

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY

Report on the Actuarial Projection of Ultimate Settlement Values As at December 31, 2023

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PART 1—INTRODUCTION AND SCOPE

Introduction

The purpose of this report is to provide updated claims information to management and underwriters of reinsurance for the Canadian Lawyers Liability Assurance Society (“CLLAS”).

This report summarizes the analysis by Axxima Inc. (“Axxima”) of the reported claims information as at December 31, 2023.

This report is strictly for the use of CLLAS, its advisors, and underwriters of reinsurance in the context of their work for CLLAS. Any other use or disclosure should be discussed first with Axxima. If our report is distributed further, the report must be distributed in its entirety.

Any questions regarding this report should be addressed to Ms. Julie-Linda Laforce, the author of this report. Ms. Laforce’s contact information is as follows:

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Scope

This report provides an assessment of the estimated ultimate settlement value of the claims incurred by the current CLLAS subscribers as at December 31, 2023.

The estimates developed by Axxima for CLLAS are developed on a basis gross of all applicable reinsurance to provide an overall assessment of the potential ground-up cost of all claims incurred on or prior to December 31, 2023.

PART 2—OVERVIEW OF 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, Ontario and 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 up to the first \$50,000,000 is set out below. Note that for years in which there was a gap between the total CLLAS limit and \$50,000,000, the gap was filled by policies purchased from the commercial markets.

Table 1
CLLAS Historical Coverage Summary up to the First \$50,000,000

Coverage Period	Coverage Provided (in million \$) <i>Note 1</i>
July 1, 1987 to July 1, 1988	\$24.4 excess of \$0.6
July 1, 1988 to July 1, 1989 July 1, 1989 to July 1, 1990 July 1, 1990 to July 1, 1991	\$24.0 excess of \$1.0*
July 1, 1991 to July 1, 1992 July 1, 1992 to July 1, 1993 July 1, 1993 to July 1, 1994 July 1, 1994 to July 1, 1995 July 1, 1995 to July 1, 1996 July 1, 1996 to July 1, 1997 July 1, 1997 to July 1, 1998 July 1, 1998 to July 1, 1999 July 1, 1999 to July 1, 2000** July 1, 2000 to July 1, 2001** July 1, 2001 to July 1, 2002**	\$24.0 excess of \$1.0* \$10.0 excess of \$25.0

Coverage Period	Coverage Provided (in million \$) <i>Note 1</i>
July 1, 2002 to July 1, 2003** July 1, 2003 to July 1, 2004*** July 1, 2004 to July 1, 2005*** July 1, 2005 to July 1, 2006*** July 1, 2006 to July 1, 2007*** July 1, 2007 to July 1, 2008*** July 1, 2008 to July 1, 2009*** July 1, 2009 to July 1, 2010*** July 1, 2010 to July 1, 2011***	\$5.0* \$30.0 excess of \$5.0
July 1, 2011 to July 1, 2012**** July 1, 2012 to July 1, 2013**** July 1, 2013 to July 1, 2014**** July 1, 2014 to July 1, 2015**** July 1, 2015 to July 1, 2016**** July 1, 2016 to July 1, 2017**** July 1, 2017 to July 1, 2018**** July 1, 2018 to July 1, 2019**** July 1, 2019 to July 1, 2020**** July 1, 2020 to July 1, 2021**** July 1, 2021 to July 1, 2022**** July 1, 2022 to July 1, 2023**** July 1, 2023 to July 1, 2024****	\$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 Québec, all CLLAS coverage is provided in excess of a \$5 million retention up to and including policy year 2002/2003

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

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

Note 1: The policy limits presented in this column are per claim and in the annual aggregated except for the following:

- the \$5,000,000 policy for policy periods July 1, 2002 to July 1, 2007 where the aggregate limit was \$25,000,000;
- the \$5,000,000 policy for policy period July 1, 2007 to July 1, 2008 where the aggregate limit was \$12,000,000.
- the \$5,000,000 policy for policy periods July 1, 2008 to July 1, 2011 where the aggregate limit was \$5,000,000

The umbrella layer of coverage of \$30,000,000 excess of a minimum of \$65,000,000 (excess of a minimum of \$50,000,000 up to July 1, 2011) is subject to an annual aggregate of \$60,000,000 for all law firms combined. Coverage between the basic coverage described above (\$50,000,000 including underlying) and the minimum attachment point of \$65,000,000 of the umbrella layer is not provided by CLLAS, but left to individual subscribers to arrange, except for a secondary retention starting on July 1, 2017 (5% of \$30,000,000 in excess of \$50,000,000 or \$110,000,000 in excess of \$50,000,000).

CLLAS also offered a multitude of optional layers over time. As of July 1, 2021, the optional layers offered were \$10M, \$20M, \$30M, \$40M, \$50M or \$60M in excess of \$160M.



As of July 1, 2022, CLLAS began offering a second umbrella layer of coverage of \$30M per claim/\$60M aggregate in excess of \$250M.

Reinsurance

CLLAS cedes losses 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.

Starting with the policy year incepting July 1, 2013, the per-claim retention for CLLAS subject to the aggregate limit includes 100% of the layer \$975,000 excess of \$25,000. 100% of CLLAS losses in excess of \$1,000,000 is ceded to reinsurers. Colchester provides aggregate reinsurance coverage of \$10,000,000 in excess of a \$5,000,000 limit.

Membership and Management Changes

The number of insured lawyers increased from approximately 1,479 to 4,509 from 1987 to 2023. In addition to the 4,509 lawyers are 169 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 Canada LLP withdrew at June 30, 2017.

For the purpose of our analysis, the total number of lawyers for the prospective treaty year 2024/2025 is estimated at 4,509.

CLLAS is 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 2023 other than the General Manager role for CLLAS was transitioned from Patrick Mahoney to Carrie Green.

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 Upper Canada (LSUC) 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.

Limitations

For the purposes of our analysis, we were provided with data from CLLAS on the claims and exposures under the program. Although we have conducted a number of tests to ensure that the data provided were reasonable, we have relied on such data without formal audit or verification.

Axxima does not assume the responsibility for the result of any error or omission in the data or other materials furnished in the preparation of this report.

By its nature, the program is subject to statistical and other deviations in loss experience. As a result we cannot guarantee our projections of future loss experience as being the maximum extent of the exposure to loss for CLLAS.

Claims 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 those liabilities, we have used models, procedures and assumptions which, in our view, are reasonable and appropriate and we believe the resulting estimates are reasonable given the information available.

PART 3—ACTUARIAL ANALYSIS

This section describes the methodology and assumptions used by Axxima to estimate the ultimate settlement value of claims incurred by CLLAS to date.

This estimation of ultimate losses is based on the following information reviewed and analysed by Axxima:

- The coverage provided by CLLAS currently and historically;
- The data collected by CLLAS regarding the underlying exposures; and
- The claims reported as of December 31, 2023 (the “valuation date”) as well as the significant changes in the case reserve amounts as of March 31, 2024.

The coverage provided by the program was described in Table 1 of this report.

The statistical information reviewed and analysed for this report includes all claims reported at a ground-up level since the inception of the CLLAS program in 1987. Since inception, 1,885 claims have been reported on account of different treaty years with a total reported incurred ground-up value of \$513,334,434 as shown in Exhibit 1.

Methodology

This claims information at the aggregate level by treaty year was used to estimate the ultimate losses for each year using a standard actuarial chain-ladder methodology on reported incurred and cumulative paid experience. The projection of ultimate losses is shown in Exhibit 1. A summary of the historical claims experience by treaty year at different claim maturities is also included in Exhibits 3 through 5 of this report.

The estimated ultimate losses for each historical treaty year include the following components:

- Cumulative paid losses and loss adjustment expenses recorded up to the valuation date (“Cumulative Paid Losses”);
- Case reserves for indemnities and loss adjustment expenses recorded at the valuation date (“Current Case Reserves”); and
- An estimated actuarial provision (“Actuarial Provision”) to cover the cost of adverse development on reported but unsettled claims, the costs associated with the re-opening of closed claims and the expected costs of late reported claims not yet recorded at the valuation date.

This review of the Actuarial Provision is established on an undiscounted value basis without consideration for prospective investment income likely to be generated between the valuation date

and the settlement date of claims and without consideration for the internal unallocated claims administration expenses expected to be incurred by CLLAS to manage the settlement of claims. However, since the paid and incurred experience reported on each claim includes the cost of adjustment expenses incurred at the individual claim level, it does include a provision for the future allocated loss adjustment expenses incurred to settle individual claims.

Results

The estimated aggregate ground-up experience over time can be summarized as follows:

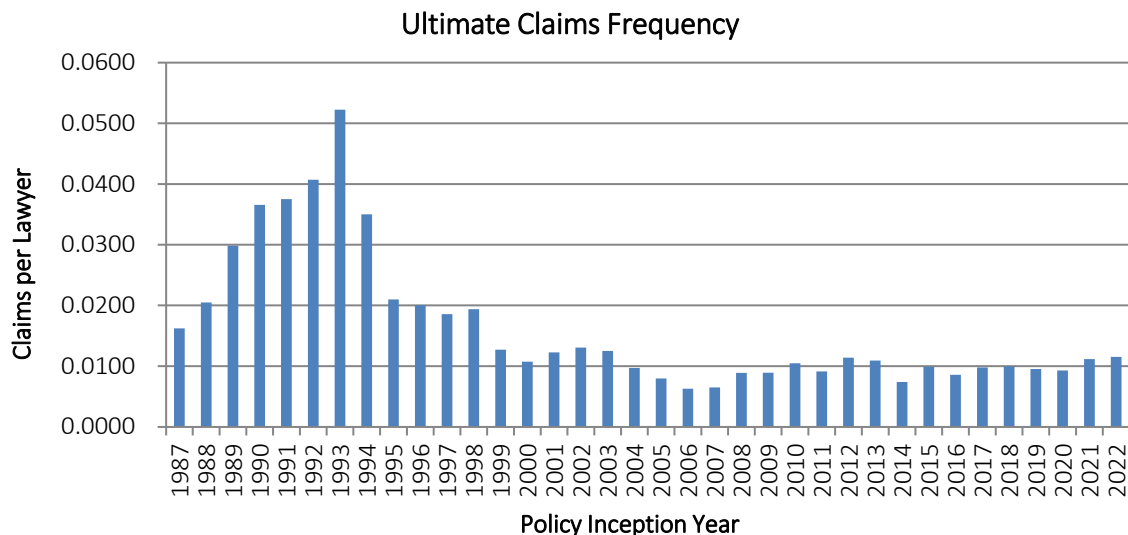
Table 2
Average Estimated Ground-up Ultimate Losses per Treaty Year⁽¹⁾

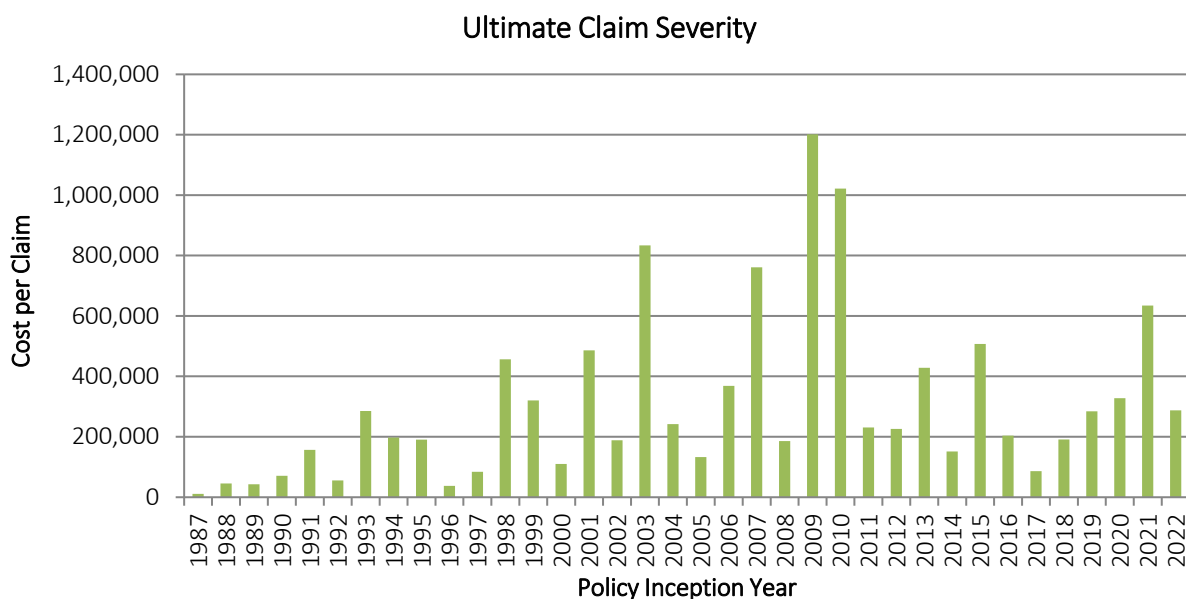
Average	Reported Losses at 12/31/2023 (\$000's)	Estimated Ultimate Losses (\$000's)	Estimated Ultimate Claims	Estimated Ultimate Claim Severity	Estimated Ultimate Loss Cost per Lawyer
5 Years	\$9,031	\$14,640	41	\$344,690	\$3,658
10 Years	\$9,982	\$12,809	39	\$309,992	\$3,191
15 Years	\$15,403	\$17,288	41	\$397,627	\$4,090
All Years	\$14,208	\$14,993	51	\$306,612	\$4,109

Data Source: Exhibit 1 – Columns [3], [9], [12] and [14]

(1) 2023 omitted for credibility reasons

Ultimate claim frequency and severity indications are shown below:





As illustrated in Exhibit 2, there was deterioration in the loss experience during 2023, which is driven by large unfavourable claims emergence on single claims. The expected increase in incurred claims during the 2023 calendar year on prior treaty years was a \$13,380,000 increase compared to an increase of \$14,537,000 in actual incurred losses over the same period.

PART 4—LIST OF EXHIBITS

Exhibit 1	Summary of Estimated Ground-Up Ultimate Losses
Exhibit 2	Comparison of Actual Development to Expected Development During
Exhibit 3	Ground Up Incurred Losses Development Factor Selection
Exhibit 4	Ground Up Paid Losses Development Factor Selection
Exhibit 5	Ground Up Claim Count Development Factor Selection

Canadian Lawyers Liability Assurance Society
Summary of Estimated Ground-Up Ultimate Losses

Exhibit 1

Treaty Year	Exposed Lawyers	Reported Incurred Losses	Age to Ultimate Incurred LDF	Estimated Ultimate Incurred Losses	Cumulative Paid Losses	Age to Ultimate Paid LDF	Estimated Ultimate Paid Losses	Selected Ultimate Losses	Reported Incurred Non-Zero Claims	Age to Ultimate LDF	Estimated Ultimate Claims	Estimated Ultimate Claims Frequency Per Lawyer	Estimated Ultimate Claims Severity
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]	[12]	[13]	[14]
1987	1,479	\$255,751	1.000	\$255,751	\$255,751	1.000	\$255,751	\$255,751	24	1.000	24	0.0162	\$10,656
1988	1,807	\$1,673,300	1.000	1,673,300	1,673,300	1.000	1,673,300	1,673,300	37	1.000	37	0.0205	45,224
1989	2,078	\$2,655,706	1.000	2,655,706	2,655,706	1.000	2,655,706	2,655,706	62	1.000	62	0.0298	42,834
1990	2,352	\$6,059,360	1.000	6,059,360	6,059,360	1.000	6,059,360	6,059,360	86	1.000	86	0.0366	70,458
1991	2,400	\$14,078,492	1.000	14,078,492	14,078,492	1.000	14,078,492	14,078,492	90	1.000	90	0.0375	156,428
1992	2,433	\$5,491,955	1.000	5,491,955	5,491,955	1.000	5,491,955	5,491,955	99	1.000	99	0.0407	55,474
1993	2,507	\$37,389,958	1.000	37,389,958	37,389,958	1.000	37,389,958	37,389,958	131	1.000	131	0.0523	285,420
1994	2,514	\$17,348,113	1.000	17,348,113	17,348,113	1.000	17,348,113	17,348,113	88	1.000	88	0.0350	197,138
1995	2,525	\$10,099,385	1.000	10,099,385	10,099,385	1.000	10,099,385	10,099,385	53	1.000	53	0.0210	190,554
1996	2,594	\$1,936,471	1.000	1,936,471	1,936,471	1.000	1,936,471	1,936,471	52	1.000	52	0.0200	37,240
1997	2,640	\$4,109,525	1.000	4,109,525	4,109,525	1.000	4,109,525	4,109,525	49	1.000	49	0.0186	83,868
1998	2,838	\$25,100,723	1.000	25,100,723	25,100,723	1.000	25,100,723	25,100,723	55	1.000	55	0.0194	456,377
1999	3,229	\$13,119,207	1.000	13,119,207	13,119,207	1.000	13,119,207	13,119,207	41	1.000	41	0.0127	319,981
2000	4,008	\$4,726,198	1.000	4,726,198	4,726,198	1.000	4,726,198	4,726,198	43	1.000	43	0.0107	109,912
2001	4,242	\$25,282,592	1.000	25,282,592	25,282,592	1.000	25,282,592	25,282,592	52	1.000	52	0.0123	486,204
2002	4,523	\$11,100,894	1.000	11,100,894	11,100,894	1.000	11,100,894	11,100,894	59	1.000	59	0.0130	188,151
2003	4,719	\$49,181,313	1.000	49,181,313	49,181,313	1.000	49,181,313	49,181,313	59	1.000	59	0.0125	833,582
2004	4,743	\$11,131,383	1.000	11,131,383	5,631,383	1.000	5,631,383	11,131,383	46	1.000	46	0.0097	241,987
2005	4,770	\$5,034,661	1.000	5,034,661	5,034,661	1.000	5,034,661	5,034,661	38	1.000	38	0.0080	132,491
2006	4,772	\$11,057,324	1.000	11,057,324	11,057,324	1.000	11,057,324	11,057,324	30	1.000	30	0.0063	368,577
2007	4,784	\$23,592,636	1.000	23,592,636	23,592,636	1.000	23,592,636	23,592,636	31	1.000	31	0.0065	761,053
2008	4,835	\$7,970,467	1.000	7,970,467	7,970,467	1.000	7,970,467	7,970,467	43	1.000	43	0.0089	185,360
2009	4,817	\$51,645,675	1.000	51,645,675	51,645,675	1.000	51,645,675	51,645,675	43	1.000	43	0.0089	1,201,062
2010	4,771	\$51,069,444	1.000	51,069,444	50,833,442	1.000	50,833,442	51,069,444	50	1.000	50	0.0105	1,021,389
2011	4,708	\$9,921,973	1.000	9,921,973	9,848,868	1.004	9,885,543	9,921,973	43	1.000	43	0.0091	230,744
2012	4,128	\$10,619,001	1.000	10,619,001	8,644,892	1.011	8,742,253	10,619,001	47	1.000	47	0.0114	225,936
2013	4,124	\$19,266,787	1.000	19,266,787	13,518,855	1.020	13,791,620	19,266,787	45	1.000	45	0.0109	428,151
2014	4,198	\$4,693,226	1.002	4,702,218	3,558,670	1.037	3,689,603	4,693,226	31	1.000	31	0.0074	151,394
2015	4,141	\$20,793,494	1.012	21,044,125	13,345,400	1.090	14,548,081	20,793,494	41	1.000	41	0.0099	507,158
2016	4,084	\$6,897,950	1.046	7,216,775	5,868,819	1.199	7,034,401	7,125,588	35	1.000	35	0.0086	203,588
2017	3,582	\$3,016,318	1.138	3,433,254	1,483,735	1.377	2,043,311	3,016,318	35	1.000	35	0.0098	86,181
2018	3,710	\$6,248,200	1.231	7,694,449	4,109,359	1.561	6,413,505	7,053,977	37	1.000	37	0.0100	190,648
2019	3,884	\$10,508,002	1.331	13,986,678	2,179,726	1.951	4,252,191	10,508,002	37	1.000	37	0.0095	284,000
2020	3,965	\$12,047,840	1.608	19,369,876	971,623	2.954	2,870,361	12,047,840	37	0.995	37	0.0093	327,387
2021	4,146	\$11,260,770	2.280	25,675,052	6,762,852	5.961	40,312,795	29,334,488	49	0.944	46	0.0112	634,112
2022	4,308	\$5,090,737	3.071	15,633,388	624,475	16.205	10,119,799	14,254,991	59	0.841	50	0.0115	287,302
2023	2,255	\$1,859,604	7.773	14,453,899	91,418	200.607	18,339,114	15,425,203	28	1.140	32	0.0142	483,437
Total	133,609	\$513,334,434		\$564,128,006	\$456,383,223		\$527,417,107	\$555,171,420	1,885		1,877	0.0140	\$295,841
Averages ⁽¹⁾													
5 Year	4,002	\$9,031,110		\$16,471,888	\$2,929,607		\$12,793,730	\$14,639,859	44		41		\$344,690
10 Year	4,014	\$9,982,332		\$13,802,260	\$5,242,351		\$10,507,567	\$12,809,471	41		39		\$309,992
15 Year	4,227	\$15,403,326		\$17,949,944	\$12,091,124		\$15,610,203	\$17,288,085	42		41		\$397,627
All Years	3,649	\$14,207,634		\$15,268,725	\$12,674,772		\$14,141,055	\$14,992,950	52		51		\$306,612

Notes:

[1]	Year of inception. Treaty year runs from July 1, XX to June 30, XX+1. 2023 is a 6 month period.	[9]	Selection of ultimate losses based on the average of [5] and [8] limited to a minimum value equivalent to the reported incurred losses. Except for Treaty Years 2021 to 2023 which use 75% of incurred ultimate [5] and 25% of paid ultimate [8].
[2]	Earned lawyers by treaty year.		
[3]	From Exhibit 3. Claims reported at December 31, 2023. Excludes negative reported claims in 1993.		
[4]	From Exhibit 3.	[10]	From Exhibit 5.
[5]	[3] x [4]. Two large claims (2010-059 and 2011-145) with incurred values of \$32,898,259 and \$31,869,573 are not developed.	[11]	From Exhibit 5.
[6]	From Exhibit 4.	[12]	[10] x [11].
[7]	From Exhibit 4.	[13]	[12] / [2].
[8]	[6] x [7]. Two large claims (2010-059 and 2011-145) with paid values of \$32,898,259 and \$31,869,573 are not developed.	[14]	[9] / [12].

(1) Averages excluding the last year

Canadian Lawyers Liability Assurance Society
Comparison of Actual Development to Expected Development During 2023

Exhibit 2

Treaty Year	Actual Incurred Losses 12/2020	Age to Age LDF	Expected Incurred Losses 12/2021	Actual Incurred Losses 12/2021	Actual Less Expected	Cumulative Paid Losses 12/2020	Age to Age LDF	Expected Paid Losses 12/2021	Actual Paid Losses 12/2021	Actual Less Expected
[1]	[2]	[3]	[4]	[5]	[6]	[7]	[8]	[9]	[10]	[11]
1987	\$255,751	1.000	\$255,751	\$255,751	\$0	\$255,751	1.000	\$255,751	\$255,751	\$0
1988	1,673,300	1.000	1,673,300	1,673,300	0	1,673,300	1.000	1,673,300	1,673,300	0
1989	2,655,706	1.000	2,655,706	2,655,706	0	2,655,706	1.000	2,655,706	2,655,706	0
1990	6,059,360	1.000	6,059,360	6,059,360	0	6,059,360	1.000	6,059,360	6,059,360	0
1991	14,078,492	1.000	14,078,492	14,078,492	0	14,078,492	1.000	14,078,492	14,078,492	0
1992	5,491,955	1.000	5,491,955	5,491,955	0	5,491,955	1.000	5,491,955	5,491,955	0
1993	37,389,958	1.000	37,389,958	37,389,958	0	37,389,958	1.000	37,389,958	37,389,958	0
1994	17,348,113	1.000	17,348,113	17,348,113	0	17,348,113	1.000	17,348,113	17,348,113	0
1995	10,099,385	1.000	10,099,385	10,099,385	0	10,099,385	1.000	10,099,385	10,099,385	0
1996	1,936,471	1.000	1,936,471	1,936,471	0	1,936,471	1.000	1,936,471	1,936,471	0
1997	4,109,525	1.000	4,109,525	4,109,525	0	4,109,525	1.000	4,109,525	4,109,525	0
1998	25,100,723	1.000	25,100,723	25,100,723	0	25,100,723	1.000	25,100,723	25,100,723	0
1999	13,119,207	1.000	13,119,207	13,119,207	0	13,119,207	1.000	13,119,207	13,119,207	0
2000	4,726,198	1.000	4,726,198	4,726,198	0	4,726,198	1.000	4,726,198	4,726,198	0
2001	25,282,592	1.000	25,282,592	25,282,592	0	25,282,592	1.000	25,282,592	25,282,592	0
2002	11,100,894	1.000	11,100,894	11,100,894	0	11,100,894	1.000	11,100,894	11,100,894	0
2003	49,181,313	1.000	49,181,313	49,181,313	0	49,181,313	1.000	49,181,313	49,181,313	0
2004	11,131,383	1.000	11,131,383	11,131,383	0	5,631,383	1.000	5,631,383	5,631,383	0
2005	5,034,661	1.000	5,034,661	5,034,661	0	5,034,661	1.000	5,034,661	5,034,661	0
2006	11,057,324	1.000	11,057,324	11,057,324	0	11,057,324	1.000	11,057,324	11,057,324	0
2007	23,773,184	1.000	23,773,184	23,592,636	(180,547)	16,354,911	1.000	16,354,911	23,592,636	7,237,725
2008	7,970,467	1.000	7,970,467	7,970,467	0	7,970,467	1.000	7,970,467	7,970,467	0
2009	51,645,675	1.000	51,645,675	51,645,675	0	51,645,675	1.000	51,645,675	51,645,675	0
2010	50,877,447	1.000	50,877,447	51,069,444	191,997	42,053,971	1.006	42,113,658	50,833,442	8,719,783
2011	10,203,648	1.000	10,203,648	9,921,973	(281,675)	9,846,826	1.004	9,884,951	9,848,868	(36,083)
2012	10,703,473	1.000	10,703,473	10,619,001	(84,472)	8,585,995	1.010	8,671,808	8,644,892	(26,916)
2013	16,850,920	1.002	16,891,928	19,266,787	2,374,859	12,321,562	1.019	12,558,624	13,518,855	960,231
2014	5,872,098	1.009	5,924,915	4,693,226	(1,231,689)	2,226,616	1.032	2,297,729	3,558,670	1,260,941
2015	20,401,477	1.037	21,159,196	20,793,494	(365,702)	8,544,877	1.111	9,489,337	13,345,400	3,856,064
2016	7,398,309	1.069	7,908,298	6,897,950	(1,010,347)	5,857,131	1.103	6,461,153	5,868,819	(592,334)
2017	3,116,318	1.116	3,479,035	3,016,318	(462,717)	1,428,376	1.199	1,712,063	1,483,735	(228,328)
2018	6,327,340	1.085	6,862,613	6,248,200	(614,413)	1,089,892	1.302	1,419,271	4,109,359	2,690,088
2019	6,926,303	1.123	7,780,833	10,508,002	2,727,169	1,926,314	1.350	2,599,805	2,179,726	(420,079)
2020	6,945,236	1.421	9,868,031	12,047,840	2,179,809	628,335	1.939	1,218,152	971,623	(246,530)
2021	8,351,634	1.402	11,710,071	11,260,770	(449,301)	1,493,550	3.658	5,463,516	6,762,852	1,299,336
2022	2,742,172	2.453	6,726,843	5,090,737	(1,636,106)	28,486	10.843	308,875	624,475	315,601
	\$496,938,011		\$510,317,965	\$511,474,830	\$1,156,865	\$423,335,294		\$431,502,305	\$456,291,805	\$24,789,500

[2] From prior year analysis.

[3] From prior year analysis.

[4] [2] x [3]

[5] From Exhibit 1, Column [3].

[6] [5] - [4].

[7] From prior year analysis.

[8] From prior year analysis.

[9] [7] x [8]. 2009 and 2010 adjusted for large claims (2010-059 and 2011-145).

[10] From Exhibit 1, Column [6].

[11] [10] - [9].

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
Ground Up Paid Losses (in '000s)
as of December 31, 2023

Policy Period	Age-to-Age Factors																											
	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	210-222	222-234	234-246	246-258	258-270	270-282	282-294	294-306			
1987-2								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	1.000	1.000			
1988-1							1.000	1.041	1.000	1.075	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			
1988-2							1.000	1.000	1.000	1.000	1.000	1.000	1.125	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1989-1						1.106	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	1.000	1.000	1.000			
1989-2						1.259	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	1.000	1.000	1.000			
1990-1					1.215	1.071	1.062	0.982	1.354	1.000	1.000	1.010	1.053	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1990-2					1.061	1.537	2.644	1.618	1.178	1.002	1.000	1.003	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			
1991-1				1.162	1.034	1.039	1.046	1.149	1.014	1.356	1.001	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			
1991-2				1.026	1.339	8.587	1.023	1.131	1.001	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			
1992-1			1.254	2.442	1.024	1.030	1.014	1.002	0.982	1.451	1.000	1.000	1.000	1.000	1.000	1.038	0.964	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1992-2			1.074	1.016	1.019	2.558	1.371	1.002	1.090	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			
1993-1			1.313	0.993	1.052	1.617	1.025	1.100	1.001	1.663	1.001	1.005	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			
1993-2			1.445	43.755	1.005	1.049	1.005	1.005	1.033	1.024	1.069	1.026	1.013	1.647	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1994-1	11.083	2.459	1.068	1.135	1.271	1.029	1.033	1.008	1.037	1.013	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.006	1.009	1.000	1.000	1.000	1.000	1.000	1.000			
1994-2	3.321	5.923	2.909	1.124	1.026	1.316	1.004	1.001	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	1.000			
1995-1	10.101	1.901	10.059	1.036	1.123	1.066	1.005	1.005	1.014	1.007	1.004	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			
1995-2	60.721	9.122	1.352	1.011	1.311	1.664	1.012	1.099	1.000	1.000	1.000	1.001	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			
1996-1	31.380	3.940	1.117	1.316	1.357	1.182	1.092	1.045	1.008	1.012	1.023	1.000	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1996-2	1.896	1.168	1.507	1.068	1.045	0.876	1.097	0.912	1.258	1.000	1.662	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			
1997-1	11.242	2.000	2.264	1.250	1.079	1.035	1.006	1.159	1.003	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			
1997-2	20.102	1.169	1.025	4.538	1.100	1.085	1.130	1.126	1.336	1.193	1.026	0.975	1.000	1.000	1.001	1.000	1.006	1.001	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
1998-1	93.040	4.287	6.488	1.650	1.001	1.002	1.002	1.004	1.042	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			
1998-2	87.996	1.022	81.501	0.960	1.086	1.002	1.001	1.000	1.002	1.000	1.002	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			
1999-1	7.816	3.267	1.120	1.651	1.035	1.011	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	1.000	1.000	1.000			
1999-2	50.090	2.092	1.269	1.464	1.880	1.061	0.907	1.012	1.272	1.001	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			
2000-1	1.774	2.298	1.090	3.326	1.015	1.079	0.872	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	1.000	1.000			
2000-2	23.835	2.815	1.787	1.016	1.001	1.155	1.020	1.043	0.964	1.014	1.003	1.007	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			
2001-1	41.245	1.315	1.040	1.137	1.142	1.015	1.049	1.060	1.115	1.051	1.022	1.005	1.022	1.055	1.001	1.003	1.010	1.045	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2001-2	27.021	2.021	2.210	1.130	2.898	1.017	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	1.000	1.000	1.000			
2002-1	30.181	1.116	1.157	1.062	1.293	1.003	1.284	1.001	1.006	1.000	0.974	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			
2002-2	1.940	3.448	1.196	1.234	1.032	1.040	2.176	1.000	1.000	1.003	1.006	1.008	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			
2003-1	11.901	1.643	4.913	1.192	1.226	1.689	0.997	0.978	1.021	1.020	1.065	1.039	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			
2003-2	666.511	1.609	1.220	1.227	2.483	1.119	1.000	1.000	1.000	1.001	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			
2004-1	523.400	50.346	1.006	1.002	1.006	1.117	1.285	1.149	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	1.000			
2004-2	26.729	8.781	1.023	1.021	1.021	1.016	1.343	1.005	1.004	1.003	1.007	1.007	1.020	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2005-1	7.300	1.155	0.993	1.082	1.171	0.868	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	1.000	1.000	1.000			
2005-2	4.196	1.598	3.624	1.038	1.147	1.063	1.034	1.126	1.170	1.003	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			
2006-1	303.144	1.467	1.122	1.077	1.090	1.300	1.001	1.138	1.012	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			
2006-2	2.557	1.575	2.440	1.230	1.122	5.828	1.009	1.001	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	1.000			
2007-1	18.426	3.046	0.852	1.135	1.022	1.018	1.073	1.105	1.479	1.032	1.005	1.034	1.262	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000			
2007-2	2.270	12.555	1.021	1.024	0.999	1.000	1.264	0.939	0.949	0.945	0.938	0.369	1.000	1.000	0.689	1.000												
2008-1		1.476	3.369	11.208	1.002	1.018	1.003	1.006	1.003	1.002	1.004	1.005	1.008	1.029	1.553													
2008-2	34.918	1.404	1.160	1.685	2.729	1.062	2.236	1.001	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				
2009-1	38.028	1.418	1.114	1.267	1.057	1.744	1.014	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	1.000	1.000			
2009-2	8.881	2.634	1.425	1.121	1.840	1.141	1.163	1.461	3.037	1.000	1.000	1.000	1.000	1.000	1.000													
2010-1	10.159	2.515	1.606	2.980	1.039	1.011	1.017	1.002	1.000	1.087	1.013	1.006	1.138															
2010-2	30.167	1.317	1.055	1.403	1.072	1.004	1.001	1.002	1.211	1.001	1.000	1.017	5.236															
2011-1	9.626	1.141	1.594	1.085	1.053	1.094	1.066	4.657	1.004	1.000	1.002	1.000																
2011-2	4.978	1.576																										

**Non-Zero Incurred Claim Count
as of December 31, 2023**

[illegible]

CANADIAN LAWYERS LIABILITY ASSURANCE SOCIETY
Non-Zero Incurred Claim Count
as of December 31, 2023

Policy Period	Age-to-Age Factors																								
	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	210-222	222-234	234-246	246-258	258-270	270-282	282-294	294-306
1987-2								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	1.000	1.000
1988-1								1.000	1.000	1.000	0.917	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
1988-2								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	1.000	1.000
1989-1						0.941		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	1.000	1.000
1989-2						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	1.000	1.000	1.000
1990-1					1.045	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.022	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1990-2					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	1.000	1.000	1.000	1.000	1.000
1991-1				1.000	0.964	1.000	0.981	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	1.000	1.000
1991-2				1.000	0.975	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	1.000	1.000	1.000	1.000
1992-1			0.944	1.000	1.020	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.020	0.981	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
1992-2			1.000	1.000	1.029	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	1.000	1.000	1.000	1.000
1993-1		0.985	0.970	0.984	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	1.000	1.000	1.000	1.000	1.000
1993-2		1.000	1.017	0.983	0.983	1.000	1.000	1.000	1.000	1.000	1.000	1.018	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
1994-1	1.786	0.987	1.000	1.000	0.986	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	1.000	1.000	1.000	1.000
1994-2	1.298	1.000	0.984	0.983	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	1.000	1.000	1.000	1.000	1.000
1995-1	1.000	0.814	0.914	0.969	0.935	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	1.000	1.000	1.000	1.000
1995-2	1.625	0.885	0.957	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	1.000	1.000	1.000	1.000	1.000	1.000
1996-1	1.028	0.865	1.000	0.969	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	1.000	1.000	1.000	1.000	1.000
1996-2	0.893	0.880	0.818	1.000	1.000	0.944	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	1.000	1.000	1.000
1997-1	0.865	1.031	0.879	1.276	1.027	0.921	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	1.000	1.000	1.000
1997-2	1.077	0.714	0.900	2.556	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	1.000	1.000	1.000	1.000	1.000
1998-1	0.783	1.111	1.400	0.929	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	1.000	1.000	1.000	1.000	1.000
1998-2	1.167	0.929	2.077	1.000	1.000	1.000	1.000	0.963	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	1.000
1999-1	4.286	1.067	0.938	0.967	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	1.000	1.000	1.000	1.000	1.000
1999-2	1.182	0.923	0.875	0.952	0.950	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	1.000	1.000	1.000	1.000
2000-1	0.963	0.962	0.920	1.043	0.917	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	1.000	1.000	1.000	1.000
2000-2	0.682	0.867	1.000	1.000	1.000	1.000	1.000	0.933	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	1.000
2001-1	1.333	1.000	1.000	1.000	0.906	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	1.000	1.000	1.000	1.000
2001-2	0.903	0.821	0.957	1.000	0.955	1.000	1.000	1.000	1.048	0.955	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
2002-1	0.825	0.851	0.875	0.943	1.000	1.000	0.970	1.000	1.000	1.000	1.000	1.000	0.969	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000	1.000
2002-2	0.692	0.917	0.939	1.000	1.000	1.000	1.000	0.968	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	1.000
2003-1	0.976	0.780	0.906	1.069	1.000	0.968	0.967	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	1.000	1.000
2003-2	2.917	0.886	1.032	0.938	1.000	1.000	0.933	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	1.000	1.000
2004-1	1.944	1.029	1.000	0.944	1.000	0.971	1.000	0.939	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	1.000
2004-2	2.250	0.852	1.043	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	1.000	1.000	1.000	1.000	1.000	1.000
2005-1	1.031	0.788	0.885	1.087	0.960	0.917	1.000	1.000	1.000	0.955	1.000	1.048	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
2005-2	1.045	0.870	1.000	0.850	1.059	0.944	0.941	1.063	0.941	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
2006-1	0.565	0.885	1.000	0.957	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	1.000	1.000	1.000	1.000	1.000
2006-2	1.000</																								