

2024 LICAT Ratio Public Disclosure Summary

First Canadian Insurance Corporation is a Canadian life and accident and sickness insurance company whose primary regulator is the Alberta Superintendent of Financial Institutions. The Alberta Superintendent of Financial Institutions adopted the Office of Superintendent of Financial Institutions (OSFI) new regulatory capital framework, the Life Insurance Capital Adequacy Test (LICAT) on January 1, 2018.

Companies are required, at minimum, to maintain a Core Ratio of 55% and a Total Ratio of 90%. The Alberta Superintendent of Financial Institutions has adopted OSFI's established supervisory target levels of 70% for Core Ratio and 100% for Total Ratio.

Definition of terms can be found in Guideline A at: [LICAT – Life Insurance Capital Adequacy Test](#)

		2024 (\$'000)	2023 (\$'000)	Change
Tier 1 Capital	(AC1)	126,979	119,705	6%
Tier 2 Capital	(B)	3,514	3,285	7%
Available Capital (AC1 + B)	(AC)	130,311	122,990	6%
Surplus Allowance and Eligible Deposits	(SA+ED)	20,029	19,396	3%
Base Solvency Buffer (includes OSFI scalar of 1.00)	(BSB)	76,966	77,605	-1%
Total Ratio ((AC+SA+ED) / BSB) x 100		196%	183%	13%
Core Ratio ((AC1+(70% SA)+(70% ED)) / BSB) x 100		183%	172%	11%

The Total Ratio and Core Ratio period changes are mainly due to an increase in Tier 1 Capital as a result of annual earnings.