

**Assume:** To accept risk from a ceding company.

**Assuris:** Canadian Life & Health Insurance Compensation Corporation.

**Bloomberg:**

Bloomberg L.P. is a financial news service founded by Michael Bloomberg in 1982. It provides financial news and data to financial companies and organizations in virtually every country in the world through the Bloomberg Terminal, its core money-generating product. **Bloomberg L.P.** has grown to include a global news service, including television, radio, the Internet and publications.

It was incorporated as a Delaware Limited Partnership (LP) in 1981 and has been in business since 1983.

**Canadian Life Insurers:** Federally and provincially incorporated Life insurers.

**CAR:** Capital Adequacy Requirements (Quebec only).

**CCIR:** Canadian Council of Insurance Regulators.

**Cede:** Transfer of risk to assuming reinsurers / insurers.

**CICA:** The Canadian Institute of Chartered Accountants.

**CLHIA:** Canadian Life & Health Insurance Association.

**Coinsurance:**

A method of reinsurance under which the assuming company receives a proportionate share of all of the risks and cash flows of the policy. (One typical exception may be the policy fee, which remains with the ceding company.) The reinsurer receives its share of the premiums and benefits, and sets up its share of the reserves. Typically, the reinsurer pays an allowance to the ceding company to represent the reinsurer's share of the acquisition and maintenance expenses.

**Control:**

Control exists where one enterprise is able to exercise significant influence over operating and financial decisions of another enterprise, in accordance with the meaning of the term under GAAP.

**Deposit-Taking Institutions:**

Includes Banks, Loan Companies, Trust Companies and Co-operative Credit Associations.

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**FILING REQUIREMENTS – LIFE-1 and OSFI-87 – Federally registered life insurers**

Federally registered life insurers are required to file annual and interim returns and related documents with OSFI, and with jurisdictions where the life insurer is licensed as follows (filing addresses are listed on the last page of this Section):

| Jurisdiction              | Deadline   | Hard copies/Diskette or CD-Rom required |    |     |         |    |         |         |
|---------------------------|--|---|----|-----|---------|----|---------|---------|
|                           |  | Annual                                  |    |     |         |    | Interim |         |
|                           |  | LIFE-1                                  | AR | AAR | OSFI-87 | AR | LIFE-1  | OSFI-87 |
| Federal                   | 60 days after year-end, except 105 days for reinsurers (R) | 2/D/M                                   | 2  | 2   | 2/D     | 2  | -       | -       |
|                           | 45 days after quarter-end                                  | -                                       | -  | -   | -       | -  | 1/D     | 1/D     |
| Newfoundland and Labrador | N/A  | -                                       | -  | -   | -       | -  | -       | -       |
| Prince Edward Island      | February 28  | PN                                      | -  | -   | -       | -  | -       | -       |
| Nova Scotia               | March 31   | PN                                      | -  | -   | -       | -  | -       | -       |
| New Brunswick             | March 31   | 1                                       | 1  | -   | -       | -  | -       | -       |
| Quebec                    | March 1, except March 15 for reinsurers (R)                | 1/D                                     | 1  | 1   | 1/D     | 1  | 1/D     | 1/D     |
| Ontario                   | N/A  | -                                       | -  | -   | -       | -  | -       | -       |
| Manitoba                  | February 28, except March 31 for reinsurers (R)            | 1                                       | -  | -   | 1       | -  | -       | -       |
| Saskatchewan              | 60 days after year-end, except 105 days for reinsurers (R) | S                                       | -  | -   | -       | -  | -       | -       |
| Alberta                   | 60 days after year-end, except 105 days for reinsurers (R) | A                                       | -  | -   | -       | -  | -       | -       |
| British Columbia          | 90 days after year-end, except 105 days for reinsurers (R) | -                                       | 1  | -   | -       | 1  | -       | -       |
| Yukon                     | March 15   | 1                                       | -  | -   | 1       | -  | -       | -       |
| Northwest Territories     | February 28  | 1                                       | -  | -   | 1       | -  | -       | -       |
| Nunavut                   | February 28  | 1                                       | -  | -   | 1       | -  | -       | -       |

*D* 1 Diskette or CD-Rom required.

*M* Copy of MDA and/or Annual Report, if available.

*PN* Federally registered life insurers are required to file only the following pages from their Annual Return LIFE-1: 95.010 to 95.040 (inclusive).

*S* Federally registered life insurers are required to file only the following pages from their Annual Return LIFE-1: 10.000 to 10.010 (inclusive) and 95.010 to 95.040 (inclusive).

*A* The filing of a LIFE-1 with the Office of the Superintendent of Financial Institutions will satisfy Alberta's reporting requirement for the comparable period.

**AR:** Auditor's Report

**AAR:** Appointed Actuary's Report

## FILING REQUIREMENTS – LIFE-1 and CAR – Quebec incorporated life insurers

Quebec incorporated life insurers are required to file annual and interim returns and related documents with AMF, and with jurisdictions where the life insurer is licensed as follows (filing addresses are listed on the last page of this Section):

| Jurisdiction              | Deadline   | Hard copies/Diskette or CD-Rom required |    |     |     |         |     |
|---------------------------|--|---|----|-----|-----|---------|-----|
|                           |  | Annual                                  |    |     |     | Interim |     |
|                           |  | LIFE-1                                  | AR | AAR | CAR | LIFE-1  | CAR |
| Quebec                    | March 1, except March 15 for reinsurers (R)                | 1/D                                     | 1  | 1   | 1/D | -       | -   |
|                           | 45 days after the end of interim period                    | -                                       | -  | -   | -   | 1/D     | -   |
| Newfoundland and Labrador | February 28  | 1                                       | -  | -   | -   | -       | -   |
| Prince Edward Island      | February 28  | PN                                      | -  | -   | -   | -       | -   |
| Nova Scotia               | March 31   | PN                                      | -  | -   | -   | -       | -   |
| New Brunswick             | March 31   | 1                                       | 1  | -   | -   | -       | -   |
| Ontario                   | N/A  | -                                       | -  | -   | -   | -       | -   |
| Manitoba                  | February 28, except March 31 for reinsurers (R)            | 1                                       | -  | -   | 1   | -       | -   |
| Saskatchewan              | 60 days after year-end, except 105 days for reinsurers (R) | S                                       | -  | -   | -   | -       | -   |
| Alberta                   | 60 days after year-end, except 105 days for reinsurers (R) | A                                       | -  | -   | -   | -       | -   |
| British Columbia          | 90 days after year-end, except 105 days for reinsurers (R) | -                                       | 1  | -   | -   | -       | -   |
| Yukon                     | March 15   | 1                                       | -  | -   | 1   | -       | -   |
| Northwest Territories     | February 28  | 1                                       | -  | -   | 1   | -       | -   |
| Nunavut                   | February 28  | 1                                       | -  | -   | 1   | -       | -   |

*D* 1 Diskette or CD-Rom required

**AR:** Auditor's Report

**AAR:** Appointed Actuary's Report

*Q* Financial statements of the parent companies/subsidiaries: 60 days after fiscal year-end (75 days for reinsurers)

*PN* Quebec registered life insurers are required to file only the following pages from their Annual Return LIFE-1: 95.010 to 95.040 (inclusive).

*S* Quebec registered life insurers are required to file only the following pages from their Annual Return LIFE-1: 10.000 to 10.010 (inclusive) and 95.010 to 95.040 (inclusive).

*A* The filing of a LIFE-1 with the AMF will satisfy Alberta's reporting requirement for the comparable period.

**FILING ADDRESSES**

**Federal**

Regulatory Information Division  
Office of the Superintendent of Financial  
Institutions Canada  
255 Albert Street, 12th Floor  
Ottawa, ON K1A 0H2

Tel: (613) 990-1889  
Fax: (613) 991-6248  
www.osfi-bsif.gc.ca

**Newfoundland & Labrador**

Superintendent of Insurance  
Dept. of Government Services and Lands  
2nd Floor West Block Confederation Bldg.  
Prince Philip Drive, P.O. Box 8700  
St. John's, NL A1B 4J6

Tel: (709) 729-2571  
Fax: (709) 729-4151  
www.gov.nf.ca/gsl

**Prince Edward Island**

Superintendent of Insurance  
Office of the Attorney General  
95 Rochford Street, P.O. Box 2000  
Charlottetown, PE C1A 7N8

Tel: (902) 368-4564  
Fax: (902) 368-5283  
www.gov.pe.ca

**Nova Scotia**

Acting Superintendent of Insurance  
Dept. of Environment & Labour  
Financial Institutions Division  
P.O. Box 2271, 7<sup>th</sup> Floor  
5151 Terminal Road  
Halifax, NS B3J 1A1

Tel: (902) 424-6331  
Fax: (902) 424-1298  
www.gov.ns.ca/enla/fin

**New Brunswick**

Superintendent of Insurance  
Department of Justice  
Office of the Superintendent of Insurance  
440 King Street, Room 635  
King Place  
Fredericton, NB E3B 5H8

Tel: (506) 453-2541  
Fax: (506) 453-7435  
www.gnb.ca

**Québec**

**Surintendante de l'encadrement  
de la solvabilité**  
Autorité des marchés financiers  
Place de la Cité, Tour Cominar  
2640, boul. Laurier, 3<sup>e</sup> étage  
Sainte-Foy (QC) G1V 5C1

Tel: (418) 525-0558 ext. **4501**  
Fax: (418) 525-**4509**  
www.lautorite.qc.ca

| LIFE-1   | 20.010 | Assets    |  |
|--|--------|-----------|--|
| <p><b>References</b></p> <p>CICA Handbook sections 3025 and 4210<br/>AcG-9 - Financial Reporting by Life Insurance Enterprises</p>   |        |           |  |
| <p>Disclosure should be consistent with amounts reported as assets in the non-consolidated financial statements on page 70.010 and in accordance with GAAP.</p> <p>The principal custodians of cash and invested assets other than real estate are to be disclosed on page 21.140.</p> |        |           |  |
| Line   | Col    | Cross Ref | Practice   |
| 010  |        |           | <p><b>Cash</b></p> <p>Include here all amounts held in banks or other financial institutions. If the net balance of all accounts for each entity in a single financial institution is an overdraft (i.e. where there is a legal offset), the net balance should instead be included in liabilities on page 20.020, line 100, Accounts Payable.</p> |
| 040  |        |           | <p><b>Short Term Investments</b></p> <p>Investments having an original term to maturity of one year or less; includes term deposit, GICs, commercial paper, treasury bills, etc.</p>   |
| 070  |        |           | <p><b>Accrued Investment Income</b></p> <p>Include income due and accrued as at the balance sheet date.</p>  |
| 100  |        |           | <p><b>Accounts Receivable</b></p> <p>Include outstanding premiums, agents' debit balances, and amounts due from brokers and other insurers. Amounts should be reported after the deduction, if any, of an allowance for doubtful accounts.</p>   |
| 200  |        |           | <p><b>Policy Loans</b></p> <p>Loans are to be reported at their unpaid balances. If the amount outstanding exceeds a policy's cash surrender value, the excess should be classified out of policy loans and included in line 600 as an unsecured loan and a provision for collectibility established in accordance with GAAP.</p>                  |

| LIFE-1 |     | 20.010   | Assets  |
|--------|-----|--|---|
| Line   | Col | Cross Ref  | Practice  |
| 250    | 01  | P 21.010<br>L 479<br>C 21                                  | <b>Bonds and Debentures</b><br>Fixed term investments having a fixed maturity date or dates for the repayment of principal (includes convertible bonds, stripped bonds, asset backed securities and GICs with original terms to maturity of more than one year).  |
| 300    | 01  | P 21.010<br>L 500<br>C 21 and<br>P 21.050<br>L 699<br>C 41 | <b>Mortgage Loans</b><br>Amounts reported should be after the deduction of general and specific provisions, if any, which were established to reflect non-collectibility of loan balances. Includes sale agreements, power of sales, mortgage pools, and mortgages in process of foreclosure, where title has not yet passed to the life insurer.   |
| 420    | 01  | P 21.010<br>L 599<br>C 21                                  | <b>Preferred Shares</b><br>Include convertible preferred shares.  |
| 440    | 01  | P 21.010<br>L 659<br>C 21                                  | <b>Common Shares</b><br>Include options, warrants and rights in respect of common shares.   |
| 500    | 01  | P 21.010<br>L 759<br>C 21                                  | <b>Real Estate</b><br>Real estate includes ground rent, foreclosed property where title has passed to the life insurer and properties held for the life insurer's own use. Amounts to be shown after the writedown, if any, for other than temporary declines in values as defined by CICA - AcG-9. All mortgages and other encumbrances should be reported as liabilities on line 130 page 20.020. |
| 550    | 01  | P 21.010<br>L 800<br>C 21 and<br>P 21.100<br>L 099<br>C 06 | <b>Other Equity Investments</b><br>For details, refer to instructions for 21.100 – Part A.<br><b>Note that investments in mutual funds etc. should not be reported here.</b>  |

| LIFE-1  | 21.020 | Summary of Provisions |
|---|--------|-----------------------|
| <p><b>References</b></p> <p>CICA Handbook, section 3025 Impaired Loans and AcG-9 - Financial Reporting by Life Insurance Enterprises</p> <p><b>Federal life insurers:</b> OSFI Guideline C-1, Impaired loans</p> <p>Life insurers are required to complete this page following the general definitions provided below.</p> <p>Per CICA AcG-9 Financial Reporting by Life Insurance Enterprises, real estate and equity securities should be considered as separate portfolios for purposes of assessing whether an other than temporary decline in the value of an entire equity portfolio has occurred.</p> <p>The general and specific provisions are amounts that are netted against the book value of the assets on the balance sheet. The valuation provision for asset default that is included in the actuarial liabilities should be reported on line 949.</p> <p><b>Provisions</b></p> <p>An estimated expense or charge for the excess of the recorded investment over the estimated realizable amount. Provisions may be reversed if circumstances warrant this action.</p> <p><b>General Provisions</b></p> <p>A provision or group allowance covering a total portfolio or group of specific assets. The provision is an estimate based on experience or current view of the likelihood of loss in the overall portfolio.</p> <p><b>Specific Provisions</b></p> <p>A provision or individual allowance that has been established for a specific or individual asset for the excess of the recorded investment over the estimated realizable amount.</p> <p>It should be noted that the columns dealing with the release of provisions will generally reflect the following types of transactions:</p> <ol style="list-style-type: none"> <li>1. the sale of an asset that has a provision allocated to it;</li> <li>2. the transfer of a provision to reflect a write-down; and</li> <li>3. the reversal of a provision in cases where circumstances have improved.</li> </ol> |        |                       |

| LIFE-1   | 21.030 | Corporate Investments by Sector |
|--|--------|---------------------------------|
| <p>Provide book values <b>after specific provisions</b> of all corporate bonds, preferred and common shares by sector (<b>based on Bloomberg, S &amp; P or GICS sector classification system</b>). Sectors should be classified according to the domicile of the issuing Corporation. E.g. If a Canadian Corporation issues U.S. \$ pay securities then this should be reported under Canada in the relevant sector. All amounts are to be reported in Canadian Currency.</p> <p>Please provide subtotals for each sector.</p> <p>Do not include derivative instruments, or securities issued or guaranteed by the government which have a zero rating for Capital Adequacy purposes. Investments made for the Segregated Fund account holders should also be excluded.</p> <p>Market values should be derived using methodology commonly used by the investment community - unless otherwise specified by the Primary Regulator.</p> <p>Materiality limits for limiting disclosure of immaterial investments by sector is as follows:</p> <p>Life insurers must separately disclose investments in the U.S.A. and/or in Other if assets in that territory exceed 5% of the consolidated equity or if the revenue in that territory exceeds 5% of consolidated revenue. In all other cases, life insurers may report the immaterial investments under "Canada".</p> <p>The values required in columns and rows are self-explanatory. Where there is no relevant sector for the classification include in "Sector-other".</p> |        |                                 |



| LIFE-1   | 21.040 | Significant Exposures – By Group of Companies |   |
|--|--------|---|---|
| <p>List the book value of all investments, loans and reinsurance ceded where the total amount invested, advanced and/or reinsurance ceded to an individual corporation or group of related companies exceeds 5% of the life insurer's equity (2.5% for Quebec life insurers). A group of companies includes all affiliates and subsidiaries that are ultimately controlled, either directly or indirectly, by the same beneficial shareholder or group of related shareholders.</p> <p>Do not include derivative instruments, or securities issued or guaranteed by the government which have a zero rating for Capital Adequacy purposes. Investments made for the Segregated Fund account holders should also be excluded.</p> |        |   |   |
| Line   | Col    | Cross Ref                                     | Practice  |
|  | 31     |   | <p><b>Other Loans and Investments</b></p> <p>Include short-term debt, guarantees, leases and other investments.</p>   |
|  | 36     |   | <p><b>Reinsurance Ceded</b></p> <p>Provide the total credit risk exposure to a particular reinsurer or reinsurance group on account of ceded insurance. This exposure includes liabilities ceded, amounts on deposit with the reinsurer under funds withheld or similar arrangements, and any amounts due and unpaid.</p> |

| LIFE-1       |         | 21.050   |   | Mortgage Loans |  |
|--------------|---------|--|---|----------------|--|
| Line         | Col     | Cross Ref  | Practice  |                |  |
| 010 -<br>410 | 11 - 31 |  | <b>Loans on Watch List</b><br>Report the total amount of Mortgage Loans <b>before</b> specific provisions in these columns. Columns 11-16 should not include loans that could be classified as impaired; these loans should be reported in column 26 (see below). |                |  |
|              | 21      |  | <b>Vendor Take Back Loans</b><br>Report the amount of all the mortgages offered to the purchaser of real estate sold by the life insurer.   |                |  |
|              | 26      |  | <b>Impaired Amount</b><br>Generally, the book value of loans on which the life insurer has taken specific provisions should be reported here (gross of provisions). No insured loans should be included.  |                |  |
| 710          |         |  | <b>Second and subsequent mortgage loans</b><br>These numbers are for information purposes only. They are already included in lines 010- 410.  |                |  |
| 699          | 06      |  | <b>Book Value Before Provisions</b><br>Report the total amount of all mortgage loans before general and specific provisions. This total includes all loans on the Watch List as well as Second and Subsequent Mortgage Loans.                                     |                |  |
| 699          | 41      | P 20.010<br>L 300<br>C 01 &<br>P 21.010<br>L 500<br>C 21 | <b>Book Value</b> (after provisions)  |                |  |

| LIFE-1  | 21.060 | <b>Mortgage Loans – 25 Largest Uninsured</b> |  |
|---|--------|--|--|
| <p>List the largest 25 regardless of materiality. See instructions for page 21.050 for description of property types.</p> <p>Uninsured loans are those where the amount owed by the borrower is not insured against default by Canada Mortgage and Housing Corporation (CMHC), another government body, or by a private life insurer.</p> <p>Loans should be arranged in descending order by outstanding principal balance (gross before provisions).</p> <p>Include both residential and non-residential mortgage loans.</p> |        |  |  |
| Line  | Col    | Cross Ref                                    | Practice   |
|   | 02     |  | <p><b>Name of Borrower</b></p> <p>The total of all uninsured mortgages to the same borrower or group of related borrowers should be considered one mortgage in determining the largest 25 uninsured mortgages.</p> |
|   | 11     |  | <p><b>Number of Days in Arrears</b></p> <p>Record the number of days mortgage loan payment(s) have been due and unpaid.</p>  |
|   | 16     |  | <p><b>Rate of Interest</b></p> <p>Record the interest rate the mortgage has been contracted for.</p>   |
|   | 21     |  | <p><b>Maturity Date</b></p> <p>Show day, month, year.</p>  |
|   | 26     |  | <p><b>Balance of Loan (Before Provisions)</b></p> <p>Show the outstanding balance (gross before provisions) as at year-end.</p>  |
|   | 31     |  | <p><b>Specific Provisions</b></p> <p>Report the specific provisions that have been taken against each mortgage loan.</p>   |

| LIFE-1   | 21.100 | Other Equity Investments and Other Loans and Invested Assets |
|--|--------|--|
| <p><b>References</b></p> <p>CICA Handbook sections 3055, 3050 and 4210</p>   |        |  |
| <p>Amounts reported on this page are net of provisions to agree with page 20.010.</p> <p><b>Part A – Other Equity Investments</b></p> <p>Investments in mutual funds, segregated funds and any similar investments should not be reported here. The underlying assets of these investments should be reported under the categories of investments that best describes them. For example, the underlying bonds pertaining to an investment in a bond fund should be reported as bonds under the appropriate category. The same holds for mutual funds where the underlying investments are common shares; the underlying common shares should be reported under common shares.</p> <p>List the name of the investee and provide a description for the top 10 (regardless of materiality) other equity investments in lines 001 to 010 and fill out amounts in column 06. The total of all remaining other equity investments not listed in lines 001 to 010 should be reported on line 019 column 06. Line 099 column 06 should be reported on line 550 of the consolidated balance sheet, page 20.010. Since this is a consolidated statement, equity investments in any entity that is consolidated should not be reported here.</p> <p><b>Part B – Other Loans and Invested Assets</b></p> <p>Other loans and invested assets including fixed term investments not reported elsewhere should be reported here. Report the top 10 on lines 201 to 210 regardless of materiality. List the name of the investee and provide a description for each investment on this exhibit in lines 201 to 210 and fill out the amounts in column 16. The total of all remaining investments not listed in lines 201 to 210 should be reported on line 219 column 16. Line 299 column 16 should be reported on line 600 of the consolidated balance sheet, page 20.010.</p> |        |  |

| LIFE-1   | 23.030 | Other Revenue |  |
|--|--------|---------------|--|
| <p>Other revenue should be reported gross, with the expenses applicable to them included in general expenses and taxes.</p> <p>Cross reference: Page 20.030, line 160.</p> |        |               |  |
| Line   | Col    | Cross Ref     | Practice   |
| 050 -<br>052   | 01     |               | <p>Report the <b>three</b> most significant items of Other Revenue in the write-in lines 050, 051 and 052. Provide appropriate line descriptions.</p> <p>Other Revenue items include <b>(examples only)</b>:</p> <p><i>Net Settlement Annuities</i>: For reporting purposes, settlement annuity payments arising from settlement options exercised by a beneficiary should be netted against settlement annuity considerations received from settlement annuity options exercised by a beneficiary.</p> <p><i>Mortality charges</i>: Levied to Segregated Funds by the general fund.</p> <p><b>Modco adjustments</b>:</p> <p><b>Note</b>: Actual expenses and taxes incurred by the General Fund for managing Segregated Funds should be reported in the General Expense exhibit on page 23.030.</p> |
| 089  | 01     |               | <p><b>Subtotal – All Others</b></p> <p>Please report the sub-total of all other items of Other Revenue not included in the lines above.</p>  |

| LIFE-1 |     | 23.030   | Interest Expense   |
|--------|-----|--|--|
| Line   | Col | Cross Ref  | Practice   |
| 210    | 01  |  | <b>Interest on Subordinated Debt</b><br>Include interest credited and the change in accrued interest due and payable on loans, notes and debentures that can be classified as subordinate to the other outstanding debt of the life insurer. |
| 230    |     |  | <b>Interest on Long Term Debt</b><br>In accordance with GAAP, interest charges on loans made for a period of over one year must be shown separately.   |
| 299    | 01  | P 20.030<br>L 510<br>C 01 &<br>P 35.030<br>L 510<br>C 89 | <b>Total Interest Expense</b>  |

| LIFE-1 |     | 23.030   | General Expenses and Taxes  |
|--------|-----|--|---|
| Line   | Col | Cross Ref  | Practice  |
| 370    | 01  |  | <p><b>Professional and Service Fees and Expenses</b></p> <p>Include legal fees and expenses, medical examination fees, inspection and investigation fees, external auditors fees and external actuaries fees. Other fees paid to outside professional individuals or groups should also be included.</p>  |
| 390    | 01  |  | <p><b>Miscellaneous Expenses</b></p> <p>Expenses for advertising, agency conventions, books and periodicals, bureau and association dues, collection, insurance (excluding insurance on real estate), postage, telex, telephone courier, printing supplies, stationery and depreciation in respect of miscellaneous assets, equipment rental and travelling expenses should all be included on this line.</p> |
| 410    | 01  |  | <p><b>Premium Taxes</b></p> <p>Penalties for late payment of premium taxes or late filing of the premium tax return should also be included on this line.</p>   |
| 430    | 01  |  | <p><b>Assessments &amp; Dues</b></p> <p>All assessments related to <b>Assuris</b> (Canadian Life and Health Insurance Compensation Corporation) should be reported on this line, along with the other assessments and dues incurred by the life insurer in other jurisdictions.</p>   |
| 450    | 01  |  | <p><b>Licenses and Fees</b></p> <p>All fees charged by regulatory authorities for the general supervision and examination of the insurer should be included on this line together with fees for insurer and agent licences.</p>   |
| 470    | 01  |  | <p><b>Miscellaneous Taxes</b></p> <p>City and county taxes (business taxes) and provincial and state taxes (including capital tax) should be reported here.</p>   |
| 599    | 01  | P 20.030<br>L 540<br>C 01 &<br>P 35.030<br>L 540<br>C 89 | <p><b>Total General Expenses and Taxes</b></p>  |

| LIFE-1  | 35.080 | Liquid Assets & Cashable Liabilities – By Territory |
|---|--------|---|
| <p>The purpose of the disclosure on this page is to give a comparison between potentially cashable liabilities and the liquid assets available to meet such liabilities. The amounts shown are to be based on a best effort basis, and may be approximate.</p> <p>Cashable liabilities are those where the policyholder has the option to withdraw funds from the insurer in the next 12 months. This includes reinsurance agreements where the agreements could be cancelled, resulting in cash being required to be paid to the other company. This also includes any debts that will fall due in the next 12 months.</p> <p>Liquid assets are those that can be sold for cash in a public market, so as to be available to meet any obligations from policyholders and debt holders. The asset value shown may include accrued interest, at the option of the insurer.</p> <p>The separation of assets between in Canada and out of Canada should be based on the location where the assets are held. 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>Out of Canada Total Individual and Total Group cash values are the aggregate of the values for the types of policies indicated.</p> <p>All amounts are to be reported at book value, as applicable.</p> <p>Also refer to the instructions for pages 70.010 and 70.020.</p> |        |   |



| LIFE-1   | 45.010 - 45.030 | Premiums and Commissions                                    |  |
|--|-----------------|---|--|
| <p><b>Commissions Provision</b></p> <p>The change during the year in the deduction for commissions on outstanding insurance premiums and annuity considerations should be included in the commission account.</p> <p><b>Shared Groups</b></p> <p>In the case of shared group contracts, only the reporting life insurer's share of commissions on insurance premiums and annuity considerations should be reported on this page.</p> |                 |   |  |
| Line   | Col             | Cross Ref   | Practice   |
| 289  |                 | P 35.010 -<br>P 35.030<br>L 040<br>Columns as<br>applicable | <p><b>Total Net Premiums</b></p> <p>Premium income is on an accrual basis including reinsurance assumed and net of reinsurance ceded and is recognized as revenue when due. <b>Note:</b> Any change in the unearned premium in respect of Accident &amp; Sickness business is shown as part of the change in actuarial liabilities.</p> <p>The gross or full amount of the premiums received is to be reported without any deduction for dividends to policyholders, experience rating refunds, commissions or expenses. Commissions are shown in line 489. Segregated Fund receipts/deposits are <b>excluded</b>.</p> <p>Experience rating refunds and retrospective rating credits are <b>not</b> to be deducted from premiums but rather should be shown as expense items on line 390 of pages 35.010 to 35.030. Similarly, policyholder dividends that are expensed in the income statement are shown on line 360 of the Income Statement pages 20.030 and 35.010.</p> |

| LIFE-1   | 75.010 and 75.020                            | <b><u>Investments in Subsidiaries, Affiliated Companies and Variable Interest Entities – Part A and B</u></b> |   |
|--|--|---|---|
| <p>Report the total amount invested in each Subsidiary, Affiliated Company and Variable Interest Entity. The holdings should be listed by investments in Preferred and Common Shares on page 75.010 followed by Bonds, Debentures, Mortgages, and Loans and Advances on page 75.020.</p> <p>List first by Subsidiaries, then Affiliates followed by Variable Interest Entities and provide in column 01 under the name of the entity, the nature of the business as well as a description of each type of investment (e.g. 2<sup>nd</sup> Mortgage), together with the details required in each of the columns. The column titles are self explanatory. The last column in both pages call for the reporting of the 'Net Income (Loss)' reported by the entity as at the date of the Annual Return (LIFE-1).</p> |  |   |   |
| Line   | Col  | Cross Ref   | Practice  |
| 899  | (P75.010)<br>20 + 40<br>+<br>(P75.020)<br>26 | P 70.010<br>L 750<br>C 01   | <p><b>Book Value</b></p> <p>Indicate the value carried in the life insurer's books. If there is a permanent impairment, the book value should be written down to market. If there are doubts as to collection, appropriate provisions should be established. Book value is net of provisions.</p> |
| <b>Page 75.010 – Part A – Preferred and Common Shares</b>  |  |   |   |
|  | 17, 34, 37                                   |   | <p><b>Original Cost</b></p> <p>Report Canadian dollar equivalent at historical exchange rates. Column 34 should include goodwill. Column 37 should be the goodwill included in the original cost (column 34).</p>   |
| <b>Page 75.020 – Part B – Bonds, Debentures, Mortgages, Loans and Advances</b>   |  |   |   |
|  | 20   |   | <p><b>Rate of Return %</b></p> <p>Indicate the contractual annualised interest rate applicable to the investment. Where this is variable, indicate the current rate.</p>  |
|  | 23   |   | <p><b>Original Investment</b></p> <p>Report Canadian dollar equivalent at historical exchange rates.</p>  |

| <b>LIFE-1</b> | <b>75.010 and 75.020</b> | <b><u>Investments in Subsidiaries, Affiliated Companies and Variable Interest Entities – Part A and B</u></b> |   |
|---------------|--------------------------|---|---|
| Line          | Col                      | Cross Ref   | Practice  |
|               | <b>11, 31</b>            |   | <b>A range of years is acceptable where applicable (e.g., 1982-2005).</b>   |
|               | 32                       |   | <b>Maturity Date</b><br>Indicate the maturity date of the investment where applicable. Where more than one maturity date is possible (e.g., retractable loans), indicate the redemption date used in arriving at the market value in column 29. |

| <b>LIFE-1</b>   | <b>75.030</b> | <b>Actuarial Liabilities by Line of Business – In Canada</b> |  |
|---|---------------|--|--|
| <p>This exhibit summarizes the direct, assumed, ceded and net actuarial liabilities by line of business on a par / non-par basis for the In Canada business and should be prepared in accordance with GAAP as outlined in the CICA Handbook section 4210 and AcG-8.</p> <p>The ceded and net actuarial liabilities reflect all reinsurance ceded, in accordance with GAAP including reinsurance with unregistered companies which has not been approved, or a credit to reduce MCCSR/CAR components has not been given by the regulatory authorities.</p> <p>Amounts reported in the reinsurance assumed and reinsurance ceded lines (except lines 320 and 330) should relate to incidental reinsurance business carried on by the management of the applicable lines of business units. Amounts reported in the Reinsurance section (lines 320, 330 and 339) should relate to Reinsurance business carried on by a separate Reinsurance business unit.</p> <p>Actuarial liabilities in Canada should be related to policies issued to residents of Canada. See the definition of “policy in Canada” in the <i>Insurance Companies Act</i>.</p> <p>The net actuarial liabilities reported in column 01 of line 849 should agree to the amount in column 11 of line 010 of the non-consolidated balance sheet page 70.020.</p> |               |  |  |

| <b>LIFE-1</b>  | <b>95.020</b> | <b>Policyholder Benefits Paid and Incurred</b> |                        |
|--|---------------|--|------------------------|
| <p>Information included should be consistent with that of page 70.030.</p> <p>In the case of shared group contracts, the entries on this page should relate only to the reporting life insurer's share of such group contracts. For purposes of the Annual Return, LIFE-1, "shared" business means shared with registered life insurers.</p> <p>Include all benefits paid and incurred in settlement of insurance and annuity contracts as well as the increase in the provision for incurred but not reported claims.</p> |               |  |                        |
| Line   | Col           | Cross Ref                                      | Practice               |
| 699  | 23            | P 70.030<br>L 250<br>C 11                      | <b>Total in Canada</b> |
| 699  | 33            | P 70.030<br>L 250<br>C 01                      | <b>Total</b>           |

| <b>LIFE-1</b>  | <b>95.020</b> | <b>Policyholder Dividends and Experience Rating Refunds – Direct</b> |  |
|--|---------------|--|--|
| <p>Policyholder dividends and experience rating refunds should include amounts paid to policyholders, and should not include the change in provision for policyholder dividends and experience rating refunds.</p> <p>Reinsurers are not expected to report Policyholder Dividends or ERRs on this page. If paid to insurers, these should be reported as Other Expenses. For reinsurers line 989 on page 95.020 is expected to be zero and lines 360 and 390 in the Income Statement, pages 20.030 and 70.030 are also expected to be zero.</p> <p>For both accident and sickness policies and life insurance policies, premiums reported on page 95.010 should be without any deduction for policyholder dividends and experience rating refunds. The full amount of such dividends and refunds should be included on this page.</p> |               |  |  |

**TRANSMITTAL FORM**

|   |                              |  |                |
|---|------------------------------|--|----------------|
| Name of Insurer   |                              | Year   |                |
| Contact Person  |                              | Telephone #  |                |
| Title   |                              | Facsimile #  |                |
|   |                              | Email address  |                |
| Return Type   |                              |  | Annual Returns |
| Software Vendor   |                              | Version Number   |                |
| Is the Diskette Validation Report attached? (If not, please explain)  |                              |  |                |
| <b>For Annual Returns only,</b>   |                              | If this is not the first time that a diskette has been filed for this Return period, please indicate if it is the: |                |
| 1 <sup>st</sup> revision "B"  | 2 <sup>nd</sup> revision "C" | 3 <sup>rd</sup> revision "D"   |                |
| If a revised diskette/CD Rom is being submitted, please enclose a printed hard copy of each changed page with the changed datapoints highlighted.   |                              |  |                |
| The undersigned hereby certifies that, according to the best of his/her knowledge and belief, the datapoint amounts contained in this diskette are the same as those contained in the hard copy of the Annual Return (also enclosed). |                              |  |                |
| Name  |                              | Title  |                |
| Date  |                              | Signed   |                |

Insurer \_\_\_\_\_

Year \_\_\_\_\_

**CONSOLIDATED****GENERAL INTERROGATORIES (continued)****5. OTHER DISCLOSURE (continued)**

5.3 Please list the 10 largest outsourcing arrangements by type and counterparty.

| Type of Arrangement |     | Name of Service Provider | Location where Service is Provided |
|---------------------|-----|--------------------------|------------------------------------|
|                     | 051 |                          |                                    |
|                     | 052 |                          |                                    |
|                     | 053 |                          |                                    |
|                     | 054 |                          |                                    |
|                     | 055 |                          |                                    |
|                     | 056 |                          |                                    |
|                     | 057 |                          |                                    |
|                     | 058 |                          |                                    |
|                     | 059 |                          |                                    |
|                     | 060 |                          |                                    |

5.4 Please provide the amount of shareholder surplus that is dependent on future payment of dividends to participating policyholders:

**110 (\$'000)** \_\_\_\_\_

5.5 Please provide the amount transferable from the Par Fund to the Non-Par/Shareholders Fund, as calculated under Section 462 of the *Insurance Companies Act* (Federal) or Section 66 of *An Act Respecting Insurance* (Quebec).

**120 (\$'000)** \_\_\_\_\_

5.6 Please provide the total expenses related to Information Technology (IT) for the year. IT costs include salaries and other professional or service fees as well as any amounts capitalized for software development or computer purchases.

Information Technology                      **210 (\$'000)** \_\_\_\_\_

Insurer

Year

## CONSOLIDATED

SUMMARY OF INVESTMENTS  
(\$'000)

|   | Book Value<br>(Before Provisions)<br>(01) | Specific Provisions<br>(06) | General Provisions<br>(11) | Book Value<br>(After Provisions)<br>(21) | Market Value<br>(26) | Impaired Amount<br>(Before Provisions)<br>(31) |
|---|---|-----------------------------|----------------------------|--|----------------------|--|
| Short Term Investments .....            | 010                                       |                             |                            |  |                      |  |
| <b>Bonds and Debentures</b>             |   |                             |                            |  |                      |  |
| Government                              |   |                             |                            |  |                      |  |
| OECD .....                              | 030                                       |                             |                            |  |                      |  |
| Other Countries .....                   | 050                                       |                             |                            |  |                      |  |
| Below Investment Grade .....            | 060                                       |                             |                            |  |                      |  |
| Municipal, Public Authority, Schools    |   |                             |                            |  |                      |  |
| OECD .....                              | 130                                       |                             |                            |  |                      |  |
| Other Countries .....                   | 150                                       |                             |                            |  |                      |  |
| Below Investment Grade .....            | 160                                       |                             |                            |  |                      |  |
| Corporate - Public:                     |   |                             |                            |  |                      |  |
| OECD                                    |   |                             |                            |  |                      |  |
| - Investment Grade .....                | 170                                       |                             |                            |  |                      |  |
| - Below Investment Grade .....          | 190                                       |                             |                            |  |                      |  |
| Other Countries                         |   |                             |                            |  |                      |  |
| - Investment Grade .....                | 210                                       |                             |                            |  |                      |  |
| - Below Investment Grade .....          | 230                                       |                             |                            |  |                      |  |
| Corporate -Private:                     |   |                             |                            |  |                      |  |
| OECD                                    |   |                             |                            |  |                      |  |
| - Investment Grade .....                | 370                                       |                             |                            |  |                      |  |
| - Below Investment Grade .....          | 390                                       |                             |                            |  |                      |  |
| Other Countries                         |   |                             |                            |  |                      |  |
| - Investment Grade .....                | 410                                       |                             |                            |  |                      |  |
| - Below Investment Grade .....          | 430                                       |                             |                            |  |                      |  |
| <b>Total Bonds and Debentures</b> ..... | 479                                       |                             |                            |  |                      |  |
| Mortgage Loans .....                    | 500                                       |                             |                            |  |                      |  |
| Preferred Shares                        |   |                             |                            |  |                      |  |
| Fixed Term                              |   |                             |                            |  |                      |  |
| - OECD .....                            | 530                                       |                             |                            |  |                      |  |
| - Other Countries .....                 | 550                                       |                             |                            |  |                      |  |
| Equity Preferred                        |   |                             |                            |  |                      |  |
| - OECD .....                            | 570                                       |                             |                            |  |                      |  |
| - Other Countries .....                 | 590                                       |                             |                            |  |                      |  |
| <b>Total Preferred Shares</b> .....     | 599                                       |                             |                            |  |                      |  |
| Common Shares                           |   |                             |                            |  |                      |  |
| - OECD .....                            | 630                                       |                             |                            |  |                      |  |
| - Other Countries .....                 | 650                                       |                             |                            |  |                      |  |
| <b>Total Common Shares</b> .....        | 659                                       |                             |                            |  |                      |  |
| <b>Total Shares</b> .....               | 679                                       |                             |                            |  |                      |  |
| Real Estate                             |   |                             |                            |  |                      |  |
| - OECD .....                            | 730                                       |                             |                            |  |                      |  |
| - Other Countries .....                 | 750                                       |                             |                            |  |                      |  |
| <b>Total Real Estate</b> .....          | 759                                       |                             |                            |  |                      |  |
| Other Equity Investments .....          | 800                                       |                             |                            |  |                      |  |
| Other Loans and Invested Assets .....   | 870                                       |                             |                            |  |                      |  |
| <b>Grand Total</b> .....                | 889                                       |                             |                            |  |                      |  |

Insurer \_\_\_\_\_

Year \_\_\_\_\_

**CONSOLIDATED**

**SUMMARY OF PROVISIONS  
(\$'000)**

|   | Cumulative Provisions<br>Prior Year End |          |       | Movement<br>Current Year |          |                       |          | Foreign<br>Currency<br>and Other<br>Adjustments | Cumulative Provisions<br>Current Year End |         |          | Current<br>Year<br>Additional<br>Writedowns |                      |
|---|---|----------|-------|--------------------------|----------|-----------------------|----------|---|---|---------|----------|---|----------------------|
|   | General                                 | Specific | Total | Additional Provisions    |          | Release of Provisions |          |   | Total<br>(Col 16+21<br>-26-31)            | General | Specific |   | Total<br>(Col 51+56) |
|   |   |          |       | General                  | Specific | General               | Specific |   |   |         |          |   |                      |
|   | (01)                                    | (06)     | (10)  | (16)                     | (21)     | (26)                  | (31)     | (40)  | (46)                                      | (51)    | (56)     | (60)  | (71)                 |
| Short Term Investments ..... 010          |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Bonds & Debentures ..... 110              |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Mortgage Loans ..... 210                  |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Preferred Shares ..... 310                |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Common Shares ..... 410                   |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Real Estate ..... 510                     |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Other Equity Investments ..... 610        |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Other Loans and Invested Assets ..... 710 |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |
| Total ..... 889                           |   |          |       |                          |          |                       |          |   |   |         |          |   |                      |

Total Valuation Provision for  
Asset Default Included in  
Actuarial Liabilities ..... 949

(10)

(40)

(60)



Insurer

Year

**CONSOLIDATED**

**MORTGAGE LOANS (\$'000)**

| Category                                       | Number of Mortgages | Book Value Before Provisions | Loans on Watch List         |                    |                        |                 | General & Specific Provisions | Book Value |   |
|--|---------------------|------------------------------|-----------------------------|--------------------|------------------------|-----------------|-------------------------------|------------|---|
|  |                     |                              | Loans in Arrears (>90 Days) | Restructured Loans | Vendor Take Back Loans | Impaired Amount |                               |            | Total Loans on Watch List (Col. 11+16 +21+26) |
|  | (01)                | (06)                         | (11)                        | (16)               | (21)                   | (26)            | (31)                          | (36)       | (41)  |
| <b>INSURED</b> ..... 010                       |                     |                              |                             |                    |                        |                 |                               |            |   |
| <b>UNINSURED</b>                               |                     |                              |                             |                    |                        |                 |                               |            |   |
| Single Residential ..... 110                   |                     |                              |                             |                    |                        |                 |                               |            |   |
| Multiple residential ..... 160                 |                     |                              |                             |                    |                        |                 |                               |            |   |
| Office ..... 210                               |                     |                              |                             |                    |                        |                 |                               |            |   |
| Retail Stores ..... 260                        |                     |                              |                             |                    |                        |                 |                               |            |   |
| Industrial ..... 310                           |                     |                              |                             |                    |                        |                 |                               |            |   |
| Hotel ..... 360                                |                     |                              |                             |                    |                        |                 |                               |            |   |
| Other ..... 410                                |                     |                              |                             |                    |                        |                 |                               |            |   |
| General Provisions ..... 460                   |                     |                              |                             |                    |                        |                 |                               |            |   |
| <b>TOTAL</b> ..... <b>699</b>                  |                     |                              |                             |                    |                        |                 |                               |            |   |
| Second and subsequent mortgage loans ..... 710 |                     |                              |                             |                    |                        |                 |                               |            |   |

Insurer

Year

**CONSOLIDATED****NET INVESTMENT INCOME  
(\$'000)**

| Reference<br>Page |   | Current Year<br>(01) | Prior Year<br>(03) |
|-------------------|---|----------------------|--------------------|
|                   | Bonds:  |                      |                    |
|                   | Interest ..... 010  |                      |                    |
| 23.020            | Amortization of Net Realized<br>Gains and (Losses) ..... 020            |                      |                    |
|                   | Mortgage Loans:   |                      |                    |
|                   | Interest ..... 110  |                      |                    |
| 23.020            | Amortization of Net Realized<br>Gains and (Losses) ..... 120            |                      |                    |
|                   | Preferred & Common Shares:  |                      |                    |
|                   | Dividends ..... 210   |                      |                    |
| 23.020            | Amortization of Realized and<br>Unrealized Gains and (Losses) ..... 220 |                      |                    |
|                   | Real Estate:  |                      |                    |
|                   | Rental Income Including \$ _____<br>for Insurer's Own Use ..... 310     |                      |                    |
| 23.020            | Amortization of Realized and<br>Unrealized Gains and (Losses) ..... 320 |                      |                    |
|                   | Assets used to back index-linked products not included elsewhere:       |                      |                    |
|                   | Marked to Market Adjustment included in Income ..... 420                |                      |                    |
|                   | Non-Amortizable Capital Gains and (Losses) ..... 430                    |                      |                    |
| 23.020            | Hedging Gains and (Losses) ..... 500                                    |                      |                    |
|                   | Interest on Policy Loans ..... 610                                      |                      |                    |
|                   | Interest on Cash and Short Term Investments ..... 620                   |                      |                    |
|                   | Income from Other Loans and Invested Assets ..... 630                   |                      |                    |
|                   | Interest on Overdue Premiums ..... 640                                  |                      |                    |
|                   | Income from Derivative Activities ..... 650                             |                      |                    |
|                   | Income from Other Equity Investments ..... 660                          |                      |                    |
|                   | Less:   |                      |                    |
|                   | Provision for Losses ..... 710  |                      |                    |
| 21.020            | Write-Downs ..... 720   |                      |                    |
|                   | <b>Gross Investment Income</b> ..... 749                                |                      |                    |
|                   | Less:   |                      |                    |
|                   | Investment Expenses (other than Investment Taxes) ..... 810             |                      |                    |
|                   | Investment Taxes ..... 820  |                      |                    |
|                   | <b>Net Investment Income</b> ..... 889                                  |                      |                    |

Insurer \_\_\_\_\_

Year \_\_\_\_\_

**CONSOLIDATED**

**OTHER REVENUE  
(\$'000)**

|                            |            | Current<br>Year<br>(01) | Prior<br>Year<br>(03) |
|----------------------------|------------|-------------------------|-----------------------|
| (Specify)                  |            |                         |                       |
| .....                      | 050        |                         |                       |
| .....                      | 051        |                         |                       |
| .....                      | 052        |                         |                       |
| Subtotal - All others      | 089        |                         |                       |
| <b>Total Other Revenue</b> | <b>199</b> |                         |                       |

**INTEREST EXPENSE  
(\$'000)**

|   |            |  |  |
|---|------------|--|--|
| Interest on Subordinated Debt                   | 210        |  |  |
| Interest on Long Term Debt                      | 230        |  |  |
| Interest on deposits (other than policyholders) | 260        |  |  |
| Other Interest Expense (specify:)               | 290        |  |  |
| .....   | 291        |  |  |
| .....   | 292        |  |  |
| <b>Total Interest Expense</b>                   | <b>299</b> |  |  |

**GENERAL EXPENSES AND TAXES**

**(Excluding Investment Expenses, Interest Expense, Other Expenses and Income Taxes)  
(\$'000)**

|  |            |  |  |
|--|------------|--|--|
| Rent                                       | 310        |  |  |
| Salaries, Wages and Allowances             | 330        |  |  |
| Employees' and Agents' Welfare             | 350        |  |  |
| Professional and Service Fees and Expenses | 370        |  |  |
| Miscellaneous Expenses                     | 390        |  |  |
| Premium Taxes                              | 410        |  |  |
| Assessments & Dues                         | 430        |  |  |
| Licenses and Fees                          | 450        |  |  |
| Miscellaneous Taxes                        | 470        |  |  |
| Other general expenses (specify:)          | 490        |  |  |
| .....                                      | 491        |  |  |
| .....                                      | 492        |  |  |
| <b>Total General Expenses and Taxes</b>    | <b>599</b> |  |  |

**OTHER EXPENSES  
(\$'000)**

|   |            |  |  |
|---|------------|--|--|
| Amortization of Capital Assets (Write-down included \$_____) .....              | 710        |  |  |
| Amortization of intangible assets<br>(Impairment losses included \$_____) ..... | 730        |  |  |
| Goodwill impairment losses .....  | 750        |  |  |
| Net Foreign Exchange losses .....   | 770        |  |  |
| .....   | 771        |  |  |
| .....   | 772        |  |  |
| <b>Total Other Expenses</b> .....   | <b>899</b> |  |  |

Insurer

CONSOLIDATED

ANALYSIS OF INCOME BY LINE OF BUSINESS - CANADA  
(\$'000)

|  | NON-PARTICIPATING  |               |                    |               |                    |               |                          |                            |                          | Total Par<br>(51) | Total Par & Non-Par<br>(56) | Property & Casualty<br>(61) | Deposit Taking<br>(66) | Other<br>(76) | Total Canada<br>(81) |
|--|--------------------|---------------|--------------------|---------------|--------------------|---------------|--------------------------|----------------------------|--------------------------|-------------------|-----------------------------|-----------------------------|------------------------|---------------|----------------------|
|  | Life               |               | Annuity            |               | A&S                |               | Rein-<br>surance<br>(31) | Non-Par<br>Surplus<br>(36) | Total Non<br>Par<br>(41) |                   |                             |                             |                        |               |                      |
|  | Individual<br>(01) | Group<br>(02) | Individual<br>(11) | Group<br>(12) | Individual<br>(21) | Group<br>(22) |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Revenue</b>   |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Premiums .....   | 040                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Net Investment Income .....  | 070                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Fee Income .....   | 130                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Other Revenue .....  | 160                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Total Revenue.....</b>  | <b>199</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Policy Benefits and Expenses</b>  |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Policyholder Benefits  |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Claims .....   | 210                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Annuity Payments .....   | 220                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Surrenders .....   | 230                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Other .....  | 240                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Net Changes to Actuarial Liabilities   |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Normal .....   | 300                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Basis Change .....   | 330                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Policyholder Dividends .....   | 360                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Experience Rating Refunds .....  | 390                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Transfer to and (Transfer from)  |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Other Funds .....  | 420                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Commissions .....  | 450                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Interest on Policyholder Amounts   |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| on Deposit .....   | 480                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Interest Expense .....   | 510                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| General Expenses and Taxes   |                    |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| (excl. Income Taxes) .....   | 540                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Other Expenses .....   | 570                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Non-Controlling Interests .....  | 600                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Total Benefits and Expenses .....</b>   | <b>649</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Income Before Income Tax .....</b>  | <b>669</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Provision for Income Taxes .....   | 720                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Income Before the following: .....</b>  | <b>749</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Extraordinary items (net of Income<br>Taxes of \$ _____) .....                   | 800                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Discontinued Operations (net of<br>Income Taxes of \$ _____) .....               | 830                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Income Before Attribution to<br/>Participating Policyholders .....</b>        | <b>859</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| Income Attributable to<br>Participating Policyholders<br>(Stock Companies) ..... | 870                |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |
| <b>Net Income .....</b>  | <b>899</b>         |               |                    |               |                    |               |                          |                            |                          |                   |                             |                             |                        |               |                      |

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CONSOLIDATED

ANALYSIS OF INCOME BY LINE OF BUSINESS - U.S.A.  
(\$'000)

|  | NON-PARTICIPATING |       |            |       |            |       |              |                 |               | Total Par | Total Par & Non-Par | Property & Casualty | Deposit Taking | Other | Total U.S.A. |
|--|-------------------|-------|------------|-------|------------|-------|--------------|-----------------|---------------|-----------|---------------------|---------------------|----------------|-------|--------------|
|  | Life              |       | Annuity    |       | A&S        |       | Rein-surance | Non-Par Surplus | Total Non-Par |           |                     |                     |                |       |              |
|  | Individual        | Group | Individual | Group | Individual | Group |              |                 |               |           |                     |                     |                |       |              |
|  | (01)              | (02)  | (11)       | (12)  | (21)       | (22)  | (31)         | (36)            | (41)          | (51)      | (56)                | (61)                | (66)           | (76)  | (81)         |
| <b>Revenue</b>   |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Premiums .....   | 040               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Net Investment Income .....  | 070               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Fee Income .....   | 130               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Other Revenue .....  | 160               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Total Revenue.....</b>  | <b>199</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Policy Benefits and Expenses</b>  |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Policyholder Benefits  |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Claims .....   | 210               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Annuity Payments .....   | 220               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Surrenders .....   | 230               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Other .....  | 240               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Net Changes to Actuarial Liabilities                                       |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Normal .....   | 300               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Basis Change .....   | 330               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Policyholder Dividends .....   | 360               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Experience Rating Refunds .....  | 390               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Transfer to and (Transfer from)  |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Other Funds .....  | 420               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Commissions .....  | 450               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Interest on Policyholder Amounts   |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| on Deposit .....   | 480               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Interest Expense .....   | 510               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| General Expenses and Taxes   |                   |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| (excl. Income Taxes) .....   | 540               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Other Expenses .....   | 570               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Non-Controlling Interests .....  | 600               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Total Benefits and Expenses .....</b>                                   | <b>649</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Income Before Income Tax .....</b>                                      | <b>669</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Provision for Income Taxes .....   | 720               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Income Before the following: .....</b>                                  | <b>749</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Extraordinary items (net of Income Taxes of \$ _____) .....                | 800               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Discontinued Operations (net of Income Taxes of \$ _____) .....            | 830               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Income Before Attribution to Participating Policyholders .....</b>      | <b>859</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| Income Attributable to Participating Policyholders (Stock Companies) ..... | 870               |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |
| <b>Net Income .....</b>  | <b>899</b>        |       |            |       |            |       |              |                 |               |           |                     |                     |                |       |              |

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**CONSOLIDATED  
SUMMARY  
ANALYSIS OF INCOME BY LINE OF BUSINESS - CANADA & U.S.A., EUROPE AND ASIA/OTHER  
(\$'000)**

|  | Canada & U.S.A.       |                          |                     |            |                            | Europe                |                          |                     |            |                   | Asia/Other            |                          |                     |            |                       | Grand Total |
|--|-----------------------|--------------------------|---------------------|------------|----------------------------|-----------------------|--------------------------|---------------------|------------|-------------------|-----------------------|--------------------------|---------------------|------------|-----------------------|-------------|
|  | Life Annuity A&S (01) | Property & Casualty (06) | Deposit Taking (11) | Other (16) | Total Canada & U.S.A. (21) | Life Annuity A&S (26) | Property & Casualty (31) | Deposit Taking (36) | Other (41) | Total Europe (46) | Life Annuity A&S (51) | Property & Casualty (56) | Deposit Taking (61) | Other (66) | Total Asia/Other (71) |             |
| <b>Revenue</b>   |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Premiums .....   | 040                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Net Investment Income .....  | 070                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Fee Income .....   | 130                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Other Revenue .....  | 160                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Total Revenue</b> .....   | 199                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Policy Benefits and Expenses</b>  |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Policyholder Benefits  |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Claims .....   | 210                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Annuity Payments .....   | 220                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Surrenders .....   | 230                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Other .....  | 240                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Net Changes to Actuarial Liabilities                                       |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Normal .....   | 300                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Basis Change .....   | 330                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Policyholder Dividends .....   | 360                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Experience Rating Refunds .....  | 390                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Transfer to and (Transfer from)  |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Other Funds .....  | 420                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Commissions .....  | 450                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Interest on Policyholder Amounts   |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| on Deposit .....   | 480                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Interest Expense .....   | 510                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| General Expenses and Taxes   |                       |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| (excl. Income Taxes) .....   | 540                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Other Expenses .....   | 570                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Non-Controlling Interests .....  | 600                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Total Benefits and Expenses</b> .....                                   | 649                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Income Before Income Tax</b> .....                                      | 669                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Provision for Income Taxes .....   | 720                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Income Before the following:</b> .....                                  | 749                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Extraordinary items (net of Income Taxes of \$ _____) .....                | 800                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Discontinued Operations (net of Income Taxes of \$ _____) .....            | 830                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Income Before Attribution to Participating Policyholders</b> .....      | 859                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| Income Attributable to Participating Policyholders (Stock Companies) ..... | 870                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |
| <b>Net Income</b> .....  | 899                   |                          |                     |            |                            |                       |                          |                     |            |                   |                       |                          |                     |            |                       |             |

