

		<b>Foresters Financial</b>
		<b>Current</b>
Amounts in \$CDN (000s)		<b>Period</b>
<b>Available Capital (AC1+B)</b>	(AC)	1,738,085
<i>Tier 1 Capital</i>	(AC1)	1,367,321
<i>Tier 2 Capital</i>	B	370,764
<b>Surplus Allowance and Eligible Deposits</b>	(SA+ED)	936,363
<b>Base Solvency Buffer</b>	(BSB)	1,755,049
<b>Total Ratio ([AC + SA + ED] / BSB) x 100</b>		152.4%
<b>Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100</b>		115.3%

The Office of the Superintendent of Financial Institutions (“OSFI”) introduced the Life Insurance Capital Adequacy Test (LICAT) as the regulatory capital standard for life insurers effective January 1st, 2018. LICAT replaces the former life insurance capital test, the Minimum Continuing Capital and Surplus Requirements Guideline (MCCSR), in place since 1992. Under LICAT, the Total Ratio is subject to a supervisory target of 100% and minimum ratio of 90%. The Core Ratio is subject to a supervisory target of 70% and minimum ratio of 55%.

		<b>Foresters Life Insurance Company</b>
		<b>Current</b>
Amounts in \$CDN (000s)		<b>Period</b>
<b>Available Capital (AC1+B)</b>	(AC)	253,371
<i>Tier 1 Capital</i>	(AC1)	192,274
<i>Tier 2 Capital</i>	B	61,098
<b>Surplus Allowance and Eligible Deposits</b>	(SA+ED)	210,349
<b>Base Solvency Buffer</b>	(BSB)	392,819
<b>Total Ratio ([AC + SA + ED] / BSB) x 100</b>		118.0%
<b>Core Ratio ([AC1 + 70% SA + 70% ED] / BSB) x 100</b>		86.4%

The LICAT ratio of the Canadian subsidiary is managed to a lower capital ratio than the overall organization, recognizing the capital support of the parent.