



Annual Report

2025



Alberta
Insurance
Council





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ABOUT THE ALBERTA INSURANCE COUNCIL

Who we are

ESTABLISHED IN 1989, the Alberta Insurance Council (AIC) is the industry-funded regulator responsible for licensing and overseeing insurance agents, brokers, and independent adjusters across Alberta. The AIC protects Alberta insurance consumers by ensuring they can rely on the competence, integrity, and professionalism of licensed insurance professionals.

The AIC is legislated by the *Insurance Act* and has delegated regulatory authority from the President of Treasury Board and Minister of Finance. As part of a regulated industry, insurance professionals must meet and fulfill strict license requirements to conduct insurance business in Alberta.

Mission:

To protect the Alberta insurance consumer through the professional qualification, licensing, and regulation of insurance agents, brokers, and independent insurance adjusters.

Vision:

We are the respected and trusted regulator of the insurance profession in Alberta.

Strategic Priorities (2022–2025 Strategic Plan):

1. Professionalism in the industry
2. Governance renewal
3. Improved management of AIC resources
4. Knowledge foundation supporting evidence-based decision making



What we do

THE AIC PROTECTS ALBERTA

consumers by ensuring they are served by industry professionals who meet the standards of competency, conduct, and continued professional development required of agents, brokers, and independent adjusters.



The AIC fulfills its mandate by:

- issuing and renewing Certificates of Authority;
- responding to inquiries and investigating consumer complaints;
- supporting the Industry Councils in their adjudicative role;
- developing and delivering licensing examinations;
- accrediting Continuing Education courses and delivery providers; and
- collaborating and working with industry and regulatory partners across Alberta and Canada.

A message FROM THE CHAIR AND CHIEF EXECUTIVE OFFICER

It is our pleasure to present the Annual Report of the Alberta Insurance Council (AIC) for the year ended December 31, 2025.



Lisa Evren



Amina Deiab

AS WE REFLECT ON 2025, we do so with a strong sense of continuity and purpose. The AIC's mandate to protect the public interest remains at the core of everything we do, and this past year reinforced the importance of steady, principled regulation in a dynamic insurance landscape.

This year saw the appointment of a new Board Chair, reflecting the ongoing evolution of Council leadership, and we were pleased to welcome Lisa Evren to the role. We extend our thanks to outgoing Council members for their leadership and service, and welcome new Council members and appointed public members to our Board and Industry Councils. Their perspectives and experience support balanced, informed decision-making in the public interest.

We are grateful to all Board and Council members—past and present—for the time, expertise, and care they bring to this important work. Serving on the Board or Council is a significant responsibility, and we thank those who have stepped forward to contribute to public protection and regulatory excellence.

Collaboration continued to be a defining feature of the AIC's work this year. We value our strong working relationship with the Government of Alberta and appreciate the constructive engagement that supported several important regulatory amendments. These changes help modernize the regulatory framework and ensure it remains fit for purpose, while continuing to protect consumers and support a well-functioning insurance sector.

In 2025, the AIC assumed a new responsibility with the introduction of a mandate related to accreditation and Continuing Education. This work supports professional standards across the insurance industry and reinforces the importance of ongoing competence for those serving Alberta consumers. Throughout the year, the AIC focused on establishing a clear and practical foundation to support this mandate, informed by collaboration and an understanding of the needs of both licensees and the public.

Regulatory amendments introduced during the year also supported the implementation of new restricted business licenses. These changes help clarify licensing pathways while maintaining appropriate consumer protections. The AIC played a key role in supporting implementation by developing guidance and resources to assist stakeholders in understanding the updated requirements.

Nationally, the AIC remained an active participant in regulatory collaboration through the Canadian Insurance Services Regulatory Organizations (CISRO). Our involvement at the executive committee level and in national working groups reflects the AIC's commitment to sharing expertise, learning from other jurisdictions, and contributing to consistent, effective regulation across Canada. These conversations strengthen regulatory outcomes not only in Alberta, but nationwide.

Internally, 2025 was a year of continued organizational strengthening. We invested in leadership capacity through the hiring and development of our executive team, ensuring the organization is well positioned to deliver on its mandate now and into the future. We are deeply grateful to AIC staff for their professionalism, dedication, and adaptability. Their work supports consumers, licensees, and stakeholders every day, and their commitment is essential to the AIC's success.

Looking ahead, we also dedicated time and focus to strategic planning. Work began on the AIC's 2026–2029 Strategic Plan, setting clear priorities for the coming years. This planning reflects a thoughtful assessment of our responsibilities, our operating environment, and the outcomes we aim to achieve for Albertans. It provides a roadmap that will guide decision-making and resource allocation as the organization continues to evolve.

Throughout 2025, our approach remained grounded in accountability, transparency, and public interest. We are proud of the progress made this year and mindful of the responsibility entrusted to us. The work of regulation is ongoing, and we remain committed to continuous improvement, collaboration, and sound oversight.

We would like to thank our regulatory partners, industry stakeholders, Council and Board members, and staff for their continued engagement and support. Most importantly, we thank Albertans for the trust they place in the Alberta Insurance Council.

Together, we look ahead with confidence and purpose as we continue our work to protect the public and support a fair, professional insurance system in Alberta.

Sincerely,



Lisa Evren, JD, LL.M
Board Chair, Alberta Insurance Council



Amina Deiab, MPP, ICD.D
Chief Executive Officer, Alberta Insurance Council



MEMBERS OF THE Councils 2025

Alberta Insurance Council

NAME	POSITION	REPRESENTING
Lisa Evren	Chair	Public
Michael Ilnycky	Vice-Chair	Insurance Adjusters' Council
Darryl Kay	Member	Public
Amanda Sawatzky	Member	General Insurance Council
Vacant	Member	Life Insurance Council
Andrew Freeman (term expired)	Member	Life Insurance Council



Left to right: Darryl Kay, Lisa Evren, Michael Ilnycky. Not photographed: Amanda Sawatzky.

General Insurance Council

NAME	POSITION	REPRESENTING
Amanda Sawatzky	Chair	Direct Writers
Arla Hillis	Vice-Chair	Insurance Brokers
Andy Harnett	Member	Public
Dwayne Johnston	Member	Direct Writers
Adam Letourneau	Member	Public
David Maurice	Member	Insurance Brokers
Chris Miller	Member	Insurance Brokers
Destiny Timmerman	Member	General Insurers
Ross Bucsis (term expired)	Member	Insurance Brokers

Life Insurance Council

NAME	POSITION	REPRESENTING
Tammy Hynes	Chair	Life Companies
Vishal Zaveri	Vice-Chair	Life Agents
Murray Lang	Member	Life Companies
Usman Mahmood	Member	Public
Jason Sopka	Member	Life Agents
Vacant	Member	Public
Kenneth Doll (term expired)	Member	Life Agents
Andrew Freeman (term expired)	Chair	Life Companies

Insurance Adjusters' Council

NAME	POSITION	REPRESENTING
Michael Ilnycky	Chair	General Insurers
Vince Marino	Vice Chair	Adjusters
Katie Camp	Member	Adjusters
Laura Mensch	Member	Public

MEMBERS OF THE

Finance & Audit Committee

DARRYL KAY, Chair

LISA EVREN, Member

ADAM LETOURNEAU, Member

VINCE MARINO, Member

CHRIS MILLER, Member

ANDREW FREEMAN (term expired), Chair

KENNETH DOLL (term expired), Vice Chair

AIC

Executive Team



Left to right: Melanie Therrien, Amina Deiab, Alec Silenzi, Lee Heidecker.

AMINA DEIAB, MPP, ICD.D

Chief Executive Officer

LEE HEIDECKER, CPA, CMA

Chief Financial Officer & VP,
Corporate Services

ALEC SILENZI, LLB

General Counsel and Corporate Secretary

MELANIE THERRIEN, MPA, BHA

Head of Licensing & Education



AIC HIGHLIGHTS

2025 at a glance



94,676
licenses issued

between January 1–December 31, 2025,
by verifying applicants have all
applicable licensing requirements.



19,673 license
examinations

administered across Alberta to ensure
prospective license holders have the
knowledge required to hold an
insurance license.



3.1 million
engagements

in the first full year following the launch
of the new AIC website.



1,005
investigations
and inquiries

conducted by the AIC's compliance
department to ensure Alberta
consumers were protected against
misconduct and unlicensed activity.

45,926 reached with
new email newsletter
including licensed professionals,
regulatory partners, and
key stakeholders.



2025 milestones

In 2025, the Alberta Insurance Council (AIC) delivered several significant initiatives that expanded its mandate, modernized regulatory tools, and strengthened consumer protection. These initiatives reflect extensive policy development and collaboration with government and regulatory partners, while balancing effective oversight with reasonable access to licensure and business participation.

Advancing regulatory amendments

The AIC successfully advocated for and secured key amendments to the *Insurance Agents and Adjusters Regulation* and the *Insurance Councils Regulation*. These changes enhance regulatory clarity, strengthen decision-making, and better support the Industry Councils in fulfilling their public protection mandate.

The amendments reduce unnecessary barriers to licensure, support interjurisdictional mobility, and clarify governance roles and responsibilities. Together, these changes strengthen consumer protection without increasing regulatory burden.

Key amendments include:

- Addition of “good character” as a licensure suitability requirement;
- New considerations related to investigations or disciplinary action by other regulators; and
- Expanded disclosure requirements related to unprofessional/unethical conduct, and information on conditions/limitations.

Together, these amendments represent a significant body of work and meaningfully expand the tools available to the Industry Councils, reinforcing regulatory effectiveness while avoiding unnecessary barriers to participation in the insurance industry.



The 2025 amendments

reinforce the Industry Councils' public protection mandate while supporting fair access to licensure.



Elevating accreditation and Continuing Education

In late 2025, responsibility for reviewing Continuing Education courses and providers transitioned from the Alberta Accreditation Committee to the AIC.

Revised guidelines were published on the AIC website, strengthening regulatory consistency and supporting high-quality education standards for insurance professionals.

The AIC has put in place straightforward guidelines and procedures for approving courses and providers, which ensures Continuing Education meets established standards of adult learning. A consistent and transparent approval approach, including the provision of reason for decision, represents a meaningful improvement to the accreditation process.

These changes allow the AIC to increase consumer protection for Albertans without increasing barriers to licensure.

Clear Continuing Education standards

support high-quality learning and regulatory confidence.

2025 Highlight

94,676
licenses issued

between January 1–December 31, 2025,
by verifying applicants have all applicable
licensing requirements.



Introduction of new Restricted Certificates of Authority

At the start of 2025, changes under the *Insurance Act* required motor vehicle dealership loyalty programs, ancillary motor vehicle protection products, and certain motor vehicle warranty products to be underwritten by licensed insurance companies and sold by licensed businesses.

The AIC worked closely with the Office of the Superintendent of Insurance to develop the Information Bulletins to support the implementation of the new restricted licensing framework for auto dealerships, equipment dealers, and sales finance companies.

As part of this work, the AIC introduced new restricted licensing and certificate options and expanded sales finance licensing for individuals involved in the sale of Guaranteed Asset Protection, equipment warranties, motor vehicle protection products, and specific motor vehicle warranty products.

Strategic Priorities

The Alberta Insurance Council (AIC) created its Strategic Priorities in 2022 while staying committed to its mission of safeguarding insurance consumers in Alberta.

These priorities provided a clear, multi-year roadmap from 2022 to 2025, aligning the organization's work with the AIC's vision of being the respected and trusted regulator of the insurance profession in Alberta. As the final year of this strategic plan, 2025 reflects the cumulative impact of these priorities and the AIC's continued commitment to fulfilling its mandate.



STRATEGIC PRIORITY 1: Professionalism in the industry

The AIC is committed to increasing and promoting professionalism in the insurance industry. This helps ensure that Alberta insurance consumers obtain skilled, high-quality services from their insurance agents, brokers, and independent adjusters and that consumers trust the insurance profession.

Enhancing professional standards and regulatory awareness

Spring 2025 marked the launch of the inaugural issue of *AIC Navigator*, a new email newsletter designed to strengthen regulatory awareness and engagement across Alberta's insurance sector. *AIC Navigator* has quickly established itself as a central communications channel, reaching over 45,000 licensed professionals, regulatory partners, and key stakeholders with timely updates on regulatory requirements, Council activities, and professional practice resources.

The newsletter reinforces AIC's commitment to transparency, integrity, and collaboration by providing a consistent, accessible source of reliable information in an evolving regulatory environment.

AIC Navigator also supports AIC's broader mandate by reinforcing the value of regulation, promoting regulatory awareness, and increasing understanding of the work of AIC's Councils. Through clear, proactive communication, the newsletter strengthens confidence in Alberta's insurance regulatory framework and the professionals it governs.

Advancing Alberta consumer confidence and protection

In the fall of 2025, the AIC launched its second consumer awareness campaign, focused on increasing public understanding of how the AIC protects insurance consumers. The campaign ran for four months across social media platforms and online search engines, with each advertisement highlighting a different aspect of AIC's consumer protection role.

The campaign emphasized clear, action-oriented messaging designed to keep Alberta consumers informed and directing Albertans to tools that support informed decision-making.



2025 Highlight

45,926 reached with new email newsletter

including licensed professionals, regulatory partners, and key stakeholders.



As a result, engagement with AIC's Agent Lookup tool was nine times higher than the previous year. The tool allows consumers to confirm that they are working with licensed insurance professionals, reinforcing confidence in Alberta's regulated insurance marketplace.

To support consumer protection and fraud prevention, the AIC leveraged its digital channels throughout the year to raise awareness of emerging risks. During Fraud Prevention Month in March, the AIC developed and shared targeted infographics for both consumers and licensed insurance professionals, highlighting the growing issue of ghost brokers in Alberta. The campaign provided practical tips to help consumers recognize warning signs and protect themselves, while reminding license holders of their role in raising fraud awareness with clients. The infographics reached over 2,000 impressions on LinkedIn, extending AIC's fraud prevention messaging and reinforcing the importance of working with licensed insurance professionals.

4 tips to stay safe as an insurance consumer

Watch for the red flags of insurance fraud

- Premiums that seem too good to be true
- Unsolicited offers by text, social media, or from Hotmail/Gmail accounts
- E-transfer payment requests
- Poor spelling and grammar in documents
- Inability to answer questions in detail
- Refusal to send formal documents

AIC fraud prevention infographics reached over 2,000 impressions on LinkedIn.



Attendees at the spring (above) and fall (below) CISRO meetings heard updates from the working groups and received jurisdictional updates.



National collaboration

AIC staff actively participate on national committees through the Canadian Insurance Services Regulatory Organizations (CISRO), supporting collaboration with regulatory partners across Canada. In 2025, the AIC was pleased to join two in-person CISRO meetings, further reinforcing cross-jurisdictional relationships that enhance consumer protection and regulatory alignment across jurisdictions. These engagements enable the AIC to remain informed of the evolving regulatory landscape, contribute to discussions on emerging trends impacting regulators and industry, and share best practices that strengthen regulatory effectiveness.

A significant milestone was achieved in 2025 when all provincial regulators signed a landmark Memorandum of Understanding on information sharing, which enhanced labour mobility and regulatory alignment across Canada.

To further support labour mobility, an adjuster licensing committee was established and released guiding principles for regulators to demonstrate their commitment to timely licensure of Adjusters during natural catastrophic events.

In addition, the AIC has been working with a subgroup of CISRO, the General Insurance Licensing Qualification Review (GILQR), to develop national competencies for General Level 1 licensees. This will help align jurisdictions and define the scope of practice expected of the General Insurance Agent entering the profession. Competency development will stretch into 2026, along with plans to validate the work of the committee.

Melanie Therrein, AIC's Head of Licensing & Education, awards the AIC Grant to Navjor Aulakh at the Northern Alberta Convocation in Edmonton.

2025 Highlight



A landmark Memorandum of Understanding signed

by all provincial regulators enhances regulatory alignment across Canada.

In addition to regulatory collaboration, the AIC continues to support the development of future insurance professionals. In 2025, the AIC Grant was awarded to four recipients pursuing either their Chartered Insurance Professional (CIP), Advanced Chartered Insurance Professional (ACIP), or Fellow Chartered Insurance Professional (FCIP) designation. These grants are delivered in partnership with the Insurance Institute of Canada to support insurance professionals pursuing advanced careers in the industry. The grants strengthen collaborations with our provincial and national insurance institute partners and further AIC's work to protect the public by ensuring consumers are served by knowledgeable and skilled professionals.



STRATEGIC PRIORITY 2:

Governance renewal

The AIC is committed to strengthening governance best practices, providing strong orientation and onboarding for new Council members, and ensuring the size, membership, and structure of the Board and its committees are sufficient for effective governance of the insurance industry.



Developing effective Board and Council best practices

In the summer, the AIC was pleased to announce new public member appointments from the Government of Alberta. Two public members were appointed to the AIC Board of Directors, one public member to the Insurance Adjusters' Council, and two public members to the General Insurance Council. Public members play an integral role in representing the public interest in the regulation of insurance intermediaries and ensuring effective governance. The new public members bring a wealth of expertise and will contribute their perspectives to helping protect Alberta consumers.

To support effective onboarding for all Council members, AIC hosted a training session for new and current Industry Council members. The session focused on adjudicative decision-making, jurisdictional authority, and practical tips for decision-makers.

This training was complemented by ongoing governance support from the AIC's legal department. Through the coordination of Council meetings and timely regulatory and case law updates, legal supports consistent, well-informed deliberations and decisions. During the year, legal supported 20 Board and Council meetings, providing regulatory analysis and enhanced decision-support materials. This work reinforces shared governance expectations and supports effective onboarding, positioning the Board and Councils for effective oversight of Alberta's insurance industry.

2025 Highlight

Five new public members appointed across the AIC Board and Industry Councils.



STRATEGIC PRIORITY 3:

Improved management of AIC resources

The AIC is committed to modernizing systems and processes to improve the management of resources, ensuring our operations remain agile and responsive to industry evolution.



Modernizing systems and processes

The redesigned AIC website, launched in late 2024, continued to demonstrate its value as a dynamic public resource throughout its first full year. This initiative significantly improved user experience, resulting in over 236,000 users and 3.1 million engagements throughout 2025. High-traffic pages such as the license application guides, which received 67,000 views, and the Agent Lookup tool, which received 31,000 views, demonstrated the site's effectiveness as a primary resource for both license holders and consumers.

To enhance direct communication, the AIC implemented a new email platform and a refined communications strategy for the 2025 license renewal period. This approach featured streamlined, visually engaging emails linked to detailed online resources. The strategy proved highly successful, with open rates for renewal reminders reaching 66.7%, resulting in strong licensee engagement and timely renewals.



A significant step forward in operational security and focus was the transition of management of the Canadian Insurance Participant Registry (CIPR) system to the Insurance Council of British Columbia. Prior to this transition, the AIC managed CIPR on behalf of insurance regulators across Canada. This strategic move allows the AIC to concentrate internal IT resources on strengthening our own cybersecurity protocols and modernizing core regulatory systems.

STRATEGIC PRIORITY 4:

Knowledge foundation supporting evidence-based decision-making

The AIC is dedicated to building and strengthening its knowledge foundation to ensure decisions and initiatives are grounded in evidence and effective reasoning, thereby reinforcing robust regulatory practices for Alberta's insurance industry.



Shaping strategic direction

In 2025, the AIC undertook a collaborative strategic planning process to inform the organization's 2026-2029 Strategic Priorities. This work included engagement with all AIC employees, senior leadership, representatives from the Insurance Councils, and seven industry stakeholder groups, ensuring a broad range of perspectives informed the AIC's future direction.

Input gathered through staff and Board engagement sessions, stakeholder interviews, and a structured discovery process was analyzed to identify key themes, emerging issues, and areas of opportunity. These insights informed the development of the 2026-2029 Strategic Priorities, positioning the AIC to continue fulfilling its mandate and responding to the evolving needs of Alberta insurance consumers.

A strong knowledge foundation supports evidence-based decisions and effective regulatory practice.

2025 Highlight

1,005 investigations and inquiries

conducted by the AIC's compliance department to ensure Alberta consumers were protected against misconduct and unlicensed activity.





AIC staff from Calgary and Edmonton volunteering with The Mustard Seed and the Edmonton Food Bank.

Building a supportive and positive culture

To enhance communication across both offices, the AIC launched a quarterly internal newsletter, *Achieve, Inspire, Connect*, which achieved a 100% open rate from staff. The newsletter celebrates colleague achievements, shares organizational updates, and highlights team milestones. It actively contributes to a more informed and unified workplace culture.

Staff engagement was also strengthened through volunteer initiatives. In December, employees participated in volunteer opportunities with the Edmonton Food Bank and The Mustard Seed in Calgary, supporting holiday food sorting and seasonal preparations for vulnerable community members. These efforts reflect the AIC's commitment to community service—extending the same sense of service and care that guides our regulatory work into the communities where we live.



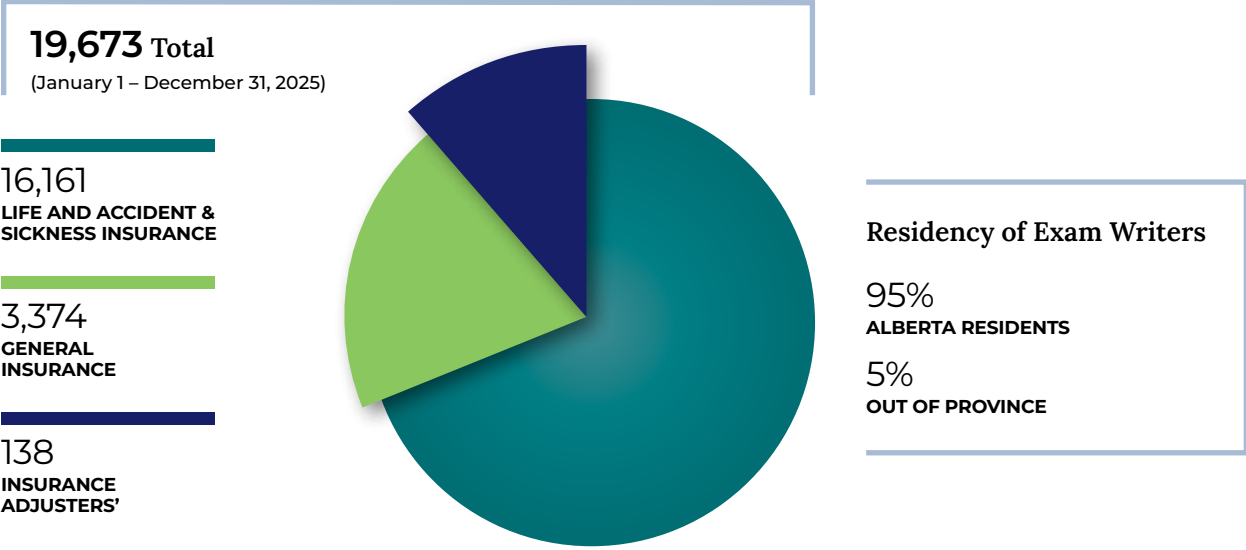
"Supporting our local communities is a natural extension of the work we do every day at the AIC."

- Monica Elford, AIC employee

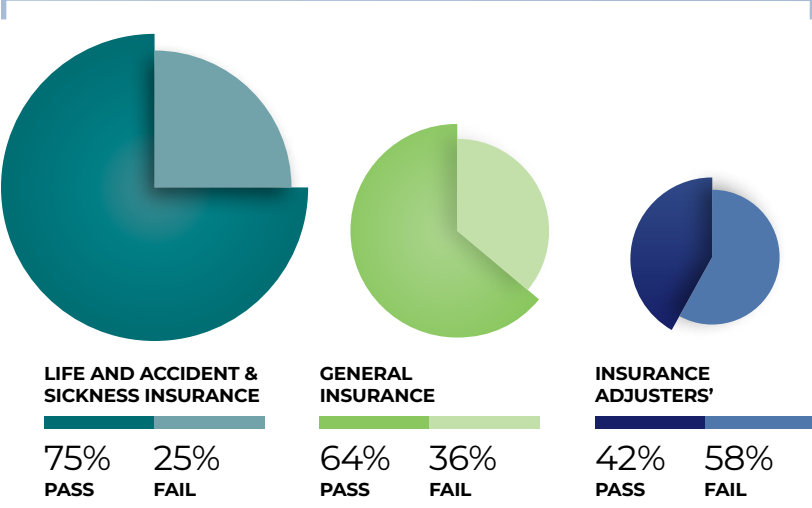
Examination statistics

Examination volumes and pass rates for 2025 highlight the role of licensing examinations in upholding professional standards, ensuring insurance professionals have the knowledge required to serve consumers, and reinforcing public confidence.

Modules/examinations



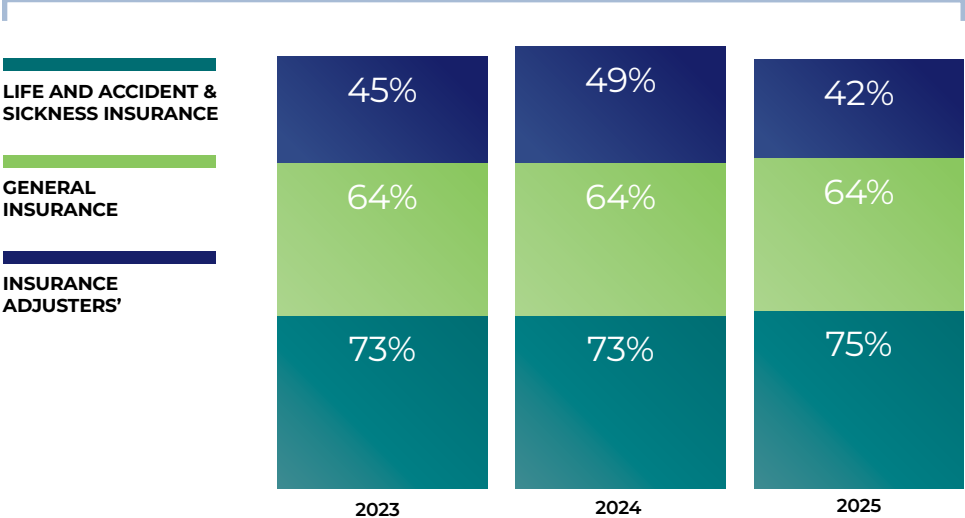
Pass rates by insurance type



Total exams and pass rates

	EXAM	GIVEN	PASSED
LIFE AND ACCIDENT & SICKNESS	Accident and Sickness Insurance	4,217	75%
	Ethics and Professional Practice	4,160	78%
	Ethics and Professional Practice - Quebec	48	79%
	Life Insurance	3,902	73%
	Segregated Funds and Annuities	3,834	75%
GENERAL INSURANCE	General Insurance Level 1	2,477	58%
	General Insurance Level 2	881	80%
	General Insurance Level 3	16	44%
INSURANCE ADJUSTERS'	Insurance Adjusters' Level 1	138	42%

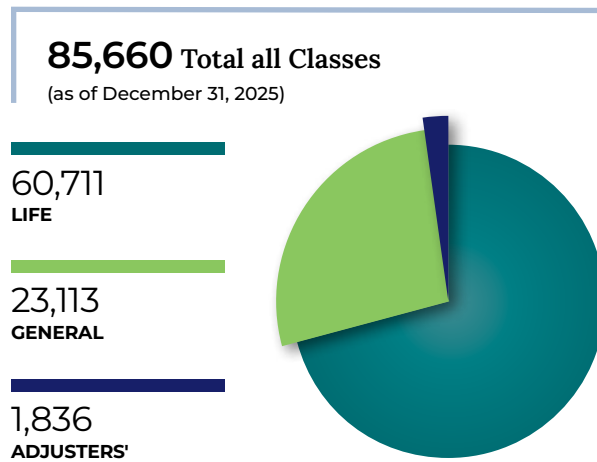
Exam pass rates 2023–2025



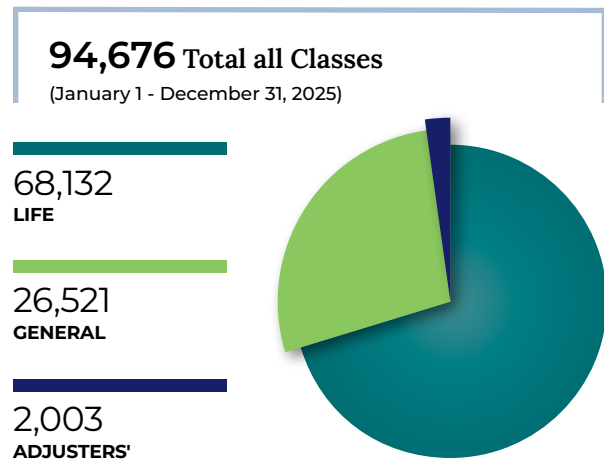
Licenses issued

Active license data illustrates the size and composition of Alberta's insurance workforce. Through the licensing process, the AIC ensures that individuals meet all certification requirements as well as license-specific requirements for each class of license they hold.

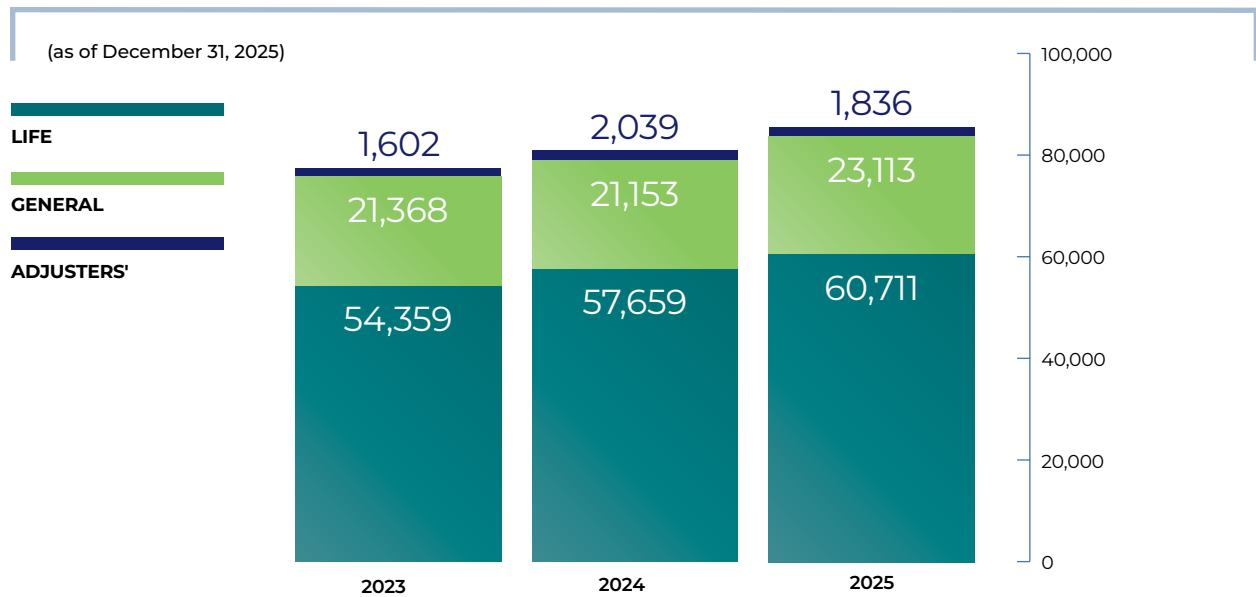
Active licenses



Licenses issued



Active licenses 2023-2025



Unique individuals holding licenses

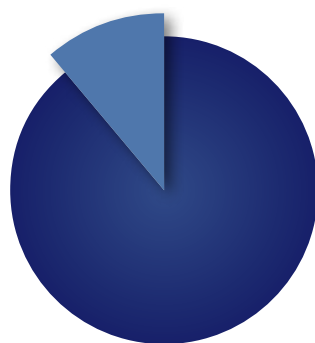
(as of December 31, 2025)

46,966

UNIQUE AGENTS

5,855

UNIQUE ORGANIZATIONS



2025 Highlight

Six new license classifications

issued in 2025.



Life Insurance licenses

LICENSE CLASS	Total ACTIVE on December 31, 2025	Total ISSUED in 2025
Accident & Sickness	23,421	25,979
Accident & Sickness – Agency	3,030	3,158
Accident & Sickness – Designated Representative	3,030	3,126
Life	23,659	26,053
Life - Agency	3,040	3,170
Life - Designated Representative	3,040	3,132
RESTRICTED LICENSE CLASSES		
Funeral Services – Funeral Services Business	74	74
Credit Related – Automobile Dealership	501	520
Credit Related – Deposit Taking Institution	37	38
Credit Related – Equipment Dealer	174	180
Credit Related – Sales Finance Company	203	208
Group Travel – Deposit Taking Institution	9	9
Personal Accident – Deposit Taking Institution	4	4
Personal Accident – Vehicle Rental Agency	5	5
Travel – Travel Agency	484	496
Total Life Insurance licenses	60,711	68,132

General Insurance licenses

LICENSE CLASS	Total ACTIVE on December 31, 2025	Total ISSUED in 2025
General - Probationary	40	463
General - Level 1 (employee of an insurance company)	1,524	1,840
General - Level 2 (employee of an insurance company)	369	391
General - Level 1 (representing an agency or brokerage)	8,287	9,989
General - Level 2 (representing an agency or brokerage)	8,741	8,979
General - Agency	1,035	1,072
General - Level 3 - Designated Representative	1,035	1,129
Hail - Agent	95	98
Hail - Agency	20	20
Hail - Designated Representative	20	20
Livestock - Agent	17	17
Livestock - Agency	2	2
Livestock - Designated Representative	2	2
RESTRICTED LICENSE CLASSES		
Cargo - Freight Forwarder	3	3
Equipment Warranty - Auto Dealership	665	700
Equipment Warranty - Equipment Dealer	193	205
*Equipment Warranty - Sales Finance	3	3
GAP - Auto Dealership	480	515
GAP - Equipment Dealer	81	90
*GAP - Sales Finance	2	3
*Motor vehicle dealership loyalty programs and ancillary motor vehicle protection products - Auto Dealership	418	822
*Motor vehicle dealership loyalty programs and ancillary motor vehicle protection products - Equipment Dealer	75	152
*Motor vehicle dealership loyalty programs and ancillary motor vehicle protection products - Sales Finance	1	1
*Personal Effects Coverage - Vehicle Rental Agency	5	5
Total General Insurance licenses	23,113	26,521

*New license classifications introduced in 2025

Insurance Adjusters' licenses

LICENSE CLASS	Total ACTIVE on December 31, 2025	Total ISSUED in 2025
Adjuster – Level 1	563	644
Adjuster – Level 2	180	202
Adjuster – Level 3	312	322
Adjuster – Firm	89	96
Adjuster – Level 3 Designated Representative	89	95
RESTRICTED LICENSE CLASSES		
Equipment Warranty Adjuster	64	70
Equipment Warranty Adjuster – Firm	13	13
Equipment Warranty Adjuster – Designated Representative	13	14
Hail Adjuster	103	103
Hail Adjuster – Firm	2	2
Hail Adjuster – Designated Representative	2	2
Travel Adjuster	372	405
Travel Adjuster – Firm	17	17
Travel Adjuster – Designated Representative	17	18
Total Insurance Adjusters' licenses	1,836	2,003



Compliance files

The AIC's compliance function supports the AIC's mandate to protect insurance consumers by reviewing inquiries, complaints, and investigating potential breaches of the *Insurance Act* and its Regulations, while taking appropriate action where required. Files may be referred to the respective Industry Council for adjudication.

Compliance file activity in 2025

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
Compliance files carried forward from 2024	40	70	3	113
New compliance files opened in 2025	347	729	17	1,093
Total compliance files	387	799	20	1,206
Compliance files closed in 2025	319	671	15	1,005
Compliance files carried forward to 2026	68	128	5	201



Compliance files closed in 2025

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
Administrative caution	12	15	0	27
Information request	132	53	1	186
Insufficient	52	154	4	210
Not substantiated	59	37	1	97
Outside jurisdiction	58	404	9	471
Report to Council (compliance)	6	8	0	14
Total compliance files closed in 2025	319	671	15	1,005

DEFINITIONS:

Administrative caution: Administrative cautions are non-disciplinary tools for prevention, intervention, and education. Used for minor or technical misconduct, an administrative caution contains a description of the breach, the reasons why an administrative caution was issued, a warning related to future non-compliance, and when relevant, references to material related to the misconduct.

Information request: Requests typically submitted by industry professionals regarding compliance with specific sections of the Act. The requests concern a wide range of topics (e.g. advertising, referral fees, rebating, Errors & Omissions, Continuing Education, etc.).

Insufficient: These are related to withdrawn complaints, lack of provided evidence, no breach indicated, etc.

Not substantiated: These are complaints that do not lead to disciplinary action, either due to insufficient evidence or a determination that a breach did not occur.

Outside jurisdiction: These are legitimate complaints that do not pertain to a violation of the Act and/or its Regulations as it relates to AIC's jurisdiction regulating insurance intermediaries (e.g. complaints regarding insurance companies, claim disputes, etc.).

Report to Council: These files were sent to the respective Industry Council for adjudication.

Council Decisions

The Life Insurance Council, General Insurance Council, and Insurance Adjusters' Council (together the Industry Councils), derive their authority through delegations from the Alberta President of Treasury Board and Minister of Finance. They are delegated to make license application decisions and to render decisions on compliance matters that involve investigation of possible breaches of the *Insurance Act* and its Regulations of current or former license holders.

Reports to Council: Compliance matters

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
NATURE OF REPORTS TO COUNCIL				
Misrepresentation	3	5	0	8
Non-response	2	1	0	3
Unfair practice	1	1	0	2
Unlicensed activity	0	1	0	1
DECISIONS/ACTIONS TAKEN BY COUNCIL				
Civil penalty	5	7	0	12
Suspension & civil penalty	1	1	0	2
Total decisions	6	8	0	14
Total amount of civil penalties levied by Councils	\$202,000	\$243,025	\$0	\$445,025

DEFINITIONS:

Misrepresentation: A current or former license holder has been guilty of misrepresentation, fraud, deceit, untrustworthiness, or dishonesty.

Non-response: A current or former license holder did not provide the information requested in a Demand for Information.

Unfair practices: A current or former license holder has made a false or misleading statement, representation, or advertisement, or they have engaged in an unfair, coercive, or deceptive act or practice.

Unlicensed activity: A current or former license holder has acted or offered to act as an insurance agent while not holding a valid license.



Reports to Council: Licensing matters

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
Licenses issued or retained	10	4	0	14
Licenses refused	22	2	1	25
Licenses issued with undertakings (*VUAs)	312	7	0	319
Total licensing decisions by Councils	344	13	1	358

*Voluntary Undertaking Agreements (VUAs) address secondary occupations within the industry while ensuring public protection.

Appeals

An individual who is affected by a decision of the Life insurance Council, General Insurance Council, or the Insurance adjusters' Council may appeal the decision to the Insurance Councils Appeal Board (ICAB). ICAB is a separate entity from the Councils and is comprised of both elected and appointed members.

Number of appeals

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
Appeal files carried forward from 2024	1	0	0	1
New appeals in 2025	7	1	1	9
Total appeal files	8	1	1	10
2025 APPEALS DECISIONS				
Council decision upheld	2	0	0	2
Council decision varied	1	0	0	1
Council decision overturned	3	0	0	3
Total 2025 appeals decisions	6	0	0	6
Appeal files not concluded by December 31, 2025	2	1	1	4

Nature of appeals

	Life Insurance Council	General Insurance Council	Insurance Adjusters' Council	TOTAL
Related to disciplinary matters	1	0	0	1
Related to licensing matters	7	1	1	9



Actions before the Court of King’s Bench of Alberta

An appellant may appeal the decision of ICAB to the Court of King’s Bench by filing an application in that court within 30 days of ICAB having mailed its decision to the appellant.

	Life Insurance Council	General Insurance Council	Insurance Adjusters’ Council	TOTAL
Actions carried forward from 2024	0	0	0	0
New actions filed in 2025	1	0	0	1
Actions closed in 2025	0	0	0	0
Actions not concluded by December 31, 2025	1	0	0	1





Financial Statements

Financial Statements of

ALBERTA INSURANCE COUNCIL

Year ended December 31, 2025



KPMG LLP
2200, 10175 – 101 Street
Edmonton, AB T5J 0H3
Canada
Tel 780 429 7300
Fax 780 429 7379

INDEPENDENT AUDITOR’S REPORT

To the Members of Alberta Insurance Council

Opinion

We have audited the financial statements of Alberta Insurance Council (the Entity), which comprise:

- the statement of financial position as at December 31, 2025
- the statement of operations for the year then ended
- the statement of changes in net assets for the year then ended
- the statement of cash flows for the year then ended
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the “financial statements”).

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2025, and its results of operations, changes in net assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the “***Auditor’s Responsibilities for the Audit of the Financial Statements***” section of our auditor’s report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Edmonton, Canada

March 31, 2026

ALBERTA INSURANCE COUNCIL

Statement of Financial Position

December 31, 2025, with comparative information for 2024

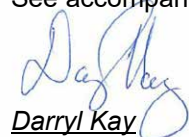
	2025	2024
Assets		
Current assets:		
Cash and cash equivalents (note 2)	\$ 13,399,494	\$ 11,902,600
Accounts receivable (notes 2 and 3)	98,391	141,901
Investments (note 3)	2,500,510	263,850
Prepaid expenses	282,389	258,710
	<u>16,280,784</u>	<u>12,567,061</u>
Long-term investments	-	2,371,950
Capital and intangible assets (note 4)	1,459,853	1,926,658
Other assets (note 5)	95,035	99,501
	<u>\$ 17,835,672</u>	<u>\$ 16,965,170</u>

Liabilities and Net Assets


Current liabilities:		
Accounts payable and accrued liabilities	\$ 786,070	\$ 790,006
Deferred revenue (notes 1 and 6)	141,929	71,056
Current portion of deferred rent and tenant inducements (note 8)	167,675	130,654
	<u>1,095,674</u>	<u>991,716</u>
Asset retirement obligation (note 7)	61,283	156,419
Deferred rent and tenant inducements (note 8)	1,026,997	1,194,672
	<u>2,183,954</u>	<u>2,342,807</u>
Net assets:		
Investment in capital assets (note 9)	806,596	1,073,630
Unrestricted	14,845,122	13,548,733
	<u>15,651,718</u>	<u>14,622,363</u>
	<u>\$ 17,835,672</u>	<u>\$ 16,965,170</u>

Commitments and contingencies (note 10)

See accompanying notes to financial statements.


Darryl Kay

Chair, Finance & Audit Committee


Amina Deiab
Chief Executive Officer

ALBERTA INSURANCE COUNCIL

Statement of Operations

Year ended December 31, 2025, with comparative information for 2024

	2025 Budget	2025	2024
Revenue:			
License, assessment, examination and continuing education fees (note 11)	\$ 9,226,000	\$ 9,830,382	\$ 9,269,951
Interest and other	440,000	432,365	407,674
	<u>9,666,000</u>	<u>10,262,747</u>	<u>9,677,625</u>
Expenses:			
Salaries and benefits	5,748,000	4,609,416	4,257,641
Software and computer	1,884,000	1,355,279	1,956,719
Occupancy and premises	1,145,000	1,053,892	1,088,727
Merchant and proctor fees	496,000	509,279	490,059
Professional fees	467,000	591,148	442,664
Councils, boards and committees (note 12)	457,000	277,678	409,919
Amortization	424,000	417,107	380,161
Office and administration	332,000	165,614	337,546
Communications	217,000	207,673	192,548
Travel	117,000	46,306	139,325
Loss on disposal of capital assets	-	-	6,556
	<u>11,287,000</u>	<u>9,233,392</u>	<u>9,701,865</u>
Excess (deficiency) of revenue over expenses	\$ (1,621,000)	\$ 1,029,355	\$ (24,240)

See accompanying notes to financial statements.

ALBERTA INSURANCE COUNCIL

Statement of Changes in Net Assets

Year ended December 31, 2025, with comparative information for 2024

	Invested in capital assets	Unrestricted	2025
Net assets, beginning of year	\$ 1,073,630	\$ 13,548,733	\$ 14,622,363
Excess of revenue over expenses	-	1,029,355	1,029,355
Net change in invested in capital assets (note 9)	(267,034)	267,034	-
Net assets, end of year	\$ 806,596	\$ 14,845,122	\$ 15,651,718

	Invested in capital assets	Unrestricted	2024
Net assets, beginning of year	\$ 704,855	\$ 10,323,718	\$ 11,028,573
Adoption of PSAS 3400 (note 1)	-	3,618,030	3,618,030
Restated net assets, beginning of year	704,855	13,941,748	14,646,603
Deficiency of revenue over expenses	-	(24,240)	(24,240)
Net change in invested in capital assets (note 9)	368,775	(368,775)	-
Net assets, end of year	\$ 1,073,630	\$ 13,548,733	\$ 14,622,363

See accompanying notes to financial statements.

ALBERTA INSURANCE COUNCIL

Statement of Cash Flows

Year ended December 31, 2025, with comparative information for 2024

	2025	2024
Cash provided by (used in):		
Operating activities:		
Excess (deficiency) of revenue over expenses	\$ 1,029,355	\$ (24,240)
Items not involving cash:		
Accretion of asset retirement obligation	(2,800)	8,118
Amortization of deferred tenant inducements	(104,634)	(104,634)
Recognition of deferred rent	(26,020)	(26,020)
Amortization	417,107	380,161
Loss on disposal of capital assets	-	6,556
Net change in non-cash working capital items:		
Accounts receivable	43,510	300,360
Prepaid expenses	(23,679)	17,142
Accounts payable and accrued liabilities	(3,936)	(298,287)
Other assets	4,466	(6,957)
Deferred revenue	70,873	18,245
	1,404,242	270,444
Investing activities:		
Purchase of investments	(2,500,510)	(23,935,800)
Maturity on investments	2,635,801	30,300,000
Purchase of capital assets	(42,639)	(662,281)
Proceeds on sale of capital assets	-	3,305
	92,652	5,705,224
Increase in cash and cash equivalents	1,496,894	5,975,668
Cash and cash equivalents, beginning of year	11,902,600	5,926,932
Cash and cash equivalents, end of year	\$ 13,399,494	\$ 11,902,600
Non-cash transactions		
Adoption of PSAS 3400 on deferred revenue (note 1)	\$ -	\$ 3,618,030
Asset retirement obligation (note 7)	92,336	-

See accompanying notes to financial statements.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements

Year ended December 31, 2025

Authority and purpose:

The Alberta Insurance Council (the "Council") operates under the authority of the *Insurance Act*, Chapter 1-3, Revised Statutes of Alberta 2000, as amended. As a not-for-profit organization under the *Income Tax Act*, the Council is not subject to either federal or provincial income taxes.

The Council provides administration services to the Life Insurance, General Insurance and Insurance Adjusters Councils (collectively, the "Councils"). These Councils are responsible for enforcing the provisions of the *Insurance Act* and Regulations for their segments of the insurance industry.

1. Significant accounting policies:

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards (PSAS), including the 4200 standards which apply to government not-for-profit organizations.

(a) Cash and cash equivalents:

Cash and cash equivalents include cash on hand and short-term deposits, which are highly liquid with original maturities of less than three months from the date of acquisition, as well as amounts held in the Government of Alberta's Consolidated Liquidity Solution. These financial assets are available on demand and convertible to cash at the request of the Council.

(b) Revenue recognition:

Revenue from all activities is recognized when the Council has the ability to claim or retain an inflow of economic resources from a past transaction or event and collectability is reasonably assured.

License and assessment fees are recognized as revenue when licenses and assessments are approved and issued. Examination fees are recognized when the related exam is held. Continuing education ("CE") course approval fees are recognized upon submission to the Accreditation Committee. CE provider fees are recognized on a calendar year basis. License, assessment, examination and CE fees received but not yet recognized as revenue are recorded as deferred revenue.

(c) Examination development costs:

Costs of development of examination questions are expensed as incurred.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(d) Capital and intangible assets:

Capital and intangible assets are recorded at cost, less accumulated amortization. Amortization is provided using the straight-line method over their estimated useful lives as follows:

Asset	Rate
Leasehold improvements	Term of lease
Furniture and office equipment	3 - 10 years
Computer equipment	3 - 7 years
Computer software	3 - 7 years
Telephone equipment	3 - 5 years

Intangible assets consist of computer software where the Council owns and controls the software.

The Council tests its capital and intangible assets when a significant change in circumstances indicates the carrying amount of an asset may exceed its fair value. An impairment loss is measured as the amount by which the asset's carrying value exceeds its fair value. Impairment in the carrying value of capital assets is charged as an expense in the year the impairment is determined.

(e) Asset retirement obligation:

Asset retirement obligations represent legal obligations associated with the retirement of tangible capital assets. The Council recognizes asset retirement obligations for costs associated with returning leased premises to the landlord at the end of office leases.

When asset retirement obligations are recognized, the related amount is capitalized as part of the related leasehold improvements and amortized over the term of the lease.

Asset retirement obligations are measured using a present value technique based on the estimated cost to settle the obligation at the end of the lease term. The liability is increased over time to reflect the passage of time, with the corresponding amount recognized as accretion expense in the statement of operations. The obligation is revalued at the end of each reporting period.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(f) Leases:

The Council accounts for leases as either operating or capital. Assets acquired under capital lease are amortized over the lease term, or if the lease contains terms that allow ownership to pass to the Council for a bargain purchase option, assets are amortized over their useful lives. Obligations under capital lease are measured at the lower of the present value of future minimum lease payments and fair value. Leases not meeting the capital lease criteria are treated as operating leases with lease payments recorded as an expense on a straight-line basis over the lease term.

(g) Tenant inducements, deferred rent and asset retirement obligation:

Tenant inducements associated with leased premises are amortized on a straight-line basis over the term of the related lease and recognized as a reduction of rent recorded in occupancy and premises expenses.

Rent expense is recognized on a straight-line basis over the lease term. Deferred rent comprises the aggregate difference in the rental expense incurred on a straight-line basis over the lease term and the actual rent charged.

The asset retirement obligation associated with leased premises is recorded at its discounted value and accreted over the term of the related lease. The associated accretion expense is included with occupancy and premises expenses.

(h) Cloud computing arrangements:

The Council has elected to expense all costs related to the capitalization of cloud computing arrangements in accordance with *Accounting Guideline AcG-20, Customer's Accounting for Cloud Computing Arrangements*. This guideline provides specific guidance on how to account for expenditures related to cloud computing arrangements and identify any related software intangible assets.

(i) Internally restricted net assets:

From time to time the Council's Board of Directors may choose to internally restrict net assets to fund certain procurements or costs.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(j) Financial instruments:

Financial assets and financial liabilities are initially recognized at fair value when the Council becomes a party to the contractual provisions of the financial instrument. Subsequently, financial instruments quoted in an active market are carried at fair value. All other financial instruments are reported at amortized cost.

Transaction costs incurred on the acquisition of financial instruments measured subsequently at fair value are expensed as incurred. All other financial instruments are adjusted by transaction costs incurred on acquisition and financing costs. These costs are amortized using the straight-line method.

Financial assets are assessed for impairment on an annual basis at the end of the fiscal year if there are indicators of impairment. If there is an indicator of impairment, the Council determines if there is a significant adverse change in the expected amount or timing of future cash flows from the financial asset. If there is a significant adverse change in the expected cash flows, the carrying value of the financial asset is reduced to the highest of the present value of the expected cash flows, the amount that could be realized from selling the financial asset or the amount the Council expects to realize by exercising its right to any collateral. If events and circumstances reverse in a future period, an impairment loss will be reversed to the extent of the improvement, not exceeding the initial impairment charge.

(k) Use of estimates:

The preparation of the financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the year. Significant items subject to such estimates and assumptions include:

- allowance for doubtful accounts;
- assessment of whether there are triggering events that would require the testing of capital assets and intangible assets for impairment, and
- the revaluation of asset retirement obligations.

Actual results could differ from those estimates.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

1. Significant accounting policies (continued):

(l) New accounting standard pronouncements adopted:

On January 1, 2024, the Council adopted PSAS standard *PS 3400 Revenue*. The new accounting standard establishes a single framework to categorize revenue to enhance the consistency of revenue recognition and its measurement. The new standard was adopted using the prospective transitional provisions, which resulted in a credit to the opening net asset balance and a debit to deferred revenue of \$3,618,030 as at January 1, 2024.

(m) Future accounting standard pronouncements:

Effective January 1, 2027, the Conceptual Framework for Financial Reporting and PS 1202 Financial Statement Presentation will be adopted by the Council. The Council is currently evaluating the impact to its financial statements.

2. Cash and cash equivalents:

Cash and cash equivalents include \$11,652,035 (2024 - \$10,844,348) held in the Government of Alberta's Consolidated Liquidity Solution (CLS), an interest-bearing cash management program administered by the Government of Alberta. Amounts held in the CLS are available on demand and are transferred to the Council's operating bank accounts as required.

Interest rates on CLS balances during the year ended December 31, 2025, ranged from 2.28% to 3.30% (2024 - 3.29% to 4.06%).

Included in accounts receivable is accrued interest of \$22,521 (2024 - \$33,324), related to cash held in the CLS.

3. Investments:

Short term investments consist of three (2024 - one) guaranteed investment certificates with fixed annual interest rates of 5.42% (2024 - 5.54%) and maturity dates between March 31 and June 30, 2026.

Included in accounts receivable is accrued interest related to guaranteed investment certificates of \$64,236 (2024 - \$67,862).

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

4. Capital assets and intangible assets:

			2025	2024
	Cost	Accumulated amortization	Net book value	Net book value
Leasehold improvements	\$ 1,483,294	\$ 636,198	\$ 847,096	\$ 1,082,040
Furniture and office equipment	845,714	477,453	368,261	433,258
Computer equipment	736,171	631,395	104,776	154,933
Computer software	1,109,119	984,175	124,944	234,391
Telephone equipment	41,667	26,891	14,776	22,036
	\$ 4,215,965	\$ 2,756,112	\$ 1,459,853	\$ 1,926,658

During the year, the Council reduced the net book value of leasehold improvements by \$92,336 related to the revaluation of the asset retirement obligation (note 7).

5. Other assets:

Included in other assets are security deposits on leased premises. The balance of these deposits is \$94,095 (2024 - \$94,095).

6. Deferred revenue:

		2025	2024
License fees	\$	104,155	\$ 53,425
Other unearned revenue and customer credits		37,774	17,631
	\$	141,929	\$ 71,056

Deferred license fees, represent fees received where the related license had not been granted or approved as at December 31, 2025.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

7. Asset retirement obligation:

	Edmonton		Calgary		2025		2024	
	Manulife Place		Jamieson Place		Total		Total	
Beginning of year	\$	84,983	\$	71,436	\$	156,419	\$	148,301
Remeasured		(52,195)		(40,141)		(92,336)		-
Accretion		(1,521)		(1,279)		(2,800)		8,118
	\$	31,267	\$	30,016	\$	61,283	\$	156,419

Under the terms of its leases for premises leases, the Council is required to remove certain leasehold improvements, upon termination of the leases. The premises leases in Manulife and Jamieson Place will terminate in 2031 and 2033, respectively.

As at December 31, 2025, the Council re-estimated its total undiscounted expenditures for lease obligations related to the return of leased space to the landlords and reduced the obligation to \$61,283 (2024 - \$217,274). The present value of the asset retirement obligation, using a discount rate of 4.0% (2024 - 4.5%), is not materially different from its carrying value and as such no present value adjustment was recorded.

8. Deferred rent and tenant inducements:

			2025		2024			
	Deferred rent	Tenant inducement	Total	Total				
Beginning of year	\$	628,717	\$	696,609	\$	1,325,326	\$	1,455,980
Amortization of deferred rent and tenant inducements		(26,020)		(104,634)		(130,654)		(130,654)
Deferred rent and tenant inducements		602,697		591,975		1,194,672		1,325,326
Less: current portion		(63,041)		(104,634)		(167,675)		(130,654)
	\$	539,656	\$	487,341	\$	1,026,997	\$	1,194,672

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

9. Invested in capital assets:

(a) Invested in capital assets consists of the following:

	2025	2024
Capital assets	\$ 1,459,853	\$ 1,926,658
Asset retirement obligation	(61,283)	(156,419)
Deferred tenant inducements	(591,974)	(696,609)
	\$ 806,596	\$ 1,073,630

(b) Change in net assets invested in capital assets is calculated as follows:

	2025	2024
Net change in investment in capital assets:		
Amortization of capital assets	\$ (417,107)	\$ (380,161)
Purchase of capital assets	42,639	662,281
Remeasurement of asset retirement obligation in capital assets	(92,336)	-
Amortization of deferred tenant inducements	104,634	104,634
Accretion and remeasurement of asset retirement obligation	95,136	(8,118)
Proceeds on sale of capital assets	-	(3,305)
Loss from disposal of capital assets	-	(6,556)
	\$ (267,034)	\$ 368,775

10. Commitments and contingencies:

The Council is committed to annual lease payments and software licensing agreements as follows:

2026	\$ 568,011
2027	552,705
2028	571,807
2029	571,807
2030	571,807
Thereafter	802,075
	\$ 3,638,212

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

10. Commitments and contingencies (continued):

In addition to the commitments outlined above, the Council is also responsible for operating costs related to leased office premises. These costs are not fixed within the lease and change yearly.

In the normal course of operations, the Council is party to various claims and legal proceedings. When the resolution of the claims and legal proceedings cannot be determined with certainty, they are not recorded in the financial position or results of operations of the Council. The financial impact is recognized in the year in which the action is resolved or can be reasonably determined. Provisions for possible losses have been made in these financial statements as determined by management. The ultimate resolution of these matters may differ materially.

11. License, assessment, examination and continuing education fees:

Revenue from license, assessment, examination and continuing education fees consists of the following:

	2025	2024
License fees	\$ 8,553,732	\$ 7,994,205
Assessment fees	147,000	157,125
Examination fees	827,100	812,921
Continuing education fees	302,550	305,700
	\$ 9,830,382	\$ 9,269,951

12. Councils, boards and committees:

(a) Councils, boards and committees expenses

The following amounts are included in councils, boards and committees expenses:

	2025	2024
Councils and council committees	\$ 165,465	\$ 286,418
Appeal boards	31,747	33,989
Alberta Accreditation Committee	80,466	89,512
	\$ 277,678	\$ 409,919

The Minister of Finance, responsible for the *Insurance Act*, appoints the members of the Alberta Accreditation Committee (AAC), as provided for in Section 29 of the *Insurance Agents and Adjusters Regulation*. The Council funds the operations of, and provides administrative services to, the AAC.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

12. Councils, boards and committees (continued):

(b) Per-diem payments of council members:

The following amounts are included in councils, boards and committees expenses:

	Number of members	2025 ⁽ⁱⁱ⁾	Number of members	2024 ⁽ⁱⁱ⁾
Councils ⁽ⁱ⁾				
Chairs	13	81,709	14	93,991
Members	39	130,997	37	152,764
Total	52	212,706	51	246,755

(i) These amounts include per-diem payments related to:

- the Life Insurance Council, the General Insurance Council, and the Insurance Adjusters Council,
- the Alberta Insurance Council (AIC), and its standing committees, including the Finance and Audit Committee,
- the AIC Chair annual stipend,
- the Appeal Boards, and
- the Alberta Accreditation Committee.

(ii) All per-diem payments made to members of councils, boards and committees are paid by the Council out of fees received from insurance licenses, examinations, and continuing education course accreditation fees. This includes public members appointed by the Lieutenant Governor in Council, as well as Alberta Accreditation Committee members appointed by the Minister of Finance pursuant to the *Government Organization Act*.

13. Financial risks:

(a) Credit risk:

Credit risk refers to the risk that a counterparty may default on its contractual obligations resulting in a financial loss. The Council is exposed to credit risk with respect to its accounts receivable.

The Council assesses, on a continuous basis, accounts receivable and provides for any amounts that are not collectible in the allowance for doubtful accounts. The maximum exposure to credit risk of the Council at December 31, 2025 is the carrying value of these assets. Included in accounts receivable is an allowance for doubtful accounts of \$nil (2024 - \$nil).

There have been no significant changes to the credit risk exposure from 2024.

ALBERTA INSURANCE COUNCIL

Notes to Financial Statements (continued)

Year ended December 31, 2025

13. Financial risks and concentration of credit risk (continued):

(b) Liquidity risk:

Liquidity risk is the risk that the Council will be unable to fulfill its obligations on a timely basis or at a reasonable cost. The Council manages its liquidity risk by monitoring its operating requirements and maintaining sufficient cash and investment reserves to fund any cash flow shortages. The Council prepares budget and cash forecasts to ensure it has sufficient funds to fulfill its obligations.

There have been no significant changes to the liquidity risk exposure from 2024.

(c) Interest rate risk:

Interest rate risk is the risk that the fair value of future cash flows or a financial instrument will fluctuate because of changes in market interest rates.

The Council is exposed to cash-flow interest rate risk through interest-bearing cash balances held in the Government of Alberta's Consolidated Liquidity Solution (CLS) and through short-term investments. Details of these balances are included in notes 2 and 3.

There have been no significant changes to the interest rate risk exposure from 2024.





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