



## STAFF REPORT ACTION REQUIRED

### Actuarial Financial Review

<b>Date:</b>	May 31, 2016
<b>To:</b>	TTC Insurance Company Limited Board of Directors
<b>From:</b>	Chief Executive Officer

### Summary

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As required under Subsection 121.17(1) of the Insurance Act (Ontario), the Appointed Actuary for TTC Insurance Company Limited is required to meet with the board of directors at least annual to report on the financial position of the Company and present its report on the expected financial future condition of the Company.

### Recommendations

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#### It is recommended that the board of directors

1. Receive the attached summary from the Annual Actuarial Report (Attachment A), and
2. Approve the attached Expected Future Financial Condition (EFFC) report that forecasts the expected future financial condition of TTC Insurance Company Limited (Attachment B) as prepared by the Company's Appointed Actuary Collins Barrow Toronto Actuarial Services Inc.

### Financial Summary

There are no financial implications resulting from the adoption of this report.

The Chief Financial & Administration Officer has reviewed this report and agrees with the financial impact information.

### Accessibility/Equity Matters

There are no accessibility or equity issues associated with this report.

### Decision History

On June 22, 2015, the shareholders of TTC Insurance Company Limited appointed Collins Barrow Toronto Actuarial Services Inc. as the Appointed Actuary for the 2015 fiscal year.

[http://www.ttc.ca/About\\_the\\_TTC/Subsidiaries/TTC\\_Insurance\\_Company\\_Ltd/2015/June\\_22\\_2015/Meeting\\_Of\\_Shareholders/Reports/Appointment\\_of\\_Actua.pdf](http://www.ttc.ca/About_the_TTC/Subsidiaries/TTC_Insurance_Company_Ltd/2015/June_22_2015/Meeting_Of_Shareholders/Reports/Appointment_of_Actua.pdf)

## **Issue Background**

Subsection 121.17(1) of the Insurance Act states that “an actuary of the insurer shall meet with the directors of the insurer or, if the directors so choose, with the audit committee of the insurer at least once during each fiscal year”.

The Appointed Actuary provides an actuarial estimate of reserves for outstanding claims for the Company.

## **Comments**

As required by the Insurance Act (Ontario), the Appointed Actuary for TTC Insurance Company Limited shall report on the financial position of the Company and present the results of the Expected Future Financial Condition report to the board of directors.

## **Contact**

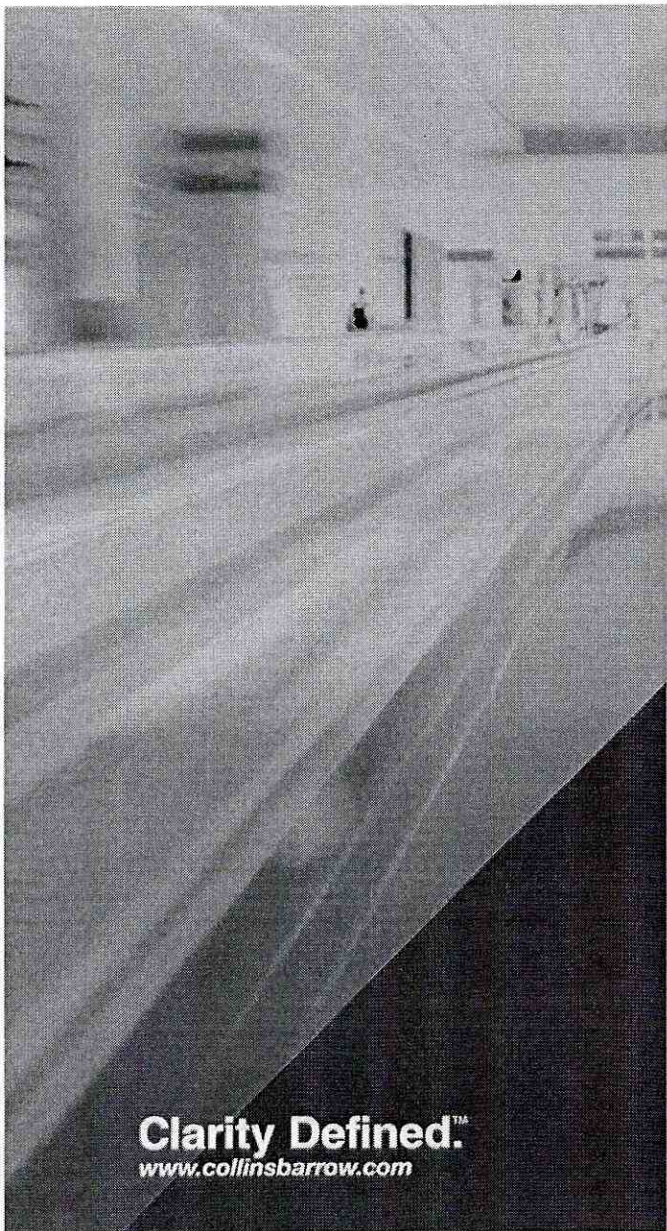
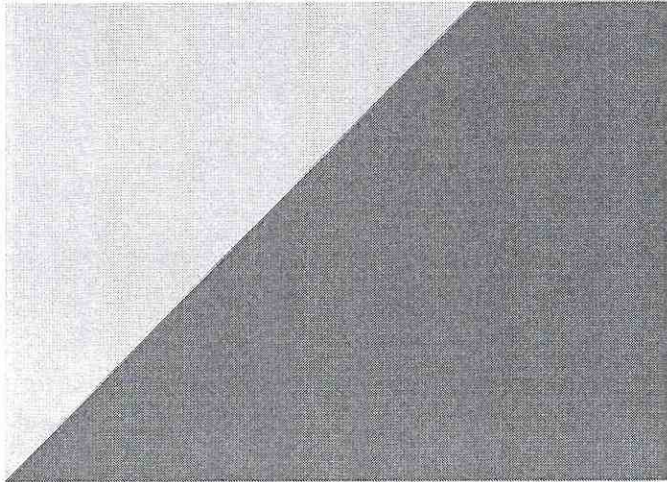
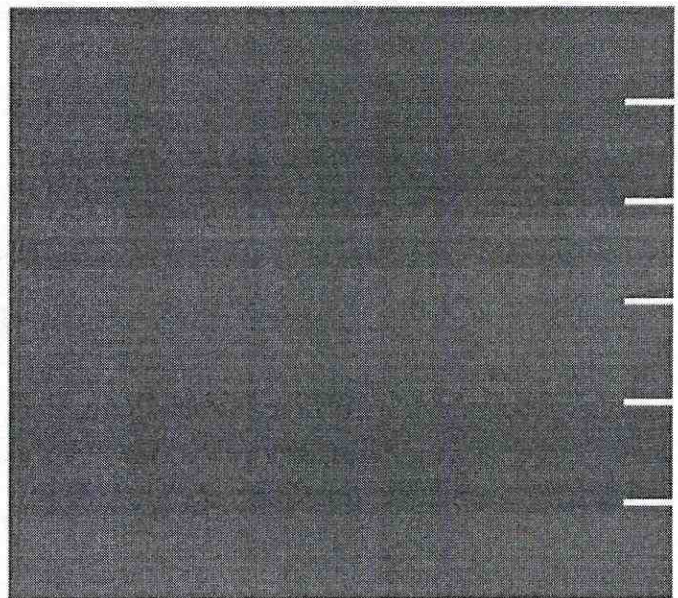
Vincent Rodo  
President, TTC Insurance Company Limited  
Phone: 416-393-3914  
Email: [Vincent.rodo@ttc.ca](mailto:Vincent.rodo@ttc.ca)

## **Attachments**

Attachment A: Executive Summary from the Annual Actuarial Report  
Attachment B: Expected Future Financial Condition Report



COLLINS BARROW TORONTO  
**ACTUARIAL SERVICES**




**TTC INSURANCE COMPANY LIMITED**

**APPOINTED ACTUARY'S REPORT**

As at December 31, 2015

*Prepared by:*

James K. Christie  
Collins Barrow Toronto Actuarial Services Inc.  
jkchristie@collinsbarrow.com  
Direct Line: 674-727-3679

 **Collins Barrow**



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## INTRODUCTION

**Company:** TTC Insurance Company Limited

**Purpose:** This actuarial valuation report is required under subsection 102(7) of the Insurance Act (Ontario), 1990, Chapter I.8.

**Valuation Date:** December 31, 2015

**Author:** James K. Christie, F.C.I.A.

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**E-mail:** [jkchristie@collinsbarrow.com](mailto:jkchristie@collinsbarrow.com)

**Position:** Appointed Actuary of TTC Insurance Company Limited

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## EXECUTIVE SUMMARY

This report is part of the annual statement required by the Financial Services Commission of Ontario ("FSCO"). The purpose of this report is to provide an opinion on the appropriateness of policy provisions for TTC Insurance Company Limited as at December 31, 2015. The standard of materiality used in this report is \$1,800,000.

TTC Insurance Company Limited (hereafter also referred to as "the Company" or "TTCICL") is a provincially registered insurance company whose main purpose is to provide proof of insurance cards to the vehicles operated by the Toronto Transit Commission ("TTC"). Starting in 2007, the Company issued two annual OAPI policies with three named insureds: Toronto Transit Commission, Toronto Transit Infrastructure Limited (formerly Toronto Transit Consultants Limited), and Toronto Coach Terminal (collectively referred to as "the policyholder").

The Company does not have ceded reinsurance agreements. However, the policyholder has excess liability insurance coverage of \$245 million excess of \$5 million per occurrence for both auto and general liability. This excess liability insurance does not apply to accident benefit claims.

By way of a special deductible on liability and accident benefit claims, the TTC will reimburse the Company up to \$5 million per claim. If a claim should exceed \$5 million and it is not covered by external insurance, the TTC unconditionally guarantees to reimburse the Company for all claims or expenses in excess of \$5 million. Consequently, the Company has virtually no insurance exposure at all.

On September 1, 2010, Ontario introduced automobile insurance reforms reducing accident benefits. These reforms reduced the cost of accident benefits and increased the cost of bodily injury liability. At the request of the policyholder, the Company amended its two policies so that only the new standard accident benefits will apply to accidents after August 31, 2010.

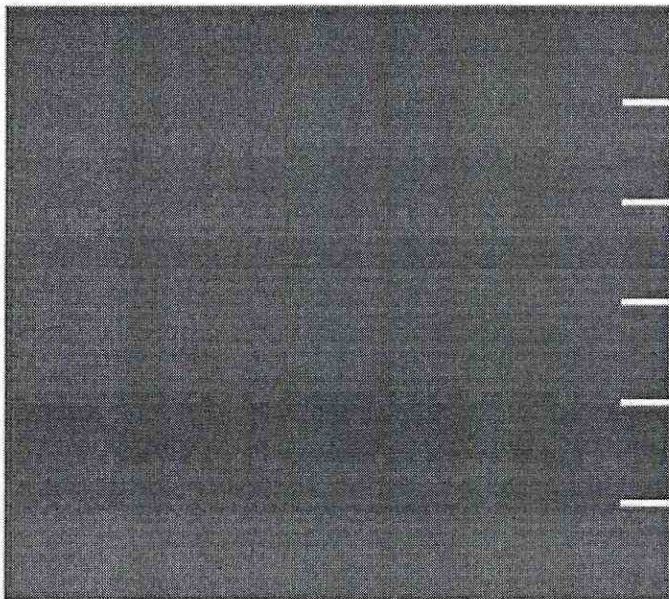
In May 2011, Ontario passed legislation that applies to public transit. Essentially, the legislation allows the Company to not pay accident benefits to the injured person on an insured transit automobile if the vehicle does not hit any object. The injured person will continue to have the right to pursue indemnity through the traditional tort system. With the enactment of the reform and the new law, accident benefits claim costs per insured vehicle fell from approximately \$10,000 in 2010 to approximately \$2,800 in 2012.

A comparison of the actual experience with the expected experience for the last eight years on a pre-deductible basis is shown in detail in Appendix D. Due to several large Bodily Injury claims for various prior accident years identified in the past calendar year, there was an overall deficiency of \$8,376,000 relative to last year's calculation of ultimate claims.

Since the date of this opinion, I am not aware of any subsequent event that would materially affect the results of my valuation.



COLLINS BARROW TORONTO  
**ACTUARIAL SERVICES**




**TTC INSURANCE COMPANY LIMITED**

APPOINTED ACTUARY'S REPORT  
ON THE EXPECTED  
FUTURE FINANCIAL CONDITION

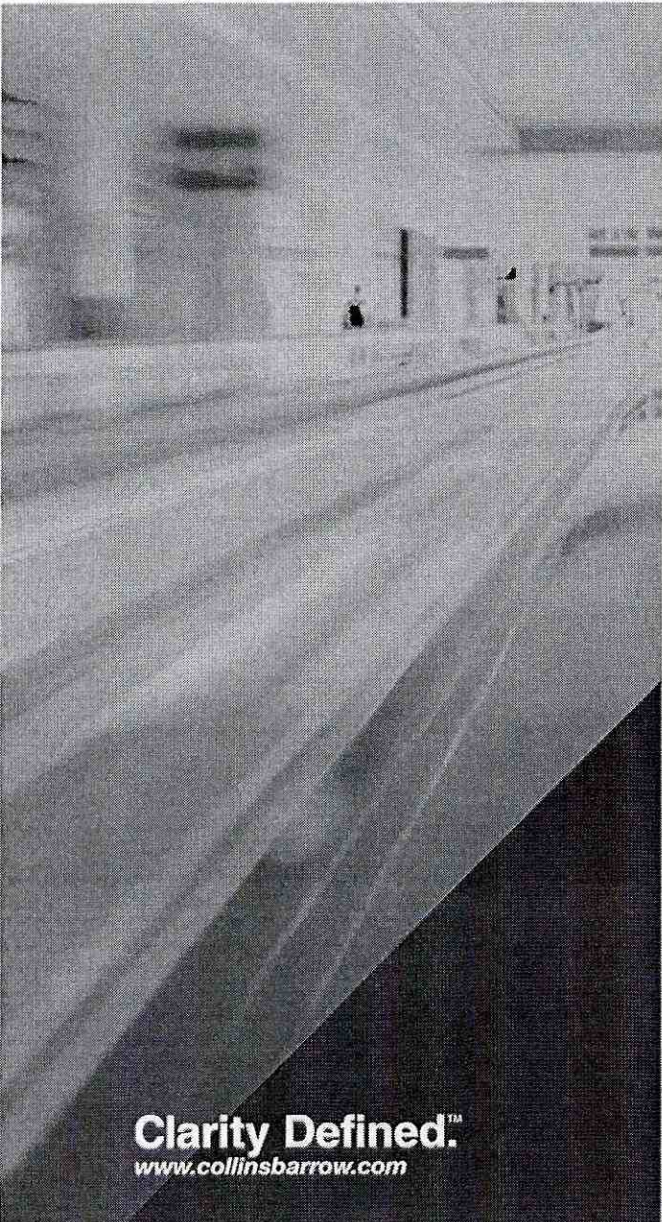
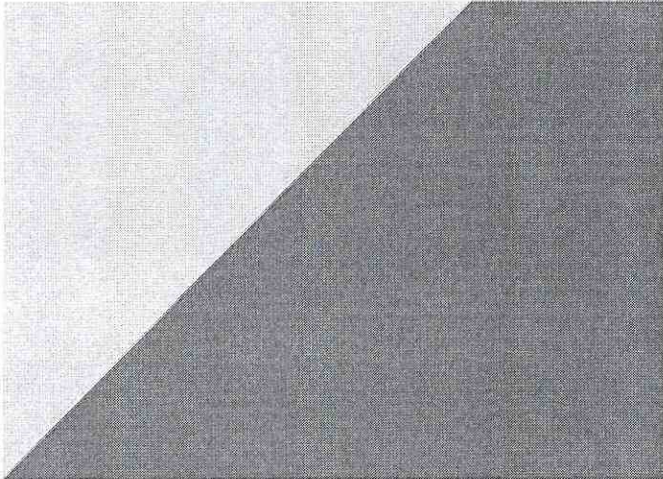
As at December 31, 2015

*Prepared by:*

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**Collins Barrow**



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**TRANSMITTAL LETTER**

May 31, 2016

Financial Services Commission of Ontario  
5160 Yonge Street  
17<sup>th</sup> Floor  
Toronto, Ontario M2N 6L9

Dear Sirs/Mesdames:

I hereby submit my report on the expected future financial condition of TTC Insurance Company Limited using data as of December 31, 2015.

My presentation to the Board of Directors of TTC Insurance Company Limited was made on May 31, 2016. The presentation covered the major assumptions and results of the base and adverse scenarios in my report.

Since the date of my opinion, I am not aware of any subsequent event that might affect the conclusions of my report.

Yours truly,



James K. Christie, FCIA  
Appointed Actuary



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## 1. EXECUTIVE SUMMARY

The purpose and scope of this report is to assess the expected future financial condition of TTC Insurance Company Limited (hereafter referred to as "the Company" or "TTCICL"). The Company is deemed to have a satisfactory financial condition if its Minimum Capital Test ("MCT") ratio is greater than 150% in the base scenario for all projection years and its equity is greater than zero in all adverse but plausible scenarios. The standard of materiality used in this report is \$1,800,000.

The Company is a provincially registered insurance company whose main purpose is to provide proof of insurance cards to the vehicles operated by the Toronto Transit Commission ("TTC").

The Company is fully indemnified as all claims and expenses would be covered by either a special deductible from the TTC or external insurance that TTC holds.

Based on our analysis, the Company has little exposure to insurance or investment risk. The only risks to which the Company is exposed are regulatory changes affecting the existence of the Company or the City of Toronto defaulting on its obligations. These events are unlikely to occur during the forecast period.

Under the base scenario, the equity of the Company remains above zero and its MCT ratio is above 150% over the three-year forecast period. The Company's equity remains positive in all adverse scenarios. I therefore conclude that the Company's future financial condition is satisfactory.

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## 2. OPINION

I have completed my investigation of the future financial condition of TTC Insurance Company Limited as at December 31, 2015 in accordance with accepted actuarial practice in Canada.

I have analyzed the forecasted financial positions of the insurer during the three-year forecast period under a series of scenarios. A description of these scenarios and their impact on the insurer is included within this report.

The most significant assumptions are described within this report. The investigation incorporates assumptions relating to business growth, investments, claims experience, capital injections, and other internal and external conditions during the forecast period.

My report includes the identification of key risk exposures and corrective management actions that could be taken to mitigate the effect of plausible adverse scenarios.

In my opinion, the future financial condition of the insurer is satisfactory under these assumptions.



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Signature of Appointed Actuary  
James K Christie, FCIA

May 31, 2016

Toronto, Ontario

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### 3. INTRODUCTION

#### 3.1 Purpose and Scope of the Report

The purpose of this report is:

- i. To inform the Company's management of the significant risks to which the Company is exposed;
- ii. To recommend possible actions that could be taken to reduce or eliminate the exposure to those risks; and
- iii. To satisfy the requirements of the Insurance Act (Ontario).

The scope of this report is to assess the expected future financial condition of the Company during the three-year forecast period (from January 1, 2016 to December 31, 2018), in accordance with the standards of practice of the Canadian Institute of Actuaries and the regulatory requirements of Financial Services Commission of Ontario ("FSCO").

#### 3.2 Distribution and Use

This report is prepared for TTCICL for its internal use and filing with the regulatory authorities under the Insurance Act (Ontario).

This report contains confidential information about the Company. It may be distributed to any regulator in a jurisdiction in which the Company operates or intends to obtain a license. Furthermore, the Company may distribute this report to its parent company, its affiliated companies, and its external auditor. Anyone else should be considered a third party.

This report is neither intended nor necessarily suitable for any use other than that stated in Section 3.1. Distribution beyond the intended audiences mentioned in the above paragraph is permitted provided that it is authorized by the Company and the recipient acknowledges that he or she is a third party to this report.

Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, are the responsibility of such third parties. Collins Barrow Toronto Actuarial Services Inc. accepts no responsibility for damages, if any, suffered by any third party as a result of decisions or actions made based on this report.

Third parties agree to keep this report confidential and make no further distribution of this report without the express written consent of the Company.



### 3.3 Role of the Appointed Actuary

Mr. James K. Christie, the Appointed Actuary, being duly appointed by the Board of Directors of the Company, is required by applicable insurance legislation to report on the expected future financial condition of the Company in accordance with accepted actuarial practice in Canada.

### 3.4 Process

The process to assess the expected future financial condition of the Company includes the following steps:

- i. Review the recent and current financial position of the Company and develop a base scenario using the Company's business plan for the three-year forecast period.
- ii. Develop plausible but adverse scenarios that will impact the Company's surplus.
- iii. Evaluate the impact of the developed scenarios on the Company's capital level by calculating the capital ratio as per the MCT guideline for property and casualty insurance companies. The Company is deemed to have a satisfactory financial condition if its MCT ratio is greater than 150% in the base scenario for all projection years and its equity is greater than zero in all adverse but plausible scenarios.
- iv. Identify corrective management actions to mitigate any material risks.

The results of the above-listed steps are summarized in Sections 4 through 6 of this report.

### 3.5 Data and Reliance

We used the 2015 Annual Statement and the 2015 Appointed Actuary's Report that the Company submitted to FSCO. All policy liabilities are calculated on an actuarial present value basis.

The Company does not produce a business plan, so it has been assumed that the Company's business plan is to continue its operations in a manner consistent with recent years.

Figures in this report may differ slightly from figures on detailed worksheets due to rounding.

### 3.6 Standard of Materiality

There is a limitation on the accuracy of actuarial forecast as there is inherent uncertainty in any estimate of future premiums, claims, expenses, investment incomes, taxes and regulatory reserves required.

The standard of materiality used in this report is \$1,800,000, about 1% of the Company's assets at December 31, 2015.

### 3.7 Changes from Last Year's Report

There are no material changes from last year's report.

## 4. BASE SCENARIO

### 4.1 Company Overview

TTCICL is a provincially registered insurance company, incorporated in 1994, whose main purpose is to provide liability cards to the vehicles operated by the Toronto Transit Commission. Starting in 2007, the Company issued two annual OAPI policies with three named insureds: Toronto Transit Commission, Toronto Transit Infrastructure Limited (formerly, Toronto Transit Consultants Limited) and Toronto Coach Terminal (collectively referred to as "the policyholder").

The two policies are named TAP2015A and TAP2015B. TAP2015A policy covers all heavy commercial vehicles owned, registered and/or leased by the named insureds while TAP2015B covers all revenue and non-revenue vehicles owned, registered and/or leased by the named insureds. The latest complete policy period was January 1, 2015 to December 31, 2015. The coverage is limited by the statutory limit required for public vehicles in each province in which the accident occurs.

The named insureds have excess liability insurance coverage of \$245 million excess of \$5 million per occurrence for both auto and general liability. This excess insurance does not apply to accident benefit claims. This coverage increased from \$120 million excess of \$5 million as of June 1, 2015.

By way of a special deductible on liability and accident benefit claims, the Toronto Transit Commission will reimburse the Company up to \$5 million per claim. If an accident benefit claim should exceed \$5 million and it is not covered by external insurance, the Toronto Transit Commission unconditionally guarantees to reimburse the Company for all claims or expenses in excess of \$5 million. Consequently, the Company has virtually no insurance exposure at all.

### 4.2 Significant Events

In May 2011, Ontario passed legislation that applies to public transit. Essentially, the legislation allows the Company to not pay accident benefits to the injured person on an insured transit automobile if the TTC vehicle does not hit any object. The injured person will continue to have the right to pursue indemnity through the traditional tort system.

Since the enactment of the reform and the new law, accident benefits claim cost per insured vehicle has fallen from approximately \$10,000 in 2010 to approximately \$2,800 in 2012.

### 4.3 Company Capital

By Provincial Order in Council, the Company's license requires the Company to maintain capital of at least \$100,000.

The deductibles that are due from the Toronto Transit Commission are classified as receivables. As a condition to maintain the Company's license, these receivables must be unconditionally guaranteed by the Toronto Transit Commission and the City of Toronto. Therefore, for the purpose of determining the Company's required capital using the MCT guideline, these receivables are deemed to be government grade and do not require any capital.



As of December 31, 2015, the Company's required capital is zero.

Currently the Company holds \$2.9 million in cash. In April 2016, the Company increased this amount by \$200,000 to \$3.1 million. Approximately \$3.1 million is equivalent to one month's claim payments before reimbursement from the Toronto Transit Commission.

#### **4.4 International Financial Reporting Standard ("IFRS")**

TTCICL's financial statements are prepared in accordance with the Public Sector Accounting Standards ("PSAS"). However, in accordance with PS 1150 Generally Accepted Accounting Principles, and in the absence of specific guidance under PSAS, the guidance from IFRS 4, Insurance Contracts, is used for the measurement and presentation of insurance liabilities. Due to TTC's indemnity agreement with the Toronto Transit Commission which provides full reimbursement of incurred claims, the contracts issued by the Company do not in substance transfer any insurance risk and are therefore not considered insurance contracts under IFRS. Therefore, the contract is recorded on the Statement of Financial Position and unpaid claims are classified as Insurance Liabilities with corresponding receivables from its named insureds.

Phase 1 implementation of IFRS in Canada has been in place since the financial statement year 2011. Any significant actuarial impact has already been reflected in the financial statements. Phase 2 implementation of IFRS will have more actuarial impacts, however, many issues have yet to be finalized. Until those issues are finalized, further impacts cannot be estimated.

#### **4.5 Development of Base Scenario**

The emphasis of the actuarial forecast is to measure the marginal change in equity and capital adequacy under various adverse scenarios, and determine if the Company can continue to discharge its policy obligations. The actual result may differ from the expected result due to the risks discussed in Section 5 of this report. The base scenario is the best estimate forecast.

We established a base scenario using December 31, 2015 data. We assumed a 2.4% growth in the 2016 Other Liabilities, followed by 5% annual growth in 2017 and 2018. We also set investment income due and accrued for 2016-2018 equal to the 2015 amount. Management fees, the only general expenses that the Company has, are set equal to the Company's revenues.

The equity of the Company remains above zero over the projection period. The MCT ratio of the Company is above 150% under the base scenario during the three-year forecast period (from January 1, 2016 to December 31, 2018). Note that the MCT ratio is not meaningful due to the Company's required capital being zero and therefore the MCT ratio cannot be determined.

The Base Scenario pro-forma financial statements and MCT calculation are provided in Appendix 1 of this report.



## 5. ADVERSE SCENARIOS

The following is an assessment of the Company's exposure to various risk categories and the projected impact on surplus.

### 5.1 Claim Frequency and Severity Risk

The policyholders have excess liability insurance coverage of \$245 million excess of \$5 million per occurrence for both auto and general liability. This excess insurance does not apply to accident benefit claims.

By way of a special deductible on liability and accident benefit claims, the Toronto Transit Commission will reimburse the Company up to \$5 million per claim.

If an accident benefit claim should exceed \$5 million and it is not covered by external insurance, the Toronto Transit Commission unconditionally guarantees to reimburse the Company for all claims or expenses in excess of \$5 million.

Since the Company has no insurance exposure at all, the Company has no risk exposure to increases in claims costs, and thus there is no projected impact on surplus.

### 5.2 Policy Liabilities Risk

Since the Company is fully indemnified from the Toronto Transit Commission as described in Section 5.1, the Company has no risk exposure to misestimation of future amounts payable for its liabilities, and thus there is no projected impact on surplus.

### 5.3 Inflation Risk

Since the Company is fully indemnified from the Toronto Transit Commission as described in Section 5.1, the Company has no risk exposure to increases in claims costs due to inflation, and thus there is no projected impact on surplus.

### 5.4 Premium Risk

The sole purpose of the Company is to provide proof of insurance cards to the named insureds. Since the Company has no competition for these insureds and no premium, the Company has no risk exposure to shifts in the premium volume, and thus there is no projected impact on surplus.

### 5.5 Reinsurance Risk

Since the Company has no reinsurance arrangements, the Company has no risk exposure to reinsurance risk, and thus there is no projected impact on surplus.

## 5.6 Investment Risk

The Company only holds cash. Since the amount of revenues is completely offset by an equal amount of management fees, the Company has no risk exposure to changes in economic conditions, and thus there is no projected impact on surplus.

## 5.7 Government and Political Risk

If the regulator requires the Company to increase its capital level, then the named insureds of the Company could be forced to use an alternative carrier to issue proof of insurance cards, and the need for the Company to exist would cease; consequently the Company would shift into run-off operation. Since all claims would continue to be fully indemnified by the Toronto Transit Commission as described in Section 5.1, the Company has no risk exposure and thus there is no projected impact on surplus. The likelihood of any government and political changes within the forecast period is expected to be minimal.

## 5.8 Off-Balance-Sheet Risk

There are no off-balance sheets that may adversely affect the Company's financial condition and thus there is no projected impact on surplus.

## 5.9 Related Company Risk

Any increases in the Company's liabilities will be offset by the receivables due from the Toronto Transit Commission (the Company's ultimate parent company), which are unconditionally guaranteed by both the Toronto Transit Commission and the City of Toronto. In the unlikely event that the Toronto Transit Commission is unable to meet its obligations to the Company, the City of Toronto will assume responsibility for these obligations. The Company's exposure to this risk is minimal.

## 6. CONCLUSIONS AND RECOMMENDATIONS

Under the base scenario, the equity of the Company remains above zero and its MCT ratio is above 150% over the three-year forecast period.

Since the Company is fully indemnified from the Toronto Transit Commission, the Company has very little risk exposure to having its surplus fall below its current level. Accordingly, the Company's MCT ratio is projected to remain above 150% during the three-year forecast period.

I conclude that the Company's future financial condition is satisfactory. No corrective management action is required at this point.



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## 7. APPENDICES

### Appendix 1 – Base Scenario

TTC Insurance Company Limited  
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**ASSETS**  
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	December 2012	December 2013	December 2014	December 2015	2016	2017	2018
Cash and Cash Equivalents	01	3,000	3,400	3,400	2,900	2,800	2,800
Investment Income due and accrued	02	3	4	4	2	2	2
Assets held for sale	50	-	-	-	-	-	-
Investments:							
Short Term investments	04	-	-	-	-	-	-
Bonds and Debentures	05	-	-	-	-	-	-
Mortgage Loans	06	-	-	-	-	-	-
Preferred Shares	07	-	-	-	-	-	-
Common Shares	08	-	-	-	-	-	-
Investment Properties	09	-	-	-	-	-	-
Other Loans and Invested Assets	10	-	-	-	-	-	-
<b>Total Investments (lines 04 to 10)</b>	19	-	-	-	-	-	-
Receivables:							
Unaffiliated Agents and Brokers	20	-	-	-	-	-	-
Policyholders	21	-	-	-	-	-	-
Installment Premiums	22	-	-	-	-	-	-
Other Insurers	23	-	-	-	-	-	-
"Facility Association" and the "P.R.R."	24	-	-	-	-	-	-
Subsidiaries, Associates & Joint Ventures/Affiliates	25	-	-	-	-	-	-
Other Receivables	27	154,746	141,462	155,419	182,212	187,034	206,434
Recoverable from Reinsurers:							
Unearned Premiums	30	-	-	-	-	-	-
Unpaid Claims and Adjustment Expenses	31	-	-	-	-	-	-
Other Recoverables on Unpaid Claims	37	-	-	-	-	-	-
Interests in Subsidiaries, Associates & Joint Ventures	40	-	-	-	-	-	-
Property and Equipment	41	-	-	-	-	-	-
Deferred Policy Acquisition Expenses	43	-	-	-	-	-	-
Current Tax Assets	52	-	-	-	-	-	-
Deferred Tax Assets	44	-	-	-	-	-	-
Goodwill	54	-	-	-	-	-	-
Intangible Assets	56	-	-	-	-	-	-
Defined Benefit Pension Plan Assets	58	-	-	-	-	-	-
Other Assets	88	-	-	-	-	-	-
<b>TOTAL ASSETS</b>	89	157,749	144,866	158,823	185,114	189,837	209,237



TTC Insurance Company Limited  
20.20  
LIABILITIES  
(\$'000)

	December 2012	December 2013	December 2014	December 2015	2016	2017	2018
<b>LIABILITIES</b>							
Overdrafts	01	-	-	-	-	-	-
Borrowed Money and Accrued Interest	02	-	-	-	-	-	-
Payables:							
Agents and Brokers	03	-	-	-	-	-	-
Policyholders	04	-	-	-	-	-	-
Other Insurers	05	-	-	-	-	-	-
Subsidiaries, Associates & Joint Ventures/Affiliates	06	2,903	3,304	3,304	2,802	3,137	3,137
Expenses due and accrued	07	-	-	-	-	-	-
Other Taxes due and accrued	09	-	-	-	-	-	-
Policyholder Dividends and Rating Adjustments	10	-	-	-	-	-	-
Encumbrances on Real Estate	11	-	-	-	-	-	-
Unearned Premiums	12	-	-	-	-	-	-
Unpaid Claims and Adjustment Expenses	13	-	-	-	-	-	-
Unearned Commissions	14	-	-	-	-	-	-
Ceded Deferred Premium Taxes	20	-	-	-	-	-	-
Premium Deficiency	15	-	-	-	-	-	-
Liabilities held for sale	17	-	-	-	-	-	-
Current Tax Liabilities	18	-	-	-	-	-	-
Deferred Tax Liabilities	21	-	-	-	-	-	-
Self-Insured Retention (SIR) portion of unpaid claims	22	-	-	-	-	-	-
Defined Benefit Pension Plan Obligation	23	-	-	-	-	-	-
Employment Benefits (not including amounts on line 23 above)	24	-	-	-	-	-	-
Subordinated Debt	25	-	-	-	-	-	-
Preferred Shares - Debt	26	-	-	-	-	-	-
Provisions and Other Liabilities	28	154,746	141,462	155,419	186,600	196,000	206,000
<b>Total Liabilities</b>	29	157,649	144,766	158,723	189,737	199,137	209,137
<b>EQUITY</b>							
Shares issued and paid							
Common	41	100	100	100	100	100	100
Preferred	33	-	-	-	-	-	-
Contributed Surplus	42	-	-	-	-	-	-
	43	-	-	-	-	-	-
Retained Earnings	44	-	-	-	-	-	-
Reserves	45	-	-	-	-	-	-
Accumulated Other Comprehensive Income (Loss)	47	-	-	-	-	-	-
<b>Total Policyholders/Shareholders' Equity</b>	59	100	100	100	100	100	100
Non-controlling Interests	48	-	-	-	-	-	-
<b>Total Equity</b>	49	100	100	100	100	100	100
<b>TOTAL LIABILITIES AND EQUITY</b>	89	157,749	144,866	158,823	189,837	199,237	209,237

TTC Insurance Company Limited  
20.30  
STATEMENT OF INCOME  
(\$'000)

	December 2012	December 2013	December 2014	December 2015	2016	2017	2018
<b>UNDERWRITING OPERATIONS</b>							
Premiums Written							
Direct	01	-	-	-	-	-	-
Reinsurance Assumed	02	-	-	-	-	-	-
Reinsurance Ceded	03	-	-	-	-	-	-
<b>Net Premiums Written</b>	04	-	-	-	-	-	-
Decrease (increase) in Net Unearned Premiums	05	-	-	-	-	-	-
<b>Net Premiums Earned</b>	06	-	-	-	-	-	-
Service Charges	07	-	-	-	-	-	-
Other	08	-	-	-	-	-	-
<b>Total Underwriting Revenue</b>	09	-	-	-	-	-	-
Gross Claims and Adjustment Expenses	62	-	-	-	-	-	-
Reinsurers' share of claims and adjustment expenses	64	-	-	-	-	-	-
<b>Net Claims and Adjustment Expenses</b>	10	-	-	-	-	-	-
Acquisition Expenses							
Gross Commissions	66	-	-	-	-	-	-
Ceded Commissions	68	-	-	-	-	-	-
Taxes	12	-	-	-	-	-	-
Other	14	-	-	-	-	-	-
General Expenses	16	39	40	44	36	40	40
<b>Total Claims and Expenses</b>	19	39	40	44	36	40	40
Premium Deficiency Adjustments	20	-	-	-	-	-	-
<b>Underwriting Income (Loss)</b>	29	(39)	(40)	(44)	(36)	(40)	(40)
<b>INVESTMENT OPERATIONS</b>							
Income	32	-	-	-	-	-	-
Recognized Gains (Losses)	33	-	-	-	-	-	-
Expenses	34	-	-	-	-	-	-
<b>Net Investment Income</b>	39	-	-	-	-	-	-
<b>OTHER REVENUE AND EXPENSES</b>							
Income (Loss) from Ancillary Operations (net of Expenses of \$'000)	40	-	-	-	-	-	-
Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventur	41	-	-	-	-	-	-
Gain (Losses) from fluctuations in Foreign Exchange Rates	42	-	-	-	-	-	-
Other Revenues	44	39	40	44	36	40	40
Finance costs	45	-	-	-	-	-	-
Other Expenses	46	-	-	-	-	-	-
<b>Net Income (Loss) before Income Taxes</b>	49	-	-	-	-	-	-
<b>INCOME TAXES</b>							
Current	50	-	-	-	-	-	-
Deferred	51	-	-	-	-	-	-
<b>Total Income Taxes</b>	59	-	-	-	-	-	-
<b>NET INCOME (LOSS) FOR THE YEAR</b>	89	-	-	-	-	-	-
<b>ATTRIBUTABLE TO:</b>							
Non-controlling interests	80	-	-	-	-	-	-
Equity Holders	82	-	-	-	-	-	-

TTC Insurance Company Limited  
30.70  
MINIMUM CAPITAL TEST  
(\$'000)

	December 2012	December 2013	December 2014	December 2015	2016	2017	2018
<b>Capital Available</b>							
Equity	100	100	100	100	100	100	100
Subordinated Indebtedness and Redeemable Preferred Shares*	-	-	-	-	-	-	-
Investments - Adjustment to Market	-	-	-	-	-	-	-
Less: Assets with a Capital Requirement of 100%	-	-	-	-	-	-	-
<b>Total Capital Available</b>	100	100	100	100	100	100	100
<b>Capital Required</b>							
On-Balance Sheet Assets	-	-	-	-	-	-	-
Unearned Premiums/Unpaid Claims	-	-	-	-	-	-	-
Catastrophes	-	-	-	-	-	-	-
Reinsurance Ceded to Unregistered Insurers	-	-	-	-	-	-	-
Off-Balance Sheet Exposures	-	-	-	-	-	-	-
<b>Total Capital Required</b>	-	-	-	-	-	-	-
<b>Excess Capital Available over Capital Required (line 09 minus line 29)</b>	100	100	100	100	100	100	100
Line 09 as a % of line 29	N/A	N/A	N/A	N/A	N/A	N/A	N/A