



First Canadian Insurance Corp  
**Insurer**

31/12/2021  
**Period Ending Date**

10.100

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

(thousands of dollars, except percentages)

Tier 1 Capital (20.100)	(A)	1010010040	160,043
Tier 2 Capital (20.200)	(B)	1010010050	4,069
<b>Available Capital (A + B)</b>	(C)	1010010030	164,112
<b>Surplus Allowance</b>	(D)	1010010060	20,737
<b>Eligible Deposits</b>	(E)	1010010070	0
Credit Risk (30.000)		1010010080	2,732
Market Risk (50.000)		1010010160	32,513
Credit and Market for P&C Insurance (per MCT)		1010010350	
Insurance Risk (60.000)		1010010220	45,833
<b>Capital Requirements: Before Credits and Non-Diversified Risks</b>	(F)	1010010290	81,078
Participating, Adjustable and Policyholder Deposits and Group Business Credits (90.000)		1010010300	0
Diversification Credit (110.000)		1010010310	12,495
<b>Credits</b>	(G)	1010010320	12,495
Segregated Fund Guarantees Risk (70.100)		1010010280	0
Operational Risk (80.000)		1010010340	8,158
<b>Capital Requirements: Non-Diversified Risks</b>	(H)	1010010330	8,158
<b>Base Solvency Buffer ((F - G + H) x Scalar [1.05])</b>	(I)	1010010360	80,578
<b>Core Ratio (%)</b>	$[(A + 70\% D + 70\% E) / I] \times 100$	1010010010	216.63%
<b>Total Ratio (%)</b>	$[(C + D + E) / I] \times 100$	1010010020	229.41%

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	010	195,130		175,135		
		Assets held for sale	020			0		
<a href="#">21.012</a>		Short Term Investments	040	31,780		48,703		
<a href="#">21.150 or/ou 21.155</a>		Accrued Investment Income	070	20		15		
		Accounts Receivable	100	13,938		13,021		
		Policy/Certificate Loans	200			0		
<a href="#">21.012</a>		Bonds and Debentures	250	0		0		
<a href="#">21.050</a>		Mortgage Loans	300	0		0		
<a href="#">21.012</a>		Preferred Shares	420	27,627		25,436		
<a href="#">21.012</a>		Common Shares	440	10,645		11,196		
<a href="#">21.012</a>		Investment Properties	510	35,160		36,153		
		Derivative Financial Instruments	520	525		74		
<a href="#">22.020</a>		Reinsurance Assets	530	76,854		76,497		
<a href="#">21.080</a>		Property and Equipment	540	11,308		12,426		
		Interests in Associates & Joint Ventures	550	0		0		
<a href="#">60.010</a>		Segregated Funds Net Assets	560			0		
<a href="#">21.100</a>		Other Loans and Invested Assets	600	41,417		36,598		
		Investments in Subsidiaries	750			0		
		Current Tax Assets	780	0		466		
		Deferred Tax Assets	800			0		
		Goodwill	820			0		
		Intangible Assets	830	289		371		
		Defined Benefit Pension Plan	840			0		
<a href="#">21.155</a>		Other Assets	880	1,059		1,429		
		<b>TOTAL ASSETS</b>	899	445,752		437,520		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	125,092	126,101	
<a href="#">22.020</a>		Other Contract Liabilities	040	69,995	69,961	
		Trust and Banking Deposits	070		0	
<a href="#">22.030 or/ou</a>		Accounts Payable	100	71,128	73,409	
<a href="#">21.080</a>		Mortgage Loans and Other Real Estate Encumbrances	130	0	0	
		Derivative Financial Instruments	140	0	13	
		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	4,259	3,906	
		Segregated Fund Liabilities	420		0	
		Current Tax Liabilities	430	739	0	
		Deferred Tax Liabilities	250	10,138	11,339	
		Subordinated Debt	280		0	
		Other Debt	310		0	
		<b>Total Liabilities</b>	389	281,351	284,729	0
		<b>Policyholders' Equity</b>				
<a href="#">20.040</a>		Participating Account	510	0	0	
		Participating Account - Accumulated OCI (Loss)	520		0	
<a href="#">20.040</a>		Non-Participating Account (Mutual Companies Only)	540	0	0	
		Non-Participating Account - Accumulated OCI (Loss)	550		0	
		<b>Total Policyholders' Equity</b>	589	0	0	0
		<b>Shareholders' Equity</b>				
		Capital Stock	610	38,000	38,000	
		Other Capital	640		0	
		Contributed Surplus	670		0	
<a href="#">20.040</a>		Retained Earnings	700	126,401	114,791	
		Accumulated Other Comprehensive Income (Loss)	740		0	
		<b>Total Shareholders' Equity</b>	779	164,401	152,791	0
		<b>Non-controlling Interests</b>	829	0	0	
		<b>Total Equity</b>	839	164,401	152,791	0
		<b>TOTAL LIABILITIES AND EQUITY</b>	899	445,752	437,520	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>		
35.020		Gross Premiums 020	168,569	150,958
35.020		Premiums ceded 030	117,796	94,134
45.020		Net Premiums 040	50,773	56,824
35.020		Gross Investment Income 050	14,523	-12,838
35.020		Less: Investment Expenses and Taxes 060	2,667	2,590
23.010		Net Investment Income 070	11,856	-15,428
35.020		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) * 075	0	
35.020		Share of Income/Loss of Associates & Joint Ventures 090	0	0
		Fee Income 130	14,802	9,627
23.030		Other Revenue 160	0	0
35.020		Fraternal and Other Fund Revenues 180	0	0
		<b>Total Revenue</b> 199	77,431	51,023
		<b>Policy/Certificate Benefits and Expenses</b>		
35.020		Policyholder/Certificateholder Benefits 260	28,516	27,405
35.020		Benefits ceded 270	15,188	14,577
		Gross Changes to Actuarial Liabilities		
35.020		Normal 310	845	3,665
35.020		Basis Change 320	-1,854	-1,767
		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	1,450	250
35.020		Basis Change 380	-1,093	-1,896
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	68,141	70,159
35.020		Commissions Ceded 470	48,231	48,103
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit 480	0	0
23.030		Interest Expense and Finance costs 510	63	350
23.030		General Expenses and Taxes (excl. income taxes) 540	27,411	25,899
23.030		Other Expenses 570	1,714	1,774
35.020		Fraternal and Other Fund Expenses 580	0	0
		<b>Total Benefits and Expenses</b> 649	61,060	66,451
		<b>Income Before Income Tax</b> 669	16,371	-15,428
		Provision for Income Taxes		
		Current 700	5,962	3,260
		Deferred 710	-1,201	-1,109
		<b>Income Before the following:</b> 749	11,610	-17,579
35.020		Discontinued Operations (net of Income Taxes of \$ ) 830	0	0
		<b>Net Income</b> 859	11,610	-17,579
35.020		Attributable to Participating Policyholders/Certificateholders 870	0	0
35.020		<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b> 899	11,610	-17,579
35.020		Attributable to Fraternal and Other Fund Account 980	0	0
35.020		<b>Insurance Fund</b> 989	11,610	-17,579
		<b>Attributable to:</b>		
		Non-controlling Interests 900		0
		Equity Holders 920	11,610	-17,579
			(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	0	0
		Adjustments		0
		(Specify)		0
<a href="#">20.030</a>		Share of Net Income (Loss)		0
<a href="#">20.040</a>		Transfer from (to) Retained Earnings (Stock companies only)		0
<a href="#">20.040</a>		Transfer from (to) Non-Par Account (Mutual companies only)		0
		<b>End of Year</b>	0	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	0	0
		Adjustments		0
		(Specify)		0
<a href="#">20.030</a>		Share of Net Income (Loss)		0
<a href="#">20.040</a>		Transfer from (to) Par Account	0	0
		Dividends to Preferred Shareholders		0
		<b>End of Year</b>	0	0

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

Reference Page	FS Notes Reference	(05)	Current Period (01)	Prior Period (03)
<a href="#">20.030</a>		Beginning of Year	114,791	132,370
<a href="#">20.040</a>		Share of Net Income (Loss)	11,610	-17,579
		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred		0
		Common		0
		(Specify)		0
		(Specify)		0
		(Specify)		0
		<b>End of Year</b>	126,401	114,791

CONSOLIDATED FINANCIAL STATEMENTS

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

Reference Page	FS Notes Reference Reference		Current Period	Prior Period	
			(01)	(03)	
20.030		<b>Comprehensive Income (Loss)</b>			
		Net Income	010	11,610	-17,579
		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	110		0
		- Bonds and Debentures	140		0
		- Equities (IAS 39)	170		0
		Reclassification of (Gains) Losses to Net Income	210		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>	449	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>	489	0	0		
<b>Total Other Comprehensive Income (Loss)</b>	510	0	0		
<b>Total Comprehensive Income (Loss)</b>	589	11,610	-17,579		
<b>Attributable to:</b>					
Participating Policyholders/Certificateholders	615		0		
Non-controlling Interests	600		0		
Equity Holders	620	11,610	-17,579		
Reference Page	FS Notes Reference Reference		Current Period	Prior Period	
			(01)	(03)	
		<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>	849	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>	889	0	
		<b>Balance at end of Period</b>	899	0	

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