



SASKATCHEWAN MUTUAL INSURANCE COMPANY

ANNUAL REPORT 2000



"Security & Service Since 1908"

CORPORATE MISSION

Saskatchewan Mutual Insurance Company is dedicated to providing security for its policyholders and employees. Building on an historical foundation of integrity, commitment and superior service, SMI will successfully meet the challenges of the future through strategic planning and innovation.



REPORT OF THE BOARD OF DIRECTORS

The Board of Directors is pleased to present the 2000 Annual Report to the policyholders of Saskatchewan Mutual Insurance Company.

Despite increased loss and expense ratios in 2000, SMI's underwriting results continue to be much better than those of the industry overall. In particular, our loss ratio is well below the industry loss ratio, and we note that 2000 is the fourth consecutive year we have achieved a loss ratio less than 60%. Net earnings amounted to \$558,000 for 2000. Earned surplus increased to \$12.5 million at the end of the year and assets now total \$33.4 million.

In 2000 we were able to achieve our goal of managed, modest growth in revenue. Net earned premiums increased 8% to \$16.8 million. Our Saskatchewan automobile premiums grew substantially, rising 14% from 1999.

The loss ratio increased to 59% in 2000 from 54% in 1999. All lines of business had acceptable loss ratios in 2000 with claims experience on farm business improving significantly from 1999. Claims experience in Alberta and Manitoba deteriorated due to a large number of habitational fire losses, while underwriting results in Saskatchewan were excellent for every line of business.

Investment income increased by 9% in 2000 to \$1.4 million as realized gains rose dramatically. Investments now total \$25.1 million. At the end of 2000, there were substantial changes made to the mix of equities in the investment portfolio in order to achieve both higher returns and increased diversification. The very prudent investment policy established by the Board of Directors has served the company very well during the volatile financial markets of 2000 and 2001.

We wish to thank our brokers for supporting SMI in these difficult markets and for working with our employees to provide financial protection and security for our policyholders. SMI is a "Full Partner" in the Broker Identity Program for 2001.

We are investing considerable dollars, time and efforts in information technology initiatives. Our employees accomplished a great deal in 2000 as implementation of our new information system is now proceeding towards completion. We developed an SMI web site in 2000 and will continue to expand and enhance it, in order to become more efficient and better serve our brokers and policyholders. Our next major technology project is the electronic exchange of information between the company and our brokers.

We would like to thank each and every one of our employees – they deserve a great deal of credit for their efforts throughout the past year. New and powerful technology is important; however, being successful does, and always will, depend on people. Each day, employees in the insurance industry face constant pressures from many directions, and SMI employees continue to be very dedicated and very professional.

A handwritten signature in black ink, appearing to read 'A.G. Ayers', written over a horizontal line.

A.G. Ayers, F.C.A.
Chairman

A handwritten signature in black ink, appearing to read 'Randy W. Trost', written over a horizontal line.

R.W. Trost, C.A., HCIP
President & C.E.O.

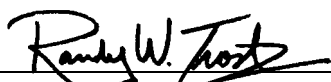
MANAGEMENT REPORT

The financial statements are the responsibility of the management of SASKATCHEWAN MUTUAL INSURANCE COMPANY. They have been prepared in accordance with generally accepted accounting principles, using management's best estimates and judgments, where appropriate.

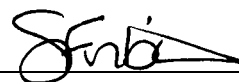
Management is responsible for the reliability and integrity of the financial statements, the notes to the financial statements, and other financial information contained in this report. In the preparation of these statements, estimates are sometimes necessary because a precise determination of certain assets and liabilities is dependent on future events. Management believes such estimates have been based on careful judgments and have been properly reflected in the accompanying financial statements.

Management is also responsible for maintaining a system of internal control designed to provide reasonable assurance that assets are safeguarded and that accounting systems provide timely, accurate and reliable financial information.

The Board of Directors is responsible for ensuring that management fulfils its responsibilities for financial reporting and internal control. The Board is assisted in exercising its responsibilities through the Audit Committee of the Board, which is composed of four non-management directors. The Committee meets periodically with management and the auditors to satisfy itself that management's responsibilities are properly discharged, to review the financial statements and to recommend approval of the financial statements to the Board.



R. W. Trost, C.A., HCIP
President & C.E.O.



S. L. Forbister, C.A.
Secretary-Treasurer

February 21, 2001



AUDITORS' REPORT TO THE POLICYHOLDERS

We have audited the balance sheet of Saskatchewan Mutual Insurance Company as at December 31, 2000 and the statements of operations and earned surplus and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2000 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles including the accounting requirements of the Superintendent of Financial Institutions Canada.

KPMG LLP

Chartered Accountants

Saskatoon, Saskatchewan

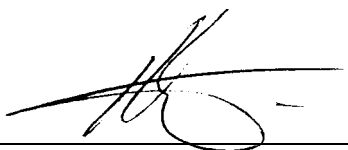
February 21, 2001

APPOINTED ACTUARY'S REPORT TO THE POLICYHOLDERS

I, Richard Gauthier, FCIA, of PricewaterhouseCoopers, have valued the policy liabilities of Saskatchewan Mutual Insurance Company in its balance sheet at December 31, 2000 and their change as reflected in its statement of operations for the year then ended in accordance with accepted actuarial practice, including the selection of appropriate assumptions and methods, except as described in the following paragraph.

Under accepted actuarial practice, the valuation of policy liabilities reflects the time value of money. Pursuant to the authority granted by the Insurance Companies Act, the Superintendent of Financial Institutions Canada has directed that the valuation of some policy liabilities not reflect the time value of money. My valuation complies with that directive.

In my opinion the valuation is appropriate, except as noted in the previous paragraph, and the financial statements fairly present its results.



Richard Gauthier, FCIA, FCAS

February 21, 2001



BALANCE SHEET

December 31, 2000, with comparative figures for 1999

(thousands of dollars)

	2000	1999
Assets		
Cash	\$ 7	\$ 432
Premiums due from policyholders	1,448	1,315
Amounts due from brokers	1,034	935
Due from other insurance companies	138	462
Accrued investment income	280	273
Sundry accounts receivable	13	14
Reinsurers' share of provisions for:		
Unpaid claims and adjusting expenses (note 5)	1,336	1,480
Unearned premiums	9	8
Investments (note 4)	25,073	22,878
Deferred policy acquisition costs	2,079	2,053
Capital assets at cost less accumulated amortization of \$1,611 (1999 - \$1,559)	698	737
Accrued pension benefits (note 9)	1,242	927
	\$ 33,357	\$ 31,514

Liabilities and Surplus

Due to other insurance companies	\$ 75	\$ 85
Premium taxes payable	672	562
Accounts payable	267	176
Income taxes payable	501	17
Unpaid claims and adjusting expenses (note 5)	8,100	7,560
Unearned premiums	9,056	8,889
Future income taxes (note 8)	428	525
	19,099	17,814
Surplus:		
Reserves required by the Office of the Superintendent of Financial Institutions Canada (note 7)	1,762	1,385
Earned surplus	12,496	12,315
	14,258	13,700
	\$ 33,357	\$ 31,514

See accompanying notes to financial statements.

On behalf of the Board:

Director

Director

STATEMENT OF OPERATIONS AND EARNED SURPLUS

Year ended December 31, 2000, with comparative figures for 1999

(thousands of dollars)

	2000	1999
Direct premiums written	\$ 17,687	\$ 17,307
Deduct reinsurance ceded	738	1,193
Net premiums written	16,949	16,114
Change in unearned premiums	(166)	(627)
Net premiums earned	16,783	15,487
Claims and adjusting expenses (note 6)	9,926	8,370
Commissions	3,421	3,078
Taxes	755	650
General expenses	3,133	2,849
Total claims and expenses	17,235	14,947
Net underwriting income (loss)	(452)	540
Investment operations:		
Interest	1,302	1,231
Gain on sale of investments	83	17
Rental income	59	20
Dividends	27	78
	1,471	1,346
Expenses	41	38
Investment income	1,430	1,308
Earnings before income taxes	978	1,848
Income taxes (note 8)	420	551
Net earnings	558	1,297
Earned surplus, beginning of year	12,315	11,450
Transfers to reserves required by the Office of the Superintendent of Financial Institutions Canada (note 7)	(377)	(432)
Earned surplus, end of year	\$ 12,496	\$ 12,315

See accompanying notes to financial statements.



STATEMENT OF CASH FLOWS

Year ended December 31, 2000, with comparative figures for 1999

(thousands of dollars)

	2000	1999
Cash provided by (used in):		
Operations:		
Net earnings	\$ 558	\$ 1,297
Changes in non-cash balances:		
Unearned premiums	167	194
Unpaid claims and adjusting expenses	540	(529)
Reinsurers' share of unearned premiums	(1)	433
Reinsurers' share of unpaid claims and adjusting expenses	144	723
Deferred policy acquisition costs	(26)	(40)
Accrued pension benefit	(315)	(292)
Unearned reinsurance commissions	-	(130)
Receivables	86	(429)
Payables	675	125
Future income taxes	(97)	525
Amortization of capital assets	131	132
Gain on sale of investments	(83)	(17)
	1,779	1,992
Investing:		
Purchase of bonds	(4,233)	(4,890)
Purchase of common shares	(30)	(645)
Proceeds from sale of bonds	2,778	3,608
Proceeds from sale of common shares	1,679	94
Purchase of capital assets	(108)	(227)
Proceeds from sale of other assets	1	3
	87	(2,057)
Increase in cash and cash equivalents	1,866	(65)
Cash and cash equivalents, beginning of year	1,142	1,207
Cash and cash equivalents, end of year	\$ 3,008	\$ 1,142
Cash and cash equivalents, end of year:		
Cash	\$ 7	\$ 432
Short-term investments (note 4)	3,001	710
	\$ 3,008	\$ 1,142
Supplementary cash flow information:		
Income taxes paid	\$ 33	\$ -

See accompanying notes to financial statements.

NOTES TO FINANCIAL STATEMENTS

Year ended December 31, 2000

Saskatchewan Mutual Insurance Company is a federally registered mutual corporation licensed to write property, automobile, liability, fidelity and boiler and machinery insurance, in the provinces of Saskatchewan, Manitoba, Alberta and British Columbia. The Company is subject to the Insurance Companies Act (the Act) and to regulation by the Office of the Superintendent of Financial Institutions Canada (OSFI) and the Provincial Superintendents of Financial Institutions/Insurance for the provinces in which the Company is licensed.

1. Summary of significant accounting policies:

These financial statements have been prepared in accordance with Section 331(4) of the Act which states that, except as otherwise specified by OSFI, the financial statements are to be prepared in accordance with Canadian generally accepted accounting principles.

The significant accounting policies adopted by the Company are as follows:

a) Use of estimates:

The preparation of financial statements in accordance with generally accepted accounting principles, including the requirements of OSFI, requires management to make estimates and assumptions that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements. Estimates also affect the reported amounts of income and expenses for the reporting period of the statement of operations. Actual results could differ from those estimates.

b) Cash and cash equivalents:

Cash and cash equivalents consist of cash and short-term investments available within ninety days, net of cheques and other items in transit.

c) Investments:

Investments are carried at cost. A write-down of the carrying value is charged against income when evidence indicates a permanent decline in the underlying value and earning power of an individual investment. Gains and losses on disposal of investments are determined on a completed transaction basis.

d) Capital assets:

Capital assets are carried at cost less accumulated amortization. Amortization is provided on the following basis:

Asset	Basis	Rate
Building	Declining balance	5%
Furniture and equipment	Declining balance	20%
Computer equipment	Straight-line	20%



NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

- e) Premium earned and deferred policy acquisition costs:
- i) Premiums and unearned premiums:
Insurance premiums are included in income evenly over the term of the insurance policy using the pro rata method. The portion of the premium related to the unexpired portion of the policy at the end of the fiscal year is reflected in unearned premiums.
 - ii) Deferred policy acquisition costs:
Acquisition expenses related to the unearned premium, including commissions and premium taxes, are deferred and amortized to income over the periods in which the premiums are earned. The method followed in determining the deferred policy acquisition costs limits the amount of the deferrals to a realizable value giving consideration to losses and expenses expected to be incurred as premiums are earned. Consideration is given to anticipated investment income in determining the amount of the deferral.
- f) Unpaid claims and adjusting expenses:
The provision for unpaid claims and adjusting expenses represents an estimate for the full amount of all costs including investigation and the projected final settlements of claims incurred to the balance sheet date. The provision estimations do not take into consideration the time value of money, or make explicit provision for adverse deviation, except for accident benefit claims under automobile insurance policies. These estimates of future loss activity are necessarily subject to uncertainty and are selected from a wide range of possible outcomes. These provisions are adjusted up or down as additional information affecting the estimated amounts becomes known during the course of claims settlement. All changes in estimates are recorded as incurred losses in the current period.
- g) Reinsurance:
The Company reflects reinsurance balances on the balance sheet on a gross basis to indicate the extent of credit risk related to reinsurance and its obligations to policyholders and on a net basis in the statement of operations to indicate the results of its retention of premiums written.
Amounts recoverable from reinsurers are estimated in a manner consistent with the related liability.
- h) Income taxes:
Income taxes are accounted for using the liability method of tax allocation. Under this method, future income tax assets and liabilities are determined based on temporary differences between the financial reporting and tax basis of assets and liabilities, and measured using the substantively enacted tax rates and laws that will be in effect when

NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

the differences are expected to be recovered or settled. The major differences relate to unpaid claims and adjusting expenses, investments in bonds and shares, amortization of capital assets and the accrued pension benefit asset.

i) **Accrued pension benefit:**

The Company maintains a contributory defined benefit pension plan for substantially all its employees. The cost of pension benefits earned by employees is determined using the projected benefit method. Accordingly, the cost is pro-rated on service and charged to expense as services are rendered. This cost reflects management's best estimates of the pension plan's expected investment yields, salary escalations, mortality of members, terminations and the ages at which members will retire. Adjustments, experience gains and losses and changes in assumptions are amortized over the estimated average remaining service lives of the employees.

2. Changes in accounting policies:

Effective January 1, 2000, the Company retroactively adopted the accounting recommendations in CICA Handbook Section 3465, Income Taxes. The comparative statements have not been restated, as permitted by this Section. There was no impact on the earned surplus as at January 1, 2000 and no impact on the current year's earnings as a result of this change in accounting policy.

Effective January 1, 2000, the Company prospectively adopted the accounting recommendations in CICA Handbook Section 3461, Employee Future Benefits. There was no impact on the current year's earnings as a result of this change in accounting policy.

3. Role of the actuary and auditor:

The actuary is appointed by the Board of Directors pursuant to the Insurance Companies Act. The actuary's responsibility is to carry out an annual valuation of the Company's policy liabilities in accordance with accepted actuarial practice and regulatory requirements and report thereon to the policyholders. Examination of supporting data for accuracy and completeness, and analysis of company assets for their ability to support the amount of policy liabilities are important elements of the work required to form this opinion. The actuary, in his verification of the underlying data used in the valuation, also makes use of the work of the external auditor. The actuary's report outlines the scope of his work and opinion.

The external auditors have been appointed by the policyholders pursuant to the Insurance Companies Act. Their responsibility is to conduct an independent and objective audit of the financial statements in accordance with Canadian generally accepted auditing standards and report thereon to the policyholders. In carrying out their audit, the auditors also make use of the work of the actuary and his report. The auditors' report outlines the scope of their audit and their opinion.



NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

4. Investments:

(thousands of dollars)

	2000		1999	
	Book Value	Estimated fair value	Book Value	Estimated fair value
Short-term investments	\$ 3,001	\$ 3,001	\$ 710	\$ 710
Debt securities:				
Federal	10,394	10,350	11,543	11,235
Provincial	10,961	11,055	8,410	8,213
Corporate - Rated A	717	705	717	692
	22,072	22,110	20,670	20,140
Canadian common shares	-	-	1,498	1,413
	\$ 25,073	\$ 25,111	\$ 22,878	\$ 22,263

The estimated fair value of debt securities and common shares is based on quoted market values. Expected transaction costs as at the date of the balance sheet are immaterial and are not deducted in determining estimated fair values.

Management has reviewed currently available information regarding those investments whose estimated fair value is less than book value and ascertained that the book values are expected to be recovered and accordingly there were no write-downs or provisions recorded in 2000 or 1999.

Liquidity and interest rate risk:

(thousands of dollars)

	Within 3 months	3 months to 1 year	Over 1 to 3 years	Over 3 to 5 years	Over 5 years	Book Value
Interest bearing investments	\$ 3,001	\$ 3,253	\$ 7,923	\$ 8,414	\$ 2,482	\$ 25,073
Effective yield	6.4%	6.5%	5.3%	5.5%	5.8%	5.7%

NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

5. Provision for unpaid claims and adjusting expenses:

Scope:

The establishment of the provision for unpaid claims and adjusting 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 Company's experience with similar cases and historical trends involving claims payment patterns, loss payments, pending levels of unpaid claims, product mix or concentration, claims severity and claim frequency patterns, such as those caused by natural disasters or accidents.

Other factors include the continually evolving and changing regulatory and legal environment, actuarial studies, professional experience and expertise of the Company's claim department's personnel and independent adjusters retained to handle individual claims, the quality of 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, since the longer the span between the incidence of loss and the payment or settlement of the claims, the more variable the ultimate settlement can be. Accordingly, short-tailed claims, such as property claims, tend to be more reasonably predictable than long-tailed claims, such as general liability claims.

Consequently, the establishment of the provision for unpaid claims and adjusting expenses process relies on the judgement 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 provision for unpaid claims and adjusting expenses and related reinsurers' share involves risk that actual amounts could vary materially from estimates in the near term.

The table below details the provision for unpaid claims and adjusting expenses by risk categories.

(thousands of dollars)

Type of claim provision	2000		1999	
	Gross	Reinsurers' share	Gross	Reinsurers' share
Long settlement term - general liability and automobile (excluding physical damage)	\$ 4,134	\$ 401	\$ 4,087	\$ 911
Short settlement term	3,951	935	3,447	569
Facility Association	15	-	26	-
Total	\$ 8,100	\$ 1,336	\$ 7,560	\$ 1,480



NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

Future investment income:

The provision for unpaid claims and adjusting expenses does not take into account the time value of money or make explicit provisions for adverse deviation, except for accident claims under automobile insurance policies, which have been discounted using an interest assumption of 2%.

The total accident benefit claims, net of reinsurance, on a discounted basis were \$361,000 (1999 - \$259,000) and on an undiscounted basis were \$679,000 (1999 - \$466,000).

Claims and adjusting expenses:

Changes in claim liabilities recorded in the balance sheet for the years ended December 31, 2000 and 1999 and their impact on claims and adjusting expenses for the two years follow:

(thousands of dollars)

	2000	1999
Unpaid claim liabilities, beginning of year, net	\$ 6,080	\$ 5,886
Decrease in estimated losses and expenses, for losses occurring in prior years	(832)	(449)
Provision for losses and expenses on claims occurring in the current year	10,758	8,819
Paid on claims occurring during:		
The current year	(6,489)	(5,606)
Prior years	(2,753)	(2,570)
Unpaid claim liabilities, end of year, net	6,764	6,080
Reinsurers' share	1,336	1,480
Provision for unpaid claims and adjusting expenses, end of year	\$ 8,100	\$ 7,560

6. Underwriting policy and reinsurance ceded:

The Company follows the policy of underwriting and reinsuring contracts of insurance, which limited the liability of the Company in 2000 to a maximum amount of \$250,000 (\$500,000 for catastrophe losses), in respect of single loss or series of losses arising out of a single occurrence. In 2000, the reinsurance had an upper limit of \$11,100,000 (\$10,000,000 for catastrophe losses). Reinsurance ceded does not relieve the Company of primary liability as the originating insurer. The following table sets out the impact of reinsurance ceded on the claims and adjusting expenses:

(thousands of dollars)

	2000	1999
Gross claims and adjusting expenses	\$ 10,046	\$ 8,465
Deduction for reinsurance ceded	120	95
	\$ 9,926	\$ 8,370

NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

The Company has guidelines and a review process in place to ascertain the credit worthiness of the companies to which it cedes. The Company places all of its reinsurance with companies registered with OSFI. There were no write-offs in 2000 or 1999. No information has come to the Company's attention indicating weakness or failure of any of its current reinsurers, so no provision has been made in the accounts for doubtful collection.

7. Reserves required by the Office of the Superintendent of Financial Institutions Canada:

These reserves represent appropriations of earned surplus in respect of assets not admitted, investment valuations, and other statutory requirements. These appropriations are not recognized as part of statutory capital and surplus.

8. Income taxes:

Income tax expense, including both the current and future portions, varies from the amounts that would be computed by applying the statutory federal and provincial tax rates aggregating 44.8% (1999 – 45.3%) to income before taxes. Income taxes have been computed as follows:

(thousands of dollars)

	2000	1999
Tax at basic rates	\$ 437	\$ 837
Increase (decrease) in taxes resulting from:		
Permanent differences	(14)	(28)
Benefit of unrecorded loss carry-forwards and other deductions	(3)	(267)
Federal large corporations tax	-	9
Provision for income taxes	\$ 420	\$ 551
Effective rate	42.9%	29.8%
The provision for income taxes is comprised of:		
Current income taxes	\$ 517	\$ 26
Future income taxes (recovery)	(97)	525
Provision for income taxes	\$ 420	\$ 551



NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

The tax effects of temporary differences that give rise to significant portions of the future tax assets and future tax liabilities are presented below.

(thousands of dollars)

	2000	1999
Future income tax assets:		
Capital assets	\$ 60	\$ 70
Unpaid claims and adjusting expenses	96	48
	156	118
Future income tax liabilities:		
Accrued pension benefit	(557)	(420)
Investments	(27)	(98)
Unearned premiums	-	(125)
	(584)	(643)
Net future income tax liability	\$ (428)	\$ (525)

9. Contributory defined benefit pension plan:

Plan assets and obligations:

(thousands of dollars)

	2000	1999
Fair value of pension plan assets	\$ 11,415	\$ 10,974
Accrued pension benefits obligation	6,082	6,821
Surplus	5,333	4,153
Accrued pension benefit	1,242	927

During 2000, the Company did not make any contributions to the Pension Plan. The employee contributions during 2000 were \$53,000 and benefits paid were \$361,000.

The investment return on pension assets and amortization of experience gains, net of current service costs and other pension expenses, totaling \$315,000 has been recorded as a reduction of general expenses in the statement of operations.

NOTES TO FINANCIAL STATEMENTS - continued

Year ended December 31, 2000

Supplementary information:

Pension assets consists of units in a balanced fund.

The Company bears the risk of experience loss against the actuarial assumptions and credit risk associated with the pension asset portfolio. Credit risk is managed through the pension plan investment policy which governs the types of investments that can be utilized in the pension plan.

The significant actuarial assumptions adopted in measuring the Company's benefit obligation for 2000 are as follows:

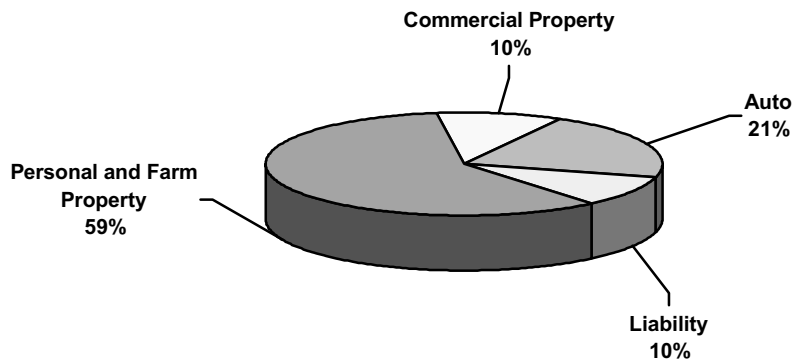
Discount rate	7.3%
Expected rate of return on plan assets	7.0%
Rate of compensation increase	6.0%

10. Fair values:

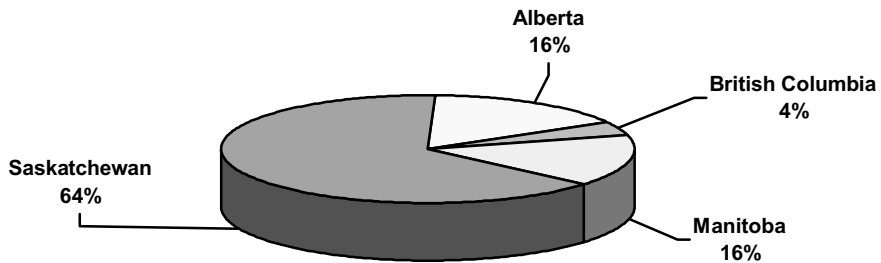
The fair value of financial assets and liabilities, other than investments (note 4) and unpaid claims and adjusting expenses (note 5) approximate their carrying amounts due to the short-term maturity of these financial instruments.

The fair value of unpaid claims and adjusting expenses has not been provided since the fair value cannot be determined with sufficient reliability.

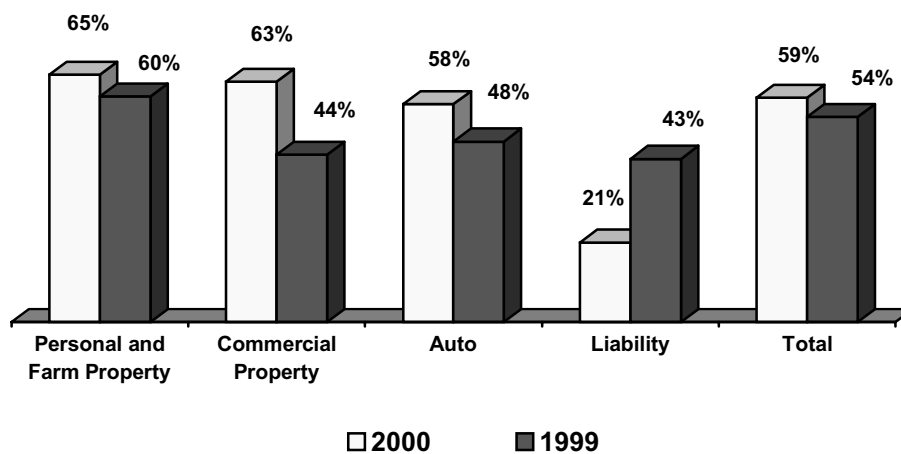
2000 NET PREMIUMS WRITTEN BY CLASS OF BUSINESS



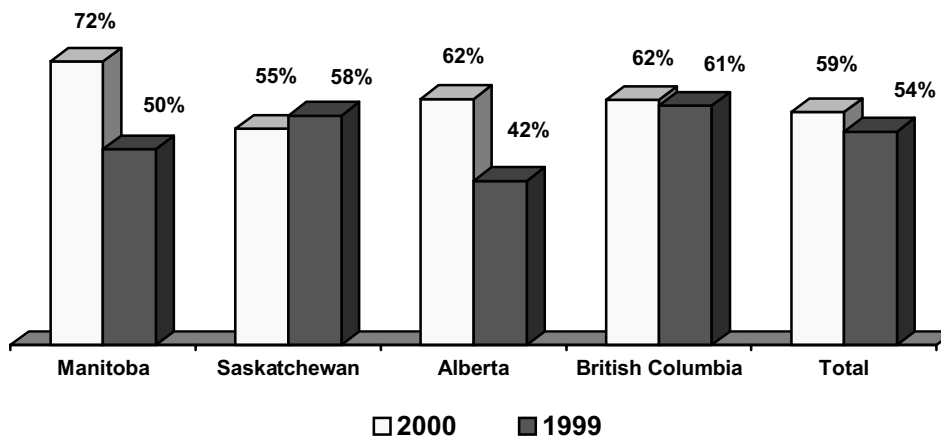
2000 NET PREMIUMS WRITTEN BY PROVINCE



NET LOSS RATIO BY CLASS OF BUSINESS



NET LOSS RATIO BY PROVINCE





DIRECTORS

A.G. Ayers, F.C.A.	Chairman
R.C. Strayer, P. Eng.	Vice Chairman
B.H. Bays, F.I.I.C.	
B.A. Latrace-Henderson, B.Ed.	
D.S. McKercher, Q.C.	
Dr. W.G. Salisbury	
R.W. Trost, C.A., HCIP	
Dr. R.R. Wheaton	
C.E. Wright	

OFFICERS AND MANAGEMENT

R.W. Trost, C.A., HCIP	President & C.E.O.
R.F. Simmer, FCIP	Vice President
S.L. Forbister, C.A.	Secretary-Treasurer
R.J. Wotherspoon, FCIP	Claims Manager
K.L. Weninger, MCSE	Information Systems Manager
D.F. Schlosser, FCIP	Marketing Manager
D.M. Thiessen, FCIP	Underwriting Manager

MARKETING REPRESENTATIVES

E.M. Baker, Saskatoon
G.E. Joynt, CIP, Saskatoon
S.L. Kraft, CIP, Calgary
T.L. Piasta, CIP, Winnipeg

CLAIMS REPRESENTATIVES

J.R. Benner, CIP, Saskatoon
L.S. Bradford, CIP, Saskatoon
N.J. Magdalin, Regina

ACTUARY

Richard Gauthier, FCIA, FCAS
PricewaterhouseCoopers, Toronto

AUDITORS

KPMG, Saskatoon