



LICAT Public Disclosures

Co-operators Life Insurance Company

(Consolidated)

For the year ended December 31, 2018

LICAT Ratios Public Disclosure Summary

(all amounts below are in thousands of dollars, except percentages)

Companies are required, at a minimum, to maintain a Core Ratio of 55% and a Total Ratio of 90%. OSFI has established supervisory target levels of 70% for Core and 100% for Total capital.

The definition of these terms can be found in Guideline A at: [LICAT - Life Insurance Capital Adequacy Test](#)

		2018	2017	Change - %
Available Capital (AC1 + B)	AC	1,145,732	n/a	n/a
<i>Tier 1 Capital</i>	AC1	826,854	n/a	n/a
<i>Tier 2 Capital</i>	B	318,878	n/a	n/a
Surplus Allowance and Eligible Deposits	SA + ED	443,944	n/a	n/a
Base Solvency Buffer	BSB	1,087,026	n/a	n/a
Total Ratio ([AC + SA + ED] / BSB) x 100		146%	n/a	n/a
Core Ratio ([AC1 + 70% (SA + ED)] / BSB) x 100		105%	n/a	n/a

In 2018, LICAT replaced MCCSR as OSFI's guideline to capital reporting. 2018 is the first year-end where we have reported LICAT; therefore, no comparatives have been provided.

The sale of CLIC's P&C subsidiary, to a related party, drove an increase in both the Total and Core Ratios in the current year. The surplus for the P&C subsidiary was previously deducted from Available Capital. This was partially offset by the impact that equity market losses had on income.