

31/12/2022
Date

American Agricultural Insurance Company
(Name of Insurer)

P&C

**Quarterly Return
&
Annual Supplement**

**Canadian & Foreign
Property and Casualty Insurers**

Jurisdiction of incorporation: Canada

P&C
Quarterly Return
&
Annual Supplement

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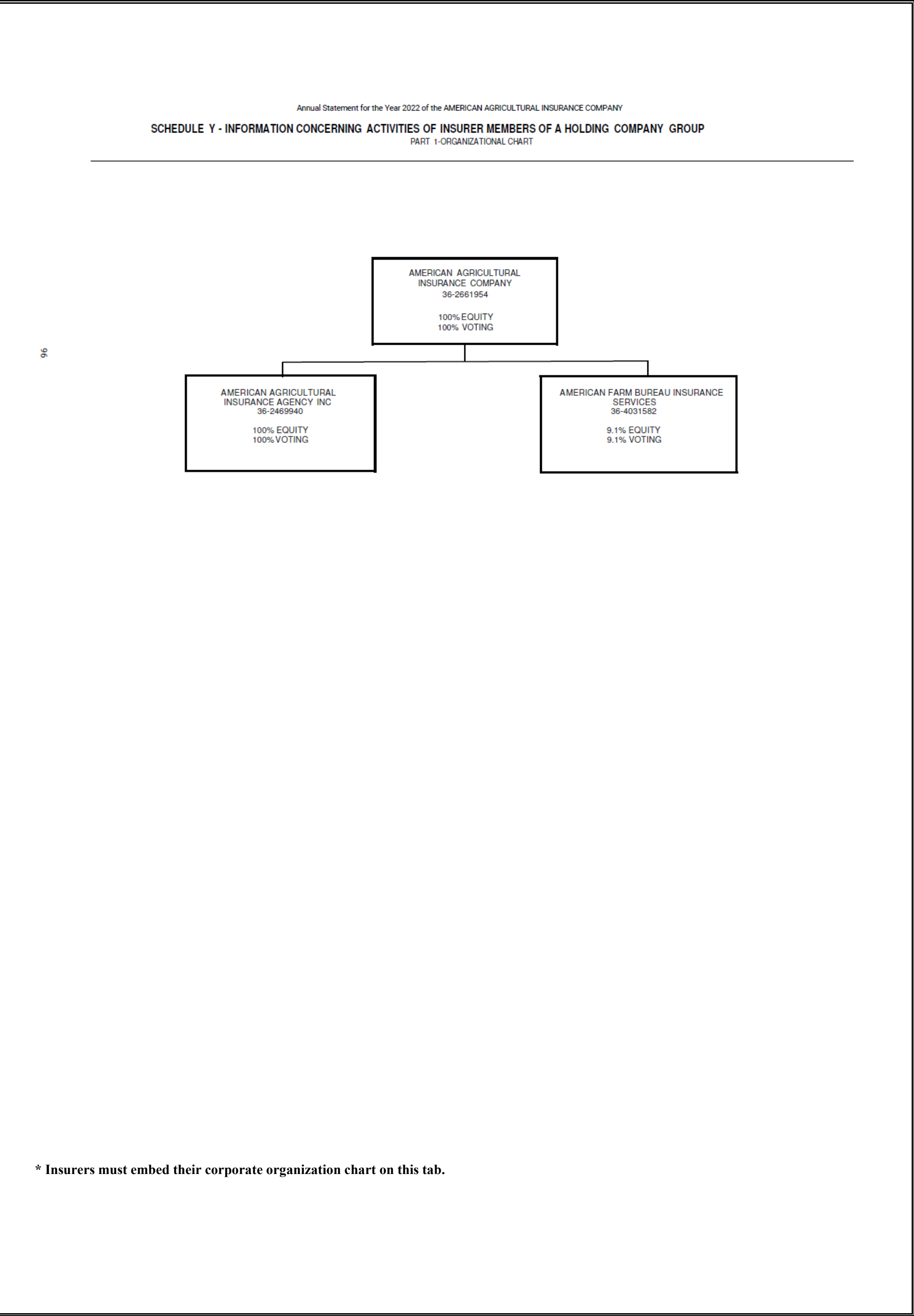
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American Agricultural Insurance Company
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CORPORATE ORGANIZATION CHART*

Embed a chart showing the interrelationships between the insurer, its immediate and ultimate parent, and all other affiliated corporations (upstream and downstream), identifying the percentage of beneficial ownership of each (see Section VI of the Annual Return Instructions).



American Agricultural Insurance Company
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OTHER INFORMATION

(01)

07 In which jurisdiction is your ultimate parent (companies) or Home Office (branches) domiciled? US

(04)

10 Have there been any amendments to the instrument of incorporation/by-laws since the date of filing the last Annual Return?

N

 Y / N

If yes, please summarize: (01)

11

30	Indicate the name and percentage of ownership of each corporation in which the insurer held 10% or more of the voting rights as at year-end. If necessary, embed details on an additional page.		
	Name	Percentage	Consolidated
	(01)	(02)	(03)
31	<div>American Agricultural Insurance Agency, Inc.</div>	<div>100</div>	<div>N</div> Y / N
32	<div></div>	<div></div>	<div></div> Y / N
33	<div></div>	<div></div>	<div></div> Y / N

(04)

36 Are any of the insurer's licenses / orders subject to any limitation?

Y

 Y / N

If yes, please embed details:

AAIC OSFI
Order.pdf

OTHER INFORMATION (continued)
(\$'000)

Class of insurance	Total Insured Value (05)	Policy Limit (01)	Net retention	
			Current Year (02)	Prior Year (03)
Property - Personal excluding Home and Product Warranty 03			1,323	924
- Home Warranty 04				0
- Product Warranty 05				0
- Commercial 07			1,323	924
Aircraft 10				0
Automobile:				
Private Passenger - Liability 11			1,485	1,485
- Personal Accident 12				0
- Other 13				0
Other than Private Passenger - Liability 15				0
- Personal Accident 16				0
- Other 17				0
Boiler and Machinery excluding Equipment Warranty 32			1,323	924
- Equipment Warranty 33				0
Credit 34				0
Credit Protection 35				0
Fidelity 36				0
Hail 38			982	603
Legal Expense 40				0
Liability				
- Comprehensive General Liability (with products) 50			1,485	1,485
- Comprehensive General Liability (without products) 51			1,485	1,485
- Cyber Liability 52				0
- Directors and Officers Liability 53				0
- Excess Liability 54			800	895
- Professional Liability 55				0
- Umbrella Liability 56			800	895
- Pollution Liability 57				0
- All other 58			1,485	1,485
Mortgage 62				0
Other Approved Products 63				0
Surety				
- Contract Surety 60				0
- All Other Surety 61				0
Title 66				0
Marine 68			667	825
Accident and Sickness 70				0

Does the reporting on the liability class of insurance include information from other lines?			(01)	
88	Property		N	Y / N
89	Auto Insurance		N	Y / N

		Current Year (02)	Prior Year (03)
What is the average rate used for discounting policyholder liabilities (%)?	90	3.83%	1.05%
What is the average duration of interest rate sensitive assets?	91	1.9	2.2
What is the average duration of policy liabilities?	92	2.0	2.1
Number of automobiles insured under automobile insurance policies, as at year end:	79		0
Assessable Income information (\$'000):			
Accident and Sickness net premiums written in Ontario	85		0

OUTSOURCING AND SERVICE AGREEMENTS

Service Outsourced (01)	Provider Name (02)	Provider Head Office Address (03)	Location Where Services Provided (04)	Annual Fee/Cost of Service		Brief description of the Service (07)
				Affiliated Providers (05)	Unaffiliated Provider (06)	
Management Services	American Ag - home office	Schaumburg, IL, USA	Schaumburg, IL, USA	1,169		Various administrative services
Appointed Actuary	PriceWaterHouseCoopers LLP	Toronto, ON	Toronto, ON		136	Actuarial services
Total	09			1,169	136	

SUMMARY OF SELECTED FINANCIAL DATA FOR FIVE YEARS
(\$'000)

(55)	2018 (01)	2019 (02)	2020 (03)	2021 (04)	2022 (Current) (05)
OPERATIONS					
Assets/Assets Vested in Trust01	72,310	54,422	55,313	54,063	63,340
Liabilities02	28,704	26,475	33,343	28,940	33,726
Adjusted Equity04					
Gross premiums written05	20,228	20,569	19,790	23,681	26,165
Net Premiums Written06	14,238	14,384	13,925	16,651	17,999
Net Premiums Earned07	14,073	14,454	14,091	16,390	17,637
Gross claims incurred08	9,122	8,242	18,080	15,324	16,955
PROFITABILITY					
Claims ratio					
- by year of account30	44.50%	40.20%	89.11%	75.86%	66.03%
- by year of accident31	68.06%	49.72%	85.47%	98.87%	68.80%
Expense ratio33	21.01%	22.04%	21.47%	21.19%	21.40%
Underwriting income (loss)35	4,854	5,458	(1,491)	483	2,216
- as a % of net premiums earned36	34.49%	37.76%	-10.58%	2.95%	12.56%
Net investment income42	1,196	1,304	833	751	1,018
Overlay approach adjustment for financial instruments (Reclass from P&L to OCI)43				0	0
Net investment income (total) as a % of net premiums earned [(line 42)/07] x 10045	8.50%	9.02%	5.91%	4.58%	5.77%
Investment yield46	1.58%	1.97%	1.30%	1.08%	1.47%
Net income (loss)47	6,050	6,762	(658)	1,234	3,234
Return on equity48					
MINIMUM CAPITAL TEST/BRANCH ASSET ADEQUACY TEST					
Excess of Capital/Margin Available over Capital/Margin Required70	40,852	25,538	19,328	22,582	26,333
Capital/Margin Available as a % of Capital/Margin Required72	1249.47%	880.74%	600.86%	703.31%	725.93%
What is the company/branch's internal target capital ratio (%)?74	450.00%	760.00%	600.00%	600.00%	600.00%
CANADIAN INSURERS ONLY:					
EQUITY					
Dividends to shareholders50					
Share Capital and Contributed Surplus paid in during the year52					
Share Capital and Contributed Surplus redeemed during the year54					
OTHER RATIOS					
Adjusted Equity as a % of liabilities60					
Gross risk ratio (line 05/line 04)62					
Net risk ratio (line 06/line 04)64					
and associates as a % of Adjusted Equity66					
Claims development as a % of Adjusted Equity68					
FOREIGN INSURERS ONLY:					
TOTAL WORLDWIDE BUSINESS (For the company or the branch, rounded to the nearest thousand)					
Currency:19	0.00	0.00	0.00	0.00	0.00
Assets20	1,350,355	1,450,676	1,571,457	1,771,062	1,813,775
Liabilities21	770,103	830,756	932,210	1,099,473	1,122,600
Capital and surplus22	580,252	619,919	639,247	671,589	691,175
Gross premiums written23	992,288	1,078,837	1,290,622	1,485,447	1,555,949
Net Premiums Written24	320,993	384,695	419,581	465,688	479,069
Underwriting income25	(9,669)	14,224	(4,855)	10,305	15,701
Investment income (including realized capital gains)26	27,986	39,606	59,610	47,367	32,956
Net Income after tax27	17,273	46,170	52,757	50,963	38,554

ASSETS

(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Period Restated	
			Total	Vested in Trust *	Total	Vested in Trust *	Total	Vested in Trust *
			(01)	(02)	(03)	(04)	(05)	(06)
	5	Cash and Cash Equivalents 01	6,672	16	19,796	4,693		
		Investment Income due and accrued 02	257	257	113	113		
		Assets held for sale 50						
	5	Investments:						
		Short Term Investments 04	31,740	31,740	10,972	10,972		
		Bonds and Debentures 05	31,327	31,327	38,285	38,285		
		Mortgage Loans 06						
		Preferred Shares 07						
		Common Shares 08						
		Investment Properties 09						
		Other Loans and Invested Assets 10						
		Total Investments (lines 04 to 10) 19	63,067	63,067	49,257	49,257		
		Receivables:						
		Unaffiliated Agents and Brokers 20						
		Policyholders 21						
		Installment Premiums 22						
		Other Insurers 23	1,403		1,555			
		"Facility Association" and the "P.R.R." 24						
		Subsidiaries, Associates & Joint Ventures 25						
		Other Receivables 27						
		Recoverable from Reinsurers:						
	Unearned Premiums 30	1,031		772				
	Unpaid Claims and Adjustment Expenses 31	8,908		7,422				
	Other Recoverables on Unpaid Claims 37							
	Investments Accounted for Using the Equity Method:							
	Interests in Subsidiaries, Associates & Joint Ventures 40							
	Pooled Funds 45							
	Property and Equipment 41							
	Deferred Policy Acquisition Expenses 43	500		391				
	Current Tax Assets 52							
	Deferred Tax Assets 44							
	Goodwill 54							
	Intangible Assets 56							
	Defined Benefit Pension Plan 58							
	Other Assets 88							
		TOTAL ASSETS 89	81,838	63,340	79,306	54,063		

* Foreign insurers: Excludes deposits of reinsurers held in special trust accounts.

LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES & AOCI
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Period Restated
		(55)	(01)	(03)	(05)
		LIABILITIES			
		Overdrafts 01			
		Borrowed Money and Accrued Interest 02			
50.20		Payables:			
		Agents and Brokers 03			
		Policyholders 04			
		Other Insurers 05	1,121	674	
50.40		Subsidiaries, Associates & Joint Ventures/Affiliates 06			
		Expenses due and accrued 07	54	41	
		Other Taxes due and accrued 09			
		Policyholder Dividends and Rating Adjustments 10			
40.70		Encumbrances on Real Estate 11			
60.10	7	Unearned Premiums 12	3,202	2,581	
60.30	7	Unpaid Claims and Adjustment Expenses 13	29,134	25,488	
80.10		Unearned Commissions 14	215	156	
		Ceded Deferred Premium Taxes 20			
		Ceded Deferred Insurance Operations Expenses 34			
		Premium Deficiency 15			
		Liabilities held for sale 17			
		Current Tax Liabilities 18			
		Deferred Tax Liabilities 21			
		Self-Insured Retention (SIR) portion of unpaid claims 22			
		Defined Benefit Pension Plan 23			
		Employment Benefits (not including amounts on line 23 above) 24			
		Subordinated Debt 25			
		Preferred Shares - Debt 26			
		Provisions and Other Liabilities 28			
		Total Liabilities 29	33,726	28,940	
		CANADIAN INSURERS ONLY:			
		EQUITY			
		Shares issued and paid			
		Common 41			
		Preferred 33			
		Contributed Surplus 42			
		(Specify) 43			
20.54		Retained Earnings 44			
20.45		Reserves 45			
20.42		Accumulated Other Comprehensive Income (Loss) 47			
		Total Policyholders/Shareholders' Equity 59			
		Non-controlling Interests 48			
		Total Equity 49			
		TOTAL LIABILITIES AND EQUITY 89			
		FOREIGN INSURERS ONLY:			
		HEAD OFFICE ACCOUNT, RESERVES & AOCI			
20.45		Head Office Account 51	49,505	49,786	
		53			
20.45		Reserves 55			
20.47		Accumulated Other Comprehensive Income (Loss) 56	(1,393)	580	
		Total Head Office Account, Reserves & AOCI 69	48,112	50,366	
		TOTAL LIABILITIES, HEAD OFFICE ACCOUNT, RESERVES & AOCI 79	81,838	79,306	

STATEMENT OF INCOME (\$'000)				
Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
		UNDERWRITING OPERATIONS		
		Premiums Written		
		Direct 01		
70.21	6	Reinsurance Assumed 02	26,165	23,681
70.21	6	Reinsurance Ceded 03	8,166	7,030
60.20		Net Premiums Written 04	17,999	16,651
		Decrease (increase) in Net Unearned Premiums 05	(362)	(261)
60.20		Net Premiums Earned 06	17,637	16,390
		Service Charges 07		
		Other 08		
		Total Underwriting Revenue 09	17,637	16,390
		Gross Claims and Adjustment Expenses 62	16,955	15,324
		Reinsurers' share of claims and adjustment expenses 64	5,309	2,890
60.20		Net Claims and Adjustment Expenses 10	11,646	12,434
		Acquisition Expenses		
80.10		Gross Commissions 66	4,031	3,556
80.10		Ceded Commissions 68	1,666	1,409
		Taxes 12		
80.20		Other 14		
80.20		General Expenses 16	1,410	1,326
		Total Claims and Expenses 19	15,421	15,907
		Premium Deficiency Adjustments 20		
		Underwriting Income (Loss) 29	2,216	483
40.07		INVESTMENT OPERATIONS		
		Income 32	1,180	875
		Gains (Losses) from FVO or FVTPL 35		
		Recognized Gains (Losses) 33		
		Expenses 34	162	124
		Net Investment Income 39	1,018	751
		OTHER REVENUE AND EXPENSES		
		Income (Loss) from Ancillary Operations (net of Expenses of \$'000 _____) 40		
		Share of Net Income (Loss) of Subsidiaries, Associates & Joint Ventures 41		
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) 48		
		Share of Net Income (Loss) of Pooled Funds using Equity Method 47		
		Gain (Losses) from fluctuations in Foreign Exchange Rates 42		
		Other Revenues 44		
		Finance costs 45		
		Other Expenses 46		
		Net Income (Loss) before Income Taxes 49	3,234	1,234
		INCOME TAXES		
		Current 50		
		Deferred 51		
		Total Income Taxes 59		
		NET INCOME (LOSS) FOR THE YEAR 89	3,234	1,234
		ATTRIBUTABLE TO:		
		Non-controlling Interests 80		
		Equity Holders 82		

COMPREHENSIVE INCOME (LOSS)
and
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
20.30		Comprehensive Income (Loss)		
		Net Income 01	3,234	1,234
		Other Comprehensive Income (Loss):		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Loans 02		
		- Bonds and Debentures 03	(1,973)	(922)
		- Equities (IAS 39) 04		
		Reclassification of (Gains) Losses to Net Income 05		
		Overlay approach		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses 15		
		Reclassification of (Gains) Losses from Net Income 16		
		Derivatives Designated as Cash Flow Hedges		
		Change in Unrealized Gains and Losses 06		
		Reclassification of (Gains) Losses to Net Income 07		
		Foreign Currency Translation		
		Change in Unrealized Gains and Losses 08		
		Impact of Hedging 09		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified) 14		
		Other 18		
		Subtotal of items that may be reclassified subsequently to Net Income 19	(1,973)	(922)
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9) 25		
		Revaluation Surplus 31		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 11		
		Remeasurements of Defined Benefit Plans 34		
		Other 12		
		Subtotal of items that will not be reclassified subsequently to Net Income 29		
		Total Other Comprehensive Income (Loss) 21	(1,973)	(922)
		Total Comprehensive Income (Loss) 39	1,261	312
		ATTRIBUTABLE TO:		
		Non-controlling Interests 60		
		Equity Holders 62		

20.20			Current Period (01)	Prior Period (03)
		Accumulated Other Comprehensive Income (Loss)		
		Accumulated Gains (Losses) on:		
		Items that may be reclassified subsequently to Net Income:		
		FVOCI:		
		- Loans 42		
		- Bonds and Debentures 43	(1,393)	580
		- Equities (IAS 39) 44		
		Overlay approach 55		
		Derivatives Designated as Cash Flow Hedges 45		
		Foreign Currency (net of hedging activities) 46		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures (may be reclassified) 52		
		Other 68		
		Subtotal of items that may be reclassified subsequently to Net Income 69	(1,393)	580
		Items that will not be reclassified subsequently to Net Income:		
		FVOCI:		
		- Equities (IFRS 9) 65		
		Revaluation Surplus 71		
		Share of Other Comprehensive Income of Subsidiaries, Associates & Joint Ventures 51		
		Remeasurements of Defined Benefit Plans 74		
		Other 49		
		Subtotal of items that will not be reclassified subsequently to Net Income 79		
		Balance at end of Year 59	(1,393)	580

HEAD OFFICE ACCOUNT

(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
		(55)	(01)	(02)
20.30	9	Balance at beginning of year01	49,786	47,471
		Prior period adjustments:02		
		(Specify)04		
		Adjusted balance at beginning of year09	49,786	47,471
		Net income (loss) for the year10	3,234	1,234
		Transfers from (to) Head Office		
		Advances (Returns)20	(7,200)	
		Expenses21	1,169	1,026
		Premiums/Claims22	2,307	158
		Other23	209	(103)
		Subtotal11	(3,515)	1,081
		Decrease (increase) in Reserves12		
		Net increase (decrease) in Head Office Account15	(281)	2,315
		Balance at end of Year89	49,505	49,786

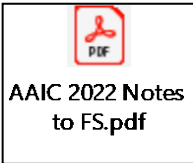
RESERVES

(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(02)
		Earthquake Reserves		
		Reserve Complement90		
		Premium Reserve91		
		Mortgage Reserve95		
		Nuclear Reserve96		
		General and Contingency Reserves98		
		Total Reserves99		

FS Note Reference		Current Year 01	Prior Year 02
	Cash flows from (used in) operating activities:		
	Net Income (Loss) before Income Taxes	3,234	1,234
	Adjustments for:		
	Interest Income.....	(1,322)	(1,211)
	Interest Received.....	1,178	1,204
	Decrease (increase) in Receivables.....	152	(96)
	Decrease (increase) in Recoverables from Reinsurers and in Other Recoverables.....	(1,745)	1,421
	Decrease (increase) in Deferred Policy Acquisition Expenses.....	(109)	(48)
	Increase (decrease) in Unearned Premiums.....	621	373
	Increase (decrease) in Unpaid Claims and Adjustment Expenses.....	3,646	(5,143)
	Increase (decrease) in Unearned Commissions.....	59	20
	Increase (decrease) in all other liabilities.....	460	347
	Transactions with Head Office - non-cash	3,685	1,081
	Cash flows from (used in) operating activities.....	9,859	(818)
	Cash flows from (used in) investing activities:		
5	Term Deposits		
	-(purchases).....	(31,740)	(10,972)
5			
	-proceeds on maturity/sale.....	10,972	10,978
5	Bonds and Debentures		
	-(purchases).....	(4,658)	(13,678)
5			
	-proceeds on maturity/sale.....	9,500	18,365
5	Net Amortization of premium on Investments.....	143	335
	Cash flows from (used in) investing activities.....	(15,783)	5,028
	Cash flows from (used in) financing activities:		
	Transfers from (to) Head Office.....	(7,200)	
	Cash flows from (used in) financing activities.....	(7,200)	0
	Increase (decrease) in cash and cash equivalents (lines 29 + 59 + 69).....	(13,124)	4,210
	Cash and cash equivalents at beginning of year.....	19,796	15,586
	Cash and cash equivalents at end of year (line 79 + 80).....	6,672	19,796
	Cash and cash equivalents at end of year consist of:		
5	Cash.....	6,672	19,796
5	Cash equivalents.....		0
	(Overdrafts).....		

NOTES TO FINANCIAL STATEMENTS



See Section VI of the Annual Return Instructions

Insurer's must embed their notes to the financial statements on this tab.

American Agricultural Insurance Company, Canadian Branch

DRAFT Notes to Financial Statements

December 31, 2022

(in thousands of Canadian dollars)

1. Basis of Presentation

The Canadian Branch (the Branch) of American Agricultural Insurance Company (the Company) is subject to the federal Insurance Companies Act (the Act) and is licensed to transact property and casualty reinsurance in Canada. The Branch received its federal registration effective December 29, 2000 and is also licensed in the Province of Ontario. The Company's head office is located in Schaumburg, Illinois.

The Branch is not a separate legal entity and these financial statements do not contain all the assets, liabilities, revenues and expenses of the Company. These financial statements include the policy liabilities associated with certain Canadian business written by the Company prior to the formation of the Branch. The Branch is dependent upon its head office for information relating to allocations and transactions affecting it and entered by head office. The Branch is dependent on the ceding companies it assumed business from for complete and accurate reporting of assumed premium and claims information. These financial statements exclude out-of-Canada business.

These financial statements were authorized for issue by the Chief Agent on February 21, 2023.

2. Changes in Accounting Policies

Accounting standards and amendments issued but not yet adopted

IFRS 17 Insurance Contracts (IFRS 17)

In May 2017, the IASB issued IFRS 17 to establish a global standard which provides guidance on the recognition, measurement, presentation and disclosure of insurance contracts. Amendments to IFRS 17 were issued in June 2020. IFRS 17 replaces existing accounting under IFRS 4. IFRS 17 is effective beginning on January 1, 2023 with a transition date of January 1, 2022 and will be applied retrospectively.

The below analysis of the expected qualitative impacts as a result of IFRS 17 are not exhaustive. The Branch has not completed the IFRS 17 period end reporting for a portion of 2022 given the timing of this reporting. As a result, the below analysis represents the Branch's best estimate based on information available at present and are subject to change and emerge differently. The Branch's expected key policies around these topics are discussed further below.

The Branch is still evaluating the impact of IFRS 17 on 2022 net income, equity and insurance contract liabilities. Change in net income is not expected to be significant at this time. The potential impacts to net income, equity and insurance contract liabilities are:

- Changes in discount rate accretion of the liabilities for incurred claims;
- Changes in risk adjustment calculation methodology versus provision for adverse deviation
- Changes to costs included in the amortization of acquisition costs.

While the Branch continues to finalize its application of this standard, its assessment of the quantitative and qualitative implications of this standard, including consideration of any OSFI requirements, are as follows:

- *Scope:* IFRS 17 introduces scope exemptions for specific types of contracts. The Branch does not expect significant change in the scope of insurance contracts between IFRS 4 and IFRS 17.

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- *Level of aggregation:* IFRS 17 requires groups of contracts to be aggregated and measured based on contracts subject to similar risks and managed together, profitability, and contracts issued not more than one year apart. The Branch determines contracts subject to similar risks and managed together based on product lines. The Branch will cohort its new business using annual cohorts. When an insurance contract is written, it will be assigned a profitability group based on the expected profitability on the date of initial recognition. The level of aggregation requirements do not permit the offsetting of gains and losses between groups of insurance contracts.
- *Measurement models:* Insurance contract liabilities for each group of insurance contracts represent the sum of the liability for incurred claims and liability for remaining coverage. The Branch expects that substantially all of its liabilities will be measured using the Premium allocation approach (PAA). The Branch will apply the general measurement model to contracts not qualifying for the PAA. When measuring liabilities for remaining coverage, the PAA is similar to the Branch's previous accounting treatment for short duration contracts and therefore the Branch does not expect a significant impact to measurement. The Branch primarily issues insurance contracts with a coverage period of 12 months or less, which automatically qualify for the Premium allocation approach (PAA). For these types of contracts, the Branch will continue to defer and amortize insurance acquisition cash flows. For insurance contracts with greater than 12 months of coverage, the Branch has established a methodology for assessing whether the measurement of the liability for remaining coverage differs significantly than the measurement under the GMM to determine whether they qualify for the PAA. The PAA does not have the concept of a contractual service margin and therefore, upon transition, the insurance contract liabilities and reinsurance held assets will be recorded on a full retrospective basis.
- When measuring the liabilities for incurred claims, IFRS 17 requires:
 - o Estimates of future of future cash flows to be discounted to reflect the time value of money and financial risk related to those cash flows, unless the Branch expects claims to be paid in one year or less from the date it was incurred. The methodology for determining the discount rate is not prescribed.
 - o An explicit risk adjustment for non-financial risk which replaces the risk margin under IFRS 4. The IFRS 4 risk margin reflects the inherent uncertainty in the net discounted claim liabilities estimates, whereas the IFRS 17 risk adjustment for non-financial risk is the compensation the Branch requires for bearing the uncertainty that arises from non-financial risk. IFRS 4 required a risk margin for financial risks (i.e. investment risk) which is not permitted by IFRS 17.
- *Onerous contracts:* IFRS 17 requires the identification of groups of onerous contracts when facts and circumstances indicate a loss for PAA contracts. When onerous contracts are identified, the Branch is required to recognize a loss immediately in the statement of profit or loss along with an increase in the insurance contract liability known as a "loss component" to appropriately reflect the timing of losses. The amount of loss from onerous contracts written in a year is a required disclosure. The Branch is finalizing its evaluation of onerous contracts initially recognized in 2022 and has established a mechanism for identifying onerous contracts beyond the transition date.
- *Reinsurance contracts held:* The Branch will apply the PAA to its reinsurance contracts held which is similar to how they are measured under IFRS 4. When measuring the asset for incurred claims will include any risk of non-performance of the reinsurer.
- *Presentation and disclosure:* IFRS 17 introduces changes to the way in which the Branch will present and disclose financial results. Insurance contract liabilities presented in the balance sheets will consist of

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premiums receivable, deferred policy acquisition cash flows, unearned premiums, onerous loss component (if applicable), discounted and risk adjusted claim liabilities, and other related liabilities. Reinsurance contract assets will be separately presented in the balance sheets and will include amounts expected to be recovered from reinsurers and an allocation of the reinsurance premiums paid. The reclassification of amounts on the balance sheets are expected to result in a reduction in assets and liabilities of the Branch. The statement of financial performance will no longer include premiums written, instead it will include an insurance service result comprising insurance revenue and insurance service expenses. Insurance finance income or expense will be presented within investment result. There will be significant insurance contract roll-forward schedules, discount rates as well as some changes to the claims development table to reconcile to the liabilities for incurred claims.

IFRS 9, *Financial Instruments* (IFRS 9)

In July 2014, the International Accounting Standards Board (IASB) issued a revised version of IFRS 9. The standard includes a new model for classification and measurement, a single, forward-looking expected loss impairment model and a substantially reformed approach to hedge accounting. The new standard came into effect on January 1, 2018.

In September 2016, the IASB issued amendments to IFRS 4. The amendments were issued to address concerns regarding the different effective dates of IFRS 9 and the new insurance contracts standard, IFRS17, which will replace IFRS 4. The amendment provides entities whose activities are predominantly connected with insurance an optional temporary exemption from applying IFRS 9 until 2021. Due to the deferral of IFRS 17, this temporary exemption was extended to 2023. The Branch is currently evaluating the impact that this standard will have on its financial statements.

Temporary deferral of IFRS 9

The Branch has temporarily deferred the adoption of IFRS 9. The Branch qualified for temporary deferral from IFRS 9 as at December 31, 2015 based on the following reasons: (1) the Branch had not previously applied any version of IFRS 9 and (2) the Branch's activities were predominantly connected with insurance. There have been no significant changes in its activities since that date. The conclusion that the Branch's activities were predominantly connected with insurance was made on the basis that the carrying value of the Branch's liabilities arising from insurance contracts, within the scope of IFRS 4, comprised more than 90 percent of the Branch's total liabilities.

3. Summary of Significant Accounting Policies

The accompanying financial statements have been prepared solely for the purpose of filing with regulatory agencies and are not intended for any other purpose. The financial statements have been prepared in accordance with the Act, which states that, except as otherwise specified by the Superintendent of Financial Institutions Canada (the Superintendent), the financial statements are to be prepared in accordance with International Financial Reporting Standards ("IFRS").

The Branch's financial statements were prepared under the historical cost convention except for financial instruments which are designated as fair value through profit and loss or available for sale, which are carried at fair value. The functional and presentation currency of the Branch is the Canadian dollar. The significant accounting policies used in the preparation of the financial statements are summarized below. The accounting policies conform in all material respects to IFRS.

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Critical Accounting Estimates and Judgments

The preparation of financial statements in accordance with IFRS requires management to make estimates and judgments that affect reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as at the date of the financial statements. Estimates also affect the reported amounts of revenues and expenses for the reporting period of the statement of income. Actual results could differ from those estimates. The Branch's estimates and judgments are re-evaluated at each financial statement date based on historical experience.

The most significant estimates and judgments are related to the determination of policy liabilities, deferred policy acquisition cost recoverability and reinsurance recoverable provisions. Actual results could differ from those estimates as more information becomes known and have a significant risk of causing material adjustment to the carrying amounts within the next financial year.

Financial Instruments

The Branch's financial instruments consist of cash, investment income due and accrued, bonds, accounts receivable, amounts recoverable from reinsurers, accounts payable and unpaid claims and adjustment expenses. The fair values of these financial instruments approximate their carrying values, unless otherwise noted.

Cash and bank are classified as held for trading and measured at fair value through profit or loss.

Short-term investments comprise investments with a maturity exceeding three months but less than one year from the date of purchase and are carried at fair value. Investments due to mature within three months from the date of purchase are classified as cash equivalents.

All bonds are classified as available for sale (AFS). AFS financial assets with quoted prices in an active market are carried at fair value on the balance sheet from the settlement date. Any changes in fair values are recorded in other comprehensive income (OCI) until the financial asset is disposed of or has become other than temporarily impaired. When the asset is disposed of, or has become impaired, the accumulated fair value adjustments recognized in accumulated other comprehensive income (AOCI) are transferred to the income statement and, accordingly, a corresponding adjustment is made to OCI. A provision for impairment for debt securities classified as AFS is established when there is objective evidence that the investment is impaired and the impairment is other than temporary.

Accounts receivable and amounts recoverable from reinsurers are classified as loans and receivables and therefore are carried at amortized cost. A provision for impairment for these is established when there is objective evidence that the Branch will not be able to collect all amounts due according to the original terms of the related contracts.

Accounts payable and unpaid claims and adjustment expenses are classified as other liabilities and measured at amortized cost.

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Significant Accounting Policies – Insurance Contracts

In accordance with IFRS 4, Insurance Contracts, the Branch has continued to account for its insurance contracts in accordance with its previous method of accounting under GAAP until the IASB completes the second phase of its project on insurance contracts.

Liability Adequacy Test

At each year end, the Branch utilizes the liability adequacy test (“LAT”) to assess whether its recognized insurance liabilities are adequate. The LAT considers current estimates of the Branch’s future cash flows under its insurance contracts. If the LAT shows that the carrying amounts of the Branch’s insurance liabilities (less related deferred policy acquisition expenses) are inadequate, the entire deficiency is recognized in profit or loss.

Premiums Earned and Deferred Policy Acquisition Expenses

Premiums are included in income evenly over the periods covered by reinsurance contracts. Related policy acquisition expenses, comprising commissions to the extent they are considered recoverable, are deferred and amortized to income over the periods covered by the related contracts.

Premium Deficiency

The Branch is exposed to a pricing risk to the extent that unearned premiums are insufficient to meet the related future policy costs. Evaluation is performed regularly to estimate future claims costs, related expenses and expected profit in relation to unearned premiums.

Unpaid Claims and Adjustment Expenses

Claims provisions, including adjustment expenses, are established based on notification received from ceding companies. The estimates are regularly reviewed and updated as additional information on the estimated amount of a claim becomes known during the course of its settlement and any resulting adjustments are included in income. A provision is also made for management’s calculation of factors affecting the future development of claims including claims incurred but not yet reported (IBNR), based on the volume of business currently in force and the historical experience on claims. Policy liabilities are measured on a discounted basis.

This provision, while believed to be adequate, is based on estimates. These estimates of future loss activity are necessarily subject to uncertainty and are selected from a wide range of possible outcomes. These provisions are adjusted up or down as additional information affecting the estimated amounts becomes known during the course of claims settlement. All changes in estimates are recorded as incurred claims in the current year.

Reinsurance Ceded

Reinsurance premiums ceded and reinsurance recoveries on losses incurred are recorded as reductions of the respective income and expense accounts. Estimates of amounts recoverable from reinsurers on unpaid claims and adjustment expenses and unearned premiums are recorded separately as recoverable from reinsurers.

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Foreign Currency Translation

Revenue and expense transactions originating in United States dollars and fund transfers from head office in the United States are translated at the rate of exchange prevailing on the date of the transaction. Monetary balances denominated in United States dollars are translated at the year-end rate of exchange.

Income Taxes

Income taxes are not provided for in these financial statements as the Branch does not conduct activities that would constitute carrying on business in Canada through a permanent establishment.

4. Responsibilities of the Appointed Actuary and External Auditors

The actuary has been appointed pursuant to the Act. With respect to preparation of financial statements, the actuary is required to carry out a valuation of the Branch's policy liabilities and report thereon to the Chief Agent. Policy liabilities consist of the provisions for unpaid claims and adjustment expenses on reinsurance contracts in force including provisions for salvage and subrogation, and future obligations on the unearned portion of reinsurance contracts in force including deferred policy acquisition expenses. The valuation is made in accordance with accepted actuarial practice as well as any other matters specified in any direction that may be made by regulatory authorities. In performing the valuation of the liabilities, which are by their nature inherently variable, assumptions are made as to the future loss ratios, trends, rates of claims frequency and severity, inflation and both internal and external adjustment expenses, taking into consideration the circumstances of the Branch and the nature of the reinsurance contracts in force. The provisions do not include estimates for extraordinary future emergence of either new classes or claims categories not sufficiently recognized in the claims database. The actuary, in verification of the management information provided by the Branch used in the evaluation, also makes use of the work of the external auditors. The actuary's report outlines the scope of the work and opinion.

The external auditors have been appointed pursuant to the Act to conduct an independent and objective audit of the financial statements of the Branch in accordance with Canadian generally accepted auditing standards and report thereon to the Chief Agent. In carrying out their audit, the external auditors also make use of the actuary's report on the Branch's policy liabilities. The external auditors' report outlines the scope of their audit and their opinion.

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5. Investments

Fair Value

The fair value of the Branch's investment portfolio by financial instrument classification at December 31, 2022 and 2021 is as follows:

	December 31, 2022			December 31, 2021		
	Amortized Cost	Fair Value	Unrealized Gain	Amortized Cost	Fair Value	Unrealized Gain
Available for Sale						
Bonds	32,720	31,327	(1,393)	37,705	38,285	580

All bonds are classified as available for sale. The estimated fair value of bonds is based on quoted market values. Management has reviewed currently available information regarding those investments, if any, where estimated fair values are less than book values and ascertained that the book values are expected to be recovered.

Liquidity and Interest Rate Risk

Based on projected asset and liability cash flows, the approximate impact of a 1% change in the general level of interest rates on the fair value of bonds would be a change of \$594 (2021 - \$838) with an equal and offsetting impact on OCI before income tax.

The maturity schedule of bonds owned as at December 31 is as follows:

	2022		2021	
	\$	%	\$	%
Within 1 year	8,906	28.43	9,662	25.24
1 to 3 Years	14,992	47.86	17,310	45.21
3 to 5 Years	7,429	23.71	11,313	29.55
Fair value of bonds	31,327	100.0	38,285	100.0

All of the Branch's fixed-term investments have fixed interest rates. The effective rates of interest are not materially different from the coupon rates. The coupon rates for the Branch's fixed-term investments range from 1.41% to 3.32% as at December 31, 2022 (2021 0.80% to 3.65%). The weighted average current yield is approximately 4.21% (2021 - 1.025%) and the weighted average yield-to-maturity is approximately 4.21% (2021 - 1.025%).

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Composition of Bonds

	December 31, 2022		December 31, 2021	
	Amortized	Fair	Amortized	Fair
	Value	Value	Value	Value
	\$	\$	\$	\$
Government of Canada Bond	7,522	7,362	9,542	9,771
Provincial Bonds	25,198	23,965	28,163	28,514
	32,720	31,327	37,705	38,285

Disclosures Relating to Fair Value Measurements

The Branch has classified its assets and liabilities that are carried at fair value into a three-level fair value hierarchy that reflects the significance of the inputs used in making the fair value measurements. The three levels of the fair value hierarchy are defined as follows:

Level 1: Fair value measurements are based on unadjusted quoted prices in active markets for identical assets.

Level 2: Fair value measurements are based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).

Level 3: Fair value measurements are based on inputs that are not based on observable market data.

Disclosure of fair value hierarchy classification is not required when the carrying amount is a reasonable approximation of fair value. Financial assets and liabilities measured at fair value are classified as follows:

2022	Level 1 \$	Level 2 \$	Total \$
Cash and cash equivalents	6,672	-	6,672
Short term investments	-	31,740	31,740
Bonds	-	31,327	31,327
Total assets measured at fair value	6,672	63,067	69,739

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2021	Level 1 \$	Level 2 \$	Total \$
Cash and cash equivalents	19,796	-	19,796
Short term investments	-	10,972	10,972
Bonds	-	38,285	38,285
Total assets measured at fair value	19,796	49,257	69,053

6. Reinsurance Ceded

The Branch purchased protection from other insurers to limit the maximum loss through the spreading of risks. The Branch follows the policy of underwriting and reinsuring contracts of insurance, which limits the maximum net exposure of the Branch on any one risk to \$1,485 for December 31, 2022 (2021 – \$1,485).

Failure of reinsurers to honour their obligations could result in losses to the Branch; consequently, the Branch evaluates the financial condition of its reinsurers and monitors concentrations of credit risk arising from similar geographic regions, activities or economic characteristics of the reinsurers to minimize its exposure to significant losses from reinsurer insolvency.

The line of business segmentation of premiums written is as follows:

	2022		2021	
	Reinsurance Assumed \$	Reinsurance Ceded \$	Reinsurance Assumed \$	Reinsurance Ceded \$
Property	22,987	8,015	21,101	6,892
Automobile	274	53	173	41
Other	2,904	98	2,407	97
Total	26,165	8,166	23,681	7,030

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7. Reconciliation of Changes in Insurance Liabilities, Reinsurance Assets and Deferred Policy Acquisition Expenses

Reinsurers' Share of Liability for Unpaid Claims

	2022 \$	2021 \$
Carrying amount at January 1	7,422	8,955
New claims reserves	4,463	3,015
Change in prior years' reserve	846	(125)
Less: Amounts submitted to reinsurers	(3,823)	(4,423)
Carrying Amount at December 31	8,908	7,422
Expected settlement:		
Within one year	4,515	3,938
More than one year	4,393	3,484
	8,908	7,422

Deferred Policy Acquisition Expenses

	2022 \$	2021 \$
Carrying Amount at January 1	391	343
Acquisition expenses incurred during year	4,140	3,604
Recognized as an expense during the year	(4,031)	(3,556)
Carrying amount at December 31	500	391

Deferred policy acquisition expenses will be recognized as an expense within one year.

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Unearned Premium

	2022 \$	2021 \$
Carrying amount at January 1 (net)	1,809	1,548
Premium written during the year (net)	17,999	16,651
Less: premiums earned during the year (net)	(17,637)	(16,390)
Carrying amount at December 31 (net)	2,171	1,809
Reinsurer's share	1,031	772
Gross unearned premiums - December 31	3,202	2,581

Summary- Insurance Liabilities and Related Reinsurance Assets

	December 31, 2022			December 31, 2021		
	Gross	Reinsured	Net	Gross	Reinsured	Net
Outstanding claims provisions- short term settlement	8,943	3,031	5,912	6,471	2,127	4,344
Outstanding claims provisions- long term settlement	10,554	3,160	7,394	8,351	2,362	5,989
Provisions for incurred but not reported	19,497	6,191	13,306	14,822	4,489	10,333
	9,637	2,717	6,920	10,666	2,933	7,733
	29,134	8,908	20,226	25,488	7,422	18,066

8. Unpaid Claims and Adjustment Expenses

Determination of the provision for unpaid claims and adjustment expenses and the related reinsurers' share requires significant estimates including, among other things, development of claims, reinsurance recoveries, and the effect of discounting. This provision is subject to variability because all events affecting the ultimate settlement of claims have not taken place and may not take place for some time. Variability can be caused by the receipt of additional claim information, changes in judicial interpretation of contracts, significant changes in the severity or frequency of claims from historical trends, the timing of claim payments and the recoverability of reinsurance, and future rates of investment return. Such variability could be material.

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Gross by Accident Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimate of gross ultimate claims cost											
At end of accident year	17,777	9,585	6,656	28,986	5,085	11,088	7,619	13,596	14,165	12,344	
One year later	19,318	10,625	8,545	29,442	6,698	13,840	10,186	15,604	19,917		
Two years later	19,195	11,160	8,463	29,280	6,606	13,770	10,083	15,592			
Three years later	18,804	11,163	8,484	29,096	7,088	13,646	10,229				
Four years later	18,478	11,109	8,298	29,093	7,136	13,505					
Five years later	18,461	11,143	8,321	29,136	6,887						
Six years later	18,130	11,145	8,357	29,133							
Seven years later	18,192	11,187	8,400								
Eight years later	18,192	11,339									
Nine years later	18,103										
Estimate of ultimate claims – gross	18,103	11,339	8,400	29,133	6,887	13,505	10,229	15,592	19,917	12,344	145,449
Cumulative claim payments - gross	18,017	11,120	8,240	28,845	6,486	13,173	8,714	13,994	15,020	3,402	127,011
Gross outstanding claims											
Liabilities - undiscounted	86	219	160	288	401	332	1,515	1,598	4,897	8,942	18,438
Add: outstanding claims, 2006 accident year and prior											1,059
Add: IBNR (gross discounted)											9,637
Total gross liabilities											29,134
Net by Accident Year	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	Total
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Estimate of net ultimate claims cost											
At end of accident year	11,429	5,231	3,117	18,519	3,799	7,852	5,410	9,480	11,649	8,567	
One year later	12,348	6,022	3,848	18,861	4,992	9,831	7,143	10,883	15,615		
Two years later	12,233	6,120	3,777	18,745	4,927	9,753	7,090	10,883			
Three years later	11,912	6,133	3,787	18,610	5,287	9,668	7,188				
Four years later	11,679	6,088	3,656	18,625	5,323	9,570					
Five years later	11,675	6,122	3,671	18,655	5,135						
Six years later	11,432	6,125	3,704	18,653							
Seven years later	11,476	6,159	3,739								
Eight years later	11,480	6,266									
Nine years later	11,411										
Current estimate of cumulative net claims cost	11,411	6,266	3,739	18,653	5,135	9,570	7,188	10,883	15,615	8,567	97,027
Less cumulative payments	11,339	6,108	3,607	18,426	4,843	9,340	6,156	9,777	12,324	2,655	84,575
Net outstanding claims											
liabilities - undiscounted	72	158	132	227	292	230	1,032	1,106	3,291	5,912	12,452
Add: net outstanding claims, 2006 accident year and prior											853
Add: IBNR (net discounted)											6,921
Total net liabilities											20,226

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The Branch's appointed actuary completes an evaluation of the adequacy of policy liabilities at the end of each financial year. This evaluation includes a re-estimation of the net liability for outstanding losses related to each preceding financial year compared to the net liability that was originally established.

Unpaid claims and adjustment expenses are analyzed as follows:

	2022 \$	2021 \$
Unpaid Claims – Beginning of Year – Net	18,066	21,676
Increase (Decrease) in Estimated Losses and Expenses for Claims		
Prior Years, Net	(488)	(2,012)
Current Year, Net	12,134	14,446
Amounts Paid on Claims Occurring During:		
Current Year, Net	(2,654)	(7,305)
Prior Years, Net	(6,832)	(8,739)
Unpaid Claims Liabilities - End of Year - Net	20,226	18,066
Reinsurers' Share	8,908	7,422
Unpaid Claims Liabilities - End of Year - Gross	29,134	25,488

The fair value of the provision for unpaid claims and adjustment expenses, gross and recoverable from reinsurers, is not readily available because there is no active market for these obligations.

Effects of Discounting

The Branch discounts its estimate of claims and adjustment expenses at a rate of 3.83% (2021 – 1.05%) for all classes of business. The discount rate determined by the Branch was based upon the expected return on its investment portfolio, recent Branch investment portfolio yield rates, and prevailing market conditions.

To recognize the uncertainty in establishing these best estimates, to allow for possible deterioration in experience, and to provide greater comfort that the actuarial liabilities are adequate to pay future benefits, the Branch includes provisions for adverse deviations (PFADs) in some assumptions relating to claim development, reinsurance recoveries and future investment income. The PFADs selected are within the range recommended by the Canadian Institute of Actuaries.

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The following table shows the effects of discounting on unpaid claims and adjustment expenses as at December 31:

	December 31, 2022		December 31, 2021	
	Undiscounted	Discounted	Undiscounted	Discounted
	\$	\$	\$	\$
Unpaid claims and adjustment expense	28,616	29,134	23,863	25,488
Reinsurers share	8,893	8,908	7,080	7,422
Net Provision for unpaid claims and adjustment expense	19,723	20,226	16,783	18,066

Claims Development

The following tables present the development of claims over a period of time on both a gross and net of reinsurance basis. The upper half of the tables shows the cumulative amounts paid or estimated to be paid during successive years related to each accident year. The original estimates are increased or decreased as more information becomes known about the individual claims and overall claim frequency and severity. The lower half reconciles the cumulative claims to the amount appearing in the balance sheet.

9. Related Party Transactions

The Branch is under the direction of Head Office and the Chief Agent. The Branch reimburses Head Office for expenses incurred on behalf of the Branch.

During 2022, Head Office transferred \$7,200 to the Branch (2021 \$0).

The Branch incurred charges allocated from Head Office as follows:

	2022	2021
	\$	\$
Management expenses	971	868
Loss control and adjustment expenses and investment expenses	125	88

10. Risk Exposure and Management

The principal financial instruments from which financial instrument risk arises are cash, bonds, accounts receivable, amounts recoverable from reinsurers, accounts payable and unpaid claims and adjustment expenses.

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Head Office is responsible for setting policies to manage financial instrument risk. Head Office, in cooperation with the Chief Agent in Canada and the Underwriting Manager for Canada, are responsible for the implementation, monitoring and review of policies to manage financial instrument risk.

There has been no change in the Branch's policies and processes for managing financial instrument risk from the prior year.

Credit Risk

The Branch is exposed to the risk of loss related to reinsurance receivable as described in Note 6. The risk of credit loss is mitigated through ongoing evaluation of the financial condition of the Branch's reinsurers as described in Note 6.

The Branch is also exposed to credit risk through its investments as described in Note 5. To mitigate the Branch's exposure to credit loss, the Branch's investment policy is to invest in bonds issued and guaranteed by the Government of Canada or any province of Canada. Short term cash investments are only invested in guaranteed investments. At December 31, 2022 the Branch's bond and debenture portfolio and short term cash investments were in compliance with this policy.

The Branch's maximum exposure to credit risk is the fair value carrying amount of cash, bonds, accounts receivable and amounts recoverable from reinsurers. The risk of significant credit loss is considered remote.

Liquidity Risk

Liquidity risk consists of the risk that the Branch will encounter difficulty in raising funds to meet cash flow obligations as they come due. The Branch is exposed to liquidity risk as the timing and amount of claims and claim adjustment expenses is inherently unpredictable and may create increased liquidity requirements.

To mitigate this risk, the Branch maintains a portion of its investments in cash and short term investments. The Branch also staggers the maturity schedule of its bonds as described in Note 5.

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Branch is exposed to market risk through its exposure to interest rate risk as described in Note 5. The Branch mitigates its exposure to interest rate risk by varying the maturity schedule of its investments.

Insurance Risk Associated with Policy Liabilities

Insurance risk includes both underwriting and liability risk and catastrophe and reinsurance risk.

The Branch is exposed to underwriting and liability risk based on the reinsurance treaties it writes. In order to mitigate the risk associated with reinsurance underwriting, the Branch assesses its reinsurance treaties and the losses incurred on an annual basis.

The Branch is exposed to catastrophe risk as it underwrites catastrophe reinsurance treaties. To mitigate catastrophe risk the Branch institutes treaty limits, maintains adequate liquidity (as discussed above) and

American Agricultural Insurance Company, Canadian Branch

DRAFT Notes to Financial Statements

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(in thousands of Canadian dollars)

writes catastrophe reinsurance as a smaller proportion of its overall lines of business. The Branch is exposed to reinsurance risk as there is the risk that its reinsurers could fail to honour their obligations. The efforts undertaken by the Branch to mitigate reinsurance risk are described in Note 6 and in the Credit Risk section above.

Sensitivity Analysis

There is uncertainty inherent in the estimation process. The actual amount of ultimate claims can only be ascertained once all claims are closed. As a result, the Branch performed a sensitivity analysis in accordance with Paragraph 39A of IFRS 4.

If the expected loss ratios were 5 percent higher or lower in 2022 and 2021, the gross claims and adjustment expenses would have changed by \$362 and \$183, respectively, and the net claims and adjustment expenses would have changed by \$289 and \$130, respectively.

Concentration of Insurance Risk by Sector (as a % of total gross premiums)

	2022 % of Total	2021 % of Total
Property	88%	89%
Automobile	1%	1%
Other lines	11%	10%
Total	100%	100%

11. Capital Management

The Branch manages as capital its investment portfolio, head office account and other net assets. The Branch's objectives when managing capital are to maintain the financial stability of the Branch and meet statutory requirements. The Branch is regulated by the provisions of the Insurance Companies Act (the Act) and the Office of the Superintendent of Financial Institutions Canada (OSFI).

The Branch has a capital management process in place to monitor its capital. The Branch meets its objectives for managing capital by Head Office and Chief Agent monitoring of total capital and compliance with statutory requirements. There has been no significant change in the Branch's capital management process from the prior year.

The Branch is subject to certain requirements and restrictions contained in the Act, including the branch adequacy of assets test (BAAT). The BAAT establishes the margin of net assets in Canada that the Branch is required to maintain in respect of the risks insured in Canada.

American Agricultural Insurance Company, Canadian Branch

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The Branch's net assets available exceed the required margin for the BAAT as at year-end as detailed below:

	2022	2021
	\$	\$
Total net assets available	30,540	26,325
Margin required	4,207	3,743
Excess of net assets available over margin required	26,333	22,582

American Agricultural Insurance Company
Canadian/Foreign Insurer

31/12/2022
Year

AUDITOR'S REPORT *

* For Foreign Branches, the Auditor Reports are due on or before May 31 and must be filed in accordance with each applicable jurisdiction.

For OSFI purposes, federally regulated insurers must file their Auditor Reports as separate documents as defined in the Regulatory Reporting System (RRS) User Guide.

For insurers incorporated in Québec, please refer to the Notice of the Autorité relating to filing of annual return published on the Web site.

All provincially incorporated insurers and insurers licensed in a provincial jurisdiction requiring a copy of the Auditor's Report must embed the Auditor's Report on this tab.

APPOINTED ACTUARY'S REPORT

2. Expression of opinion

I have valued the policy liabilities and reinsurance recoverables of the Canadian Branch of American Agricultural Insurance Company for their statement of financial position at December 31, 2022 and their changes in the statement of income for the year then ended in accordance with accepted actuarial practice in Canada, including selection of appropriate assumptions and methods.


The external auditor had not completed their work at the time this report was issued. Therefore, this opinion is qualified contingent on receiving an unqualified opinion from the external auditor. The expected completion date of the external auditor's work is by May 2023.

In my opinion, the amount of policy liabilities net of reinsurance recoverables makes appropriate provision for all policy obligations and the financial statements fairly present the results of the valuation.

The results of my valuation together with amounts carried in the Annual Return are the following:

Claim Liabilities	Carried in Annual Return (\$'000)	Appointed Actuary's Estimate (\$'000)
(1) Direct unpaid claims and adjustment expenses	0	0
(2) Assumed unpaid claims and adjustment expenses	29,134	29,134
(3) Gross unpaid claims and adjustment expenses	29,134	29,134
(4) Ceded unpaid claims and adjustment expenses	8,908	8,908
(5) Other amounts to recover	0	0
(6) Other net liabilities	0	0
(7) Net unpaid claims and adjustment expenses (3)-(4)-(5)+(6)	20,226	20,226

Premium Liabilities	Carried in Annual Return (\$'000) (Col. 1)	Appointed Actuary's Estimate (\$'000) (Col. 2)
(1) Gross policy liabilities in connection with unearned premiums		2,290
(2) Net policy liabilities in connection with unearned premiums		1,668
(3) Gross unearned premiums	3,203	
(4) Net unearned premiums	2,171	
(5) Premium deficiency	0	0
(6) Other net liabilities	0	0
(7) Deferred policy acquisition expenses	499	
(8) Maximum policy acquisition expenses deferrable [(4)+(5)+(6)] _{Col. 1} - (2) _{Col. 2}		720
(9) Unearned commissions + Ceded Deferred Premium Taxes + Ceded Deferred Insurance Operations Expenses	215	

Signature: 
 André Gauthier
 Fellow, Canadian Institute of Actuaries
 Toronto, Ontario

Date: February 24, 2023

This confidential report is intended solely for use by the management of American Agricultural Insurance Company (Canadian Branch). Use of this report, in whole or in part, by any unauthorized party, is their sole responsibility and at their sole and exclusive risk. PricewaterhouseCoopers LLP does not assume any duty, obligation, responsibility or liability to them.

MINIMUM CAPITAL TEST/BRANCH ADEQUACY OF ASSETS TEST: CAPITAL (MARGIN) REQUIRED AND MCT (BAAT)
RATIO
(\$'000)

(55)	Current Period (01)
Capital Available:	
Capital available (from page 30.62 - capital available) 01	
(Specify) 08	
Total Capital Available 09	
Assets Available:	
Net Assets Available (from page 30.92 - net assets available) 11	30,540
(Specify) 18	
Total Net Assets Available 19	30,540
Capital (Margin) Required at Target:	
Insurance Risk:	
Premium liabilities 20	1,121
Unpaid claims 22	1,881
Catastrophes 24	
Margin required for reinsurance ceded to unregistered insurers 26	1,911
Subtotal: Insurance risk margin 29	4,913
Market Risk:	
Interest rate risk 30	505
Foreign exchange risk 32	0
Equity risk 34	0
Real estate risk 36	0
Other market risk exposures 38	0
Subtotal: Market risk margin 39	505
Credit Risk:	
Counterparty default risk for balance sheet assets 40	6
Counterparty default risk for off-balance sheet exposures 42	0
Counterparty default risk for unregistered reinsurance collateral and SIRs 44	0
Subtotal: Credit risk margin 49	6
Operational risk margin 50	1,123
Less: Diversification credit 52	237
Total Capital (Margin) Required at Target 59	6,310
Minimum Capital (Margin) Required (line 59 / 1.5) 60	4,207
(Specify) 68	
Total Minimum Capital (Margin) Required 69	4,207
Excess Capital (Net Assets Available) over Minimum Capital (Margin) Required 79	26,333
MCT (BAAT) Ratio (Line 09 or line 19 as a % of line 69) 90	725.93%

Note: See Section VI of the P&C instructions and the MCT Guideline.

BRANCH ADEQUACY OF ASSETS TEST: NET ASSETS AVAILABLE
(\$'000)

(55)		Current Period (01)
Total vested assets	09	63,340
Total liabilities	29	33,726
Less: Recoverables from registered reinsurers	40	0
Recoverables from unregistered reinsurers	42	9,939
Other (allowable) recoverables on unpaid claims including salvage and subrogation	44	0
SIR recoverables not deducted from assets available	45	0
Unearned commissions	46	215
Adjustment for DPAE - commissions (A&S business) 55% of the net of deferred commissions and unearned commissions	54	
Adjustment for DPAE - deferred premium taxes (A&S business)	55	
Total net liabilities	59	23,572
Sub-total: excess of vested assets over net liabilities (line 09 minus line 59)	89	39,768
Regulatory adjustments to net assets available:		
Add: DPAE (excluding A&S business)	60	285
Receivables from agents and policyholders (including brokers)	61	0
Revaluation losses in excess of gains on owner-occupied properties	62	
Right of use asset associated with owner-occupied leased properties	71	
Amounts due from federally regulated insurers and approved reinsurers that can be legally netted against actuarial liabilities	70	
Less: Recoverables from unregistered reinsurers not covered by acceptable non-owned deposits and LOCs	63	9,513
Unrealized fair value gains (losses) from owner-occupied properties at conversion	64	
Revaluation gains on owner.occupied properties	65	
Shadow accounting impact	66	
(Specify)	67	
Sub-total: regulatory adjustments to net assets available	69	(9,228)
Total Net Assets Available (line 89 plus line 69)	99	30,540

MCT (BAAT) INSURANCE RISK: CAPITAL (MARGIN) REQUIRED FOR UNPAID CLAIMS AND PREMIUM LIABILITIES
(\$'000)

Class of insurance		Unpaid Claims Margin					Premium Liabilities Margin						
		Net unpaid claims discounted	PfADs (claims)	Net unpaid claims discounted, net of PfADs	Risk factor	Capital (margin) required for unpaid claims	Net premium liabilities	PfADs (premium liabilities)	Net premium liabilities net of PfADs	Net written premiums (past 12 m)	Greater of net premium liabilities net of PfADs and 30% net written premiums	Risk factor	Capital (margin) required for premium liabilities
		(02)	(04)	(06)	(08)	(10)	(12)	(14)	(16)	(18)	(20)	(22)	(29)
Personal Property, excluding Home and Product Warranty	03	347		347	15.00%	52			0	826	248	20.00%	50
- Home Warranty	04	0		0	15.00%	0			0	0	0	20.00%	0
- Product Warranty	05	0		0	15.00%	0			0	0	0	20.00%	0
Subtotal - Personal	06	347	0	347		52	0	0	0	826	248		50
Commercial Property	07	18,254	1,800	16,454	10.00%	1,645	1,580	115	1,465	14,146	4,244	20.00%	849
Aircraft	10	0		0	20.00%	0			0	0	0	25.00%	0
Automobile - Liability	19	1,162	158	1,004	10.00%	100	4	1	3	97	29	15.00%	4
Automobile - Personal Accident	20	0		0	10.00%	0			0	0	0	15.00%	0
Automobile - Other	21	154		154	15.00%	23			0	124	37	20.00%	7
Boiler & Machinery, excluding Equipment Warranty	32	4		4	15.00%	1			0	0	0	20.00%	0
- Equipment Warranty	33	0		0	15.00%	0			0	0	0	20.00%	0
Credit	34	0		0	20.00%	0			0	0	0	25.00%	0
Credit Protection	35	0		0	20.00%	0			0	0	0	25.00%	0
Fidelity	36	0		0	20.00%	0			0	0	0	25.00%	0
Hail	38	275	12	263	20.00%	53	82	4	78	2,806	842	25.00%	211
Legal Expense	40	0		0	25.00%	0			0	0	0	30.00%	0
Liability													
- Comprehensive General Liability (with products)	50	0		0	25.00%	0			0	0	0	30.00%	0
- Comprehensive General Liability (without products)	51	0		0	25.00%	0			0	0	0	30.00%	0
- Cyber Liability	52	0		0	25.00%	0			0	0	0	30.00%	0
- Directors and Officers Liability	53	0		0	25.00%	0			0	0	0	30.00%	0
- Excess Liability	54	0		0	25.00%	0			0	0	0	30.00%	0
- Professional Liability	55	0		0	25.00%	0			0	0	0	30.00%	0
- Umbrella Liability	56	0		0	25.00%	0			0	0	0	30.00%	0
- Pollution Liability	57	0		0	25.00%	0			0	0	0	30.00%	0
- All other	58	10		10	25.00%	3			0	0	0	30.00%	0
Liability - total	59	10	0	10		3	0	0	0	0	0		0
Other Approved Products	63	0		0	20.00%	0			0	0	0	25.00%	0
Surety													
- Contract Surety	60	0		0	20.00%	0			0	0	0	25.00%	0
- All Other Surety	61	0		0	20.00%	0			0	0	0	25.00%	0
Surety - total	64	0	0	0		0	0	0	0	0	0		0
Title	66	0		0	15.00%	0			0	0	0	20.00%	0
Marine	68	20	1	19	20.00%	4			0	0	0	25.00%	0
Accident and Sickness	70					0							0
Total	89	20,226	1,971	18,255		1,881	1,666	120	1,546	17,999			1,121

Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) INSURANCE RISK: CAPITAL (MARGIN) REQUIRED FOR ACCIDENT AND SICKNESS BUSINESS
(\$'000)

	Premiums Margin				
	Annual Earned premiums	Risk factor	Capital (margin) required for premiums	PfADs (premium liabilities)	Expected Claims Loss Ratio (%)
	(01)	(03)	(05)	(07)	(09)
Disability Income Insurance					
- Individually underwritten - length of premium guarantee remaining:					
< 1 year01		15.00%	0		
1 - 5 years02		25.00%	0		
> 5 years03		37.50%	0		
- Other - length of premium guarantee remaining:					
< 1 year04		15.00%	0		
1 - 5 years05		31.25%	0		
> 5 years06		50.00%	0		
Accidental Death and Dismemberment					
- Participating10		Note			
- Non-Participating - Individual11		Note			
- Non-Participating - Group12		Note			
Other Accident and Sickness Benefits					
- Individual travel insurance20		15.00%	0		
- Group travel insurance21		15.00%	0		
- Group medical22		15.00%	0		
- Group dental23		15.00%	0		
- Long-term care insurance24		15.00%	0		
- Critical illness insurance25		15.00%	0		
- Waiver of premium26		15.00%	0		
- Credit insurance27		15.00%	0		
- Other A&s28		15.00%	0		
Deferred Policy Acquisition Expenses Commissions (balance sheet value)29		45.00%	0		
Total Premiums Margin39			0		

	Unpaid Claims Margin			
	Unpaid Claims Relating to Prior Years	Risk factor	Capital (Margin) Required for unpaid claims	PfADs (claims)
	(21)	(23)	(25)	(27)
Disability Income Insurance				
- Duration of Disability < 2 years - Length of benefit period remaining:				
< 1 year50		5.000%	0	
1 - 2 years51		7.500%	0	
> 2 years52		10.000%	0	
- Duration of Disability 2 - 5 years - Length of benefit period remaining:				
< 1 year53		3.750%	0	
1 - 2 years54		5.625%	0	
> 2 years55		7.500%	0	
- Duration of Disability > 5 years - Length of benefit period remaining:				
< 1 year56		2.500%	0	
1 - 2 years57		3.750%	0	
> 2 years58		5.000%	0	
Accidental Death and Dismemberment				
- Participating60		Note		
- Non-Participating - Individual61		Note		
- Non-Participating - Group62		Note		
Other Accident and Sickness Benefits				
- Individual travel insurance70		12.500%	0	
- Group travel insurance71		12.500%	0	
- Group medical72		12.500%	0	
- Group dental73		12.500%	0	
- Long-term care insurance74		12.500%	0	
- Critical illness insurance75		12.500%	0	
- Waiver of premium76		12.500%	0	
- Credit insurance77		12.500%	0	
- Other A&s78		12.500%	0	
Other adjustments79				
Total Unpaid Claims Margin89			0	

Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) MARKET RISK CAPITAL (MARGIN) REQUIREMENTS
(\$'000)

Capital (Margin) Required for Interest Rate Risk				
	Fair value	Modified or effective duration	Dollar fair value change (01)x(02)xΔy	Dollar fair value change (01)x(02)x(-Δy)
(55)	(01)	(02)	(03)	(04)
Interest rate sensitive assets:				
Term deposits	0131,740	0.71	282	(282)
Bonds and debentures	0231,327	1.91	748	(748)
Commercial paper	03		0	0
Loans	04		0	0
Mortgages	05		0	0
MBS and ABS	06		0	0
Preferred shares	07		0	0
Other (specify)	08		0	0
Total interest rate sensitive assets	0963,067		1,030	(1,030)
Interest rate sensitive liabilities:				
Net unpaid claims and adjustment expenses	1020,226	1.96	496	(496)
Net premium liabilities	111,666	1.37	29	(29)
Other as approved by the regulator	12		0	0
Total interest rate sensitive liabilities	1921,892		525	(525)
Allowable interest rate derivatives:				
	Notional value		Dollar fair value Δy	Dollar fair value -Δy
	(05)		(06)	(07)
Long positions	20			
Short positions	21			
Total allowable interest rate derivatives	29		0	0
Capital required for Δy shock increase	30		505	
Capital required for Δy shock decrease	31			0
Total interest rate risk margin	39			505

Note: Δy = 1.25%

Capital (Margin) Required for Foreign Exchange Risk				
	Net open long position ¹ in CAD, before carve-out	Carve-out ² in CAD	Net open long position in CAD, less carve-out	Net open short position ³ in CAD
(55)	(10)	(12)	(14)	(16)
U.S. Dollar	40		0	
Euro	41		0	
U.K. Pound	42		0	
Swiss Franc	43		0	
Danish Krone	44		0	
Swedish Krona	45		0	
Australian Dollar	46		0	
Hong Kong Dollar	47		0	
Singapore Dollar	48		0	
Japanese Yen	50		0	
China Yuan Renminbi	51		0	
Chilian Peso	52		0	
Indian Rupee	53		0	
Other (specify)	54		0	
Total net position	590	0	0	0
Net exposure = MAX (Total net open long positions, Absolute value of total net open short positions)			60	0
Total foreign exchange risk margin			69	0

Notes:

¹ Enter long positions as positive.

² A carve-out short position of 25% of liabilities denominated in each currency, converted in CAD.

³ Enter short positions as negative (no carve-out on short positions).

Capital (Margin) Required for Equity Risk						
	Exposure amount			Risk factor		Capital (Margin) Required (21)x(22)
(55)	(21)			(22)		(29)
Instruments NOT used as part of an equity hedging strategy:						
Long common shares	700			30%		0
Long equity derivatives	720			30%		0
Joint ventures and limited partnerships with less than or equal to 10% ownership interest	71			30%		0
Short common shares and equity derivatives	73			30%		0
Total of instruments NOT used as part of an equity hedging strategy	74					0
	Exposure amount	Exposure amount of the portfolio of hedging instruments	Net exposure amount: Absolute value of ((21)-(23))	Risk factor	Correlation factor	Capital (Margin) Required (22)×(25) + MIN((21), (23)) × (1-(27)) × 1.5
Instruments used as part of an equity hedging strategy:	(21)	(23)	(25)	(22)	(27)	(29)
Portfolio of instruments being hedged - active management and hedging strategy #1	75		0	30%		0
Portfolio of instruments being hedged - active management and hedging strategy #2	76		0	30%		0
Portfolio of instruments being hedged - active management and hedging strategy #3	77		0	30%		0
Total of instruments used as part of an equity hedging strategy	78					0
Total equity risk margin	79					0

Capital (Margin) Required for Real Estate			
	Balance sheet value	Risk factor	Capital (Margin) Required (20)x(22) (29)
(55)	(20)	(22)	(29)
Investment properties	800	20.00%	0
Owner-occupied properties (valued using cost model)	810	10.00%	0
Total real estate risk margin	890		0

Capital (Margin) Required for Other Market Risk Exposures			
	Balance sheet value	Risk factor	Capital (Margin) Required (20)x(22)
(55)	(20)	(22)	(29)
Equipment	900	10.00%	0
Other (specify)	91	10.00%	0
Total other market risk exposures margin	990		0

Note: See Section VI of the P&C instructions and the MCT Guideline.

BAAT CREDIT RISK: MARGIN REQUIRED FOR BALANCE SHEET ASSETS

(\$'000)

		Risk Factor (%)	Balance Sheet Value	Redistribution of Exposure for Collateral/ Guarantees	Net Exposure	Margin Required (01)x(05)
(55)		(01)	(02)	(04)	(05)	(03)
Vested Assets:						
Cash	01	0.00%	16		16	
Investment Income Due and Accrued	02	2.50%	257		257	6
Investments:						
Long-Term Obligations including Term Deposits, Bonds, Debentures and Loans	06		31,327	0	31,327	0
Short-Term Obligations including Commercial Paper	07		31,740	0	31,740	0
Loans: (at amortized cost)						
First mortgages on one- to four-unit residential dwellings	14	4.00%	0		0	0
Commercial mortgages and residential mortgages that are not first mortgages on one- to four-unit residential dwellings	15	10.00%	0		0	0
Adjustment to reflect difference between amortized cost and balance sheet value of loans	19		0		0	
Preferred Shares	25		0	0	0	0
Other Investments	35	10.00%	0		0	0
(Specify)	34				0	0
Total - Vested Assets	37		63,340	0	63,340	6
Other Admitted Assets						
Recoverable from registered reinsurers:						
- Registered associated						
- Unearned Premiums	45	2.50%	0		0	0
- Unpaid Claims	46	2.50%	0		0	0
- Registered non-associated						
- Unearned Premiums	47	2.50%	0		0	0
- Unpaid Claims	49	2.50%	0		0	0
Other (allowable) Recoverables on Unpaid Claims including SIRs not deducted from net available assets	51	20.00%	0		0	0
Receivables:						
Policyholders (including Agents and Brokers):						
- Instalment Premiums (not yet due)	54	0.00%	0		0	
- Outstanding less than 60 days	55	5.00%	0		0	0
- Outstanding 60 days or more	56	10.00%	0		0	0
(Specify)	58				0	0
Total Margin Required	89					6

Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) CREDIT RISK: CAPITAL (MARGIN) REQUIRED FOR BALANCE SHEET (VESTED) ASSETS BASED ON EXTERNAL CREDIT RATINGS
(\$'000)

Category	Rating		Remaining Term to Maturity/ Other Maturity											Capital (Margin) Required (11x02)+(13x04)+(15x06) (09)	
			1 year or less, or perpetual				Greater than 1 year, up to and including 5 years				Greater than 5 years				
			Balance Sheet Value (01)	Redistribution of Exposure for Collateral/ Guarantees (10)	Net Exposure (11)	Risk Factor (02)	Balance Sheet Value (03)	Redistribution of Exposure for Collateral/ Guarantees (12)	Net Exposure (13)	Risk Factor (04)	Balance Sheet Value (05)	Redistribution of Exposure for Collateral/ Guarantees (14)	Net Exposure (15)		Risk Factor (06)
Long-Term Obligations including Term Deposits, Bonds, Debentures and Loans	Government Grade	01	8,906		8,906	0.00%	22,421		22,421	0.00%			0	0.00%	0
	AAA	02			0	0.25%			0	0.50%			0	1.25%	0
	AA+ to AA-	03			0	0.25%			0	1.00%			0	1.75%	0
	A+ to A-	04			0	0.75%			0	1.75%			0	3.00%	0
	BBB+ to BBB-	05			0	1.50%			0	3.75%			0	4.75%	0
	BB+ to BB-	06			0	3.75%			0	7.75%			0	8.00%	0
	B+ to B-	07			0	7.50%			0	10.50%			0	10.50%	0
	Unrated	10			0	6.00%			0	8.00%			0	10.00%	0
	Other	08			0	15.50%			0	18.00%			0	18.00%	0
	Sub-total	09	8,906	0	8,906		22,421	0	22,421		0	0	0		0
Short-Term Obligations including Commercial Paper	Government Grade	18	31,740		31,740	0.00%									0
	A-1, F1, P-1, R-1 or equivalent	20			0	0.25%									0
	A-2, F2, P-2, R-2 or equivalent	21			0	0.50%									0
	A-3, F3, P-3, R-3 or equivalent	22			0	2.00%									0
	Unrated	11			0	6.00%									0
	All other ratings, including non-prime and B or C ratings	23			0	8.00%									0
	Sub-total	29	31,740	0	31,740										0
Preferred Shares	AAA, AA+ to AA-, Pfd-1, P-1 or equivalent	40			0	3.00%									0
	A+ to A-, Pfd-2, P-2 or equivalent	41			0	5.00%									0
	BBB+ to BBB-, Pfd-3, P-3 or equivalent	42			0	10.00%									0
	BB+ to BB-, Pfd-4, P-4 or equivalent	43			0	20.00%									0
	B+ or lower, Pfd-5, P-5 or equivalent or unrated	44			0	30.00%									0
	Sub-total	49	0	0	0										0
Total	89													0	

Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) CREDIT RISK: CAPITAL (MARGIN) REQUIRED FOR OFF-BALANCE SHEET EXPOSURES
(\$'000)

Exposure Amonts for OTC Derivatives	Interest Rate Contracts	Foreign Exchange and Gold Contracts	Equity-linked Contracts	Precious Metals (Other than Gold Contracts)	Other Instruments	Total Contracts
	(01)	(02)	(03)	(04)	(05)	(09)
Notional principal amount	01					0
Replacement Cost (Market Value)						
Gross positive replacement cost	02					0
Gross negative replacement cost	03					0
Add-on for Potential Future Exposure	04					0
Credit Equivalent Amount	09	0	0	0	0	0

Category	Rating of the counterparty	Remaining Term to Maturity/ Other Maturity															Capital (Margin) Required (12x13x14)+(22x23x24)+(32x33x34)
		1 year or less, or indeterminate					Greater than 1 year, up to and including 5 years					Greater than 5 years					
		Credit Equivalent Amount	Redistribution of Exposure for Collateral/ Guarantees	Net Exposure	Credit Conversion Factor	Risk Factor	Credit Equivalent Amount	Redistribution of Exposure for Collateral/ Guarantees	Net Exposure	Credit Conversion Factor	Risk Factor	Credit Equivalent Amount	Redistribution of Exposure for Collateral/ Guarantees	Net Exposure	Credit Conversion Factor	Risk Factor	
		(10)	(11)	(12)	(13)	(14)	(20)	(21)	(22)	(23)	(24)	(30)	(31)	(32)	(33)	(34)	(39)
OTC derivatives	Government Grade	10		0		0.00%			0		0.00%			0		0.00%	0
	AAA	11		0		0.25%			0		0.50%			0		1.25%	0
	AA+ to AA-	12		0		0.25%			0		1.00%			0		1.75%	0
	A+ to A-	13		0		0.75%			0		1.75%			0		3.00%	0
	BBB+ to BBB-	14		0		1.50%			0		3.75%			0		4.75%	0
	BB+ to BB-	15		0		3.75%			0		7.75%			0		8.00%	0
	B+ to B-	16		0		7.50%			0		10.50%			0		10.50%	0
	Unrated	17		0		6.00%			0		8.00%			0		10.00%	0
	Other	18		0		15.50%			0		18.00%			0		18.00%	0
Sub-total	19	0	0	0			0	0	0		0	0	0			0	
Type 1 structured settlements	Rated A- and higher	20												0	50%	2.00%	0
	Rated BBB+ and lower	21												0	50%	8.00%	0
	Unrated	22												0	50%	10.00%	0
	Other (excluding unrated)	23												0	50%	18.00%	0
	Sub-total	29										0	0	0			0
Other off-balance sheet exposures	Government Grade	30		0		0.00%			0		0.00%			0		0.00%	0
	AAA	31		0		0.25%			0		0.50%			0		1.25%	0
	AA+ to AA-	32		0		0.25%			0		1.00%			0		1.75%	0
	A+ to A-	33		0		0.75%			0		1.75%			0		3.00%	0
	BBB+ to BBB-	34		0		1.50%			0		3.75%			0		4.75%	0
	BB+ to BB-	35		0		3.75%			0		7.75%			0		8.00%	0
	B+ to B-	36		0		7.50%			0		10.50%			0		10.50%	0
	Unrated	37		0		6.00%			0		8.00%			0		10.00%	0
	Other	38		0		15.50%			0		18.00%			0		18.00%	0
	Sub-total	39	0	0	0			0	0	0		0	0	0			0
Total	89	0	0	0			0	0	0			0	0	0			0

Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) CREDIT RISK: CAPITAL (MARGIN) REQUIRED FOR COLLATERAL HELD FOR UNREGISTERED REINSURANCE EXPOSURES
AND SELF-INSURED RETENTION
(\$'000)

Total Capital (Margin) Required for Non-Owned Deposits and Letters of Credit		(01)
Total capital (margin) required for acceptable non-owned deposits	01	0
Total capital (margin) required for letters of credit	02	0
Ratio for proportional allocation of excess collateral	03	0.00%
Capital (margin) required for excess collateral portion	04	0
Capital (margin) required for acceptable non-owned deposits and letters of credit less excess	05	0

Category	Rating	Remaining Term to Maturity/ Other Maturity						Capital (margin) required (02x04)+(06x08)+(10x12) (19)	
		1 year or less, or perpetual		Greater than 1 year, up to and including 5 years		Greater than 5 years			
		Exposure amount (02)	Risk factor (04)	Exposure amount (06)	Risk factor (08)	Exposure amount (10)	Risk factor (12)		
Long-term obligations including term deposits, bonds, debentures and loans	Government grade	10		0.00%		0.00%		0.00%	0
	AAA	11		0.25%		0.50%		1.25%	0
	AA+ to AA-	12		0.25%		1.00%		1.75%	0
	A+ to A-	13		0.75%		1.75%		3.00%	0
	BBB+ to BBB-	14		1.50%		3.75%		4.75%	0
	BB+ to BB-	15		3.75%		7.75%		8.00%	0
	B+ to B-	16		7.50%		10.50%		10.50%	0
	Unrated	17		6.00%		8.00%		10.00%	0
	Other	18		15.50%		18.00%		18.00%	0
	Sub-total	19	0		0		0		0
Short-term obligations including commercial paper	Government grade	20		0.00%					0
	A-1, F1, P-1, R-1 or equivalent	21		0.25%					0
	A-2, F2, P-2, R-2 or equivalent	22		0.50%					0
	A-3, F3, P-3, R-3 or equivalent	23		2.00%					0
	Unrated	24		6.00%					0
	All other ratings, including non-prime and B or C ratings	25		8.00%					0
	Sub-total	29	0						0
	Preferred shares	AAA, AA+ to AA-, Pfd-1, P-1 or equivalent	30		3.00%				
A+ to A-, Pfd-2, P-2 or equivalent		31		5.00%					0
BBB+ to BBB-, Pfd-3, P-3 or equivalent		32		10.00%					0
BB+ to BB-, Pfd-4, P-4 or equivalent		33		20.00%					0
B+ or lower, Pfd-5, P-5 or equivalent or unrated or common shares		34		30.00%					0
Sub-total		39	0						0
Other deposits	Cash held on premises	40		0.00%					0
	Cash other	41		0.25%					0
	Investment income due and accrued	42		2.50%					0
	Sub-total	49	0						0
Letters of credit ¹	Government grade	50		0.00%		0.00%		0.00%	0
	AAA	51		0.25%		0.50%		1.25%	0
	AA+ to AA-	52		0.25%		1.00%		1.75%	0
	A+ to A-	53		0.75%		1.75%		3.00%	0
	BBB+ to BBB-	54		1.50%		3.75%		4.75%	0
	BB+ to BB-	55		3.75%		7.75%		8.00%	0
	B+ to B-	56		7.50%		10.50%		10.50%	0
	Sub-total	59	0		0		0		0
Total	89	0		0		0		0	

¹ For letters of credit, use rating of the issuing/confirming bank and term of ceded liabilities
Note: See Section VI of the P&C instructions and the MCT Guideline.

MCT (BAAT) OPERATIONAL RISK CAPITAL (MARGIN) REQUIRED
(\$'000)

	Income Statement Value 12 m (previous year) (01)	Income Statement Value 12 m (current year) (02)	Risk Factor (03)	Capital (Margin) Required (02)x(03) (09)
Direct premiums written in the past 12 m01	0	0	2.50%	0
Reinsurance assumed in the past 12 m - Not Intra Pool02	23,681	26,165	1.75%	458
Reinsurance assumed in the past 12 m - Intra Pool (MCT only)03			0.75%	
Subtotal: Gross premiums09	23,681	26,165		
Reinsurance ceded in the past 12 m - Not Intra Pool10		8,166	2.50%	204
Reinsurance ceded in the past 12 m - Intra Pool (MCT only)11			0.75%	
Greater of 0.75% on ceded and 0.75% assumed - Intra Pool (MCT only)12				
Premium growth above 20% threshold13		0	2.50%	0
Subtotal: premium operational risk requirement component19				662
Capital/margin required component ¹ (balance sheet value)30		5,424	8.50%	461
Total operational risk uncapped39				1,123
Cap50			30%	1,627
Total operational risk margin89				1,123

Notes:

¹ Capital (margin) required component equals to total capital (margin) required excluding operational risk and diversification credit.

Note: See Section VI of the P&C instructions and the MCT Guideline.

SUMMARY OF INVESTMENTS
(Vested in Trust)**
(\$'000)

		Fair Value				Amortized Cost	Balance Sheet (01+03+05+07+09)	Pooled Funds	Realized Gains/(Losses)	Income	Gain (Loss) From FV Option
		Fair Value Through Profit or Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVOCI)	Hedges	FV Option/ Investment Properties Fair Value						
		(01)	(03)	(05)	(07)	(09)	(12)	(13)	(15)	(16)	(19)
Aggregate Holdings:											
Short Term Investments (1 year or less)	01		31,740				31,740			161	
Bonds and Debentures (1 year or less)	06		8,906				8,906			472	
Bonds and Debentures > 1 year and ≤ 5 years	02		22,421				22,421			426	
Bonds and Debentures > 5 years	05						0				
Mortgage Loans - ≤ 80% Loan to Value Ratio	03						0				
- Other	04						0				
Preferred Shares - Debt	10						0				
- Equity	11						0				
Common Shares	15						0				
Investment Properties	20						0				
Other Loans and Invested Assets	30						0				
Pooled Funds - items not captured in above rows	32						0				
Deduct: Pooled Funds accounted using the Equity Method	34						0				
Total Investments	39	0	63,067	0	0	0	63,067	0	0	1,059	0
Out of Canada	40										
Foreign Pay Securities	41										
Individual Holdings:											
Largest Exposure to an Entity or Connected Group	50										
2nd Largest Exposure to an Entity or Connected Group	51										
Largest Pooled Holding	60										
2nd Largest Pooled Holding	61										

** Investments are vested in trust for foreign insurers.

American Agricultural Insurance Company
Canadian/Foreign Insurer

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Date

Investment Properties
(\$'000)

Description of Property (01)	Year Acquired (02)	Amount of Encumbrances (03)	Value Using Cost Model (04)	Market Value (05)	Balance Sheet Value	
					Total (06)	Vested in Trust (07)
Investment Properties						
Total Investment Properties	49	0	0	0	0	0

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OWN USE PROPERTY AND EQUIPMENT
(\$'000)

Description of Property (01)	Year Acquired (02)	Amount of Encumbrances (03)	Value Using Cost Model (04)	Market Value (05)	Balance Sheet Value	
					Total (06)	Vested in Trust (07)
Own Use Property						
Total Own Use Properties	79	0	0	0	0	0
Equipment	80					
Total Own Use Property and Equipment	69				0	0

Where/By Whom Kept	Description	Fair Value	Balance Sheet Value	
			Total	Vested in Trust
(01)	(02)	(03)	(04)	(05)
Total other loans and invested assets		89	0	0
Basket clause items		99		

* Entities whose primary regulator is Alberta are required to submit this page on a quarterly basis; Canadian insurers licensed in Quebec are required to submit this page with their 2nd and 4th quarter filings. All other insurers are only required to submit this page with their 4th quarter filing.

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RECEIVABLE FROM/PAYABLE TO NON-ASSOCIATED AGENTS AND BROKERS
(\$'000)

Name of Agent or Broker (01)		Receivable		Payable
		In Arrears	Total	Total
		(02)	(03)	(04)
See Section VI of the Annual Return Instructions				
All others				
Sub-Total	39	0	0	0
Less: Allowance for Doubtful Accounts	40			
Total	49	0	0	0
Number of Agents and Brokers		59		

American Agricultural Insurance Company
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OTHER RECEIVABLES
(\$'000)

[illegible]

INTRA-GROUP TRANSACTIONS

SECTION I: INTEREST IN REGULATED SUBSIDIARY ENTITIES OF THE INSURANCE GROUP CONSOLIDATED IN MCT - CANADA

Name of Entity (01)	Name of Canadian Regulatory Regulatory (02)	Description of Shares (04)	Interests/Loans considered as capital				
			Number of Shares (06)	% Owned (08)	% of Voting Rights (10)	Acquisition Cost (12)	Market Value (14)
Total	09						

SECTION II: INTEREST IN REGULATED SUBSIDIARY ENTITIES OF THE INSURANCE GROUP CONSOLIDATED IN MCT - INTERNATIONAL

Name of Entity (01)	Name of Canadian Regulatory Regulatory (02)	Description of Shares (04)	Interests/Loans considered as capital				
			Number of Shares (06)	% Owned (08)	% of Voting Rights (10)	Acquisition Cost (12)	Market Value (14)
Total	19						

SECTION III: INTEREST IN NON-CONSOLIDATED CONTROLLED ENTITIES OF THE CORPORATE GROUP

Name of Entity (01)	Name of Canadian Regulatory Regulatory Authority (02)	Description of Shares (04)	Interests/Loans considered as capital							Loans not considered as capital
			Number of Shares (06)	% Owned (08)	% of Voting Rights (10)	Acquisition Cost (12)	Market Value (14)	Balance Sheet Value (16)	Increase (Decrease) in Balance Sheet Value (18)	Balance Sheet Value (20)
Total	29									

SECTION IV: INTERESTS IN ASSOCIATES & JOINT VENTURES

Name of Entity and Description of Shares (01)	Interests/Loans considered as capital							Loans not considered as capital
	Number of Shares (06)	% Owned (08)	% of Voting Rights (10)	Acquisition Cost (12)	Market Value (14)	Balance Sheet Value (16)	Increase (Decrease) in Balance Sheet Value (18)	Balance Sheet Value (20)
Total	39							

SECTION V: INTRA-GROUP REINSURANCE TRANSACTIONS (see pages 70.50, 70.60/70.61 for transaction details)

	Premiums Ceded (23)	Reinsurance Recoverable (25)	Reinsurance Receivable (27)	Reinsurance Payable (29)	Net Receivable (31)	Total Collateral (33)
Registered	42	0	0	0	0	0
Unregistered	44	0	0	0	0	0

SECTION VI: INTRA-GROUP OUTSOURCING (see page 10.43 for transaction details)

Year to Date Fee/Cost of Service	52	
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SECTION VII: OTHER INTRA-GROUP TRANSACTIONS RESULTING IN ASSET ENCUMBRANCE (see page 10.42 for transaction details)

Asset Type (40)	Encumbered Asset (42)
Total	690

American Agricultural Insurance Company
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RECEIVABLE FROM/PAYABLE TO SUBSIDIARIES, ASSOCIATES & JOINT VENTURES
(\$'000)

Name of Entity (01)	Receivable		Payable (11)
	In Arrears (09)	Total (10)	
Registered			
Total Registered49	0	0	0

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RECEIVABLE FROM/PAYABLE TO SUBSIDIARIES, ASSOCIATES & JOINT VENTURES
(\$'000)

Name of Entity (01)	Receivable		Payable (11)
	In Arrears (09)	Total (10)	
Unregistered			
Total Unregistered79	0	0	0
Total89	0	0	0

INSURERS LICENSED IN QUEBEC OR ALBERTA
UNEARNED PREMIUMS
(\$'000)

Class of insurance		Unearned Premiums			
		Direct	Reinsurance assumed	Reinsurance ceded	Net (01+02-03)
		(01)	(02)	(03)	(04)
Property	- Personal excluding Home and Product Warranty 03		704	251	453
	- Home Warranty 04				0
	- Product Warranty 05				0
	Subtotal - Personal 06	0	704	251	453
	- Commercial 07		2,398	780	1,618
	Property - total 09	0	3,102	1,031	2,071
	Aircraft 10				0
	Automobile:				
	Private Passenger - Liability 11				0
	- Personal Accident 12				0
	- Other 13				0
	Subtotal - Private Passenger 14	0	0	0	0
	Other than Private Passenger - Liability 15				0
	- Personal Accident 16				0
	- Other 17		4		4
	Subtotal - Other than Private Passenger 18	0	4	0	4
	Facility Assoc. Residual Market - Liability 22				0
	- Personal Accident 23				0
	- Other 24				0
	Subtotal - Facility Assoc. Residual Market 25	0	0	0	0
	Automobile - Subtotal - Liability 19	0	0	0	0
	- Personal Accident 20	0	0	0	0
	- Other 21	0	4	0	4
	Automobile - total 29	0	4	0	4
	Boiler and Machinery excluding Equipment Warranty 32				0
	- Equipment Warranty 33				0
	Credit 34				0
	Credit Protection 35				0
	Fidelity 36				0
	Hail 38		96		96
	Legal Expense 40				0
	Liability				
	- Comprehensive General Liability (with products) 50				0
	- Comprehensive General Liability (without products) 51				0
	- Cyber Liability 52				0
	- Directors and Officers Liability 53				0
	- Excess Liability 54				0
	- Professional Liability 55				0
	- Umbrella Liability 56				0
	- Pollution Liability 57				0
	- All other 58				0
	Liability - Subtotal 59	0	0	0	0
	Mortgage 62				0
	Other Approved Products 63				0
	Surety				
	- Contract Surety 60				0
	- All Other Surety 61				0
	Surety - Subtotal 64	0	0	0	0
	Title 66				0
	Marine 68				0
	Accident and Sickness 70				0
	TOTAL 89	0	3,202	1,031	2,171
	Out of Canada Liabilities 80				

American Agricultural Insurance Company
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PREMIUMS AND CLAIMS
(\$'000)

Class of insurance	Premiums written less return premiums						Net Unearned Premiums at beginning of Year	Net unearned premiums resulting from a portfolio acquisition/ disposition (25)	Net Unearned Premiums at period end	Net premiums earned (04+05+25-06)	Claims incurred including adjustment expenses				Claims Ratio (11/07) %
	Number of Policies in force	Number of Direct Claims	Direct	Reinsurance assumed	Reinsurance ceded	Net written (01+02-03)					Direct	Reinsurance assumed	Reinsurance ceded	Net incurred (08+09-10)	
	(21)	(23)	(01)	(02)	(03)	(04)	(05)		(06)	(07)	(08)	(09)	(10)	(11)	(12)
Property - Personal excluding Home and Product Warranty	03		0	1,286	460	826	408		453	781	0	607	207	400	51.22%
- Home Warranty	04		0			0	0		0	0	0			0	0.00%
- Product Warranty	05		0			0	0		0	0	0			0	0.00%
Subtotal - Personal	06		0	1,286	460	826	408	0	453	781	0	607	207	400	51.22%
- Commercial	07		0	21,701	7,555	14,146	1,338		1,618	13,866	0	14,494	5,097	9,397	67.77%
Property - total	09		0	22,987	8,015	14,972	1,746	0	2,071	14,647	0	15,101	5,304	9,797	66.89%
Aircraft	10		0			0	0		0	0	0			0	0.00%
Automobile:															
Private Passenger - Liability	11		0			0	0		0	0	0			0	0.00%
- Personal Accident	12		0			0	0		0	0	0			0	0.00%
- Other	13		0			0	0		0	0	0			0	0.00%
Subtotal - Private Passenger	14		0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Other than Private Passenger - Liability	15		0	101	4	97	0		0	97	0	253	2	251	258.76%
- Personal Accident	16		0			0	0		0	0	0			0	0.00%
- Other	17		0	173	49	124	1		4	121	0	19	4	15	12.40%
Subtotal - Other than Private Passenger	18		0	274	53	221	1	0	4	218	0	272	6	266	122.02%
Facility Assoc. Residual Market - Liability	22		0			0	0		0	0	0			0	0.00%
- Personal Accident	23		0			0	0		0	0	0			0	0.00%
- Other	24		0			0	0		0	0	0			0	0.00%
Subtotal - Facility Assoc. Residual Market	25		0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Automobile - Subtotal	19		0	101	4	97	0	0	0	97	0	253	2	251	258.76%
- Personal Accident	20		0	0	0	0	0	0	0	0	0	0	0	0	0.00%
- Other	21		0	173	49	124	1	0	4	121	0	19	4	15	12.40%
Automobile - total	29		0	274	53	221	1	0	4	218	0	272	6	266	122.02%
Boiler and Machinery excluding Equipment Warranty	32		0			0	0		0	0	0			0	0.00%
- Equipment Warranty	33		0			0	0		0	0	0			0	0.00%
Credit	34		0			0	0		0	0	0			0	0.00%
Credit Protection	35		0			0	0		0	0	0			0	0.00%
Fidelity	36		0			0	0		0	0	0			0	0.00%
Hail	38		0	2,904	98	2,806	62		96	2,772	0	1,583	(1)	1,584	57.14%
Legal Expense	40		0			0	0		0	0	0			0	0.00%
Liability															
- Comprehensive General Liability (with products)	50		0			0	0		0	0	0			0	0.00%
- Comprehensive General Liability (without products)	51		0			0	0		0	0	0			0	0.00%
- Cyber Liability	52		0			0	0		0	0	0			0	0.00%
- Directors and Officers Liability	53		0			0	0		0	0	0			0	0.00%
- Excess Liability	54		0			0	0		0	0	0			0	0.00%
- Professional Liability	55		0			0	0		0	0	0			0	0.00%
- Umbrella Liability	56		0			0	0		0	0	0			0	0.00%
- Pollution Liability	57		0			0	0		0	0	0			0	0.00%
- All other	58		0			0	0		0	0	0			0	0.00%
Liability - total	59		0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Mortgage	62		0			0	0		0	0	0			0	0.00%
Other Approved Products	63		0			0	0		0	0	0			0	0.00%
Surety															
- Contract Surety	60		0			0	0		0	0	0			0	0.00%
- All Other Surety	61		0			0	0		0	0	0			0	0.00%
Surety - total	64		0	0	0	0	0	0	0	0	0	0	0	0	0.00%
Title	66		0			0	0		0	0	0			0	0.00%
Marine	68		0			0	0		0	0	0	(1)	0	(1)	0.00%
Accident and Sickness	70		0			0	0		0	0	0			0	0.00%
TOTAL	89		0	26,165	8,166	17,999	1,809	0	2,171	17,637	0	16,955	5,309	11,646	66.03%

<u>American Agricultural Insurance Company</u>		31/12/2022				
Canadian/Foreign Insurer		Date				
CLAIMS INCURRED - UNDISCOUNTED						
(\$'000)						
Class of Insurance		Claims incurred undiscounted				
		Direct	Reinsurance assumed	Reinsurance ceded	Net incurred (08+09-10)	
		(08)	(09)	(10)	(11)	
Property	- Personal excluding Home and Product Warranty	03	0	607	208	399
	- Home Warranty	04	0			0
	- Product Warranty	05	0			0
	Subtotal - Personal	06	0	607	208	399
	- Commercial	07	0	15,470	5,412	10,058
	Property - total	09	0	16,077	5,620	10,457
Aircraft		10	0			0
Automobile:						
	Private Passenger - Liability	11	0			0
	- Personal Accident	12	0			0
	- Other	13	0			0
	Subtotal - Private Passenger	14	0	0	0	0
	Other than Private Passenger - Liability	15	0	384	14	370
	- Personal Accident	16	0			0
	- Other	17	0	19	4	15
	Subtotal - Other than Private Passenger	18	0	403	18	385
	Facility Assoc. Residual Market - Liability	22	0			0
	- Personal Accident	23	0			0
	- Other	24	0			0
	Subtotal - Facility Assoc. Residual Market	25	0	0	0	0
	Automobile - Subtotal - Liability	19	0	384	14	370
	- Personal Accident	20	0	0	0	0
	- Other	21	0	19	4	15
	Automobile - total	29	0	403	18	385
Boiler and Machinery excluding Equipment Warranty		32	0			0
	- Equipment Warranty	33	0			0
Credit		34	0			0
Credit Protection		35	0			0
Fidelity		36	0			0
Hail		38	0	1,582	(1)	1,583
Legal Expense		40	0			0
Liability						
	- Comprehensive General Liability (with products)	50	0			0
	- Comprehensive General Liability (without products)	51	0			0
	- Cyber Liability	52	0			0
	- Directors and Officers Liability	53	0			0
	- Excess Liability	54	0			0
	- Professional Liability	55	0			0
	- Umbrella Liability	56	0			0
	- Pollution Liability	57	0			0
	- All other	58	0			0
	Liability - total	59	0	0	0	0
Mortgage		62	0			0
Other Approved Products		63	0			0
Surety						
	- Contract Surety	60	0			0
	- All Other Surety	61	0			0
	Surety - total	64	0	0	0	0
Title		66	0			0
Marine		68	0	1		1
Accident and Sickness		70	0			0
TOTAL		89	0	18,063	5,637	12,426

DISCOUNTED AMOUNTS AND FOREIGN EXCHANGE				
(\$'000)				
Performance Analysis	Current Year	Prior Year		
	(01)	(03)		
	Underwriting Income (Loss)	90	2,216	483
	Impact of Change in Claims Net Discount Rate	91	(781)	(573)
	Impact of Unrealized Foreign Exchange Gains/Losses	92		0
Underwriting Income (Loss) Before Changes	93	1,435	(90)	

GAINS & LOSSES ON INVESTMENTS				
(\$'000)				
Gains and Losses on Investments	Current Year	Prior Year		
	(01)	(03)		
	Realized Gains (Losses) on FVTPL Financial Instruments	94		0
	Realized Gains (Losses) on Other Financial Instruments	95		0
	Unrealized Gains (Losses) on FVTPL Financial Instruments	96		0
Total Gains and Losses on Investments	99	0	0	

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American Agricultural Insurance Company
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CLAIMS AND ADJUSTMENT EXPENSES - PAID, CURRENT YEAR AND UNPAID, CURRENT AND PRIOR YEAR
(\$'000)

Class of insurance	Claims and Adjustment Expenses paid - current year				Provision for unpaid claims (including unreported) and adjustment expenses - current year				Margin or deficiency for unpaid claims at prior year					1,4700%	
	Direct	Reinsurance assumed	Reinsurance ceded	Net (01+02-03)	Direct	Reinsurance assumed	Reinsurance ceded	Net (05+06-07)	Net provision at prior year end	Net provision for portfolio acquisition/ disposition at transaction date	Net amount paid during the year for claims of prior years	Investment income on unpaid claims of prior years	Net provision for claims of prior years	Margin or (Deficiency) (09+11-10+13-15)	
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)	(09)	(11)	(10)	(13)	(15)	(19)	
Property															
- Personal excluding Home and Product Warranty		513	171	342		523	176	347	288		245	3	111	(65)	
- Home Warranty				0				0	0			0			
- Product Warranty				0				0	0			0			
Subtotal - Personal	0	513	171	342	0	523	176	347	288	0	245	3	111	(65)	
- Commercial		11,092	3,636	7,456		26,837	8,583	18,254	16,312		6,126	191	9,663	714	
Property - total	0	11,605	3,807	7,798	0	27,360	8,759	18,601	16,600	0	6,371	194	9,774	649	
Aircraft				0				0	0			0		0	
Automobile:															
- Private Passenger				0				0	0			0		0	
- Personal Accident				0				0	0			0		0	
- Other				0				0	0			0		0	
Subtotal - Private Passenger	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Other than Private Passenger		130	1	129		1,264	102	1,162	1,039		128	13	783	141	
- Personal Accident				0				0	0			0		0	
- Other		39	(6)	45		200	46	154	185		45	2	155	(13)	
Subtotal - Other than Private Passenger	0	169	(5)	174	0	1,464	148	1,316	1,224	0	173	15	938	128	
Facility Assoc. Residual Market				0				0	0			0		0	
- Personal Accident				0				0	0			0		0	
- Other				0				0	0			0		0	
Subtotal - Facility Assoc. Residual Market	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Automobile - Subtotal	0	130	1	129	0	1,264	102	1,162	1,039	0	128	13	783	141	
- Personal Accident	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
- Other	0	39	(6)	45	0	200	46	154	185	0	45	2	155	(13)	
Automobile - total	0	169	(5)	174	0	1,464	148	1,316	1,224	0	173	15	938	128	
Boiler and Machinery excluding Equipment Warranty				0		5	1	4	5			0	4	1	
- Equipment Warranty				0				0	0			0		0	
Credit				0				0	0			0		0	
Credit Protection				0				0	0			0		0	
Fidelity				0				0	0			0		0	
Hail		1,536	22	1,514		275	0	275	206		288	2		(80)	
Legal Expense				0				0	0			0		0	
Liability															
- Comprehensive General Liability (with products)				0				0	0			0		0	
- Comprehensive General Liability (without products)				0				0	0			0		0	
- Cyber Liability				0				0	0			0		0	
- Directors and Officers Liability				0				0	0			0		0	
- Excess Liability				0				0	0			0		0	
- Professional Liability				0				0	0			0		0	
- Umbrella Liability				0				0	0			0		0	
- Pollution Liability				0				0	0			0		0	
- All other				0		10	0	10	10			0	10	0	
Liability - total	0	0	0	0	0	10	0	10	10	0	0	0	10	0	
Mortgage				0				0	0			0		0	
Other Approved Products				0				0	0			0		0	
Surety															
- Contract Surety				0				0	0			0		0	
- All Other Surety				0				0	0			0		0	
Surety - total	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Title				0				0	0			0		0	
Marine				0		20	0	20	21			0	20	1	
Accident and Sickness				0				0	0			0		0	
TOTAL	89	0	13,310	3,824	9,486	0	29,134	8,908	20,226	18,066	0	6,832	211	10,746	699
Out of Canada Liabilities	80														

NET CLAIMS AND ADJUSTMENT EXPENSES RUN-OFF
(\$'000)

		2017 and and prior (02)	2018 (03)	2018 and prior (02)+(03) (04)	2019 (05)	2019 and prior (04)+(05) (06)	2020 (07)	2020 and prior (06)+(07) (08)	2021 (09)	2021 and prior (08)+(09) (10)	2022 (11)	2022 and prior (10)+(11) (12)
(01)												
2017 * UCAE, Dec. 31	01	8,564										
IBNR, Dec. 31	02	9,650										
2018 Portfolio Acquisition/Disposition	05	0	0	0								
Paid during year	10	4,123	2,580	6,703								
UCAE, Dec. 31	11	5,177	5,272	10,449								
IBNR, Dec. 31	12	5,042	2,356	7,398								
Ratio: excess (deficiency)	19	21.26%										
2019 Portfolio Acquisition/Disposition	15	0										
Paid during year	20	1,872	4,250	6,122	1,585	7,707						
UCAE, Dec. 31	21	2,809	3,001	5,810	3,826	9,636						
IBNR, Dec. 31	22	3,504	548	4,052	2,169	6,221						
Ratio: excess (deficiency)	29	32.43%		10.44%								
2020 Portfolio Acquisition/Disposition	25	0	0	0								
Paid during year	30	751	1,598	2,349	2,944	5,293	2,314	7,607				
UCAE, Dec. 31	31	2,295	1,325	3,620	2,614	6,234	7,165	13,399				
IBNR, Dec. 31	32	2,061	320	2,381	268	2,649	3,772	6,421				
Ratio: excess (deficiency)	39	39.05%		18.91%		10.60%						
2021 Portfolio Acquisition/Disposition	35	0	0	0	0	0						
Paid during year	40	400	791	1,191	1,337	2,528	6,211	8,739	7,305	16,044		
UCAE, Dec. 31	41	1,960	447	2,407	1,225	3,632	2,357	5,989	4,344	10,333		
IBNR, Dec. 31	42	1,363	343	1,706	141	1,847	2,455	4,302	2,148	6,450		
Ratio: excess (deficiency)	49	42.52%		22.82%		16.13%		3.99%				
2022 Portfolio Acquisition/Disposition	45			0		0		0				
Paid during year	50	151	120	271	290	561	1,252	1,813	5,019	6,832	2,654	9,486
UCAE, Dec. 31	51	1,735	229	1,964	1,032	2,996	1,106	4,102	3,291	7,393	5,912	13,305
IBNR, Dec. 31	52	1,130	449	1,579	91	1,670	1,291	2,961	527	3,488	2,930	6,418
Ratio: excess (deficiency)	59	44.21%	2.50%	24.49%	5.02%	17.71%	9.85%	11.13%	-36.12%	-5.54%		

19,723

*UCAE: Unpaid Claims & Adjustment Expenses (excluding IBNR)

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NET CLAIMS AND ADJUSTMENT EXPENSES RUN-OFF - DISCOUNTED
(\$'000)

		2017 and and prior (02)	2018 (03)	2018 and prior (02)+(03) (04)	2019 (05)	2019 and prior (04)+(05) (06)	2020 (07)	2020 and prior (06)+(07) (08)	2021 (09)	2021 and prior (08)+(09) (10)	2022 (11)	2022 and prior (10)+(11) (12)
(01)												
2017 * UCAE, Dec. 31	01	8,564										
IBNR, Dec. 31	02	10,501										
2018 Portfolio Acquisition/Disposition	05	0	0	0								
Paid during year	10	4,123	2,580	6,703								
UCAE, Dec. 31	11	5,177	5,272	10,449								
IBNR, Dec. 31	12	5,388	2,787	8,175								
Investment Income from UCAE & IBNR	13	234										
Ratio: excess (deficiency)	19	24.19%										
2019 Portfolio Acquisition/Disposition	15	0	0	0		0						
Paid during year	20	1,872	4,250	6,122	1,586	7,708						
UCAE, Dec. 31	21	2,809	3,001	5,810	3,825	9,635						
IBNR, Dec. 31	22	3,759	732	4,491	2,600	7,091						
Investment Income from UCAE & IBNR	23	183	103	286								
Ratio: excess (deficiency)	29	36.29%		13.35%								
2020 Portfolio Acquisition/Disposition	25	0	0	0	0	0		0				
Paid during year	30	751	1,598	2,349	2,944	5,293	2,314	7,607				
UCAE, Dec. 31	31	2,295	1,325	3,620	2,614	6,234	7,165	13,399				
IBNR, Dec. 31	32	2,496	419	2,915	548	3,463	4,814	8,277				
Investment Income from UCAE & IBNR	33	85	31	116	56	172						
Ratio: excess (deficiency)	39	42.12%		21.59%		11.41%						
2021 Portfolio Acquisition/Disposition	35	0	0	0	0	0	0	0	0	0		
Paid during year	40	400	791	1,191	1,337	2,528	6,211	8,739	7,305	16,044		
UCAE, Dec. 31	41	1,960	447	2,407	1,225	3,632	2,357	5,989	4,344	10,333		
IBNR, Dec. 31	42	1,595	237	1,832	277	2,109	2,827	4,936	2,797	7,733		
Investment Income from UCAE & IBNR	43	57	11	68	24	92	83	175				
Ratio: excess (deficiency)	49	46.80%		27.88%		20.50%		10.09%				
2022 Portfolio Acquisition/Disposition	45			0		0		0		0		0
Paid during year	50	151	120	271	290	561	1,252	1,813	5,019	6,832	2,654	9,486
UCAE, Dec. 31	51	1,735	229	1,964	1,032	2,996	1,106	4,102	3,291	7,393	5,912	13,305
IBNR, Dec. 31	52	1,131	163	1,294	100	1,394	1,291	2,685	668	3,353	3,568	6,921
Investment Income from UCAE & IBNR	53	56	8	64	22	86	47	133	78	211		
Amount: excess (deficiency)	54	9,517	1,061	5,967	824	4,304	2,249	4,645	(1,759)	699		
Ratio: excess (deficiency)	59	49.92%	13.17%	32.04%	12.82%	25.73%	18.77%	21.43%	-24.63%	3.87%		

20,226

*UCAE: Unpaid Claims & Adjustment Expenses (excluding IBNR)

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DIRECT ADJUSTMENT EXPENSES
(\$'000)

	(01)
PAID ADJUSTMENT EXPENSES	
Internal adjustment expenses01	
External adjustment expenses	
a. Adjusters and Appraisers10	
b. Legal11	
c. Other12	
Total (lines 10+11+12)19	0
Total Paid Adjustment Expenses (lines 01+19)39	0
Unpaid Adjustment Expenses	
Provision for internal adjustment expenses - end of year40	
Provision for external adjustment expenses - end of year41	
Provision for internal adjustment expenses - beginning of year42	0
Provision for external adjustment expenses - beginning of year43	0
Total (lines 40+41-42-43)49	0
TOTAL ADJUSTMENT EXPENSES INCURRED (Line 39+49)59	0
Internal adjustment expenses incurred (lines 01+40-42)69	0
External adjustment expenses incurred (lines 19+41-43)79	0

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PROVINCIAL AND TERRITORIAL EXHIBIT OF PREMIUMS WRITTEN
(\$'000)

Class of insurance	Newfoundland & Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Nunavut	Out of Canada	Total
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(14)	(18)	(19)
LICENSED (Y/N)	01	N	N	N	N	N	Y	N	N	N	N	N	N	N	
Property - Personal excluding Home and Product Warranty	03														0
- Home Warranty	04														0
- Product Warranty	05														0
Subtotal - Personal	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Commercial	07														0
Property - total	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aircraft	10														0
Automobile:															
Private Passenger - Liability	11														0
- Personal Accident	12														0
- Other	13														0
Subtotal - Private Passenger	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other than Private Passenger - Liability	15														0
- Personal Accident	16														0
- Other	17														0
Subtotal - Other than Private Passenger	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Facility Assoc. Residual Market - Liability	22														0
- Personal Accident	23														0
- Other	24														0
Subtotal - Facility Assoc. Residual Market	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - Subtotal	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Personal Accident	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Other	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - total	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Boiler and Machinery excluding Equipment Warranty	32														0
- Equipment Warranty	33														0
Credit	34														0
Credit Protection	35														0
Fidelity	36														0
Hail	38														0
Legal Expense	40														0
Liability															
- Comprehensive General Liability (with products)	50														0
- Comprehensive General Liability (without products)	51														0
- Cyber Liability	52														0
- Directors and Officers Liability	53														0
- Excess Liability	54														0
- Professional Liability	55														0
- Umbrella Liability	56														0
- Pollution Liability	57														0
- All other	58														0
Liability - total	59	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mortgage	62														0
Other Approved Products	63														0
Surety															
- Contract Surety	60														0
- All Other Surety	61														0
Surety - total	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title	66														0
Marine	68														0
Accident and Sickness	70														0
Total - direct	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance assumed	87		109			5,806	7,552	5,409	3,155	869					26,165
Reinsurance ceded	88					2,066	2,488	1,736	689	875	312				8,166
TOTAL - NET	89	0	109	0	0	3,740	5,064	3,673	2,466	2,390	557	0	0	0	17,999
Dividends - direct	99														0

PROVINCIAL AND TERRITORIAL EXHIBIT OF PREMIUMS EARNED
(\$'000)

Class of insurance	Newfoundland & Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Nunavut	Out of Canada	Total
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(14)	(18)	(19)
Property															0
- Personal excluding Home and Product Warranty	03														0
- Home Warranty	04														0
- Product Warranty	05														0
Subtotal - Personal	06	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Commercial	07														0
Property - total	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aircraft	10														0
Automobile:															
- Private Passenger	11														0
- Personal Accident	12														0
- Other	13														0
Subtotal - Private Passenger	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other than Private Passenger	15														0
- Personal Accident	16														0
- Other	17														0
Subtotal - Other than Private Passenger	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Facility Assoc. Residual Market	22														0
- Liability	22														0
- Personal Accident	23														0
- Other	24														0
Subtotal - Facility Assoc. Residual Market	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - Subtotal	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Personal Accident	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Other	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - total	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Boiler and Machinery excluding Equipment Warranty	32														0
- Equipment Warranty	33														0
Credit	34														0
Credit Protection	35														0
Fidelity	36														0
Hail	38														0
Legal Expense	40														0
Liability															
- Comprehensive General Liability (with products)	50														0
- Comprehensive General Liability (without products)	51														0
- Cyber Liability	52														0
- Directors and Officers Liability	53														0
- Excess Liability	54														0
- Professional Liability	55														0
- Umbrella Liability	56														0
- Pollution Liability	57														0
- All other	58														0
Liability - total	59	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mortgage	62														0
Other Approved Products	63														0
Surety															
- Contract Surety	60														0
- All Other Surety	61														0
Surety - total	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title	66														0
Marine	68														0
Accident and Sickness	70														0
Total - direct	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance assumed	87		105			5,637	7,286	5,334	3,135	3,178		869			25,544
Reinsurance ceded	88					1,974	2,400	1,693	689	839		312			7,907
TOTAL - NET	89	0	105	0	0	3,663	4,886	3,641	2,446	2,339	557	0	0	0	17,637

PROVINCIAL AND TERRITORIAL EXHIBIT OF CLAIMS INCURRED INCLUDING ADJUSTMENT EXPENSES
(S'000)

Class of insurance	Newfoundland & Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Nunavut	Out of Canada	Total
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(14)	(18)	(19)
Property - Personal excluding Home and Product Warranty 03															0
- Home Warranty 04															0
- Product Warranty 05															0
Subtotal - Personal 06	0	0	0	0		0	0	0	0	0	0	0	0	0	0
- Commercial 07															0
Property - total 09	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aircraft 10															0
Automobile:															
Private Passenger - Liability 11															0
- Personal Accident 12															0
- Other 13															0
Subtotal - Private Passenger 14	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other than Private Passenger - Liability 15															0
- Personal Accident 16															0
- Other 17															0
Subtotal - Other than Private Passenger 18	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Facility Assoc. Residual Market - Liability 22															0
- Personal Accident 23															0
- Other 24															0
Subtotal - Facility Assoc. Residual Market 25	0	0	0	0		0	0	0	0		0	0	0	0	0
Automobile - Subtotal - Liability 19	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Personal Accident 20	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Other 21	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - total 29	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Boiler and Machinery excluding Equipment Warranty 32															0
- Equipment Warranty 33															0
Credit 34															0
Credit Protection 35															0
Fidelity 36															0
Hail 38															0
Legal Expense 40															0
Liability															
- Comprehensive General Liability (with products) 50															0
- Comprehensive General Liability (without products) 51															0
- Cyber Liability 52															0
- Directors and Officers Liability 53															0
- Excess Liability 54															0
- Professional Liability 55															0
- Umbrella Liability 56															0
- Pollution Liability 57															0
- All other 58															0
Liability - total 59	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mortgage 62															0
Other Approved Products 63															0
Surety															
- Contract Surety 60															0
- All Other Surety 61															0
Surety - total 64	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title 66															0
Marine 68															0
Accident and Sickness 70															0
Total - direct 79	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance assumed 87					2,785	6,335	4,756	2,378	1,289	(588)					16,955
Reinsurance ceded 88					993	2,190	1,504	602	174	(154)					5,309
TOTAL - NET 89	0	0	0	0	1,792	4,145	3,252	1,776	1,115	(434)	0	0	0	0	11,646

PROVINCIAL AND TERRITORIAL EXHIBIT OF CLAIMS INCURRED INCLUDING ADJUSTMENT EXPENSES - UNDISCOUNTED
(\$'000)

Class of insurance	Newfoundland & Labrador	Prince Edward Island	Nova Scotia	New Brunswick	Quebec	Ontario	Manitoba	Saskatchewan	Alberta	British Columbia	Yukon	Northwest Territories	Nunavut	Out of Canada	Total
	(01)	(02)	(03)	(04)	(05)	(06)	(07)	(08)	(09)	(10)	(11)	(12)	(14)	(18)	(19)
Property - Personal excluding Home and Product Warranty	03														0
- Home Warranty	04														0
- Product Warranty	05														0
Subtotal - Personal	06	0	0	0		0	0	0	0	0	0	0	0	0	0
- Commercial	07														0
Property - total	09	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Aircraft	10														0
Automobile:															
Private Passenger - Liability	11														0
- Personal Accident	12														0
- Other	13														0
Subtotal - Private Passenger	14	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Other than Private Passenger - Liability	15														0
- Personal Accident	16														0
- Other	17														0
Subtotal - Other than Private Passenger	18	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Facility Assoc. Residual Market - Liability	22														0
- Personal Accident	23														0
- Other	24														0
Subtotal - Facility Assoc. Residual Market	25	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - Subtotal	19	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Personal Accident	20	0	0	0	0	0	0	0	0	0	0	0	0	0	0
- Other	21	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Automobile - total	29	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Boiler and Machinery excluding Equipment Warranty	32														0
- Equipment Warranty	33														0
Credit	34														0
Credit Protection	35														0
Fidelity	36														0
Hail	38														0
Legal Expense	40														0
Liability															
- Comprehensive General Liability (with products)	50														0
- Comprehensive General Liability (without products)	51														0
- Cyber Liability	52														0
- Directors and Officers Liability	53														0
- Excess Liability	54														0
- Professional Liability	55														0
- Umbrella Liability	56														0
- Pollution Liability	57														0
- All other	58														0
Liability - total	59	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Mortgage	62														0
Other Approved Products	63														0
Surety															
- Contract Surety	60														0
- All Other Surety	61														0
Surety - total	64	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Title	66														0
Marine	68														0
Accident and Sickness	70														0
Total - direct	79	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Reinsurance assumed	87					2,965	6,699	4,786	2,474	1,453	(314)				18,063
Reinsurance ceded	88					1,049	2,289	1,528	632	221	(82)				5,637
TOTAL - NET	89	0	0	0	0	1,916	4,410	3,258	1,842	1,232	(232)	0	0	0	12,426

American Agricultural Insurance Company

Canadian/Foreign Insurer

31/12/2022

Date

Premiums and Claims - Reinsurance Ceded
(\$'000)

Line of Business (01)	Premiums earned					Claims incurred				
	Quota Share (02)	Surplus (03)	Excess of Loss (04)	Facultative (05)	Total (06)	Quota Share (07)	Surplus (08)	Excess of Loss (09)	Facultative (10)	Total (11)
Prop-Personal excl Home +Prod Warranty	409				409	207				207
Property Commercial	7,347				7,347	5,098				5,098
Auto Liability Other than Private Passenger	4				4	1				1
Auto Other Than Private Passenger	49				49	4				4
Boiler & Machinery	0				0					0
Hail	98				98	(1)				(1)
					0					0
					0					0
					0					0
					0					0
					0					0
					0					0
					0					0
					0					0
TOTAL	89	7,907	0	0	7,907	5,309	0	0	0	5,309

American Agricultural Insurance Company

Canadian/Foreign Insurer

31/12/2022

Date

SUMMARY OF INTRAGROUP REINSURANCE
(\$'000)

Name of insurer (01)	Rating Agency Identifier Code				Reinsurance Ceded				Reinsurance Assumed			
	A.M. Best Code (20)	S&P Code (21)	Other Code (22)	Unrated (23)	Premiums ceded to assuming insurer (02)	Claims incurred by assuming insurer (03)	Unearned premiums ceded to assuming insurer (04)	Outstanding losses recoverable from assuming insurer (05)	Premiums assumed from other insurer (06)	Claims incurred by by ceding insurer (07)	Unearned premiums assumed from other insurer (08)	Outstanding losses payable to ceding insurer (09)
Registered												
Total Registered	29				0	0	0	0	0	0	0	0

American Agricultural Insurance Company

Canadian/Foreign Insurer

31/12/2022

Date

SUMMARY OF INTRAGROUP REINSURANCE
(\$'000)

Name of insurer (01)	Rating Agency Identifier Code				Reinsurance Ceded				Reinsurance Assumed			
	A.M. Best Code (20)	S&P Code (21)	Other Code (22)	Unrated (23)	Premiums ceded to assuming insurer (02)	Claims incurred by assuming insurer (03)	Unearned premiums ceded to assuming insurer (04)	Outstanding losses recoverable from assuming insurer (05)	Premiums assumed from other insurer (06)	Claims incurred by by ceding insurer (07)	Unearned premiums assumed from other insurer (08)	Outstanding losses payable to ceding insurer (09)
Unregistered												
Total Unregistered	39				0	0	0	0	0	0	0	0
Total	79				0	0	0	0	0	0	0	0

American Agricultural Insurance Company
Canadian/Foreign Insurer

31/12/2022
Date

REINSURANCE CEDED SUMMARY
REGISTERED REINSURANCE
(\$'000)

Name of Assuming Insurer (01)	Rating Agency Identifier Code				Reinsurer Domiciliary Jurisdiction (10)	Reinsurer Group Domiciliary Jurisdiction (12)	Business Covered (14)	Type of contract (16)	Reinsurance Premiums Ceded (18)	Unearned Premiums ceded to assuming insurer (20)	Outstanding losses recoverable from assuming insurer (22)	Receivables			
	A.M. Best Code (02)	S&P Code (04)	Other Code (06)	Unrated (08)								Reinsurance Receivable (24)	Reinsurance Payable (26)	Net Receivable (28)	Aging of Reinsurance Asset (30)
Associated and Non-qualifying subsidiary															
Total Associated and Non-qualifying subsidiary09									0	0	0	0	0	0	0

American Agricultural Insurance Company
Canadian/Foreign Insurer

31/12/2022
Date

REINSURANCE CEDED SUMMARY
REGISTERED REINSURANCE
(\$'000)

Name of Assuming Insurer (01)	Rating Agency Identifier Code				Reinsurer Domiciliary Jurisdiction (10)	Reinsurer Group Domiciliary Jurisdiction (12)	Business Covered (14)	Type of contract (16)	Reinsurance Premiums Ceded (18)	Unearned Premiums ceded to assuming insurer (20)	Outstanding losses recoverable from assuming insurer (22)	Receivables			
	A.M. Best Code (02)	S&P Code (04)	Other Code (06)	Unrated (08)								Reinsurance Receivable (24)	Reinsurance Payable (26)	Net Receivable (28)	Aging of Reinsurance Asset (30)
Non-associated and Non-subsiary															
Total Non-associated and Non-subsiary	19								0	0	0	0	0	0	0
TOTAL BUSINESS	29								0	0	0	0	0	0	0

REINSURANCE CEDED SUMMARY
UNREGISTERED REINSURANCE (FOREIGN INSURERS)
(\$'000)

[illegible]

REINSURANCE CEDED SUMMARY
UNREGISTERED REINSURANCE (FOREIGN INSURERS)
(\$'000)

Name of Assuming Insurer	Rating Agency Identifier Code				Reinsurer Domiciliary Jurisdiction	Reinsurer Group Domiciliary Jurisdiction	Business Covered	Type of contract	Reinsurance Premiums Ceded	Unearned Premiums ceded to assuming insurer	Outstanding losses recoverable from assuming insurer	Receivables				Reinsurance Collateral					20% Margin on unearned premiums and outstanding losses recoverable	Calculations for BAAT purposes			
	A.M. Best Code	S&P Code	Other Code	Unrated								Reinsurance Receivable	Reinsurance Payable	Net Receivable	Aging of Reinsurance Asset	Non-owned deposits - RSA	Other acceptable non-owned deposits	Reinsurance Collateral - Funds Held	Letters of Credit	Total (32)+(34)+(36)+(38)		Recoverables in excess of acceptable collateral (20+22-26-39) where positive	Acceptable collateral in excess of recoverables (39-20-22+26) where positive	Margin Required (40-44) where positive	Excess Collateral (44-40) where positive
(01)	(02)	(04)	(06)	(08)	(10)	(12)	(14)	(16)	(18)	(20)	(22)	(24)	(26)	(28)	(30)	(32)	(34)	(36)	(38)	(39)	(40)	(42)	(44)	(46)	(48)
Non-associated																									
Alfa Mutual Fire Ins Co	002006		19143		US	US	various	Quota Share	3	1	3	0	1	(1)						0	1	3	0	1	0
Country Mutual Ins Co	002249		20990		US	US	various	Quota Share	3,319	400	2,978	0	137	(137)						0	676	3,241	0	676	0
Countryway	003206		10022		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Farm Family Casualty Ins Co	000362		13803		US	US	various	Quota Share	0	0	0	0	0	0	0					0	0	0	0	0	0
FB Ins Co of Nebraska	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
FB Mutual Ins co of Idaho	000355		13765		US	US	various	Quota Share	339	41	315	0	53	(53)						0	71	303	0	71	0
FB Mutual Ins Co of Michigan	002342		21555		US	US	various	Quota Share	20	8	17	0	3	(3)						0	5	22	0	5	0
FB P&C Ins Co - Iowa	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
FB- Town and Country Ins Co of Missouri	000360		26859		US	US	various	Quota Share	9	1	8	0	0	0						0	2	9	0	2	0
Georgia FB Mutual Ins Co	000360		26859		US	US	various	Quota Share	18	2	17	0	1	(1)						0	4	18	0	4	0
Kentucky FB Mutual Ins Co	000540		22993		US	US	various	Quota Share	1,168	144	1,087	0	36	(36)						0	246	1,195	0	246	0
Mississippi FB Mutual Ins Co	000513		27669		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Mountain West FB Mutual Ins Co	000986		29440		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Nodak Ins Co	000705		34592		US	US	various	Quota Share	21	5	119	31	0	31						0	25	124	0	25	0
North Carolina FB Mutual Ins Co	000708		14842		US	US	various	Quota Share	735	88	607	0	53	(53)						0	139	642	0	139	0
Oklahoma FB Mutual Ins Co	000732		21563		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Rural Mutual Ins Co	002445		15091		US	US	various	Quota Share	7	3	6	0	1	(1)						0	2	8	0	2	0
South Carolina FB Mutual Ins Co	000838		15164		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Southern FB Casualty Ins Co	000844		18325		US	US	various	Quota Share	5	2	4	0	1	(1)						0	1	5	0	1	0
Tennessee Farmers Mutual Ins Co	000886		15245		US	US	various	Quota Share	121	39	105	0	16	(16)						0	29	128	0	29	0
Texas FB Casualty Ins Co	013850		13004		US	US	various	Quota Share	3	1	15	5	0	5						0	3	16	0	3	0
Texas FB Mutual Ins Co	000892		25380		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
The FB Mutual Ins Co Inc (Kansas)	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
United Farm Family Mut Ins Co	000350		15288		US	US	various	Quota Share	2,390	296	2,082	0	122	(122)						0	476	2,256	0	476	0
Virginia FB Mutual Ins Co	002549		26034		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Western Community Ins Co	002679		39519		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Total Non-associated	19								8,158	1,031	7,363	36	424	(388)	0	0	0	0	0	0	1,680	7,970	0	1,680	0
TOTAL BUSINESS	29								8,158	1,031	7,363	36	424	(388)	0	0	0	0	0	0	1,680	7,970	0	1,680	0

REINSURANCE CEDED SUMMARY
UNREGISTERED REINSURANCE (FOREIGN INSURERS)
TRANSITION PERIOD UNTIL DECEMBER 31, 2022 FOR POLICY LIABILITIES CEDED ON OR BEFORE DECEMBER 31, 2019
(\$'000)

[illegible]

REINSURANCE CEDED SUMMARY
UNREGISTERED REINSURANCE (FOREIGN INSURERS)
TRANSITION PERIOD UNTIL DECEMBER 31, 2022 FOR POLICY LIABILITIES CEDED ON OR BEFORE DECEMBER 31, 2019
(\$'000)

Name of Assuming Insurer	Rating Agency Identifier Code				Reinsurer Domiciliary Jurisdiction	Reinsurer Group Domiciliary Jurisdiction	Business Covered	Type of contract	Reinsurance Premiums Ceded	Unearned Premiums ceded to assuming insurer	Outstanding losses recoverable from assuming insurer	Receivables				Reinsurance Collateral					15% Margin on unearned premiums and outstanding losses recoverable	Recoverables in excess of acceptable collateral (20+22-26-39) where positive	Acceptable collateral in excess of recoverables (39-20-22+26) where positive	Margin Required (40-44) where positive	Excess Collateral (44-40) where positive
	A.M. Best Code	S&P Code	Other Code	Unrated								Reinsurance Receivable	Reinsurance Payable	Net Receivable	Aging of Reinsurance Asset	Non-owned deposits - RSA	Other acceptable non-owned deposits	Reinsurance Collateral - Funds Held	Letters of Credit	Total (32)+(34)+(36)+(38)					
(01)	(02)	(04)	(06)	(08)	(10)	(12)	(14)	(16)	(18)	(20)	(22)	(24)	(26)	(28)	(30)	(32)	(34)	(36)	(38)	(39)	(40)	(42)	(44)	(46)	(48)
Non-associated																									
Alfa Mutual Fire Ins Co	002006		19143		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
Country Mutual Ins Co	002249		20990		US	US	various	Quota Share	3	0	586	4	0	4						0	88	586	0	88	0
Countryway	003206		10022		US	US	various	Quota Share	0	0	2	0	0	0						0	0	2	0	0	0
Farm Family Casualty Ins Co	000362		13803		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
FB Ins Co of Nebraska	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
FB Mutual Ins co of Idaho	000355		13765		US	US	various	Quota Share	1	0	65	3	0	3						0	10	65	0	10	0
FB Mutual Ins Co of Michigan	002342		21555		US	US	various	Quota Share	0	0	7	0	0	0						0	1	7	0	1	0
FB P&C Ins Co - Iowa	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
FB- Town and Country Ins Co of Missouri	000360		26859		US	US	various	Quota Share	0	0	2	0	0	0						0	0	2	0	0	0
Georgia FB Mutual Ins Co	000360		26859		US	US	various	Quota Share	0	0	4	0	0	0						0	1	4	0	1	0
Kentucky FB Mutual Ins Co	000540		22993		US	US	various	Quota Share	1	0	207	3	0	3						0	31	207	0	31	0
Mississippi FB Mutual Ins Co	000513		27669		US	US	various	Quota Share	0	0	1	0	0	0						0	0	1	0	0	0
Mountain West FB Mutual Ins Co	000986		29440		US	US	various	Quota Share	0	0	83	0	1	(1)						0	12	82	0	12	0
Nodak Ins Co	000705		34592		US	US	various	Quota Share	1	0	157	5	0	5						0	24	157	0	24	0
North Carolina FB Mutual Ins Co	000708		14842		US	US	various	Quota Share	1	0	109	2	0	2						0	16	109	0	16	0
Oklahoma FB Mutual Ins Co	000732		21563		US	US	various	Quota Share	0	0	18	0	1	(1)						0	3	17	0	3	0
Rural Mutual Ins Co	002445		15091		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
South Carolina FB Mutual Ins Co	000838		15164		US	US	various	Quota Share	0	0	1	0	0	0						0	0	1	0	0	0
Southern FB Casualty Ins Co	000844		18325		US	US	various	Quota Share	0	0	2	0	0	0						0	0	2	0	0	0
Tennessee Farmers Mutual Ins Co	000886		15245		US	US	various	Quota Share	0	0	35	6	0	6						0	5	35	0	5	0
Texas FB Casualty Ins Co	013850		13004		US	US	various	Quota Share	0	0	6	0	0	0						0	1	6	0	1	0
Texas FB Mutual Ins Co	000892		25380		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
The FB Mutual Ins Co Inc (Kansas)	000354		13773		US	US	various	Quota Share	0	0	0	0	0	0						0	0	0	0	0	0
United Farm Family Mut Ins Co	000350		15288		US	US	various	Quota Share	1	0	258	7	0	7						0	39	258	0	39	0
Virginia FB Mutual Ins Co	002549		26034		US	US	various	Quota Share	0	0	1	0	0	0						0	0	1	0	0	0
Western Community Ins Co	002679		39519		US	US	various	Quota Share	0	0	1	0	0	0						0	0	1	0	0	0
Total Non-associated	19								8	0	1,545	30	2	28	0	0	0	0	0	0	231	1,543	0	231	0
TOTAL BUSINESS	29								8	0	1,545	30	2	28	0	0	0	0	0	0	231	1,543	0	231	0

REINSURANCE INTERROGATORIES

(01)

01	Has the insurer made any significant changes regarding reinsurance arrangements during the year? If yes, embed details (see Section VI of the Annual Return Instructions).	Y / N	<div>N</div>
02	Has the insurer made any portfolio transfer, and/or commutation of reinsurance treaties during the year? If yes, embed details (see Section VI of the Annual Return Instructions).	Y / N	<div>N</div>
03	What is the upper limit of the catastrophe program? (\$'000)		<div>USD 178,000</div>
04	What is the attachment point for catastrophe coverage? (\$'000)		<div>USD 20,000</div>
05	What is the amount of retention (if any) within the catastrophe coverage layers? (\$'000)		<div>USD 20,000</div>
06	What is the gross estimated catastrophe exposure? (\$'000)		<div>USD 62,675</div>
07	Based on the gross estimated catastrophe exposure above, what would be the net retained loss (after all reinsurance)? (\$'000)		<div>USD 37,005</div>
08	Based on the gross estimated catastrophe exposure above, what would be the catastrophe coverage(s) reinstatement cost for a full period? (\$'000)		<div>0</div>
09	Is the catastrophe program specific to the Canadian operations only?	Y / N	<div>N</div>

Summary of non-traditional methods of risk mitigation issued or purchased by insurer or parent/home office for in Canada risk

		Insurer		Parent/Home Office	
		Premium	Aggregate Limit Provided	Premium	Aggregate Limit Provided
		(\$'000) (03)	(\$'000) (05)	(\$'000) (07)	(\$'000) (09)
Catastrophic Bonds	20				
Industry loss warranty contracts	21			USD 4,150	USD 20,000
Catastrophe swaps	22				
Other contracts and non-traditional methods of risk mitigation/assumption	23				
Total	29	0	0	0	0

American Agricultural Insurance Company
Canadian/Foreign Insurer

31/12/2022
Date

COMMISSIONS
(\$'000)

Class of Insurance (01)	Deferred Commissions at beginning of year (02)	Unearned Commissions at beginning of year (03)	Commissions in respect of premiums written				Deferred Commissions end of year (08)	Unearned Commissions end of year (09)	Net Commissions attributable to the period (02+07+09) -(03+08) (10)
			Direct (04)	Reinsurance assumed (05)	Reinsurance ceded (06)	Net (07)			
Property - total 09	391	156		4,059	1,700	2,359	499	215	2,310
Automobile - total 29	0	0		22	6	16			16
Liability 59	0	0				0			0
Marine 68	0	0				0			0
Other 75	0	0				0			0
TOTAL 79	391	156	0	4,081	1,706	2,375	499	215	2,326
Summary of Commissions									
Gross:									
Commission Expense (line 79, column 02+04+05-08)								30	3,973
Contingent Commissions								33	58
Other Non-Deferrable Commissions								35	
Total Gross (line 30+33+35)								39	4,031
Ceded:									
Commission Income (line 79, column 03+06-09)								40	1,647
Contingent Commissions								43	19
Other Non-Deferrable Commissions								45	
Total Ceded (line 40+43+45)								49	1,666
TOTAL NET COMMISSIONS (line 39-49)								89	2,365

American Agricultural Insurance Company
Canadian/Foreign Insurer

31/12/2022
Date

EXPENSES - INSURANCE OPERATIONS
(\$'000)

Expense Classification	Acquisition Expenses		General Expenses	Internal Adjustment Expenses
	Deferred at End of Year	Attributable to the Year		
	(01)	(02)	(04)	(06)
Salaries and employee benefits 50				
Defined Benefit Pension Plan Expense 56				
Directors remuneration 52				
Agency (excluding commissions) 54				
Management fees 60			211	
Professional fees 62			198	
Occupancy 70				
Information technology 72				
Inspections and Investigations 74				
Bureaus and Associations 76			27	
Home Office overhead 78			971	
Allowance 80				
Regulatory assessments 82				
Other expenses 88			3	
TOTAL 89	0	0	1,410	0

American Agricultural Insurance Company
Foreign Insurer

31/12/2022
Date

FOREIGN - BRANCH MANAGEMENT
AFFIDAVIT VERIFYING ANNUAL SUPPLEMENT RETURN

I, COLLEEN SEXSMITH DOMICILED IN THE
CITY OF NEWMARKET IN THE COUNTRY OF CANADA
BEING A MEMBER OF BRANCH MANAGEMENT OF
American Agricultural Insurance Company
(HEREINAFTER CALLED "THE COMPANY"), MAKE OATH AND SAY AS FOLLOWS:

1. I AM THE CHIEF AGENT AND A MEMBER OF
ROLE (E.G., CHIEF RISK OFFICER)
BRANCH MANAGEMENT OF THE COMPANY IN CANADA.
2. I HAVE PERSONAL KNOWLEDGE OF THE FACTS HEREIN DEPOSED TO.
3. THE ATTACHED ANNUAL RETURN OF THE CONDITION AND AFFAIRS OF THE INSURANCE BUSINESS
IN CANADA OF THE COMPANY, TOGETHER WITH THE RELATED EXHIBITS, SCHEDULES AND
EXPLANATIONS FILED OR TO BE FILED AS PART THEREOF, IS A FULL AND CORRECT STATEMENT OF
ALL THE ASSETS AND LIABILITIES, AND OF THE ASSETS AVAILABLE AND ASSETS REQUIRED
FOR THE PURPOSES OF THE TEST OF ADEQUACY OF DEPOSITS IN CANADA AS OF
31/12/2022 AND OF THE INCOME AND EXPENDITURES IN CANADA FOR THE YEAR ENDED
ON THAT DAY, AS RESPECTS THE COMPANY'S BUSINESS OF INSURANCE IN CANADA.
4. ALL THE ASSETS REPORTED IN THE ANNUAL RETURN AND SCHEDULES WERE, AS OF 31/12/2022,
THE ABSOLUTE PROPERTY OF THE COMPANY, FREE AND CLEAR FROM ANY LIENS,
CHARGES AND ENCUMBRANCES OF ANY NATURE EXCEPT AS THEREIN STATED.
5. TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF, AFTER HAVING TAKEN ALL
REASONABLE STEPS TO INFORM MYSELF IN THIS REGARD, NO CHANGE OR AMENDMENT HAS BEEN
MADE IN THE CHARTER, ACT OF INCORPORATION, OR ARTICLES OF ASSOCIATION OF THE
COMPANY AND NO CHANGE HAS BEEN MADE IN THE CHIEF AGENCY OR CHIEF AGENT IN CANADA
WITHOUT THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS HAVING BEEN DULY NOTIFIED OF
SUCH CHANGE OR AMENDMENT.
6. I MAKE THIS AFFIDAVIT KNOWING THAT THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS (CANADA)
IS RELYING ON IT FOR THE PURPOSE OF DETERMINING THE FINANCIAL POSITION OF THE
INSURANCE BUSINESS IN CANADA OF American Agricultural Insurance Company AS AT 31/12/2022
AND, MORE SPECIFICALLY, OF DETERMINING THE VALUE OF THE ASSETS THAT THE
COMPANY IS REQUIRED TO MAINTAIN IN CANADA PURSUANT TO THE INSURANCE COMPANIES ACT
(CANADA) AND THE REGULATIONS MADE PURSUANT TO THAT ACT.


(TITLE, BRANCH MANAGEMENT)

SWORN BEFORE ME AT THE TOWN
OF NEWMARKET
IN THE PROVINCE ONTARIO
OF ONTARIO THIS 21ST
DAY OF FEBRUARY 20 23


(STATE WHETHER COMMISSIONER, NOTARY
PUBLIC, ETC.)

Robin Lyn Holloway, a Commissioner, etc.,
Regional Municipality of York
for CAS Accounting for Insurance Inc.
Expires December 7, 2026

American Agricultural Insurance Company
Foreign Insurer

2022
Date

FOREIGN - PRESIDENT/CHIEF EXECUTIVE OFFICER
AFFIDAVIT VERIFYING ANNUAL SUPPLEMENT RETURN

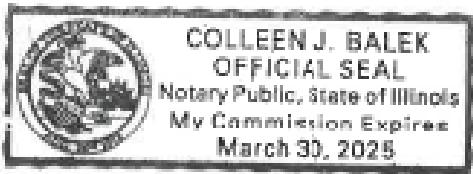
I, ANDREW S. BORIS OF THE CITY
OF SCHAUMBURG IN THE STATE
OF ILLINOIS MAKE OATH AND SAY AS FOLLOWS:

1. I AM THE PRESIDENT/CHIEF EXECUTIVE OFFICER OF American Agricultural Insurance Company
2. ALL OF THE LIABILITIES OF American Agricultural Insurance Company
IN RESPECT OF ITS INSURANCE BUSINESS IN CANADA AS AT THE END OF
2022 HAVE BEEN, TO THE BEST OF MY INFORMATION, KNOWLEDGE AND BELIEF,
AFTER HAVING TAKEN ALL REASONABLE STEPS TO INFORM MYSELF IN
THIS REGARD, REPORTED TO THE CHIEF AGENT IN CANADA OF
American Agricultural Insurance Company.
3. I MAKE THIS AFFIDAVIT KNOWING THAT THE SUPERINTENDENT OF FINANCIAL INSTITUTIONS (CANADA)
IS RELYING ON IT FOR THE PURPOSE OF DETERMINING THE FINANCIAL POSITION OF THE INSURANCE
BUSINESS IN CANADA OF American Agricultural Insurance Company
AT THE END OF 2022 AND, MORE SPECIFICALLY, OF DETERMINING THE VALUE OF THE ASSETS THAT
American Agricultural Insurance Company
IS REQUIRED TO MAINTAIN IN CANADA PURSUANT TO THE INSURANCE COMPANIES ACT (CANADA)
AND THE REGULATIONS MADE PURSUANT TO THAT ACT.

Andrew S. Boris
PRESIDENT/CHIEF EXECUTIVE OFFICER

SWORN TO BEFORE ME AT THE CITY
OF SCHAUMBURG IN THE STATE
OF ILLINOIS THIS 21st
DAY OF FEBRUARY 20 23

Colleen J. Balek Notary Public
(STATE WHETHER COMMISSIONER OR NOTARY PUBLIC)



CERTIFICATION

I, COLLEEN SEXSMITH certify that, to the best of my
(print or type)
knowledge, the attached return presents fairly the financial position of the Insurer
as at 31/12/2022 and the results of its operations for the
12 months then ended in accordance with the Canadian generally
accepted accounting principles and statutory provisions that were applied in the
preparation of the most recent Annual Return that the Insurer filed with its
Canadian Insurance Regulator(s).


Signature

FEB 21 2023

Date

CHIEF AGENT
Title (Officer)

Statement Contact

Name: Robin Holloway
Title: Vice President, CAS Accounting for Insurance Inc.
Telephone: (905) 853-0858 ext 226
Fax: (905) 853-0183
Email address: rholloway@casaccount.com

American Agricultural Insurance Company
Canadian/Foreign Insurer

ASSETS/Breakdown for BAAT page 30.92/30.66/30.81

	Amortized Cost	Row on page 20.10/40.07	Breakdown for BAAT	Balance Sheet Value	BAAT reference	Difference between Col. 99 and balance reported on pages 20.10/40.07	
						20.10/40.07	Difference
	(99a)		(99)	(01)			
Cash and Cash Equivalents		01		16	3081.0102	16	0
Investment Income due and accrued		02		257	3081.0202	257	0
Assets held for sale		50		0		0	0
Assets held for sale (other than financial) with MCT application required		50a			3081.3702	For the detailed investment pages, a "look through" approach must be used and the MCT guideline allows the option of the "look through" approach. This is not the case for page 20.10, which is completed on the basis of IFRS, both for valuation and classification. Hence, only Total Investments can be reconciled between the detailed pages and page 20.10.	
Assets held for sale (no MCT application required)		50b					
Investments:							
Short Term Investments		4007.0112		31,740	3081.0602/3073		
Bonds and Debentures		4007.0212, 4007.0612 and 4007.0512		31,327	3081.0602/3073		
Long-Term Obligations including Term Deposits, Bonds, Debentures and Loans		4007.0212, 4007.0612 and 4007.0512	31,327		3081.0602/3073		
Short-Term Obligations including Commercial Paper		4007.0112	31,740		3081.0702/3073		
Mortgage Loans	Amortized value for loans	4007.0312 and 4007.0412	Balance Sheet Value	0			
Government Grade		03a			3081.0602/3073		
Residential Mortgages		03b					
First mortgages on one- to four- unit residential dwellings		03b-i			3081.1402		
Residential mortgages that are not first mortgages on one- to four-unit residential dwellings		03b-ii			3081.1502		
Commercial Mortgages		03c			3081.1502		
Preferred Shares		4007.1012, 4007.1112		0	3081.2502/3073		
Common Shares	Exposure Amount	4007.1502		0			
Long Common Shares (NOT USED as part of a hedging strategy)		15a			3066.7021		
Common Shares (USED as part of a hedging strategy)		15b			3066.7521- 3066.7721		
Investment Properties		4007.2012		0	3066.8020		
Other Loans and Invested Assets		4007.3012	Balance Sheet Value	0			
Non mortgage Loans - government grade		30a			3081.0602/3073		
Non-mortgage Loans rated A & Higher;		30b			3081.0602/3073		
Other Loans		30c			3081.0602/3073		
Structured Settlements		30d					
Non-equity derivatives		30f			3075		
Equity derivatives	Exposure Amount	30g					
Equity derivatives NOT USED as part of an equity hedging strategy (long equity derivatives)		30gi			3066.7221		
Equity derivatives used as part of an equity hedging strategy		30gii			3066.7521- 3066.7721		
Other Invested Assets		30e			3081.3502	Page 40.07	
Pooled Funds - items not captured in above rows		4007.3212	0		3066/3071/3073	63,067	0
Deduct: Pooled Funds accounted using the Equity Method		4007.3512	0		3066/3071/3073	Page 20.10	
Total Investments (lines 04 to 10)		2010.1902/4007.3912		63,067		63,067	0
Receivables:	- Outstanding 60 days or more						
Unaffiliated Agents and Brokers		20		0	3081.5502, 3081.5602	0	0
Policyholders		21		0	3081.5502, 3081.5602	0	0
Installment Premiums		22		0		0	0
Not yet due		22a			3081.5402		
Other		22b			3081.5502, 3081.5602		
Recoverable from Reinsurers:							
Unearned Premiums		30		1,031		1,031	0
Registered Associated		30a	0		3081.4502		
Registered Non-Associated		30b	0		3081.4702		
Unregistered		30c	1,031				
Unpaid Claims and Adjustment Expenses		31		8,908		8,908	0
Registered Associated		31a	0		3081.4602		
Registered Non-Associated		31b	0		3081.4902		
Unregistered		31c	8,908				
Other Recoverables on Unpaid Claims		37		0		0	0
SIRs not deducted from capital		37a			3081.5102		
Self-insured retentions, included in other recoverables on unpaid claims, where OSFI requires collateral and no collateral has been received		37b			3081.5102		
Other		37c			3081.5102		
Pooled Funds (Vested in Trust)		2010.4502		0		0	0
Investment amounts allocated to the respective investment rows on 40.07 and 30.66/30.71/30.73 as a result of the "look through" method		45a			3066/3081/3073		
Non-investment amounts per 4007.3212 to be allocated to the respective rows on 30.71		45b					
Cash (Vested in Trust)		45bi			3081.0102		
Investment Income Due and Accrued (Vested in Trust)		45bii			3081.0202		
Receivables: (Vested in Trust)		45biii			3081.3402		
OTC derivatives (Vested in Trust)		28			3075		
Provisions and Other Liabilities (Input as a negative) (Vested in Trust)		45bv					
Property and Equipment	Own Use Properties (valued using cost model) and right-of- use leased owner-occupied properties recognized as net assets available as an admitted asset and right-of-use leased equipment	41	Balance Sheet Value	0		0	0
Own Use Properties		41a	0		3092.7101/3066.8120		
Equipment		41b	0		3066.9020		
Total BAAT Assets		89		73,279			

RATIOS

American Agricultural Insurance Company

31/12/2022

Foreign Insurer

Year

MSA Research Inc. - Ratios

These formulas are supplied by MSA Research Inc. and are subject to change without notice.
For more information, please call 416 368-0777 or visit www.msaresearch.com

	2022	2021
Return on Equity	6.57%	2.48%
Adjusted ROE Excl AOCI	6.51%	2.54%
Adjusted ROE - taking OCI into Income	2.56%	0.63%
Net Liabilities to Liquid Assets	37.71%	38.45%
Net Loss Res. To Equity	42.04%	35.87%
Investment yield	-1.36%	-0.24%
Change in net premiums written	8.10%	19.58%
Change in gross premiums written	10.49%	19.66%
Change in equity	-4.48%	2.84%
AOCI to Equity	-2.90%	1.15%
Reinsurance Recoverables to Equity	20.66%	16.27%
Net U/W Leverage	37.41%	33.06%
Two-Year Combined Ratio	92.07%	103.31%
Overall Diversification Score [1-100] (est.)	30.00	N/A

Transmittal Form

Completion of these fields is mandatory	
Name of Insurer	American Agricultural Insurance Company
Contact Person	Robin Holloway
Title	Vice President - CAS Accounting for Insurance Inc.
Email Address	rholloway@casaccount.com
Telephone#	(905) 853-0858 x226

If a revised ASCII file is being submitted, please also submit a revised electronic version of the Excel spreadsheet.

OSFI Document Filing Checklist (Annual Only)

Electronic Files: The following electronic files should be uploaded to OSFI via the RRS website. Hard copies are no longer required.

P&C combined Annual Supplement and Quarterly Return Excel Spreadsheet	OSFI Return Code: 662	1 electronic copy in .xls format Due 60 days after fiscal year-end
ASCII Files - P&C Annual Supplement (CDXXX15A0001), Quarterly Return (CDXXX1540001)		1 copy of each of the .osfi files Due 60 days after fiscal year-end
Report of the Appointed Actuary	OSFI Return Code: 605	1 electronic copy in Word or .PDF format Due 60 days after fiscal year-end
Auditor's Report to the Superintendent	OSFI Return Code: 625	1 electronic copy in Word or .PDF format Due May 31
Auditor's Report on BAAT	OSFI Return Code: 655	1 electronic copy in Word or .PDF format Due May 31
Financial Condition Testing (FCT)	OSFI Return Code: 610	1 electronic copy in Word or .PDF format Due the earlier of: 30 days after presentation to Board of Directors, and one year after fiscal year end
AAR - External Review Reports	OSFI Return Code: 615	1 electronic copy in Word or .PDF format Due the earlier of: 30 days after presentation to the Audit Committee and one year after fiscal year end.**
Unpaid Claims and Loss Ratio Exhibits	OSFI Return Code: 661	1 electronic copy in XML format Due 60 days after fiscal year-end **
Business Plan	OSFI Return Code: 640	1 electronic copy in Word, xls or .PDF format Due 60 days after fiscal year-end **
Earthquake Exposure Data Return	OSFI Return Code: 659	1 electronic copy in XML format Due May 31
ORSA Key Metric Report	OSFI Return Code: OP	1 electronic copy in XML format Due within 30 days of the Board of Director's review or the Chief Agent's signing off
Worldwide Financial Statement	OSFI Return Code: 645	1 electronic copy in Word, xls or .PDF format US companies - completed NAIC form within 30 days of filing with home state; Other companies - within 30 days of approval of Company's Board of Directors. **

These documents are subject to Late and/or Erroneous Filing Penalties (except where noted **).
A complete list of filing requirements and due dates can be found on the OSFI website.

DOCUMENTS AND INFORMATION TO BE FILED - QUÉBEC

Notice of the Authority relating to filing of annual returns and other documents for the fiscal year ending October 31 or December 31, 2022 – Damage insurers licensed in Quebec

Under An Act respecting insurance, CQLR, c. A-32, (the “Act”), every insurer is required to file with the Autorité des marchés financiers (the “AMF” or the "Authority"), in such form as the AMF may determine and within the prescribed time period, the documents and information required under the Act or requested by the AMF pursuant to specific provisions of the Act (the “required or requested documents and information”).

Electronic filing through the AMF's E-Services is now mandatory for all required or requested documents and information. A Guide - Electronic Filing Instructions ("Disclosures - Insurers") - AMF E-Services will be available, by the end of year 2022, on the AMF's Website at:

In English: <https://lautorite.qc.ca/en/professionals/insurers/>

En Français: <https://lautorite.qc.ca/professionnels/assureurs/>

A complete set of "paper" copies of the signed documents must be kept at the insurer’s premises so that they are available for examination by the AMF, if necessary

A complete version of the present Notice, including the Appendix concerning specific AMF requirements for the filing of the required or requested documents and information for the fiscal year ending October 31 or December 31, 2022, will be available, by the month of December 2022, on the AMF's Website at:

In English: <https://lautorite.qc.ca/en/professionals/insurers/>

En Français: <https://lautorite.qc.ca/professionnels/assureurs/>