First Canadian Insurance Corporation Canadian/Foreign Insurer/Society 20.010

<u>31/12/2020</u> Date

CONSOLIDATED FINANCIAL STATEMENTS

ASSETS (\$'000)

Reference	FS Notes			Current Period		Prior Period		Opening Prior Year Restated	
Page	Reference			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
				(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents 0	10	175,135		38,371			
		Assets held for sale C	20			0			
<u>21.012</u>		Short Term Investments 0	40	48,703		150,389			
04.450 aslav		Accrued Investment Income C	70	15		190			
21.150 or/ou 21.155		Accounts Receivable 1	00	13,021		11,645			
		Policy/Certificate Loans 2	00			0			
<u>21.012</u>		Bonds and Debentures 2	50	0		0			
<u>21.050</u>		Mortgage Loans 3	00	0		0			
<u>21.012</u>		Preferred Shares 4	20	25,436		119,524			
<u>21.012</u>		Common Shares 4	40	11,196		39,850			
<u>21.012</u>		Investment Properties 5	10	36,153		37,351			
		Derivative Financial Instruments 5	20	74		357			
<u>22.020</u>		Reinsurance Assets 5	30	76,497		78,143			
<u>21.080</u>		Property and Equipment 5	40	12,426		13,308			
<u>21.012</u>		Interests in Associates & Joint Ventures 5	50	0		0			
<u>60.010</u>		Segregated Funds Net Assets 5	60			0			
<u>21.100</u>		Other Loans and Invested Assets 6	00	36,598		50,699			
		Investments in Subsidiaries 7	50			0			
		Current Tax Assets 7	80	466		0			
		Deferred Tax Assets 8	00			0			
		Goodwill 8	20			0			
		Intangible Assets 8	30	371		459			
		Defined Benefit Pension Plan 8	40			0			
<u>21.155</u>		Other Assets 8	80	1,429		1,111			
		TOTAL ASSETS 8	99	437,520		541,397		0	

CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT

(\$'000)

Reference Page	FS Notes Reference			Current Period	Prior Period	Opening Prior Year Restated
				(01)	(03)	(05)
		Liabilities				
		Liabilities held for sale	005		0	
<u>22.020</u>		Actuarial Liabilities for Insurance Contracts	010	126,101	124,202	
<u>22.020</u>		Other Contract Liabilities	040	69,961	74,680	
22.030		Trust and Banking Deposits	070		0	
or/ou		Accounts Payable	100	73,409	81,775	
<u>21.080</u>		Mortgage Loans and Other Real Estate Encumbrances	130	0	10,399	
		Derivative Financial Instruments	140	13	430	
		Defined Benefit Pension Plan	145		0	
		Amounts Due in respect of Staff Pension Plans (not including amounts in line 145 above)	150		0	
<u>22.030</u>		Provisions and Other Liabilities	160	3,906	3,768	
		Segregated Fund Liabilities	420		0	
		Current Tax Liabilities	430		3,095	
		Deferred Tax Liabilities	250	11,339	12,448	
		Subordinated Debt	280		0	
		Other Debt	310		60,230	
		Total Liabilities	389	284,729	371,027	0
		Policyholders' Equity				
<u>20.040</u>		Participating Account	510	0	0	
		Participating Account - Accumulated OCI (Loss)	520		0	
20.040		Non-Participating Account (Mutual Companies Only)	540	0	0	
		Non-Participating Account - Accumulated OCI (Loss)	550		0	
		Total Policyholders' Equity	589	0	0	C
		Shareholders' Equity				
		Capital Stock	610	38,000	38,000	
		Other Capital	640		0	
		Contributed Surplus	670		0	
20.040		Retained Earnings	700	114,791	132,370	
		Accumulated Other Comprehensive Income (Loss)	740		0	
		Total Shareholders' Equity	779	152,791	170,370	0
		Non-controlling Interests	829	0	0	
		Total Equity	839	152,791	170,370	C
		TOTAL LIABILITIES AND EQUITY	899	437,520	541,397	0
<u>20.044</u>		Head Office Account	800			-
<u>20.042</u>		Accumulated Other Comprehensive Income (Loss)	840			
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME	999			

20.030

First Canadian Insurance Corporation Canadian/Foreign Insurer/Society

<u>31/12/2020</u> Date

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME

(\$'000)

Reference Page	FS Notes Reference			Current Period	Prior Period
-				(01)	(03)
		Revenue			
<u>35.020</u>		Gross Premiums	020	150,958	172,407
<u>35.020</u>		Premiums ceded	030	94,134	121,127
<u>45.020</u>		Net Premiums	040	56,824	51,280
<u>35.020</u>		Gross Investment Income	050	(12,838)	13,505
<u>35.020</u>		Less: Investment Expenses and Taxes	060	2,590	4,415
<u>23.010</u>		Net Investment Income	070	(15,428)	9,090
<u>35.020</u>		Overlay approach adjustment for financial instruments (Reclass from P&L to OC	l) * 075	0	
<u>35.020</u>		Share of Income/Loss of Associates & Joint Ventures	090	0	0
		Fee Income	130	9,627	11,423
<u>23.030</u>		Other Revenue	160	0	0
<u>35.020</u>		Fraternal and Other Fund Revenues	180	0	0
		Total Revenue	199	51,023	71,793
		Policy/Certificate Benefits and Expenses			
<u>35.020</u>		Policyholder/Certificateholder Benefits	260	27,405	27,980
<u>35.020</u>		Benefits ceded	270	14,577	15,308
		Gross Changes to Actuarial Liabilities			
35.020		Normal	310	3,665	2,024
35.020		Basis Change	320	(1,767)	(2,436)
		Gross Changes to Other Contract Liabilities			
35.020		Normal	342	0	0
35.020		Basis Change	344	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded			
35.020		Normal	370	250	389
35.020		Basis Change	380	(1,896)	(2,601)
35.020		Policyholder/Certificateholder Dividends	360	0	0
35.020		Experience Rating Refunds	390	0	0
35.020		Transfer to and (Transfer from) Other Funds	420	0	0
35.020		Gross Commissions	460	70,159	71,000
<u>35.020</u>		Commissions Ceded	470	48,103	52,346
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	480	0	02,010
23.030		Interest Expense and Finance costs	510	350	1,583
23.030		General Expenses and Taxes (excl. income taxes)	540	25,899	23,454
<u>23.030</u> 23.030					
		Other Expenses	570	1,774	1,578
<u>35.020</u>		Fraternal and Other Fund Expenses	580	0	0
		Total Benefits and Expenses	649	66,451	59,741
		Income Before Income Tax	669	(15,428)	12,052
		Provision for Income Taxes			
		Current	700	3,260	(2,435)
		Deferred	710	(1,109)	4,136
		Income Before the following:	749	(17,579)	10,351
<u>35.020</u>		Discontinued Operations			
		(net of Income Taxes of \$)	830	0	0
		Net Income	859	(17,579)	10,351
<u>35.020</u>		Attributable to Participating Policyholders/Certificateholders	870	0	0
35.020		Net Income after Attribution to Participating Policyholders/Certificateholders	899	(17,579)	10,351
35.020		Attributable to Fraternal and Other Fund Account	980	0	0
35.020		Insurance Fund	989	(17,579)	10,351
		Attributable to:		, ,,	.,
		Non-controlling Interests	900		0
		Equity Holders	920	(17,579)	10,351
		Equity Holdolo	320	(99)	10,001
				\- ₹/	

* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

31/12/2020 Date

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT (\$'000)

Reference	FS Notes				
Page	Reference			Current Period	Prior Period
		(05)		(01)	(03)
		Beginning of Year	010	0	0
		Adjustments	040		0
		(Specify)	070		0
<u>20.030</u>		Share of Net Income (Loss)	100		0
00.040		Transfor (nor (to) Datained Experience (Otable second in orb.)	100		0
<u>20.040</u>		Transfer from (to) Retained Earnings (Stock companies only)	130		0
<u>20.040</u>		Transfer from (to) Non-Par Account (Mutual companies only)	160		0
		End of Year	199	0	0

STATEMENT OF NON-PARTICIPATING ACCOUNT Mutual Companies Only

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		(* 666)		
Reference	FS Notes			
Page	Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year 310	0	0
		Adjustments 340		0
		(Specify) 370		0
<u>20.030</u>		Share of Net Income (Loss) 400		0
<u>20.040</u>		Transfer from (to) Par Account 430	0	0
		Dividends to Preferred Shareholders 460		0
		End of Year 499	0	0

STATEMENT OF RETAINED EARNINGS

Stock Companies Only

(\$'000)	

Reference	FS Notes			
Page	Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year 510	132,370	122,019
<u>20.030</u>		Share of Net Income (Loss) 600	(17,579)	10,351
<u>20.040</u>		Transfer from (to) Par Account 630	0	0
		Dividends to Shareholders:		
		Preferred 710		0
		Common 740		0
		(Specify) 540		0
		(Specify) 570		0
		(Specify) 580		0
		End of Year 859	114,791	132,370

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and

ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

(\$'000)

Reference	FS Notes			Current Period	Prior Period
Page	Reference			(04)	(02)
	Reference	Comprehensive Income (Loss)		(01)	(03)
20.030		Net Income	010	(17,579)	10,351
20.000		Other Comprehensive Income (Loss):	010	(11,010)	10,001
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Loans	110		0
		- Bonds and Debentures	140		0
		- Equities (IAS 39)	170		C
		Reclassification of (Gains) Losses to Net Income	210		C
		Overlay approach *			
		Change in Unrealized Gains and Losses related to overlay approach for financial			
		instruments	200		
		Unrealized Gains and Losses	220		
		Reclassification of (Gains) Losses from Net Income	225		
		Derivatives Designated as Cash Flow Hedges Change in Unrealized Gains and Losses	310		C
		Reclassification of (Gains) Losses to Net Income	340		C
		Foreign Currency Translation	540		
		Change in Unrealized Gains and Losses	410		C
		Impact of Hedging	410		0
			-++0		0
		Share of Other Comprehensive Income of Associates & Joint Ventures	460		0
		Other	445		0
		Subtotal of items that may be reclassified subsequently to Net Income	449	0	C
		Items that will not be reclassified subsequently to Net Income:	++3	0	0
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Equities (IFRS 9)	465		c
		Revaluation Surplus	455		C
		Remeasurements of Defined Benefit Plans	470		C
		Other	480		0
		Subtotal of items that will not be reclassified subsequently to Net Income	489	0	C
		Total Other Comprehensive Income (Loss)	510	0	C
		Total Comprehensive Income (Loss)	589	(17,579)	10,351
		Attributable to:			
		Participating Policyholders/Certificateholders	615		C
		Non-controlling Interests	600		C
		Equity Holders	620	(17,579)	10,351
Reference	FS Notes			Current Period	Prior Period
Page	Reference				
Ũ					
				(01)	(03)
		Accumulated Other Comprehensive Income (Loss)			
		Accumulated Gains (Losses), net of tax, on:			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		- Loans	710		
		- Bonds and Debentures	740		
		- Bonds and Debentures - Equities (IAS 39)	740 770		0 0 0
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach *	740 770 775		C
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges	740 770 775 810		0 0 0
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach *	740 770 775		C
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities)	740 770 775 810 840		((((
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures	740 770 775 810 840 860		() () () () () ()
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities)	740 770 775 810 840		() () () () () ()
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other	740 770 775 810 840 840 860 845		0 0 0 0 0 0
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income	740 770 775 810 840 860	0	0 0 0 0 0
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income:	740 770 775 810 840 840 860 845	0	
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income: FVOCI:	740 770 775 810 840 840 860 845 849	0	
		- Bonds and Debentures - Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income: FVOCI: - Equities (IFRS 9)	740 770 775 810 840 860 845 849 865	0	
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income: FVOCI: - Equities (IFRS 9) Revaluation Surplus	740 770 775 810 840 840 845 849 849 865 855	0	
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income FVOCI: - Equities (IFRS 9) Revaluation Surplus Remeasurements of Defined Benefit Plans	740 770 775 810 840 845 845 845 849 865 855 855	0	
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Revealuation Surplus Remeasurements of Defined Benefit Plans Other	740 770 775 810 840 845 845 849 849 865 855 870 880		
		Bonds and Debentures Equities (IAS 39) Overlay Approach * Derivatives Designated as Cash Flow Hedges Foreign Currency (Net of Hedging Activities) Share of Other Comprehensive Income of Associates & Joint Ventures Other Subtotal of items that may be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income Items that will not be reclassified subsequently to Net Income FVOCI: - Equities (IFRS 9) Revaluation Surplus Remeasurements of Defined Benefit Plans	740 770 775 810 840 845 845 845 849 865 855 855	0	

* These lines only apply to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9



31/12/2020

Period Ending Date

First Canadian Insurance Corp Insurer

10.100

LICAT Ratios Summary Calculations

(thousands of dollars, except percentages)

Tier 1 Capital (20.100)		(A)	1010010040	148,098
Tier 2 Capital (20.200)		()	1010010040	4,322
, , ,		(B)		· · · ·
Available Capital (A + B)		(C)	1010010030	152,420
Surplus Allowance		(D)	1010010060	20,904
Eligible Deposits		(E)	1010010070	0
		(-)		
Credit Risk (30.000)			1010010080	2,341
Market Risk (50.000)			1010010160	32,785
Credit and Market for	P&C Insurance (per MCT)		1010010350	
Insurance Risk (60.0	00)		1010010220	45,533
Capital Requirements: Befo	pre Credits and Non-Diversified Risks	(F)	1010010290	80,659
Participating, Adjusta (90.000)	ble and Policyholder Deposits and Group Business Credits		1010010300	0
Diversification Credit	(110.000)		1010010310	12,462
Credits		(G)	1010010320	12,462
Segregated Fund Gu	arantees Risk (70.100)		1010010280	0
Operational Risk (80	.000)		1010010340	7,695
Capital Requirements: Non	-Diversified Risks	(H)	1010010330	7,695
Base Solvency Buffer ((F	- G + H) x Scalar [1.05])	(I)	1010010360	79,687
Core Ratio (%)	([A + 70% D + 70% E] / I) x 100		1010010010	204.21%
Total Ratio (%)	([C + D + E] / I) x 100		1010010020	217.51%