

31/12/2020  
Date

Equitable Life Insurance Company of Canada  
Name of Insurer/Society

**LIFE**

**QUARTERLY RETURN  
&  
ANNUAL SUPPLEMENT**

**Canadian and Foreign  
Life Insurance Companies and  
Fraternal Benefit Societies**

Institution Code F180

Jurisdiction of incorporation Canada

*Uniform Annual Return approved by the Canadian Council of Insurance Regulators*

(2020)



**LIFE QUARTERLY RETURN  
&  
ANNUAL SUPPLEMENT  
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**AFFIDAVIT VERIFYING ANNUAL RETURN**

WE, Ronald E. Beettam, FSA, FCIA OF THE City  
OF Kitchener IN THE PROVINCE OF Ontario  
AND Sheila Hart, FSA, FCIA OF THE Town  
OF Carlisle IN THE PROVINCE OF Ontario  
BEING President and Chief Executive Officer AND Senior Vice-President and Chief Financial Officer  
RESPECTIVELY OF Equitable Life Insurance Company of Canada

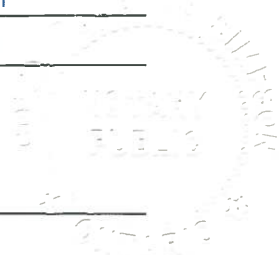
(HEREINAFTER CALLED THE "INSURER/SOCIETY") DO SEVERALLY MAKE OATH AND SAY AS FOLLOWS:

1. That we are the above described officers of the Insurer/Society.
2. That the attached Annual Return of the condition and affairs of the insurer/society, together with the related exhibits, schedules and explanations filed or to be filed as part thereof, is a full and correct statement of all the assets and liabilities as of 31/12/2020 and of the income and expenditures for the year 31/12/2020 (Day, Month, Year) ended on that day, as respects the business of the insurer/society.
3. That all the assets reported in the said Annual Return and schedules were, as of 31/12/2020 the absolute property of the insurer/society, free and clear (Day, Month, Year) from any liens and claims except as therein stated.
4. That the Insurer/Society is in compliance with all financial reporting requirements applicable under its governing insurance legislation in Canada (i.e. federal, provincial or territorial, as the case may be) and under any regulations made pursuant to it.

*Sheila Hart*  
*R. Beettam*

SEVERALLY SWORN TO BEFORE ME IN THE City  
OF Waterloo IN THE PROVINCE  
OF Ontario THIS 9th  
DAY OF February 20 21

Notary Public *Colin Simpson*  
(STATE WHETHER COMMISSIONER OR NOTARY PUBLIC)  
*Colin Simpson*



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Equitable Life Insurance Company of Canada  
Canadian Insurer

31/12/2020  
Date

**QUEBEC LICENSED INSURERS ONLY**

**AFFIDAVIT VERIFYING ANNUAL RETURN**

WE, Ronald E. Beettam, FSA, FCIA OF THE City

OF Kitchener IN THE PROVINCE OF Ontario

AND Douglas S. Alexander, CPA, CA OF THE City

OF London IN THE PROVINCE OF Ontario

RESPECTIVELY OF Equitable Life Insurance Company of Canada (hereinafter called the "Insurer")

do severally make oath and say as follows:

We are directors of the Insurer;

We have ensured that the governance mechanisms necessary to enable the preparation of the annual statement are in place and effective.

To the best of our knowledge, the attached annual statement fairly presents the Insurer's financial situation as of 31/12/2020.

R. Beettam  
Ronald E. Beettam, FSA, FCIA

President and Chief Executive Officer  
TITLE

DS Alexander  
Douglas S. Alexander, CPA, CA

Chairman of the Board  
TITLE

SEVERALLY SWORN TO BEFORE ME

COLIN SIMPSON  
(NAME IN BLOCK LETTERS)

AT Waterloo

IN THE PROVINCE

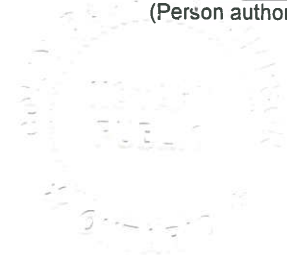
OF Ontario

THIS 9th

DAY OF February

20 21

[Signature]  
(Person authorized to administer affidavits)



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**ANNUAL CORPORATE INFORMATION**

(01)

RETURN FOR THE YEAR ENDED: 31/12/2020  
 (Day, Month, Year)

(01)

**Date of Last Annual Meeting:** 5, May, 2020  
 (Canadian only) (Day, Month, Year)

**NAME OF INSURER/SOCIETY:** Equitable Life Insurance Company of Canada  
**Head Office**  
 Address: One Westmount Road North  
Waterloo, Ontario N2J 4C7  
 Mailing Address: \_\_\_\_\_  
 (if different) \_\_\_\_\_  
 Telephone: (519) 886-5110  
 Website: www.equitable.ca  
 Email Address: head-office@equitable.ca

**Chief Agent in Canada - Name** \_\_\_\_\_  
 Canadian Branch - Address: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Website: \_\_\_\_\_  
 Email Address: \_\_\_\_\_  
 Chief Agent's Address: \_\_\_\_\_  
 (if different from Canadian Branch) \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Website: \_\_\_\_\_  
 Email Address: \_\_\_\_\_

**Contact Persons (Other than Chief Agent)**

<p><b>Corporate:</b> (01)                  Name: <u>Scott Hetherington</u>                  Title: <u>Corporate Finance Vice President</u>                  Telephone: <u>(519) 904-8143</u>                  Fax: <u>(519) 883-7421</u>                  Email Address: <u>shetherington@equitable.ca</u></p>	<p><b>Statement Reporting:</b> (02)                  Name: <u>Rich Reiding</u>                  Title: <u>Senior Accounting Analyst</u>                  Telephone: <u>(519) 904-8022</u>                  Fax: <u>(519) 883-7421</u>                  Email Address: <u>rreiding@equitable.ca</u></p>
--	--

(01)

**Trustee in Canada - Name:** \_\_\_\_\_  
 Mailing Address of Trustee: \_\_\_\_\_  
 Telephone: \_\_\_\_\_  
 Fax: \_\_\_\_\_  
 E-mail: \_\_\_\_\_

(01)

**External Auditor:**

Name: KPMG, LLP  
 Address: 201-115 King Street South  
Waterloo, Ontario N2J 5A3  
 Audit Partner: Kim Haley  
 Telephone: (519) 747-8394  
 Fax: (519) 747-8268  
 Email Address: khaley@kpmg.ca

(01)

**Appointed Actuary:**

Name: Phillip K. Watson, FSA, FCIA, CQF  
 Firm (if external): \_\_\_\_\_  
 Address: One Westmount Road North  
Waterloo, Ontario N2J 4C7  
 Telephone: (519) 904-8471  
 Fax: (519) 883-7421  
 Email Address: pwatson@equitable.ca

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Equitable Life Insurance Company of Canada  
**Canadian/Foreign Insurer/Society**

**ANNUAL CORPORATE INFORMATION**

*For insurers/societies licensed in the province of Quebec*

RETURN FOR THE YEAR ENDED: (01)

001

31/12/2020

(Day, Month, Year)

(01)

(03)

**Chief Representative in Quebec (if Head Office is not in Quebec):**

002	<b>Name of Chief Representative</b>	<u>Michael Garellek</u>
003	Mailing Address	<u>3700-1 Place Ville Marie</u>
004		<u>Montreal, Quebec H3B 3P4</u>
005	Telephone	<u>(519) 392-9421</u>
006	Fax	_____
007	E-mail	<u>michael.garellek@gowlingwlq.com</u>

If changes have occurred regarding the chief representative in Quebec and the public information appearing on the Website of the Autorité des marchés financiers (the "AMF")

<http://www.lautorite.qc.ca/en/index.html> is not accurate, the insurer must complete and embed the "Quebec Power of Attorney for designation of a chief representative in Quebec" form, as required under the Act (s. 207 and 208), available at:

<http://www.lautorite.qc.ca/files/pdf/formulaires-professionnels/assureur/form-procuration-repr-princ-en.pdf>

**Designated officer:**

Officer designated by the insurer for communications with the AMF regarding administrative matters.

For professional orders, please provide information regarding directors and officers of the insurance fund, not of the professional order.

010	<b>Name of designated officer</b>	<u>Michael Garellek</u>
011	Office held (function)	<u>Partner, Gowling WLG</u>
012	Mailing Address	<u>3700-1 Place Ville Marie</u>
013		<u>Montreal, Quebec H3B 3P4</u>
014	Telephone	<u>(519) 392-9421</u>
015	Fax	_____
016	E-mail	<u>michael.garellek@gowlingwlq.com</u>

**ANNUAL CORPORATE INFORMATION**

**\* For provincially incorporated or licensed insurers/societies**

(01)

001 RETURN FOR THE YEAR ENDED: 31/12/2020  
 (Day, Month, Year)  
 (01)

<b>Senior officers:</b>	
Please embed an updated list of the insurer's senior officers, namely, the President and CEO and the Secretary.	
For professional orders, please provide information regarding directors and officers of the insurance fund, not of the professional order.	
002 President/CEO:	<u>Ronald Beettam, FSA, FCIA</u>
003 Address:	<u>One Westmount Road North</u> <u>Waterloo, Ontario N2J 4C7</u>
004 Telephone:	<u>(519) 904-8100</u>
005 Fax:	<u>(519) 883-7400</u>
006 E-mail:	<u>rbeettam@equitable.ca</u>
007 Secretary:	<u>Colin Simpson, LLB, M.B.A.</u>
008 Address:	<u>One Westmount Road North</u> <u>Waterloo, Ontario N2J 4C7</u>
009 Telephone:	<u>(519) 904-8573</u>
010 Fax:	<u>(519) 883-7425</u>
011 E-mail:	<u>csimpson2@equitable.ca</u>

<b>Instrument of incorporation and by-laws:</b>
If changes were made to the instrument of incorporation or to the by-laws of the insurer during the last year, please attach a copy of the changes.

**For insurers licensed in the province of Quebec:**

<b>Order to commence and carry on business issued by OSFI or by the province of constitution (for an insurer not incorporated under an Act of Québec):</b>
Please embed a copy of the most recent Order issued by OSFI or by the province of constitution indicating the authorized classes of insurance.

\* Insurers/societies licensed in the province of Quebec and insurers incorporated in a provincial jurisdiction must file this page.

# Department of Insurance Canada.

N<sup>o</sup> C 2081



N<sup>o</sup> C 2081

## CERTIFICATE OF REGISTRY

UNDER THE CANADIAN AND BRITISH INSURANCE COMPANIES ACT,

R.S. 1952, CAP. 31



THE EQUITABLE LIFE INSURANCE COMPANY OF CANADA

having made the necessary deposit and having otherwise complied with the requirements of the Canadian and British Insurance Companies Act, and of its Act of Incorporation, is hereby authorized to transact in Canada the business of

PERSONAL ACCIDENT INSURANCE

and

SICKNESS INSURANCE

in addition to

LIFE INSURANCE,

for which it is already registered.

Dated at the City of Ottawa

this THIRD day of APRIL 1959

*Donald M. Fleming*  
Minister



OSFI  
BSIF



Office of the Superintendent of  
Financial Institutions Canada

Bureau du surintendant des  
institutions financières Canada

***Order to Vary an Order to  
Commence and Carry On  
Business***

***Ordonnance modifiant  
l'ordonnance d'agrément***

***Insurance Companies Act***

***Loi sur les sociétés d'assurances***

Whereas, the Governor in Council, on June 23, 2006, amended the Schedule to the *Insurance Companies Act* that defines the classes of insurance;

Attendu que, le 23 juin 2006, le gouverneur en conseil a modifié l'annexe de la *Loi sur les sociétés d'assurances* qui définit les branches d'assurance;

Now, therefore, pursuant to subsection 59(1) of the *Insurance Companies Act* and on behalf of the Superintendent of Financial Institutions, I vary the Order to Commence and Carry on Business of **The Equitable Life Insurance Company of Canada** by

À ces causes, au nom du surintendant des institutions financières et en vertu de paragraphe 59(1) de la *Loi sur les sociétés d'assurances*, je modifie l'ordonnance d'agrément de **L'Équitable, Compagnie d'Assurance Vie du Canada** en y

- (a) revoking the classes of personal accident insurance and sickness insurance; and
- (b) adding the class of accident and sickness insurance.

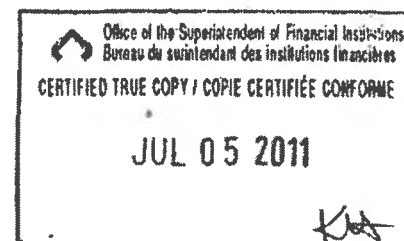
- a) annulant les branches d'assurance accidents corporels et maladie; et
- b) ajoutant la branche d'assurance accidents et maladie.

This Order is effective September 15, 2006

La présente ordonnance entre en vigueur le 15 septembre 2006

Julie Dickson

Deputy Superintendent/Surintendant adjoint



**Canada**

**CORPORATE INFORMATION*****For provincially incorporated insurers and insurers/societies licensed in the province of Quebec***

001 RETURN AS AT: 31/12/2020  
(Day, Month, Year)

Directors:

Please embed an updated list of the insurer's directors, indicating the person acting as chairman and vice-chairman of the board.

For professional orders, please provide information regarding directors and officers of the insurance fund, not of the professional order.

You can embed a file containing the requested information instead of completing this page.

Name (01)	Profession (02)	Residential address (03)
010 Douglas Alexander	Chairman of the Board	122 Fitzwilliam Blvd., London, ON N6H 5H4
011 Robert Badun	Director	86 Chestnut Park Rd., Toronto, ON M4W 1W9
012 Ronald Beettam	President, CEO & Director	2243 Hidden Valley Cres., Kitchener, ON N2C 2R2
013 Andrea Bolger	Director	85 Wheeler Ave., Toronto, ON M4L 3V3
014 Leslie Dakens	Director	PO Box 37, Dwight, ON P0A 1H0
015 Laura Formusa	Director	27 Wanless Cr., Toronto, ON M4N 3B6
016 Dikran Ohannessian	Director	1 Aberfoyle Cr., Suite 2111, Toronto, ON M8X 2X8
017 Neil Parkinson	Director	970 Stonebrook Rd., Cambridge, ON N1T 1H5
018 David Pelletier	Director	38 Cheritan Ave., Toronto, ON M4R 1S5
019 Craig Richardson	Director	2430 Moe Norman Way, London, ON N6K 5R5
020		
021		
022		
023		
024		
025		

\* Insurers/societies licensed in the province of Quebec and insurers incorporated in a provincial jurisdiction must file this page.

**SHAREHOLDERS\* - BY CLASS OF SHARES**

	Name of Beneficial Shareholder Alphabetically - (Surname, First Name) (01)	Address (02)	Citizenship or - for Corporate Shareholders - Jurisdiction of Incorporation (03)	Number of Shares Held (08)	% of Voting Rights Held (13)
<b>Part 1 - Common Shares</b>					
001					
002					
003					
004					
005					
006					
007					
008					
009					
010					
011					
012					
013					
014					
015					
016					
017					
018					
019					
020					
021	Shares Held by Employees not included above				
220	All Other Shareholders (Number )				
899	<b>TOTAL</b>			0	0.00%

\* Beneficial owners of at least 10% of any class.



Canadian Insurer

Year

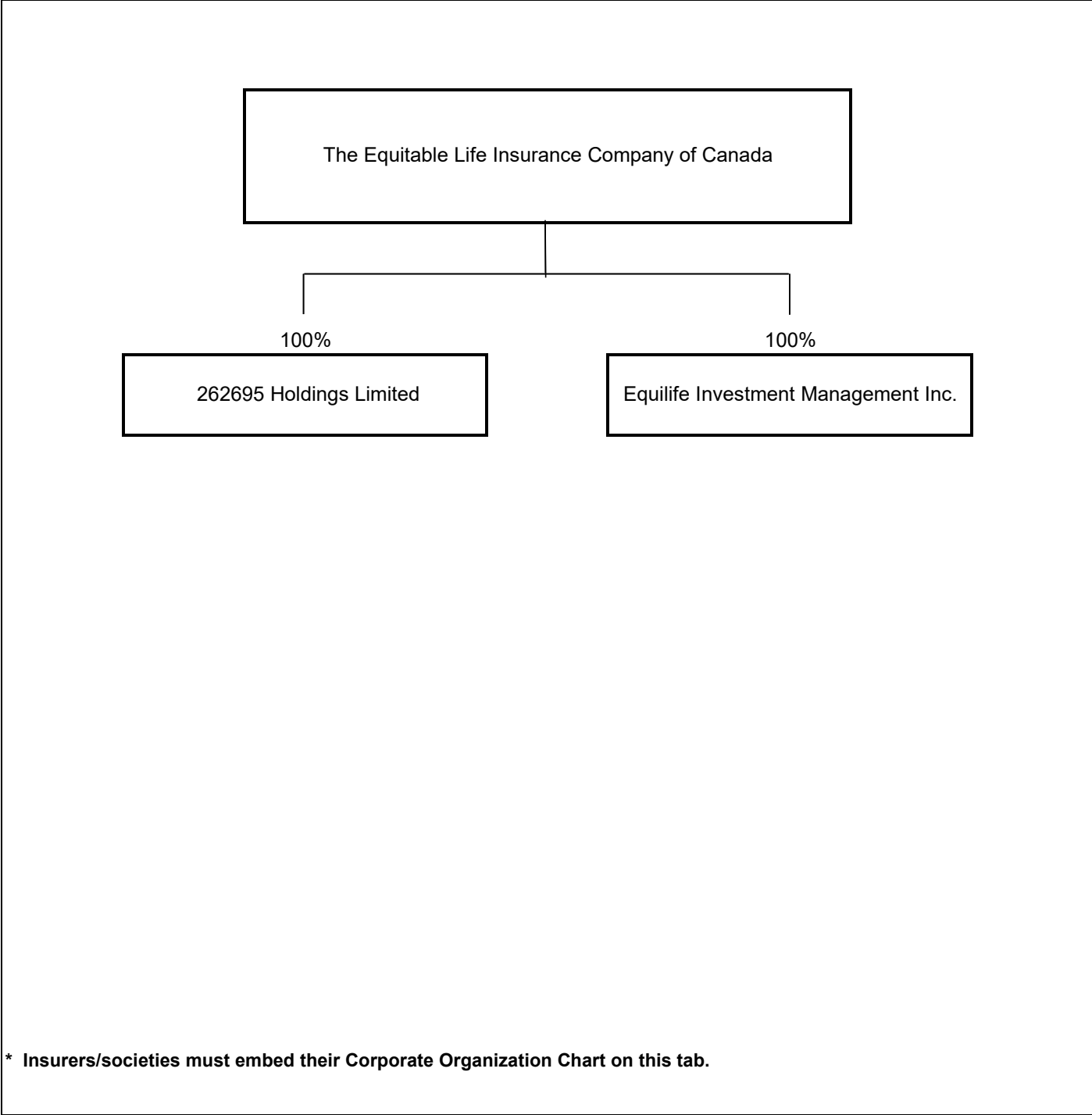
**SHAREHOLDERS\* - BY CLASS OF SHARES**

	Name of Beneficial Shareholder Alphabetically - (Surname, First Name) (01)	Address (02)	Citizenship or - for Corporate Shareholders - Jurisdiction of Incorporation (03)	Number of Shares Held (08)	% of Voting Rights Held (13)
<b>Part 2 - Preferred Shares**</b>					
<b>Provide a Description of the Class of Shares:</b>					
001					
021	Shares Held by Employees not included above				
220	All Other Shareholders (Number )				
899	<b>TOTAL</b>			0	0.00%

\* Beneficial owners of at least 10% of any class.  
 \*\*Provide a separate page for each series of preferred shares.

**CORPORATE ORGANIZATION CHART\***

Embed a chart showing the interrelationships between the insurer/society, its immediate and ultimate parent, if applicable, and all other affiliated corporations (upstream and downstream), identifying the percentage of beneficial ownership of each.



\* Insurers/societies must embed their Corporate Organization Chart on this tab.

**CONSOLIDATED**

**GENERAL INTERROGATORIES**

**1. INVESTMENT POLICIES/CERTIFICATES - PORTFOLIO AND LONG TERM INVESTMENTS**

1.1 Have any of the assets of the insurer/society and/or its subsidiaries been pledged as security or lodged as collateral?

110 Yes/No  (03)

If Yes, please complete the following schedule.

**SUMMARY of PLEDGING and REPOS  
(\$'000)**

By Activity	Outstanding End of Year (08)
Governments, Government Agencies and Central Banks	115
Direct Clearers	125
Clearing & Settlement Organizations	
a) In Canada	130
b) Outside Canada	135
Derivatives Transactions	
a) Exchanges	140
b) Over the Counter	145
In respect of Securities Borrowed	150
In respect of Securities Lent	155
In respect of Real Estate Owned	160
Other	165
<b>Total</b>	189
In respect of Repurchase Agreements (REPOS)	239

1.2 Does the insurer/society and/or any of its subsidiaries enter into agreements to sell and repurchase securities (and purchase and resell securities)?

310	Sell / Repurchase Securities (03)		Purchase / Resell Securities (06)	
	Yes/No	N	Yes/No	N
	(13)		(18)	
340	If Yes, what was the highest outstanding month-end amount? (\$'000)			
350	What is the year end outstanding position in gross total value? (\$'000)			

If Yes, also provide, as at year end, a list of all the institutions with which these transactions have been made and the total value of such transactions for each institution.

Institution (20)	Gross Total Value Outstanding at Year-End (23)
	410
	420
	430
	440
	450

**CONSOLIDATED**

**GENERAL INTERROGATORIES (continued)**

**2. CONTINGENT LIABILITIES/PROVISIONS**

2.1 Has the insurer/society and/or any of its subsidiaries provided a letter(s) of credit against which funds can be drawn by the beneficiary?

(05)

010      **Yes/No**

(03)

010      **If Yes, Amount (\$'000)**

If Yes, please provide details.

Beneficiary (06)	Amount Issued (08)	Amount Drawn (13)	Financial Institution (15)
Royal Trust Corporation of Canada	101 9,079	0	Bank of Montreal
	102		
	103		
	104		

2.2 Has the insurer/society (including any of its subsidiaries) guaranteed the liabilities or other transactions (e.g. derivatives) of any other corporations?

(05)

120      **Yes/No**

(03)

120      **If Yes, Amount (\$'000)**

If Yes, please provide a list of the 10 largest guarantees including those provided by subsidiaries.

Description of Guarantee (16)	Counterparty (17)	Amount (\$'000) (18)
	151	
	152	
	153	
	154	
	155	
	156	
	157	
	158	
	159	
	160	

2.3 Is there any certified class action litigation against the insurer/society and/or any of its subsidiaries?

(05)

230      **Yes/No**

If the answer is in the affirmative, elaborate:

231

**CONSOLIDATED**

**GENERAL INTERROGATORIES (continued)**

**3. SOURCES OF BUSINESS**

3.1 During the period covered by this Return, did any agent, general agent, broker, sales representative, sales/service organization or any combination thereof under common control receive credit or commissions for or control a substantial part (more than 20 percent of any major line of business measured on direct premiums) of:

			(03)
(a) sales or new business?	010	Yes/No	<input type="text" value="Y"/>
(b) renewals?	020	Yes/No	<input type="text" value="Y"/>
(01)			

If Yes, please identify the individual(s) or organization(s) and related line of business.

030	World Financial Group (Individual Life Insurance and Individual Savings & Retirement business)
-----	--

**4. TRANSACTIONS WITH SUBSIDIARIES AND OTHER RELATED PARTIES**

4.1 Does the insurer/society and/or any of its subsidiaries transact directly any non-insurance business, either for subsidiaries or other related parties?

		(03)
110	Yes/No	<input type="text" value="N"/>

If Yes, please describe the nature of the service provided and the amount of revenue derived from material transactions from the non-insurance business (other than Fraternal Fund activities, for Fraternal Benefit Societies only) from subsidiaries and other related parties.

Service Provided (06)		Material Non-Insurance Revenue from Subsidiaries and Other Related Parties (08)
	120	
	130	
	140	
	150	
	160	
	170	
	180	
	190	
	200	
	210	

**CONSOLIDATED**  
**GENERAL INTERROGATORIES (continued)**

**5. OTHER DISCLOSURE**

5.1 Have any limitations, restrictions, cease and desist orders, appropriations of surplus or other regulatory constraints been placed on the insurer/society and/or any of its subsidiaries by another jurisdiction?

(01) 010 Yes/No (03)  
N  
 If Yes, please provide details.

020

5.2 Please provide a description of the methods used in apportioning items of income and expenditure by fund and line of business (in Insurance Funds and to Fraternal & Other Funds, for Fraternal Benefit Societies only).

050

Income taxes are allocated in proportion to income calculated for each line of business for tax purposes. All expenses, licenses and fees not definitely apportionable to the various funds or lines of business are allocated to the department for which the expenses were incurred. Department expenses are apportioned to the lines of business based on estimates provided by managers. Items definitely apportionable were so apportioned. Net investment income, including loan losses, were allocated based on segment income reflecting asset/liability matching and appropriate cashflows.

**CONSOLIDATED**

**GENERAL INTERROGATORIES (continued)**

**5. OTHER DISCLOSURE (continued)**

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

Type of Arrangement		Name of Service Provider (01)	Location where Service is Provided (02)	Annual charges for services for the year (05)
Asset manager for segregated funds & linked accounts	051	Franklin Templeton Investment Corp.	Toronto, ON	3,906
Pay direct drug adjudication and dental claim submission	052	Telus Health	Mississauga, ON	1,737
Segregated fund administration system (Unitrax)	053	L&T Infotech Financial Services Technologies Inc.	Mississauga, ON	701
Software for investment portfolio administration	054	State Street Global Exchange (US), LLC	Princeton, NJ	607
AXIS actuarial valuation and pricing system	055	Moody's	Toronto, ON	506
Novinsoft Inc.	056	Sales illustration software	Port Perry, ON	468
Data centre facilities (co-location) for production systems	057	Aptum Technologies Canada Inc.	Barrie, ON	305
Software (RiskIntegrity) for IFRS 17 CSM calculations	058	Moody's	Toronto, ON	235
Out-of-province assistance, claims payment and review	059	Allianz Global Assistance	Kitchener, ON	198
	060			

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

(03)

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 542 of the Insurers Act (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) <u>25,247</u>
Capital Software Cost	220	(\$'000) <u>0</u>

5.7 Please specify the fraternal and other funds included in column 02 of the balance sheet, pages 70.010 and 70.021.

<u>Name of Fund</u> (01)	<u>Total Assets</u> (\$'000) (07)	<u>Total Liabilities</u> (\$'000) (09)
_____	410 _____	510 _____
_____	420 _____	520 _____
_____	430 _____	530 _____
_____	440 _____	540 _____

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total (01)	Vested in Trust (02)	Total (03)	Vested in Trust (04)	Total (05)	Vested in Trust (06)
		Cash and Cash Equivalents	76,330		36,898			
		Assets held for sale						
<a href="#">21.012</a>		Short Term Investments	0		0			
		Accrued Investment Income	16,526		14,001			
<a href="#">21.150</a> <a href="#">or/ou</a>		Accounts Receivable	47,056		52,713			
		Policy/Certificate Loans	108,531		96,229			
<a href="#">21.012</a>		Bonds and Debentures	2,097,905		1,858,163			
<a href="#">21.050</a>		Mortgage Loans	264,041		230,837			
<a href="#">21.012</a>		Preferred Shares	254,524		211,508			
<a href="#">21.012</a>		Common Shares	750,365		658,742			
<a href="#">21.012</a>		Investment Properties	279,734		192,150			
		Derivative Financial Instruments	50,565		26,702			
<a href="#">22.020</a>		Reinsurance Assets	380,911		264,129			
<a href="#">21.080</a>		Property and Equipment	18,029		19,441			
<a href="#">21.012</a>		Interests in Associates & Joint Ventures	0		0			
<a href="#">60.010</a>		Segregated Funds Net Assets	1,641,774		1,413,052			
<a href="#">21.100</a>		Other Loans and Invested Assets	0		424			
		Investments in Subsidiaries						
		Current Tax Assets						
		Deferred Tax Assets						
		Goodwill						
		Intangible Assets	2,548		3,430			
		Defined Benefit Pension Plan						
<a href="#">21.155</a>		Other Assets	176		378			
		<b>TOTAL ASSETS</b>	5,989,015		5,078,797		0	



## CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		<b>Liabilities</b>			
		Liabilities held for sale 005			
<a href="#">22.020</a>		Actuarial Liabilities for Insurance Contracts 010	2,920,930	2,464,976	
<a href="#">22.020</a>		Other Contract Liabilities 040	219,385	194,675	
		Trust and Banking Deposits 070			
<a href="#">22.030 or/ou</a>		Accounts Payable 100	30,466	29,613	
<a href="#">21.080</a>		Mortgage Loans and Other Real Estate Encumbrances 130	13,620	2,946	
		Derivative Financial Instruments 140	7,456	8,587	
		Defined Benefit Pension Plan 145	31,338	9,447	
		Amounts Due in respect of Staff Pension Plans (not including amounts in line 145 above) 150			
<a href="#">22.030</a>		Provisions and Other Liabilities 160	39,701	41,215	
		Segregated Fund Liabilities 420	1,641,774	1,413,052	
		Current Tax Liabilities 430	24,259	11,120	
		Deferred Tax Liabilities 250	7,986	11,919	
		Subordinated Debt 280			
		Other Debt 310			
		<b>Total Liabilities</b> 389	4,936,915	4,187,550	0
		<b>Policyholders' Equity</b>			
<a href="#">20.040</a>		Participating Account 510	547,097	388,741	
		Participating Account - Accumulated OCI (Loss) 520			
<a href="#">20.040</a>		Non-Participating Account (Mutual Companies Only) 540	488,009	493,268	
		Non-Participating Account - Accumulated OCI (Loss) 550	16,994	9,238	
		<b>Total Policyholders' Equity</b> 589	1,052,100	891,247	0
		<b>Shareholders' Equity</b>			
		Capital Stock 610			
		Other Capital 640			
		Contributed Surplus 670			
<a href="#">20.040</a>		Retained Earnings 700	0	0	
		Accumulated Other Comprehensive Income (Loss) 740			
		<b>Total Shareholders' Equity</b> 779	0	0	0
		<b>Non-controlling Interests</b> 829	0	0	
		<b>Total Equity</b> 839	1,052,100	891,247	0
		<b>TOTAL LIABILITIES AND EQUITY</b> 899	5,989,015	5,078,797	0
<a href="#">20.044</a>		<b>Head Office Account</b> 800			
<a href="#">20.042</a>		<b>Accumulated Other Comprehensive Income (Loss)</b> 840			
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME</b> 999			

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period (01)	Prior Period (03)
		<b>Revenue</b>		
<a href="#">35.020</a>		Gross Premiums	1,243,369	1,184,165
<a href="#">35.020</a>		Premiums ceded	160,223	156,342
<a href="#">45.020</a>		Net Premiums	1,083,146	1,027,823
<a href="#">35.020</a>		Gross Investment Income	273,531	276,178
<a href="#">35.020</a>		Less: Investment Expenses and Taxes	8,156	7,073
<a href="#">23.010</a>		Net Investment Income	265,375	269,105
<a href="#">35.020</a>		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	0	
<a href="#">35.020</a>		Share of Income/Loss of Associates & Joint Ventures	0	0
		Fee Income	48,442	45,665
<a href="#">23.030</a>		Other Revenue	0	0
<a href="#">35.020</a>		Fraternal and Other Fund Revenues	0	0
		<b>Total Revenue</b>	1,396,963	1,342,593
		<b>Policy/Certificate Benefits and Expenses</b>		
<a href="#">35.020</a>		Policyholder/Certificateholder Benefits	493,374	490,670
<a href="#">35.020</a>		Benefits ceded	110,774	101,864
		Gross Changes to Actuarial Liabilities		
<a href="#">35.020</a>		Normal	515,070	451,928
<a href="#">35.020</a>		Basis Change	(59,116)	(26,115)
		Gross Changes to Other Contract Liabilities		
<a href="#">35.020</a>		Normal	2,128	920
<a href="#">35.020</a>		Basis Change	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded		
<a href="#">35.020</a>		Normal	135,132	69,782
<a href="#">35.020</a>		Basis Change	(18,350)	(26,936)
<a href="#">35.020</a>		Policyholder/Certificateholder Dividends	61,228	49,360
<a href="#">35.020</a>		Experience Rating Refunds	1,009	309
<a href="#">35.020</a>		Transfer to and (Transfer from) Other Funds	(74)	(383)
<a href="#">35.020</a>		Gross Commissions	275,549	255,643
<a href="#">35.020</a>		Commissions Ceded	17,972	18,322
<a href="#">35.020</a>		Interest on Policyholder/Certificateholder Amounts on Deposit	443	454
<a href="#">23.030</a>		Interest Expense and Finance costs	146	185
<a href="#">23.030</a>		General Expenses and Taxes (excl. income taxes)	151,044	143,589
<a href="#">23.030</a>		Other Expenses	3,456	3,159
<a href="#">35.020</a>		Fraternal and Other Fund Expenses	0	0
		<b>Total Benefits and Expenses</b>	1,198,729	1,206,687
		<b>Income Before Income Tax</b>	198,234	135,906
		Provision for Income Taxes		
		Current	43,577	25,378
		Deferred	1,560	1,614
		<b>Income Before the following:</b>	153,097	108,914
<a href="#">35.020</a>		Discontinued Operations (net of Income Taxes of \$ )	0	0
		<b>Net Income</b>	153,097	108,914
<a href="#">35.020</a>		Attributable to Participating Policyholders/Certificateholders	0	0
<a href="#">35.020</a>		<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b>	153,097	108,914
<a href="#">35.020</a>		Attributable to Fraternal and Other Fund Account	0	0
<a href="#">35.020</a>		<b>Insurance Fund</b>	153,097	108,914
		<b>Attributable to:</b>		
		Non-controlling Interests		
		Equity Holders	153,097	108,914

830 (99) 0

\* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

**CONSOLIDATED FINANCIAL STATEMENTS****STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT  
(\$'000)**

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	388,741	326,777
		Adjustments		
		(Specify)		
<a href="#">20.030</a>		Share of Net Income (Loss)	158,356	61,964
<a href="#">20.040</a>		Transfer from (to) Retained Earnings (Stock companies only)		
<a href="#">20.040</a>		Transfer from (to) Non-Par Account (Mutual companies only)		
		<b>End of Year</b>	547,097	388,741

**STATEMENT OF NON-PARTICIPATING ACCOUNT  
Mutual Companies Only  
(\$'000)**

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	493,268	446,318
		Adjustments		
		(Specify)		
<a href="#">20.030</a>		Share of Net Income (Loss)	(5,259)	46,950
<a href="#">20.040</a>		Transfer from (to) Par Account	0	0
		Dividends to Preferred Shareholders		
		<b>End of Year</b>	488,009	493,268

**STATEMENT OF RETAINED EARNINGS  
Stock Companies Only  
(\$'000)**

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	0	0
<a href="#">20.030</a>		Share of Net Income (Loss)		0
<a href="#">20.040</a>		Transfer from (to) Par Account	0	0
		Dividends to Shareholders:		
		Preferred		0
		Common		0
		(Specify)		0
		(Specify)		0
		(Specify)		0
		<b>End of Year</b>	0	0

## CONSOLIDATED FINANCIAL STATEMENTS

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

Reference Page	FS Notes Reference Reference		Current Period (01)	Prior Period (03)
<a href="#">20.030</a>		<b>Comprehensive Income (Loss)</b>		
		Net Income	153,097	108,914
		Other Comprehensive Income (Loss):		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Loans		
		- Bonds and Debentures	26,183	17,475
		- Equities (IAS 39)	1,707	39
		Reclassification of (Gains) Losses to Net Income	(4,524)	(2,788)
		<b>Overlay approach *</b>		
		Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
		Unrealized Gains and Losses		
		Reclassification of (Gains) Losses from Net Income		
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		Change in Unrealized Gains and Losses		
		Reclassification of (Gains) Losses to Net Income		
		<b>Foreign Currency Translation</b>		
		Change in Unrealized Gains and Losses		
		Impact of Hedging		
		<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>		
		Other		
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	23,366	14,726
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		Change in Unrealized Gains and Losses:		
		- Equities (IFRS 9)		
		Revaluation Surplus		
		Remeasurements of Defined Benefit Plans	(15,610)	(3,440)
		Other		
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	(15,610)	(3,440)
		Total Other Comprehensive Income (Loss)	7,756	11,286
		<b>Total Comprehensive Income (Loss)</b>	160,853	120,200
		<b>Attributable to:</b>		
		Participating Policyholders/Certificateholders		
		Non-controlling Interests		
		Equity Holders	160,853	120,200
Reference Page	FS Notes Reference Reference		Current Period (01)	Prior Period (03)
		<b>Accumulated Other Comprehensive Income (Loss)</b>		
		Accumulated Gains (Losses), net of tax, on:		
		<b>Items that may be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Loans		
		- Bonds and Debentures	36,053	14,575
		- Equities (IAS 39)	486	(1,402)
		<b>Overlay Approach *</b>		
		<b>Derivatives Designated as Cash Flow Hedges</b>		
		<b>Foreign Currency (Net of Hedging Activities)</b>		
		<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>		
		Other		
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	36,539	13,173
		<b>Items that will not be reclassified subsequently to Net Income:</b>		
		<b>FVOCI:</b>		
		- Equities (IFRS 9)		
		Revaluation Surplus		
		Remeasurements of Defined Benefit Plans	(19,545)	(3,935)
		Other		
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	(19,545)	(3,935)
		Balance at end of Period	16,994	9,238

\* These lines only apply to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

*CONSOLIDATED FINANCIAL STATEMENTS*

**STATEMENT OF CASH FLOWS**  
**(\$'000)**

For the years ended December 31  
 (thousands of dollars)

	<b>2020</b>	<b>2019</b>
<b>Operating cash inflows</b>		
Premiums received	1,112,554	1,041,261
Interest income received	71,119	62,086
Dividend income received	21,828	20,596
Investment property income received	4,230	6,570
Fee income received	48,442	45,665
	<u>1,258,173</u>	<u>1,176,178</u>
<b>Operating cash outflows</b>		
Benefit and annuity payments	393,372	391,959
Dividends paid to policyholders	49,318	38,062
Operating expenses	394,158	357,643
Income, premium and other taxes	62,328	31,246
Financing expenses	146	185
	<u>899,322</u>	<u>819,095</u>
<b>Cash provided by operating activities</b>	<u>358,851</u>	<u>357,083</u>
<b>Investing cash inflows (outflows)</b>		
Purchase of investments	(1,011,340)	(979,652)
Proceeds from sale of investments	697,204	659,125
Other	(15,717)	(20,126)
<b>Cash used in investing activities</b>	<u>(329,853)</u>	<u>(340,653)</u>
<b>Financing cash outflows</b>		
Lease payments	(240)	(249)
Mortgage loans	10,674	(203)
<b>Cash used in financing activities</b>	<u>10,434</u>	<u>(452)</u>
<b>Increase (decrease) in cash during the year</b>	39,432	15,978
<b>Cash, cash equivalents and short-term investments - beginning of year</b>	36,898	20,920
<b>Cash, cash equivalents and short-term investments - end of year</b>	<u>76,330</u>	<u>36,898</u>

**CONSOLIDATED FINANCIAL STATEMENTS**  
**STATEMENT OF CHANGES IN EQUITY**  
**(\$'000)**

		Share Capital	Other Capital	Contributed Surplus	Retained Earnings	Accumulated Other Comprehensive Income (Loss)						Total Shareholder's Equity	Participating Account	Non-Controlling Interests	Total Equity	
						FVOCI Financial Assets	Cash Flow Hedges	Translation of Foreign Operations	Revaluation Surplus	Share of OCI of Associates & Joint Ventures	Remeasurements of Defined Benefit Plans					Other AOCI
		(02)	(36)	(04)	(06)	(16)	(25)	(12)	(32)	(38)	(40)	(44)	(50)	(34)	(56)	(60)
<b>Balance at Beginning of Prior Year</b>	010												0	771,047		771,047
Total Comprehensive Income for the year	049												0	120,200		120,200
Issue of Share Capital	020												0			0
Transfer from/to Retained Earnings	050												0			0
Transfer from/to Par Account	040												0			0
Dividends																
Preferred	070												0			0
Common	080												0			0
Other	060												0			0
<b>Balance at End of Prior Year</b>	099	0	0	0	0	0	0	0	0	0	0	0	0	891,247	0	891,247
<b>Changes in Equity for Current Year</b>																
Total Comprehensive Income for the year	249												0	160,853		160,853
Issue of Share Capital	220												0			0
Transfer from/to Retained Earnings	250												0			0
Transfer from/to Par Account	240												0			0
Dividends																
Preferred	270												0			0
Common	280												0			0
Other	260												0			0
<b>Balance at End of Current Year</b>	299	0	0	0	0	0	0	0	0	0	0	0	0	1,052,100	0	1,052,100

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

## 1. CORPORATE INFORMATION

The Equitable Life Insurance Company of Canada is a mutual company domiciled in Canada and incorporated under the Insurance Companies Act (Canada). Together with its subsidiaries (collectively, "the Company"), it operates in the life insurance industry. Operations cover the development, marketing, and servicing of life, health and annuity products to individual and group customers as well as asset management services to individual customers, including segregated funds. The head office is located at One Westmount Road North, Waterloo, Ontario, Canada.

The publication of these audited financial statements was approved by the Company's Board of Directors on February 9, 2021.

## 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS).

These consolidated financial statements are presented in Canadian dollars, which is the Company's functional currency. All financial information presented in Canadian dollars has been rounded to the nearest thousand.

The consolidated financial statements have been prepared on the fair value basis except for the following significant items in the Consolidated Statements of Financial Position:

- mortgages,
- private placements,
- loans to policyholders,
- property, plant and equipment,
- reinsurers' share of insurance contract liabilities,
- insurance contract and other contract liabilities,
- current and deferred taxes, and
- mortgage loans.

### (a) Critical estimates, assumptions and judgments

The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses. Actual results could differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Areas of significant accounting estimates and assumptions include valuation of insurance and investment contract liabilities, determination of fair value of financial instruments, impairment of financial instruments, valuation of investment properties, provisions and liabilities for pension plans and other post-employment benefits, and provision for income taxes.

Management has applied judgment in the classification of insurance and investment contracts, financial instruments and the componentizations of property, plant and equipment within the financial statements.

### (b) Basis of consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary companies for the reporting period ended December 31 for each period presented. Subsidiaries are entities controlled by the Company.

### (c) Invested assets

Invested assets are accounted for on the following basis:

#### Cash, cash equivalents and short-term investments

Cash equivalents consist of investments with a term to maturity of less than three months. Short-term investments consist of investments with a term to maturity exceeding three months, but less than one year.

#### Bonds and debentures

Bonds are designated as either fair value through profit or loss or available-for-sale. Purchases and sales of bonds are recognized or derecognized in the Consolidated Statements of Financial Position on their settlement dates.

Fair value through profit or loss (FVTPL) bonds are recorded in the Consolidated Statements of Financial Position at fair value, with changes in fair value recorded to the change in fair value through profit or loss in the Consolidated Statements of Operations. Interest income earned on FVTPL bonds is recorded as investment income. Transaction costs related to the purchase of these bonds are recognized immediately in net income.

Available for sale (AFS) bonds are recorded at fair value with changes in the fair value of these bonds recorded to unrealized gains and losses in other comprehensive income ("OCI"). Realized gains and losses on the sale of AFS bonds are reclassified from accumulated OCI and recorded as realized gains (losses) in the Consolidated Statements of Operations. Interest income earned is recorded to investment income. Transaction costs related to the purchase of these bonds are recorded as part of the carrying value of the bond at the date of purchase.

AFS bonds are tested for impairment at a minimum, on a quarterly basis. When there is objective evidence that an AFS bond is impaired and the decline in value is considered other than temporary, the loss accumulated in OCI is reclassified to investment income. Impairment is reversed only if the conditions that caused the impairment no longer exist. Reversals of impairment charges are only recognized to the extent that increases in fair value can be attributed to events subsequent to the impairment loss being recorded. If, in a subsequent period, the fair value of an impaired security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized in income, then the impairment loss is reversed, with the amount of the reversal recognized in income.

Following impairment loss recognition, these assets will continue to be recorded at fair value with changes in fair value recorded to OCI, and tested for further impairment quarterly. Objective evidence of impairment includes financial difficulty of the issuer, bankruptcy or defaults and delinquency in payments of interest or principal.

#### Equities

Equities are designated as either FVTPL or AFS. Equity investment transactions are recognized or derecognized in the Consolidated Statements of Financial Position on their settlement dates.

Certain universal life insurance products permit a policyholder to deposit amounts in one or more linked accounts which are credited or debited interest at least equal to the performance of the relevant fund or index. To support this liability, the Company normally simulates these investment returns by the use of derivative financial instruments or by investing in the same or similar equity investments. These shares, mutual funds and derivative financial instruments are accounted for at market value in order to match the market value of the liability.

FVTPL equities are recorded in the Consolidated Statements of Financial Position at fair value, with changes in fair value recorded to the change in fair value through profit or loss in the Consolidated Statements of Operations. Dividends received are recorded as investment income. Transaction costs related to the purchase of these equities are recognized immediately in net income.

AFS equities are recorded in the Consolidated Statements of Financial Position at fair value with changes in the fair value of these equities recorded to unrealized gains and losses in OCI. Realized gains and losses on the sale of AFS equities are reclassified from accumulated OCI and recorded as realized gains and losses in the Consolidated Statements of Operations. Dividends received are recorded to investment income. Transaction costs related to the purchase of these equities are recorded as part of the carrying value of the equity at the date of purchase.

AFS equities are tested for impairment at least on a quarterly basis. The accounting for other-than-temporarily impaired equities is the same as described previously for bonds. Objective evidence of impairment for equities include a significant or prolonged decline in fair value of the equity below cost or changes with adverse effects that have taken place in the technological, market, economic or legal environment in which the issuer operates that may indicate that the carrying value will not recover. Impairment testing for fixed reset preferred shares uses the debt model.

#### Mortgages

Mortgages are classified as loans and receivables and carried at their amortized cost. Realized gains and losses on the sale of mortgages as well as interest income earned, are recorded in investment income in the Consolidated Statements of Operations. Transaction costs related to the purchase of mortgages are expensed when incurred. Provisions for potential losses on mortgages in arrears and in the process of realization are recognized immediately as a charge for loan impairment.

The investment in restructured impaired loans is reduced as at the restructuring date to an amount which does not exceed the estimated realizable value under the modified loan terms. Any write-off is recognized immediately as a charge for loan impairment. When collection of the scheduled future cash flows in accordance with the modified loan terms is reasonably assured, interest income is recognized at the effective interest rate inherent in the loan at the time it was initially recognized as being impaired.

#### Private placements

Private placements are classified as loans and receivables and carried at amortized cost. Realized gains and losses on the sale of private placements as well as interest income earned, are recorded in investment income in the Consolidated Statements of Operations. Transaction costs related to the purchase of private placements are recorded as part of the carrying value of the private placement at the date of purchase. Provisions for potential losses on private placements in arrears, and in the process of realization, are recognized immediately as a charge for loan impairment.

#### Derivatives

Derivative investments are recorded in the Consolidated Statements of Financial Position at fair value with changes in fair value recorded to change in fair value through profit or loss in the Consolidated Statements of Operations. Income earned on these derivatives, such as interest income, is recorded to investment income. Derivatives with a positive fair value are recorded as derivative assets while derivatives with a negative fair value are recorded as derivative liabilities.

#### Loans to policyholders

Loans to policyholders are classified as loans and receivables and are carried at their unpaid balances, fully secured by the cash surrender value of policies on which the respective loans are made.

#### Investment property

Investment properties are real estate held to earn rental income and are not owner-occupied. Investment properties are initially recognized at transaction price including transaction costs. These properties are subsequently measured at fair value in the Consolidated Statements of Financial Position with changes in fair values recorded to the change in fair value on investment property in the Consolidated Statements of Operations. Fair value is supported by market evidence, as assessed by qualified appraisers. All assets are appraised by an external appraiser once every three years, at a minimum, and reviewed quarterly for material changes. Rental income from investment properties is recorded to investment income on a linear basis over the term of the lease.



### Securities lending

The Company engages in securities lending to generate additional income. The Company's securities custodian is used as the lending agent. Loaned securities are not derecognized, and continue to be reported within invested assets, as the Company retains substantial risks and rewards and economic benefits related to the loaned securities.

#### (d) Provisions for asset defaults

Asset default provisions include principal, interest, and collection expenses for all invested assets. The provisions are management's best estimates based on such factors as past trends and current experience, forecasts of future market conditions, surveys of specific markets and inspections of properties on which the Company has provided mortgage loans. Provisions are established where, in the opinion of management, there is reasonable doubt concerning the repayment of principal amounts. Further, where there is reasonable doubt concerning the receipt of interest and, in all cases where interest is 90 days past due, interest ceases to be accrued and any interest previously accrued is reversed.

The provisions consist of: (i) provisions against specific assets for the current year which are deducted from the related assets and (ii) a provision which is the present value of estimated expected future asset default losses reported as a component of actuarial policy liabilities, including an amount as a provision for adverse deviations.

When a loan is identified as impaired, the carrying value of the investment is reduced to the estimated realizable amount and a charge is included in income immediately. Subsequent payments are recorded in interest income after any prior write-off has been recovered and if management has determined that a specific provision is not required; otherwise, they are recorded as a reduction in principal.

Impairment of a loan is recognized by a full or partial write-off of the recorded investment. Establishment of an allowance for loan impairment or partial write-off is supplemented by an allowance. Loan impairment is assessed on an individual loan basis.

#### (e) Property, plant and equipment

Owner-occupied property and all other items classified as property, plant and equipment are carried at historical cost less accumulated depreciation and impairment. Depreciation of property and equipment, excluding land which is not depreciated, is calculated using a straight-line method and amortized over their estimated useful lives as follows:

Owner-occupied properties	15 – 40 years
Furniture and fixtures	5 – 10 years
Equipment	3 – 5 years

#### (f) Contract classification

The Company's products are classified at contract inception, for accounting purposes, as insurance, service or investment contracts depending on the existence of significant insurance risk. Significant insurance risk exists when the Company agrees to compensate policyholders or beneficiaries of the contract for specified uncertain future events that adversely affect the policyholder, where the amount and timing is unknown. When significant insurance risk exists, the contract is accounted for as an insurance contract. In the absence of significant insurance risk, the contract is classified as an investment contract or a service contract.

#### (g) Insurance contract liabilities

Insurance contract liabilities are determined using accepted actuarial practices as established by the Actuarial Standards Board (ASB), using the Canadian Asset Liability Method ("CALM"). Insurance contract liabilities, net of reinsurance assets, represent an estimate of the amount which, together with estimated future premiums and investment income, will be sufficient to pay outstanding claims and future benefits, projected dividends, expenses and taxes on policies in-force.

Best estimate reserve assumptions are made for the lifetime of the policies and include assumptions related to mortality and morbidity, investment returns, rates of policy termination, operating expenses and certain taxes. To recognize the uncertainty that is involved in establishing these best estimate reserve assumptions, the Appointed Actuary is required to include a margin in each assumption to allow for possible deterioration in experience and to provide greater comfort that the policy liabilities are adequate to pay future benefit obligations. The impact of these margins is to increase actuarial liabilities and decrease the income that is recognized at inception of the policy.

A range of allowable margins is prescribed by the ASB. As the probability of deviation from estimates declines, these provisions will be included in future income to the extent that they are not required to cover adverse experience. If estimates of future conditions change throughout the life of a policy, the present value of those changes is recognized in income immediately. The Appointed Actuary is responsible for ensuring that the assumptions and methods used in the determination of policy liabilities are appropriate to the circumstances and that such actuarial liabilities will be adequate to meet the Company's future obligations under insurance contracts at each valuation date. Assumptions are regularly reviewed and updated where appropriate.

The reinsurance asset represents the benefit derived from reinsurance arrangements in-force as at the Consolidated Statements of Financial Position date. The reinsurance asset is measured on the same basis as the amounts associated with the insurance contracts and in accordance with the terms of each reinsurance contract.

Gross premiums for all types of insurance contracts and contracts with limited mortality or morbidity risk are generally recognized as revenue when due.

**(h) Investment contract liabilities**

Investment contract liabilities are financial liabilities that transfer financial risk from the contractholder to the Company. These amounts are carried at fair value. Changes in the fair value of investment contract liabilities are recorded as a change in policy liabilities. Deposits collected from and payments made to contractholders are recorded as an increase and decrease in the investment contract liabilities. Investment contract liabilities are included in other contract liabilities.

**(i) Income taxes**

The Company provides for income taxes using the liability method of tax accounting. Current income tax expense represents the expected payable resulting from current year operations. Deferred income tax expense represents the tax effect of the movement during the year in the cumulative temporary differences between the carrying value of the Company's assets and liabilities in the Consolidated Statements of Financial Position and their values for tax purposes.

The income tax rates used to measure income tax assets and liabilities are those rates enacted or substantively enacted at the dates of the Consolidated Statements of Financial Position.

**(j) Employee future benefits**

Equitable Life provides a defined benefit pension plan to eligible employees upon retirement. These benefits reflect compensation history and length of service. Pension plan assets, carried at market value, are held in a separate segregated fund of the Company for the benefit of all members. The excess of pension assets over pension obligations is included in other assets; the excess of pension obligations over pension assets is included in other liabilities. Plan assets and the accrued benefit obligation are measured as of December 31.

The Company has also established a defined contribution pension plan for eligible employees. Generally, employer contributions are a set percentage of employees' annual income and matched against employee contributions.

In addition to the Company's pension plans, health and dental benefits are provided to qualifying employees upon retirement. The liability for these benefits is included in other liabilities and is supported by the general fund assets of the Company.

An independent actuary performs regular valuations of the Company's accrued benefit obligation for employee future benefits. This method involves the use of estimates concerning such factors as expected plan investment performance, future salary increases, employee turnover rates, retirement ages of plan members and expected health care costs.

The Company's net benefit plan expense includes:

- service cost: the cost of benefits accrued in the current period and benefit changes including past service costs, curtailment effects and gains/losses from non-routine settlements

- finance cost: interest on the accrued benefit obligation less interest on plan assets, is recorded as a component of financing and is valued using the same discount rate

Remeasurements include gains and losses arising from experience adjustments and changes to actuarial assumptions, the difference between the actual return achieved on the assets and the return implied by the net interest income, and the effect of changes to asset ceilings. Remeasurements are recorded in OCI.

The calculation of employee future benefits requires management to make assumptions that are long-term in nature, consistent with the nature of these benefits. Actual results could differ from these estimates.

**(k) Fair value disclosures**

The fair values of investments are determined as disclosed in note 4. The fair values of mortgage loans are determined as disclosed in note 10. The fair values of other financial instruments, including accrued investment income, other accounts receivable included in other assets, and other liabilities, are considered to equal their carrying values due to the nature of these instruments. To the extent that invested assets are well matched to policy liabilities, changes in the fair values of the assets due to interest rate changes will have a similar effect on the policy liabilities and will not materially affect future corporate earnings.

**(l) Segregated funds**

Certain contractholders have the option to invest in segregated funds managed by the Company. Substantially all risks and rewards of ownership accrue to the contractholder; consequently, assets held in segregated fund accounts are not consolidated with the assets of Equitable Life but are presented as a single line item in the Consolidated Statements of Financial Position. Segregated fund assets are carried at year-end market values. The obligation to pay the value of the net assets held under these contracts is considered a financial liability and is measured based on the value of the net segregated fund assets. Market value movements in the underlying segregated fund net assets along with any investment income earned and expenses incurred are directly attributed to the contractholder. The Company does not present these amounts as revenue in the Consolidated Statements of Operations; however separate audited financial statements are available for each segregated fund.

The Company provides minimum death benefit guarantees and minimum maturity value guarantees. The liability associated with these minimum guarantees is recorded in insurance contract liabilities in the general fund.

The Company earns fee income from segregated funds, which is included in fee income on the Consolidated Statements of Operations.

### 3. CHANGES IN ACCOUNTING POLICIES

New accounting pronouncements issued but not yet effective:

#### **IFRS 9, Financial Instruments**

On July 24, 2014, the International Accounting Standards Board (IASB) issued the complete amended IFRS 9, Financial Instruments to replace IAS 39, Financial Instruments: Recognition and Measurement. The mandatory effective date of IFRS 9 is for annual periods beginning on or after January 1, 2018 and must be applied retrospectively with some exemptions. The restatement of prior periods is not required and is only permitted if information is available without the use of hindsight.

IFRS 9 introduces new requirements for the classification and measurement of financial assets based on the business model in which they are held and the characteristics of their contractual cash flows. It also amends the impairment model by introducing a new 'expected credit loss' model for calculating impairment. The standard also introduces additional changes relating to financial liabilities.

IFRS 9 also includes a new general hedge accounting standard which aligns hedge accounting more closely with risk management. This new standard does not fundamentally change the types of hedging relationships or the requirement to measure and recognize ineffectiveness; however it will provide more hedging strategies that are used for risk management to qualify for hedge accounting and introduce more judgment to assess the effectiveness of a hedging relationship. Special transitional requirements have been set for the application of the new general hedging model.

On September 12, 2016, the IASB issued amendments to IFRS 4, Insurance Contracts, to address accounting mismatches and volatility that may arise in profit or loss in the period between the effective date of IFRS 9 and the new insurance contracts standard, IFRS 17, issued in May 2017. The amendments apply in the same period in which the Company adopts IFRS 17.

The amendments introduce two approaches that may be adopted by insurers in the period between the effective date of IFRS 9, January 1, 2018, and the effective date of IFRS 17, January 1, 2023.

- overlay approach – an option for all issuers of insurance contracts to reclassify amounts between profit or loss and other comprehensive income for eligible financial assets by removing any additional accounting volatility that may arise from applying IFRS 9; and
- temporary exemption – an optional temporary exemption from IFRS 9 for companies whose activities are predominately connected with insurance. This exemption allows an entity to continue to apply existing financial instrument requirements in IAS 39 to all financial assets until the earlier of the application of IFRS 17 or January 1, 2023.

The Company evaluated its liabilities at December 31, 2015, the prescribed date of assessment under the temporary exemption provisions and concluded that all of the liabilities were predominantly connected with insurance. Approximately 91% of the Company's liabilities at December 31, 2015 are liabilities that arise from contracts within the scope of IFRS 17 and approximately 91% of the Company's liabilities at December 31, 2015 are liabilities that arise because the Company issues insurance contracts and fulfils obligations arising from insurance contracts. Additionally, the Company has not previously applied any version of IFRS 9. Therefore, the Company is an eligible insurer that qualifies for optional relief from the application of IFRS 9.

As at January 1, 2018, the Company elected to apply the optional transitional relief under IFRS 4 that permits the deferral of the adoption of IFRS 9 for eligible insurers. The Company will continue to apply IAS 39 until January 1, 2023. See note 4(h) for additional disclosures which enable comparison between the Company and entities that applied IFRS 9 at January 1, 2018.

#### **IFRS 17, Insurance Contracts**

On May 18, 2017, the IASB issued IFRS 17, Insurance Contracts. On June 25, 2020, the IASB issued amendments to IFRS 17 aimed at helping companies implement the standard and to defer the effective date. The new standard is effective for annual periods beginning on or after January 1, 2023. IFRS 17 will replace IFRS 4, Insurance Contracts. This standard introduces consistent accounting for insurance contracts across jurisdictions applying IFRS. The standard requires a company to measure insurance contracts using updated estimates and assumptions that reflect the timing of cash flows and any uncertainty relating to insurance contracts. Additionally, IFRS 17 requires a company to recognize profits as it delivers insurance services, rather than when it receives premiums.

The Company intends to adopt IFRS 17 in its financial statements on the effective date promulgated by the IASB. The extent of the impact of adoption of the standard has not yet been determined.

## 4. INVESTMENTS

(thousands of dollars)

## (a) Carrying and fair values of invested assets

	2020		2019	
	Carrying Value Net of Provisions	Fair Value	Carrying Value Net of Provisions	Fair Value
Cash, cash equivalents and short-term investments	\$ 76,330	\$ 76,330	\$ 36,898	\$ 36,898
Bonds and debentures – AFS	664,118	664,118	574,795	574,795
Bonds and debentures – FVTPL	1,111,277	1,111,277	1,027,676	1,027,676
Equities – AFS	44,362	44,362	32,471	32,471
Equities – FVTPL	960,527	960,527	837,779	837,779
Mortgages	264,041	287,217	230,837	239,940
Private placements	322,510	357,443	255,692	270,362
Seed capital – segregated funds	-	-	424	424
Derivatives	50,565	50,565	26,702	26,702
Loans to policyholders	108,531	108,531	96,229	96,229
Investment property	279,734	279,734	192,150	192,150
	\$ 3,881,995	\$ 3,940,104	\$ 3,311,653	\$ 3,335,426

Valuation techniques used to measure and disclose the fair value of the assets and liabilities are:

Short-term investments are comprised of securities due to mature within one year of the date of purchase. The carrying value of these instruments approximates fair value due to their short-term maturities.

Bonds and debentures are valued by independent pricing vendors using proprietary pricing models, incorporating current market inputs for similar instruments with comparable terms and credit quality (matrix pricing). The significant inputs include, but are not limited to, yield curves, credit risks and spreads, measures of volatility and prepayment rates.

The equity portfolio is comprised of preferred shares; public and private equities; and investment property fund units. Public equities and preferred shares are valued based on quoted market prices. Private equities and investment property fund units have fair values provided by external fund managers.

Mortgages are valued based on a discounted cash flow model using market inputs, including contractual maturities and current market discount rates based on term and property type.

Private placements are valued based on techniques and assumptions which reflect changes in interest rates and creditworthiness of the individual borrower. The valuation also includes an unobservable liquidity adjustment and any applicable provision for credit losses.

Seed capital – segregated funds are based on the market value of the segregated funds.

Derivatives valuations can be affected by changes in interest rates, currency exchange rates, financial indices, credit spreads, default risk (including the counterparties to the contract) and market volatility. Fair values are based on market standard valuation methodologies consistent with what a market participant would use when pricing the instruments.

Loans to policyholders are considered to have fair values equal to their carrying value.

Investment property is supported by market evidence, as assessed by qualified appraisers. All assets are appraised by an external appraiser once every three years, at a minimum, and reviewed quarterly for material changes.

## (b) Provisions for asset defaults

The provisions for impaired assets and the provisions for potential future asset default losses, which include a provision for adverse deviations, reflected as a component of the insurance contract liabilities are \$330,814 (2019 - \$270,760).

## (c) Significant terms and conditions, exposures to interest rate and credit risks on investments

		2020	2019
Bonds and debentures	Term to Maturity	Carrying Value	Carrying Value
Government of Canada	Less than 1 year	\$ -	\$ 18,080
	1 to 5 years	50,236	48,299
	Over 5 years	70,983	48,385
Provincial governments	Less than 1 year	2,617	5,870
	1 to 5 years	50,286	38,384
	Over 5 years	681,648	602,439
Municipal governments	Less than 1 year	-	-
	1 to 5 years	2,199	-
	Over 5 years	17,343	16,650
Corporate	Less than 1 year	31,032	32,294
	1 to 5 years	263,492	281,366
	Over 5 years	596,233	500,103
Foreign governments	Less than 1 year	-	-
	1 to 5 years	-	-
	Over 5 years	9,326	10,601
		\$ 1,775,395	\$ 1,602,471
Mortgages	Less than 1 year	\$ 17,518	\$ 16,201
	1 to 5 years	133,287	90,840
	Over 5 years	113,236	123,796
		\$ 264,041	\$ 230,837
Private placements	Less than 1 year	\$ 4,001	\$ 8,944
	1 to 5 years	58,608	56,544
	Over 5 years	259,901	190,204
		\$ 322,510	\$ 255,692

## (d) Analysis of net investment income

	2020	2019
Cash, cash equivalents and short-term investments	\$ 684	\$ 1,340
Bonds and debentures – fair value changes on FVTPL assets	83,596	73,308
Bonds and debentures – investment income	48,497	45,757
Bonds and debentures – realized gains on AFS assets	6,412	4,689
Equities – fair value changes on FVTPL assets	52,734	85,668
Equities – investment income	23,852	22,930
Equities – realized losses on AFS assets	(248)	(867)
Mortgages	8,714	7,921
Private placements	13,466	11,585
Seed capital – segregated funds	1	44
Derivatives – fair value changes on FVTPL assets	16,246	1,872
Derivatives – investment income	(267)	(141)
Loans to policyholders	6,045	5,096
Investment property – rental income	9,243	9,319
Investment property – fair value changes	4,475	10,496
Other investment income	84	15
Foreign exchange losses	(3)	(2,854)
	273,531	276,178
Investment expenses	(8,156)	(7,073)
Net investment income	\$ 265,375	\$ 269,105

**(e) Derivative financial instruments**

Derivatives are financial contracts, the value of which is derived from underlying interest rates, foreign exchange rates, other financial instruments, commodities prices or indices. The Company may use derivatives including swaps, futures agreements, and options to manage current and anticipated exposures to changes in interest rates, foreign exchange rates, and equity market prices.

Swaps are over-the-counter contractual agreements between the Company and a third party to exchange a series of cash flows based on rates applied to a notional amount. Interest rate swaps are contractual agreements in which two counterparties exchange a fixed or a floating interest rate payment based on the notional amount for a specified period, according to a frequency and denominated in the same currency. Currency swaps are transactions in which two counterparties exchange cash flows of the same nature and denominated in two different currencies.

Futures are contractual obligations to buy or sell a financial instrument, foreign currency or other underlying commodity on a predetermined future date at a specified price. Futures are contracts with standard amounts and settlement dates that are traded on regulated exchanges.

Options are contractual agreements traded on regulated exchanges whereby the holder has the right, but not the obligation, to buy or to sell a financial asset at a predetermined price within a specified time.

The counterparties for the Company's derivative contracts are major Canadian financial institutions highly rated by independent rating agencies. A credit support agreement is in place with a counterparty for collateral held/pledged against the mark to market exposure of the net derivatives. In 2020 the gross collateral held was \$37,788 (2019 - \$24,901).

The notional amount represents an amount to which a rate or price is applied in order to calculate the exchange of cash flows. Positive replacement value represents the amount of loss that the Company would suffer if every counterparty to which the Company is exposed defaulted immediately. Credit equivalent amount represents the positive replacement value plus an amount for possible future credit exposure based on a formula prescribed by OSFI. Risk weighted equivalent represents the regulatory capital required to support the Company's derivative activities. This amount is calculated using the credit equivalent amount weighted according to the creditworthiness of the counterparty as prescribed by OSFI. The fair market value represents the estimated amount that the Company should pay or receive on the Consolidated Statements of Financial Position date to reverse its position.

Certain bonds are pledged as collateral against derivative contract liabilities. As at December 31, 2020, there was nil gross collateral (2019 - \$5,880) pledged to a counterparty.

## 2020

	Term to Maturity (Notional Amounts)				Fair Value			Positive Replacement Value	Credit Equivalent Amount	Risk Weighted Equivalent
	Less				Asset	Liability	Total			
	Than 1 Year	1 to 5 Years	Over 5 Years	Total						
Interest rate contracts										
Swaps	\$ 17,100	\$ 65,393	\$ 85,600	\$ 168,093	\$ 39,635	\$ (1,714)	\$ 37,921	\$ 39,883	\$ 41,494	\$ 2,593
Foreign exchange contracts										
Swaps	\$ 28,678	\$ 3,065	\$ 148,624	\$ 180,367	\$ 10,930	\$ (5,742)	\$ 5,188	\$ 10,977	\$ 22,563	\$ 1,173
Total	\$ 45,778	\$ 68,458	\$ 234,224	\$ 348,460	\$ 50,565	\$ (7,456)	\$ 43,109	\$ 50,860	\$ 64,057	\$ 3,766

## 2019

	Term to Maturity (Notional Amounts)				Fair Value			Positive Replacement Value	Credit Equivalent Amount	Risk Weighted Equivalent
	Less				Asset	Liability	Total			
	Than 1 Year	1 to 5 Years	Over 5 Years	Total						
Interest rate contracts										
Swaps	\$ 14,000	\$ 68,493	\$ 83,100	\$ 165,593	\$ 25,909	\$ (1,735)	\$ 24,174	\$ 26,035	\$ 27,624	\$ 1,726
Foreign exchange contracts										
Swaps	\$ 18,162	\$ 5,687	\$ 66,380	\$ 90,229	\$ 793	\$ (6,852)	\$ (6,059)	\$ 792	\$ 6,236	\$ 353
Total	\$ 32,162	\$ 74,180	\$ 149,480	\$ 255,822	\$ 26,702	\$ (8,587)	\$ 18,115	\$ 26,827	\$ 33,860	\$ 2,079

**(f) Determination of fair values and fair value hierarchy**

The table below sets out fair value measurements using the fair value hierarchy.

	2020			
	Level 1	Level 2	Level 3	Total
Cash, cash equivalents and short-term investments	\$ 76,330	\$ -	\$ -	\$ 76,330
Bonds and debentures	-	1,775,395	-	1,775,395
Equities	942,499	-	62,390	1,004,889
Mortgages	-	-	287,217	287,217
Private placements	-	357,443	-	357,443
Seed capital – segregated funds	-	-	-	-
Derivatives	-	50,565	-	50,565
Loans to policyholders	-	108,531	-	108,531
Investment property	-	-	279,734	279,734
Segregated funds assets	1,472,410	168,303	-	1,640,713
Assets at fair value	\$ 2,491,239	\$ 2,460,237	\$ 629,341	\$ 5,580,817
Derivatives	\$ -	\$ 7,456	\$ -	\$ 7,456
Mortgage loans	-	13,620	-	13,620
Liabilities at fair value	\$ -	\$ 21,076	\$ -	\$ 21,076

	2019			
	Level 1	Level 2	Level 3	Total
Cash, cash equivalents and short-term investments	\$ 36,898	\$ -	\$ -	\$ 36,898
Bonds and debentures	-	1,602,471	-	1,602,471
Equities	818,960	-	51,290	870,250
Mortgages	-	-	239,940	239,940
Private placements	-	270,362	-	270,362
Seed capital – segregated funds	424	-	-	424
Derivatives	-	26,702	-	26,702
Loans to policyholders	-	96,229	-	96,229
Investment property	-	-	192,150	192,150
Segregated funds assets	1,264,488	147,444	-	1,411,932
Assets at fair value	\$ 2,120,770	\$ 2,143,208	\$ 483,380	\$ 4,747,358
Derivatives	\$ -	\$ 8,587	\$ -	\$ 8,587
Mortgage loans	-	2,946	-	2,946
Liabilities at fair value	\$ -	\$ 11,533	\$ -	\$ 11,533

Categorization within the hierarchy has been determined on the basis of the lowest level input that is significant to the fair value measurement of the relevant assets as follows:

Level 1 – valued using quoted prices in active markets for identical assets

Level 2 – valued by reference to valuation techniques using observable inputs other than quoted prices included within Level 1

Level 3 – valued by reference to valuation techniques using inputs that are not based on observable market data

**(g) Investment property**

	2020	2019
Balance, beginning of year	\$ 192,150	\$ 178,332
Acquisitions	81,934	-
Improvements	1,175	3,322
Fair value changes	4,475	10,496
Balance, end of year	\$ 279,734	\$ 192,150

Certain investment properties are encumbered by mortgage loans as discussed in note 10.

**(h) Fair value and change in fair value of financial assets**

The following additional disclosure, required by IFRS 9 for eligible insurers, presents the fair value and the amount of change in the fair value of the Company's financial assets as at and for the year ending December 31, 2020, showing separately the fair value of financial assets with contractual terms that give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding ("SPPI") and the fair value of financial assets that do not give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding ("Non-SPPI"):

	SPPI		Non-SPPI	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
2020				
Bonds and debentures	\$ 1,709,535	\$ 138,575	\$ 65,860	\$ 34,349
Equities	-	-	1,004,889	134,639
Mortgages	287,217	47,277	-	-
Private placements	302,000	46,258	55,443	40,823
Seed capital – segregated funds	-	-	-	(424)
Derivatives	-	-	50,565	23,863
Loans to policyholders	108,531	12,302	-	-
	\$ 2,407,283	\$ 244,412	\$ 1,176,757	\$ 233,250

	SPPI		Non-SPPI	
	Fair Value	Change in Fair Value	Fair Value	Change in Fair Value
2019				
Bonds and debentures	\$ 1,570,960	\$ 322,862	\$ 31,511	\$ (14,718)
Equities	-	-	870,250	125,833
Mortgages	239,940	33,951	-	-
Private placements	255,742	66,867	14,620	(15,562)
Seed capital – segregated funds	-	-	424	44
Derivatives	-	-	26,702	5,749
Loans to policyholders	96,229	15,764	-	-
	\$ 2,162,871	\$ 439,444	\$ 943,507	\$ 101,346

The following additional disclosure, required by IFRS 9 for eligible insurers, presents the credit risk ratings of SPPI financial assets as at December 31, 2020:

	Credit Risk	Carrying Value	% of Total
Credit rating (bonds and debentures, private placements):			
AAA	Low	\$ 152,418	7.6%
AA	Low	785,300	39.0%
A	Low	531,690	26.4%
BBB	Low	530,723	26.4%
BB	Low	1,828	0.1%
CCC	Medium	9,576	0.5%
		\$ 2,011,535	100.0%

None of the mortgages, carrying value \$264,041 (2019 - \$230,837), are impaired. The credit risk for the mortgages is low. Loans to policyholders, carrying value \$108,531 (2019 - \$96,229), do not have credit exposure as the loans are supported by the cash value of the policy.

**5. FINANCIAL RISK MANAGEMENT**

(thousands of dollars)

The primary goals of the Company's financial risk management framework are to ensure that the outcomes of activities involving elements of risk are consistent with the Company's objectives and risk tolerance, and to maintain an appropriate risk/reward balance while protecting the Company's financial position from events with the potential to materially impair its financial strength. Balancing risk and reward is achieved through aligning risk appetite with business strategy, diversifying risk, pricing appropriately for risk, mitigating risk through preventive controls and transferring risk to third parties.

The Company has policies relating to the identification, measurement, monitoring, mitigation, and control of risks associated with financial instruments. The key risks related to financial instruments are credit risk, market risk (equity, real estate, interest rate, currency and preferred shares), and liquidity risk. Enterprise-wide investment portfolio level targets and limits are established to ensure that portfolios are widely diversified across asset classes and individual investment risks. The following sections describe how the Company manages each of these risks.

**(a) Credit risk**

Credit risk is the risk of financial loss resulting from the failure of debtors to make payments of interest and/or principal when due. Equitable Life's policy is to acquire primarily investment-grade assets and minimize undue concentration of assets in any single geographic area, industry or company. Investment guidelines specify minimum and/or maximum limits for each asset class, industry and any individual issuer. Portfolio risk is evaluated using industry standard measurement techniques. Credit risk for bonds, equities and mortgages is determined by recognized external credit rating agencies and/or internal credit reviews. These portfolios are monitored continuously and reviewed regularly with the Senior Credit and Investment Policy Committee of the Board of Directors or the Board itself.



The Company engages in securities lending to generate additional income. The Company's securities custodian is used as the lending agent. Collateral, which exceeds the fair value of the loaned securities, is deposited by the borrower with the lending agent and maintained by the lending agent until the underlying security has been returned. The fair value of the loaned securities is monitored on a daily basis by the lending agent who obtains or refunds additional collateral as the fair value of the loaned securities fluctuates. In addition, the securities lending agent indemnifies the Company against borrower risk, meaning that the lending agent agrees contractually to replace securities not returned due to a borrower default. As at December 31, 2020 the Company had loaned securities, which are included in invested assets, with a fair value of \$578,862 (2019 - \$542,782), and collateral of \$598,528 (2019 - \$556,700).

The Company is exposed to credit risk relating to premiums due from policyholders during the grace period specified by the insurance policy or until the policy is paid up or terminated. Commissions paid to agents and brokers are netted against amounts receivable, if any. Reinsurance is placed with counterparties that have a good credit rating and concentration of credit risk is managed by following policy guidelines set each year by the Board of Directors. Management continuously monitors and performs an annual assessment of the creditworthiness of reinsurers.

#### (i) Maximum exposure to credit risk

The Company's maximum credit exposure related to financial instruments is summarized in the following table. Maximum credit exposure is the carrying value of the asset net of any allowances for losses. Government issued bonds held by the Company are assumed to have no credit exposure. The credit exposure related to universal life linked accounts is passed through to policyholders and therefore not included in the total credit exposure. The credit risk exposure on derivatives is net of collateral from a counterparty. Loans to policyholders do not have credit exposure as the loans are supported by the cash value of the policy.

	2020	2019
Bonds and debentures	\$ 890,757	\$ 813,763
Equities	254,524	211,507
Mortgages	264,041	230,837
Private placements	322,510	255,692
Derivatives	12,778	1,800
Other assets	47,056	52,713
Total Consolidated Statements of Financial Position maximum credit exposure	\$ 1,791,666	\$ 1,566,312

#### (ii) Concentration of credit risk

Concentrations of credit risk arise from exposures to a single debtor, a group of related debtors or groups of debtors that have similar credit risk characteristics in that they operate in the same geographic region or in similar industries. The characteristics are similar in that changes in economic or political environments may impact their ability to meet obligations as they come due.

	2020		2019	
Bonds issued or guaranteed by:				
Canadian federal government	\$ 121,219	6.8%	\$ 114,764	7.2%
Canadian provincial governments	734,551	41.4%	646,693	40.3%
Canadian municipal governments	19,542	1.1%	16,650	1.0%
Foreign governments	9,326	0.5%	10,601	0.7%
Total government bonds	\$ 884,638	49.8%	\$ 788,708	49.2%
Corporate bonds by industry sector:				
Financials	\$ 353,039	19.9%	\$ 309,168	19.3%
Utilities and energy	193,205	10.9%	189,448	11.8%
Industrials	116,241	6.5%	129,935	8.1%
Telecom	38,004	2.2%	25,062	1.6%
Other	190,268	10.7%	160,150	10.0%
Total corporate bonds	\$ 890,757	50.2%	\$ 813,763	50.8%
Total bonds and debentures	\$ 1,775,395	100.0%	\$ 1,602,471	100.0%

#### (iii) Asset quality

The Company's accounting policies for the recording and assessing of impairment are described in note 2. Details concerning the credit quality of financial instruments held and considered impaired or temporarily impaired as at the current statement of financial position date are described in the following sections.

	2020	2019
Bonds and debentures portfolio quality:		
AAA	\$ 152,418	\$ 145,590
AA	785,300	710,538
A	549,331	521,378
BBB	286,518	224,965
BB	1,828	-
Total bonds and debentures	\$ 1,775,395	\$ 1,602,471

The Company provides for credit risk by establishing allowances against the carrying value of impaired loans and recognizing other than temporary impairments on available-for-sale securities in the Consolidated Statements of Operations. In addition, the Company provides for potential future impairments by reducing investment yields assumed in the calculation of policy liabilities. No allowances for impairments were required as at December 31, 2020 or 2019.

**(b) Market risk**

Market risk is the risk of loss arising from adverse changes in market rates and prices. Market risk includes equity risk, real estate risk, interest rate risk, currency risk and preferred share risk.

**(i) Equity risk**

Equity risk is the potential for financial loss arising from declines in equity market prices.

The majority of FVTPL equities are held to back participating or universal life products where investment returns are passed through to policyholders through routine changes in the amount of dividends declared or to the rate of interest credited; in these cases equity market movements are largely offset by changes in actuarial liabilities. Much of the remainder of FVTPL equities are held to back long-term fixed liabilities. In addition, there are products such as segregated funds where the liabilities are affected by movements in equity markets.

Overall, it is estimated the impact on the Company of an immediate 10% increase in equity markets would be an increase in net income of approximately \$19,000 (2019 - \$15,000). The impact of a decrease of 10% would be an estimated decrease in net income of approximately \$19,000 (2019 - \$15,000). The impact of a 35% increase in equity markets would be an increase in net income of approximately \$56,200 (2019 - \$53,100), and the impact of a 35% decrease would be a decrease in net income of approximately \$73,700 (2019 - \$62,200).

**(ii) Real estate risk**

Real estate risk is the potential for financial loss arising from declines in real estate values and potential lease defaults. The impact of a 10% drop in real estate values would be an estimated decrease in net income of approximately \$17,300 (2019 - \$12,800). The impact of a 10% increase in real estate values would be an estimated increase in net income of approximately \$17,300 (2019 - \$12,800).

**(iii) Interest rate risk**

Interest rate risk exists if asset and liability cash flows are not closely matched and interest rates change causing a difference in value between the asset and liability. For asset/liability management purposes, the general fund is divided into segments based on the characteristics of the liabilities the segment supports.

The risk associated with the mismatch in portfolio duration and cash flow, asset prepayment exposure, asset default and the pace of asset acquisition are quantified and reviewed regularly. Projected cash flows from the current assets and liabilities are used to determine the interest rate risk. Cash flows from assets are reduced to provide for potential asset default losses. Testing under several interest rate scenarios (including increasing and decreasing rates) is done to assess reinvestment risk. One way of measuring interest rate risk is to determine the impact on net income of an immediate 1% increase or an immediate 1% decrease in the level of interest rates. These impacts are included in note 9 (b).

Bonds designated as AFS are held in Surplus. Changes in fair value of AFS bonds are recorded in OCI.

**(iv) Currency risk**

Currency risk is the potential for financial loss arising from changes in foreign exchange rates. The Company minimizes currency risk as liabilities are generally matched with assets of the same currency. The impact of a 10% strengthening in the Canadian dollar would be an estimated decrease in net income of approximately \$5,700 (2019 - \$5,000). The impact of a 10% weakening in the Canadian dollar would be an estimated increase in net income of approximately \$5,700 (2019 - \$5,000).

**(v) Preferred share risk**

Preferred share risk is the potential for financial loss arising from declines in the value of preferred shares. The impact of a 10% drop in preferred share values would be an estimated decrease in net income of approximately \$5,600 (2019 - \$5,300). The impact of a 10% increase in preferred share values would be an estimated increase in net income of approximately \$5,600 (2019 - \$5,300).

**(c) Liquidity risk**

Liquidity risk is the risk that the Company will not be able to meet all cash outflow obligations as they come due. A conservative liquidity position is maintained that exceeds all the liabilities payable on demand. The Company's asset/liability management strategy allows it to maintain its financial position by ensuring that sufficient liquid assets are available to cover its potential funding requirements. The Company invests in various types of assets with a view to matching them with its liabilities of various durations. To strengthen its liquidity further, the Company actively manages and monitors its capital and asset levels, the diversification and credit quality of its investments, forecasts cash and maintains liquidity above established targets. In the event of a liquidity crisis, contingency plans are in place.

**(d) Insurance risk**

Insurance risk is the risk of loss due to actual experience differing from the experience assumed when a product was designed and priced with respect to claims, policyholder behaviour and expenses. A variety of assumptions are made related to the future level of claims, policyholder behaviour, expenses and sales levels when products are designed and priced, as well as, in the determination of actuarial liabilities. The development of assumptions for future claims and policyholder behaviour are based on the Company's and industry experience. Such assumptions require a significant amount of professional judgment and therefore, actual experience may be materially different than the assumptions made by the Company. Additional information on insurance risk can be found in note 9 (a).

**6. OTHER ASSETS**

(thousands of dollars)

	2020	2019
Premiums and other receivables	\$ 29,161	\$ 31,881
Due from reinsurers	17,895	20,832
Intangible assets	2,548	3,430
Right-of-use asset	176	378
	\$ 49,780	\$ 56,521

## 7. PROPERTY, PLANT AND EQUIPMENT

(thousands of dollars)

	2020	2019
Cost		
Balance, beginning of year	\$ 33,434	\$ 31,934
Additions	1,160	1,927
Dispositions	(2,418)	(427)
Balance, end of year	\$ 32,176	\$ 33,434
Accumulated depreciation		
Balance, beginning of year	\$ 13,993	\$ 11,919
Depreciation for the year	2,572	2,501
Dispositions	(2,418)	(427)
Balance, end of year	\$ 14,147	\$ 13,993
Net book value	\$ 18,029	\$ 19,441

## 8. EMPLOYEE FUTURE BENEFITS

(thousands of dollars)

Equitable Life maintains a defined contribution plan, providing pension benefits to eligible employees. The assets of the plan are held separately from those of the Company in funds under the control of trustees. The total cost recognized for the defined contribution plan is \$3,101 (2019 - \$2,884). These amounts are not included in the pension benefits information below.

The Company also provides defined benefit pension and other post-employment benefits to eligible employees. The defined benefit plan assets for the staff plan are held in a fund that is legally separated from the Company. The Company has adopted a funding policy to make the minimum required contributions as required by law or such greater amount as may be deemed appropriate. Total cash payments for employee future benefits for 2020, consisting of cash contributed by the Company to its funded pension plan and cash payments directly to beneficiaries for other benefits, were \$2,123 (2019 - \$2,722).

## (a) Information about the Company's defined benefit pension, defined contribution pension, and other post-employment benefits

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Accrued benefit obligation				
Balance, beginning of year	\$ 111,996	\$ 99,844	\$ 8,944	\$ 7,970
Current service cost - employer	2,376	2,075	-	-
Current service cost - employee	645	757	-	-
Interest cost	3,575	4,011	282	309
Benefits paid	(9,103)	(4,115)	(554)	(517)
Actuarial loss from changes in demographic assumptions	8	-	-	-
Actuarial loss from changes in plan experience	8,536	3,436	-	-
Actuarial loss from changes in financial assumptions	15,602	5,988	735	1,182
Balance, end of year	\$ 133,635	\$ 111,996	\$ 9,407	\$ 8,944
Fair value of assets				
Balance, beginning of year	\$ 102,548	\$ 94,303	\$ -	\$ -
Actual return on assets	6,638	9,398	-	-
Employer contributions	1,569	2,205	554	517
Employee contributions	645	757	-	-
Benefits paid	(9,103)	(4,115)	(554)	(517)
Balance, end of year	\$ 102,297	\$ 102,548	\$ -	\$ -
Fair value of assets	\$ 102,297	\$ 102,548	\$ -	\$ -
Accrued benefit obligation	133,635	111,996	9,407	8,944
Net accrued benefit obligation	\$ (31,338)	\$ (9,448)	\$ (9,407)	\$ (8,944)

## Composition of fair value of pension benefits assets

	2020	2019
Bonds	\$ 54,797	\$ 56,080
Beutel Goodman Canadian Equity Fund	13,523	13,292
BentallGreenOak Prime Canadian Property Fund Ltd	8,774	8,952
Beutel Goodman International Equity Fund	7,816	7,808
Beutel Goodman American Equity Fund	8,635	7,535
Private placements	4,681	4,756
Amounts on deposit with the Receiver General of Canada	1,977	1,931
MFS Balanced Fund	1,159	1,203
Accrued investment income	496	558
Cash	439	433
<b>Total plan assets</b>	<b>\$ 102,297</b>	<b>\$ 102,548</b>

The fair value of plan assets are determined on the same basis as disclosed in note 4 (a). The bond portfolio is invested in both corporate and government bonds with ratings that range from BBB to AAA. At each reporting date, the investment mix of the plan assets are reviewed and compared to the target mix. The target mix has been established in order to balance interest rate risk, equity risk and longevity risk.

The defined benefit plan has two separate investment mandates:

**(i) Rate of return mandate**

The rate of return assets fund the future benefit obligations for Pension Fund members, including consideration for future compensation and future service for active Pension Fund members. The rate of return assets are invested within the following guidelines:

Asset categories	Minimum	Benchmark	Maximum
Canadian equities	38%	54%	70%
U.S. equities	9%	22%	35%
International equities	12%	24%	36%

**(ii) Liability driven mandate**

The liability driven assets fund the accrued benefit obligations for Pension Fund members. The liability driven asset strategy was selected to enhance management of the defined benefit fund assets in relation to the pension obligations, which is expected to result in a closer matching of the Pension Fund's assets to its pension liabilities. The liability driven assets are invested within the following guidelines:

Asset categories	Minimum	Benchmark	Maximum
Cash	0%	1%	20%
Fixed income	50%	82%	95%
Investment property	5%	17%	30%

**(b) Net accrued benefit obligation included in the Consolidated Statements of Financial Position**

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Other liabilities	\$ 31,338	\$ 9,448	\$ 9,407	\$ 8,944

**(c) Net benefit plan expense**

	Pension Benefits		Other Benefits	
	2020	2019	2020	2019
Current service cost - employer	\$ 2,376	\$ 2,075	\$ -	\$ -
Current service cost - administration costs	363	306	-	-
Interest cost	354	262	282	309
	<b>\$ 3,093</b>	<b>\$ 2,643</b>	<b>\$ 282</b>	<b>\$ 309</b>

**(d) Significant actuarial assumptions adopted in measuring the Company's accrued benefit obligation**

	2020	2019
Discount rate used to determine accrued benefit obligation	2.55%	3.25%
Discount rate used to determine net benefit cost	3.25%	4.00%
Rate of compensation increase	3.00%	3.00%

The assumed health care trend rate used in measuring the accrued benefit obligation in 2020 was 5.25% until 2023 decreasing to 3.57% in 2040. The assumed dental care trend rate used in measuring the accrued benefit obligation in 2020 was 3.00% until 2023, increasing to 3.57% in 2040.

**(e) Sensitivity analysis**

Sensitivity to changes in actuarial assumptions would have the following effect on the accrued benefit obligation as at December 31, 2020:

	Pension Benefits	Other Benefits
2.30% discount rate (instead of 2.55%)	\$ 6,267	\$ 288
1.75% inflation rate (instead of 2.00%) and salary rate reduced by 0.25%	1,564	Included below*
1.00% increase in health and dental care trend rates	N/A	1,242*

**9. POLICY LIABILITIES**

(thousands of dollars)

**(a) Policy assumptions**

The nature and method of determining the significant assumptions made by the Company in the computation of policy liabilities are described in the following paragraphs. In all cases, the assumptions are supplemented by the addition of margins for adverse deviation.

**Policy claims and benefits**

Estimates of the amounts and timing of future claims and benefit payments are updated regularly based on Company and industry experience.

**Policy lapse rates**

Policyholders may allow their policies to lapse by choosing not to continue to pay premiums. The Company bases its estimate of future lapse rates on previous experience for a block of policies and industry experience where available. A block of policies is considered to be lapse-supported if an increase in ultimate lapse rates significantly increases profitability.

**Investment income**

The computation of policy liabilities takes into account projected net investment income on assets supporting policy liabilities and income expected to be earned or foregone on reinvestments or financing of mismatched cash flows. Uncertainties exist with respect to the projections of interest rates and the magnitude of credit losses from asset defaults. The Company accounts for such uncertainties by projecting multiple scenarios of future reinvestment rates, selecting an adverse scenario for use in the valuation and by incorporating provisions for credit losses into projections of net investment income (in addition to the allowances for impairment applied as direct reductions to the carrying values of the invested assets).

**Policy maintenance expenses**

Amounts are included in policy liabilities to provide for the costs of administering policies in-force and include the costs of premium collection, adjudication and processing of claims, periodic actuarial valuations, certain policyholder related taxes, preparation and mailing of policy statements, related indirect expenses and overhead. The process of forecasting expenses requires estimates to be made of such factors as salary rate increases, productivity changes, inflation, business volumes and indirect tax rates. Estimates of future policy maintenance expenses are based on the Company's experience.

**Policyholder dividends**

Policy liabilities include estimated future policyholder dividends which reflect the expectation that future dividends will be adjusted to take into account future experience attributable to participating policies. Actual future dividends will be higher or lower than those used in determining the policy liabilities depending on future experience.

**(b) Sensitivity to assumptions**

The sensitivity of two key assumptions is shown below.

**Policy lapse rates**

For lapse-supported policies in-force at December 31, 2020 a 10% decrease in all future lapse rates would decrease net income by approximately \$22,200 (2019 - \$19,600). For non-lapse-supported policies in-force at December 31, 2020, a 10% increase in all future lapse rates would decrease net income by approximately \$87,800 (2019 - \$81,200).

**Interest rates**

The Company manages its sensitivity to interest rate changes by being well-matched in terms of its asset and liability cash flows. A 1% increase in the general level of interest rates would increase net income by approximately \$6,100 (2019 - \$3,600). A 1% decrease would reduce net income by approximately \$8,100 (2019 - \$6,800).

**(c) Composition of insurance contract liabilities**

	2020	2019
Annuity contracts	\$ 582,158	\$ 565,882
Life insurance contracts	1,935,949	1,587,142
Health insurance contracts	402,823	311,952
Total insurance contract liabilities	\$ 2,920,930	\$ 2,464,976

## (d) Change in policy liabilities

2020	Insurance contract liabilities	Reinsurers' share of		Other contract liabilities	Net policy liabilities
		insurance contract liabilities	insurance contract liabilities		
Balance, beginning of year	\$ 2,464,976	\$ 264,129		\$ 194,675	\$ 2,395,522
New policies	(149,686)	16,545		14,091	(152,140)
Change in balances on in-force policies	664,756	118,587		10,619	556,788
Method and assumption changes	(59,116)	(18,350)		-	(40,766)
Balance, end of year	\$ 2,920,930	\$ 380,911		\$ 219,385	\$ 2,759,404

2019	Insurance contract liabilities	Reinsurers' share of		Other contract liabilities	Net policy liabilities
		insurance contract liabilities	insurance contract liabilities		
Balance, beginning of year	\$ 2,039,163	\$ 221,283		\$ 164,637	\$ 1,982,517
New policies	(48,112)	28,188		2,549	(73,751)
Change in balances on in-force policies	500,039	41,594		27,489	485,934
Method and assumption changes	(26,114)	(26,936)		-	822
Balance, end of year	\$ 2,464,976	\$ 264,129		\$ 194,675	\$ 2,395,522

Valuation assumptions are reviewed and updated annually. Changes in assumptions can increase (decrease) policy liabilities. The most significant assumption changes are set out in the table below.

	2020	2019
Lapse	\$ 74,429	\$ 1,463
Expense	(8,435)	(9,445)
Mortality/morbidity	(23,532)	(5,836)
Investment	(92,294)	14,640
Modeling refinements and other	9,066	-
Total method and assumption changes	\$ (40,766)	\$ 822

## (e) Composition of assets supporting liabilities and surplus

2020	Individual Insurance	Savings and Retirement	Group Benefits	Surplus	Total
Bonds and debentures	\$ 604,484	\$ 321,782	\$ 147,553	\$ 701,576	\$ 1,775,395
Equities	748,146	130,556	15,235	110,952	1,004,889
Mortgages	91,240	46,445	28,569	97,787	264,041
Private placements	99,511	164,844	12,767	45,388	322,510
Seed capital – segregated funds	-	-	-	-	-
Derivatives	42,318	(1,017)	466	8,798	50,565
Loans to policyholders	108,531	-	-	-	108,531
Investment property	161,686	33,568	-	84,480	279,734
Reinsurers' share of insurance contract liabilities	204,494	-	176,417	-	380,911
Other	39,376	3,670	20,971	96,648	160,665
Total	\$ 2,099,786	\$ 699,848	\$ 401,978	\$ 1,145,629	\$ 4,347,241

2019	Individual Insurance	Savings and Retirement	Group Benefits	Surplus	Total
Bonds and debentures	\$ 511,591	\$ 343,151	\$ 126,171	\$ 621,558	\$ 1,602,471
Equities	647,889	120,540	11,705	90,116	870,250
Mortgages	84,836	35,872	23,219	86,910	230,837
Private placements	66,385	148,628	6,850	33,829	255,692
Seed capital – segregated funds	-	-	-	424	424
Derivatives	23,613	(4,229)	-	7,318	26,702
Loans to policyholders	96,229	-	-	-	96,229
Investment property	119,133	25,364	-	47,653	192,150
Reinsurers' share of insurance contract liabilities	120,630	-	143,499	-	264,129
Other	39,266	3,782	14,007	69,806	126,861
Total	\$ 1,709,572	\$ 673,108	\$ 325,451	\$ 957,614	\$ 3,665,745

## 10. MORTGAGE LOANS

(thousands of dollars)

The mortgage loan of \$13,620 bears interest at 2.7% with maturity in 2029. This mortgage loan is secured by investment property with a carrying value of \$29,256.

	2020	2019
Balance, beginning of year	\$ 2,946	\$ 3,149
Cash flows	10,674	(203)
Balance, end of year	\$ 13,620	\$ 2,946

The repayment of the mortgage loan over the next five years will be:

2021	2022	2023	2024	2025
\$455	\$468	\$482	\$496	\$511

The interest expense on the mortgage loan was \$146 (2019 - \$185). The fair value of the mortgage loan is \$13,620 (2019 - \$2,946). The fair value is estimated based on the present value of future cash flows discounted at current market rates of interest for loans of similar term and quality.

## 11. INCOME TAXES

(thousands of dollars)

**(a) Income tax expense**

Components of income tax expense included in the Consolidated Statements of Operations and Comprehensive Income are:

	2020	2019
Current taxes on income for the reporting period	\$ 44,469	\$ 25,378
Current taxes referring to previous periods	(892)	-
Current income taxes	\$ 43,577	\$ 25,378
Origination and reversal of temporary differences	\$ 683	\$ 1,995
Impact of change in tax rates	(15)	(381)
Prior year reversal of temporary differences	892	-
Deferred income taxes	\$ 1,560	\$ 1,614
Total income tax expense reported in net income	\$ 45,137	\$ 26,992
Income tax recognized on unrealized gain on AFS assets	\$ 9,912	\$ 6,422
Income tax recognized on reclassification from OCI to net income on AFS assets	(1,640)	(1,034)
Income tax recognized on remeasurement of pension and other post-employment plans	(5,493)	(1,210)
Total income tax expense reported in OCI	\$ 2,779	\$ 4,178

**(b) Reconciliation of income tax expense and income tax rates**

	2020		2019	
Provision for income taxes at statutory rates	\$ 51,977	26.22%	\$ 36,328	26.73%
Decrease in tax due to:				
Tax exempt investment income	(7,031)	(3.55)%	(9,579)	(7.05)%
Other	191	0.10%	243	0.18%
Income tax expense and effective income tax rate	\$ 45,137	22.77%	\$ 26,992	19.86%

**(c) Deferred income taxes**

(i) The Company's deferred income tax liabilities arise from temporary differences on the following items:

	2020	2019
Loans to policyholders	\$ 26,211	\$ 22,787
Investment property	16,490	14,458
Insurance and investment contract liabilities	(27,138)	(23,632)
Employee future benefits	1,094	1,419
Other comprehensive income related to employee future benefits	(11,698)	(6,205)
Other	3,027	3,092
	\$ 7,986	\$ 11,919

(ii) Reconciliation of deferred income tax liability:

	2020	2019
Balance, beginning of year	\$ 11,919	\$ 11,515
Tax expense during the period recognized in net income	1,560	1,614
Tax recovery during the period recognized in OCI	(5,493)	(1,210)
Balance, end of year	\$ 7,986	\$ 11,919

## 12. CONTINGENT LIABILITIES

From time to time in connection with its operations, the Company and its subsidiaries are named as defendants in actions for damages and costs allegedly sustained by the plaintiffs. While it is not possible to estimate the outcome of the various proceedings at this time, such actions have generally been resolved with minimal damages or expense in excess of amounts accrued. The Company does not believe that it will incur any significant additional loss or expense in connection with such actions.

## 13. LINE OF BUSINESS INFORMATION

(thousands of dollars)

The Company operates in various lines of business, each offering different products and services to meet clients' needs. The Individual Insurance line of business provides participating whole life and universal life insurance products, non-participating term products and critical illness products. The Savings and Retirement line of business provides individual savings and annuity products as well as administration and management of the segregated funds. The Group Benefits line of business provides group life, dental, prescription drug, long- and short-term disability, accidental death and dismemberment and supplemental health care insurance and administrative services. The Surplus line of business manages assets not required to back liabilities in the above three lines of business.

	Individual Insurance	Savings and Retirement	Group Benefits	Surplus	Total
<b>2020</b>					
Revenues					
Net premiums	\$ 703,851	\$ 57,397	\$ 321,898	\$ -	\$ 1,083,146
Net investment income	174,575	47,828	12,366	30,606	265,375
Fee income	8,678	33,423	6,192	149	48,442
Total revenues	\$ 887,104	\$ 138,648	\$ 340,456	\$ 30,755	\$ 1,396,963
Net income	\$ 114,643	\$ 7,315	\$ 12,993	\$ 18,146	\$ 153,097
Total general fund assets	\$ 2,099,786	\$ 699,848	\$ 401,978	\$ 1,145,629	\$ 4,347,241
<b>2019</b>					
Revenues					
Net premiums	\$ 592,839	\$ 107,198	\$ 327,786	\$ -	\$ 1,027,823
Net investment income	187,336	35,058	7,740	38,971	269,105
Fee income	8,044	30,700	6,768	153	45,665
Total revenues	\$ 788,219	\$ 172,956	\$ 342,294	\$ 39,124	\$ 1,342,593
Net income	\$ 68,062	\$ 6,533	\$ 8,788	\$ 25,531	\$ 108,914
Total general fund assets	\$ 1,709,572	\$ 673,108	\$ 325,451	\$ 957,614	\$ 3,665,745

## 14. CAPITAL ADEQUACY

(thousands of dollars)

Equitable Life is subject to regulation by OSFI, which prescribes guidelines requiring the Company to maintain levels of capital which are dependent on the type and amount of policies and contracts in-force and the nature of the Company's assets. The minimum levels of capital are calculated in accordance with the Life Insurance Capital Adequacy Test (LICAT) issued by OSFI.

At December 31, 2020, the Company's Total LICAT Ratio was 166%, which is well in excess of the minimum level required by OSFI. This ratio indicates a strong capital position.

	2020	2019
Tier 1 capital	\$ 703,855	\$ 583,667
Tier 2 capital	350,339	309,675
Available capital	\$ 1,054,194	\$ 893,342
Surplus allowance and eligible deposits	\$ 760,493	\$ 721,826
Base solvency buffer	\$ 1,095,461	\$ 1,040,904
Total Ratio	166%	155%
Core Ratio	113%	105%



## 15. RELATED PARTIES

(thousands of dollars)

(a) The Company has related party transactions with The Group Pension Fund for the Employees of The Equitable Life Insurance Company of Canada, a defined benefit and defined contribution pension plan for eligible employees. The Company provides fund management and administration services to the defined benefit pension plan. During the year the pension plan was charged \$196 (2019 - \$183) for these services. Included in the segregated funds of the Company are \$99,157 (2019 - \$99,401) invested in a separate segregated fund on behalf of The Group Pension Fund for the Employees of The Equitable Life Insurance Company of Canada.

(b) Key management personnel, which includes Senior Management and the Board of Directors, are considered related parties. Transactions with these related parties are outlined below.

### (i) Senior Management

The Human Resources and Compensation Committee ("HRCC") of the Board of Directors ("Board") annually reviews and recommends to the Board the compensation program for Senior Management. All members of the HRCC are independent.

As part of the review, an independent third party consultant is engaged to provide market data and analysis on comparable positions within the Insurance industry. This information is taken into consideration in determining the annual base salary and incentive compensation programs.

Total Senior Management compensation for 2020 was \$12,529 (2019 - \$12,150). The compensation program consists of five components: base salary, short term incentive plan, long term incentive plan, post-employment benefits and other benefits. Each component is addressed below.

Short term compensation in 2020 of \$7,449 (2019 - \$6,739) is comprised of:

- Base salary is paid bi-weekly. It is reviewed annually through an analysis of third party market data, performance of the incumbent and the overall projected salary administration program for the organization. All items related to Senior Management base salary including changes are reviewed by the HRCC and subject to approval by the Board.
- The short term incentive plan is an annual bonus program which compensates employees a percentage of their base salary based on the achievement of full year results as compared to pre-approved targets and goals. Pre-approved targets relating to earnings, sales, net growth and expenses are incorporated into the business plan, which is set and approved by the Board annually. Individual performance is also considered. Upon approval of the financial results by the Board the HRCC reviews and recommends the payment of the annual incentive plan. This recommendation is subject to approval by the Board.
- Other benefits include automobile allowances and government remittances (CPP, EI and EHT). All other benefits are reviewed and recommended by the HRCC, and subject to approval by the Board.

Long term compensation in 2020 of \$3,693 (2019 - \$4,066) is comprised of:

- The long term incentive plan is awarded annually based on the Company's performance as it relates to profitability and net growth. The historical three-year averages of return on equity and net growth are compared to the averages projected at the commencement of the period. Upon approval of the financial results by the Board the HRCC reviews and recommends the payment of the annual incentive plan. This recommendation is subject to approval by the Board.

Post-employment benefits in 2020 of \$1,387 (2019 - \$1,345) is comprised of pension and health and dental benefits.

All members of Senior Management are participating policyholders of the Company. All policies were paid for by the individual using their own resources and receive dividends at levels consistent with all other participating policyholders.

### (ii) Board of Directors

Total Board of Directors compensation for 2020 was \$878 (2019 - \$688).

Compensation paid to the Board is governed by the Company's By-laws which are approved by policyholders. By-law 46 limits the aggregate amount to be paid to all directors who are not full-time employees to \$1,000. The By-law was last approved by policyholders at the Annual and Special Meeting in May 2019.

All Directors are participating policyholders of the Company. All policies were paid for by the individual using their own resources and receive dividends at levels consistent with all other participating policyholders.

## 16. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the presentation adopted in the current year.

## 17. COVID-19 IMPACT

On March 11, 2020, the World Health Organization declared the Coronavirus (COVID-19) outbreak a pandemic. This has resulted in significant financial, market and societal impacts in Canada and around the world.

During the year, the Company has experienced the following in relation to the pandemic:

- Volatility in equity markets resulting in temporary declines in the fair value of investments and investment income
- Declines in interest rates which have impacted the value of investment holdings and the valuation of actuarial liabilities
- Mandatory working from home requirements for those able to do so during lockdown periods

Based on our experience to date, the impact on our business and financial statements has not been material. If applicable, financial statements are required to be adjusted for events occurring between the date of the financial statements and the date of the auditors' report to provide additional evidence relating to conditions that existed as at year end. No adjustments were necessary.

The ultimate duration and magnitude of the COVID-19 pandemic's impact on the Company's operations and financial position is not known at this time.



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Canada  
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## INDEPENDENT AUDITORS' REPORT

To the Board of Directors of The Equitable Life Insurance Company of Canada, the Superintendent of Financial Institutions Canada, and the Provincial Superintendents of Financial Institutions/Insurance

### ***Opinion***

We have audited the consolidated financial statements of The Equitable Life Insurance Company of Canada (the "Company"), which comprise:

- the consolidated statement of assets as at December 31, 2020
- the consolidated statement of liabilities, policyholders'/shareholders' equity and head office account as at December 31, 2020
- the consolidated statement of income for the year then ended
- the consolidated statement of equity in participating account and non-participating account for the year then ended
- the consolidated statement of comprehensive income(loss), and accumulated other comprehensive income (loss) for the year then ended
- the consolidated statement of cash flows for the year then ended
- the consolidated statement of changes in equity for the year then ended

on pages 20.010 through 20.054 of the Company's Life Quarterly Return and pages 20.050, 20.060 and 60.010 of the Company's Life Annual Supplement, which includes the notes to the consolidated financial statements, including a summary of significant accounting policies (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards (IFRS).



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***Basis for Opinion***

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the ***Auditors' Responsibilities for the Audit of the Financial Statements*** section of our auditors' report.

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

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

***Other Matter – Unaudited Information***

We have not audited the schedules and exhibits except for those on pages 20.010 through 20.054 of the Company's Life Quarterly Return and those on pages 20.050, 20.060 and 60.010 of the Company's Life Annual Supplement. Accordingly, we do not express an opinion on schedules and exhibits on other pages of the Company's Life Quarterly Return and Life Annual Supplement.

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

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

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

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

***Auditors' Responsibilities for the Audit of the Financial Statements***

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

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



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

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

We also:

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

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

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



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- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company and its subsidiaries to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

*KPMG LLP*

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Chartered Professional Accountants, Licensed Public Accountants

Waterloo, Canada  
February 8, 2021

**CONSOLIDATED**

**APPOINTED ACTUARY'S REPORT**

**Opinion of the Appointed Actuary**

I have valued the policy liabilities and reinsurance assets of The Equitable Life Insurance Company of Canada for its Consolidated Statements of Financial Position at December 31, 2020, and their changes in the Consolidated Statements of Operations for the year then ended in accordance with accepted actuarial practice in Canada, including selection of appropriate assumptions and methods.

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



Phillip K. Watson, FSA, FCIA, CQF

Fellow, Canadian Institute of Actuaries

Dated: Feb 5, 2021

CONSOLIDATED

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

	Fair Value Through Profit or Loss (FVTPL)	Fair Value Through Other Comprehensive Income (FVOCI)	Fair Value Hedges (FV)	Cash Flow Hedges	Fair Value Option*/ Investment Properties Fair Value	Amortized Cost	Balance Sheet Value Col. 11+16+21+26+31+36	Provisions including Expected Credit Loss (ECL)					Impaired Amount (Before Provisions)	Market Value of Column (36)	Balance Sheet Value of Assets Used to Back Index Linked Products	
								Individual Provisions	Collective Impairment Provisions	Stage I	Stage II	Stage III				Total
	(11)	(16)	(21)	(26)	(31)	(36)	(40)	(46)	(51)	(52)	(53)	(54)	(55)	(56)	(60)	(70)
Short Term Investments	010						0						0			
<b>Bonds and Debentures</b>																
Government																
Investment Grade	040	331,490			533,606		865,096						0		2,269	
Below Investment Grade	060						0						0			
Municipal, Public Authority,																
Schools																
Investment Grade	140	8,079			11,463		19,542						0			
Below Investment Grade	160						0						0			
Corporate - Public:																
Investment Grade	210	324,549			564,380		888,929						0			
Below Investment Grade	230						1,828						0			
Corporate -Private:																
Investment Grade	410					314,947	314,947						0		345,598	
Below Investment Grade	430					7,563	7,563						0		9,576	
<b>Total Bonds and Debentures</b>	479	664,118	0	0	1,111,277	322,510	2,097,905	0	0	0	0	0	0	0	357,443	
Mortgage Loans	500					264,041	264,041	0	0				0		287,217	
Preferred Shares																
Fixed Term	520	44,362			210,162		254,524						0			
Equity Preferred	560						0						0			
<b>Total Preferred Shares</b>	599	44,362	0	0	210,162	0	254,524	0		0	0	0	0	0	0	
<b>Total Common Shares</b>	659				750,365		750,365						0			523,237
<b>Total Shares</b>	679	44,362	0	0	960,527	0	1,004,889	0	0	0	0	0	0	0	0	523,237
<b>Total Investment Properties</b>	759				279,734		279,734	0	0				0			
Interests in Associates																
& Joint Ventures	800						0	0	0				0			
Other Loans and Invested Assets	870						0						0			
<b>Grand Total</b>	889	708,480	0	0	2,351,538	586,551	3,646,569	0	0	0	0	0	0	0	644,660	523,237

\* Assets designated as FVTPL

\*\* Investments are vested in trust for Foreign Insurers/Societies.



CONSOLIDATED

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

	Provisions Prior Period End	Movement Current Period			Foreign Currency and Other Adjustments	Provisions Current Period End (Including ECL)					Total Provisions Current Period End	Current Period Additional Writedowns	Reversal of previous Impairment Charges
		Increase	Decrease	Total (Col 33-35)		Collective	Individual	Stage I	Stage II	Stage III			
	(10)	(33)	(35)	(40)	(46)	(51)	(56)	(57)	(58)	(59)	(60)	(71)	(76)
Bonds & Debentures 110	0			0							0		
Mortgage Loans 210	0			0							0		
Real Estate 510	0			0							0		
Interests in Associates & Joint Ventures 610	0			0							0		
Other Loans and Invested Assets 710	0			0							0		
Total 889	0	0	0	0	0	0	0	0	0	0	0	0	

Total Valuation Provision for Asset Default Included in Actuarial Liabilities 949	(10) 270,760	(40)	(60) 330,814
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\* Investments are vested in trust for Foreign Insurers/Societies.

CONSOLIDATED

CORPORATE INVESTMENTS BY SECTOR  
Bonds, Preferred and Common Shares

Sector*		(\$'000)							
		Bonds & Debentures		Preferred Shares		Common Shares		Total	
		Balance Sheet Value	Market Value	Balance Sheet Value	Market Value	Balance Sheet Value	Market Value	Balance Sheet Value	Market Value
		(01)	(06)	(21)	(26)	(31)	(36)	Col. 01+21+31 (40)	Col. 06+26+36 (50)
<b>Bloomberg/(GICS)</b>									
<b>Energy</b>									
Canada	011	255,748	263,447	23,754	23,754			279,502	287,201
U.S.A.	012	18,293	19,052					18,293	19,052
Other	030							0	0
<b>Total</b>	049	274,041	282,499	23,754	23,754	0	0	297,795	306,253
<b>Basic Materials/(Materials)</b>									
Canada	061							0	0
U.S.A.	062							0	0
Other	080							0	0
<b>Total</b>	099	0	0	0	0	0	0	0	0
<b>Industrial</b>									
Canada	111	35,117	36,415	4,668	4,668			39,785	41,083
U.S.A.	112	8,912	9,813					8,912	9,813
Other	130							0	0
<b>Total</b>	149	44,029	46,228	4,668	4,668	0	0	48,697	50,896
<b>Consumer Cyclical/(Discretionary)</b>									
Canada	161	48,963	48,963					48,963	48,963
U.S.A.	162	10,536	10,536					10,536	10,536
Other	180							0	0
<b>Total</b>	199	59,499	59,499	0	0	0	0	59,499	59,499
<b>Consumer Non-Cyclical/(Staples)</b>									
Canada	211							0	0
U.S.A.	212							0	0
Other	230							0	0
<b>Total</b>	249	0	0	0	0	0	0	0	0
<b>Diversified/(Health Care)</b>									
Canada	261	26,626	26,626					26,626	26,626
U.S.A.	262							0	0
Other	280							0	0
<b>Total</b>	299	26,626	26,626	0	0	0	0	26,626	26,626
<b>Financial</b>									
Canada	311	437,325	444,168	220,719	220,719			658,044	664,887
U.S.A.	312	69,346	77,385					69,346	77,385
Other	330					175	175	175	175
<b>Total</b>	349	506,671	521,553	220,719	220,719	175	175	727,565	742,447
<b>Technology/(Information Technology)</b>									
Canada	361							0	0
U.S.A.	362							0	0
Other	380							0	0
<b>Total</b>	399	0	0	0	0	0	0	0	0
<b>Communications/(Telecommunications)</b>									
Canada	411	38,004	38,004	795	795			38,799	38,799
U.S.A.	412	6,366	6,251					6,366	6,251
Other	430							0	0
<b>Total</b>	449	44,370	44,255	795	795	0	0	45,165	45,050
<b>Utilities</b>									
Canada	461							0	0
U.S.A.	462							0	0
Other	480							0	0
<b>Total</b>	499	0	0	0	0	0	0	0	0
<b>Other</b>									
Canada	511	233,348	240,611	4,588	4,588	545,189	545,189	783,125	790,388
U.S.A.	512	24,683	26,929			205,001	205,001	229,684	231,930
Other	530							0	0
<b>Total</b>	549	258,031	267,540	4,588	4,588	750,190	750,190	1,012,809	1,022,318
<b>Total - All Sectors</b>									
Canada	819	1,075,131	1,098,234	254,524	254,524	545,189	545,189	1,874,844	1,897,947
U.S.A.	829	138,136	149,966	0	0	205,001	205,001	343,137	354,967
Other	889	0	0	0	0	175	175	175	175
<b>Total</b>	899	1,213,267	1,248,200	254,524	254,524	750,365	750,365	2,218,156	2,253,089

\* Sector based on either the Bloomberg or GICS Sector Classification System. Specify Classification System Used

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

**CONSOLIDATED****SIGNIFICANT EXPOSURES  
by Group of Companies\*  
(\$'000)**

Name of Group (01)	Name of Company (02)	Bonds and Debentures (06)	Mortgage Loans (11)	Preferred Shares (16)	Common Shares (26)	Other Loans and Investments (31)	Reinsurance Ceded (36)
BANK OF MONTREAL	BANK OF MONTREAL	41,017		18,770	0		
CANADA GOVERNMENT	CANADA GOVERNMENT	59,586		0	0		
CANADA HOUSING TRUST	CANADA GOVERNMENT	54,158		0	0		
PSP CAPITAL INC	CANADA GOVERNMENT	7,476		0	0		
RCMP	CANADA GOVERNMENT	2,037		0	0		
FRANKLIN	FRANKLIN	0		0	310,736		
ISHARES	ISHARES	0		0	102,287		
ISHARES CORE S-P 500 INDEX ETF	ISHARES CORE S-P 500 INDEX ETF	0		0	60,871		
MANITOBA PROVINCE	MANITOBA PROVINCE	54,874		0	0		
HAMILTON HEALTH SCIENCES CORP	ONTARIO PROV	6,420		0	0		
ONTARIO HYDRO	ONTARIO PROV	15,177		0	0		
ONTARIO PROV	ONTARIO PROV	158,934		0	0		
ONTARIO STRATEGIC INFRA	ONTARIO PROV	3,212		0	0		
OPB FINANCE TRUST	ONTARIO PROV	12,538		0	0		
TRILLIUM HEALTH PARTNERS	ONTARIO PROV	8,953		0	0		
GREAT-WEST LIFECO	POWER CORP OF CANADA	3,996		21,901	0		
IGM FINANCIAL INC	POWER CORP OF CANADA	4,327		0	0		
POWER CORP OF CANADA	POWER CORP OF CANADA	1,260		8,613	0		
POWER FINANCIAL CORP	POWER CORP OF CANADA	0		23,472	0		
FINANCEMENT QUEBEC	QUEBEC PROVINCE	2,843		0	0		
QUEBEC HYDRO	QUEBEC PROVINCE	212,698		0	0		
QUEBEC PROVINCE	QUEBEC PROVINCE	104,263		0	0		
ROYAL BANK OF CANADA	ROYAL BANK OF CANADA	48,889		23,032	0		
SPDR S&P 500	SPDR S&P 500	0		0	62,632		
TD CAPITAL TRUST	TORONTO DOMINION BANK	1,087		0	0		
TORONTO DOMINION BANK	TORONTO DOMINION BANK	19,683		31,143	0		
MUNICH RE	MUNICH RE						186,349
RGA	RGA						141,304
<b>Total</b>		899	0	126,931	536,526	0	327,653

\* Exposures to individual corporations or a group of related companies where the total amount invested, advanced and/or reinsured exceeds 5% of the insurer's/society's equity (2.5% for Quebec) for canadian insurers/societies or exceeds the greater of 5% of the Head Office Account or \$500,000 for foreign insurers/societies. Life (2020)  
Include investments in and loans to controlling shareholders, whether individuals or corporations.

Next page is 21.050

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

Category	Number of Mortgages	Balance Sheet Value Before Provisions	Unsatisfactory Loans					Provisions	Balance Sheet Value
			Loans Delinquent < 90 Days	Restructured Loans	Loans Delinquent >90 days but not Designated Impaired	Impaired Loans	Total Unsatisfactory Loans (Col 11+16 +21+26)		
	(01)	(06)	(11)	(16)	(21)	(26)	(31)	(36)	(41)
<b>INSURED</b>	010	10	59,011				0		59,011
<b>UNINSURED</b>									
Single Residential	110						0		0
Multiple Residential	160	2	5,563				0		5,563
Office	210	14	55,116				0		55,116
Retail Stores	260	26	88,107				0		88,107
Industrial	310	20	45,601				0		45,601
Hotel	360						0		0
Other	410	4	10,643				0		10,643
<b>TOTAL</b>	<b>699</b>	76	264,041	0	0	0	0	0	264,041
<b>Attributable to:</b>									
Owner-occupied	701						0		0
Investor-owned mortgages	706	76	264,041				0		264,041
Second and subsequent mortgage loans	710						0		0

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

## CONSOLIDATED

MORTGAGE LOANS - 25 LARGEST UNINSURED  
(\$'000)

	Name of Borrower (02)	Indicate* (06)	Number of Days in Arrears (11)	Rate of Interest (16)	Maturity Date (dd-mm-yyyy) (21)	Balance of Loan (Before Provisions) (26)	Provisions (31)	Amount of Cumulative Prior Encumbrances (36)	Security			
									Address of Property (41)	Property Type** (46)	Market Value of Property (51)	Year Property Appraised (56)
	MAIN WEST VILLAGE INC.			3.61%	01/01/2025	9,574			1685,1711,1717 MAIN ST W, HAMILTON	RS	19,000	2020
	VILLAGE HOLDINGS CORP.			4.28%	15/01/2024	8,883			2323 BLOOR ST, TORONTO	RS	17,500	2020
	SUMMIT CENTRE INC.			2.90%	01/10/2025	6,968			200 BOUDREAU RD, ST ALBERT	O	11,350	2020
	MAX BECKER ENT. LIMITED			5.05%	07/11/2028	6,320			315 MAX BECKER, KITCHENER	RS	14,000	2020
	SCOTT HILL MERIDIAN LTD.			3.50%	01/10/2029	6,063			1425 KEBET WAY, PORT COQUITLAM, BC	I	12,500	2020
	225 YORKLAND BLVD. INC.			4.24%	01/12/2030	5,839			225 YORKLAND BLVD, TORONTO	O	11,000	2020
	FOREST HILLS PLAZA CORP.			3.53%	01/02/2030	5,825			5315-17 AVENUE SE CALGARY	RS	11,200	2020
	THE TYPHON GROUP LTD.			3.80%	01/04/2025	5,596			6560 KENNEDY, MISSISSAUGA	O	13,500	2020
	360 HOLIDAY INN DRIVE LTD			2.43%	05/11/2025	4,977			360 HOLIDAY INN CAMBRIDGE	O	9,800	2020
	SUMMIT CENTRE INC.			3.00%	01/09/2025	4,966			190 BOUDREAU RD, ST ALBERT	O	7,024	2020
	1325192 ONTARIO LIMITED			3.74%	05/02/2023	4,856			465 PHILLIP ST, WATERLOO	RS	8,900	2020
	GLOBAL MAXFIN DEV INC.			3.23%	01/07/2021	4,570			100 MURAL, RICHMOND HILL	O	10,200	2020
	2563779 ONTARIO INC.			2.27%	05/12/2022	4,500			924-938 KING ST W, KITCHENER	O	6,100	2020
	1936324 ALBERTA LTD.			3.39%	01/01/2025	4,353			10903 23 AVE NW, EDMONTON	RS	7,050	2020
	CTW-HEADFORD DEV. LIMITED			3.00%	01/11/2030	4,349			10-20 VOGELL RD, RICHMOND	RS	17,200	2020
	TVM EGLINTON INC.			4.02%	01/09/2023	4,153			801 EGLINTON AVE W, TORONTO	O	9,000	2020
	CRESTVIEW INVESTMENT CORP			2.58%	01/12/2027	4,100			56 BARRIE VIEW DR, BARRIE	RS	6,260	2020
	CROMBIE PROPERTY HOLDINGS			4.50%	01/01/2022	3,807			46 BERRIGAN DR, NEPEAN	O	8,400	2020
	CAPITAL 1 VENTURES INC.			4.31%	01/10/2028	3,797			70 SOUTHGATE DR, GUELPH	I	5,600	2020
	SACKLI LIMITED			4.15%	01/10/2025	3,792			22 SACKVILLE ST, TORONTO	I	6,400	2020
	2336474 ONTARIO INC.			3.79%	01/01/2025	3,715			360 ONTARIO ST, ST CATHERINES	RS	5,600	2020
	IAD CAPITAL CORP.			3.25%	01/03/2030	3,697			2624 DUNWIN DR, MISSISSAUGA ON	O	5,875	2020
	9158120 CANADA INC.			3.88%	01/08/2022	3,447			350 LESTER ST, WATERLOO	MR	7,100	2020
	JAFFER PROPERTIES INC.			3.86%	01/03/2024	3,289			10355 JASPER AVE, EDMONTON	O	6,000	2020
	LAKE HORIZON HOLDINGS INC			2.50%	15/01/2026	3,200			115 LAKESHORE RD E, MISSISSAUGA ON	O	4,600	2020
899	Total 25 largest					124,636	0	0			241,159	
929	Total excluding those held by subsidiaries											

\* Indicate by asterisk mortgaged properties owned by subsidiaries.

\*\* See definition in instructions.

**INSURERS/SOCIETIES LICENSED IN QUEBEC**  
**CONSOLIDATED**  
**MORTGAGE LOANS - GEOGRAPHIC DISTRIBUTION**  
**Balance Sheet Value (Before Provisions)**  
**(\$'000)**

Location of Property	INSURED MORTGAGES TOTAL	UNINSURED MORTGAGES							Total Mortgages	Amount of Principal on which Interest was overdue > 90 days		Total Provisions
		Single Residential	Multiple Residential	Office	Retail Stores	Industrial	Hotel	Other		Insured	Uninsured	
		(06)	(11)	(16)	(21)	(26)	(31)	(36)		(41)	(51)	
<b>Canada</b>												
Newfoundland & Labrador 010									0			
P. E. I. 020									0			
Nova Scotia 030									0			
New Brunswick 040									0			
Quebec 050									0			
Ontario 060	59,011		5,563	39,893	68,117	38,893		7,559	219,036			
Manitoba 070						645			645			
Saskatchewan 080									0			
Alberta 090				15,223	19,990			3,084	38,297			
British Columbia 100						6,063			6,063			
Yukon 110									0			
N. W. T. 120									0			
Nunavut 130									0			
<b>Total Canada</b> 199	59,011	0	5,563	55,116	88,107	45,601	0	10,643	264,041	0	0	0
<b>Other Countries</b> 299									0			
<b>Grand Total</b> 899	59,011	0	5,563	55,116	88,107	45,601	0	10,643	264,041	0	0	0
Total excluding those held by subsidiaries 929									0			

## CONSOLIDATED

INVESTMENT PROPERTIES & OWN USE PROPERTY AND EQUIPMENT  
(Vested in Trust)\*\*  
(\$'000)

Address of Property (including Country)	% of Ownership	Property Type*	Year Acquired	Balance Sheet Value Beg. of Year	Additions (Deletions) (Writedowns) During Year	Sum of Capital Additions Since Last Appraisal	Details of Appraisal			Gains(losses) reported as income	Gains (losses) reported in revaluation surplus	Foreign Currency Adjustment	Amortization Expense	Balance Sheet Value End of Year	Cumulative Individual Provisions	Net Income During Year	Mortgage Loans and Other Encumbrances
							Year of Appraisal	Appraised Value	Adjusted Appraised Value (36 + 46)								
(01)	(03)	(06)	(16)	(21)	(26)	(36)	(41)	(46)	(51)	(54)	(58)	(61)	(64)	(21+26+54+61-64) (66)	(71)	(76)	(81)
<b>Investment Properties</b>									0					0			
25 Westmount Road N, Waterloo, ON	100%	MR	1973	16,750	169		2019	20,000	20,000	3,081				20,000		3,834	
920 Upper Wentworth St, Hamilton, ON	100%	RS	2000	21,900	(25)		2018	20,000	20,000	(1,875)				20,000		(774)	
1633 Clividen Avenue, Vancouver, BC	100%	I	2005	29,200	308		2019	30,500	30,500	992				30,500		1,948	
315-317 Brunswick Blvd, Point Claire, PQ	100%	RS	2006	26,500	257		2020	25,100	25,100	(1,657)				25,100		(521)	
1100 50th Avenue, Lachine, PQ	100%	I	2007	14,500	141		2018	16,300	16,300	1,659				16,300		2,404	0
721-725 Ottawa St., S., Kitchener, ON	100%	RS	2010	10,300	70		2020	9,600	9,600	(770)				9,600		(613)	
5202 272nd Street, Langley, BC	100%	I	2011	15,300	21		2020	17,800	17,800	2,479				17,800		3,130	
515 Boulevard Lacombe, Repentigny, PQ	100%	RS	2012	16,300	0		2019	15,400	15,400	(900)				15,400		(61)	
375&490 Sheldon, 505 Thompson, Cambridge, ON	100%	I	2014	13,400	163		2018	15,100	15,100	1,537				15,100		2,200	
520 Bingham Centre Dr., Kitchener, ON	100%	O	2017	11,300	33		2018	11,300	11,300	(33)				11,300		605	
6600 Financial Drive, Mississauga, ON	100%	O	2018	16,700	37		2019	16,700	16,700	(37)				16,700		888	
185 William Smith Drive, Whitby, ON	100%	I	2020	0	29,256			29,256	29,256	0				29,256		322	13,620
1687 Cliveden Avenue, Delta, BC	100%	I	2020	0	17,009			17,009	17,009	0				17,009		226	
350-390 McArthur, 655-817 Gougeon, 351-McCaffrey, Montreal, PQ	100%	I	2020	0	35,669			35,669	35,669	0				35,669		(16)	
									0					0			
<b>All Others</b>	<b>049</b>								0					0			
<b>Total Investment Properties</b>	<b>089</b>			192,150	83,108	0		279,734	279,734	4,476		0	0	279,734	0	13,572	13,620
<b>Own Use Properties</b>									0					0			
1 Westmount Road N., Waterloo, ON	100%	O	1971	15,256	135	7,500	2009	17,350	24,850			1,033	14,358				
									0				0				
									0				0				
									0				0				
									0				0				
<b>All Other Own Use Properties</b>	<b>099</b>								0				0				
<b>Total Own Use Properties</b>	<b>159</b>			15,256	135	7,500		17,350	24,850	0	0	0	1,033	14,358	0	0	0
<b>Equipment</b>	<b>199</b>													3,671			
<b>Total Own Use Properties &amp; Equipment</b>	<b>899</b>													18,029			
<b>Total Foreclosed Property Held for Sale</b>	<b>989</b>								0					0			
<b>Total excluding those held by subsidiaries</b>	<b>929</b>								0					0			

\* See definition in instructions.

\*\* Investments are vested in trust for foreign insurers/societies.

Note for Fraternal Benefit Societies: Include Insurance Funds only on this page.

Note: Insurers incorporated in the province of Alberta must file this page on a quarterly basis. All other insurers are only required to file this page with their 4th quarter filing.

## INSURERS/SOCIETIES LICENSED IN QUEBEC

## CONSOLIDATED

REAL ESTATE - GEOGRAPHIC DISTRIBUTION BY TYPE  
Balance Sheet Value (Before Provisions)  
(\$'000)

Location of Property	Single Residential (01)	Multiple Residential (06)	Office (11)	Retail Stores (16)	Industrial (21)	Hotel (26)	Other (36)	Total Investment Properties (39)	For Own Use (31)	Foreclosed Real Estate	
										Held for Investment (46)	Held for Sale (51)
<b>Canada</b>											
Newfoundland & Labrador 010								0			
P. E. I. 020								0			
Nova Scotia 030								0			
New Brunswick 040								0			
Quebec 050			10,065	30,435	51,969			92,469			
Ontario 060		20,000	28,000	29,600	44,356			121,956			
Manitoba 070								0			
Saskatchewan 080								0			
Alberta 090								0			
British Columbia 100					65,309			65,309			
Yukon 110								0			
N. W. T. 120								0			
Nunavut 130								0			
<b>Total Canada</b> 199	0	20,000	38,065	60,035	161,634	0	0	279,734	0	0	0
<b>Total U.S.A</b> 229								0			
<b>Other OECD Countries</b> 249								0			
<b>Other Countries</b> 299								0			
<b>Grand Total</b> 899	0	20,000	38,065	60,035	161,634	0	0	279,734	0	0	0
Total excluding those held by subsidiaries 929								0			



**CONSOLIDATED****INTERESTS IN ASSOCIATES & JOINT VENTURES**

Description  (03)	% of Interest  (01)	Interests in Associates & Joint Ventures  (\$'000) (06)
<b>Part A - Interests in Associates &amp; Joint Ventures - Report Top 10</b>		
001		
002		
003		
004		
005		
006		
007		
008		
009		
010		
Subtotal of remaining	019	
<b>Total - Interests in Associates &amp; Joint Ventures</b>	<b>099</b>	<b>0</b>

**OTHER LOANS AND INVESTED ASSETS**

Description  (03)	Interest Rate  (11)	Other Loans and Invested Assets  (\$'000) (16)
<b>Part B - Other Loans and Invested Assets - Report Top 10</b>		
201		
202		
203		
204		
205		
206		
207		
208		
209		
210		
Subtotal of remaining	219	
<b>Total - Other Loans and Invested Assets</b>	<b>299</b>	<b>0</b>

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

## CONSOLIDATED

DERIVATIVE INSTRUMENTS RISK PROFILE  
(\$'000)

	Employed by the Insurer/Society		Gross Notional Principal Amount at year end							Credit Risk** (Positive Mark to Market Exposure)	Credit Equivalent Amount
			Total Notional Amount	Notional Amount in Life Insurer/ Insurance Fund	Over the Counter Amount	Amount held for Trading	Remaining Term of Exposure				
	Yes/No	Risk* Role					Less than 1 Year	1 - 5 Years	Over 5 Years		
	(01)	(02)	(07)	(12)	(17)	(22)	(27)	(32)	(37)		
Interest Rate Contracts:											
Forward rate agreements	010	No		0							
Futures contracts	020	No		0							
Swap contracts	030	Yes	Hedging	168,093		168,093		17,100	65,393	85,600	39,883
Options purchased	040	No		0							
Options written	050	No		0							
<b>Subtotal</b>	<b>099</b>			<b>168,093</b>	<b>0</b>	<b>168,093</b>	<b>0</b>	<b>17,100</b>	<b>65,393</b>	<b>85,600</b>	<b>39,883</b>
Foreign Exchange Contracts:											
Foreign exchange spot and forward contracts	210	No		0							
Futures contracts	220	No		0							
Swap contracts	230	Yes	Hedging	180,367		180,366		28,678	3,065	148,624	10,977
Options purchased	240	No		0							
Options written	250	No		0							
<b>Subtotal</b>	<b>299</b>			<b>180,367</b>	<b>0</b>	<b>180,366</b>	<b>0</b>	<b>28,678</b>	<b>3,065</b>	<b>148,624</b>	<b>10,977</b>
Other:											
Equity Related	310	No		0							
Commodity Related	320	No		0							
Credit Default Instruments	325	No		0							
Other	330	No		0							
<b>Subtotal</b>	<b>399</b>			<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total</b>	<b>499</b>			<b>348,460</b>	<b>0</b>	<b>348,459</b>	<b>0</b>	<b>45,778</b>	<b>68,458</b>	<b>234,224</b>	<b>50,860</b>
Adjustment for master netting agreements	550										
<b>Total - Net of Adjustment</b>	<b>899</b>										<b>50,860</b>

\*Legend - Risk Role

1. Hedging      2. Trading      3. Market-maker      4. Other

\*\* Refer to instructions regarding netting of amounts

## CONSOLIDATED

DERIVATIVE INSTRUMENTS RISK PROFILE  
GROSS/NET MARK TO MARKET EXPOSURES  
(\$'000)

## I. Total Net Positive Mark to Market Exposures by Credit Rating and Contract Class

	Interest Rate Contracts		Foreign Exchange Contracts		Equity Contracts		Commodity Contracts		Credit Default Instruments		Other		Total	
	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length
	(01)	(02)	(11)	(12)	(21)	(22)	(31)	(32)	(36)	(37)	(41)	(42)	(51)	(52)
AAA 010													0	0
AA 020		39,883		10,977									0	50,860
A 030													0	0
BBB 060													0	0
Below BBB 070													0	0
Unrated 080													0	0
Total 099	0	39,883	0	10,977	0	0	0	0	0	0	0	0	0	50,860

## II. Total Gross Positive Mark to Market Exposures by Credit Rating and Contract Class

	Interest Rate Contracts		Foreign Exchange Contracts		Equity Contracts		Commodity Contracts		Credit Default Instruments		Other		Total	
	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length	Related	Arm's Length
	(01)	(02)	(11)	(12)	(21)	(22)	(31)	(32)	(36)	(37)	(41)	(42)	(51)	(52)
AAA 110													0	0
AA 120		37,968		5,150									0	43,118
A 130													0	0
BBB 160													0	0
Below BBB 170													0	0
Unrated 180													0	0
Total 199	0	37,968	0	5,150	0	0	0	0	0	0	0	0	0	43,118

III. Identify the five largest net positive mark to market exposure amounts by arm's length counterparty regardless of contract class.  
Beside each of those five identify the current counterparty credit rating.

	Type	Company Name	Net Positive Mark to Market	Rating
	(61)	(62)	(71)	(72)
250	Interest Rate & Foreign Exchange Contracts	Bank of Montreal	38,873	AA
260	Interest Rate & Foreign Exchange Contracts	Bank of Nova Scotia	11,987	AA
270				
280				
290				



**CONSOLIDATED**

**Principal Custodians of Cash and Invested Assets\***  
**(excluding Real Estate)**

Registered Ownership  (01)	Name of Principal Custodians (Include Banks, Trust Companies, Nominees, Brokers or Other Depositories)  (06)	Type of Custodian and Depository Trustee  (11)	Type of Asset at Custodian  (16)	Full Address of Location Where Invested Assets Held  (21)
Equitable Life of Canada	Royal Bank of Canada	Bank	Cash	70-74 King St. S., Waterloo, ON
Equitable Life of Canada	Bank of Montreal	Bank	Cash	3 King St. S., Waterloo, ON
Equitable Life of Canada	262695 Holdings Limited	Bank	Cash	70-74 King St. S., Waterloo, ON
Equitable Life of Canada	Equilife Investment Management Inc.	Bank	Cash	200 Bay St., Toronto, ON
Equitable Life of Canada	The Bank of N.T. Butterfield & Son Limited	Bank	Cash	65 Front St., Hamilton HM AX Bermuda
Equitable Life of Canada	RBC Investor Services	Trust Company	Bonds/Debentures	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	RBC Investor Services	Trust Company	Money Mkt. Instruments	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	RBC Investor Services	Trust Company	Preferred Shares	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	RBC Investor Services	Trust Company	Units	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	RBC Investor Services	Trust Company	Private Placement	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	RBC Investor Services	Trust Company	Equity Options	RBCIS, 155 Wellington St. W. Toronto, ON
Equitable Life of Canada	Equitable Life of Canada	Insurance Company	Private Placement	1 Westmount Rd. North Waterloo, ON
Equitable Life of Canada	Equitable Life of Canada	Insurance Company	Mortgages	1 Westmount Rd. North Waterloo, ON
Equitable Life of Canada	Franklin Templeton Investment	Mutual Fund	Units	200 King St. West, Toronto, ON
Equitable Life of Canada	Mackenzie Investments	Mutual Fund	Units	180 Queen St. West Toronto, ON
Equitable Life of Canada	Invesco Canada Ltd	Mutual Fund	Units	5140 Yonge St. Suite 800 Toronto, ON
Equitable Life of Canada	Goodman & Company	Mutual Fund	Units	1 Adelaide St. E. #2100, Toronto, ON
Equitable Life of Canada	Equitable Life of Canada	Insurance Company	Swaps/CDS's	1 Westmount Rd. North Waterloo, ON
Equitable Life of Canada	BentallGreenOak	Limited Partnership	Shares	1800-1055 Dunsmuir St., Vancouver, BC
Equitable Life of Canada	Scotiabank - GWS Collateral Ops	Bank	Bond	720 King St. W. 4th Floor, Toronto, ON
Equitable Life of Canada	Crestpoint Real Estate Invest Ltd.	Limited Partnership	Shares	1400-130 King St. West Toronto, ON

\* Indicate if vested with foreign regulator

**CONSOLIDATED****ACCOUNTS RECEIVABLE**

(\$'000)

(05)	Amount Due		Provision for Unpaid Balances (14)
	Current (08)	In Arrears (09)	
<b>Name of Related Party</b>			
(Specify) 010			
(Specify) 020			
(Specify) 030			
(Specify) 040			
(Specify) 050			
(Specify) 060			
(Specify) 070			
<b>Subtotal Receivable from Related Parties</b> 099	0	0	0
<b>Other Accounts Receivable</b> 260	47,059		3
<b>Total Accounts Receivable</b> 299	47,059	0	3

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

## INSURERS/SOCIETIES LICENSED IN QUEBEC

## CONSOLIDATED

## ACCOUNTS RECEIVABLE

(\$'000)

Name of Related Party (Specify)		Amount Due		Provision for Unpaid Balances (14)
		Current (08)	In Arrears (09)	
(Specify)	010			
(Specify)	020			
(Specify)	030			
(Specify)	040			
(Specify)	050			
(Specify)	060			
(Specify)	070			
<b>Subtotal Receivable from Related Parties</b>	099	0	0	0
<b>Other Accounts Receivable</b>				
Outstanding Premiums	210	30,415		
Agents' Debit Balances	220			
Brokers' Balances	230	739		3
Registered /Approved Reinsurers and Insurers/Societies	240			
Other Reinsurers and Insurers/Societies	250	17,895		
Other Receivables	260	(1,990)		
<b>Total Accounts Receivable</b>	299	47,059	0	3

## OTHER ASSETS

(\$'000)

		Current Year (01)	Prior Year (03)
Prepaid and Deferred Charges	420	176	378
Deferred Acquisition Costs for Investment/Service Contracts	440		
(Specify)	450		
<b>Total Other Assets</b>	499	176	378

## ACCOUNTS PAYABLE

(\$'000)

		Current Year (01)	Prior Year (03)
Overdraft	610		
Agents and Brokers	620	7,702	9,080
Affiliates/Related Parties	630		
Other Insurers/ Societies	640		
Other Payables	650		
Expenses Due and Accrued	660	22,764	20,533
<b>Total</b>	699	30,466	29,613

## CONSOLIDATED

## ACTUARIAL LIABILITIES FOR INSURANCE CONTRACTS BY LINE OF BUSINESS - CANADA AND U.S.A.

(\$'000)

NON-PARTICIPATING (NON-PAR)	Canada		U.S.A.	
	Current Year (01)	Prior Year (03)	Current Year (11)	Prior Year (13)
<b>Life</b>				
Individual				
Direct	010	251,610	163,166	
Assumed	020			
Ceded	030	99,398	83,392	
Net	039	152,212	79,774	0
Group				
Direct	050	31,515	27,928	
Assumed	060			
Ceded	070	2,114	2,219	
Net	079	29,401	25,709	0
<b>Annuity</b>				
Individual				
Direct	110	499,338	499,136	
Assumed	120			
Ceded	130			
Net	139	499,338	499,136	0
Group				
Direct	150	82,822	66,748	
Assumed	160			
Ceded	170			
Net	179	82,822	66,748	0
<b>Accident &amp; Sickness</b>				
Individual				
Direct	210	63,017	40,555	
Assumed	220			
Ceded	230	10,062	8,221	
Net	239	52,955	32,334	0
Group				
Direct	250	339,898	271,504	
Assumed	260			
Ceded	270	174,304	141,279	
Net	279	165,594	130,225	0
<b>TOTAL NON - PAR</b>				
Direct	419	1,268,200	1,069,037	0
Assumed	429	0	0	0
Ceded	439	285,878	235,111	0
Net	449	982,322	833,926	0
<b>TOTAL PARTICIPATING (PAR)</b>				
Direct	510	1,637,900	1,380,323	
Assumed	520			
Ceded	530	94,967	28,966	
Net	539	1,542,933	1,351,357	0
<b>TOTAL PAR &amp; NON-PAR</b>				
Direct	559	2,906,100	2,449,360	0
Assumed	569	0	0	0
Ceded	579	380,845	264,077	0
Net	589	2,525,255	2,185,283	0
<b>PROPERTY &amp; CASUALTY</b>				
Direct	610			
Assumed	620			
Ceded	630			
Net	639	0	0	0
<b>TOTAL</b>				
Direct	819	2,906,100	2,449,360	0
Assumed	829	0	0	0
Gross Actuarial Liabilities	859	2,906,100	2,449,360	0
Reinsurance Ceded Assets	839	380,845	264,077	0
Net	849	2,525,255	2,185,283	0



## CONSOLIDATED

ACTUARIAL LIABILITIES FOR INSURANCE CONTRACTS - SUMMARY  
(\$'000)

		Life, Annuity and A&S		Property & Casualty	
		Current Year (01)	Prior Year (03)	Current Year (11)	Prior Year (13)
<b>Canada &amp; U.S.A.</b>					
Direct	010	2,906,100	2,449,360	0	0
Assumed	020	0	0	0	0
Ceded	030	380,845	264,077	0	0
Net	049	2,525,255	2,185,283	0	0
<b>Other</b>					
Direct	210	14,830	15,616		
Assumed	220				
Ceded	230	66	52		
Net	249	14,764	15,564	0	0
<b>GRAND TOTAL</b>					
Direct	319	2,920,930	2,464,976	0	0
Assumed	329	0	0	0	0
Gross Actuarial Liabilities	359	2,920,930	2,464,976	0	0
Reinsurance Ceded Assets	339	380,911	264,129	0	0
Net	349	2,540,019	2,200,847	0	0

OTHER CONTRACT LIABILITIES  
(\$'000)

		Non-Par	Par	Total	Total
		(21)	(31)	Current Year (41)	Prior Year (43)
Outstanding Payments Under Settlement Annuities	410			0	
Premiums Received in Advance	420	344	1,684	2,028	1,089
Policyholder/Certificateholder Dividends and Experience Rating Refunds, Due and Unpaid	430		60,034	60,034	48,059
Policyholder/Certificateholder Amounts on Deposit	440	18,890	15,914	34,804	28,537
Investment/Service Contract Liabilities	450	72,716		72,716	62,946
Outstanding Claims and Adjustment Expenses	460	32,522	16,666	49,188	53,512
Provision for Experience Rating Refunds	470			0	
Other	480	346	269	615	532
<b>Total</b>	<b>489</b>	<b>124,818</b>	<b>94,567</b>	<b>219,385</b>	<b>194,675</b>

REINSURANCE ASSETS  
(\$'000)

		Current Year	Prior Year
		(01)	(03)
Insurance Contracts Ceded	510	380,911	264,129
Investment Contracts Ceded	530	0	0
<b>Total Insurance and Investment Contracts Ceded</b>	<b>559</b>	<b>380,911</b>	<b>264,129</b>
Other Contract Liabilities Ceded	570		0
<b>Total</b>	<b>589</b>	<b>380,911</b>	<b>264,129</b>

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

**CONSOLIDATED****ACCOUNTS PAYABLE**

(\$'000)

		Current Year	Prior Year
		(01)	(03)
Affiliates/Related Parties	030		
Other Payables	060	30,466	29,613
<b>Total</b>	099	30,466	29,613

**PROVISIONS & OTHER LIABILITIES**

(\$'000)

		Current Year	Prior Year
		(01)	(03)
Investment Income Received in Advance	210	(5)	(3)
Accrued Interest on Outstanding Claims	220		
Dividends to Shareholders Declared and Unpaid	230		
Amounts Received but Not Yet Allocated	240	10,364	9,348
Fees and Other Taxes (excl. Income Taxes)	250	19,224	17,911
Security Repurchase Transactions (Repos)	280		
Other	290	10,118	13,959
<b>Total</b>	299	39,701	41,215

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)



**INSURERS/SOCIETIES LICENSED IN QUEBEC**

**CONSOLIDATED**

**SUBORDINATED DEBT  
INCLUDED IN LICAT / CARLI CAPITAL AT YEAR END  
(\$'000)**

Name of Shareholder/Noteholder or Debentureholder*  (03)	Balance Outstanding  (01)	Interest		Maturity Date  (12)	Balance Counted as LICAT / CARLI Capital**  (17)	Date of Approval as LICAT Capital  (22)
		Accrued  (06)	Rate %  (07)			
<b>Part 2</b>						
<b>Subordinated Notes, Debentures and Other Loans</b>						
<b>Issued by Insurer/Society:</b>						
Subtotal	499	0	0		0	
<b>Issued by Subsidiaries:</b>						
Subtotal	599	0	0		0	
<b>Total Loans, Notes &amp; Debentures</b>	<b>699</b>	<b>0</b>	<b>0</b>		<b>0</b>	
<b>Total</b>	<b>799</b>	<b>0</b>	<b>0</b>		<b>0</b>	

\*Beneficial Holders of at Least 5% of Total Subordinated Debt should be listed.

\*\*If remaining term to maturity is 5 years or less, the balance should be amortized in accordance with the LICAT / CARLI rules.

## CONSOLIDATED

NET INVESTMENT INCOME  
(\$'000)

Reference Page		Current Period (01)	Prior Period (03)
	Bonds:		
	Interest 010	57,449	55,451
	Realized Gains (Losses) on Sale 030	46,173	15,972
	Fair Value Gains (Losses) 040	43,602	61,245
	Mortgage Loans:		
	Interest 110	8,714	7,921
	Realized Gains (Losses) on Sale 130		
	Fair Value Gains (Losses) 140		
	Preferred & Common Shares:		
	Dividends 210	24,532	24,731
	Realized Gains (Losses) on Sale 230	(8,406)	(6,991)
	Fair Value Gains (Losses) 240	57,289	85,672
	Investment Properties:		
	Realized Gains (Losses) on Sale 260		
	Fair Value Gains (Losses) 270	4,475	10,496
	Rental Income Including \$ _____ for Insurer/Society's Own Use 310	9,243	9,319
	Interest on Policy/Certificate Loans 610	6,045	5,096
	Interest on Cash and Short Term Investments 620	684	1,340
	Income from Other Loans and Invested Assets 630	(137)	(183)
	Interest on Overdue Premiums 640		
	Income from Derivative Activities 650	23,868	6,109
	Less:		
<a href="#">21.020</a>	Provision for Losses 710		
<a href="#">21.020</a>	Write-Downs 720	0	0
	<b>Gross Investment Income</b> 749	273,531	276,178
	Less:		
	Investment Expenses (other than Investment Taxes) 810	8,156	7,073
	Investment Taxes 820		
	<b>Net Investment Income</b> 889	265,375	269,105

	Fair Value Gains (Losses) reflected in the Actuarial Reserves 929	102,778	74,791
		(99)	
	310		

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

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

		Current Period	Prior Period
(05)		(01)	(03)
(Specify)	050		
(Specify)	051		
(Specify)	052		
Subtotal - All others	089		
<b>Total Other Revenue</b>	199	0	0

**INTEREST EXPENSE & FINANCE COSTS  
(\$'000)**

		Current Period	Prior Period
(05)		(01)	(03)
Interest on Subordinated Debt	210		
Interest on Long Term Debt	230	146	185
Interest on deposits (other than policyholders/certificateholders)	260		
Other Interest Expense (specify:)	290		
(Specify)	291		
(Specify)	292		
<b>Total Interest Expense &amp; Finance Costs</b>	299	146	185

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

		Current Period	Prior Period
(05)		(01)	(03)
Rent	310	184	324
Salaries, Wages and Allowances	330	78,744	72,174
Defined Benefit Pension Plan Expense	340	2,912	2,488
Employees' and Agents' Welfare	350	12,903	12,201
Professional and Service Fees and Expenses	370	13,980	16,369
Miscellaneous Expenses	390	18,677	18,634
Premium Taxes	410	24,930	22,255
Assessments & Dues	430	812	746
Licenses and Fees	450	57	42
Miscellaneous Taxes	470	(2,155)	(1,644)
Head Office Overhead	480		
Other general expenses (specify:)	490		
(Specify)	491		
(Specify)	492		
<b>Total General Expenses and Taxes</b>	599	151,044	143,589

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

		Current Period	Prior Period
(05)		(01)	(03)
Amortization of Property & Equipment (Write-down included \$ _____)	710	2,574	2,500
Amortization of intangible assets (Impairment losses included \$ _____)	730	882	659
Amortization of Acquisition Expenses for Investment/Service Contracts	740		
Goodwill impairment losses	750		
Net Foreign Exchange losses	770		
(Specify)	771		
(Specify)	772		
<b>Total Other Expenses</b>	899	3,456	3,159

(99)

710

730

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

Life (2020)  
Next page is 35.010

CONSOLIDATED

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

	NON-PARTICIPATING										Total Par (51)	Total Par & Non-Par (56)	Property & Casualty (61)	Deposit Taking (66)	Head Office Account (71)	Other (76)	Total Canada (81)
	Life		Annuity		A&S		Non-Par Surplus (36)	Total Non-Par (41)									
	Individual (01)	Group (02)	Individual (11)	Group (12)	Individual (21)	Group (22)											
<b>Revenue</b>																	
Gross Premiums	020	122,714	40,101	37,246	20,151	23,989	341,160		585,361	656,963	1,242,324	0					1,242,324
Premiums ceded	030	56,354	2,228	0	0	7,450	57,135		123,167	37,009	160,176	0					160,176
Net Premiums	040	66,360	37,873	37,246	20,151	16,539	284,025		462,194	619,954	1,082,148	0	0		0	0	1,082,148
Gross Investment Income	050	8,521	1,936	44,971	5,906	6,829	10,725	32,303	111,191	161,256	272,447						272,447
Less: Investment Expenses and Taxes	060	162	46	2,905	144	59	249	1,697	5,262	2,852	8,114						8,114
Net Investment Income	070	8,359	1,890	42,066	5,762	6,770	10,476	30,606	105,929	158,404	264,333	0	0		0	0	264,333
Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	075								0		0						0
Share of Income/Loss of Associates & Joint Ventures	090								0		0						0
Fee Income	130		307	33,423		2	5,885	148	39,765	8,677	48,442						48,442
Other Revenue	160								0		0						0
Fraternal and Other Fund Revenues	180								0		0						0
<b>Total Revenue</b>	199	74,719	40,070	112,735	25,913	23,311	300,386	30,754	607,888	787,035	1,394,923	0	0		0	0	1,394,923
<b>Policy/Certificate Benefits and Expenses</b>																	
Policyholder/Certificateholder Benefits	260	70,618	18,828	66,010	5,861	5,749	227,595		394,661	96,877	491,538						491,538
Benefits ceded	270	42,925	1,269				34,568		82,441	28,333	110,774						110,774
Gross Changes to Actuarial Liabilities																	
Normal	310	56,241	2,870	(3,862)	16,223	19,402	56,352		147,226	368,409	515,635						515,635
Basis Change	320	32,290	716	4,064	(149)	3,060	12,042		52,023	(110,919)	(58,896)						(58,896)
Gross Changes to Other Contract Liabilities																	
Normal	342			2,128					2,128		2,128						2,128
Basis Change	344								0		0						0
Changes in Actuarial and Other Contract Liabilities Ceded																	
Normal	370	47,346	(132)			2,957	26,962		77,133	57,911	135,044						135,044
Basis Change	380	(31,343)	26			(1,115)	6,062		(26,370)	8,093	(18,277)						(18,277)
Policyholder/Certificateholder Dividends	360									60,876	60,876						60,876
Experience Rating Refunds	390						1,009		1,009	1,009	1,009						1,009
Transfer to and (Transfer from) Other Funds	420			(30)					(30)		(74)						(74)
Gross Commissions	460	16,118	4,972	19,690	2,632	2,616	23,235		69,263	206,291	275,554						275,554
Commissions Ceded	470	4,219	186	0	0	512	10,795		15,712	2,260	17,972						17,972
Interest on Policyholder/Certificateholder Amounts on Deposit	480	(1)	1	6			31		37	259	296						296
Interest Expense & Finance Costs	510							146	146		146						146
General Expenses and Taxes (excl. Income Taxes)	540	12,105	4,339	17,560	387	2,830	49,583	6,873	93,677	57,367	151,044						151,044
Other Expenses	570	277	99	402	9	65	1,134	157	2,143	1,313	3,456						3,456
Fraternal and Other Fund Expenses	580								0		0						0
<b>Total Benefits and Expenses</b>	649	124,501	30,476	105,968	24,963	27,689	292,594	7,176	613,367	583,832	1,197,199	0	0		0	0	1,197,199
<b>Income Before Income Tax</b>	669	(49,782)	9,594	6,767	950	(4,378)	7,792	23,578	(5,479)	203,203	197,724	0	0		0	0	197,724
Provision for Income Taxes	720	(13,095)	2,438	152	249	(1,147)	1,957	5,433	(4,013)	49,150	45,137						45,137
<b>Income Before the following:</b>	749	(36,687)	7,156	6,615	701	(3,231)	5,835	18,145	(1,466)	154,053	152,587	0	0		0	0	152,587
Discontinued Operations (net of Income Taxes of \$ )	830										0						0
<b>Net Income</b>	859								(1,466)	154,053	152,587	0	0		0	0	152,587
Attributable to Participating Policyholders/ Certificateholders	870										0						0
<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b>	899								(1,466)	154,053	152,587	0	0		0	0	152,587
Attributable to Fraternal and Other Fund Account	980										0						0
<b>Insurance Fund</b>	989								(1,466)	154,053	152,587	0	0		0	0	152,587

Net Benefits																	
Claims	210	27,348	17,559	5,759	5,861	1,974	193,027		251,528	31,401	282,929						282,929
Annually Payments	220			33,693					33,693		33,693						33,693
Surrenders	230	345		26,558		96			26,999	37,143	64,142						64,142
Other	240								0		0						0

(99)  
830

\* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

CONSOLIDATED

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

	U.S.A.														EUROPE	ASIA/OTHER	Grand Total Canada/ Out of Canada (96)		
	NON-PARTICIPATING						Non-Par Surplus (36)	Total Non-Par (41)	Total Par (51)	Total Par & Non-Par (56)	Property & Casualty (61)	Deposit Taking (66)	Other (76)	Total U.S.A. (81)				Total Europe (84)	Total Asia / Other (89)
	Life		Annuity		A&S														
	Individual (01)	Group (02)	Individual (11)	Group (12)	Individual (21)	Group (22)													
<b>Revenue</b>																			
Gross Premiums	020	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,045	1,243,369		
Premiums ceded	030	0	0	0	0	0	0	0	0	0	0	0	0	0	0	47	160,223		
Net Premiums	040	0	0	0	0	0	0	0	0	0	0	0	0	0	0	998	1,083,146		
Gross Investment Income	050															1,084	273,531		
Less: Investment Expenses and Taxes	060															42	8,156		
Net Investment Income	070	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,042	265,375		
Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *	075							0	0								0		
Share of Income/Loss of Associates & Joint Ventures	090							0	0								0		
Fee Income	130							0	0								48,442		
Other Revenue	160							0	0								0		
Fraternal and Other Fund Revenues	180							0	0								0		
<b>Total Revenue</b>	199	0	0	0	0	0	0	0	0	0	0	0	0	0	0	2,040	1,396,963		
<b>Policy/Certificate Benefits and Expenses</b>																			
Policyholder/Certificateholder Benefits	260							0	0							1,836	493,374		
Benefits ceded	270							0	0							0	110,774		
Gross Changes to Actuarial Liabilities																			
Normal	310							0	0							(565)	515,070		
Basis Change	320							0	0							(220)	(59,116)		
Gross Changes to Other Contract Liabilities																			
Normal	342							0	0								2,128		
Basis Change	344							0	0								0		
Changes in Actuarial and Other Contract Liabilities Ceded																			
Normal	370							0	0								135,132		
Basis Change	380							0	0							(73)	(18,350)		
Policyholder/Certificateholder Dividends	360															352	61,228		
Experience Rating Refunds	390							0	0								1,009		
Transfer to and (Transfer from) Other Funds	420							0	0								(74)		
Gross Commissions	460	0	0	0	0	0	0	0	0	0	0	0	0	0	0	(5)	275,549		
Commissions Ceded	470	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	17,972		
Interest on Policyholder/Certificateholder Amounts																			
on Deposit	480							0	0							147	443		
Interest Expense & Finance Costs	510							0	0								146		
General Expenses and Taxes (excl. Income Taxes)	540							0	0								151,044		
Other Expenses	570							0	0								3,456		
Fraternal and Other Fund Expenses	580							0	0								0		
<b>Total Benefits and Expenses</b>	649	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1,530	1,198,729		
<b>Income Before Income Tax</b>	669	0	0	0	0	0	0	0	0	0	0	0	0	0	0	510	198,234		
Provision for Income Taxes	720																45,137		
<b>Income Before the following:</b>	749	0	0	0	0	0	0	0	0	0	0	0	0	0	0	510	153,097		
Discontinued Operations (net of Income Taxes of \$ )	830																0		
<b>Net Income</b>	859							0	0	0	0	0	0	0	0	510	153,097		
Attributable to Participating Policyholders/ Certificateholders	870																0		
<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b>	899							0	0	0	0	0	0	0	0	510	153,097		
Attributable to Fraternal and Other Fund Account	980																0		
<b>Insurance Fund</b>	989							0	0	0	0	0	0	0	0	510	153,097		
<b>Net Benefits</b>																			
Claims	210							0	0							132	283,061		
Annuity Payments	220							0	0								33,693		
Surrenders	230							0	0							1,704	65,846		
Other	240							0	0								0		

830 (99)

\* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9



**CONSOLIDATED****ANALYSIS OF SALES (PREMIUMS AND DEPOSITS)  
BY MAJOR LINE OF BUSINESS AND TERRITORY  
(\$'000)**

<b>PROTECTION</b>		<b>Canada</b> (01)	<b>U.S.A.</b> (06)	<b>Other</b> (16)	<b>Total</b> (21)
<b>New Annualized Premiums</b>					
Individual	010	149,329			149,329
Group	030	38,859			38,859
<b>Total Protection</b>	099	188,188	0	0	188,188

<b>WEALTH MANAGEMENT</b>		<b>Canada</b> (01)	<b>U.S.A.</b> (06)	<b>Other</b> (16)	<b>Total</b> (21)
<b>New Premium Equivalents - Premium Income and Deposits</b>					
Annuity Premium Income	210	52,974			52,974
Segregated Fund Deposits					
Individual Deposits - GMWB Products	235				0
Individual Deposits - Other Products	240	327,881			327,881
Group Deposits	245				0
Mutual Fund Deposits	250				0
Other Deposits	270	19,905			19,905
<b>Total Wealth Management</b>	299	400,760	0	0	400,760

<b>OTHER</b>		<b>Canada</b> (01)	<b>U.S.A.</b> (06)	<b>Other</b> (16)	<b>Total</b> (21)
<b>New Premium Equivalents</b>					
Administrative Services Only	410	7,628			7,628
Investment Management Services	430				0
<b>Total Other</b>	499	7,628	0	0	7,628

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

**CONSOLIDATED****ASSETS AND LIABILITIES - IN CANADA**

(\$'000)

		Current Year				Current Year	
			(01)				(01)
<b>ASSETS</b>				<b>LIABILITIES</b>			
Cash & Cash Equivalents	010		76,167	Liabilities held for sale	505		
Assets held for sale	020			Actuarial Liabilities for Insurance Contracts	510	2,906,100	
Short Term Investments	040			Other Contract Liabilities	530	213,753	
Accrued Investment Income	070		16,180				
Accounts Receivable	100		46,978	Trust and Banking Deposits	550		
Policy/Certificate Loans	130		100,714	Accounts Payable	570	61,766	
Bonds and Debentures	160		2,097,905	Mortgage Loans and Other Real Estate Encumbrances	590	13,620	
Mortgage Loans	190		264,041	Derivative Financial Instruments	600	7,456	
Preferred Shares	220		254,524	Provisions and Other Liabilities	620	39,701	
Common Shares	250		736,182	Segregated Fund Liabilities	630	1,641,774	
Investment Properties	230		279,734	Current Tax Liabilities	680	24,259	
Derivative Financial Instruments	240		50,565	Deferred Tax Liabilities	690	7,986	
Reinsurance Assets	260		380,844	Subordinated Debt	710		
Property and Equipment	270		18,029	Other Debt	730		
Interests in Associates & Joint Ventures	310						
Segregated Funds Net Assets	320		1,641,774				
Other Loans and Invested Assets	340			<b>Total Liabilities - in Canada</b>	<b>749</b>	4,916,415	
Current Tax Assets	360						
Deferred Tax Assets	370						
Goodwill	400						
Intangible Assets	430		2,548				
Other Assets	460		176				
<b>Total Assets - in Canada</b>	<b>489</b>		5,966,361				

**CONSOLIDATED****SUMMARY OF ASSETS AND LIABILITIES - BY TERRITORY**

(\$'000)

		Canada (11)	U.S.A. (16)	Europe (21)	Asia/Other (26)	Total (36)
<b>ASSETS</b>						
Cash and Invested Assets	810	3,876,012			22,588	3,898,600
Segregated Fund Assets	820	1,641,774				1,641,774
Other Assets	840	448,575			66	448,641
<b>Total Assets</b>	<b>849</b>	5,966,361	0	0	22,654	5,989,015
<b>LIABILITIES</b>						
Actuarial Liabilities	860	2,906,100	0		14,830	2,920,930
Segregated Fund Liabilities	870	1,641,774				1,641,774
Other Liabilities	880	368,541			5,670	374,211
<b>Total Liabilities</b>	<b>899</b>	4,916,415	0	0	20,500	4,936,915

**CONSOLIDATED****LIQUID ASSETS & CASHABLE LIABILITIES - BY TERRITORY****LIQUID ASSETS**  
(\$'000)

		<b>In Canada</b>	<b>Out of Canada</b>	<b>Total</b>
		(01)	(06)	(11)
Cash	010	76,330		76,330
Short Term Investments	040	0		0
<b>Bonds:</b>				
Federal Government	070	121,219	9,326	130,545
Provincial and State Governments	100	734,551		734,551
Publicly Traded Bonds:				
AAA	130	21,872		21,872
AA	160	186,849		186,849
A	190	413,232		413,232
BBB	220	286,518		286,518
Publicly Traded Preferred Shares (Non-Affiliated)	250	254,524		254,524
Publicly Traded Common Shares (Non-Affiliated)	280	164,738	38,736	203,474
Bonds: BB	310	1,828		1,828
<b>Total</b>	<b>489</b>	<b>2,261,661</b>	<b>48,062</b>	<b>2,309,723</b>

**CASHABLE LIABILITIES**  
(\$'000)

		<b>In Canada</b>	<b>Out of Canada</b>	<b>Total</b>
		(01)	(06)	(11)
Cash Value				
Individual				
Traditional with Cash Values	510	948,521		
Universal Life	540	526,853		
Amounts on Deposit	570	104,223		
Accumulation Annuities	600	169,607		
Total Individual	639	1,749,204	14,523	1,763,727
Group				
Accumulation Annuities	660	0		
Amounts on Deposit	690	30,076		
Total Group	729	30,076		30,076
Reinsurance				
Amounts Owing to Reinsurers Subject to Recapture	750	0		0
Debts due in the next twelve months	760	0		0
(Specify)	780			0
<b>Total</b>	<b>889</b>	<b>1,779,280</b>	<b>14,523</b>	<b>1,793,803</b>

## CONSOLIDATED

PREMIUMS AND COMMISSIONS - CANADA  
(\$'000)

	NON-PARTICIPATING						Total Par (41)	Total Par (51)	Total Par & Non-Par (56)	Property & Casualty (61)	Total Canada (76)
	Life		Annuity		A&S						
	Individual (01)	Group (02)	Individual (11)	Group (12)	Individual (21)	Group (22)					
<b>PREMIUMS</b>											
<b>Direct</b>											
Single 010			37,246	20,151			57,397	92,037	149,434		
First Year 020	9,474	3,262			1,437	30,220	44,393	109,660	154,053		
Renewal 030	113,240	36,839			22,552	310,940	483,571	455,266	938,837		
<b>Subtotal - Direct</b> 049	122,714	40,101	37,246	20,151	23,989	341,160	585,361	656,963	1,242,324		1,242,324
<b>Reinsurance Assumed</b>											
Single 110							0	0	0		
First Year 120							0	0	0		
Renewal 130							0	0	0		
<b>Subtotal - Assumed</b> 149	0	0	0	0	0	0	0	0	0		0
<b>Reinsurance Ceded</b>											
Single 210							0	0	0		
First Year 220	1,096	84			186	36,469	37,835	1,222	39,057		
Renewal 230	55,258	2,144			7,264	20,666	85,332	35,787	121,119		
<b>Subtotal - Ceded</b> 249	56,354	2,228	0	0	7,450	57,135	123,167	37,009	160,176		160,176
<b>Total Net Premiums</b> 289	66,360	37,873	37,246	20,151	16,539	284,025	462,194	619,954	1,082,148	0	1,082,148
<b>COMMISSIONS</b>											
<b>Direct</b>											
Single 310			19,690	2,632			22,322		22,322		
First Year 320	11,280	835			1,555	4,014	17,684	171,157	188,841		
Renewal 330	4,838	4,137			1,061	19,221	29,257	35,134	64,391		
<b>Total Direct Commissions</b> 349	16,118	4,972	19,690	2,632	2,616	23,235	69,263	206,291	275,554		275,554
Commissions and Allowances Incurred on Reinsurance Assumed 440							0		0		0
Commissions and Allowances Received on Reinsurance Ceded 450	4,219	186			512	10,795	15,712	2,260	17,972		17,972
<b>Total Net Commissions Incurred</b> 489	11,899	4,786	19,690	2,632	2,104	12,440	53,551	204,031	257,582	0	257,582

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

## CONSOLIDATED

PREMIUMS AND COMMISSIONS - OUT OF CANADA  
(\$'000)

	U.S.A.											EUROPE	ASIA/OTHER	Grand Total Canada/ Out of Canada (99)		
	NON-PARTICIPATING							Total Par	Total Par & Non-Par	Property & Casualty	Total U.S.A.				Total Europe	Total Asia / Other
	Life		Annuity		A&S		Total Non-Par									
	Individual	Group	Individual	Group	Individual	Group										
(01)	(02)	(11)	(12)	(21)	(22)	(41)	(51)	(56)	(61)	(76)	(84)	(89)				
<b>PREMIUMS</b>																
<b>Direct</b>																
Single	010						0		0							
First Year	020						0		0							
Renewal	030						0		0							
<b>Subtotal - Direct</b>	049	0	0	0	0	0	0	0	0	0	0		1,045		1,243,369	
<b>Reinsurance Assumed</b>																
Single	110						0		0							
First Year	120						0		0							
Renewal	130						0		0							
<b>Subtotal - Assumed</b>	149	0	0	0	0	0	0	0	0	0	0				0	
<b>Reinsurance Ceded</b>																
Single	210						0		0							
First Year	220						0		0							
Renewal	230						0		0							
<b>Subtotal - Ceded</b>	249	0	0	0	0	0	0	0	0	0	0		47		160,223	
<b>Total Net Premiums</b>	289	0	0	0	0	0	0	0	0	0	0	0	998		1,083,146	
<b>COMMISSIONS</b>																
<b>Direct</b>																
Single	310						0		0							
First Year	320						0		0							
Renewal	330						0		0							
<b>Total Direct Commissions</b>	349	0	0	0	0	0	0	0	0	0	0		(5)		275,549	
Commissions and Allowances Incurred on Reinsurance Assumed	440						0		0		0		0		0	
Commissions and Allowances Received on Reinsurance Ceded	450						0		0		0				17,972	
<b>Total Net Commissions Incurred</b>	489	0	0	0	0	0	0	0	0	0	0	0	(5)		257,577	

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

**CONSOLIDATED**  
**REINSURANCE CEDED**  
**(\$'000)**

		Face Amount of In Force Insurance Ceded	Premiums Ceded	Benefits Ceded	Total Insurance and Investment Contracts Ceded	
					Current Year	Prior Year
Non-Par		(01)	(06)	(16)	(21)	(26)
Life Individual						
YRT	010	39,477,522	43,636	30,726	(5,961)	(15,509)
Coinsurance	020	3,342,802	12,718	12,199	105,615	99,161
Mod-Co	030					
Stop Loss	040					
Other	060					
<b>Subtotal</b>	099	42,820,324	56,354	42,925	99,654	83,652
Life Group						
YRT	110					
Coinsurance	120	728,270	2,228	1,269	2,114	2,219
Mod-Co	130					
Stop Loss	140					
Other	160					
<b>Subtotal</b>	199	728,270	2,228	1,269	2,114	2,219
Annuity Individual						
YRT	210					
Coinsurance	220					
Mod-Co	230					
Stop Loss	240					
Other	260					
<b>Subtotal</b>	299		0	0	0	0
Annuity Group						
YRT	310					
Coinsurance	320					
Mod-Co	330					
Stop Loss	340					
Other	360					
<b>Subtotal</b>	399		0	0	0	0
Accident & Sickness Individual						
YRT	410		3,962	1,745	(14,799)	(12,322)
Coinsurance	420		3,488	1,934	24,861	20,543
Mod-Co	430					
Stop Loss	440					
Other	460					
<b>Subtotal</b>	499		7,450	3,679	10,062	8,221
Accident & Sickness Group						
YRT	510					
Coinsurance	520		57,135	34,568	174,304	141,279
Mod-Co	530					
Stop Loss	540					
Other	560					
<b>Subtotal</b>	599		57,135	34,568	174,304	141,279
Par	699	22,458,875	37,056	28,333	94,777	28,758
Property & Casualty	799					
<b>Total</b>	899	66,007,469	160,223	110,774	380,911	264,129
Amounts Included Above Ceded to Unregistered Insurers/Societies						
In Canada Business	910					
Foreign Business*	920					

\* Foreign business ceded to insurers/societies not registered / approved in the jurisdiction where the business is written.

**CONSOLIDATED FINANCIAL STATEMENTS****SEGREGATED FUNDS  
NET ASSETS  
(\$'000)**

		<b>Current Year (01)</b>	<b>Prior Year (03)</b>
<b>Assets</b>			
Cash	010	19,890	6,275
Short Term Investments	040	41,991	36,010
Accrued Investment Income	070	1,173	1,216
Bonds and Debentures	100	116,474	101,379
Mortgage Loans	130		
Preferred and Common Shares	160		
Real Estate	190	8,716	8,881
Mutual Funds	220	1,453,649	1,259,396
Other Investments	250		
Other assets (liabilities) net	280	(119)	(105)
<b>Total Segregated Funds Net Assets</b>	<b>289</b>	<b>1,641,774</b>	<b>1,413,052</b>

**CHANGES IN NET ASSETS  
(\$'000)**

		<b>Current Year (01)</b>	<b>Prior Year (03)</b>
<b>Segregated Funds Net Assets, Beginning of Year</b>	410	1,413,052	1,191,192
<b>Additions</b>			
Deposits from Policyholders/Certificateholders	440	330,313	279,139
Net realized and unrealized gains (losses)	470	121,519	169,694
Interest and Dividends	500	25,051	29,329
Net transfers from the General Fund (amounts transferred re: guarantees \$ )	530	(76)	(383)
Effect of currency translation	560		
(Specify)	590		
(Specify)	620		
<b>Total Additions</b>	<b>689</b>	<b>476,807</b>	<b>477,779</b>
<b>Deductions</b>			
Payments to Policyholders/Certificateholders	710	208,824	218,912
Management and Administrative Fees	740	39,261	37,007
(Specify)	770		
(Specify)	810		
<b>Total Deductions</b>	<b>849</b>	<b>248,085</b>	<b>255,919</b>
<b>Segregated Funds Net Assets, End of Year</b>	<b>889</b>	<b>1,641,774</b>	<b>1,413,052</b>

(99)  
530

**CONSOLIDATED**  
**SEGREGATED FUND NET ASSETS MOVEMENT FOR THE YEAR BY TYPE OF FUND**

(\$'000)

TYPE OF FUND		Equity Beginning of Year (01)	Premium and Other Receipts (06)	Withdrawals / Redemption (26)	Transfers Between Seg. Funds (31)	Net Income (36)	Currency Translation Account (46)	Other (50)	Equity End of Year (51)
Money Market / Short Term	010	38,243	45,430	22,185	783	51			62,322
Fixed Income (up to 25% equity)	020	108,715	31,234	18,411	4,171	7,182			132,891
Balanced (maximum 75% equity)	030	379,655	64,161	55,607	(9,536)	12,058			390,731
Low Volatility Diversified Fund	040	177,939	20,066	19,497	(7,761)	(1,907)			168,840
Broad-based Diversified Fund	050	570,033	116,891	70,698	5,606	57,382			679,214
Intermediate Risk Equity	060	115,617	51,735	17,753	7,652	16,465			173,716
Exotic / Aggressive Equity	070	22,850	796	4,673	(991)	16,078			34,060
Interfund Adjustment	080								0
<b>Total</b>	<b>089</b>	1,413,052	330,313	208,824	(76)	107,309	0	0	1,641,774

**CONSOLIDATED**

**SEED MONEY NET ASSETS MOVEMENT FOR THE YEAR**

(\$'000)

TYPE OF FUND		Insurer's/ Society's Equity Beginning of Year (16)	Additional Transfers from General Fund (21)	Withdrawals / Redemption (26)	Net Income (36)	Currency Translation Account (46)	Other (50)	Insurer/ Society's Equity End of Year (56)
Money Market / Short Term	110							0
Fixed Income (up to 25% equity)	120							0
Balanced (maximum 75% equity)	130	11,327	54	654	294			11,021
Low Volatility Diversified Fund	140							0
Broad-based Diversified Fund	150							0
Intermediate Risk Equity	160							0
Exotic / Aggressive Equity	170							0
Interfund Adjustment	180							0
<b>Total</b>	<b>189</b>	11,327	54	654	294	0	0	11,021



## CONSOLIDATED

## SEGREGATED FUNDS NET ASSETS AND IN THE MONEY POSITIONS - BY TYPE OF MATURITY GUARANTEE

TYPE OF GUARANTEE	Number of Funds	Net Assets	Net Assets Covering Policies/ Certificates Issued in Canada	Net Assets Covering Policies/ Certificates Issued in the U.S.A.	Net Assets Covering Policies/ Certificates Issued in Other Countries
		(\$'000) (01)	(\$'000) (02)	(\$'000) (07)	(\$'000) (12)
Funds with no guarantees	110	1	109,210	109,210	
Funds with minimum guarantees (≤ 75%)	210	81	1,395,182	1,395,182	
Funds with minimum guarantees (> 75%)	310	0	137,382	137,382	
<b>Grand Total</b>	<b>889</b>	<b>82</b>	<b>1,641,774</b>	<b>1,641,774</b>	<b>0</b>
Funds with guaranteed minimum withdrawal benefit product:					
Non-lifetime Withdrawal with bonus rates					
≤ 5.0%	410				
> 5.0% and ≤ 7.0%	420				
> 7.0%	430				
Lifetime Withdrawal with bonus rates					
≤ 5.0%	510				
> 5.0% and ≤ 7.0%	520				
> 7.0%	530				

		Percentage	Net Assets
		(%) (21)	(\$'000) (22)
By Maturity Period:			
No guarantees	610	7%	109,210
≤ 1 year	620	0%	962
> 1 year ≤ 5 years	630	2%	31,821
> 5 year ≤ 10 years	640	7%	122,094
> 10 years	650	84%	1,377,687
<b>Grand Total</b>	<b>689</b>	<b>100%</b>	<b>1,641,774</b>

Segregated Fund Exposures	In the Money Position (\$'000) (31)
Funds with maturity guarantees	
≤ 1 year	7
> 1 year ≤ 5 years	1
> 5 year ≤ 10 years	69
> 10 years	661
<b>Grand Total</b>	<b>738</b>

**CONSOLIDATED**

**INTERROGATORIES TO SEGREGATED FUNDS**

1. (a) Does the insurer/society sell variable policies/certificates or contracts out of its general fund which are matched against units of its segregated funds? (03)

**010** Yes/No

If yes, explain why the policy/certificate is held in the general fund.

020

The Company has various Index Linked Interest Options with interest payments to the accounts equaling the performance of internally managed Segregated Funds as part of the Universal Life product.

- (b) Are the units against which the general fund variable contracts are matched held in the general fund? (03)

**110** Yes/No

If yes, describe the manner in which the units are valued in the general fund and how the value is matched to the liability.

120

The Company has various Index Linked Interest Options with interest payments to the accounts equaling the performance of a recognized Index as part of the Universal Life product. Units in the funds are purchased or sold daily to hedge the Company's exposure under the Universal Life product. The units in the general fund are held at market value.

If question 1(b) is answered with a "No", describe how the liability is matched.

130

**CONSOLIDATED****INTERROGATORIES TO SEGREGATED FUNDS (continued)**

2. Do the segregated funds employ financial contracts such as options, futures, forwards and other derivative transactions?

010 Yes/No <sup>(03)</sup>

If yes, please provide details by type of fund outlining the purpose, arrangements and contract amount for all such transactions outstanding at any time during the current year. Also, disclose by type of fund, as described in page 60.020, the income derived from the specified transactions.

020

3. (a) Has any fund given a security interest on any of its assets, provided a guarantee or arranged for the general fund to give a guarantee on its behalf?

110 Yes/No

If yes, please provide details outlining the purpose and arrangements for such security interest.

120

The Company engages in securities lending through its securities custodian and lending agent. Loaned securities are not recognized, and continue to be reported within invested assets, as the Company retains substantial risk and rewards and economic benefits related to the loaned securities.

- (b) Have the policyholders/certificateholders been informed of the fact that guarantees and security interest arrangements may be entered into by the funds?

140 Yes/No

- (c) Are policyholders/certificateholders provided with an explanation of such activity for the current year?

170 Yes/No

4. Will all segregated funds with individual contracts be audited and will financial statements for the current year of such funds be made available to the policyholders/certificateholders?

210 Yes/No

220

For provincially incorporated insurers and insurers/societies licensed in the province of Quebec

NON-CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page		Total			In Canada			
		Current Year		Prior Year	Current Year		Prior Year	
		Total	Fraternal & Other Funds		Total	Fraternal & Other Funds		
		(01)	(02)	(03)	(11)	(12)	(13)	
	Cash and Cash Equivalents	010	76,262		36,830	76,099		36,711
	Assets held for sale	020						
	Short Term Investments	040						
	Accrued Investment Income	070	16,526		14,001	16,180		13,620
	Accounts Receivable	100	47,046		52,703	46,968		52,644
	Policy/Certificate Loans	200	108,531		96,229	100,714		87,576
	Bonds and Debentures	250	2,097,905		1,858,163	2,097,905		1,858,163
	Mortgage Loans	300	264,041		230,837	264,041		230,837
	Preferred Shares	420	254,524		211,508	254,524		211,508
	Common Shares	440	750,365		658,742	736,182		644,702
	Investment Properties	510	279,734		192,150	279,734		192,150
	Derivative Financial Instruments	520	50,565		26,701	50,565		26,701
	Reinsurance Assets	530	380,910		264,129	380,844		264,078
	Property and Equipment	540	18,029		19,441	18,029		19,441
	Interests in Associates & Joint Ventures	550						
	Segregated Funds Net Assets	560	1,641,774		1,413,052	1,641,774		1,413,052
	Other Loans and Invested Assets	600			424			424
<a href="#">75.010</a>	Investments in Subsidiaries	750	214		214	214		214
<a href="#">- .020</a>	Current Tax Assets	780			0			0
	Deferred Tax Assets	800			0			0
	Goodwill	820			0			0
	Intangible Assets	830	2,548		3,430	2,548		3,430
	Defined Benefit Pension Plan	840			0			0
	Other Assets	880	176		378	176		378
	<b>TOTAL ASSETS</b>	899	5,989,150	0	5,078,932	5,966,497	0	5,055,629

For provincially incorporated insurers and insurers/societies licensed in the province of Quebec

**NON-CONSOLIDATED FINANCIAL STATEMENTS**

**LIABILITIES, POLICYHOLDERS' AND SHAREHOLDERS' EQUITY**  
(\$'000)

Reference Page		Total		In Canada	
		Current Year	Prior Year	Current Year	Prior Year
		(01)	(03)	(11)	(13)
	<b>Liabilities</b>				
	Liabilities held for sale 005				
<a href="#">75.030</a>	Actuarial Liabilities for Insurance Contracts 010	2,920,930	2,464,976	2,906,100	2,449,360
	Other Contract Liabilities 040	219,385	194,675	213,753	188,666
	Trust and Banking Deposits 070				
	Accounts Payable 100	30,466	29,613	30,428	29,598
	Mortgage Loans and Other Real Estate Encumbrances 130	13,620	2,946	13,620	2,946
	Derivative Financial Instruments 140	7,456	8,587	7,456	8,587
	Defined Benefit Pension Plan 145	31,338	9,447	31,338	9,447
	Amounts Due in respect of Staff Pension Plans (not including amounts in line 145 above) 150				
	Provisions and Other Liabilities 160	39,701	41,215	39,701	41,215
	Segregated Fund Liabilities 420	1,641,774	1,413,052	1,641,774	1,413,052
	Current Tax Liabilities 430	24,259	11,120	24,259	11,120
	Deferred Tax Liabilities 250	7,986	11,919	7,986	11,919
	Subordinated Debt 280				
	Other Debt 310				
	<b>Total Liabilities</b> 389	4,936,915	4,187,550	4,916,415	4,165,910
	<b>Policyholders' Equity</b>				
	Participating Account 510	547,232	388,741		
	Participating Account - Accumulated OCI (Loss) 520				
	Non-Participating Account (Mutual Companies Only) 540	488,009	493,403		
	Non-Participating Account - Accumulated OCI (Loss) 550	16,994	9,238		
	<b>Total Policyholders' Equity</b> 589	1,052,235	891,382		
	<b>Shareholders' Equity</b>				
	Capital Stock 610				
	Other Capital 640				
	Contributed Surplus 670				
	Retained Earnings 700				
	Shareholders' Accumulated OCI (Loss) 740				
	<b>Total Shareholders' Equity</b> 779	0	0		
	<b>TOTAL LIABILITIES AND EQUITY</b> 899	5,989,150	5,078,932		

For provincially incorporated insurers and insurers/societies licensed in the province of Quebec

**NON-CONSOLIDATED FINANCIAL STATEMENTS**  
**STATEMENT OF INCOME**  
**(\$'000)**

Reference	Page		Total		In Canada	
			Current Year Total Funds (01)	Prior Year Total Funds (03)	Current Year Total Funds (11)	Prior Year Total Funds (13)
		<b>Revenue</b>				
		Gross Premiums	1,243,369	1,184,165	1,242,324	1,183,028
		Premiums ceded	160,223	156,342	160,176	156,211
	95.010	Net Premiums	1,083,146	1,027,823	1,082,148	1,026,817
		Gross Investment Income	273,531	276,177	272,447	274,788
		Less: Investment Expenses and Taxes	8,156	7,073	8,114	7,046
		Net Investment Income	265,375	269,104	264,333	267,742
		Overlay approach adjustment for financial instruments (Reclass from P&L to OCI) *				
	75.010	Share of Income/Loss of Associates & Joint Ventures				
	-.020	Net Income (Loss) from Subsidiaries, Affiliated Companies and Structured Entities		1		1
		Fee Income	48,442	45,665	48,442	45,665
		Other Revenue				
		Fraternal and Other Fund Revenues				
		<b>Total Revenue</b>	1,396,963	1,342,593	1,394,923	1,340,225
		<b>Policy/Certificate Benefits and Expenses</b>				
	95.020	Policyholder/Certificateholder Benefits	493,374	490,670	491,538	489,445
		Benefits ceded	110,774	101,864	110,774	101,667
		Gross Changes to Actuarial Liabilities				
		Normal	515,070	451,928	515,635	452,201
		Basis Change	(59,116)	(26,115)	(58,896)	(26,054)
		Gross Changes to Other Contract Liabilities				
		Normal	2,128	920	2,128	920
		Basis Change				
		Changes in Actuarial and Other Contract Liabilities Ceded				
		Normal	135,132	69,782	135,044	69,675
		Basis Change	(18,350)	(26,936)	(18,277)	(26,917)
		Policyholder/Certificateholder Dividends	61,228	49,360	60,876	48,983
		Experience Rating Refunds	1,009	309	1,009	309
		Transfer to and (Transfer from) Other Funds	(74)	(383)	(74)	(383)
		Gross Commissions	275,549	255,643	275,554	255,414
		Commissions Ceded	17,972	18,322	17,972	18,318
		Interest on Policyholder/Certificateholder Amounts on Deposit	443	454	296	299
		Interest Expense and Finance costs	146	185	146	185
		General Expenses and Taxes (excl. income taxes)	151,044	143,589	151,044	143,489
		Other Expenses	3,456	3,159	3,456	3,159
		Fraternal and Other Fund Expenses		0		0
		<b>Total Benefits and Expenses</b>	1,198,729	1,206,687	1,197,199	1,205,224
		<b>Income Before Income Tax</b>	198,234	135,906	197,724	135,001
		Provision for Income Taxes				
		Current	43,577	25,378	43,577	25,378
		Deferred	1,560	1,614	1,560	1,614
		<b>Income Before the following:</b>	153,097	108,914	152,587	108,009
		Discontinued Operations (net of Income Taxes of \$ )				
		<b>Net Income</b>	153,097	108,914	152,587	108,009
		Attributable to Participating Policyholders/Certificateholders				
		<b>Net Income after Attribution to Participating Policyholders/Certificateholders</b>	153,097	108,914	152,587	108,009
		Attributable to Fraternal and Other Fund Account				
		<b>Insurance Fund</b>	153,097	108,914	152,587	108,009

(99)

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\* This line only applies to Quebec provincially incorporated insurers who have adopted the overlay approach for the implementation of IFRS 9

For provincially incorporated insurers and insurers/societies licensed in the province of Quebec

## NON-CONSOLIDATED FINANCIAL STATEMENTS

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

	Current Year	Prior Year
	(21)	(23)
<b>Comprehensive Income (Loss)</b>		
Net Income	153,097	108,914
Other Comprehensive Income (Loss):		
<b>Items that may be reclassified subsequently to Net Income:</b>		
<b>FVOCI:</b>		
Change in Unrealized Gains and Losses:		
- Loans	110	
- Bonds and Debentures	26,183	17,475
- Equities (IAS 39)	1,707	39
Reclassification of (Gains) Losses to Net Income	(4,524)	(2,788)
<b>Overlay approach *</b>		
Change in Unrealized Gains and Losses related to overlay approach for financial instruments		
Unrealized Gains and Losses	220	
Reclassification of (Gains) Losses from Net Income	225	
<b>Derivatives Designated as Cash Flow Hedges</b>		
Change in Unrealized Gains and Losses	310	
Reclassification of (Gains) Losses to Net Income	340	
<b>Foreign Currency Translation</b>		
Change in Unrealized Gains and Losses	410	
Impact of Hedging	440	
<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	460	
<b>Other</b>	445	
<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	23,366	14,726
<b>Items that will not be reclassified subsequently to Net Income:</b>		
<b>FVOCI:</b>		
Change in Unrealized Gains and Losses:		
- Equities (IFRS 9)	465	
<b>Income (Loss) from Subsidiaries</b>	450	
<b>Revaluation Surplus</b>	455	
<b>Remeasurements of Defined Benefit Plans</b>	(15,610)	(3,440)
<b>Other</b>	480	
<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	(15,610)	(3,440)
<b>Total Other Comprehensive Income (Loss)</b>	7,756	11,286
<b>Total Comprehensive Income (Loss)</b>	160,853	120,200
	Current Year	Prior Year
	(21)	(23)
<b>Accumulated Other Comprehensive Income (Loss)</b>		
Accumulated Gains (Losses), net of tax, on:		
<b>Items that may be reclassified subsequently to Net Income:</b>		
<b>FVOCI:</b>		
- Loans	710	
- Bonds and Debentures	36,053	14,575
- Equities (IAS 39)	486	(1,402)
<b>Overlay Approach *</b>	775	
<b>Derivatives Designated as Cash Flow Hedges</b>	810	
<b>Foreign Currency (Net of Hedging Activities)</b>	840	
<b>Share of Other Comprehensive Income of Associates &amp; Joint Ventures</b>	860	
<b>Other</b>	845	
<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	36,539	13,173
<b>Items that will not be reclassified subsequently to Net Income:</b>		
<b>FVOCI:</b>		
- Equities (IFRS 9)	865	
<b>Income (Loss) from Subsidiaries</b>	850	
<b>Revaluation Surplus</b>	855	
<b>Remeasurements of Defined Benefit Plans</b>	(19,545)	(3,935)
<b>Other</b>	880	
<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	(19,545)	(3,935)
Balance at end of Period	16,994	9,238







## NON-CONSOLIDATED

ACTUARIAL LIABILITIES FOR INSURANCE CONTRACTS BY LINE OF BUSINESS - IN CANADA  
(\$'000)

NON-PARTICIPATING (NON-PAR)		In Canada	
		Current Year (01)	Prior Year (03)
<b>Life</b>			
Individual			
	Direct 010	251,610	163,166
	Assumed 020		
	Ceded 030	99,398	83,392
	Net 039	152,212	79,774
Group			
	Direct 050	31,515	27,928
	Assumed 060		
	Ceded 070	2,114	2,219
	Net 079	29,401	25,709
<b>Annuity</b>			
Individual			
	Direct 110	499,338	499,136
	Assumed 120		
	Ceded 130		
	Net 139	499,338	499,136
Group			
	Direct 150	82,822	66,748
	Assumed 160		
	Ceded 170		
	Net 179	82,822	66,748
<b>Accident &amp; Sickness</b>			
Individual			
	Direct 210	63,017	40,555
	Assumed 220		
	Ceded 230	10,062	8,221
	Net 239	52,955	32,334
Group			
	Direct 250	339,898	271,504
	Assumed 260		
	Ceded 270	174,304	141,279
	Net 279	165,594	130,225
<b>TOTAL NON - PAR</b>			
	Direct 419	1,268,200	1,069,037
	Assumed 429	0	0
	Ceded 439	285,878	235,111
	Net 449	982,322	833,926
<b>TOTAL PARTICIPATING (PAR)</b>			
	Direct 510	1,637,900	1,380,323
	Assumed 520		
	Ceded 530	94,967	28,966
	Net 539	1,542,933	1,351,357
<b>TOTAL PAR &amp; NON-PAR</b>			
	Direct 559	2,906,100	2,449,360
	Assumed 569	0	0
	Ceded 579	380,845	264,077
	Net 589	2,525,255	2,185,283
<b>PROPERTY &amp; CASUALTY</b>			
	Direct 610		
	Assumed 620		
	Ceded 630		
	Net 639	0	0
<b>TOTAL</b>			
	Direct 819	2,906,100	2,449,360
	Assumed 829	0	0
	Gross Actuarial Liabilities 859	2,906,100	2,449,360
	Reinsurance Ceded Assets 839	380,845	264,077
	Net 849	2,525,255	2,185,283

**NON-CONSOLIDATED**

**ANALYSIS OF AMOUNTS OF LIFE INSURANCE  
 EFFECTED AND IN FORCE  
 (\$'000)**

		Non-Participating		Participating		Total (21)
		Individual	Group	Individual	Group	
		(01)	(06)	(11)	(16)	
<b>New Effected</b>						
Direct Written	010	5,742,287	1,407,251	12,814,208		19,963,746
Reinsurance Assumed	020	0		0		0
Reinsurance Ceded	030	3,698,679	2,254	3,167,114		6,868,047
Net (010+020-030)	099	2,043,608	1,404,997	9,647,094	0	13,095,699
<b>In Force</b>						
Direct Written	110	66,842,894	14,624,705	65,515,060		146,982,659
Reinsurance Assumed	120	0		0		0
Reinsurance Ceded	130	42,820,324	728,270	22,458,875		66,007,469
Net (110+120-130)	199	24,022,570	13,896,435	43,056,185	0	80,975,190

**NON-CONSOLIDATED****MOVEMENT OF ANNUITIES****Individual Annuities**

		Accumulation		Payout Annuities				Long Term Disability Annuities	
		Number	Account Value	Certain		Life		Number	Annual Payment
				Number	Annual Payment	Number	Annual Payment		
		(06)	(\$'000) (07)	(11)	(\$'000) (12)	(16)	(\$'000) (17)	(31)	(\$'000) (32)
<b>Direct In Force - Beginning of Year</b>	010	3,829	193,052	874	8,109	3,934	28,813		
Deposits	030	76	13,437	154	1,534	163	1,302		
Interest Credited	070		3,605						
Transfers In	100	1,016	39,488	11	102	4	8		
Other Increase	130				2		15		
<b>Total</b>	149	4,921	249,582	1,039	9,747	4,101	30,138	0	0
Less ceased by:									
Payment	210		4,597	27	268				
Surrender	230	1,374	26,552						
Other	270	114	4,794	11	123	152	850		
Transfer Out	300	23	39,605						
Other	340						3		
<b>Total Ceased</b>	349	1,511	75,548	38	391	152	853	0	0
Currency Revaluation	400								
<b>Direct In Force - End of Year</b>	449	3,410	174,034	1,001	9,356	3,949	29,285	0	0
<b>Reinsurance in force</b>									
Assumed	510								
Ceded	530								

**NON-CONSOLIDATED**  
**MOVEMENT OF ANNUITIES**  
**Group Annuities**

		Accumulation Annuities			Payout Annuities		Long Term Disability Annuities	
		Number of Contracts	Number of certificates	Account Value (\$'000)	Number of certificates	Annual Payment (\$'000)	Number of certificates	Annual Payment (\$'000)
		(01)	(06)	(07)	(21)	(22)	(31)	(32)
<b>Direct In Force - Beginning of Year</b>	010	0	14,678	82,301				
Deposits	030			19,905				
Interest Credited	070							
Transfers In	100							
Other Increase	130			24				
<b>Total</b>	149			102,230		0		0
Less ceased by:								
Payment	210							
Surrender	230			491				
Other	270			5,577				
Transfer Out	300							
Other	340			204				
<b>Total Ceased</b>	349			6,272		0		0
Currency Revaluation	400							
<b>Direct In Force - End of Year</b>	449	0	17,386	95,958		0		0
<b>Reinsurance in force</b>								
Assumed	510							
Ceded	530							

**NON-CONSOLIDATED**  
**REINSURANCE CEDED TO UNREGISTERED INSURERS**  
 (\$'000)

Line of business *	Name of Reinsurer	Country of origin	Type of reinsurance **	Effective date or date of latest revision of contract	Amounts recoverable		Actuarial liabilities ceded to reinsurer	Premiums ceded to reinsurer	Amount of insurance ceded to reinsurer	Security held from reinsurer	
					On claims paid	On claims due and unpaid				Amounts held in trust	Amounts of acceptable LOC
(01)	(02)	(03)	(13)	(18)	(23)	(28)	(33)	(38)	(43)	(48)	(53)
	<b>Affiliated</b>										
	210										
	220										
	230										
	240										
	250										
	260										
	270										
	280										
	290										
	300										
	<b>Subtotal</b>	<b>399</b>			0	0	0	0	0	0	0

\* Classify in the following order: Life, Annuity, Accident and Sickness ...

\*\* YRT, coinsurance, modified coinsurance, catastrophe, stop-loss ...

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

**NON-CONSOLIDATED**  
**REINSURANCE CEDED TO UNREGISTERED INSURERS**  
 (\$'000)

Line of business *	Name of Reinsurer	Country of origin	Type of reinsurance **	Effective date or date of latest revision of contract	Amounts recoverable		Actuarial liabilities ceded to reinsurer	Premiums ceded to reinsurer	Amount of insurance ceded to reinsurer	Security held from reinsurer	
					On claims paid	On claims due and unpaid				Amounts held in trust	Amounts of acceptable LOC
(01)	(02)	(03)	(13)	(18)	(23)	(28)	(33)	(38)	(43)	(48)	(53)
	<b>Non-affiliated</b>										
	610										
	620										
	630										
	640										
	650										
	660										
	670										
	680										
	690										
	700										
	<b>Subtotal</b>	<b>799</b>			0	0	0	0	0	0	0
	<b>Total</b>	<b>889</b>			0	0	0	0	0	0	0

\* Classify in the following order: Life, Annuity, Accident and Sickness ...

\*\* YRT, coinsurance, modified coinsurance, catastrophe, stop-loss ...

(Note for Fraternal Benefit Societies: Include Insurance Funds only on this page)

NON-CONSOLIDATED  
PREMIUMS  
(\$'000)

	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)	
Licensed Y/N	001	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y					
<b>INDIVIDUAL</b>																		
Life																		
Direct	020	2,987	2,298	7,721	8,159	37,557	307,188	27,855	26,772	137,480	219,141	188	400	41	1,890	779,677	1,045	780,722
Assumed	040														0			0
Ceded	060	434	216	1,254	1,029	3,652	40,916	4,358	5,012	17,738	18,076	30	18	6	624	93,363	47	93,410
NET (020+040-060)	089	2,553	2,082	6,467	7,130	33,905	266,272	23,497	21,760	119,742	201,065	158	382	35	1,266	686,314	998	687,312
Annuity																		
Direct	120	68	21	1,346	1,111	9,222	5,507	1,991	4,861	8,994	4,125				37,246		37,246	
Assumed	140														0		0	
Ceded	160														0		0	
NET (120+140-160)	189	68	21	1,346	1,111	9,222	5,507	1,991	4,861	8,994	4,125	0	0	0	37,246	0	37,246	
Accident & Sickness																		
Direct	220	38	45	169	127	319	8,340	938	813	7,120	6,009	10	5	2	54	23,989		23,989
Assumed	240														0		0	
Ceded	260	10	13	55	49	68	2,789	266	255	2,057	1,860	3	2		23	7,450		7,450
NET (220+240-260)	289	28	32	114	78	251	5,551	672	558	5,063	4,149	7	3	2	31	16,539	0	16,539
TOTAL NET (089+189+289)	299	2,649	2,135	7,927	8,319	43,378	277,330	26,160	27,179	133,799	209,339	165	385	37	1,297	740,099	998	741,097
<b>GROUP</b>																		
Life																		
Direct	320	60	21	315	237	1,713	21,298	768	1,273	7,896	6,492	5	20	1	2	40,101		40,101
Assumed	340														0		0	
Ceded	360	3	1	18	14	99	1,185	44	75	439	349		1		2,228		2,228	
NET (320+340-360)	389	57	20	297	223	1,614	20,113	724	1,198	7,457	6,143	5	19	1	37,873	0	37,873	
Annuity																		
Direct	420	497	350	684	2,371		14,142	27	143	1,433	499		5		20,151		20,151	
Assumed	440														0		0	
Ceded	460														0		0	
NET (420+440-460)	489	497	350	684	2,371	0	14,142	27	143	1,433	499	0	5	0	20,151	0	20,151	
Accident & Sickness																		
Direct	520	610	443	1,813	1,537	12,064	178,298	9,994	8,661	69,883	57,648	67	99	43	341,160		341,160	
Assumed	540														0		0	
Ceded	560	140	165	475	301	2,243	30,310	1,360	1,764	10,606	9,727	12	13	19	57,135		57,135	
NET (520+540-560)	589	470	278	1,338	1,236	9,821	147,988	8,634	6,897	59,277	47,921	55	86	24	284,025	0	284,025	
TOTAL NET (389+489+589)	599	1,024	648	2,319	3,830	11,435	182,243	9,385	8,238	68,167	54,563	60	110	25	342,049	0	342,049	
Property & Casualty - Net	630														0		0	
Other - Net	670														0		0	
GRAND TOTAL NET (299+599+630+670)	699	3,673	2,783	10,246	12,149	54,813	459,573	35,545	35,417	201,966	263,902	225	495	62	1,299	1,082,148	998	1,083,146
Fraternal & Other Funds Revenues	750														0		0	



**NON-CONSOLIDATED**  
**POLICYHOLDER/CERTIFICATEHOLDER BENEFITS PAID AND INCURRED**  
**(\$'000)**

	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)	
<b>INDIVIDUAL</b>																		
<b>Life</b>																		
Direct	1,709	508	1,152	1,764	4,313	68,343	7,153	6,862	40,739	33,025	13	602		1,312	167,495	1,836	169,331	
Assumed															0		0	
Ceded	633	344	369	807	1,499	30,727	3,511	2,662	17,738	12,113		435		420	71,258		71,258	
NET (020+040-060)	689	1,076	164	783	957	2,814	37,616	3,642	4,200	23,001	20,912	13	167	0	892	96,237	1,836	98,073
<b>Annuity</b>																		
Direct	342	124	1,132	1,101	3,737	31,503	4,603	3,908	9,157	10,036	9	2		356	66,010		66,010	
Assumed															0		0	
Ceded															0		0	
NET (120+140-160)	342	124	1,132	1,101	3,737	31,503	4,603	3,908	9,157	10,036	9	2	0	356	66,010	0	66,010	
<b>Accident &amp; Sickness</b>																		
Direct		50	100		100	2,074	46	5	2,220	1,104				50	5,749		5,749	
Assumed															0		0	
Ceded		30	73		60	1,407	39		1,361	709					3,679		3,679	
NET (220+240-260)	0	20	27	0	40	667	7	5	859	395	0	0	50	0	2,070	0	2,070	
TOTAL NET (089+189+289)	299	1,418	308	1,942	2,058	6,591	69,786	8,252	8,113	33,017	31,343	22	169	50	1,248	164,317	1,836	166,153
<b>GROUP</b>																		
<b>Life</b>																		
Direct	10	25	259	35	853	8,759	838	1,174	4,810	2,065					18,828		18,828	
Assumed															0		0	
Ceded		4	18		5	313	540		303	86					1,269		1,269	
NET (320+340-360)	10	21	241	35	848	8,446	298	1,174	4,507	1,979	0	0	0	0	17,559	0	17,559	
<b>Annuity</b>																		
Direct	107	85	400	596	34	4,080	26	39	402	92					5,861		5,861	
Assumed															0		0	
Ceded															0		0	
NET (420+440-460)	107	85	400	596	34	4,080	26	39	402	92	0	0	0	0	5,861	0	5,861	
<b>Accident &amp; Sickness</b>																		
Direct	395	54	876	1,062	8,110	118,002	6,723	6,301	49,710	36,162	23	166	11		227,595		227,595	
Assumed															0		0	
Ceded	46	3	147	159	1,094	20,354	1,186	1,175	5,208	5,107	2	87			34,568		34,568	
NET (520+540-560)	349	51	729	903	7,016	97,648	5,537	5,126	44,502	31,055	21	79	11	0	193,027	0	193,027	
TOTAL NET (389+489+589)	599	466	157	1,370	1,534	7,898	110,174	5,861	6,339	49,411	33,126	21	79	11	0	216,447	0	216,447
Property & Casualty - Net	630														0		0	
Other - Net	670														0		0	
GRAND TOTAL NET (299+599+630+670)	699	1,884	465	3,312	3,592	14,489	179,960	14,113	14,452	82,428	64,469	43	248	61	1,248	380,764	1,836	382,600

**POLICYHOLDER/CERTIFICATEHOLDER DIVIDENDS AND EXPERIENCE RATING REFUNDS - DIRECT**  
**(\$'000)**

	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)	
<b>INDIVIDUAL</b>																		
<b>Life</b>	123	128	465	505	2,318	17,249	1,940	1,518	9,070	15,226	6	36	1	283	48,868	379	49,247	
<b>Annuity</b>															0		0	
<b>Accident &amp; Sickness</b>															0		0	
TOTAL INDIVIDUAL (720+740+760)	789	123	128	465	505	2,318	17,249	1,940	1,518	9,070	15,226	6	36	1	283	48,868	379	49,247
<b>GROUP</b>																		
<b>Life</b>															0		0	
<b>Annuity</b>															0		0	
<b>Accident &amp; Sickness</b>						762			190	57					1,009		1,009	
TOTAL GROUP (820+840+860)	889	0	0	0	0	762	0	0	190	57	0	0	0	0	1,009	0	1,009	
Property & Casualty*	930														0		0	
Other	970														0		0	
GRAND TOTAL (789+889+930+970)	989	123	128	465	505	2,318	18,011	1,940	1,518	9,260	15,283	6	36	1	283	49,877	379	50,256

\* The P&C experience rating refunds should not be disclosed on this line, but rather in deduction of the premiums.

## NON-CONSOLIDATED

MOVEMENT OF INSURANCE - LIFE - INDIVIDUAL (DIRECT)  
(\$'000)

MOVEMENT	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)
Amount (\$'000)																	
In Force - Beginning of Year 020	317,194	328,617	1,186,200	995,124	3,664,132	44,065,776	5,749,983	5,855,356	26,470,111	31,462,808	40,363	52,006	8,453	359,004	120,555,127	100,026	120,655,153
New effected 040	29,345	39,340	155,066	80,553	1,176,900	7,123,632	1,113,907	565,592	3,312,746	4,950,791	501	7,972	150	0	18,556,495	0	18,556,495
Old revived 060	3,374	220	5,839	3,214	44,523	288,102	26,163	29,253	180,135	254,309	0	0	0	5,050	840,182	3,527	843,709
All other additions 080	8,915	7,950	34,559	30,893	99,992	543,635	88,576	60,501	385,897	471,239	1,602	238	533	134,794	1,869,324	589	1,869,913
TOTAL (040+060+080) 099	41,634	47,510	195,464	114,660	1,321,415	7,955,369	1,228,646	655,346	3,878,778	5,676,339	2,103	8,210	683	139,844	21,266,001	4,116	21,270,117
Less:																	
Death 120	1,615	505	916	1,508	2,696	55,803	6,275	5,287	32,688	23,584	0	500	0	915	132,292	100	132,392
Maturity 140	0	0	0	0	174	984	20	30	281	937	0	0	0	21	2,447	80	2,527
Surrender 160	1,825	26	5,740	4,594	24,550	153,034	14,012	19,993	168,351	160,126	161	1,107	0	3,472	556,991	2,111	559,102
Lapse 180	19,071	22,704	69,917	55,564	153,438	2,508,387	386,430	343,640	1,577,379	1,837,322	3,304	350	2,000	32,565	7,012,071	11,321	7,023,392
All other deductions 200	6,336	9,565	12,934	10,952	70,113	568,975	109,133	105,030	443,628	409,079	0	1,720	1,099	97,111	1,845,675	4,228	1,849,903
TOTAL CEASED (120+140+160+180+200) 229	28,847	32,800	89,507	72,618	250,971	3,287,183	515,870	473,980	2,222,327	2,431,048	3,465	3,677	3,099	134,084	9,549,476	17,840	9,567,316
Currency Revaluation 250															0		0
In Force - End of Year (020+099-229+250) 299	329,981	343,327	1,292,157	1,037,166	4,734,576	48,733,962	6,462,759	6,036,722	28,126,562	34,708,099	39,001	56,539	6,037	364,764	132,271,652	86,302	132,357,954
Net in force - End of year 399	150,904	157,913	573,502	478,297	2,648,314	24,772,761	3,506,905	2,924,815	13,216,754	18,407,925	15,274	25,437	3,071	147,508	67,029,380	49,375	67,078,755

MOVEMENT OF INSURANCE - LIFE - INDIVIDUAL (DIRECT)  
NUMBER OF POLICIES/CERTIFICATES

NUMBER OF POLICIES/CERTIFICATES	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)
In Force - Beginning of Year 420	1,190	844	3,125	2,837	14,022	125,800	17,150	14,537	59,859	76,039	79	147	27	1,065	316,721	447	317,168
New effected 440	54	89	452	230	4,604	18,684	3,159	1,535	8,036	11,851	2	11	1	0	48,708	0	48,708
Old revived 460	3	1	11	9	93	697	65	57	316	520	0	0	0	8	1,780	10	1,790
All other additions 480	20	25	82	57	185	1,199	216	164	821	919	6	0	3	388	4,085	1	4,086
TOTAL (440+460+480) 499	77	115	545	296	4,882	20,580	3,440	1,756	9,173	13,290	8	11	4	396	54,573	11	54,584
Less:																	
Death 520	13	1	10	7	29	416	38	45	108	101	0	1	0	11	780	1	781
Maturity 540	0	0	0	0	4	27	1	1	1	3	0	0	1	38	38	2	40
Surrender 560	5	2	11	10	24	633	88	73	553	493	2	4	0	13	1,911	14	1,925
Lapse 580	51	52	165	120	576	6,406	973	801	3,246	3,731	6	3	1	69	16,200	37	16,237
All other deductions 600	16	21	39	29	151	1,062	302	257	776	751	0	4	2	313	3,723	3	3,726
TOTAL CEASED (520+540+560+580+600) 629	85	76	225	166	784	8,544	1,402	1,177	4,684	5,079	8	12	3	407	22,652	57	22,709
In Force - End of Year (420+499-629) 699	1,182	883	3,445	2,967	18,120	137,836	19,188	15,116	64,348	84,250	79	146	28	1,054	348,642	401	349,043
Net in force - End of year 899	1,182	883	3,445	2,967	18,120	137,836	19,188	15,116	64,348	84,250	79	146	28	1,054	348,642	401	349,043

## NON-CONSOLIDATED

MOVEMENT OF INSURANCE - LIFE - GROUP (DIRECT)  
(\$'000)

MOVEMENT	Newfoundland & Labrador (01)	P.E.I. (02)	Nova Scotia (03)	New Brunswick (04)	Quebec (05)	Ontario (06)	Manitoba (07)	Saskatchewan (08)	Alberta (09)	British Columbia (10)	Yukon (11)	Northwest Territories (12)	Nunavut (13)	Miscellaneous (18)	Total In Canada (23)	Out of Canada (28)	Total (33)	
Amount (\$'000)																		
In Force - Beginning of Year	020	26,102	7,677	91,478	73,569	638,168	7,344,909	244,430	545,634	3,176,779	2,514,996	1,506	7,034	964	0	14,673,246	0	14,673,246
New effected	040	1,148	676	8,190	1,530	26,572	753,095	59,520	63,933	271,603	220,984	0	0	0	0	1,407,251	0	1,407,251
Old revived	060															0	0	0
All other additions	080	0	0	2,116	0	0	0	0	0	57,424	0	180	0	0	59,720	0	59,720	
TOTAL (040+060+080)	099	1,148	676	10,306	1,530	26,572	753,095	59,520	63,933	271,603	220,984	0	180	0	0	1,466,971	0	1,466,971
Less:																		
Death	120	10	25	269	35	874	9,118	896	1,089	4,240	2,279	0	0	0	18,835	0	18,835	
Maturity	140														0	0	0	
Surrender	160														0	0	0	
Lapse	180	3,979	2,301	4,891	1,934	39,253	564,340	10,273	61,476	291,698	259,302	78	35	0	1,239,560	0	1,239,560	
All other deductions	200	682	634	0	1,866	21,338	45,770	3,804	6,525	176,037	0	85	0	376	257,117	0	257,117	
TOTAL CEASED (120+140+160+180+200)	229	4,671	2,960	5,160	3,835	61,465	619,228	14,973	69,090	471,975	261,581	163	35	376	0	1,515,512	0	1,515,512
Currency Revaluation	250														0	0	0	
<b>In Force - End of Year (020+099-229+250)</b>	299	22,579	5,393	96,624	71,264	603,275	7,478,776	288,977	540,477	2,976,407	2,531,823	1,343	7,179	588	0	14,624,705	0	14,624,705
<b>Net in force - End of year</b>	399	21,415	4,967	93,499	68,829	590,715	7,116,574	284,110	526,706	2,824,027	2,357,330	1,301	6,374	588	0	13,896,435	0	13,896,435

MOVEMENT OF INSURANCE - LIFE - GROUP (DIRECT)  
NUMBER OF CERTIFICATES

Number of CERTIFICATES*																		
In Force - Beginning of Year	420	378	113	1,299	1,019	8,776	97,421	3,499	6,433	30,739	30,717	30	65	8	0	180,497	0	180,497
New effected	440	22	10	223	47	329	10,142	583	501	2,636	3,344	0	0	0	17,837	0	17,837	
Old revived	460														0	0	0	
All other additions	480	0	0	2	0	0	0	0	0	0	0	1	0	0	3	3	3	
TOTAL (440+460+480)	499	22	10	225	47	329	10,142	583	501	2,636	3,344	0	1	0	0	17,840	0	17,840
Less:																		
Death	520	1	1	9	2	22	238	8	17	85	55	0	0	0	438	0	438	
Maturity	540														0	0	0	
Surrender	560														0	0	0	
Lapse	580	25	18	27	16	515	7,074	110	1,299	2,488	2,645	1	1	0	14,219	0	14,219	
All other deductions	600	1	1	0	62	353	2,917	165	91	1,827	356	2	0	0	5,775	0	5,775	
TOTAL CEASED (520+540+560+580+600)	629	27	20	36	80	890	10,229	283	1,407	4,400	3,056	3	1	0	0	20,432	0	20,432
<b>In Force - End of Year (420+499-629)</b>	699	373	103	1,488	986	8,215	97,334	3,799	5,527	28,975	31,005	27	65	8	0	177,905	0	177,905
<b>Net in force - End of year</b>	899	373	103	1,488	986	8,215	97,334	3,799	5,527	28,975	31,005	27	65	8	0	177,905	0	177,905

\* Include Number of Certificates Under Shared Groups Counted on a Pro Rata Basis.

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