

First Canadian Insurance Corp  
**Insurer**30/09/2021  
**Period Ending Date**

10.100

**LICAT Ratios**  
**Summary Calculations**

(thousands of dollars, except percentages)

Tier 1 Capital (20.100)	(A)	1010010040	157,045
Tier 2 Capital (20.200)	(B)	1010010050	4,291
<b>Available Capital (A + B)</b>	(C)	1010010030	161,336
<b>Surplus Allowance</b>	(D)	1010010060	20,910
<b>Eligible Deposits</b>	(E)	1010010070	
Credit Risk (30.000)		1010010080	2,660
Market Risk (50.000)		1010010160	33,956
Credit and Market for P&C Insurance (per MCT)		1010010350	
Insurance Risk (60.000)		1010010220	46,320
<b>Capital Requirements: Before Credits and Non-Diversified Risks</b>	(F)	1010010290	82,936
Participating, Adjustable and Policyholder Deposits and Group Business Credits (90.000)		1010010300	0
Diversification Credit (110.000)		1010010310	12,767
<b>Credits</b>	(G)	1010010320	12,767
Segregated Fund Guarantees Risk (70.100)		1010010280	
Operational Risk (80.000)		1010010340	8,208
<b>Capital Requirements: Non-Diversified Risks</b>	(H)	1010010330	8,208
<b>Base Solvency Buffer ((F - G + H) x Scalar [1.05])</b>	(I)	1010010360	82,296
<b>Core Ratio (%)</b>	<b>((A + 70% D + 70% E) / I) x 100</b>	1010010010	208.62%
<b>Total Ratio (%)</b>	<b>[(C + D + E) / I] x 100</b>	1010010020	221.45%

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total (01)	Vested in Trust (02)	Total (03)	Vested in Trust (04)	Total (05)	Vested in Trust (06)
		Cash and Cash Equivalents	195,951		197,425			
		Assets held for sale			0			
<a href="#">21.012</a>		Short Term Investments	30,171		15,443			
<a href="#">21.150 or/ou</a> <a href="#">21.155</a>		Accrued Investment Income	100		291			
		Accounts Receivable	13,015		10,453			
		Policy/Certificate Loans			0			
<a href="#">21.012</a>		Bonds and Debentures	0		0			
<a href="#">21.050</a>		Mortgage Loans	0		0			
<a href="#">21.012</a>		Preferred Shares	29,984		27,048			
<a href="#">21.012</a>		Common Shares	11,611		8,720			
<a href="#">21.012</a>		Investment Properties	35,346		36,449			
		Derivative Financial Instruments			192			
<a href="#">22.020</a>		Reinsurance Assets	74,429		73,305			
<a href="#">21.080</a>		Property and Equipment	11,561		12,253			
<a href="#">21.012</a>		Interests in Associates & Joint Ventures	0		0			
<a href="#">60.010</a>		Segregated Funds Net Assets			0			
<a href="#">21.100</a>		Other Loans and Invested Assets	42,737		50,235			
		Investments in Subsidiaries			0			
		Current Tax Assets	624		2,196			
		Deferred Tax Assets			0			
		Goodwill			0			
		Intangible Assets	309		392			
		Defined Benefit Pension Plan			0			
<a href="#">21.155</a>		Other Assets	1,160		1,366			
		<b>TOTAL ASSETS</b>	446,998		435,768		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)
		<b>Liabilities</b>			
		Liabilities held for sale 005		0	
<a href="#">22.020</a>		Actuarial Liabilities for Insurance Contracts 010	124,365	120,105	
<a href="#">22.020</a>		Other Contract Liabilities 040	67,851	67,524	
<a href="#">22.030 or/ou</a>		Trust and Banking Deposits 070		0	
<a href="#">21.080</a>		Accounts Payable 100	78,353	83,095	
		Mortgage Loans and Other Real Estate Encumbrances 130		0	
		Derivative Financial Instruments 140	210	62	
		Defined Benefit Pension Plan 145		0	
		Amounts Due in respect of Staff Pension Plans (not including amounts in line 145 above) 150		0	
<a href="#">22.030</a>		Provisions and Other Liabilities 160	3,235	2,802	
		Segregated Fund Liabilities 420		0	
		Current Tax Liabilities 430		0	
		Deferred Tax Liabilities 250	11,339	12,448	
		Subordinated Debt 280		0	
		Other Debt 310		0	
		<b>Total Liabilities</b> 389	285,353	286,036	0
		<b>Policyholders' Equity</b>			
<a href="#">20.040</a>		Participating Account 510			
		Participating Account - Accumulated OCI (Loss) 520			
<a href="#">20.040</a>		Non-Participating Account (Mutual Companies Only) 540			
		Non-Participating Account - Accumulated OCI (Loss) 550			
		<b>Total Policyholders' Equity</b> 589		0	
		<b>Shareholders' Equity</b>			
		Capital Stock 610			
		Other Capital 640			
		Contributed Surplus 670			
<a href="#">20.040</a>		Retained Earnings 700			
		Accumulated Other Comprehensive Income (Loss) 740			
		<b>Total Shareholders' Equity</b> 779	161,645	149,732	
		<b>Non-controlling Interests</b> 829	0	0	
		<b>Total Equity</b> 839	161,645	149,732	0
		<b>TOTAL LIABILITIES AND EQUITY</b> 899	446,998	435,768	0
<a href="#">20.044</a>		<b>Head Office Account</b> 800			
<a href="#">20.042</a>		<b>Accumulated Other Comprehensive Income (Loss)</b> 840			
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME</b> 999			

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		<b>Revenue</b>		
<a href="#">35.020</a>		Gross Premiums 020	128,194	112,240
<a href="#">35.020</a>		Premiums ceded 030	88,119	79,425
<a href="#">45.020</a>		Net Premiums 040	40,075	32,815
<a href="#">35.020</a>		Gross Investment Income 050	14,996	-13,626
<a href="#">35.020</a>		Less: Investment Expenses and Taxes 060	2,051	1,942
<a href="#">23.010</a>		Net Investment Income 070	12,945	-15,568
<a href="#">35.020</a>		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) * 075	0	
<a href="#">35.020</a>		Share of Income/Loss of Associates & Joint Ventures 090	0	0
		Fee Income 130	8,864	8,217
<a href="#">23.030</a>		Other Revenue 160	0	0
<a href="#">35.020</a>		Fraternal and Other Fund Revenues 180	0	0
		<b>Total Revenue</b> 199	61,884	25,464
		<b>Policy/Certificate Benefits and Expenses</b>		
<a href="#">35.020</a>		Policyholder/Certificateholder Benefits 260	20,676	20,633
<a href="#">35.020</a>		Benefits ceded 270	10,740	11,323
		Gross Changes to Actuarial Liabilities		
<a href="#">35.020</a>		Normal 310	-3,931	-12,514
<a href="#">35.020</a>		Basis Change 320	0	0
		Gross Changes to Other Contract Liabilities		
<a href="#">35.020</a>		Normal 342	0	0
<a href="#">35.020</a>		Basis Change 344	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded		
<a href="#">35.020</a>		Normal 370	-4,263	-13,255
<a href="#">35.020</a>		Basis Change 380	0	0
<a href="#">35.020</a>		Policyholder/Certificateholder Dividends 360	0	0
<a href="#">35.020</a>		Experience Rating Refunds 390	0	0
<a href="#">35.020</a>		Transfer to and (Transfer from) Other Funds 420	0	0
<a href="#">35.020</a>		Gross Commissions 460	52,415	49,981
<a href="#">35.020</a>		Commissions Ceded 470	36,443	37,661
<a href="#">35.020</a>		Interest on Policyholder/Certificateholder Amounts on Deposit 480	0	0
<a href="#">23.030</a>		Interest Expense and Finance costs 510	48	911
<a href="#">23.030</a>		General Expenses and Taxes (excl. income taxes) 540	21,602	20,200
<a href="#">23.030</a>		Other Expenses 570	1,281	1,315
<a href="#">35.020</a>		Fraternal and Other Fund Expenses 580	0	0
		<b>Total Benefits and Expenses</b> 649	49,171	44,797
		<b>Income Before Income Tax</b> 669	12,713	-19,333
		Provision for Income Taxes		
		Current 700	3,859	1,305
		Deferred 710		0
		<b>Income Before the following:</b> 749	8,854	-20,638
<a href="#">35.020</a>		Discontinued Operations (net of Income Taxes of \$ ) 830	0	0
		<b>Net Income</b> 859	8,854	-20,638
<a href="#">35.020</a>		Attributable to Participating Policyholders/Certificateholders 870	0	0
<a href="#">35.020</a>		<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b> 899	8,854	-20,638
<a href="#">35.020</a>		Attributable to Fraternal and Other Fund Account 980	0	0
<a href="#">35.020</a>		<b>Insurance Fund</b> 989	8,854	-20,638
		<b>Attributable to:</b>		
		Non-controlling Interests 900		0
		Equity Holders 920	8,854	-20,638
			(99)	
		830	0	

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

**CONSOLIDATED FINANCIAL STATEMENTS****STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT  
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	010	0
		Adjustments	040	0
		(Specify)	070	0
<a href="#">20.030</a>		Share of Net Income (Loss)	100	0
<a href="#">20.040</a>		Transfer from (to) Retained Earnings (Stock companies only)	130	0
<a href="#">20.040</a>		Transfer from (to) Non-Par Account (Mutual companies only)	160	0
		<b>End of Year</b>	199	0

**STATEMENT OF NON-PARTICIPATING ACCOUNT  
Mutual Companies Only  
(\$'000)**

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

**STATEMENT OF RETAINED EARNINGS  
Stock Companies Only  
(\$'000)**

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
		Beginning of Year	510	114,791
<a href="#">20.030</a>		Share of Net Income (Loss)	600	132,370
<a href="#">20.040</a>		Transfer from (to) Par Account	630	8,854
		Dividends to Shareholders:		-20,638
		Preferred	710	0
		Common	740	0
		(Specify)	540	0
		(Specify)	570	0
		(Specify)	580	0
		<b>End of Year</b>	859	123,645
				111,732

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and  
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)  
(\$'000)

Reference Page	FS Notes Reference Reference		Current Period (01)	Prior Period (03)
20.030		<b>Comprehensive Income (Loss)</b>		
		Net Income	8,854	-20,638
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Loans		0
		- Bonds and Debentures		0
		- Equities (IAS 39)		0
		Reclassification of (Gains) Losses to Net Income		0
		<b>Overlay approach *</b>		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses	220	
		Reclassification of (Gains) Losses from Net Income	225	
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses	310	0
		Reclassification of (Gains) Losses to Net Income	340	0
		<b>Foreign Currency Translation</b>		
		Change in Unrealized Gains and Losses	410	0
		Impact of Hedging	440	0
		<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	460	0
		<b>Other</b>	445	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	0	0
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)	465	0
		<b>Revaluation Surplus</b>	455	0
		<b>Remeasurements of Defined Benefit Plans</b>	470	0
		<b>Other</b>	480	0
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	0	0
		Total Other Comprehensive Income (Loss)	0	0
		<b>Total Comprehensive Income (Loss)</b>	8,854	-20,638
		<b>Attributable to:</b>		
		Participating Policyholders/Certificateholders		0
		Non-controlling Interests		0
		Equity Holders	8,854	-20,638
		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses), net of tax, on:		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Loans	710	0
		- Bonds and Debentures	740	0
		- Equities (IAS 39)	770	0
		<b>Overlay Approach *</b>	775	
		<b>Derivatives Designated as Cash Flow Hedges</b>	810	0
		<b>Foreign Currency (Net of Hedging Activities)</b>	840	0
		<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	860	0
		<b>Other</b>	845	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	0	0
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Equities (IFRS 9)	865	0
		<b>Revaluation Surplus</b>	855	0
		<b>Remeasurements of Defined Benefit Plans</b>	870	0
		<b>Other</b>	880	0
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	0	0
		Balance at end of Period	0	0

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