

RELIABLY PROTECTIVE KEY FIGURES FOR 2023

Architects and the public expect that there be sufficient funds available to pay for errors and omissions of the profession.

Pro-Demnity operates much like a mutual insurer, putting the protection and interests of its policyholders – architectural practices – first.

To support the profession as it grows, it is important that we maintain the financial strength necessary to ensure we are always there to protect and defend Ontario architects. Our capital is the key measure of that strength: not only must we comply with insurance regulations of the Financial Services Regulatory Authority (FSRA) of Ontario, but we must also plan for economic and other trends that affect the company, both now and in the future.

In 2023, Pro-Demnity's financial performance was stronger than in previous years, safeguarding our sustainable insurance operating model and furthering our efforts to protect and defend architects.

See below for highlights of our **Reliably Protective** financial performance in 2023:

FIGURES THAT INSPIRE CONFIDENCE

As of December 31, 2023

RELIABLE STATISTICS

73.9%

Combined Operating Ratio
(Loss Ratio + Expense Ratio)

45.8%

Net Loss Ratio
(percentage of premiums
used to pay claims)

28.1%

Net Expense Ratio
(percentage of
premiums used to
operate the company)

65%/35%

65% of claims costs attributed
to legal expenses. 35% of claims
costs attributed to damages

5%

Annual Insurance Rate
increase (from April 1,
2023 to March 31, 2024)

3%

Annual Insurance Rate
increase (planned for April
1, 2024 to March 31, 2025)

RELIABLE NUMBERS

1,585

Clients / Architectural
Practices

1,982

Total Claims Reported
(2013-2023)

2,756

Total Number of Closed
Claims (2013-2023)

37

Years of protecting
architectural practices

RELIABLE FINANCIALS

281%

Minimal Capital Test
(MCT) Ratio

\$47.8M

Insurance Revenue

\$14.1M

Total Gross Claims Costs
(Claims / Adjustment
Expenses)

\$12.3M

Net Profit Before Tax

Read the 2024 Annual Update: