



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: Life Insurance Capital Adequacy Test – Guideline (2025)				
		As at December 31, 2025	As at December 31, 2024	Change - %
Available Capital (AC1+B)	(AC)	10,699	10,862	(2%)
<i>Tier 1 Capital</i>	(AC1)	6,834	7,447	
<i>Tier 2 Capital</i>	B	3,865	3,415	
Surplus Allowance and Eligible Deposits	(SA+ED)	1,094	1,016	8%
Base Solvency Buffer	(BSB)	4,891	4,703	4%
Total Ratio ([AC + SA + ED] / BSB) x 100		241%	253%	(5%)
Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100		155%	174%	(11%)

The proportional decrease in Available Capital coupled with the proportional increase of the Base Solvency Buffer resulted in a decrease to the Total Ratio, this increase in Available Capital was driven primarily by interest rate movement and new business generation during the year. The Core Ratio saw a decrease year over year driven by negative reserves, cash surrender value deficiencies and an increase in the deferred income tax asset during the year.