#### CONSOLIDATED FINANCIAL STATEMENTS

#### ASSETS (\$'000)

Reference Page	FS Notes Reference			Current Period		Prior Period		Opening Prior Period Restated		
				Total	Vested in Trust*	Total	Vested in Trust*	Total	Vested in Trust*	
				(01)	(02)	(03)	(04)	(05)	(06)	
		Cash and Cash Equivalents	01	32,076		14,282				
		Investment Income due and accrued	02	1,298		1,304				
		Assets held for sale	50			0				
		Investments:								
40.12		Short Term Investments	04			0				
40.22		Bonds and Debentures	05	205,546		179,011				
40.32		Mortgage Loans	06			0				
40.42		Preferred Shares	07	12,737		17,253				
40.52		Common Shares	08			0				
<u>40.70</u>		Investment Properties	09	76,799		82,701				
40.80		Other Loans and Invested Assets	10			30,000				
40.07		Total Investments (lines 04 to 10)	19	295,082		308,965		0		
		Receivables:								
50.20		Unaffiliated Agents and Brokers	20			0				
		Policyholders	21	4,315		4,401				
		Instalment Premiums	22	81,140		82,746				
		Other Insurers	23	147,578		149,286				
		Facility Association and the "P.R.R."	24			0				
50.40		Subsidiaries, Associates & Joint Ventures	25	3,988		4,752				
50.20		Other Receivables	27	640		1,070				
		Recoverable from Reinsurers:								
60.10		Unearned Premiums	30	0		0				
60.30		Unpaid Claims and Adjustment Expenses	31	7,830		8,144				
		Other Recoverables on Unpaid Claims	37			0				
		Investments Accounted for Using the Equity Method:								
50.32		Interests in Subsidiaries, Associates & Joint Ventures	40	0		0				
		Pooled Funds	45			0				
40.70		Property and Equipment	41	25,714		25,153				
		Deferred Policy Acquisition Expenses	43	17,935		18,313				
		Current Tax Assets	52			0				
		Deferred Tax Assets	44	13,686		26,596				
		Goodwill	54			0				
		Intangible Assets	56	6,042		7,040				
		Defined Benefit Pension Plan	58			0				
		Other Assets	88	121		145				
		TOTAL ASSETS	89	637,445		652,197		0		

 $<sup>\</sup>boldsymbol{*}$  Foreign insurers: Excludes deposits of reinsurers held in special trust accounts.

## $CONSOLIDATED\ FINANCIAL\ STATEMENTS$

## LIABILITIES, EQUITY, HEAD OFFICE ACCOUNT, RESERVES & AOCI $(\$ \mbox{'}000)$

ference Page	FS Notes Reference			Current Period	Prior Period	Opening Prior Period Restat
		(55)		(01)	(03)	(05)
		LIABILITIES				
		Overdrafts	01		0	
		Borrowed Money and Accrued Interest	02		0	
		Payables:				
50.20		Agents and Brokers	03		0	
		Policyholders	04	382	405	
		Other Insurers	05	9,769	7,638	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates	06	2,739	2,712	
		Expenses due and accrued	07	10,058	8,436	
		Other Taxes due and accrued	09	11,335	11,872	
		Policyholder Dividends and Rating Adjustments	10		0	
<u>40.70</u>		Encumbrances on Real Estate	11		0	
<u>50.10</u>		Unearned Premiums	12	124,870	128,328	
50.30		Unpaid Claims and Adjustment Expenses	13	273,365	300,822	
<u>30.10</u>		Unearned Commissions	14	0	0	
		Ceded Deferred Premium Taxes	20		0	
		Ceded Deferred Insurance Operations Expenses	34		0	
		Premium Deficiency	15		0	
		Liabilities held for sale	17		0	
		Current Tax Liabilities	18		0	
		Deferred Tax Liabilities	21		0	
		Self-Insured Retention (SIR) portion of unpaid claims	22		0	
		Defined Benefit Pension Plan	23		0	
		Employment Benefits (not including amounts on line 23 above)	24		0	
		Subordinated Debt	25		0	
		Preferred Shares - Debt	26		0	
		Provisions and Other Liabilities	28	4,418	4,869	
		Total Liabilities	29	436,936	465,082	
		CANADIAN INSURERS ONLY:				
		EQUITY				
		Shares issued and paid				
		Common	41	24,000	9,000	
		Preferred	33	106,100	106,100	
		Contributed Surplus	42	0	0	
		(Specify)	43		0	
20.54		Retained Earnings	44	70,409	72,015	
20.45		Reserves	45	0	0	
20.42		Accumulated Other Comprehensive Income (Loss)	47	0	0	
		Total Policyholders/Shareholders' Equity	59	200,509	187,115	
		Non-controlling Interests	48	0	0	
		Total Equity	49	200,509	187,115	
		TOTAL LIABILITIES AND EQUITY	89	637,445	652,197	
		FOREIGN INSURERS ONLY:				
		HEAD OFFICE ACCOUNT, RESERVES & AOCI				
0.45		Head Office Account	51			
		(Specify)	53			
20.45		Reserves	55			
20.42		Accumulated Other Comprehensive Income (Loss)	56			
		Total Head Office Account, Reserves & AOCI	69			

30/09/2019 Date

### CONSOLIDATED FINANCIAL STATEMENTS

## STATEMENT OF INCOME (\$'000)

Reference Page	FS Notes Reference			Current Period	Prior Period	
				(01)	(03)	
		UNDERWRITING OPERATIONS				
		Premiums Written	0.1	176.015	191 507	
70.21		Direct	01	176,015	181,597	
70.21		Reinsurance Assumed	02	0	17 200	
<u>70.21</u>		Reinsurance Ceded	03	14,510	17,209	
<u>60.20</u>		Net Premiums Written	04	161,505	164,388	
60.20		Decrease (increase) in Net Unearned Premiums  Net Premiums Earned	05 06	(7,897) 153,608	(1,534)	
00.20				,	162,854	
		Service Charges	07	6,220	6,263	
		Other	08	150.020		
		Total Underwriting Revenue	09	159,828	169,117	
		Gross Claims and Adjustment Expenses	62	95,236	124,080	
60.20		Reinsurers' share of claims and adjustment expenses	64	567	6,726	
<u>60.20</u>		Net Claims and Adjustment Expenses	10	94,669	117,354	
00.10		Acquisition Expenses		21.27	22.115	
80.10		Gross Commissions Ceded Commissions	66	21,276	22,116	
<u>80.10</u>			68			
00.20		Taxes	12	6,738	7,191	
80.20		Other	14	8,816	7,451	
80.20		General Expenses	16	4,405	7,501	
		Total Claims and Expenses	19	135,904	161,613	
		Premium Deficiency Adjustments	20	0	7.504	
40.07		Underwriting Income (Loss)	29	23,924	7,504	
40.07		INVESTMENT OPERATIONS	22	6.005	5.050	
		Income	32	6,895	5,868	
		Gains (Losses) from FVO or FVTPL	35	0	0	
		Realized Gains (Losses)	33	2,020	(1,335)	
		Expenses	34	245	256	
		Net Investment Income	39	8,670	4,277	
		OTHER REVENUE AND EXPENSES				(0
		Income (Loss) from Ancillary Operations				
		(net of Expenses of \$'000	40		0	
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures	41		0	
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)	48		0	
		Overlay approach adjustment for inflancial instruments (Accesss from Feet to Oct)			U	
		Share of Net Income (Loss) of Pooled Funds using Equity Method	47		0	
		Gain (Losses) from fluctuations in Foreign Exchange Rates	42		0	
		Other Revenues	44	(225)	364	
		Finance costs	45		0	
		Other Expenses	46		0	
		Net Income (Loss) before Income Taxes	49	32,369	12,145	
		INCOME TAXES				
		Current	50		(2)	
		Deferred	51	10,552	3,132	
		Total Income Taxes	59	10,552	3,130	
		NET INCOME (LOSS) FOR THE YEAR	89	21,817	9,015	
		ATTRIBUTABLE TO:				
		Non-controlling Interests	80		0	
		Equity Holders	82	21,817	9,015	

Canadian/Foreign Insurer

30/09/2019

Date

# CONSOLIDATED FINANCIAL STATEMENTS COMPREHENSIVE INCOME (LOSS) and ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS) (\$'000)

Reference	FS Notes			Current Period	Prior Period
Page	Reference				
				(01)	(03)
		Community Indiana (Long)			
20.20		Comprehensive Income (Loss)	01	21.817	0.015
<u>20.30</u>		Net Income	01	21,817	9,015
		Other Comprehensive Income (Loss):			
		Items that may be reclassified subsequently to Net Income:			
		FVOCI:			
		Change in Unrealized Gains and Losses:			
		- Loans	02		0
		- Bonds and Debentures	03		0
		- Equities (IAS 39)	04		0
		Reclassification of (Gains) Losses to Net Income	05		0
		Overlay approach  Change in Unrealized Gains and Losses related to overlay approach for financial instruments			
		Unrealized Gains and Losses	15		0
		Reclassification of (Gains) Losses from Net Income	16		0
		Derivatives Designated as Cash Flow Hedges			
		Change in Unrealized Gains and Losses	06		0
		Reclassification of (Gains) Losses to Net Income	07		0
		Foreign Currency Translation			
		Change in Unrealized Gains and Losses	08		0
		Impact of Hedging	09		0
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	14		0
		Other	18		0
			19	0	0
		Subtotal of items that may be reclassified subsequently to Net Income  Items that will not be reclassified subsequently to Net Income:	17	0	0
		FVOCI:			
		Change in Unrealized Gains and Losses:	25		0
		- Equities (IFRS 9)	25		0
		Revaluation Surplus	31		0
		Share of Other Comprehensive Income of Subsidiaries,			0
		Associates & Joint Ventures	11		0
		Remeasurements of Defined Benefit Plans	34		0
		Other	12	_	0
		Subtotal of items that will not be reclassified subsequently to Net Income	29	0	0
		Total Other Comprehensive Income (Loss)	21	0	0
		Total Comprehensive Income (Loss)	39	21,817	9,015
		Attributable to:			
		Non-controlling Interests	60		0
		Equity Holders	62	21,817	9,015

			Current Period	Prior Period
			(01)	(03)
	Accumulated Other Comprehensive Income (Loss)			
	Accumulated Gains (Losses) on:			
	Items that may be reclassified subsequently to Net Income:			
	FVOCI:			
	- Loans	42		0
	- Bonds and Debentures	43		0
	- Equities (IAS 39)	44		0
	Overlay approach	55		0
	Derivatives Designated as Cash Flow Hedges	45		0
	Foreign Currency (net of hedging activities)	46		0
	Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified)	52		0
	Other	68		0
	Subtotal of items that may be reclassified subsequently to Net Income	69	0	0
	Items that will not be reclassified subsequently to Net Income:			
	FVOCI:			
	- Equities (IFRS 9)	65		0
	Revaluation Surplus	71		0
	Share of Other Comprehensive Income of Subsidiaries,			
	Associates & Joint Ventures	51		0
	Remeasurements of Defined Benefit Plans	74		0
	Other	49		0
	Subtotal of items that will not be reclassified subsequently to Net Income	79	0	0
20.20	Balance at end of Year	59	0	0

## CONSOLIDATED

## $\begin{tabular}{ll} \textbf{MINIMUM CAPITAL TEST/BRANCH ADEQUACY OF ASSETS TEST: CAPITAL (MARGIN) REQUIRED AND MCT (BAAT) RATIO \\ & (\$'000) \end{tabular}$

		Current Period
(55)		(01)
Capital Available:		
Capital available (from page 30.62 - capital available)	01	180,781
(Specify)	08	
Total Capital Available	09	180,781
Assets Available:		
Net Assets Available (from page 30.92 - net assets available)	11	
(Specify)	18	
Total Net Assets Available	19	
Total Net Assets Available	19	
Capital (Margin) Required at Target:		
Insurance Risk:		
Premium liabilities	20	15,477
Unpaid claims	22	24,152
Catastrophes	24	0
Margin required for reinsurance ceded to unregistered insurers	26	0
Subtotal: Insurance risk margin	29	39,629
Market Risk:		,
Interest rate risk	30	489
Foreign exchange risk	32	0
Equity risk	34	0
Real estate risk	36	17,876
Other market risk exposures	38	56
Subtotal: Market risk margin	39	18,421
Credit Risk:		
Counterparty default risk for balance sheet assets	40	4,272
Counterparty default risk for off-balance sheet exposures	42	0
Counterparty default risk for unregistered reinsurance collateral and SIRs	44	0
Subtotal: Credit risk margin	49	4,272
Operational risk margin	50	11,373
Less: Diversification credit	52	7,689
Total Capital (Margin) Required at Target	59	66,006
Minimum Capital (Margin) Required (line 59 / 1.5)	60	44,004
(Specify)	68	
Total Minimum Capital (Margin) Required	69	44,004
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required	79	136,777
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69)	90	410.83%

Note: See Section VI of the P&C instructions and the MCT Guideline.