



LICAT Public Disclosures

Co-operators Life Insurance Company

(Consolidated)

For the year ended December 31, 2020

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](#)

		2020	2019	Change - %
Available Capital (AC1 + B)	AC	1,262,908	1,255,033	1%
<i>Tier 1 Capital</i>	AC1	937,166	915,614	2%
<i>Tier 2 Capital</i>	B	325,742	339,419	-4%
Surplus Allowance and Eligible Deposits	SA + ED	521,424	504,047	3%
Base Solvency Buffer	BSB	1,188,250	1,134,729	5%
Total Ratio ([AC + SA + ED] / BSB) x 100		150%	155%	-5%
Core Ratio ([AC1 + 70% (SA +ED)] / BSB) x 100		110%	112%	-2%

The decrease in both the Total and Core Ratios over the year was primarily due to low interest rates as well as assumption changes which put downward pressure on income in 2020. As a result, the growth in capital was not enough to counter the growth in requirements. This netted to a drop in the ratio.