

LIFE-1	Non-Consolidated Financial Statements
<p data-bbox="180 359 1435 432">Present the financial position and results of operations of the life insurer on a non-consolidated basis, as well as separately, for its “In Canada” business.</p> <p data-bbox="180 470 1435 543">If a life insurer does not transact any material business outside of Canada, the “Total” amounts will match the “In Canada” amounts.</p> <p data-bbox="180 581 553 617">Restatement of Prior Year</p> <p data-bbox="180 655 1435 764">If there has been a change in accounting practice, the figures for the preceding year should be restated, and an “Explanatory Note” should be filed with the Annual Return (see General instructions).</p> <p data-bbox="180 802 456 837">Basis of accounting</p> <p data-bbox="180 875 1435 1024">The basis of accounting in the non-consolidated statements should be the same as for the consolidated statements, except that investments in entities that are consolidated in the consolidated financial statements should be carried on the equity basis in the non-consolidated financial statements.</p> <p data-bbox="180 1062 675 1098">Reporting of “In Canada” amounts</p> <p data-bbox="180 1136 1435 1245">Assets, Liabilities and Revenue out of Canada, may be reported as part of “In Canada” amounts if both the amounts of assets and liabilities are less than 5% of non-consolidated equity, or revenue out of Canada is less than 5% of non-consolidated revenue.</p>	

LIFE-1	70.010	Assets
<p>Refer to the instructions for Consolidated Assets page 20.010 for additional information. If there has been a change in accounting practice, the figures for the preceding year should be restated and the word "restated" noted at the top of the column. If a life insurer does not transact any business outside of Canada, the Total figures will match the "In Canada" data.</p> <p>Assets in Canada</p> <p>Life insurers should treat assets as being "In Canada" based upon the location of the assets and subject to the criteria listed below. Assets not meeting these criteria should not be included herein (e.g., cash/deposits held through a Canadian financial institution outside of Canada, investments in book-based securities held/cleared through a foreign depository where a life insurer is a direct member of the foreign depository, etc.).</p> <p>In the rare circumstance where assets vested in trust related to a particular territory are physically located in a different territory, they should be recorded in the territory in which they are vested in trust.</p> <p>Assets In Canada Criteria:</p> <p>Cash/deposits held through a financial institution in Canada are reported on lines 010 and 040 as appropriate.</p> <p>The following assets are to be reported in the "In Canada" columns 11 and 13:</p> <ul style="list-style-type: none"> • Investments in securities where the instruments are physically maintained in Canada (e.g., in own vaults, with Canadian Depository for Securities or with other financial institutions in Canada). • Investment in book-based only securities held/cleared through the Canadian Depository for Securities. • Investments in book-based securities held/cleared through a foreign depository (e.g., Depository Trust Company) where a Canadian or foreign financial institution (note, for Federal life insurers, "foreign financial institution" is as defined under subsection 2(1) of the <i>Insurance Companies Act</i>) acting as the life insurer's custodian is a direct member of the foreign depository (could also involve a sub-custodian intermediary who is a direct member of the foreign depository). • Assets based in Canada where documentation evidencing ownership is also maintained in Canada. 		

LIFE-1	70.010	Assets
<p>Assets In Canada Criteria: (cont'd)</p> <ul style="list-style-type: none">• Mortgage loans on property based in Canada where documentation evidencing indebtedness is also maintained in Canada.• Other loans to Canadian individual/corporate residents where documentation evidencing indebtedness is also maintained in Canada. <p>In regards to accrued investment income, accounts receivable, investment in subsidiaries, future income taxes, goodwill, intangible assets and other assets, the criteria for reporting in Canada assets is based purely on the location of assets including the accrued receivable items. That is, these should be reported by jurisdiction where the asset is receivable or collectible. If accurate allocation of these assets by jurisdiction imposes an undue burden of reporting on the life insurer, then these should be treated as being in Canada provided that, in aggregate, these assets do not exceed one per cent of the equity of the life insurer.</p>		

LIFE-1	70.020	Liabilities, Policyholders' and Shareholders' Equity
<p>See the General Comments for Section 70 re Non-Consolidated Financial Statements.</p> <p>Refer to the instructions for page 20.020 for additional information. If there has been a change in accounting practice, the figures for the preceding year should be restated and the word "restated" noted at the top of the column.</p> <p>If a life insurer does not transact any business outside of Canada, the Total figures will match the "In Canada" data.</p> <p>In Canada Liabilities</p> <p>For purposes of determining In Canada Net Actuarial Liabilities (line 010), life insurers should be guided by the definition of a "policy in Canada" in the <i>Insurance Companies Act</i>.</p> <p>Only net actuarial liabilities and related liabilities associated with policies meeting the definition of a policy in Canada should be reported as In Canada (with the exception of immaterial foreign amounts which can be classified as being in Canada provided they meet the materiality guidelines). The residence of a policy's beneficiary is not relevant in deciding whether a policy is a policy in Canada.</p> <p>With respect to other liability items (lines 070 through 250), items of liabilities that pertain to Canadian creditors as per the chart of accounts and accounting records of the life insurer should be reported as in Canada in columns 11 and 13. Where such determination in respect of a small amount of liabilities poses an undue burden of allocation between In Canada and Out of Canada accounts, they should be reported "In Canada". The aggregate of such undeterminable items in the ordinary course should not exceed one per cent of the equity of the life insurer.</p> <p>The reporting of subordinated debt (line 280) and other debt (line 310) as In Canada liabilities should be determined based on the covenants underlying the debt instruments (e.g., if the debt is payable to a creditor in U.S.A. and borrowing for administration of U.S. business), it should be reported on in columns 01 and 03 and not in the 'In Canada' columns.</p>		

LIFE-1	70.030	Income Statement
<p>See the General Comments for Section 70 re Non-Consolidated Financial Statements.</p> <p>Refer to the instructions for the Consolidated Income Statement page 20.030 for additional information.</p> <p>Refer to the general comments on Section 70 regarding In Canada business. Also refer to the instructions for Question 5.2 on Page 10.080 of the General Interrogatories regarding methods used in apportioning of items of income and expenditure by fund and line of business.</p>		

LIFE-1	70.035	Income Statement by Fund (Quebec)
<p>This page must be completed under subsection 310(a) of <i>An Act Respecting Insurance</i>.</p> <p>This page breaks down by fund all income and expenses reported on page 70.030.</p>		

LIFE-1	70.040	Statement of Equity in Participating Account (Quebec)
<p>See the General Comments for Section 70 re the Non-Consolidated Financial Statements.</p> <p>Refer to the corresponding consolidated instructions on page 20.040.</p>		

LIFE-1	70.040	Statement of Non-Participating Account – Mutual Companies only (Quebec)
<p>See the General Comments on Section 70 re the Non-Consolidated Financial Statements.</p> <p>Refer to the corresponding consolidated instructions on page 20.040.</p>		

LIFE-1	70.040	Statement of Retained Earnings – Mutual Companies Only (Quebec)
<p>See the General Comments on Section 70 re the Non-Consolidated Financial Statements.</p> <p>Refer to the corresponding consolidated instructions on page 20.040.</p>		

LIFE-1	70.042	Comprehensive Income (Loss) and Accumulated Other Comprehensive Income (Loss) (Quebec)
<p>See the General Comments on Section 70 re the Non-Consolidated Financial Statements.</p> <p>Refer to the corresponding consolidated instructions on page 20.042. Details are required by fund under subsection 310(a) of <i>An Act respecting Insurance</i>.</p>		

LIFE-1	70.050	Statement of Cash Flows (Quebec)
<p>See the General Comments on Section 70 re the Non-Consolidated Financial Statements.</p> <p>Refer to the corresponding consolidated instructions on page 20.050.</p>		