The LICAT guideline establishes the standards used by the Office of the Superintendent of Financial Institutions to assess whether a life insurer maintains adequate capital to support risks specific to the life insurance business. The following summary provides the capital adequacy ratios and the components of total capital of The Grand Orange Lodge of British America.

LICAT Ratios Public Disclosure Summary Template

(thousands of dollars, except percentages)

Companies are required, at 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.

Definition of terms can be found in Guideline A: [LICAT - Life Insurance Capital Adequacy Test]

		As at December 31, 2023	As at December 31, 2022 (Restated)*	Change - %
Available Capital (AC1+B)	**(AC)**	**10,585**	**9,800**	8%
Tier 1 Capital	**(AC1)**	7,617	6,661	
Tier 2 Capital	**B**	2,968	3,139	
Surplus Allowance and Eligible Deposits	**(SA+ED)**	**930**	**845**	10%
Base Solvency Buffer	**(BSB)**	**4,665**	**4,119**	13%
Total Ratio ([AC + SA + ED] / BSB) x 100		**247%**	**258%**	(4%)
Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100		**177%**	**176%**	2%

* December 31, 2022 results have been restated to reflect the retrospective application of IFRS 17, the new accounting standard which took effect January 1, 2023.

The proportional increase to the Base Solvency Buffer was greater than the proportional increase in Available Capital resulting in a decrease to the Total Ratio, this disproportionate increase in the Base Solvency Buffer was driven primarily by interest rate movement and new business generation during the year. The Core Ratio remained consistent year over year with a slight increase driven by strong new business generation during the year.