	(311,597)	(131,006)	0
2013/2014	n/a	(3,535,034)	(2,516,034)	55,966	1,349,966	700,966	(736,034)	767,966	(72,609)	0
2014/2015	n/a	n/a	(12,439,993)	(11,275,993)	(7,619,993)	(5,196,993)	(3,226,993)	(710,993)	(61,108)	0
2015/2016	n/a	n/a	n/a	(4,218,390)	(3,228,390)	307,610	80,610	1,090,610	207,544	0
2016/2017	n/a	n/a	n/a	n/a	(8,335,926)	(9,010,926)	(7,675,926)	(5,831,926)	(3,588,975)	0
2017/2018	n/a	n/a	n/a	n/a	n/a	(7,687,081)	(6,815,081)	(3,711,081)	(1,994,442)	0
2018/2019	n/a	n/a	n/a	n/a	n/a	n/a	(5,789,607)	(4,884,607)	(1,559,053)	0
2019/2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(6,576,415)	(3,792,076)	0
2020/2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(975,417)	0
2021/2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	0
TOTAL	12,955,950	20,492,916	12,368,923	(10,887,467)	(6,819,393)	(6,510,474)	(27,500,081)	(21,709,496)	(12,405,328)	0

\* Note: the latest year figures are annualized based on the six-month result.

**Exhibit 13.2**  
**Canadian Lawyers Liability Assurance Society**

Historical Estimates of Ultimate Incurred Losses (Excl. Provision for ULAE)  
 Net of Reinsurance  
 From December 31, 2012 to December 31, 2021

Policy Period	Selected Ultimate Losses									
	as at Dec. 31, 2012	as at Dec. 31, 2013	as at Dec. 31, 2014	as at Dec. 31, 2015	as at Dec. 31, 2016	as at Dec. 31, 2017	as at Dec. 31, 2018	as at Dec. 31, 2019	as at Dec. 31, 2020	as at Dec. 31, 2021
1987/1988	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0
1990/1991	897,000	897,000	897,000	897,000	897,000	897,000	897,000	897,000	896,574	896,574
1991/1992	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000	2,470,000	2,470,496	2,470,496
1992/1993	0	0	0	0	0	0	0	0	0	0
1993/1994	5,638,000	5,638,000	5,638,000	5,638,000	5,638,000	5,638,000	5,638,000	5,638,000	5,638,230	5,638,230
1994/1995	1,883,000	1,883,000	1,883,000	1,883,000	1,883,000	1,883,000	1,883,000	1,883,000	1,883,180	1,883,180
1995/1996	1,871,000	1,871,000	1,871,000	1,871,000	1,871,000	1,871,000	1,871,000	1,871,000	1,871,322	1,871,322
1996/1997	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0
1998/1999	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
1999/2000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
2000/2001	0	0	0	0	0	0	0	0	0	0
2001/2002	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000	3,300,000
2002/2003	3,416,000	3,416,000	3,416,000	3,416,000	3,416,000	3,416,000	3,416,000	3,416,000	3,415,798	3,415,798
2003/2004	6,433,000	6,433,000	6,433,000	6,433,000	6,433,000	6,433,000	6,433,000	6,433,000	6,433,335	6,433,335
2004/2005	1,262,000	1,262,000	1,262,000	1,262,000	1,262,000	1,262,000	1,262,000	1,262,000	1,262,333	1,262,333
2005/2006	712,000	712,000	712,000	712,000	712,000	712,000	712,000	712,000	712,114	712,114
2006/2007	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,000	5,050,313	5,050,313
2007/2008	8,525,000	8,525,000	8,437,000	8,206,000	7,976,000	7,745,000	7,514,000	6,308,000	6,308,039	6,308,039
2008/2009	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,042	5,042
2009/2010	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	19,696	19,696
2010/2011	2,073,000	2,073,000	2,073,000	2,073,000	2,073,000	2,073,000	2,073,000	2,073,000	2,073,436	2,073,436
2011/2012	107,000	107,000	107,000	107,000	107,000	107,000	107,000	107,000	106,506	106,506
2012/2013	463,000	423,000	334,000	435,000	362,000	281,000	227,000	225,000	219,226	215,237
2013/2014	n/a	411,000	380,000	269,000	197,000	131,000	59,000	22,000	16,681	14,427
2014/2015	n/a	n/a	440,000	413,000	308,000	284,000	222,000	164,000	1,112,261	1,110,357
2015/2016	n/a	n/a	n/a	424,000	392,000	281,000	218,000	162,000	67,235	18,753
2016/2017	n/a	n/a	n/a	n/a	444,000	1,062,000	950,000	891,000	818,782	719,890
2017/2018	n/a	n/a	n/a	n/a	n/a	387,000	360,000	263,000	208,864	146,535
2018/2019	n/a	n/a	n/a	n/a	n/a	n/a	419,000	390,000	283,415	225,484
2019/2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	1,244,000	945,824	827,527
2020/2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	451,976	423,257
2021/2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	478,224
Total	50,725,000	51,096,000	51,328,000	51,484,000	51,416,000	51,908,000	51,706,000	51,406,000	52,170,678	52,226,105

Policy Period	Changes in Ultimate Losses									
	From 2012 to 2021	From 2013 to 2021	From 2014 to 2021	From 2015 to 2021	From 2016 to 2021	From 2017 to 2021	From 2018 to 2021	From 2019 to 2021	From 2020 to 2021	
1987/1988	0	0	0	0	0	0	0	0	0	0
1988/1989	0	0	0	0	0	0	0	0	0	0
1989/1990	0	0	0	0	0	0	0	0	0	0
1990/1991	(426)	(426)	(426)	(426)	(426)	(426)	(426)	(426)	0	0
1991/1992	496	496	496	496	496	496	496	496	0	0
1992/1993	0	0	0	0	0	0	0	0	0	0
1993/1994	230	230	230	230	230	230	230	230	0	0
1994/1995	180	180	180	180	180	180	180	180	0	0
1995/1996	322	322	322	322	322	322	322	322	0	0
1996/1997	0	0	0	0	0	0	0	0	0	0
1997/1998	0	0	0	0	0	0	0	0	0	0
1998/1999	0	0	0	0	0	0	0	0	0	0
1999/2000	0	0	0	0	0	0	0	0	0	0
2000/2001	0	0	0	0	0	0	0	0	0	0
2001/2002	0	0	0	0	0	0	0	0	0	0
2002/2003	(202)	(202)	(202)	(202)	(202)	(202)	(202)	(202)	0	0
2003/2004	335	335	335	335	335	335	335	335	0	0
2004/2005	333	333	333	333	333	333	333	333	0	0
2005/2006	114	114	114	114	114	114	114	114	0	0
2006/2007	313	313	313	313	313	313	313	313	0	0
2007/2008	(2,216,961)	(2,216,961)	(2,128,961)	(1,897,961)	(1,667,961)	(1,436,961)	(1,205,961)	39	0	0
2008/2009	42	42	42	42	42	42	42	42	0	0
2009/2010	(304)	(304)	(304)	(304)	(304)	(304)	(304)	(304)	0	0
2010/2011	436	436	436	436	436	436	436	436	0	0
2011/2012	(494)	(494)	(494)	(494)	(494)	(494)	(494)	(494)	0	0
2012/2013	(247,763)	(207,763)	(118,763)	(219,763)	(146,763)	(65,763)	(11,763)	(9,763)	(3,989)	
2013/2014	n/a	(396,573)	(365,573)	(254,573)	(182,573)	(116,573)	(44,573)	(7,573)	(2,254)	
2014/2015	n/a	n/a	670,357	697,357	802,357	826,357	888,357	946,357	(1,904)	
2015/2016	n/a	n/a	n/a	(405,247)	(373,247)	(262,247)	(199,247)	(143,247)	(48,482)	
2016/2017	n/a	n/a	n/a	n/a	275,890	(342,110)	(230,110)	(171,110)	(98,892)	
2017/2018	n/a	n/a	n/a	n/a	n/a	(240,465)	(213,465)	(116,465)	(62,329)	
2018/2019	n/a	n/a	n/a	n/a	n/a	n/a	(193,516)	(164,516)	(57,931)	
2019/2020	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(416,473)	(118,297)	
2020/2021	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	(28,719)	
2021/2022	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	
TOTAL	(2,463,349)	(2,819,922)	(1,941,565)	(2,078,812)	(1,290,922)	(1,636,387)	(1,208,903)	(81,376)	(422,797)	

\* Note: the latest year figures are annualized based on the six-month result.

**Exhibit 14.1**  
**Canadian Lawyers Liability Assurance Society**

Premium Liabilities  
Gross and Net of Reinsurance  
As at December 31, 2021

**GROSS**

(1) Gross Unearned Premiums Reported in Annual Return	6,244,910
(2) Expected Loss and ALAE Ratio	120%
(3) Expected Losses and ALAE	7,470,387
(4) Expected ULAE	253,993
(5) Undiscounted Expected Losses and ALAE	7,724,380
(6) Discounted Claim Liabilities plus PFAD in Connection with Unearned Premium	7,852,333
(7) Policyholder Service Costs	124,898
(8) Gross Liabilities in Connection with Unearned Premium	7,977,231

**RECOVERABLE FROM REINSURERS**

(9) Ceded Unearned Premiums	5,236,160
(10) Discounted Claim Liabilities plus PFAD in Connection with Unearned Premium	7,009,660
(11) Doubtful Account	0
(12) Recoverable	7,009,660

**NET**

(13) Net unearned premiums reported in Annual Return	1,008,750
(14) Future Excess of Loss Reinsurance Cost	0
(15) Expected Loss and ALAE Ratio	25%
(16) Expected Losses and ALAE	252,187
(17) Expected ULAE	253,993
(18) Undiscounted Expected Losses and ALAE	506,181
(19) Discounted Claim Liabilities plus PFAD in Connection with Unearned Premium	842,672
(20) Policyholder Service Costs, (7)	124,898
(21) Net Liabilities in Connection with Unearned Premium	967,571
(22) Deferred Policy Acquisition Expense (DPAE) Reported in Annual Return	41,179
(23) Unearned Commissions Reported in Annual Return	0
(24) Other Net Liabilities Reported in Annual Return	0
(25) Maximum Allowable DPAE Based on Claims Experience	41,179
(26) Excess of Maximum Allowable DPAE over Reported DPAE	0
(27) Premium Deficiency	0

(2) Selected per actuarial judgment	(11) = 0	
(3) = (1) x (2)	(12) = (10) - (11)	(20) = (7)
(4) = (3) x Exh. 6, Line (9)	(14) = 0	(21) = (19) + (20)
(5) = (3) + (4)	(15) Selected based on 2021/2022 rating	(25) = Max [0, (13) - (21) + (23) + (24)]
(6) = Exh. 14.2, Line (10)	study for retained layer	(26) = (25) - (22)
(7) = (1) x 2.00%	(16) = [(13) - (14)] x (15)	(27) = Max [0, (21) + (22) - (13) - (23) - (24)]
(8) = (6) + (7)	(17) = (4)	
(9) = (1) - (13)	(18) = (16) + (17)	
(10) = (6) - (19)	(19) = Exh. 14.2, Line (20)	

**Exhibit 14.2**  
**Canadian Lawyers Liability Assurance Society**

Provision for Adverse Deviation for Premium Liabilities  
Gross and Net of Reinsurance  
As at December 31, 2021

**Gross**

(1) Undiscounted Outstanding Liabilities	7,724,380
(2) Discounted Outstanding Liabilities at 1.30%	7,022,316
(3) Discounted Outstanding Liabilities at 1.05%	7,150,101
(4) Interest Rate Margin	127,785
Claims Development Margin	
(5) Selected Margin on Development	10.00%
(6) Required Margin	702,232
Reinsurance Margin	
(7) Selected Margin on Reinsurance	5.00%
(8) Required Margin	n/a
(9) Total Provision for Adverse Deviation	830,017
(10) Selected Outstanding Liabilities	7,852,333

**Net**

(11) Undiscounted Outstanding Liabilities	506,181
(12) Discounted Outstanding Liabilities at 1.30%	460,174
(13) Discounted Outstanding Liabilities at 1.05%	468,548
(14) Interest Rate Margin	8,374
Claims Development Margin	
(15) Selected Margin on Development	10.00%
(16) Required Margin	46,017
Reinsurance Margin	
(17) Selected Margin on Reinsurance	5.00%
(18) Required Margin	328,107
(19) Total Provision for Adverse Deviation	382,498
(20) Selected Outstanding Liabilities	842,672

- (1) = Exh. 14.1, line (5)  
(2) = (1) x discount factor at 1.30% per selected payment pattern  
(3) = (1) x discount factor at 1.05% per selected payment pattern  
(4) = (3) - (2)  
(5) From Exh. 9  
(6) = (2) x (5)  
(7) From Exh. 9  
(8) Not applicable  
(9) = (4) + (6) + (8)  
(10) = (2) + (9)  
(11) = Exh. 14.1, Line (18)  
(12) = (11) x discount factor at 1.30% per selected payment pattern  
(13) = (11) x discount factor at 1.05% per selected payment pattern  
(14) = (13) - (12)  
(15) From Exh. 9  
(16) = (12) x (15)  
(17) From Exh. 9  
(18) = (17) x [(2) - (12)]  
(19) = (14) + (16) + (18)  
(20) = (12) + (19)



**Exhibit 15.1**  
**Canadian Lawyers Liability Assurance Society**

Unpaid Claims and Loss Ratio Analysis Exhibit  
 Net of Reinsurance and in Thousands of Dollars  
 As at December 31, 2021

**Exhibit Category :**  
**Actuary's Category :**  
**Aggregation Type:**

Liability  
 Professional Liability - Total  
 Accident Year

		Paid Losses (a)		Unpaid Claim Analysis (a)									Loss Ratio Analysis (a)		Claim Counts		As at Prior Year-end		
Line	Accident Year	Current Year (2021)	Cumulative (2021 and prior)	Bornhuetter-Ferguson Initial Expected Loss Ratio Assumptions	Undiscounted Unpaid Claims and Adjustment Expenses			Present Value of Unpaid Claims and Adjustment Expenses - Total	Provision and Margin for Adverse Deviation (PfAD and MfAD)				Discounted Reserves including PfAD	Earned Premiums	Undiscounted Loss Ratio (%)	Open as at Year-end	Reported to Date	Total Undiscounted Unpaid Claims and Adjustment Expenses	Reported Claim Counts to Date
					Case Reserves	IBNR	Total		PfAD: Claims (000\$)	MfAD: Claims (%)	PfAD: Reinsurance (000\$)	PfAD: Interest Rate (000\$)							
		(01)	(02)	(03)	(22)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(13)	(16)	(18)	(19)	(20)
1	2011 & Prior	0	47,992		0	0	0	0	-1	10.0%	344	0	343			4	61	0	61
2	2012	0	155		0	6	6	6	1	10.0%	34	0	41	4,227	4%	0	2	8	2
3	2013	0	102		0	13	13	13	1	10.0%	112	0	126	3,254	4%	0	2	16	2
4	2014	18	43		503	16	519	497	50	10.0%	116	4	667	2,803	20%	2	3	539	3
5	2015	18	43	19%	503	18	521	499	50	10.0%	162	4	715	2,433	23%	3	4	564	3
6	2016	0	325	20%	0	44	44	42	4	10.0%	203	0	249	2,295	16%	2	4	118	4
7	2017	0	325	21%	0	108	108	102	10	10.0%	161	1	274	2,095	21%	1	1	189	1
8	2018	0	0	22%	0	186	186	175	18	10.0%	273	2	468	1,943	10%	1	1	246	0
9	2019	40	206	24%	59	262	321	301	30	10.0%	427	4	762	1,934	27%	1	2	448	2
10	2020	40	206	24%	59	361	420	391	39	10.0%	573	5	1,008	2,006	31%	2	2	533	1
11	2021	0	0	24%	0	451	451	417	42	10.0%	644	7	1,110	2,009	22%	0	0		
12	Total	116	49,397		1,125	1,465	2,589	2,443	244	10.0%	3,049	27	5,763	24,999	16%	16	82	2,661	79
17	MfAD: Reinsurance (%)												5.00%						
18	MfAD: Interest Rate (%)												0.25%						
19	Interest Rate to Discount Unpaid Claims and Adjustment Expenses (%)												1.30%						

a) Including Allocated loss adjustment expenses (ALAE), but excluding Unallocated loss adjustment expenses (ULAE)

\* All amounts are on a Net basis and in \$'000\*

**Exhibit 15.2**  
**Canadian Lawyers Liability Assurance Society**

Unpaid Claims and Loss Ratio Analysis Exhibit  
 Net of Reinsurance and in Thousands of Dollars  
 As at December 31, 2021

**Exhibit Category :**  
**Actuary's Category :**  
**Aggregation Type:**

Total  
 Total  
 Accident Year

		Paid Losses (a)		Unpaid Claim Analysis (a)									Loss Ratio Analysis (a)		Claim Counts		As at Prior Year-end		
Line	Accident Year	Current Year (2021)	Cumulative (2021 and prior)	Bornhuetter-Ferguson Initial Expected Loss Ratio Assumptions	Undiscounted Unpaid Claims and Adjustment Expenses			Present Value of Unpaid Claims and Adjustment Expenses - Total	Provision and Margin for Adverse Deviation (PfAD and MfAD)				Discounted Reserves including PfAD	Earned Premiums	Undiscounted Loss Ratio (%)	Open as at Year-end	Reported to Date	Total Undiscounted Unpaid Claims and Adjustment Expenses	Reported Claim Counts to Date
					Case Reserves	IBNR	Total		PfAD: Claims (000\$)	MfAD: Claims (%)	PfAD: Reinsurance (000\$)	PfAD: Interest Rate (000\$)							
		(01)	(02)	(03)	(22)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(13)	(16)	(18)	(19)	(20)
1	2011 & Prior	0	47,992		0	0	0	0	-1	10.0%	344	0	343			4	61	0	61
2	2012	0	155		0	6	6	6	1	10.0%	34	0	41	4,227	4%	0	2	8	2
3	2013	0	102		0	13	13	13	1	10.0%	112	0	126	3,254	4%	0	2	16	2
4	2014	18	43		503	16	519	497	50	10.0%	116	4	667	2,803	20%	2	3	539	3
5	2015	18	43	19%	503	18	521	499	50	10.0%	162	4	715	2,433	23%	3	4	564	3
6	2016	0	325	20%	0	44	44	42	4	10.0%	203	0	249	2,295	16%	2	4	118	4
7	2017	0	325	21%	0	108	108	102	10	10.0%	161	1	274	2,095	21%	1	1	189	1
8	2018	0	0	22%	0	186	186	175	18	10.0%	273	2	468	1,943	10%	1	1	246	0
9	2019	40	206	24%	59	262	321	301	30	10.0%	427	4	762	1,934	27%	1	2	448	2
10	2020	40	206	24%	59	361	420	391	39	10.0%	573	5	1,008	2,006	31%	2	2	533	1
11	2021	0	0	24%	0	451	451	417	42	10.0%	644	7	1,110	2,009	22%	0	0		
12	Total	116	49,397		1,125	1,465	2,589	2,443	244	10.0%	3,049	27	5,763	24,999	16%	16	82	2,661	79
13	ULAE - Total												2,396						
14	"Facility Association" and "Plan"												0						
15	Other reserves												0						
16	Grand Total												8,159						

a) Including Allocated loss adjustment expenses (ALAE), but excluding Unallocated loss adjustment expenses (ULAE), except for lines (13) to (15)

\* All amounts are on a Net basis and in \$'000"



# Canadian Lawyers Liability Assurance Society

Actuarial valuation of policy liabilities as at December 31, 2021

February 15, 2022

# Agenda

1

Disclosures

2

Actuarial Valuation

3

Valuation Results

4

Discussion



## Disclosure of Draft Results



The valuation results presented are **draft**. Our final signed valuation results will be provided upon reception of the following:

- **Auditor letter** on specified audit procedures and data reliance
- **Confirmation** from management that there are **no subsequent events** which would cause a deviation in the valuation results in excess of our materiality standard

Per the Canadian Actuarial Standards of Practice, **changes having an impact in excess of our standard of materiality** as of December 31, 2021 may need to be reflected and/or disclosed in the valuation report and may result in a **change in the financial statements**.

# Role of the Appointed Actuary



## Valuation of policy liabilities

- Claim liabilities
- Unearned premium liabilities
- Other policyholder liabilities



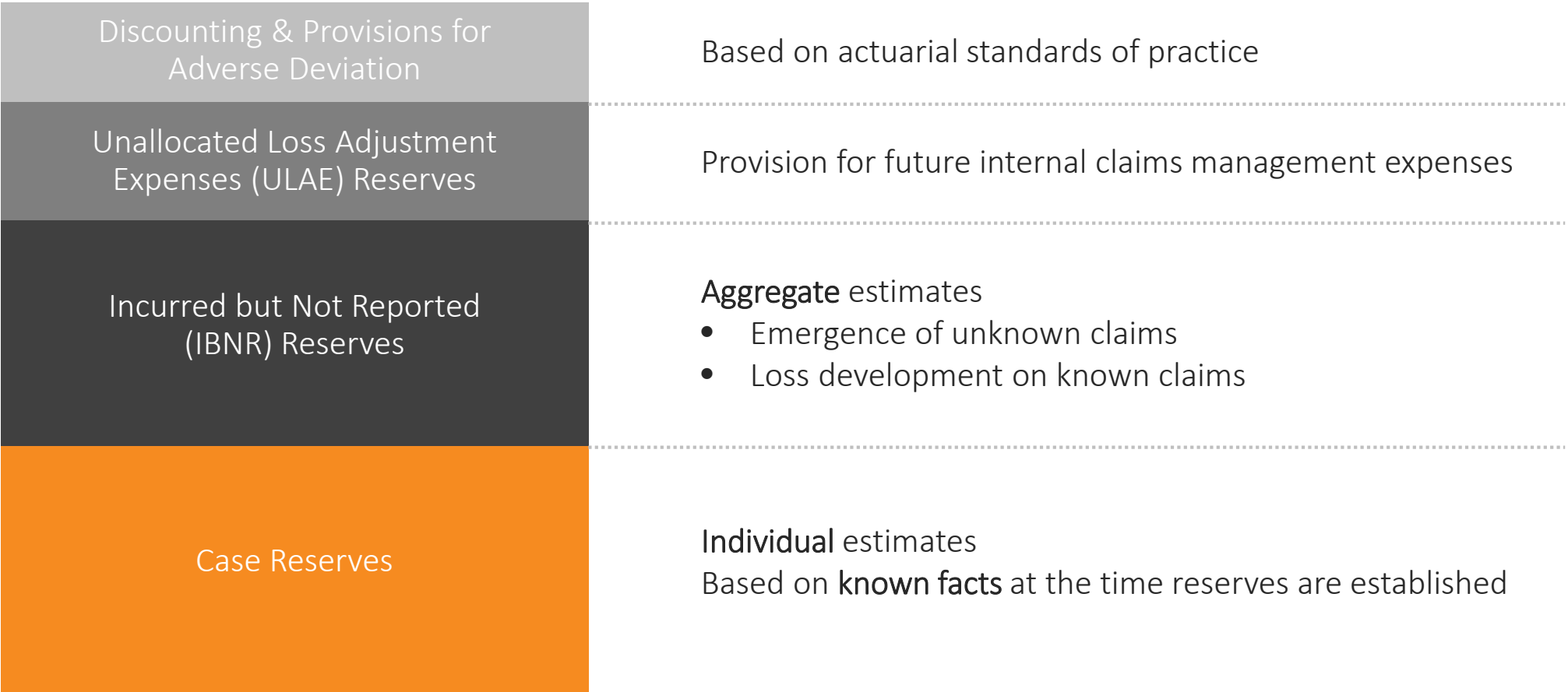
## Liaise with the auditor

In accordance with Canadian Accounting Standard 620

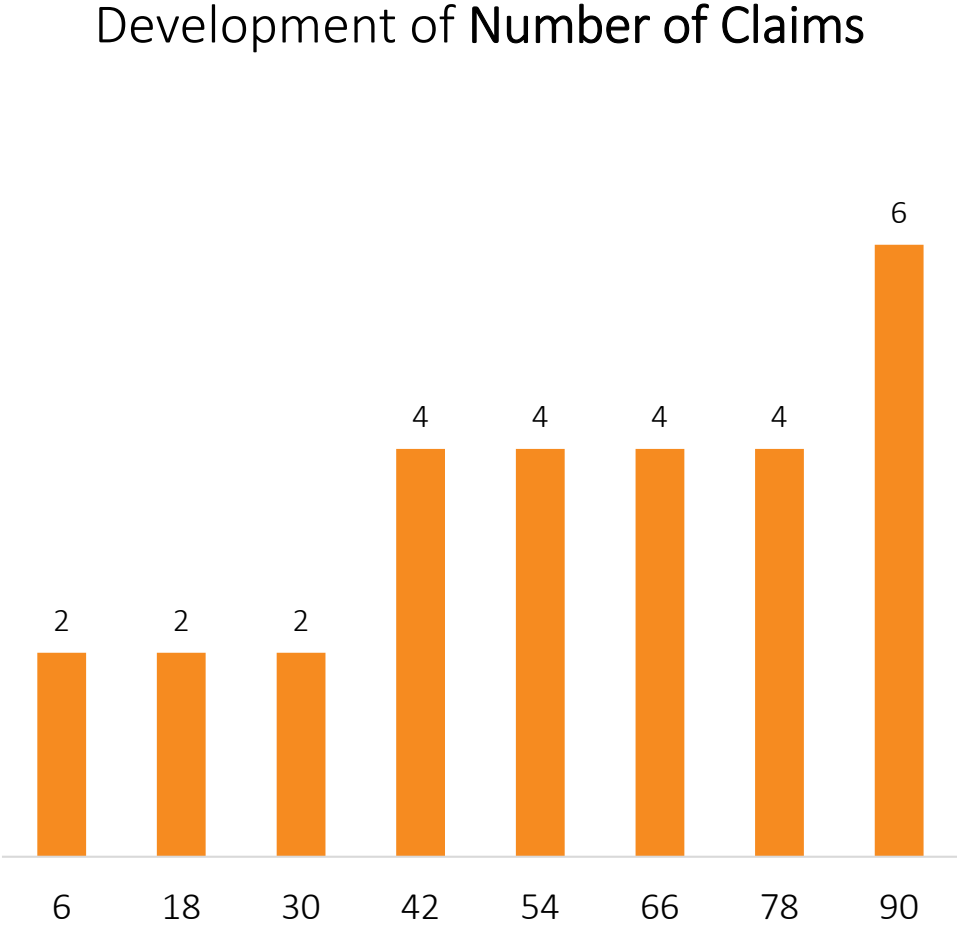
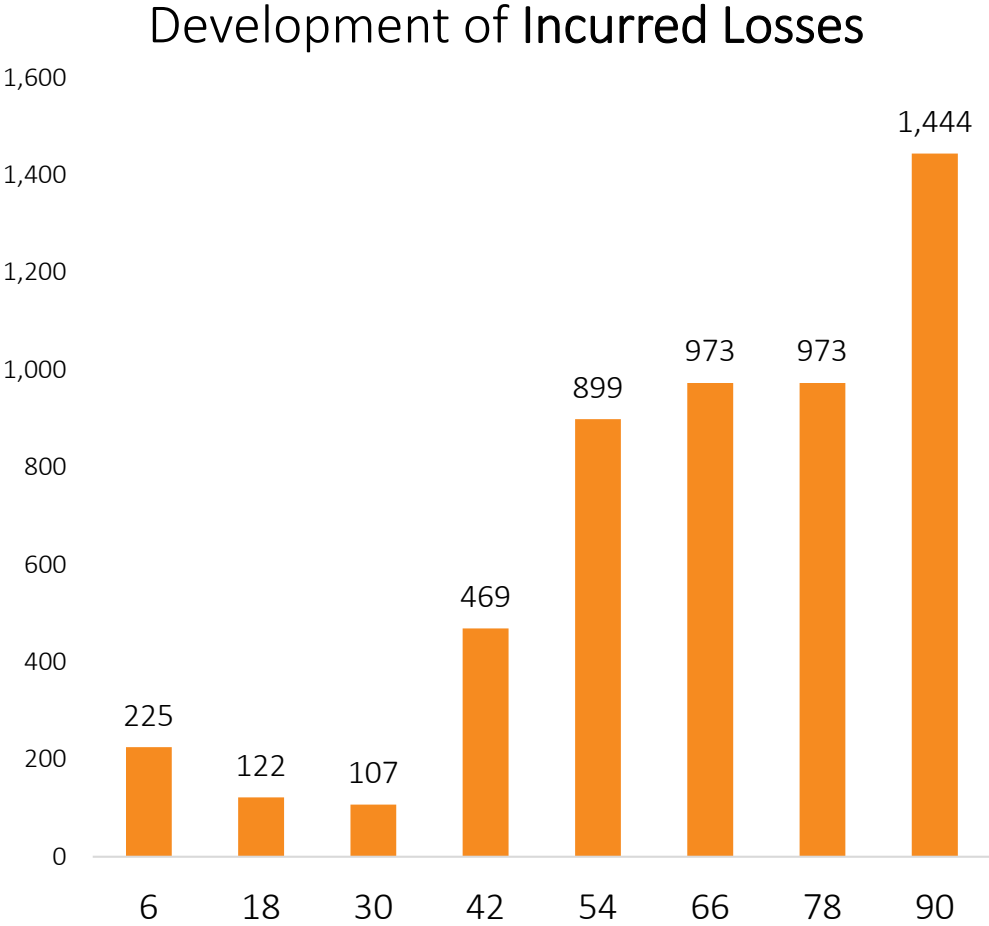


## Monitor the financial condition

# Claim Liabilities



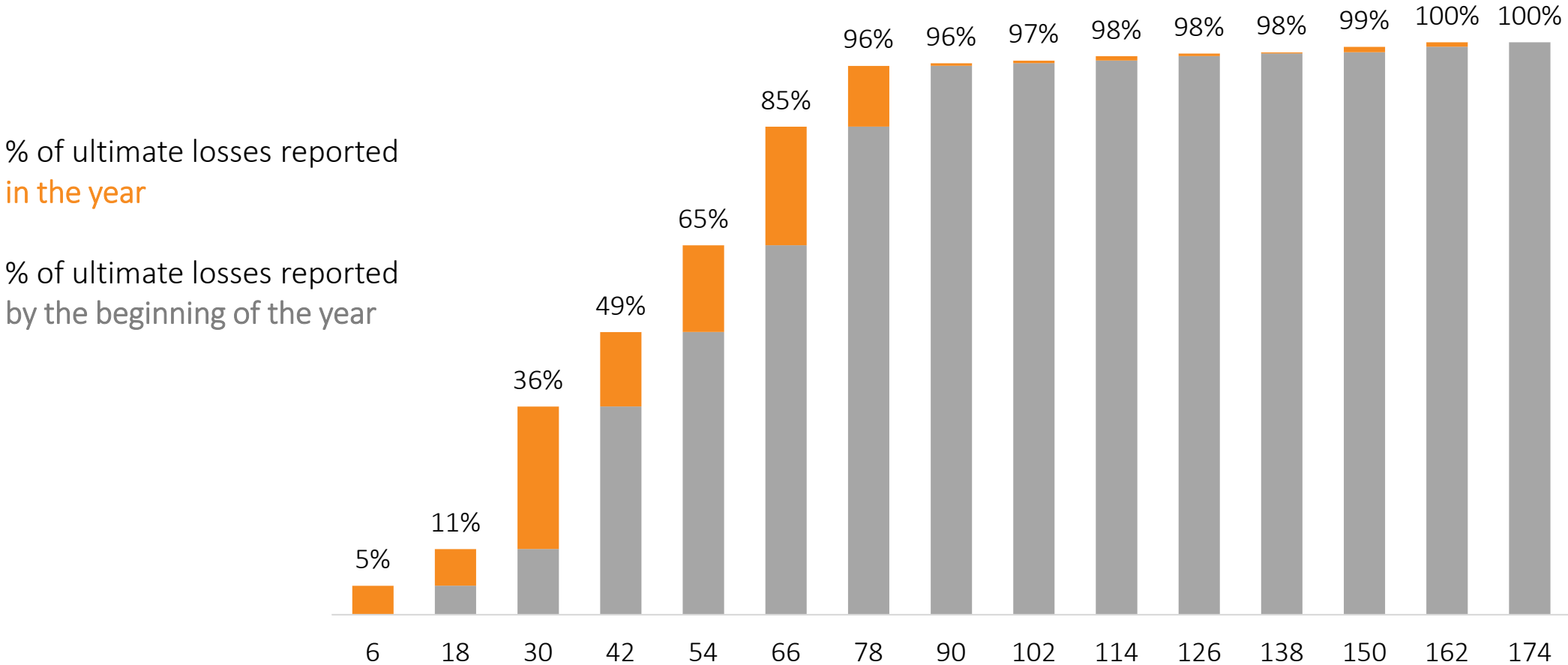
# Example: Development of 11/12 Policy Year



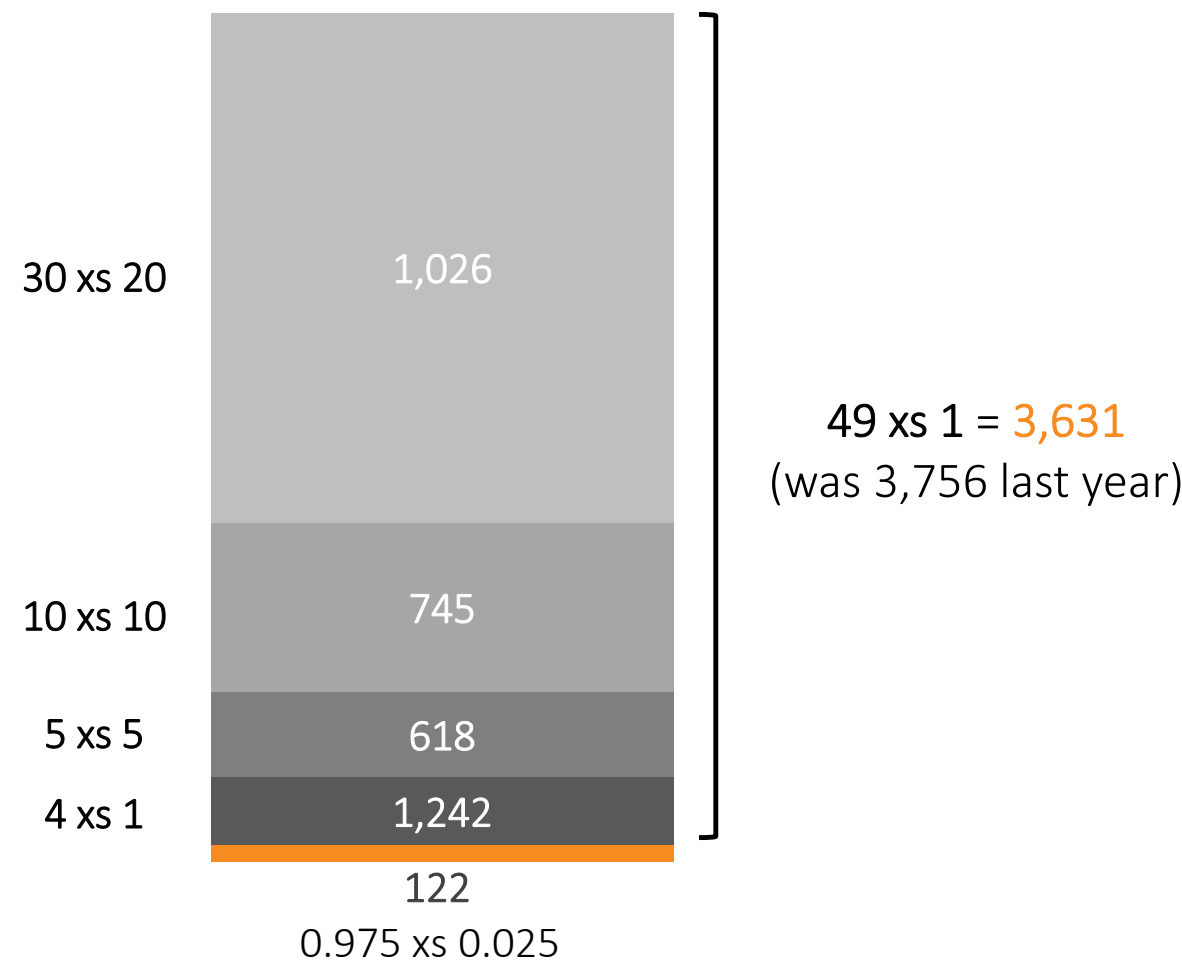


# Development of Incurred Losses

Losses are assumed to be fully reported after 13.5 years



# Expected Loss Costs



## Other Excess Layers

Layer	Loss Cost per Lawyer
30 xs min 65	8
5% of 30 xs 50	14
5% of 50 xs 50	17
5% of 60 xs 100	4
60 xs 160	15

## CLLAS and Colchester arrangements for 2021/2022

Colchester Retention:                      33% of 49M xs 1M  
   100% of 5% of 50 xs 50  
   10% of 60M xs 160M  
Provides aggregate reinsurance coverage of 10M xs 5M

CLLAS per-claim retention:                100% of 975k xs 25k  
   0% of 49M xs 1M

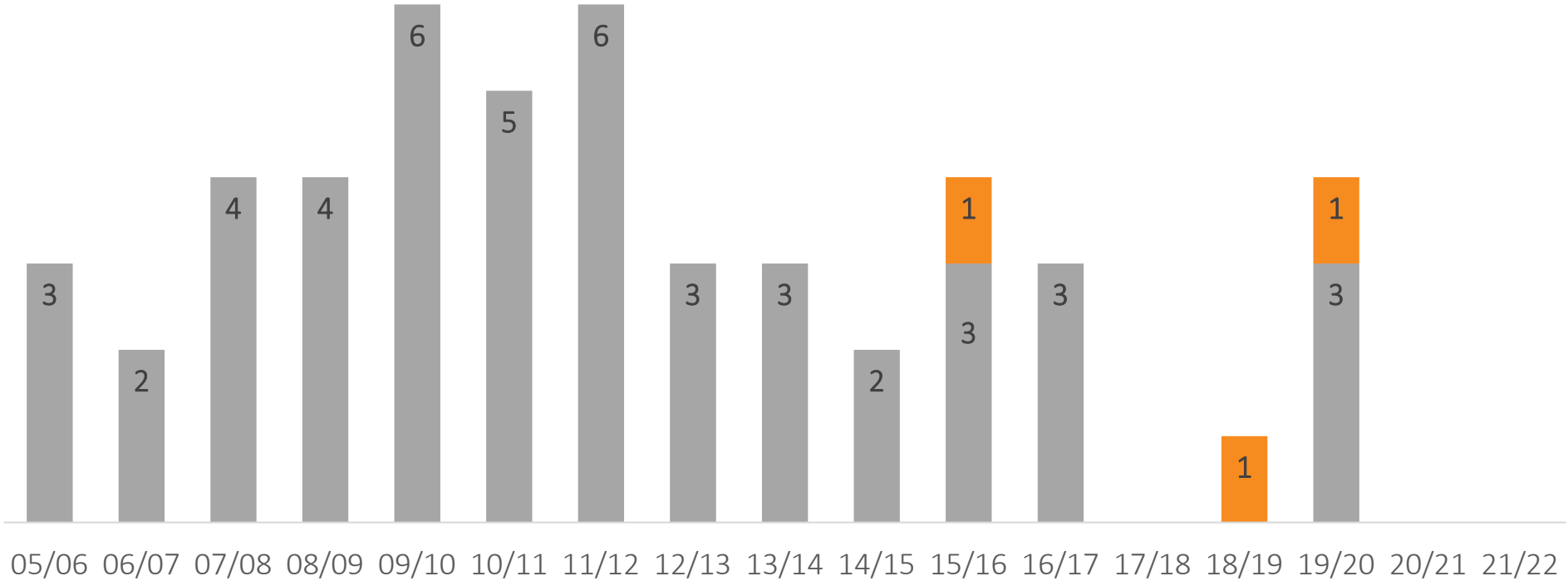
### Loss Portfolio Transfer on June 20, 2012

Colchester purchased net outstanding claims obligations on policies written between July 1, 1987 and June 30, 2012

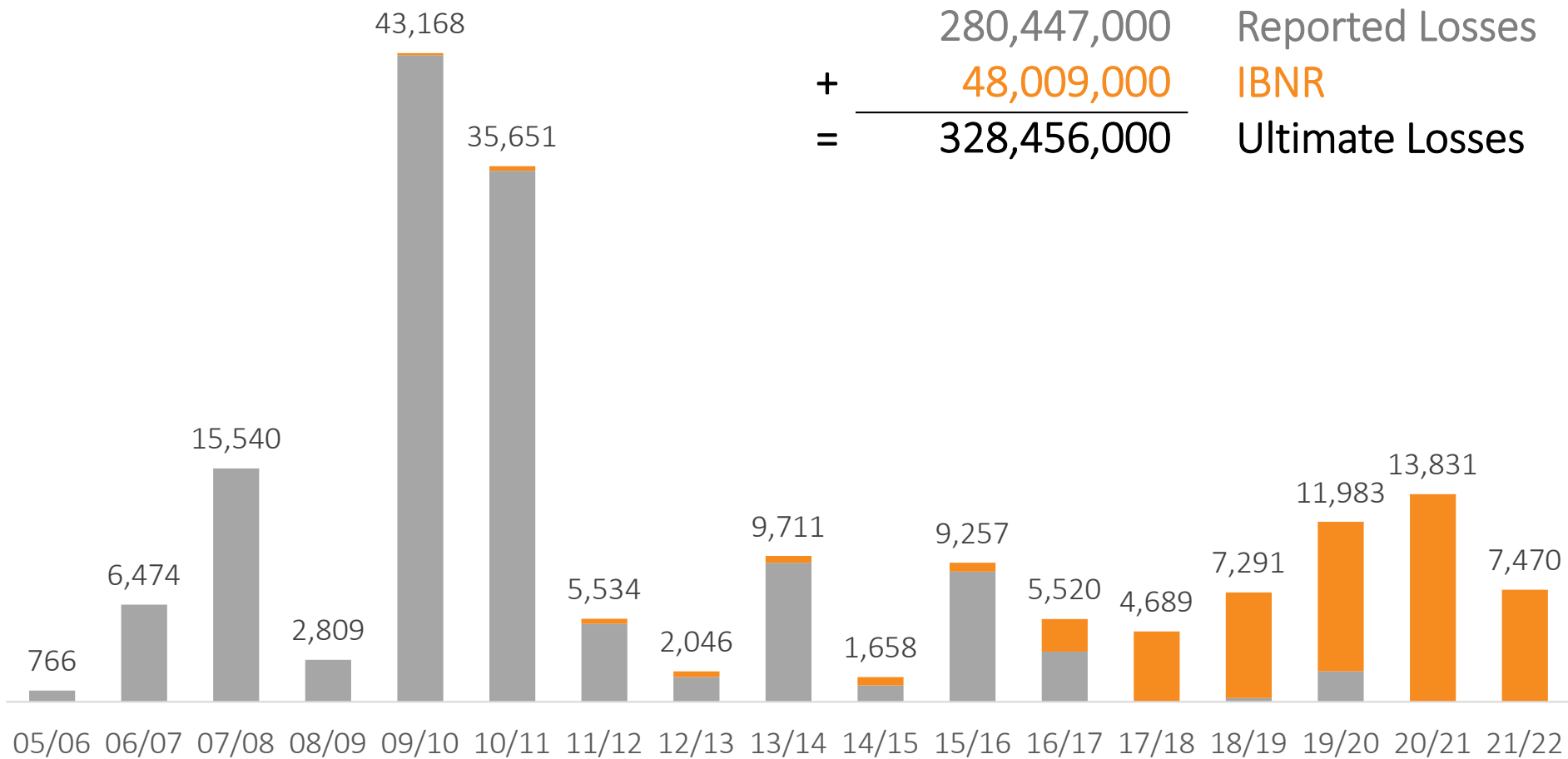
CLLAS's remaining net claim liabilities attributable to the business written prior to June 30, 2012 are provisions for ULAE

# Reported Claim Counts

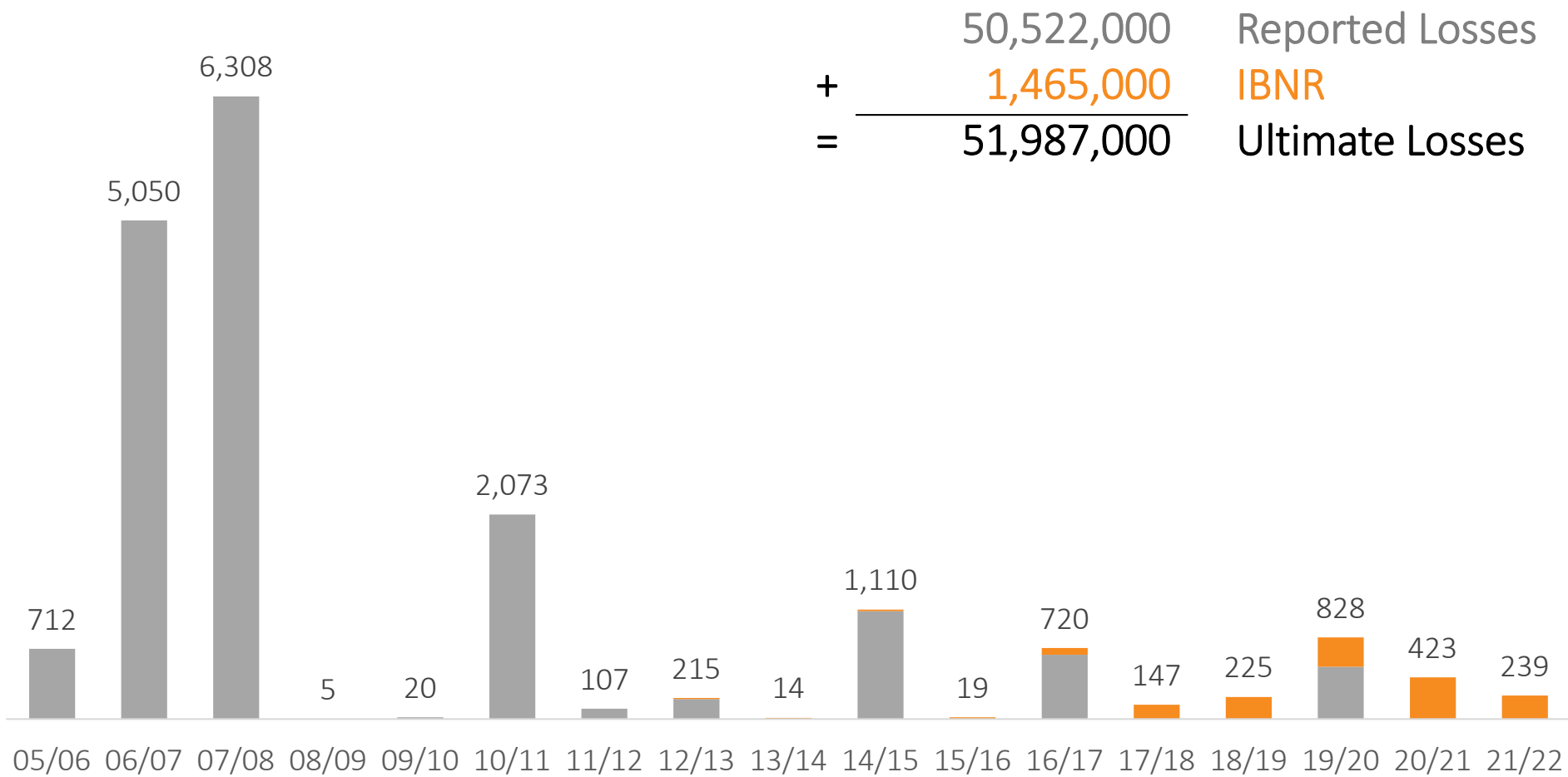
December 31, 2020 = 79  
December 31, 2021 = 82



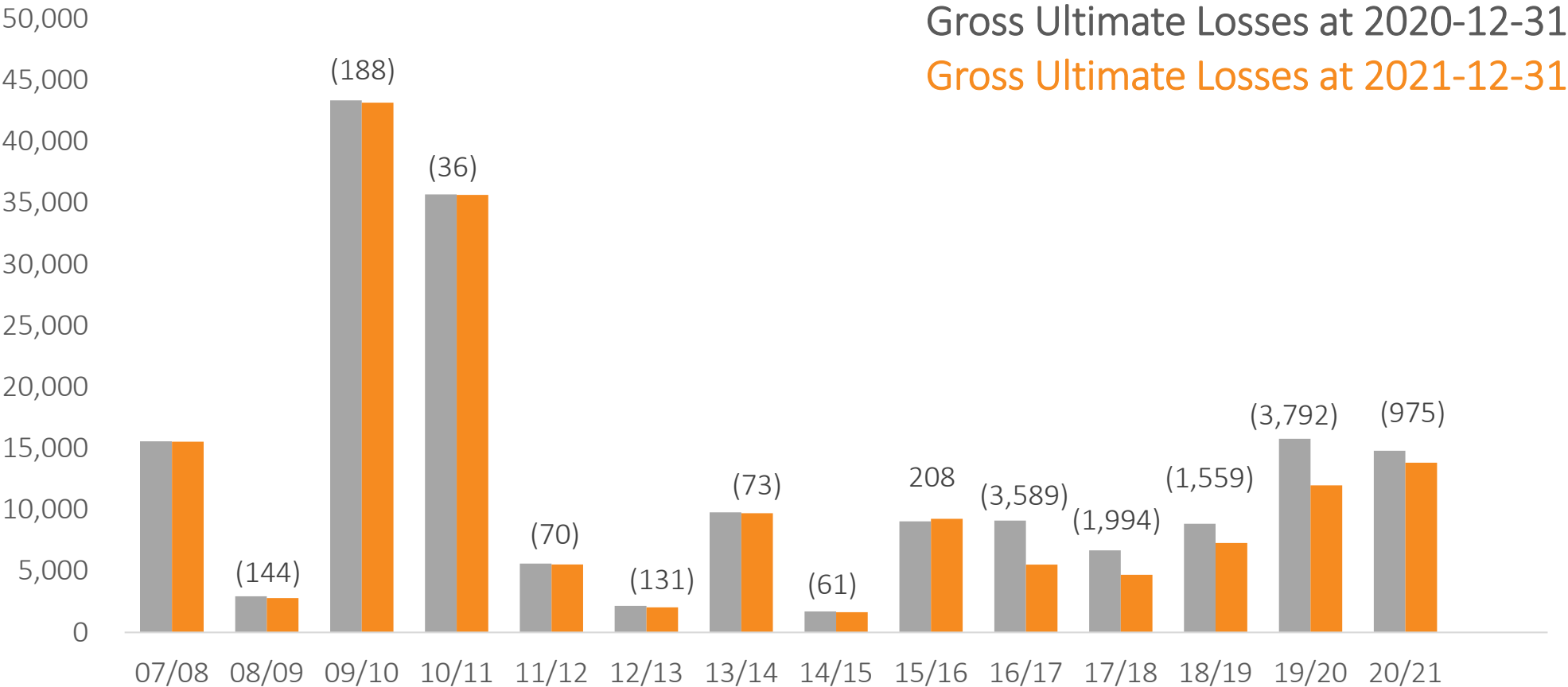
# Projected Ultimate Losses - Gross



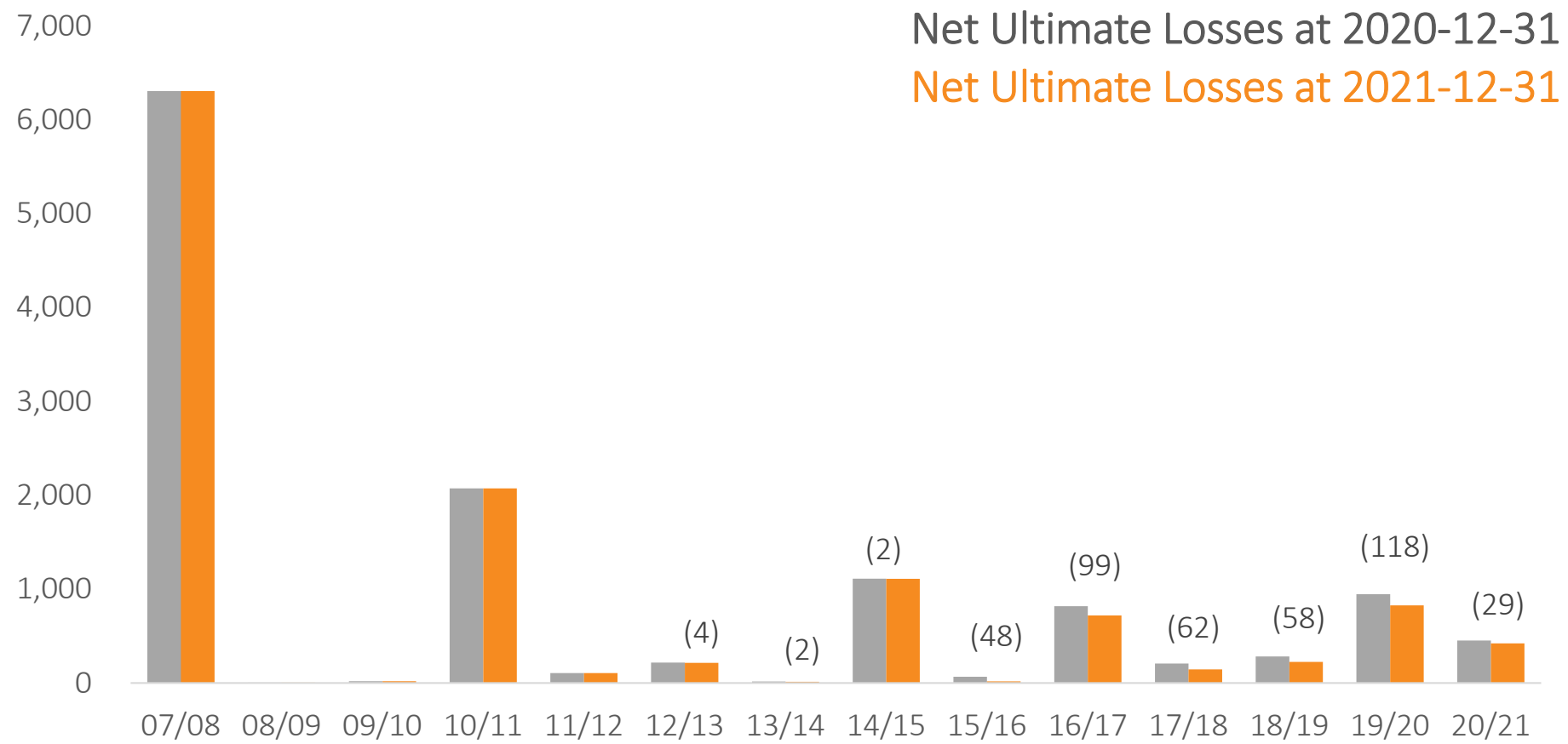
# Projected Ultimate Losses - Net



# Overall Claims Improvement of \$12,405,000 – Gross Basis Mainly due to Release of IBNR and Low Claims Emergence



# Overall Claims Improvement of \$423,000 – Net Basis





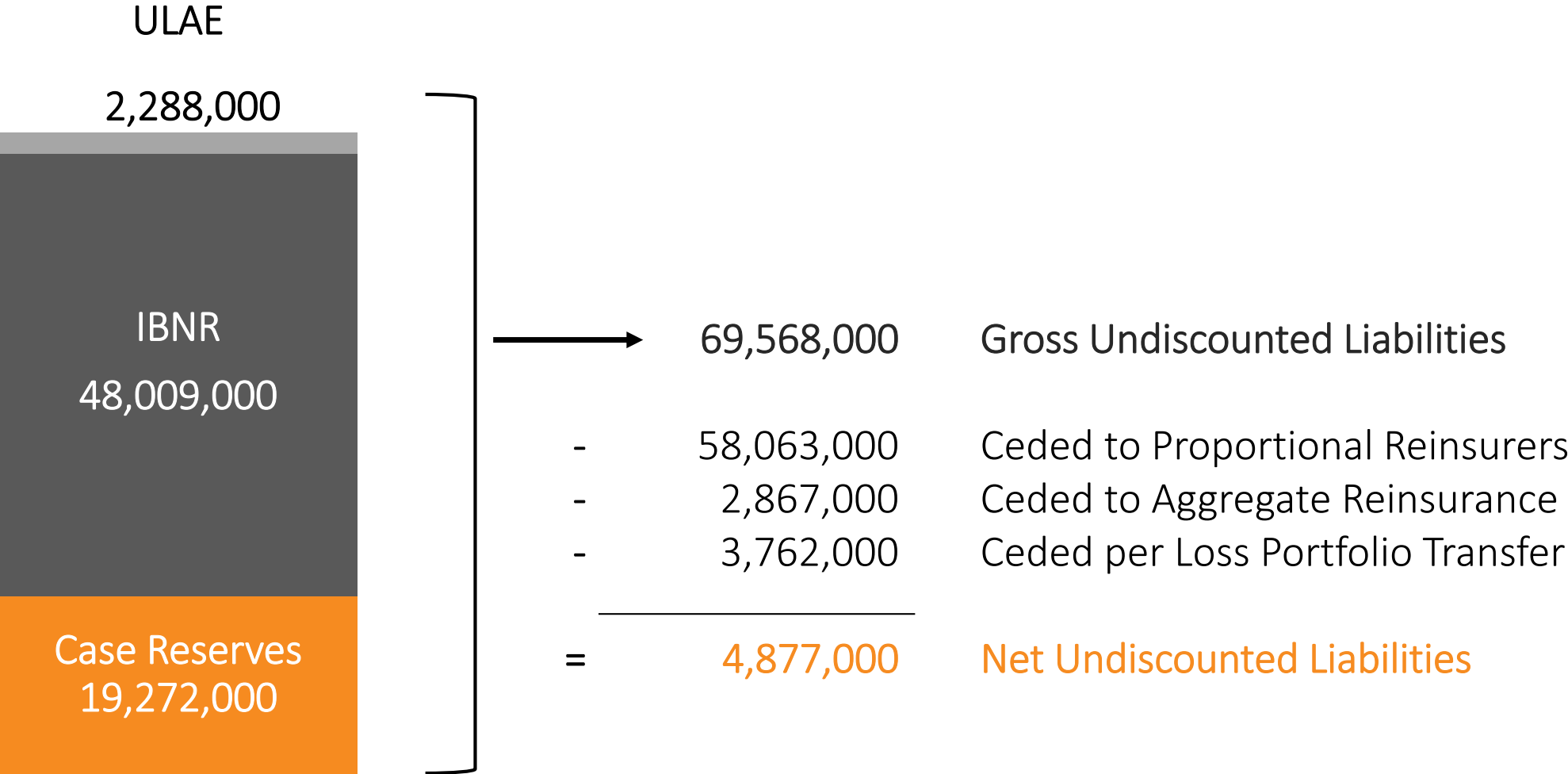
## Unallocated Loss Adjustment Expenses (ULAE)

Represents the provision for the **claims management** function to **service existing obligations** if CLLAS were to cease writing business on December 31, 2021

Loading = **3.40%** x (gross case reserves + gross provisions for IBNR)  
(was 3.55% as of December 31, 2020)

The provision for ULAE is **entirely retained** by CLLAS

# Undiscounted Liabilities – Gross and Net



## Discounting

Claim liabilities are estimates of losses to be paid in the future

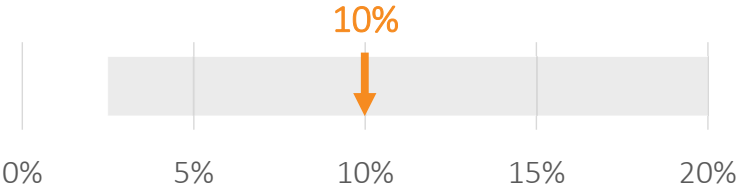
The future claim payments are discounted to reflect the time value of money

The selected discount rate = **1.30%**  
(0.45% last year)

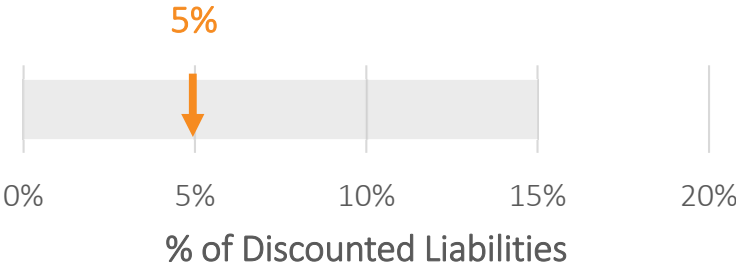


# Selected Margins for Adverse Deviation

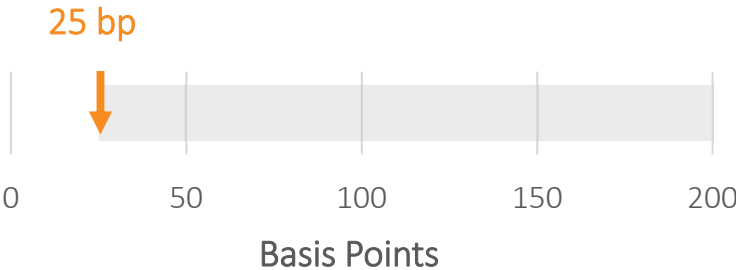
**Claims Development**  
Claims experience is worse than expected



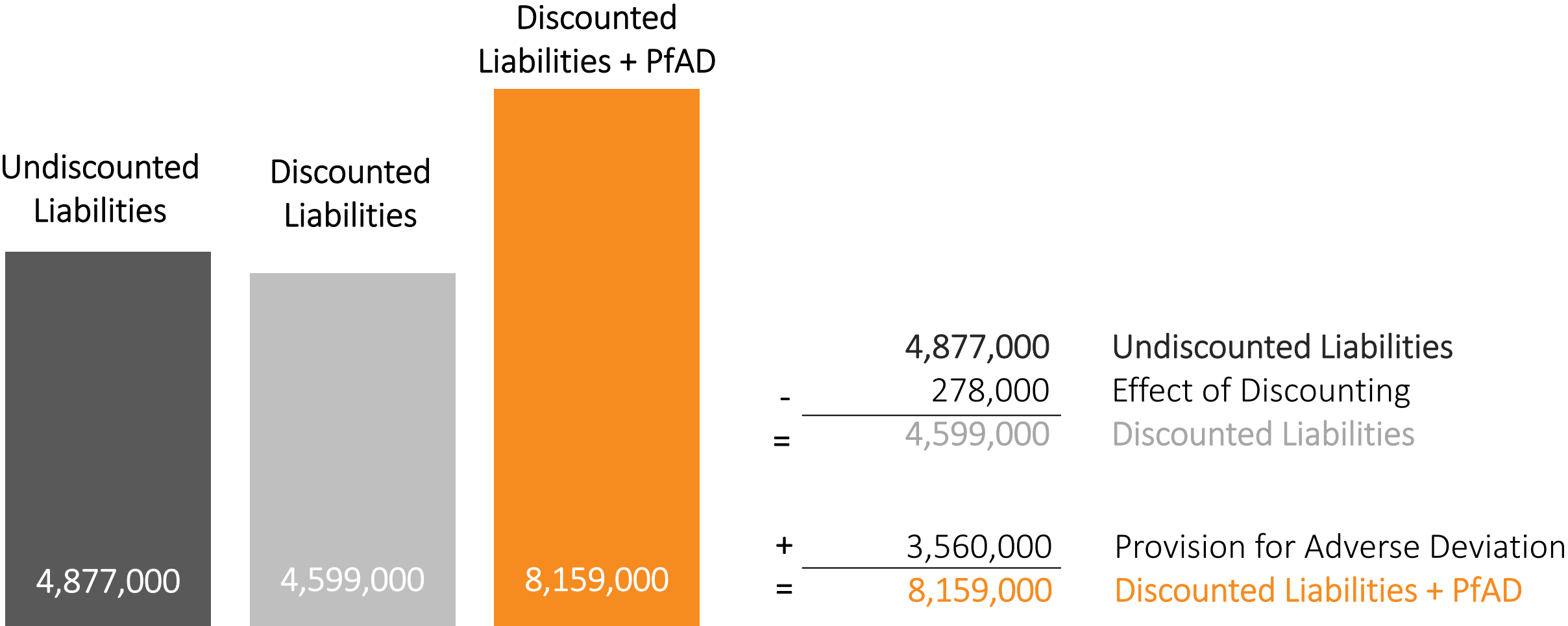
**Reinsurance Recovery**  
Reinsurers default on their obligation



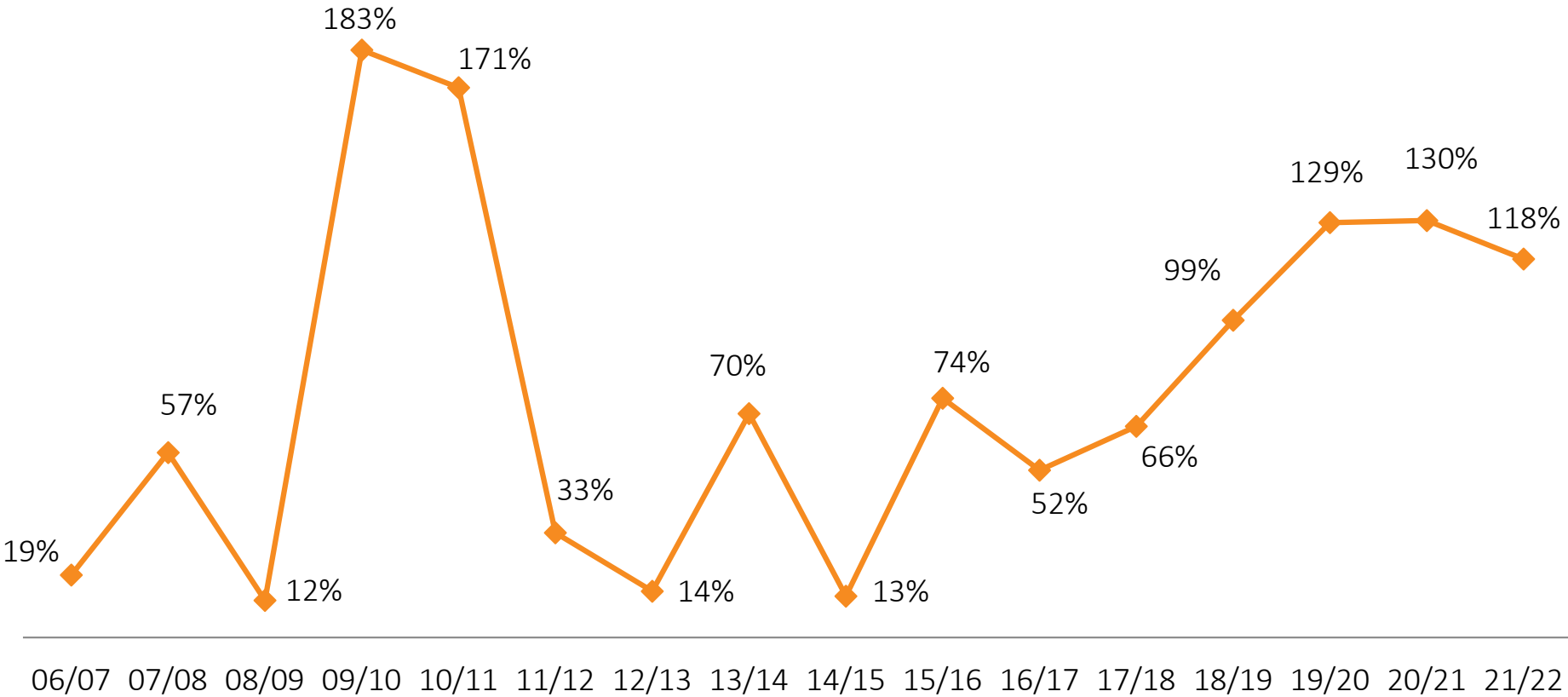
**Interest Rate**  
Investment yield is below expectation



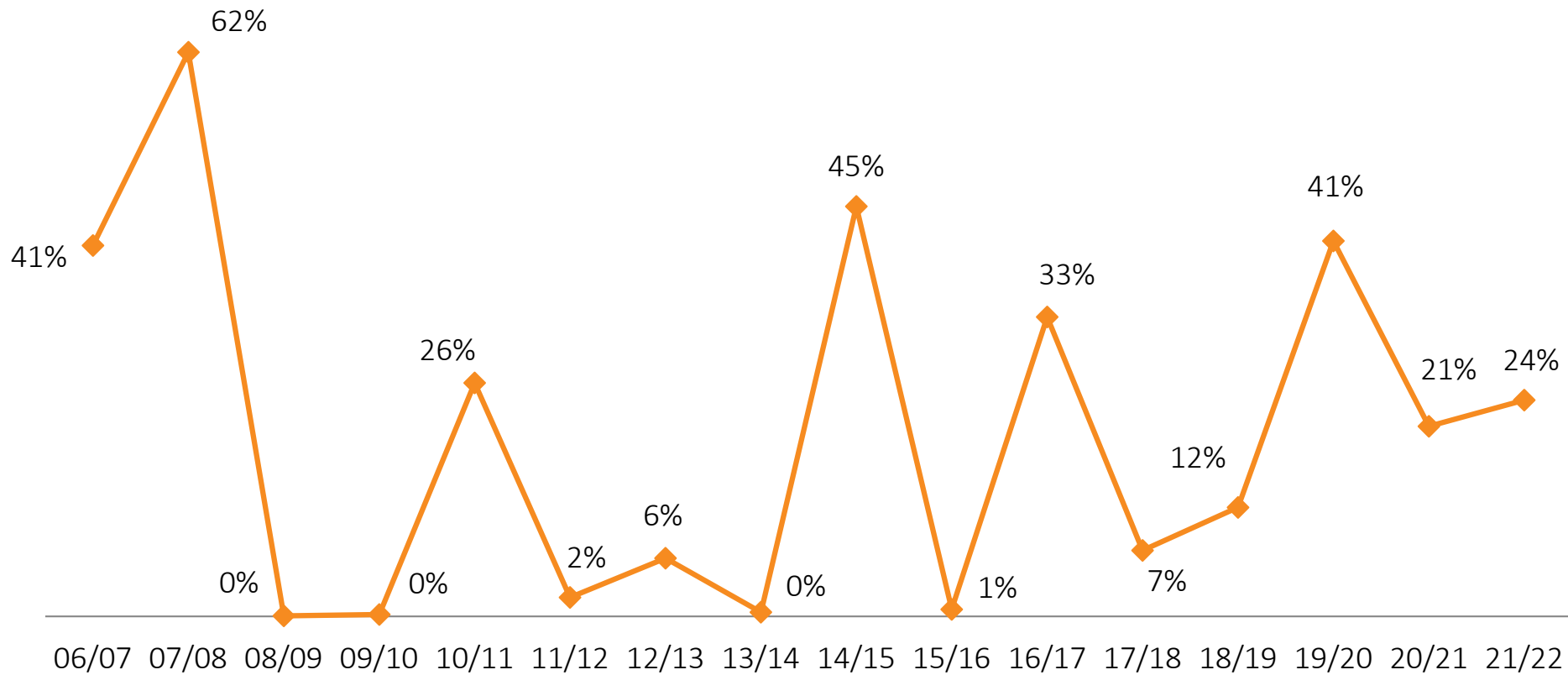
# Net Discounted Liabilities



# The Gross Ultimate Loss Ratio reflects Volatility and Market Pricing



# The Net Ultimate Loss Ratio reflects the Risk Assumed



# Premium Liabilities

A **premium deficiency** is generated if:

Net unearned premiums	}	Future Revenue
+ Unearned reinsurance commissions		
- Net Liabilities in connection with unearned premiums	}	Future Expenses
- Deferred policy acquisition expenses		
<hr/>		
< 0		

There is a **\$0 premium deficiency** as at December 31, 2021

The deferred acquisition expense asset was recorded at **\$41,179**



## Conclusions

The development during 2021 was **favourable by \$423,000**, mainly due to a favorable claims development for all policy years

CLLAS has a \$0 **premium deficiency** and a DPAE asset of \$41,179 was recorded

The policy liabilities are **booked in the financial statements as recommended** by the appointed actuary

# Discussion



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# Financial statements of Canadian Lawyers Liability Assurance Society

December 31, 2021

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Independent Auditor's Report	1–2
Statement of financial position	3
Statement of comprehensive income (loss)	4
Statement of changes in equity	5
Statement of cash flows	6
Notes to the financial statements	7–24

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# Independent Auditor's Report

To the Advisory Board of  
Canadian Lawyers Liability Assurance Society

## Opinion

We have audited the financial statements of Canadian Lawyers Liability Assurance Society (the "Society"), which comprise the statement of financial position as at December 31, 2021, and the statement of comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

## Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards ("Canadian GAAS"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

## Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society's financial reporting process.

## Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Chartered Professional Accountants  
Licensed Public Accountants  
Toronto, Ontario  
February 22, 2022

**Canadian Lawyers Liability Assurance Society****Statement of financial position**

As at December 31, 2021

	Notes	2021 \$	2020 \$
<b>Assets</b>			
Cash at bank		3,533,877	2,161,535
Short term investments	4	11,361,485	12,511,787
Bonds	4	6,043,762	6,279,426
Interest income due and accrued		23,630	22,835
Premiums receivable	6	3,673,597	3,782,333
Prepaid expenses		150,827	143,750
Deferred policy acquisition costs		41,179	—
Reinsurers' share of unearned premiums		5,236,160	4,301,362
Reinsurance receivable		577,410	1,938,201
Provision for unpaid claims and adjustment expenses recoverable from reinsurers	5	64,708,168	66,246,422
		<b>95,350,095</b>	<b>97,387,651</b>
<b>Liabilities</b>			
Accounts payable and accrued charges		359,714	433,798
Unearned premiums		6,244,910	5,303,716
Due to reinsurers		3,045,212	4,337,008
Provision for unpaid claims and adjustment expenses	5	72,867,454	74,830,984
Premium deficiency liability		—	30,774
		<b>82,517,290</b>	<b>84,936,280</b>
<b>Equity</b>			
Minimum surplus	12	50,000	50,000
Additional surplus	12	12,677,965	12,083,535
Accumulated other comprehensive (loss) income		104,840	317,836
Total equity		<b>12,832,805</b>	<b>12,451,371</b>
		<b>95,350,095</b>	<b>97,387,651</b>

The accompanying notes are an integral part of the financial statements.

On behalf of the Advisory Board

\_\_\_\_\_, Chair of the Audit Committee

\_\_\_\_\_, Director

**Canadian Lawyers Liability Assurance Society****Statement of comprehensive income (loss)**

Year ended December 31, 2021

	Notes	2021 \$	2020 \$
<b>Premiums</b>			
Written premium		12,594,326	10,695,340
Reinsurance ceded		(10,584,328)	(8,674,018)
Net written premiums		2,009,998	2,021,322
Change in unearned premiums		(6,396)	(10,067)
Earned premiums		2,003,602	2,011,255
<b>Expenses</b>			
Claims	5	(310,594)	1,747,940
Premium deficiency adjustment		(30,774)	30,774
Operating expenses	7	1,578,775	1,573,271
Premium taxes		323,610	335,266
		1,561,017	3,687,251
Underwriting income (loss) for the year		442,585	(1,675,996)
Net investment income	4	151,845	236,368
<b>Net income (loss) for the year</b>		594,430	(1,439,628)
Change in unrealized losses on available-for-sale financial assets arising during the year		(212,996)	270,407
Other comprehensive loss		(212,996)	270,407
<b>Comprehensive income (loss)</b>		381,434	(1,169,221)

The accompanying notes are an integral part of the financial statements.



**Canadian Lawyers Liability Assurance Society****Statement of changes in equity**

Year ended December 31, 2021

	Minimum surplus \$	Additional surplus \$	Accumulated other comprehensive income \$	Total equity \$
<b>Balance, December 31, 2019</b>	50,000	13,523,163	47,429	13,620,592
Net income (loss)	—	(1,439,628)	—	(1,439,628)
Other comprehensive income (loss)	—	—	270,407	270,407
Distribution of premium surplus	—	—	—	—
<b>Balance, December 31, 2020</b>	50,000	12,083,535	317,836	12,451,371
Net income (loss)		594,430		594,430
Other comprehensive income (loss)			(212,996)	(212,996)
Distribution of premium surplus		—		—
<b>Balance, December 31, 2021</b>	<b>50,000</b>	<b>12,677,965</b>	<b>104,840</b>	<b>12,832,805</b>

The accompanying notes are an integral part of the financial statements.

**Canadian Lawyers Liability Assurance Society****Statement of cash flows**

Year ended December 31, 2021

	2021 \$	2020 \$
<b>Operating activities</b>		
Net income (loss) for the year	594,430	(1,439,628)
Changes in no-cash items		
Interest income due and accrued	(795)	(2,304)
Premiums receivable	108,736	(2,528,130)
Reinsurers' share of unearned premiums	(934,798)	(674,836)
Prepaid expenses	(7,077)	663
Deferred policy acquisition costs	(41,179)	26,365
Reinsurance receivable	1,360,791	(1,587,145)
Provision for unpaid claims and adjustment expenses recoverable from reinsurers	1,538,254	(6,742,422)
Provision for unpaid claims and adjustment expenses	(1,963,530)	8,442,984
Premium deficiency liability	(30,774)	30,774
Unearned premiums	941,194	684,903
Due to reinsurers	(1,291,796)	2,225,053
Accounts payable and accrued charges	(74,084)	103,374
Amortization of bond premium	(5,205)	(22,600)
Amortization of bond discount	14,929	12,585
Cash (used in) provided by operating activities	209,096	(1,470,364)
<b>Financing activity</b>		
Refund of premium surplus	—	—
<b>Investing activities</b>		
Purchase of bonds	(691,855)	(578,780)
Disposal of bonds	700,000	550,000
Purchase of short term investments	(62,107,653)	(73,811,536)
Disposal of short term investments	63,262,754	73,687,470
Cash provided by (used in) investing activities	1,163,246	(152,846)
Net (decrease) increase in cash	1,372,342	(1,623,210)
Cash balance, beginning of year	2,161,535	3,784,745
<b>Cash beginning, end of year</b>	3,533,877	2,161,535
<b>Cash balance comprises</b>		
Cash at bank	3,533,877	2,161,535
<b>Interest received</b>	160,774	224,049

The accompanying notes are an integral part of the financial statements.

**Canadian Lawyers Liability Assurance Society****Notes to the financial statements**December 31, 2021

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**1. Description of business**

The Canadian Lawyers Liability Assurance Society (the "Society") was formed under the Reciprocal Insurance Exchange Agreement for select Canadian Law Firms dated December 22, 1986 ("Subscription Agreement"). The Society is licensed by the Superintendent of Insurance, Alberta and other provinces in Canada to provide lawyers professional liability insurance to its subscribers. The Society commenced operations on June 30, 1987.

The address and registered office is Bay Adelaide Centre – West Tower, 333 Bay Street, Suite 3400, Toronto, Ontario, M5H 2S7.

The Society does not have any employees and is managed by an independent third party that reports to the Advisory Board. The Advisory Board has the authority and responsibility for planning, directing and controlling the activities of the entity. The Chair of the Advisory Board receives an annual honorarium of \$150,000 (\$150,000 in 2020) and the other members of the Advisory Board receive no compensation.

**2. Basis of preparation***Statement of compliance*

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as defined by the International Accounting Standards Board ("IASB").

These financial statements have been prepared on the historical cost basis, except for the valuation of financial instruments which are measured at fair value and outstanding claims and reinsurance are measured at discounted amounts.

**3. Significant accounting policies**

These financial statements reflect the following policies:

*Use of estimates and judgments*

The preparation of the financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions about the reported amounts of revenues, expenses, assets, and liabilities and the disclosure of contingent liabilities, at the reporting date. These estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and any future periods affected. Information about judgments, estimates and assumptions that have the most significant effect on the amounts reflected in the financial statements are reflected in the following notes:

Note 5: Provision for unpaid claims and adjustment expenses

Note 8: Reinsurance Program

*Insurance premiums and deferred acquisition costs*

Insurance premiums are recorded as written at the inception date of the policies and deferred as unearned premiums to be taken into income as earned on a pro-rata basis over the terms of the underlying policies. Retro-assessment calls are recorded as written and earned at the date of approval by the Society's Advisory Board. Premium taxes are recorded as deferred policy acquisition costs and expensed in the periods in which related premiums are earned.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
 December 31, 2021

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**3. Significant accounting policies (continued)**

*Insurance premiums and deferred acquisition costs (continued)*

At each reporting period, liability adequacy tests are performed to ensure that the unearned premiums are sufficient to pay expected claims and expenses. If not, a premium deficiency will occur. Premium deficiencies are recognized initially by reducing the deferred acquisition cost asset and, if necessary, establishing an additional provision.

*Reinsurance*

The Society participates in, and enters into, reinsurance contracts in the normal course of business in order to limit the potential for losses arising from certain exposures. Reinsurance premiums are recognized in the same period as the related insurance premiums that are earned as described above.

Reinsurance assets include balances due from reinsurance companies for paid and unpaid losses. Amounts recoverable from reinsurers are estimates and recognized in a manner consistent with the reserve for losses from the underlying insurance contracts. The Society reflects reinsurance balances on a gross basis in the statement of financial position to reflect the credit risk related to reinsurance.

Certain of the Society's reinsurance contracts contain additional premium liability clauses which require that the Society pay additional premium if paid claims and case reserves exceed certain pre-determined levels. The Society accrues such additional premiums based upon current actuarial estimates of ultimate loss experience.

*Provision for unpaid claims and adjustment expenses*

The provision for unpaid claims and adjustment expenses represents an estimate of the ultimate gross amounts payable for all claims, including investigation costs and the projected final settlements of claims incurred prior to the statement of financial position date. The provision for unpaid claims and adjustment expenses is calculated in accordance with accepted actuarial practice in Canada taking into consideration the time value of money and explicit provisions for adverse deviation ("PFAD"). The estimates of loss activity are, by necessity, subject to uncertainty and are derived from a wide range of possible outcomes. These estimates are continually reviewed as additional information affecting the estimated quantum of claims settlement is obtained. All changes in estimated claim amounts are recorded as incurred claims in the period in which the change in estimate is determined.

The amounts recoverable from reinsurers are calculated based upon the same principles as the gross liability and are reflected as assets in the statements of financial position.

*Investments*

The investment portfolio is comprised of bonds and short term investments which are classified as available-for-sale ("AFS") and their fair value is established using quoted market close prices, see Note 4 Investments. The Society does not have investments in bonds or other investments for which the fair value is determined using a valuation technique based on assumptions that are not supported by observable market prices or rates.

AFS investments are recorded at value with changes in the fair value recorded as unrealized gains and losses, which is included in other comprehensive income ("OCI"). Realized gains and losses on sale, as well as losses from impairment are recorded in net investment income in the statement of comprehensive income.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
 December 31, 2021

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**3. Significant accounting policies (continued)**

*Investments (continued)*

The Society accounts for the purchase and sale of investments using trade date accounting. Realized gains or losses on sale of investments are determined on a first in first out basis. Transaction costs related to the purchase of these bonds are recorded as part of the carrying value of the bond at the date of purchase. Discounts or premiums on the purchase of bonds are deferred and amortized over the remaining term of the bonds using the effective interest method and recorded in investment income in the statement of comprehensive income.

*Impairments*

AFS bonds are assessed for impairment on at least a quarterly basis. Objective evidence of impairment includes financial difficulty of the issuer, bankruptcy or defaults and delinquency in payments of interest or principal. When an investment is impaired it is written down to its fair value and associated unrealized gains or losses accumulated in OCI are reclassified to net investment income in the statement of comprehensive income. Once an impairment loss is recorded to income, the loss can only be reversed for fixed income securities to the extent a subsequent increase in fair value can be objectively correlated to an event occurring after the loss was recognized. Recovery in the fair value of a previously impaired AFS fixed income security up to the original amortized cost is recognized in net income. Following the impairment loss recognition, these assets will continue to be recorded at fair value with changes in fair value recorded to OCI, and tested for further impairment quarterly.

Insurance and reinsurance assets are reviewed for impairment on a quarterly basis. If objective evidence arises indicating a receivable from a policyholder or reinsurer is uncollectible, the carrying amount of the asset is reduced to its expected recoverable amount. The impairment loss is recognized as an expense in the net income.

*New and Amended Standards Adopted in 2020*

The following amendments were adopted on January 1, 2020:

In March 2018, the IASB issued a revised Conceptual Framework for Financial Reporting ("Conceptual Framework"), which replaced the Conceptual Framework issued in 2010. The revised Conceptual Framework includes revised definitions of an asset and a liability, as well as new guidance on measurement, derecognition, presentation and disclosure, to be applied prospectively. The adoption of this guideline did not have a material impact on the Society's Financial Statements.

In October 2018, the IASB issued Definition of Material (Amendments to IAS 1 and IAS 8). The amendments clarify the definition of material and provide guidance to improve consistency in the application of IFRS standards. The adoption of these amendments did not have a material impact on the Society's Financial Statements.

*New Issued Standards effective January 1, 2021 onwards*

- (i) We are currently assessing the impact the adoption these amendments will have on the Society's Financial Statements:

In May 2020, the IASB issued Onerous Contracts - Cost of Fulfilling a Contract, which includes amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets. The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract or an allocation of other costs that relate directly to fulfilling contracts. The amendments are effective for annual periods beginning on or after January 1, 2022. Given the contracts entered into by the Society, this amendment is not expected to have a material impact on future financial statements.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

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**3. Significant accounting policies (continued)**

*New Issued Standards effective January 1, 2021 onwards (continued)*

- (ii) Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts (Amendments to IFRS 4):

On September 12, 2016, the IASB issued amendments to IFRS 4 to address accounting mismatches and volatility that may arise in profit or loss in the period between the date of IFRS 9, Financial Instruments ("IFRS 9") and the new insurance contracts standard, IFRS 17 Insurance Contracts, issued May 2017.

The amendments introduced two approaches that may be adopted by insurers in the period between the effective dates of IFRS 9, effective January 1, 2018 and IFRS 17, effective January 1, 2023:

- overlay approach – an option for all issuers of insurance contracts to reclassify amounts between profit or loss and other comprehensive income for eligible financial assets by removing any additional accounting volatility that may arise from applying IFRS 9; and
- temporary exemption – an optional temporary exemption from IFRS 9 entities whose activities are predominately connected with insurance. This exemption allows an entity to continue to apply existing financial instrument requirements in International Accounting Standards ("IAS") 39, Financial Instruments: Recognition and Measurement ("IAS 39") to all financial assets until the earlier of the application of IFRS 17 or January 1, 2023.

The Society has adopted the temporary exemption, and adopted amendments to IFRS 4 in its financial statements for the current year.

An entity is permitted to continue applying IAS 39, being the extension of the IFRS 9 deferral to no later than January 1, 2023, if the following conditions are met:

- it has not applied IFRS 9 before; and
- its activities are predominantly connected with insurance on its annual reporting date immediately before April 1, 2016

An entity's activities are predominantly connected with insurance if:

- its liabilities arising from contracts in scope of IFRS 4 are significant compared with the total liabilities
- the ratio of its liabilities connected with insurance compared with its total liabilities is:
  - greater than 90 percent; or
  - greater than 80 percent but less than or equal to 90 percent, and the entity does not engage in a significant activity unconnected with insurance

The Society's total liabilities as at December 31, 2015 were \$111,113,316 of which \$110,202,627 pertain to insurance liabilities. Since the Society's predominance ratio is greater than 90%, it qualifies for the temporary exemption.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
 December 31, 2021

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**3. Significant accounting policies (continued)**

*New Issued Standards effective January 1, 2021 onwards (continued)*

(iii) IFRS 9, Financial Instruments ("IFRS 9"):

On July 24, 2014 the IASB issued the complete IFRS 9 standard. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight.

IFRS 9 introduces new requirements for the classification and measurement of financial assets. Under IFRS 9, financial assets are classified and measured based on the business model in which they are held and the characteristics of their contractual cash flows. The standard introduces additional changes relating to financial liabilities. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment.

IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness, however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model.

The Society has adopted the temporary exemption described previously, and will adopt the amendments to IFRS 9 in its financial statements for the annual period in which the Society adopts IFRS 17, Insurance Contracts. The Society continues to assess the impact of these changes on the financial statements.

(iv) IFRS 17, Insurance Contracts ("IFRS 17"):

On May 18, 2017 the IASB issued IFRS 17 Insurance Contracts. The new standard is effective for annual periods beginning on or after January 1, 2023. IFRS 17 will replace IFRS 4 Insurance Contracts.

This standard introduces consistent accounting for all insurance contracts. The standard requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. Additionally, IFRS 17 requires a company to recognize profits as it delivers insurance services, rather than when it receives premiums.

In December 2021 the IASB amended IFRS 17, introducing the IFRS 9 classification overlay approach for the restated 2022 comparatives, on first time adoption of IFRS 17. The amendment allows insurers who have elected to restate their IFRS 9 comparatives, for assets no longer held at December 31, 2023, to further elect whether to apply the IFRS 9 Expected Credit Loss impairment to those assets.

The Society intends to adopt IFRS 17 in its financial statements for the annual period beginning on January 1, 2023.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**4. Investments**

(a) The Society's investments consist of the following:

	<b>Fair value and carrying value \$</b>	<b>2021 Amortized cost \$</b>	<b>Fair value and carrying value \$</b>	<b>2020 Amortized cost \$</b>
Short term investments	<b>11,361,485</b>	<b>11,363,552</b>	12,511,787	12,513,448
Bonds	<b>6,043,762</b>	<b>5,936,854</b>	6,279,426	5,959,927
	<b>17,405,247</b>	<b>17,300,406</b>	18,791,213	18,473,375

The difference between amortized cost and market value of the AFS investments consists of gross unrealized gains of \$117,496 (\$319,499 in 2020) and gross unrealized losses of \$12,655 (\$1,661 in 2020).

The Society limits its bonds to securities issued or guaranteed by the Government of Canada, any province of Canada or Canadian corporations having a rating of A or better. In December 2021 the investment policy was amended to allow up to 10% of long term investments to be invested in BBB Corporate Bonds. Short term investments are invested in securities issued by the Government of Canada or a Canadian Province having a rating of A or better, or a Canadian Chartered Bank having a rating of R-1 or better. These securities have a maturity of less than 1 year from the purchase date.

(b) Maturity profile of investments as at December 31:

	<b>Within 1 year \$</b>	<b>1-5 years \$</b>	<b>Over 5 years \$</b>	<b>2021 Total \$</b>
Short term investments	<b>11,361,485</b>	—	—	<b>11,361,485</b>
Government of Canada bonds	<b>203,126</b>	<b>773,566</b>	<b>723,558</b>	<b>1,700,250</b>
Canadian public authorities bonds	<b>404,582</b>	<b>1,289,961</b>	<b>518,006</b>	<b>2,212,549</b>
Canadian corporate bonds	<b>401,289</b>	<b>1,655,633</b>	<b>74,041</b>	<b>2,130,963</b>
	<b>12,370,482</b>	<b>3,719,160</b>	<b>1,315,605</b>	<b>17,405,247</b>
	<b>Within 1 year \$</b>	<b>1-5 years \$</b>	<b>Over 5 years \$</b>	<b>2020 Total \$</b>
Short term investments	12,511,787	—	—	12,511,787
Government of Canada bonds	251,226	1,013,683	276,394	1,541,303
Canadian public authorities bonds	257,300	1,379,410	764,873	2,401,583
Canadian corporate bonds	201,880	1,426,154	708,506	2,336,540
	<b>13,222,193</b>	<b>3,819,247</b>	<b>1,749,773</b>	<b>18,791,213</b>



**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**4. Investments (continued)**

(c) Net investment income has the following components:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Interest income		
Bonds	<b>147,764</b>	133,600
Cash, cash equivalents and short term investments	<b>13,805</b>	92,753
	<b>161,569</b>	226,353
Amortization of discount (premium) on investments	<b>(9,724)</b>	10,015
Realised gain (loss) on disposal	<b>—</b>	—
Total net investment income	<b>151,845</b>	236,368

(d) Fair value measurements

The Society measures certain assets and liabilities using fair value. Fair value is a market-based measurement and not an entity-specific measurement, and requires the use of a fair value hierarchy with the highest priority given to quoted prices in active markets.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – Observable inputs other than Level 1 prices, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable.

Level 3 – Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table presents the Society's financial instruments that have been measured at fair value, on a recurring basis, as at December 31.

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>2021</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>Total</b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Cash at bank	<b>3,533,877</b>	—	—	<b>3,533,877</b>
Investments - available-for-sale				
Short term investments	—	<b>11,361,485</b>	—	<b>11,361,485</b>
Bonds	—	<b>6,043,762</b>	—	<b>6,043,762</b>
	<b>3,533,877</b>	<b>17,405,247</b>	—	<b>20,939,124</b>
	Level 1	Level 2	Level 3	2020
	\$	\$	\$	Total
	\$	\$	\$	\$
Cash at bank	2,161,535	—	—	2,161,535
Investments - available-for-sale				
Short term investments	—	12,511,787	—	12,511,787
Bonds	—	6,279,426	—	6,279,426
	2,161,535	18,791,213	—	20,952,748

The Society did not have any transfers between any levels during the year.

**Canadian Lawyers Liability Assurance Society****Notes to the financial statements**December 31, 2021

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**5. Unpaid claims and adjustment expenses****(a) Nature of unpaid claims and adjustment expenses**

The establishment of the provision for unpaid claims and adjustment expenses is based on known facts and interpretation of circumstances and is therefore a complex and dynamic process influenced by a large variety of factors. These factors include the Society's experience with similar cases and historical trends involving claim payment patterns, loss payments, pending levels of unpaid claims, claims severity and claim frequency patterns.

Other factors include the continually evolving and changing regulatory and legal environment, actuarial studies, professional experience and expertise of the Society's consultants retained to handle individual claims, the quality of the data used for projection purposes, existing claims management practices including claims handling and settlement practices, the effect of inflationary trends on future claims settlement costs, court decisions, economic conditions and public attitudes. In addition, time can be a critical part of the provision determination. The longer the span between the incidence of a loss and the payment or settlement of the claims, the more variable the ultimate settlement amount can be.

Consequently, the establishment of the provision for unpaid claims and adjustment expenses process relies on the judgment and opinions of a large number of individuals, on historical precedent and trends, on prevailing legal, economic, social and regulatory trends and on expectations as to future developments. The process of determining the provisions necessarily involves risks that the actual results will deviate, perhaps materially, from the best estimates made.

The Society has considered the impact from COVID-19 and economic factors on the assumptions used in determining the provision for unpaid claims and adjustment expense. In determining the adequacy of the provision, the Society reviewed the discount rate and assumptions in calculating the provision for unpaid claims and adjustment expense and how experience to date from the COVID-19 pandemic could impact these assumptions.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**5. Unpaid claims and adjustment expenses (continued)**

- (b) Activity in the provision for unpaid claims and adjustment expenses is summarized as follows:

	Gross \$	Ceded \$	Net \$
Provision for unpaid claims and adjustment expenses, December 31, 2019	66,388,000	59,504,000	6,884,000
Incurred claims and claim adjustment expenses			
Provision for current year claims	7,586,588	6,784,464	802,124
Increase (decrease) in provision for claims of prior years	(1,845,632)	(2,255,886)	410,254
Increase (decrease) in provision due to discount rate change	4,695,984	4,160,421	535,563
Total incurred	10,436,940	8,688,999	1,747,941
Payments and recoveries attributable to			
Current year claims	—	—	—
Prior years claims	(1,993,956)	(1,946,577)	(47,379)
	(1,993,956)	(1,946,577)	(47,379)
Provision for unpaid claims and adjustment expenses, December 31, 2020	74,830,984	66,246,422	8,584,562
Incurred claims and claim adjustment expenses			
Provision for current year claims	8,374,295	7,488,566	885,729
Increase (decrease) in provision for claims of prior years	(5,906,047)	(5,028,438)	(877,609)
Increase (decrease) in provision due to discount rate change	(2,871,546)	(2,552,832)	(318,714)
Total incurred	(403,298)	(92,704)	(310,594)
Payments and recoveries attributable to			
Current year claims	—	—	—
Prior years claims	(1,560,232)	(1,445,550)	(114,682)
	(1,560,232)	(1,445,550)	(114,682)
Provision for unpaid claims and adjustment expenses, December 31, 2021	<b>72,867,454</b>	<b>64,708,168</b>	<b>8,159,286</b>

- (c) Provision for unpaid claims and adjustment expenses

Under accepted actuarial practice in Canada, the appropriate value of the claims liabilities is the discounted value of such liabilities plus the provision for adverse deviation ("PFAD").

	Undiscounted \$	Discounted at 1.30% \$	Provisions for adverse deviation \$	2021 Value per accepted actuarial practice \$
Provision for unpaid claims and adjustment expenses				
Gross	69,568,159	65,574,650	7,292,803	72,867,454
Recoverable from reinsurers	64,690,957	60,975,248	3,732,919	64,708,168
Net	<b>4,877,202</b>	<b>4,599,402</b>	<b>3,559,884</b>	<b>8,159,286</b>

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**5. Unpaid claims and adjustment expenses (continued)**

(c) Provision for unpaid claims and adjustment expenses (continued)

	Undiscounted	Discounted at 0.45%	Provisions for adverse deviation	2020 Value per accepted actuarial practice
	\$	\$	\$	\$
Provision for unpaid claims and adjustment expenses				
Gross	68,728,883	67,324,923	7,506,061	74,830,984
Recoverable from reinsurers	63,710,615	62,408,592	3,837,830	66,246,422
Net	5,018,268	4,916,331	3,668,231	8,584,562

(d) Key assumptions

The best estimate of the provision for unpaid claims and adjustment expenses as reported in these financial statements has been determined by the Society's appointed actuary in accordance with accepted actuarial practice as determined by the Standards of Practice of the Canadian Institute of Actuaries ("CIA"), including the selection of appropriate assumptions and methods.

The Incurred But Not Reported ("IBNR") liabilities have been estimated for each coverage period using the Bornhuetter-Ferguson Method which is based on expected claims development patterns and expected losses.

The estimated undiscounted outstanding liabilities are discounted to reflect the time value of money using a selected discount rate of 1.30% (0.45% in 2020) which is based on the expected market yield of the Society's investment portfolio of bonds and short term assets.

Based on the recommended margin for adverse deviation ranges prescribed by the CIA, a provision for adverse deviation is selected for the following variables: claims development, reinsurance recovery and interest rate.

Changes in the assumptions used in the December 31, 2021 actuarial valuation resulted in a total decrease in net liabilities of \$95,916 (decrease of \$331,433 in 2020), which is due to the change in loss development factors used in the Bornhuetter-Ferguson method and unallocated loss adjustment expense load decreased from 3.55% to 3.40% (decreased from 3.95% to 3.55% in 2020). The change in the discount rate and provisions for adverse deviation assumptions led to a decrease in the net liabilities of \$318,985 (increase of \$484,352 in 2020).

Sensitivities regarding these assumptions are provided in Note 11 Insurance Risk Management.

**6. Premiums receivable**

All subscribers are large reputable Canadian law firms, and no significant credit risk is expected. All amounts are due by April 1, 2022.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

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**7. Expenses by nature**

The following table presents the Society's expenses by nature:

	<b>2021</b>	2020
	<b>\$</b>	<b>\$</b>
Management services	<b>797,379</b>	759,814
Legal and professional	<b>590,161</b>	512,999
Other expenses	<b>191,235</b>	300,458
Total	<b>1,578,775</b>	1,573,271

**8. Reinsurance program**

- (a) The Society has obtained proportional reinsurance coverage which limits its net liability to a maximum amount of \$975,000 effective for the annual coverage period beginning on July 1, 2021 (\$975,000 in July 1, 2020) on any one loss.

- (b) Colchester Reinsurance Limited (Colchester) is an off-shore captive reinsurer domiciled in Barbados. The shareholders of Colchester are twelve Toronto based legal firms or their related service corporations. Those twelve shareholders are unrelated to each other. However, each of Colchester's shareholders is, or is related to the Society's current and past subscribers. For the annual coverage period beginning on July 1, 2021, Colchester received from the Society premiums of \$3,231,090 (\$1,712,814 in July 1, 2020).

Colchester provides aggregate stop-loss reinsurance protection for a portion of the Society's retained risk. On July 1, 2021 this reinsurance had an attachment point of \$5,000,000 (\$5,000,000 on July 1, 2020), and an annual aggregate limit of \$10,000,000 (\$10,000,000 on July 1, 2020). Starting July 1, 2011, the attachment point and limit were determined with reference to the combined net claim liabilities of the Society and Colchester. Starting on July 1, 2012 the attachment point and limit are solely determined with reference to the net claim liabilities of the Society.

- (c) In 2012, the Society initiated a Loss Portfolio Transfer (LPT) with Colchester to transfer the outstanding net retained liabilities for the policy year periods from inception to the period ended June 30, 2012 for a premium of \$44,260,000. The net retained liability was estimated as \$33,103,000 at the time of LPT.

As at December 31, 2021, the total reserves held and recoverable on the Society's financial statements relating to LPT was \$4,066,955 (\$4,232,036 in 2020). A Reinsurance Security Agreement (RSA) is in place which requires Colchester to set up on behalf of the Society deposits equal to 115% of Colchester's share of claim liabilities. At December 31, 2021 the value of the security deposits exceeds the required amount.

- (d) Reinsurance does not discharge the primary liability of the Society.

**9. Income taxes**

The Society is a reciprocal as defined under Part 1 of the Alberta Insurance Act, RSA 2000, c I- 3. Accordingly, no provision for income taxes is made in these financial statements.

## Canadian Lawyers Liability Assurance Society

### Notes to the financial statements

December 31, 2021

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#### 10. Equity

In accordance with the Reciprocal Insurance Exchange Agreement, subscribers were not obliged to contribute any amounts to the Society in the form of a capital contribution. The subscribers' surplus therefore represents cumulative surplus and may be used to cover potential future catastrophe claims or reduce future premiums, if appropriate. The Agreement provides that additional assessments may be made to cover the actual loss, claims and costs experienced by the Society.

Under the terms of the Society's Reciprocal Insurance Exchange Agreement, the Society is obligated to return a share of the Society's surplus (if any) to a departed Subscriber subsequent to the fifth anniversary of its departure, based on that Subscriber's participation in the Society. A Subscriber withdrew from the Society on June 30, 2012. As a result, an initial refund of premium surplus of \$1,500,000 was made to that Subscriber at December 31, 2017. There were no withdrawals during the year.

#### 11. Risk management

##### *Insurance risk management*

The Society accepts insurance risks through its insurance contracts where it assumes the risk of loss from persons or organizations subject to the underlying loss. The Society is exposed to uncertainty surrounding the timing, frequency and severity of claims under these contracts and the principal risk that the actual claims payments exceed the carrying amount of the insurance liabilities or that claims are under-reserved.

The Society manages insurance risk via its underwriting and reinsurance strategy within an overall risk management framework. Pricing is based on assumptions which have regard to trends and past experience. Exposures are managed by having documented underwriting limits and rating criteria. Reinsurance is purchased to mitigate the effect of potential loss to the Society from individual large events. Reinsurance policies are written with approved reinsurers (two of the current reinsurers are unlicensed) on either a proportional, aggregate or excess of loss treaty basis.

There is some concentration of risk since all coverage is related to professional liability and the underlying insured's are a homogeneous group since all are engaged in the practice of law in Canada. There is some risk of increased claim activity due to the occurrence of events that could increase the number of or value of legal actions against lawyers. Examples could be changes in legislation or a severe economic downturn. This risk is mitigated to some extent by the use of aggregate and excess of loss reinsurance. Concentration risk regarding reinsurance is mitigated by the use of multiple reinsurers with varying participations and an annual assessment of the financial strength of all reinsurers.

##### *Claim development*

Uncertainty exists on reported claims in that all information may not be available at the reporting date; therefore, the claim cost may rise or fall at some date in the future when the information is obtained. In addition, claims may not be reported to the Society immediately; therefore, estimates are made as to the value of claims incurred but not yet reported, a value which may take some months to finally determine. In order to determine the liability, assumptions are developed considering the characteristics of the line of business, the historical pattern of payments, the amount of data available and any other pertinent factors. In general, the longer the term required for the settlement of a group of claims, the more variable the estimates. Short settlement term claims are those which are expected to be substantially paid within a year of being reported. The following table shows the development of claims over a 10 year period, on both a gross and net of reinsurance basis:

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**11. Risk management (continued)**

*Claim development (continued)*

Analysis of claims development – net and gross

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimate of ultimate (by underwriting year)											
End of year	463,000	411,000	440,000	424,000	444,000	387,000	419,000	1,244,000	451,976	239,113	
One year later	423,000	380,000	413,000	392,000	1,062,000	360,000	390,000	945,824	423,257	—	
Two years later	334,000	269,000	308,000	281,000	950,000	263,000	283,415	827,527	—	—	
Three years later	435,000	197,000	284,000	218,000	891,000	208,864	225,484	—	—	—	
Four years later	362,000	131,000	222,000	162,000	818,782	146,535	—	—	—	—	
Five years later	281,000	59,000	164,000	67,235	719,890	—	—	—	—	—	
Six years later	227,000	22,000	112,261	18,753	—	—	—	—	—	—	
Seven years later	226,000	16,681	110,357	—	—	—	—	—	—	—	
Eight years later	219,226	14,427	—	—	—	—	—	—	—	—	
Nine years later	215,237	—	—	—	—	—	—	—	—	—	
Current estimate of ultimate	215,237	14,427	1,110,357	18,753	719,890	146,535	225,484	827,527	423,257	239,113	3,940,580
Cumulative payments	(203,270)	—	(86,269)	—	(650,000)	—	—	(411,380)	—	—	(1,350,919)
Net liability	11,967	14,427	1,024,088	18,753	69,890	146,535	225,484	416,147	423,257	239,113	2,589,661
Provision for unpaid claims and adjusting expenses recoverable from insurers											
Ten year net liability											2,589,661
Effect of discounting and PFAD											3,282,084
Unallocated loss adjustment expense											2,287,541
Provision for unpaid claims and adjusting expenses recoverable											64,708,168
Gross liability in statement of financial position											72,867,454

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**11. Risk management (continued)**

*Sensitivities*

The insurance claim liabilities are sensitive to the key assumptions that follow. It has not been possible to quantify the sensitivity of certain assumptions such as legislative changes or uncertainty in the estimation process.

The table below shows the effect on net income and equity of a +/- 5% change in the expected losses and the effect of +/- 0.5% change in the discount rate applied to claims provisions for the year ended December 31, 2021:

	<b>Net income for the year \$</b>	<b>2021 Equity \$</b>	<b>Net income for the year \$</b>	<b>2020 Equity \$</b>
5% increase in expected losses	<b>160,440</b>	<b>160,440</b>	167,073	167,073
5% decrease in expected losses	<b>(201,919)</b>	<b>(201,919)</b>	(209,600)	(209,600)
0.5% increase in discount rate	<b>(177,670)</b>	<b>(177,670)</b>	(191,691)	(191,691)
0.5% decrease in discount rate	<b>184,961</b>	<b>184,961</b>	179,344	179,344

*Financial risk management*

The Society was well-positioned heading into the market dislocation following the COVID-19 pandemic, given its investment holdings are in highly rated government and corporate bonds. The Society has continued to maintain funding and liquidity metrics comfortably above regulatory minimums.

The Society has policies related to the identification, monitoring and mitigation of risks associated with financial instruments. The key risks related to financial instruments are credit risk, liquidity risk and market risk (interest rate, equity and currency). The following describes how the Society manages each of these risks.

*(a) Credit risk*

Credit risk is the risk of loss due to the failure of debtors to make payments when due. Credit risks are primarily associated with invested assets and amounts due from policyholders and reinsurance counterparties. The investment portfolio's exposure to credit risk is managed through policies and procedures including a credit evaluation by the investment manager and investment guidelines which specify investment quality and exposure limits. The portfolio is monitored and reviewed regularly by the Board. Premiums due from policyholders present minimal risk due to the short term nature of the receivable and the historic/financial relationship with the Society as a Reciprocal Insurance Exchange. The Society evaluates the financial condition of its reinsurers and monitors concentrations of credit risk of the reinsurers to minimize its exposure to significant losses from their insolvency. The Society believes that it has taken appropriate steps to manage credit risk and has made appropriate provision for any such exposures. One of the primary reinsurers is Colchester Reinsurance Limited as discussed in Note 8. The credit risk related to Colchester is managed by maintaining a security account pursuant to the RSA and a quarterly review of Colchester's financial condition. The balance held in the account at December 31, 2021 is \$40,286,013 (\$40,249,305 in 2020).



**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**11. Risk management (continued)**

*Financial risk management (continued)*

*(a) Credit risk (continued)*

*(i) Exposure to credit risk*

The following table summarizes the exposure to credit risk related to financial instruments and certain insurance assets at carrying value:

	2021 \$	2020 \$
Cash	3,533,877	2,161,535
Short term investments	11,361,485	12,511,787
Bonds	6,043,762	6,279,426
Interest income due and accrued	23,630	22,835
Premiums receivable	3,673,597	3,782,333
Reinsurance recoverable	577,410	1,938,201
Provision of unpaid claims and adjustment expenses recoverable from reinsurers	64,708,168	66,246,422
Total credit exposure	89,921,929	92,942,539

*(ii) Concentration of credit risk*

The Society utilizes an investment policy to minimize the concentration of credit risk by ensuring diversification across asset classes. The following table summarizes the distribution of investments by credit risk:

	2021 %	2020 %
R-1 (high)	65	67
AAA	10	8
AA	25	25
	100	100

*(b) Liquidity risk*

Liquidity risk is the risk that the Society will not be able to meet all cash outflow obligations as they come due. The primary potential cash outflow is the payment of insurance claims and is represented by the provision for unpaid claims and adjustment expenses liability on the statement of financial position. In order to manage the liquidity risk associated with this liability, an investment policy is in place. A summary of the invested assets by term to maturity is provided in Note 4. The following table summarizes the exposure to liquidity risk:

	Due within 1 year \$	1 to 5 year \$	Over 5 years \$	2021 Total \$
Provision for unpaid claims and adjustment expenses (net)	1,161,018	3,828,546	3,169,722	8,159,286
Due to reinsurers	3,045,212	—	—	3,045,212
Accounts payable and accrued charges	359,714	—	—	359,714
	4,565,944	3,828,546	3,169,722	11,564,212

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

**11. Risk management (continued)**

*Financial risk management (continued)*

*(b) Liquidity risk (continued)*

	Due within 1 year \$	1 to 5 year \$	Over 5 years \$	2020 Total \$
Provision for unpaid claims and adjustment expenses (net)	1,163,942	4,132,001	3,288,619	8,584,562
Due to reinsurers	4,337,008	—	—	4,337,008
Accounts payable and accrued charges	433,798	—	—	433,798
	<u>5,934,748</u>	<u>4,132,001</u>	<u>3,288,619</u>	<u>13,355,368</u>

*(c) Market risk*

Market risk is the risk of loss arising from adverse changes in market rates and prices, such as interest rates, equity markets and foreign currency rates. The primary market risk exposures are discussed below.

*(i) Interest rate risk*

Interest rate risk is the risk of financial loss arising from changes in interest rates. Fluctuations in interest rates will impact the market value of the fixed income portion of the investment portfolio. Interest rate fluctuations may create unrealized gains or losses which are recorded as OCI, however, these assets are ordinarily held until maturity which would result in a recovery of par value. A portion of these assets support the net provision for unpaid claims and adjustment expenses which is calculated, in part, using a discount factor based on the market rate of return of the investment portfolio.

The Society is exposed to interest rate risk if the cash flows from the investments are not matched to the liabilities that they support. This risk is partially mitigated by the investment policy which specifies that the timing of the settlement of unpaid claims be considered when selecting the duration of invested assets.

The estimated impact of a 1% increase in interest rates would decrease the market value of the fixed income portion of the investment portfolio by \$253,439 (\$265,039 in 2020) which would be recorded in OCI. This impact would be offset on an economic basis by a decrease in the estimated unpaid claims and adjustment expense of \$348,427 (\$375,808 in 2020) recorded through net income. Conversely, a 1% decrease in interest rates would increase the market value of the fixed income portion of the investment portfolio by \$226,391 (\$179,232 in 2020) which would be recorded in OCI. This impact would be more than offset on an economic basis by an increase in the estimated unpaid claims and adjustment expense of \$377,613 (\$179,344 in 2020) recorded through net income.

*(ii) Equity risk*

Equity risk is the uncertainty associated with the valuation of assets arising from changes in equity markets. To mitigate this risk, the Society's investment policy does not allow exposure to equity markets.

*(iii) Currency risk*

The Society does not have any material exposure to foreign currency.

**Canadian Lawyers Liability Assurance Society**  
**Notes to the financial statements**  
December 31, 2021

## 12. Surplus management and adequacy

Equity is comprised of minimum and additional surplus and AOCI. At December 31, 2021, the equity was \$ 12,832,805 (\$12,451,371 in 2020). The Society's objectives for the management of surplus are for the prudent operation of the reciprocal and to provide relatively predictable premium costs for its members over time. A surplus management policy is approved by the Advisory Board which oversees the surplus management process.

As a reciprocal insurance exchange, the requirement for surplus is lower than that of an incorporated insurance company. A reciprocal may rely on the contractual agreement among its members to contribute to the losses incurred by other members and to make assessments for additional contributions to surplus if required and accordingly, can rely on the credit worthiness of its subscribers.

The Society is regulated by the Superintendent of Insurance, Alberta and in British Columbia, Ontario and Nova Scotia where licenses are held, all of which expect incorporated insurance companies to meet a Minimum Capital Test ("MCT") ratio of capital available to capital required of at least 150%. As of December 31, 2021, the Society's MCT was 555% (538% in 2020). However, the minimum regulatory standard for reciprocals in Alberta is adjusted equity exceeding \$50,000. The Society's practice is to maintain a surplus level which is significantly higher than the regulatory minimum. The Society's surplus adequacy is evaluated regularly and this evaluation takes into account the gross exposure to risk, the level and nature of reinsurance purchased and the resulting net exposure to members. Input from the appointed actuary, which includes an assessment of loss volatility, is factored into this evaluation.

In accordance with sections 99 and 100 of the Alberta Insurance Act, the Society is required to maintain a reserve and guarantee fund. At December 31, 2021 the total reserve and guarantee funds required are as follows:

	2021 \$	2020 \$
Reserve fund		
Net premiums written during the period	12,594,000	10,695,000
Less: Amounts paid to licensed reinsurers	10,493,000	8,601,000
	2,101,000	2,094,000
Requirement	50%	50%
	1,050,500	1,047,000
Guarantee fund		
Total liabilities	82,517,000	84,936,000
Less: Unearned premiums	6,245,000	5,304,000
Recoverable from licensed reinsurers	64,671,000	66,197,000
Add: Statutory margin	50,000	50,000
	11,651,000	13,485,000
Total of reserve and guarantee fund		
Cash and approved securities	12,701,500	14,532,000
Excess of cash and securities over reserve and guarantee fund	20,939,000	20,953,000
	8,237,500	6,421,000

**Canadian Lawyers Liability Assurance Society****Notes to the financial statements**December 31, 2021

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**13. Fair value disclosure**

The fair value of the following classes of financial instruments is deemed to approximate carrying value due to the immediate or short term maturity of the financial instruments.

- (a) Cash at bank
- (b) Interest income due and accrued
- (c) Premiums receivable
- (d) Premium taxes receivable
- (e) Reinsurance receivable
- (f) Due to reinsurers
- (g) Accounts payable and accrued charges

**14. Contingent liability**

The Society's Reciprocal Insurance Exchange Agreement (the "Agreement") contains provisions addressing the rights and liabilities of a Subscriber (a "Departing Subscriber") which elects to withdraw from the Society at the end of an Underwriting Period. These include the obligation of the Society to pay to the Departing Subscriber the amount of declared credits or the obligation of the Departing Subscriber to pay to the Society the amount of declared assessments, in each case, based on the Departing Subscriber's participation in the Society. Any such payment obligation to or by a Departing Subscriber is to be determined and paid subsequent to the fifth anniversary of the date of departure of the Departing Subscriber.

A Subscriber elected to withdraw from the Society on June 30, 2012 and, accordingly, a determination of a payment obligation to or by such Departing Subscriber was made subsequent to June 30, 2017. The obligations of the Society and the Departing Subscriber under the Agreement continue to apply, and a determination of any further payment obligation to or by the Departing Subscriber will be made subsequent to June 30, 2022. In the event that it is determined that the Society has a payment obligation to such Departing Subscriber, then depending on the amount of such payment obligation and the amount of the Society's equity at that time, such payment obligation may have a material effect on the equity position of the Society.

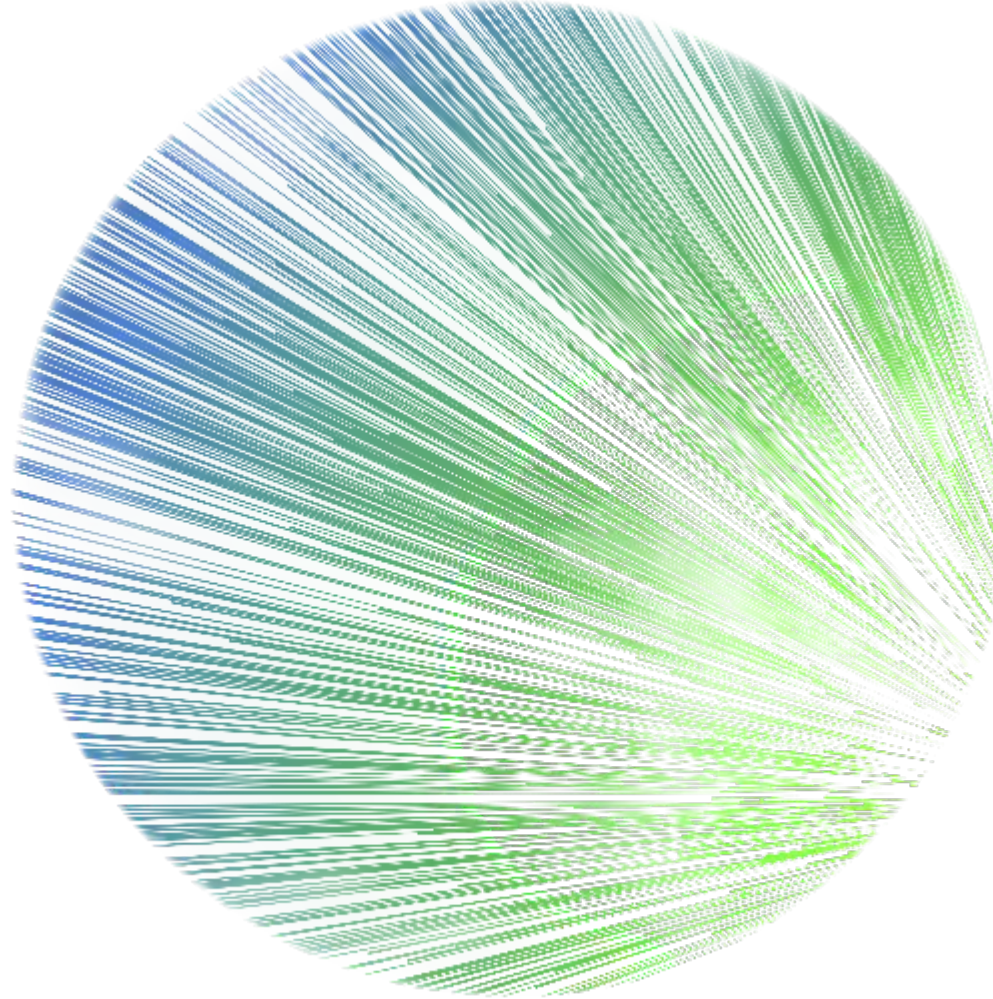
A Subscriber elected to withdraw from the Society on June 30, 2017 and, accordingly, a determination of any payment obligation to or by such Departing Subscriber will be made subsequent to June 30, 2022. In the event that it is determined that the Society has a payment obligation to such Departing Subscriber, then depending on the amount of such payment obligation and the amount of the Society's equity at that time, such payment obligation may have a material effect on the equity position of the Society.

**15. COVID-19**

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world. To date, Society has experienced no significant impact from COVID-19.

**16. Date of authorization for issue**

The financial statements were authorized for issue by the Advisory Board on February 22, 2022.



## Canadian Lawyers Liability Assurance Society Audit results for the year ended December 31, 2021

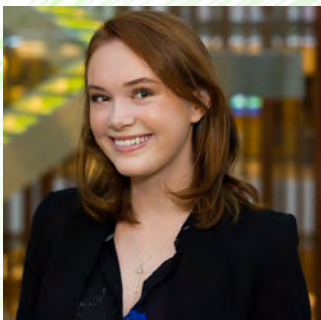
**February 9, 2022**



To the Chairman and  
Members of the Audit  
Committee (the  
“Audit Committee”)



**Elaine Hultzer**  
Lead Client Service Partner  
Tel: 647-528-9957  
Email: ehultzer@deloitte.ca



**Tess Collins**  
Manager  
Tel: 416-607-1207  
Email: tecollins@deloitte.ca

Dear Audit Committee Members:

We are pleased to submit this report on the status of our audit of the financial statements of Canadian Lawyers Liability Assurance Society (the Society) for the 2021 fiscal year. Enclosed are those results and insights from our audit that we believe would be of greatest interest to the Audit Committee and have summarized other required communications:

- Changes to our audit plan
- Commentary on matters of particular significance/interest as a result of our audit
- Areas we focused particular attention on during our audit

As agreed in our engagement letter dated November 8, 2021, we have performed an audit of the financial statements of the Society as of and for the year ended December 31, 2021, in accordance with Canadian generally accepted auditing standards (“GAAS”) as well as pages 20.10 through 20.54 of the Society’s P&C Quarterly Return and pages 20.52 and 20.60 of the Society’s P&C Annual supplement.

In addition, we have also audited the Minimum Capital Test on page 30.61 of the P&C Quarterly Return of the Society as at December 31, 2021 in accordance with the financial reporting provisions of Guideline A – Minimum Capital Test for Federally Regulated Property and Casualty Insurance Companies. We expect to issue our audit reports thereon upon their approval by the Advisory Board and completion of the outstanding matters noted on page 4 of this report.

Our audit has been conducted in accordance with the audit plan that was presented to the Audit Committee members at the meeting on November 8, 2021. The results of our audit are explained in further detail in this report.

Given the timeline for the Society to transition to the new Insurance Accounting Standard, IFRS 17, we have included our audit approach to IFRS 17 transition as part of this report since we are likely to need to perform IFRS 17 transition audit work prior to the presentation of our 2022 Audit Plan at the next Audit Committee meeting, later this year.

This report has been provided to the Audit Committee on a confidential basis. It is intended solely for the use of the Audit Committee and the Advisory Board to assist you in discharging your responsibilities with respect to the financial statements for the year ended December 31, 2021 (the “Financial Statements”) and is not intended for any other purpose.

We would like to express our appreciation for the cooperation we received from the officers and employees of the Society with whom we worked to discharge our responsibilities.

We look forward to discussing this report summarizing the outcome of our audit with you and answering any questions you may have.

Yours truly,

*Deloitte LLP*

Chartered Professional Accountants

Licensed Public Accountants





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# Executive summary


## Significant risks

Findings

- 1 Provision for unpaid claims and adjustment expense, gross and net of amount recoverable from reinsurers (valuation) 
- 2 Management's ability to override controls 

 In progress, no issues noted.

 Completed, insights identified.

 Completed, significant findings identified.



## Matters of interest

### Accounting Standards Update

We continue to work with management on the transition to the new accounting standards IFRS 17 *Insurance Contracts* and IFRS 9 *Financial Instruments*, see slides 9-14 for more details.

### Use of the work of specialists and experts

Our Actuarial experts assessed the valuation and adequacy of the provision for unpaid and unreported claims liability noting no issues.

## Misstatements

No misstatements identified

\$0

Year-end Materiality

\$728,000

Planning Materiality

\$770,000



Materiality reduced from \$770,000 at planning to \$728,000 at year-end, in line with the change in selected benchmark balance, the provision for unpaid claims and adjustment expenses.



## Outstanding items of importance



Receipt of the final Appointed Actuary Report



Receipt of signed management representation letter



Performance of subsequent event procedures



Completion and review of certain working papers





Completion of Engagement Quality Control Review



# Significant Audit Risks

## Dashboard

Audit risk	Audit response	Our response	Our conclusion
<p>Provision for unpaid claims and adjustment expenses, gross and net of amount recoverable from reinsurers (valuation)</p> <p>Actuarial calculation methods to determine the value of the provision and related actuarial assumptions (specifically the expected loss ratio and loss development factor) used are not appropriate.</p>		<p>We completed our audit as planned, utilizing our actuarial specialists in the execution of our work.</p> <p>This included assessing the reasonableness of key assumptions and methodologies, testing the underlying data and independent recomputations of the actuarial reserves. Our actuarial specialists' independent calculation of the provision for unpaid claims yielded an amount which was 1.15% higher than that determined by the AA, which is within our considered acceptable actuarial range.</p>	<p>To date, the results of our audit procedures have been satisfactory. Update is to be provided at the Audit Committee meeting.</p>
<p>Management override of control.</p> <p>Management override of controls is a presumed fraud risk per Canadian Auditing Standards.</p>		<p>We completed our audit as planned, testing the appropriateness of large or unusual journal entries using data analytical tools to identify journal entries of audit interest and examining accounting estimates for bias.</p>	<p>To date, the results of our audit procedures have been satisfactory. Update is to be provided at the Audit Committee.</p>

### Legend



In progress, consistent with plan.



Completed but not consistent with plan.

# Delivering Audit Quality



# Delivering audit quality

## Our commitment to you

Audit quality, in our view, extends beyond delivering the audit report. It also includes delivering meaningful insights to the entities we audit and innovating how we execute our audits and manage our practice.



### How we delivered professional excellence

- **Technical accounting updates** – we continued to provide management with technical accounting updates as they are relevant to the Society.
- **Professional skepticism** – we continued to apply a high level of professional skepticism in executing the audit, examining and considering any contradictory evidence.
- **Independence** – we leveraged our important safeguards and procedures to protect our independence and objectivity.



### How we continue to innovate our audit approach

- **Process innovations** – we applied “Milestones” in managing our timeline which assisted us in optimizing interim work and timely reviews. We also implemented Deloitte Way Workflows for cash testing, investment testing and operating expense testing to improve our efficiency and audit quality.
- **Deloitte Omnia** – we applied innovation tools including Deloitte Connect, Excel Analytics, Spotlight and iConfirm.



### Evolving our quality management systems

We’ve elevated our definition of audit quality, explicitly highlighting our quality management systems as a critical element in achieving consistent high quality across all engagements. See next slide for more details.



### Our 2021 Audit Quality Report

Quality is the foundation of our profession. What we do is important, and we endeavor to lead the conversation on audit quality and set the bar. To this end, our commitment to quality aims to deliver excellence at every level.

There is no compromise when it comes to quality. We continue to evaluate, innovate, and work by the processes that put it above all else. We are defined by the high-quality audit and assurance services that we deliver—and by the fact that we deliver them with integrity.

We are committed to continue engaging in rich and on-going dialogues with our clients. “Ask Us” segments in the report can be used as a starting point to spark continuous quality focused conversations. We don’t just pursue quality. Quality is foundational to our being – **we are quality.**



To learn more, click [here](#) to read our **2021 Audit Quality Report**.

### CPAB Audit Quality Insights Report

The Canadian Public Accountability Board (CPAB) is charged with assessing the state of audit quality in Canada through an annual inspection process by which it inspects all Firms serving Canada’s reporting issuers. CPAB’s inspection methodology includes the inspection of engagement files and an assessment of the effectiveness of the Firms’ existing quality management system.

CPAB’s public reporting takes the form of an annual report on its views following the inspections of all Firms. CPAB issued their 2020 Annual Audit Quality Assessments report in March 2021 and their 2021 Interim Inspections Results report in October 2021. These reports provide a snapshot of themes and insights with respect to audit quality. In addition, following each inspection cycle, CPAB privately reports to each Firm on the results of its inspection.



Follow this [link](#) to read the **CPAB 2020 Annual Audit Quality Assessments** report.



Follow this [link](#) to read the **2021 CPAB Fall Inspections Results**.

# New Accounting Standards

## Audit approach to IFRS 17 transition



# IFRS 17 Audit Plan

While IFRS 17 is effective from January 1, 2023, the implementation of the new standard is multi-faceted and requires earlier preparations by management and the audit thereof, to ensure:

- Timely resolution of issues
- Adequate time and resources
- Appropriate IFRS 17 opening balances applied in the first regulatory capital return at March 31, 2023.

Since we envisage performing certain IFRS 17 audit work during 2022, we have included our IFRS 17 Audit Plan in the 2021 Year End Audit Committee Report. This section summarizes Deloitte's approach to performing audit procedures as the Society goes through its process of adopting IFRS 17. This audit approach incorporates best practices from our global network and insights gained from participation at global IFRS 17 industry forums. Audit materials (including guides, practice aids, templates, and forms) are being developed to deliver a high-quality global audit approach under the new standard.

Our approach is:

- Split into three phases, with audit materials for each phase of the IFRS 17 adoption process in order to deliver a high-quality audit under the new standard
- Carefully planned so that the audit effort is delivered at the appropriate time in the implementation process, which may span multiple years. More specifically, the approach enables us to perform procedures as management finishes certain implementation activities in order to promptly evaluate its conclusions and to increase efficiency
- Focused on the restatement of historical financial information reported previously under IFRS 4, including the opening transition balance sheet at the start of the comparative period and the comparative period. The audit of financial information for the first financial year commencing on or after 1 January 2023 will be covered by the "business as usual" (BAU) audit plan. During the implementation and transition phase ahead of the 2023 audit, IFRS 17 transition audit materials will be available to assist audit teams address this new standard.
- Based on using our new audit platform that will incorporate an integrated end-to-end audit for IFRS 17 using standardized Deloitte Way Workflows (DWWs).

## Phase 1 Implementation

The audit of the implementation phase of IFRS 17, focusing on pre-transition activities

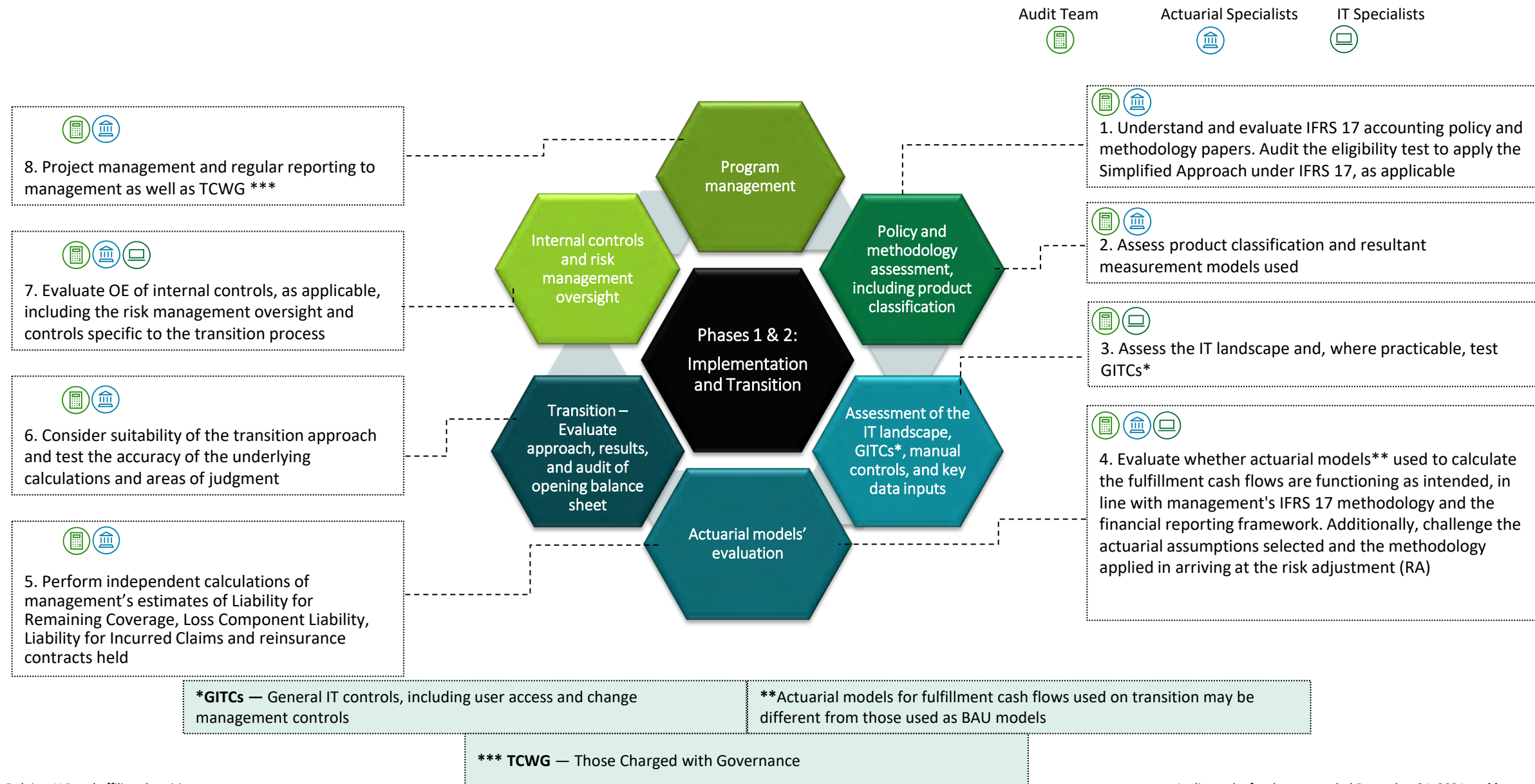
## Phase 2 Transition

The audit of the IFRS 17 opening balances and comparative period results

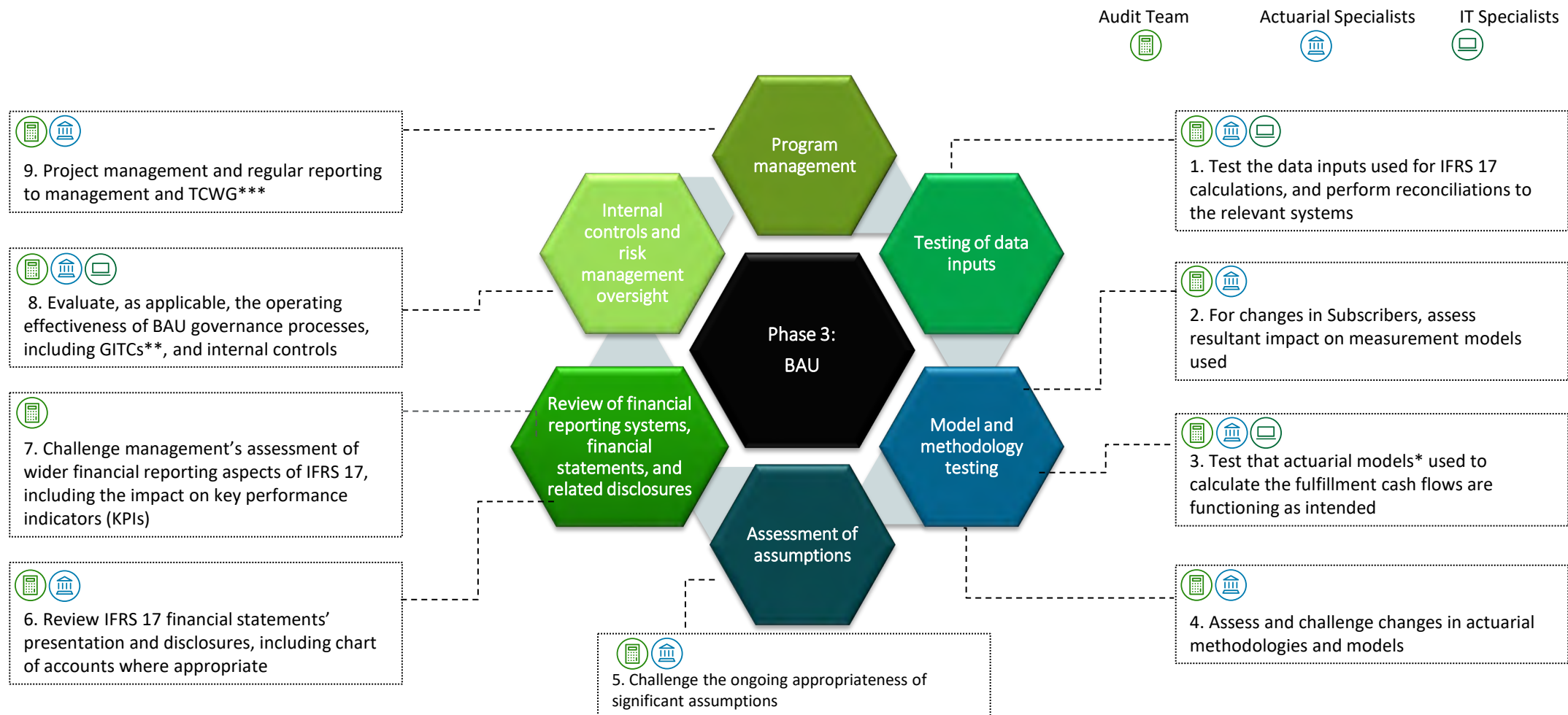
## Phase 3 BAU

The 2023 audit of the BAU IFRS 17 financial reporting of the Society

# Summary of Audit Approach – Implementation and Transition



## Summary of Audit Approach – BAU



\*Actuarial models used on transition may be different from those used as BAU models

**\*\*GITCs** — General IT controls, including user access and change management controls

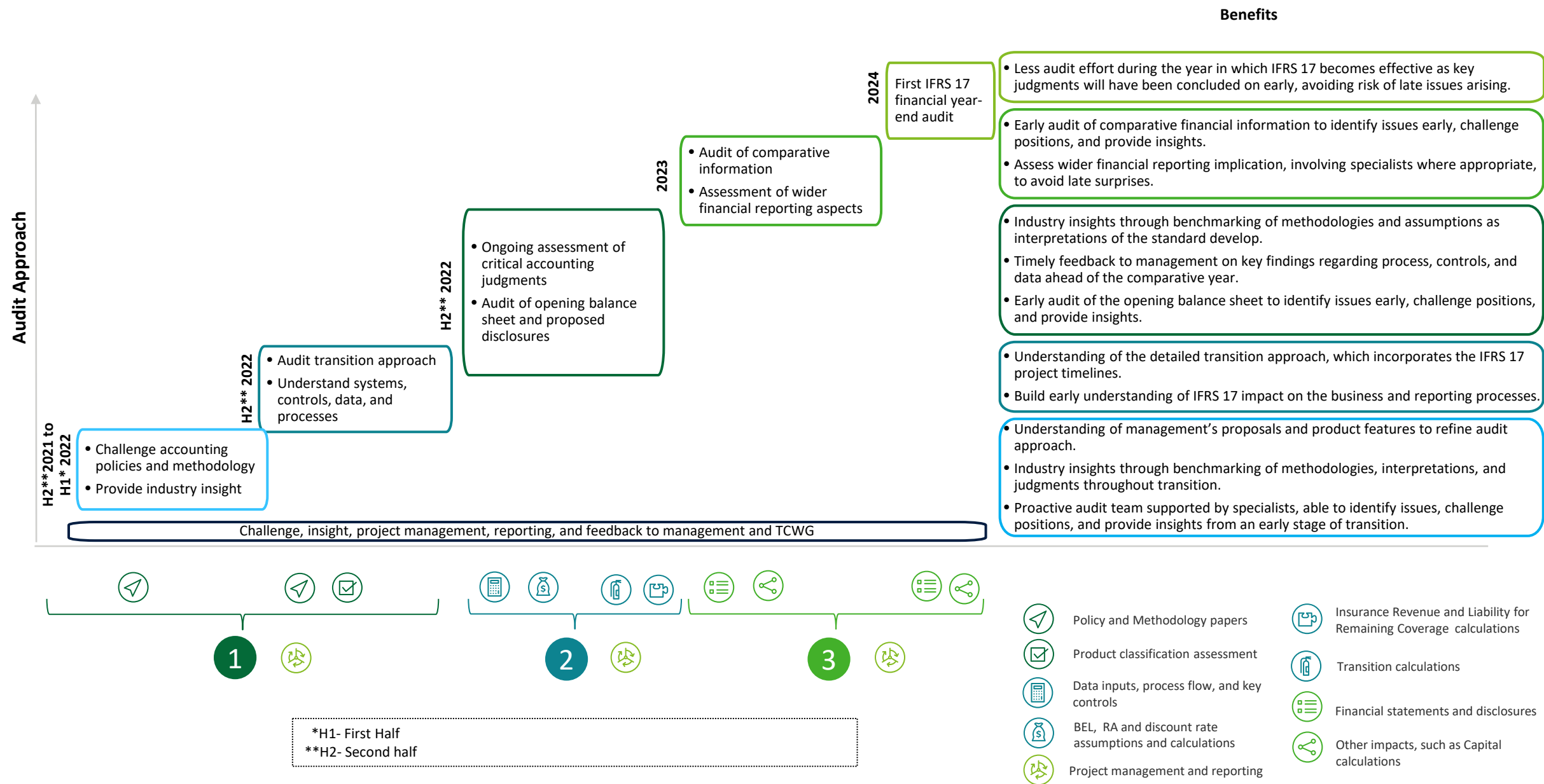
\*\*\* **TCWG** — Those Charged with Governance



Our planned audit procedures may include the following, amongst others:

Data	Test the data used by management to derive the fulfillment cash flows. To do so, perform the following steps: <ul style="list-style-type: none"><li>• Process-map the end-to-end fulfillment cash flow and reserving processes</li><li>• Perform controls testing on key data reconciliations, as well as operational and automated controls</li><li>• Perform reconciliations on the actuarial data back to the financial ledger and policy systems</li><li>• Substantively test policyholder and asset data as information provided by the entity (IPE) used in the reserving process</li><li>• Substantively test expenses, including the nature and allocation of acquisition expenses</li></ul>	
Assumptions	Test the inputs/assumptions used by management to derive the fulfillment cash flows. To do so, perform the following steps: <ul style="list-style-type: none"><li>• Assess key management review controls</li><li>• Challenge the key assumptions through market benchmarking, while considering the comparison in the context of the insurance portfolio</li><li>• Test experience investigations for high-risk assumptions, including an audit of the models used to derive experience rates, to assess whether appropriate actuarial/statistical techniques have been applied</li><li>• Challenge the consistency of the approach year on year and the appropriateness of maintaining the approach in light of changes in the economic climate and market benchmarking against industry peers</li><li>• Analyze management’s approach and judgment in setting the liability for remaining coverage and the liability for incurred claims, and identify any trends in the reserve setting</li><li>• Assess whether assumptions have been appropriately input into the model</li><li>• Perform sensitivity analysis on key assumptions</li></ul>	
Methodology / Models	<ul style="list-style-type: none"><li>• Perform detailed risk assessment on the methodologies used, taking into account criteria such as complexity, maturity, consistency (i.e., any methodology changes made since the previous audit), and the level of management overlay and manual overlays to pinpoint those methodologies with higher risk of material misstatement to focus audit effort on</li><li>• Perform independent calculations of management’s estimates for Liability for Incurred Claims and related Reinsurance Contracts Held. The following sets out an example of the steps included in the audit of the Premium Allocation Approach:</li></ul>	
	<b>Liability for Remaining Coverage</b> <ul style="list-style-type: none"><li>• Assess risks in the process of determining premiums received, acquisition costs, other attributable non-acquisition costs, identification of onerous contract indicators, by considering criteria such as complexity and involvement of management’s judgements</li><li>• Test management’s controls and governance processes over premium receipts, and attributable costs</li><li>• Perform tests of detail on policy data, premiums received, acquisition costs, and other attributable costs</li><li>• Perform recalculations of insurance revenue and acquisition cost amortizations</li><li>• Test the roll forward note disclosures for the Liability for Remaining Coverage</li></ul>	<b>Liability for Incurred Claims</b> <ul style="list-style-type: none"><li>• Assess risks in the processes for claims administration considering changes, backlogs</li><li>• Perform controls testing over management’s claims data integrity processes</li><li>• Perform tests of detail on claims data</li><li>• Test the mechanics used to derive the Risk Adjustment and discount rates</li><li>• Perform independent calculations of management’s estimates of Liability for Incurred Claims</li><li>• Assess appropriateness of management’s judgements and assumptions</li><li>• Test the roll forward note disclosures for Best Estimate Liability cash flows and Risk Adjustmt</li></ul>
Results	<ul style="list-style-type: none"><li>• Test IFRS 17 transaction flows (i.e., testing journal entry flow from IFRS 17 actuarial models to the general ledger accounts/trial balance and subsequently into the financial statements and disclosures including the analysis of change)</li><li>• The analysis of change is a key component of the IFRS 17 disclosures and the reporting process, over which we would perform additional audit procedures such as control testing, audit of key inputs, and substantive testing and challenge of management’s analysis and conclusions</li></ul>	

Illustrative Timeline



# Appendices



# Appendix 1 – Required communications with Those Charged with Governance

Other matters required to be communicated to Those Charged with Governance (TCWG) under Canadian GAAS standards are the following:

Required communication	Reference/Comments
Any significant changes to the planned audit strategy / identified significant risks, and the reasons for such changes.	No significant changes in audit plan or risks.
Uncorrected and corrected misstatements, including disclosure misstatements.	None noted.
All significant deficiencies in internal control identified during the audit.	None noted.
<p>A draft copy of the auditor's report(s) we expect to issue including circumstances that affect the form and content of the auditor's report, if any, including:</p> <ul style="list-style-type: none"> <li>Expected qualifications to our opinion(s), including the circumstances that led to the expected qualification and the wording of the qualification.</li> <li>Inclusion of an Emphasis of Matter/Other Matter paragraph, and the related wording</li> <li>A material uncertainty related to going concern is reported</li> <li>An uncorrected material misstatement of the other information is reported</li> </ul>	We expect to issue unmodified auditor's reports, as included in Appendix 3.
<p>Significant qualitative aspects of the Society's accounting practices, including accounting policies, accounting estimates and financial statement disclosures.</p> <p>Our views of any significant accounting practices that are not the most appropriate to the particular circumstances of the entity (including any bias in management's judgments related to any of these matters).</p>	Appendix 2 sets out the significant accounting policies, judgments and estimates involved in preparation of the financial statements.
Our evaluation of whether the presentation of the financial statements and the related disclosures are in conformity with the applicable financial accounting framework, including consideration of the form, arrangement, and content of the financial statements.	In our judgment, the significant accounting practices and policies, selected and applied by management are, in all material respects, acceptable under IFRS and are appropriate to the particular circumstances of the Society.
Significant matters arising from the audit that were discussed with management and material written communications between management and us, including management representation letters.	Please see management representation letter provided under separate cover.

# Appendix 1 – Required communications with Those Charged with Governance (cont'd)

Required communication	Reference/Comments
<p>All relationships between the Society and us that, in our professional judgment, may reasonably be thought to bear on our independence and related safeguards that have been applied to eliminate identified threats to independence or reduce them to an acceptable level.</p> <p>A statement that, in our judgment, the engagement team and others in our firm and, when applicable, network firms have complied with relevant ethical requirements regarding independence.</p> <p>Any breaches to our independence, including the action we have taken / propose to take.</p>	<p>Our independence letter in Appendix 4 notes no independence matters.</p>
<p>Our evaluation of the Society's identification of, accounting for, and disclosure of its relationships with related parties. Our communication should also include other significant matters arising from the audit regarding the Society's relationships and transactions with related parties including, but not limited to:</p> <ul style="list-style-type: none"> <li>a. The identification of related parties or relationships or transactions with related parties that were previously undisclosed to the auditor;</li> <li>b. The identification of significant related party transactions that have not been authorized or approved in accordance with the Society's established policies or procedures;</li> <li>c. The identification of significant related party transactions for which exceptions to the Society's established policies or procedures were granted;</li> <li>d. The inclusion of a statement in the financial statements that a transaction with a related party was conducted on terms equivalent to those prevailing in an arm's-length transaction and the evidence obtained by the auditor to support or contradict such an assertion; and</li> <li>e. The identification of significant related party transactions that appear to the auditor to lack a business purpose.</li> </ul>	<p>No issues noted.</p>

# Appendix 2 – Significant accounting policies, judgments and estimates

## Audit assessment of significant accounting policies, practices and accounting estimates

### Significant accounting policies and practices

The Society's significant accounting policies have been included in Note 3 to the Financial Statements. No issues were noted with the significant accounting policies and practices selected and applied by management, including the related financial statement disclosures.

### Changes in accounting practices and policies and/or application of new and revised accounting standards

The Society has disclosed the deferral of the implementation of *IFRS 9 Financial Instruments* and has included disclosures of the future accounting changes for Insurance Contracts, IFRS 17, and IFRS 9.

### Significant accounting estimates

During the year ended December 31, 2021, management advised us that there were no significant changes in the basis for determining accounting estimates or in judgments relating to the application of the accounting policies.

Deloitte noted management has adequately disclosed the estimation uncertainty associated with accounting estimates in the financial statements.

## Extract of the Society's 2021 Balance Sheet

Balance sheet In thousands of Canadian \$	December 31, 2021	December 31, 2020
Cash	3,534	2,162
Short term investments	11,361	12,512
Bonds, including accrued interest	6,044	6,279
Interest income due and accrued	24	23
Premiums receivable	3,674	3,782
Prepaid expenses	151	144
Deferred policy acquisition costs	41	-
Reinsurers' share of unearned premiums	5,236	4,301
Reinsurance receivable	577	1,938
Provision for unpaid claims and adjustment expenses recoverable from reinsurers	64,708	66,246
<b>Total assets</b>	<b>95,350</b>	<b>97,388</b>
Accounts payable and accrued charges	360	434
Unearned premiums	6,245	5,304
Due to reinsurers	3,045	4,337
Provision for unpaid claims and adjustment expenses	72,867	74,831
Premium deficiency liability	-	31
<b>Total liabilities</b>	<b>82,517</b>	<b>84,936</b>
<b>Total equity</b>	<b>12,833</b>	<b>12,451</b>
<b>Total liabilities and equity</b>	<b>95,350</b>	<b>97,388</b>

## Financial statements line items involving significant judgements and estimates

**Provision for unpaid claims and adjustment expenses recoverable from reinsurers** include balances due from reinsurers for paid and unpaid losses. Amounts recoverable from reinsurers are estimated and recognized in a manner consistent with the reserve for losses associated with the related reinsurance contract. The Society reflects reinsurance balances on a gross basis in the statement of financial position to reflect the credit risk related to insurance. No concerns were noted with respect to the credit standing of the Society's reinsurance counterparties.

**Provision for unpaid claims and adjustment expenses** is calculated in accordance with Canadian accepted actuarial practice and involves estimates of loss activity that are, by necessity, subject to uncertainty and are derived from a wide range of possible outcomes. They have been estimated in a manner materially consistent with the approach followed in the prior year. Assumption changes decreased net liabilities by \$95,916 and the change in the discount rate and PfAD decreased net liabilities by \$318,985. Management's estimate of these actuarial liabilities is the most significant area of measurement uncertainty which utilizes models and significant management judgements in assumption determinations.

# Appendix 3 – Draft version of our Auditor’s Reports

## Draft Auditor’s Report on CLLAS Financial Statements

### Independent Auditor’s Report

To the Advisory Board of Canadian Lawyers Liability Assurance Society

#### Opinion

We have audited the financial statements of Canadian Lawyers Liability Assurance Society (the “Society”), which comprise the statements of financial position as at December 31, 2021, and the statements of comprehensive income (loss), changes in equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”).

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society’s financial reporting process.

#### Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(To be signed Deloitte LLP)

Chartered Professional Accountants

Licensed Public Accountants

Toronto, Ontario

February 22, 2022

# Appendix 3 – Draft version of our Auditor’s Reports

## Draft Auditor’s Report on CLLAS Minimum Capital Return

### Independent Auditor’s Report

To the Advisory Board of Canadian Lawyers Liability Assurance Society, and the Provincial Superintendents of Financial Institutions/Insurance

#### Opinion

We have audited the Minimum Capital Test on page 30.61 of the P&C Quarterly Return of Canadian Lawyers Liability Assurance Society (the “Society”) as at December 31, 2021 (the “MCT”).

In our opinion, the accompanying MCT of the Society as at December 31, 2021 is prepared, in all material respects, in accordance with the financial reporting provisions of Guideline A – Minimum Capital Test for Federally Regulated Property and Casualty Insurance Companies effective January 1, 2019 (the “Guideline”) prescribed by the Office of the Superintendent of Financial Institutions Canada (“OSFI”).

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the MCT section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the MCT in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Emphasis of Matter – Basis of Accounting

We draw attention to the fact that the MCT has been prepared in accordance with the financial reporting provisions of the Guideline. The MCT is prepared to assist the Society to meet the requirements of the Provincial Superintendents of Financial Institutions/Insurance. As a result, the MCT may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

#### Unaudited Information

We have not audited the schedules and exhibits except for page 30.61 of the Society’s P&C Quarterly Return. Accordingly, this auditor’s report and our opinion do not cover the schedules and exhibits on the other pages of the Society’s P&C Quarterly Return.

#### Other Matter

We issued a separate auditor’s report dated February 22, 2022 on the financial statements on pages 20.10 through 20.54 of the Society’s P&C Quarterly Return.

#### Responsibilities of Management and Those Charged with Governance for the MCT Return

Management is responsible for the preparation of the MCT Return in accordance with the financial reporting provisions of the Guideline, and for such internal control as management determines is necessary to enable the preparation of the MCT Return that is free from material misstatement, whether due to fraud or error.

In preparing the MCT, management is responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society’s financial reporting process.

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#### Auditor’s Responsibilities for the Audit of the MCT Return

Our objectives are to obtain reasonable assurance about whether the MCT is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this MCT.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the MCT, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates, if any, and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the MCT or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Society to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(To be signed Deloitte LLP)

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario

February 22, 2022



# Appendix 3 – Draft version of our Auditor’s Reports

## Draft Auditor’s Report on CLLAS P&C Return

### Independent Auditor’s Report

To the Advisory Board of Canadian Lawyers Liability Assurance Society, and the Provincial Superintendents of Financial Institutions/Insurance

#### Opinion

We have audited the financial statements of Canadian Lawyers Liability Assurance Society (the “Society”), which comprise the statements of assets and liabilities and equity at December 31, 2021, and the statements of income, retained earnings, comprehensive income (loss) and accumulated other comprehensive income (loss), reserves, changes in equity and cash flows for the year then ended on pages 20.10 through 20.54 of the Society’s P&C Quarterly Return and pages 20.52 and 20.60 of the Society’s P&C Annual Supplement, which includes the notes to the financial statements, including a summary of significant accounting policies (collectively referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Society as at December 31, 2021, and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards (“IFRS”).

#### Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards (“Canadian GAAS”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Society in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Unaudited Information

We have not audited the schedules and exhibits except for those on pages 20.10 through 20.54 of the Society’s P&C Quarterly Return and those on pages 20.52 and 20.60 of the Society’s P&C Annual Supplement. Accordingly, this auditor’s report and our opinion do not cover the schedules and exhibits on the other pages of the Society’s P&C Quarterly Return and P&C Annual Supplement.

#### Other Matter

We issued a separate auditor’s report dated February 22, 2022 on the MCT on page 30.61 of the Society’s P&C Quarterly Return.

#### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Society’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Society or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Society’s financial reporting process.

#### Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Canadian GAAS will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian GAAS, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Society’s internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Society’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Society to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

(To be signed Deloitte LLP)

Chartered Professional Accountants  
Licensed Public Accountants

Toronto, Ontario

February 22, 2022

# Appendix 4 – Independence Letter

February 9, 2022

## Private and confidential

To the Chairman and Members of the  
Audit Committee of Canadian Lawyers Liability Assurance Society

Dear Members:

We have been engaged to perform an audit of the financial statements of Canadian Lawyers Liability Assurance Society (the “Society”) as of and for the year ended December 31, 2021 and as contained on pages 20.10 to 20.60 of the Society’s P&C Annual Return in accordance with Canadian generally accepted auditing standards.

You have requested that we communicate in writing with you regarding our compliance with relevant ethical requirements regarding independence as well as all relationships and other matters between the Society, our Firm and network firms that, in our professional judgment, may reasonably be thought to bear on our independence. You have also requested us to communicate the related safeguards that have been applied to eliminate identified threats to independence or reduce them to an acceptable level.

We are not aware of any relationships between the Deloitte Entities and the Society and its affiliates, or persons in financial reporting oversight roles at the Society and its affiliates, that under the Rules of Professional Conduct of the applicable Chartered Professional Accountants provincial/territorial regulator/ordre of Ontario may reasonably be thought to bear on independence, that have occurred from February 5, 2021 to February 9, 2022.

The total fees charged to the Society for audit services were \$106,700 during the period covered by the financial statements.

We hereby confirm that we are independent with respect to the Society in accordance with the Rules of Professional Conduct of the applicable Chartered Professional Accountants provincial/territorial regulator/ordre of Ontario as of February 9, 2022.

This letter is intended solely for the information and use of the audit committee, management, and others within the Society and is not intended to be and should not be used for any other purposes.

We look forward to discussing with you the matters addressed in this letter at our upcoming meeting on February 15, 2022.



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