Annual Report 1984

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MICC Investments Limited

MICC INVESTMENTS LIMITED

Company Profile

MICC Investments Limited is a public company whose shares are listed for trading on the Toronto and Montreal Stock Exchanges. MICC Investments Limited operates in all provinces through its subsidiary, The Mortgage Insurance Company of Canada (MICC).

MICC was incorporated by an Act of Parliament (Canada 1963) and is registered under the provisions of the Canadian and British Insurance Company's Act. MICC's activities fall under the jurisdiction of the Federal Department of Insurance, whose staff carry-out regular inspections.

MICC is engaged principally in the business of providing financial guarantees in the real estate market.

MICC insurance protection is available for first and second mortgages on houses, rental projects, and commercial and industrial properties, through 13 branch offices and 200 active lender clients across Canada. The company has also developed a range of other programs which includes Surety, Condominium Deposit Insurance, New Home Warranty, Lease Guarantee, and most recently RenoLoan and the Self-Directed Registered Retirement Savings Plan.

In operation for over 20 years, MICC now has $17 billion of insurance in force.

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Si vous désirez recevoir
ce rapport en français
veuillez vous adresser au:
Secrétaire
Les Placements MICC, Limitée
1 rue Dundas ouest
chambre 1600, Toronto, Ontario
M5G 1Z3

Financial Highlights

(000's omitted)	**1984**	1983	1982	1981	1980
Premiums Written	**$18,444**	$ 22,852	$ 13,953	$ 22,711	$ 27,649
Underwriting Revenue	**31,578**	35,752	40,738	38,394	36,144
Investment Income	**40,909**	54,775	42,340	30,370	28,970
Losses Incurred on Claims	**132,094**	112,509	76,220	46,954	42,553
Net Earnings (Loss)	**(87,698)**	(85,445)	(1,165)	12,446	12,701
Net Earnings (Loss) Available to Common Shareholders	**(98,773)**	(97,189)	(8,725)	6,473	7,089
Total Assets	**326,873**	425,235	446,096	385,706	331,929
Shareholders' Equity	**44,021**	148,869	236,848	200,025	173,669
Earnings (Loss) Per Common Share	**($8.69)**	($8.55)*	($0.77)	$0.78	$0.97
Earnings (Loss) Per Common Share (Fully Diluted)	**($8.69)**	($8.55)	($0.77)	$0.78	$0.95
Common Dividends Paid	**—**	**	$0.76	$0.76	$0.76

*($6.63) before extraordinary item
**Stock Dividend – One Common Share for each Twenty Shares held.

Message to Shareholders

A continuation of claims at extraordinarily high levels from the Province of Alberta was the principal cause for the company incurring a loss of $87.7 million for 1984.

At year end, the company's subsidiary, The Mortgage Insurance Company of Canada, had a capital deficiency of $59 million under the current capital requirement formula of the Department of Insurance of Canada. The company is studying various proposals to raise the amount required to eliminate the deficiency and provide The Mortgage Insurance Company of Canada with sufficient additional capital to support its operations.

Accounting policy is to maintain reserves for losses on claims incurred but not yet paid and for the present value of estimated future losses on claims on policies in force. Should the present value of claims actually incurred not exceed these reserves, there would be no further deterioration in the equity of the company. At December 31, 1983, reserves were set at $265 million. The net loss for 1984 of $87.7 million therefore reflects both that claims losses in 1984 of $132.1 million were significantly higher than anticipated, and that the reserve for claims in 1985 and future years has been increased by $78 million over the reserve for such claims made a year earlier.

Of the company's mortgage insurance claims in 1984, 45% were in the city of Calgary and 77% in the Province of Alberta. The company is now reserved for an ultimate foreclosure rate of 37% of the loans insured in Calgary since 1978. Arrears and claims in all other provinces have declined significantly.

Alberta legislation does not permit MICC's lenders to pursue the covenant of the borrower as additional security on a mortgage. With the decline of real estate prices, in many cases to less than the principal amount of the mortgage, many borrowers with the financial capacity to pay have walked away from their obligations. The company has been unsuccessful in having the existing Alberta legislation changed and it has severely restricted the underwriting of new business in Alberta.

New mortgage insurance commitments declined to $956 million in 1984 from $1.3 billion in 1983. Total revenue declined 20% to $72.5 million. Total assets at December 31, 1984, were $326.9 million, compared with $425.1 million at December 31, 1983. Equity in the earnings of Inter-City Gas Corporation in 1984 totalled $7.6 million compared with $2.8 million during 1983.

On April 30, 1984, the shareholders approved a special resolution restating the capital of the issued and outstanding common shares from $91.3 million to $1.1 million. Of the net reduction of $90.2 million in the stated capital $82.7 million was applied against the deficit and the balance of $7.5 million was credited to contributed surplus.

The company has encouraged the government and CMHC not to offer subsidies at the expense of the taxpayer in the form of unnecessarily low premiums to borrowers or unnecessarily high coverage to lenders. Effective in the first quarter of 1985, CMHC and MICC increased premium rates for homeownership mortgages by an average of 50%. The new premium rate structure is 125% higher than the rate structure in place when the company wrote 80% of its current insurance in force.

Housing starts in 1985 are projected at 140,000 to 150,000 units, compared to the 1984 total of 134,900 starts. Single-family starts are expected to perform better than the multi-family sector. Mortgage loan approvals by lending institutions totalled about $23.0 billion during 1984, 12% below the record $26.3 billion loan approvals during 1983.

We were saddened by the recent deaths of two of our directors, Mr. Ralph T. Scurfield and Mr. Henry B. Rhude. Their contribution to the company's affairs during their term on the Board was invaluable.

During the year, Mr. G.D. Sutton retired from the Board of Directors after over 20 years of service and we shall miss his wise counsel.

Mr. John H. Coleman has reached mandatory retirement age and will not be standing for re-election. Mr. Coleman has served as Chairman of the Board of Directors of the company the last three years and we are grateful for the important contribution he made to the company during this difficult period.

Throughout the year, our employees worked diligently to provide the highest possible level of service to our many clients, and we wish to thank them for their efforts.

April 23, 1985

R.G. Graham
President and Chief
Executive Officer

J.H. Coleman
Chairman

Consolidated Financial Statements

Consolidated Balance Sheet
As at December 31, 1984

	Assets	1984 $000's	1983 $000's
Cash and Accounts Receivable	Cash	**217**	1,128
	Interest accrued and sundry receivables	**9,285**	13,003
	Premiums receivable	**1,093**	1,808
	Income taxes recoverable	**210**	243
	Due from reinsurers	**903**	404
		11,708	16,586
Real Estate		**37,633**	37,630
Investments	Bonds and debentures – at amortized cost (market value $60,218,000; 1983 – $83,919,000)	**58,573**	79,372
	Preferred stocks – at market value (cost $41,056,000; 1983 – $72,699,000)	**38,687**	74,695
	Common stocks – at market value (cost $54,736,000; 1983 – $82,754,000)	**47,332**	87,390
	Mortgages – at amortized cost	**17,915**	19,342
	Investment in Inter-City Gas Corporation (note 3)	**113,364**	107,995
		275,871	368,794
Other Assets	Capital expenses – at amortized cost (note 6)	**1,111**	1,502
	Other	**550**	723
		1,661	2,225
		326,873	425,235

	Liabilities	1984 $000's	1983 $000's
Accounts Payable	Bank indebtedness	**4,933**	2,650
	Secured loan (note 4)	**4,800**	4,300
	Due to reinsurers	**127**	97
	Provision for claims	**119,106**	114,620
	Premium taxes payable	**167**	293
	Accounts payable and accrued liabilities	**327**	920
		129,460	122,880
Other Liabilities	Deferred revenue (note 5)	**153,392**	150,153
	Income debentures	**—**	3,333
		153,392	153,486
		282,852	276,366

	Shareholders' Equity (note 6)		
Capital Stock	Issued and fully paid –		
	Preferred shares	**112,033**	112,581
	Common shares	**1,137**	91,269
		113,170	203,850
Contributed Surplus		**11,965**	4,500
Deficit		**(71,341)**	(66,113)
		53,794	142,237
Unrealized Gain (Loss) on Stocks		**(9,773)**	6,632
		44,021	148,869
		326,873	425,235

Signed on behalf of the board

Robert G. Graham
Director

David A. Rattee
Director

Consolidated Statement of Operations
For the Year Ended December 31, 1984

		1984 $000's	1983 $000's
Revenue	Net premiums written	18,444	22,852
	Application fees	833	1,491
	Inspection service and appraisal fees	86	151
		19,363	24,494
	Decrease in unearned premiums	12,215	11,258
	Underwriting revenue	31,578	35,752
	Investment income –		
	Interest and amortization	17,298	19,288
	Dividends	7,758	12,672
	Equity in earnings of Inter-City Gas Corporation (note 3)	7,590	2,805
	Realized gain on disposal of investments	7,888	20,098
	Foreign exchange gain (loss)	375	(88)
		40,909	54,775
		72,487	90,527
Expenses	Insurance underwriting and policy issuance expenses	3,441	3,143
	Premium taxes	602	627
		4,043	3,770
	Less: Increase in deferred expenses	---	2,092
		4,043	1,678
	Losses on claims provided for and incurred	132,094	112,509
	Other operating expenses	8,270	7,925
	Income debenture interest and amortization expense	1	284
		144,408	122,396
Loss Before Income Taxes, Unusual and Extraordinary Items		71,921	31,869
Provision for Current Income Taxes		77	433
Loss Before Unusual and Extraordinary Items		71,998	32,302
Unusual Item	Provision for premium deficiency	15,700	31,391
Loss for the Year Before Extraordinary Item		87,698	63,693
Extraordinary Item	Deferred income tax charges of prior years written off	---	21,752
Loss for the Year		87,698	85,445
	Weighted daily average number of common shares outstanding	11,371,489	11,367,339
	Loss per common share before extraordinary item (Exercise of warrants and conversion of shares would not be dilutive)	($8.69)	($6.63)
	Loss per common share after extraordinary item	($8.69)	($8.55)

Consolidated Statement of Unrealized Gain (Loss) on Stocks

For the Year Ended December 31, 1984

	1984 $000's	1983 $000's
Unrealized Gain (Loss) on Stocks – Beginning of Year	**6,632**	(10,808)
Unrealized gain (loss) on stocks for the year	**(16,405)**	17,440
Unrealized Gain (Loss) on Stocks – End of Year	**(9,773)**	6,632

Consolidated Statement of Deficit

For the Year Ended December 31, 1984

	1984 $000's	1983 $000's
Deficit (Retained Earnings) – Beginning of Year	**66,113**	(34,328)
Restatement of common share capital (note 6)	**(82,688)**	—
Loss for the year	**87,698**	85,445
Gain on redemption of preferred shares	**(67)**	(738)
	71,056	50,379
Amortization of capital expenses (note 6)	**285**	92
Cash dividends – Preferred shares	—	11,744
– Common shares	—	—
Stock dividend – Common shares	—	3,898
	285	15,734
Deficit – End of Year	**71,341**	66,113

Consolidated Statement of Changes in Financial Position
For the Year Ended December 31, 1984

		1984 $000's	1983 $000's
Source of Funds	Common shares issued	**22**	31
	Increase in accounts payable	**6,580**	53,617
	Decrease in cash and accounts receivable	**4,878**	9,294
	Other	**155**	209
		11,635	63,151
Use of Funds	Operations –		
	Loss for the year before extraordinary item	**87,698**	63,693
	Decrease (increase) in deferred revenue	**(3,239)**	(15,168)
	Depreciation and amortization	**(152)**	(293)
	Funds used in operations	**84,307**	48,232
	Increase in real estate	**3**	10,075
	Purchase of fixed assets	**29**	269
	Repayment of income debentures	**3,333**	1,667
	Cash dividends –		
	Preferred shares	**—**	11,744
	Common shares	**—**	—
	Redemption of preferred shares	**481**	8,167
		88,153	80,154
Funds Required from Investments		**76,518**	17,003
Investment Funds – Beginning of Year		**368,794**	368,357
		292,276	351,354
	Unrealized gain (loss) on stocks for the year	**(16,405)**	17,440
Investment Funds – End of Year		**275,871**	368,794

Notes to Consolidated Financial Statements

For the Year Ended December 31, 1984

1. Accounting Policies
These financial statements are prepared in accordance with generally accepted accounting principles. The application of these principles is set out for the following significant items:

Principles of consolidation
The consolidated financial statements of MICC Investments Limited include the accounts of its subsidiaries. The company operates principally in the mortgage insurance business in Canada.

Premiums
Net premiums written are deferred and then taken into underwriting revenue as earned over the life of the related policies. The majority of policies have been written for twenty years. The rates or formulae under which premiums are earned relate to the amount of risk in each year of coverage as projected by management, based primarily on the past incidence of losses. The formulae under which premiums are earned are adjusted periodically in accordance with such estimates.

Application fees
Application fees received on insurance policies written are taken into income as received.

Underwriting and policy issuance expenses and premium taxes
Underwriting and policy issuance expenses and premium taxes in excess of application fees are deferred to the extent they are considered recoverable from future underwriting revenue and then amortized against premiums as the premiums are earned.

Losses on claims provided for and incurred
Losses on claims represent the difference between the amounts claimed or estimated to be claimed and amounts recovered or estimated to be recoverable from the sale of real estate. Provisions for losses are made when it is considered probable that defaults by borrowers will result in claims. Provisions for losses on claims are updated regularly as information concerning claim amounts and real estate values becomes available.

Premium deficiency provision
The premium deficiency provision is determined as the excess of the present value of estimated future losses on policies in force (using a discount rate of 10% (1983 – 10¼%)) over unearned premiums.

Foreign exchange
Amounts denominated in United States dollars have been translated to Canadian dollars at the following rates:
Monetary assets and liabilities – rate in effect at the balance sheet date.
Non-monetary assets – historical rates.
Revenues and expenses – average rates prevailing during the year.

Investment income
(a) Treasury bills and other short-term securities – Interest is recorded as income as it accrues. Gains and losses are taken into income when realized on disposition.

(b) Bonds, debentures and mortgages – Interest is recorded as income as it accrues. The premium or discount between cost and maturity value is amortized into income over the period to maturity. A gain or loss on the sale of a bond, debenture or mortgage is deferred and then amortized over the term to maturity of the security sold.

(c) Stocks – Dividends are recorded as income on the ex-dividend date. Gains and losses on disposal of stocks are taken into income when realized. Investments in common shares of companies where a degree of significant influence is present are accounted for on an equity basis. Unrealized gains and losses on stocks, excluding investments accounted for on an equity basis, are accounted for in the "Consolidated Statement of Unrealized Gain (Loss) on Stocks", the balance of which is included in shareholders' equity.

(d) Options – Premiums received on the sale of call options are deferred and amortized over the period to expiry of the option. If the option is exercised or repurchased prior to maturity, the unamortized premium is taken into income immediately.

Real estate
Real estate is carried in the accounts at its estimated realizable value after deduction of estimated real estate commissions and other sales related expenses.

2. Department of Insurance Requirements
The company's principal subsidiary, The Mortgage Insurance Company of Canada, is incorporated under the Canadian and British Insurance Companies Act (the Act) and as such is subject to certain requirements and restrictions contained in the Act.

The subsidiary has a deficiency under the solvency requirements of Section 103 of the Act amounting to $39,000,000, of which $38,000,000 relates to excess investments in common shares. This deficiency may be corrected by the sale of $38,000,000 of common share investments and the injection of $1,000,000 of capital financing.

The subsidiary is also required to operate under a capital requirement formula, developed by the Department of Insurance of Canada, which establishes a minimum amount of capital required by the company to support outstanding insurance in force. The subsidiary has a deficiency under the current capital formula amounting to $59,000,000.

The capital deficiency and the deficiency under Section 103 could be corrected simultaneously by the injection of $59,000,000 of additional financing. The company is studying various proposals to raise the required capital. In the event that additional financing is not raised, the company's ability to continue to carry on its normal business may be restricted or discontinued.

3. Inter-City Gas Corporation
(a) As at December 31, 1984, the unamortized excess of the cost of shares of Inter-City Gas Corporation (ICG) over the underlying net book value of the investment amounted to approximately $9,055,000. The equity in earnings of ICG is being reduced by an amount sufficient to amortize this amount over the estimated remaining productive life of proved oil and gas reserves at the date of acquisition of these shares, which in the aggregate is currently approximately 18 years.

(b) The company owns 5,170,700 common shares of ICG, being 28% of that company's issued voting shares. ICG owns all of the company's issued first preferred Series G shares as well as the warrants described in note 6(b)(iii).

(c) The company owns 3 million warrants entitling it to purchase 3 million common shares of ICG at a price of $12 per share. These warrants expire on December 16, 1987.

(d) As at December 31, 1984 this investment comprised:

	1984 $000's	1983 $000's
Common shares including equity in earnings since acquisition (market value $52,367,000; 1983 – $58,843,000)	**68,785**	63,263
Preferred shares – at cost (market value $259,000; 1983 – $380,000)	**329**	482
Warrants for purchase of common shares – at cost	**8,250**	8,250
14% note receivable	**36,000**	36,000
	113,364	107,995

The note receivable is due $3,600,000 in each of the years 1988 to 1995 and the balance is due in 1996.

4. Secured Loan
Certain real estate property has been pledged as security for this loan which bears interest at the Bank of Nova Scotia bankers' acceptance rate and is repayable on June 30, 1985.

5. Deferred Revenue
Deferred revenue consist principally of unearned premiums and a premium deficiency provision.

6. Capital Stock
The authorized, issued and fully paid capital stock of the company consists of:

Authorized –
3,951,600 (1983 – 3,951,600) first preferred shares issuable in series
Unlimited (1983 – unlimited) second preferred shares issuable in series
Unlimited (1983 – unlimited) common shares without par value

	1984	1983
Issued and fully paid –		
477,049 (1983 – 497,749) 10% first preferred shares Series A	**$ 11,926,225**	$ 12,443,725
133,200 (1983 – 133,200) 8¾% first preferred shares Series B	**3,330,000**	3,330,000
754,150 (1983 – 755,350) 8⅝% first preferred shares Series C	**18,853,750**	18,883,750
13,320 (1983 – 13,320) 8% first preferred shares Series D	**1,332,000**	1,332,000
37,560 (1983 – 100,000) 8½% first preferred shares Series E	**3,756,000**	10,000,000
99,750 (1983 – 99,750) variable % first preferred shares Series F	**9,975,000**	9,975,000
342,000 (1983 – 342,000) 13% first preferred shares Series G	**34,200,000**	34,200,000
66,680 (1983 – 66,680) variable % first preferred shares Series H	**6,668,000**	6,668,000
62,440 (1983 – Nil) variable % first preferred shares Series I	**6,244,000**	—
629,941 (1983 – 629,941) 8% second preferred shares Series A	**15,748,525**	15,748,525
	112,033,500	112,581,000
11,371,489 (1983 – 11,367,339) common shares	**1,137,149**	91,268,512
	$113,170,649	$203,849,512

(a) Preferred shares

i) First preferred shares Series A
800,000 first preferred shares were originally issued at $25 per share as 10% cumulative redeemable first preferred shares Series A, of which 477,049 were outstanding at December 31, 1984.

The first preferred shares Series A are subject to mandatory sinking fund redemption at the issue price as to 56,000 shares on March 15, in each of the years 1984 to 1986 inclusive, and 72,000 shares on March 15, 1987 and on March 15 in each year thereafter.

The company may increase any annual sinking fund by 24,000 shares. The company is entitled to anticipate sinking fund requirements by purchasing shares in the market at prices not exceeding the redemption price. The company may redeem shares not required for sinking fund purposes at a premium of 3% declining annually to the issue price on March 15, 1986.

During 1984, the company acquired 20,700 (1983 – 113,810) preferred shares Series A for $464,945 (1983 – $2,734,000) to meet the 1984 sinking fund requirement.

Cumulative dividends in arrears are $1,192,662.

ii) First preferred shares Series B
200,000 first preferred shares were originally issued at $25 per share as 7¾% cumulative redeemable first preferred shares Series B, of which 133,200 were outstanding at December 31, 1984. Effective January 1, 1983 this dividend was increased to 8¾%.

The first preferred shares Series B are subject to mandatory sinking fund redemption at the issue price as to 66,800 shares on each of March 31, 1984 and March 31, 1985. The company did not acquire any shares under the sinking fund requirement in 1984 (1983 – 66,800 shares acquired for $1,670,000).

The company is entitled to anticipate sinking fund requirements by purchasing shares in the market at prices not exceeding the redemption price. The company may redeem shares not required for sinking fund purposes at a premium of 2%, declining annually to the issue price on March 31, 1985.

Cumulative dividends in arrears are $291,375.

iii) First preferred shares Series C
1,000,000 first preferred shares were originally issued at $25 per share as 8⅝% cumulative first preferred shares Series C, of which 754,150 were outstanding at December 31, 1984.

The first preferred shares Series C are subject to a purchase fund under which the company shall make all reasonable efforts to purchase 10,000 shares in each calendar quarter, at a price not exceeding the issue price plus cost of purchase. This obligation is cumulative from quarter to quarter but to the extent not satisfied on December 31 of each calendar year, is extinguished. Subsequent to March 30, 1983, the company may redeem shares not required for purchase fund purposes at a premium of 5%, declining annually thereafter to the issue price on April 1, 1988.

During 1984, the company acquired 1,200 (1983 – 82,600) first preferred shares Series C for $15,700 (1983 – $1,438,000) to meet in part the 1984 purchase fund requirements.

Cumulative dividends in arrears are $1,626,136.

iv) First preferred shares Series D
80,000 first preferred shares were originally issued at $100 per share as 8% cumulative redeemable and retractable first preferred shares Series D, of which 13,320 were outstanding at December 31, 1984. All retraction privileges were exercised in 1983.

The first preferred shares Series D are subject to mandatory pro-rata sinking fund redemption at the issue price as to 4,000 shares on June 30, 1989 and June 30 in each year thereafter up to and including June 30, 2008.

Cumulative dividends in arrears are $106,560.

v) First preferred shares Series E
100,000 first preferred shares were originally issued at $100 per share as 8½% cumulative redeemable and retractable first preferred shares Series E, of which 37,560 were outstanding at December 31, 1984.

The first preferred shares Series E are subject to mandatory pro-rata sinking fund redemption at the issue price as to 5,000 shares on December 31, 1989 and on December 31 in each year thereafter up to and including December 31, 2008.

The first preferred shares Series E were under certain circumstances retractable or were convertible into floating rate first preferred shares at the holders' option on December 31, 1983. In accordance with this provision, 62,440 first preferred shares Series E were converted on a one-for-one basis into variable % first preferred shares Series I, as at January 1, 1984.

Cumulative dividends in arrears are $319,260.

vi) First preferred shares Series F
105,000 first preferred shares were originally issued at $100 per share as variable % cumulative redeemable and retractable first preferred shares Series F, of which 99,750 were outstanding at December 31, 1984. The annual rate of dividends payable on the first preferred shares Series F is one-half of the prime rate plus one and three-quarters percent.

The first preferred shares Series F are subject to mandatory pro-rata sinking fund redemption at the issue price as to 5,250 shares on September 30 in each year up to and including September 30, 1990. All shares outstanding on September 30, 1991 will be redeemed on that date. The company did not acquire any shares under the sinking fund requirement in 1984 (1983 – 5,250 shares acquired for $525,000).

The first preferred shares Series F are retractable under certain circumstances at the issue price at the holders' option on September 30, 1986.

Cumulative dividends in arrears are $777,302.

vii) First preferred shares Series G
360,000 first preferred shares were originally issued at $100 per share as 13% cumulative redeemable first preferred shares Series G, of which 342,000 were outstanding at December 31, 1984.

The first preferred shares Series G are subject to mandatory sinking fund redemption at the issue price as to 18,000 shares on December 31 in each year up to and including December 31, 1986. All shares outstanding on December 31, 1987 shall be redeemed on that date. The company did not acquire any shares under the sinking fund requirement in 1984 (1983 – 18,000 shares acquired for $1,800,000).

The company is entitled to anticipate sinking fund requirements by purchasing shares in the market at prices not exceeding the redemption price. Other than for sinking fund purposes, the corporation may not redeem the first preferred shares Series G prior to December 31, 1987.

Cumulative dividends in arrears are $4,446,000.

viii) First preferred shares Series H
66,680 first preferred shares were issued during 1983 at $100 per share as variable % cumulative redeemable and retractable first preferred shares Series H, all of which were outstanding at December 31, 1984. The annual rate of dividends payable on the first preferred shares Series H is one-half of the prime rate plus two percent.

The first preferred shares Series H are subject to mandatory pro-rata sinking fund redemption at the issue price as to 3,334 shares on June 30, 1989 and June 30 in each year thereafter up to and including June 30, 2008.

The first preferred shares Series H are retractable at the issue price at the holders' option on June 30, 1988.

Cumulative dividends in arrears are $538,774.

ix) First preferred shares Series I
62,440 first preferred shares were issued during the year at $100 per share as variable % cumulative redeemable and retractable first preferred shares Series I, all of which were outstanding at December 31, 1984. The annual rate of dividends payable on the first preferred shares Series I is one-half of the prime rate plus two and one-quarter percent.

The first preferred shares Series I are subject to mandatory pro-rata sinking fund redemption at the issue price as to 3,122 shares on December 31, 1989 and December 31 in each year thereafter up to and including December 31, 2008.

The first preferred shares Series I are retractable at the issue price at the holder's option on December 31, 1988.

Cumulative dividends in arrears are $517,784.

x) Second preferred shares Series A
800,000 second preferred shares were originally issued at $25 per share as 8% cumulative redeemable convertible second preferred shares Series A, of which 629,941 were outstanding at December 31, 1984.

The second preferred shares Series A are subject to a purchase fund under which the company shall make all reasonable efforts to purchase in each calendar quarter, commencing with the calendar quarter ending March 31, 1984, 0.75% of the difference between the number of second preferred shares Series A originally issued and the number of shares converted into common shares prior to such calendar quarter at a price not exceeding the issue price plus costs of purchase. This obligation is cumulative from quarter to quarter, but to the extent not satisfied on December 31 of each calendar year, is extinguished. Subsequent to December 31, 1983 the company may redeem shares not required for purchase fund purposes at a premium of 5% declining annually thereafter to the issue price on December 31, 1988.

The second preferred shares Series A are convertible on or before December 31, 1988 into fully paid common shares, at the holders' option, at a conversion price of $10.370 per common share on the basis of approximately 2.410 common shares for each second preferred share held.

Cumulative dividends in arrears are $1,259,882.

xi) Preferred share voting privileges
In the event that dividend payments are not resumed during 1985, each issued preferred share will carry the right to one vote at all meetings of shareholders after December 31, 1985 as long as there remain any dividends in arrears on any series of preferred shares.

xii) Issuance costs
Costs incurred in connection with the issuance of preferred shares have been capitalized and are being amortized against retained earnings over the estimated term of the shares on a weighted average basis.

(b) Common shares
i) On April 30, 1984, the shareholders approved a special resolution restating the amount of issued and outstanding common shares from $91,290,922 to $1,137,149. Of the net reduction of $90,153,773 in the stated capital, $82,688,440 was applied against the deficit and the balance of $7,465,333 was credited to contributed surplus.

ii) Options to acquire a maximum of 100,000 of the company's common shares at $7.20 per share on or before May 15, 1993 and 20,000 common shares at $10 per share on or before November 30, 1986, are held by two officers and directors of the company.

iii) The company has 3,000,000 common share purchase warrants outstanding entitling the holders to purchase up to 3,000,000 common shares at $12 per share on or before December 16, 1987.

iv) Under the employee Stock Purchase Plan, certain employees may purchase up to 300 common shares in January of each year at 90% of market price. Funds are loaned to the employee who repays this amount, together with interest thereon at 3% per annum, over a 12-month period. During the year, 4,150 (1983 – 4,025) common shares were issued for $22,410 cash (1983 – $31,194) under this plan.

7. Lease Commitments
Minimum annual commitments for premises and equipment under operating leases are as follows:

Year ending Dec. 31, 1985	$ 1,667,000
Year ending Dec. 31, 1986	1,753,000
Year ending Dec. 31, 1987	1,613,000
Year ending Dec. 31, 1988	1,570,000
Year ending Dec. 31, 1989	1,307,000
Thereafter	3,820,000
	$11,730,000

8. Future Income Taxes
Differences between the timing of revenues and expenses allowed for income tax purposes and those recognized for accounting purposes have resulted in a net amount of approximately $233,000,000 being available to reduce future years' income for tax purposes. The potential future income tax benefit of this amount has not been recognized in the accounts.

9. Related Party Transactions
Central Trust Company is a related party as a result of its ownership of shares of the company and three of the company's directors are directors and/or senior officers of Central Trust Company. Central Trust Company and its affiliates, from time to time, insure mortgage loans with The Mortgage Insurance Company of Canada, a wholly-owned subsidiary. The policies of insurance are issued under standard terms and conditions and the premiums written in 1984 from such policies represented less than 2% of the total premiums written for the year. Losses on claims incurred on this business and on business written in prior years are not considered material.

Inter-City Gas Corporation is a related party as a result of the interests described in note 3. The company has reimbursed ICG for certain expenses incurred on the company's behalf.

Reports

To the Shareholders

Auditors' Report

We have examined the consolidated balance sheet of MICC Investments Limited as at December 31, 1984 and the consolidated statements of operations, deficit, unrealized gain (loss) on stocks and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the company as at December 31, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Coopers & Lybrand

Coopers & Lybrand
Chartered Accountants
Toronto, Ontario
February 15, 1985

Management Report

Company management is charged with the responsibility for preparing the preceding financial statements and ensuring that all information in this annual report is consistent with those statements and is a true and fair presentation of the facts. This responsibility includes selecting appropriate accounting principles and making judgements and estimates in accordance with generally accepted accounting principles in Canada.

Ultimate responsibility for the financial statements rests with the Board of Directors. An Audit Committee of non-management directors is appointed by the Board to review the financial statements in detail with management and to report to the directors prior to their approval of the financial statements. The Directors have approved a code of ethics for all directors and employees to prevent conflicts of interest and unauthorized disclosures of financial information.

Shareholders' auditors examine the financial statements in detail and meet separately with both the Audit Committee and management to review their findings. The auditors report directly to the shareholders and their report appears to the left.

R.G. Graham
President and Chief
Executive Officer

J.D. Hewitt
Executive
Vice-President
February 15, 1985

Transfer Agents

First preferred shares
National Trust Company
Limited

Second preferred shares
The Canada Trust Company

Common shares
The Canada Trust Company

Registrars

First preferred shares
National Trust Company
Limited

Second preferred shares
The Canada Trust Company

Common shares
The Canada Permanent
Trust Company

Auditors

Coopers & Lybrand

Review of Operations

The Mortgage Insurance Company of Canada

Mortgage Insurance

New mortgage insurance business volumes of the company during 1984 were adversely affected by rising interest rates at mid-year and a general decline in housing activity during the second half of the year. Housing starts totalled 134,900 units during 1984, a decline of 17 percent from the 1983 total of 162,645 units. This, coupled with no growth in the existing housing market, resulted in an 11 percent decline in total mortgage loan approvals to about the $23 billion level.

While inflation is lower in Canada, unemployment approached the 12 percent level and consumer confidence trended lower during the second half of 1984.

This weakness in the economy and the housing markets in Canada contributed to a 27 percent decline in MICC's commitment volume during the year. During 1984, the company issued commitments to insure totalling $956 million for our first and second mortage insurance programs. Potential premiums, totalled $14.2 million during the year, a decrease of 26 percent from the comparable 1983 total of $19.2 million. Potential premiums are the premiums which could be forthcoming on all business where a commitment to insure is advanced during the year. In addition, at December 31, 1984, there were $5.6 million in potential premiums outstanding.

Typically, approximately 20 percent of commitments have been cancelled prior to issuance of an insurance policy.

Homeownership First and Second Mortgages

Homeownership housing accounts for 89 percent of all MICC mortgage insurance activity. Commitment volume totalled $853 million during 1984, 28 percent below the 1983 total of $1,182 million. The declines experienced in the existing housing market (–32 percent) were greater than those in the new housing construction sector (–24 percent). Existing housing accounted for 55 percent of total homeownership activity compared with 58 percent in 1983.

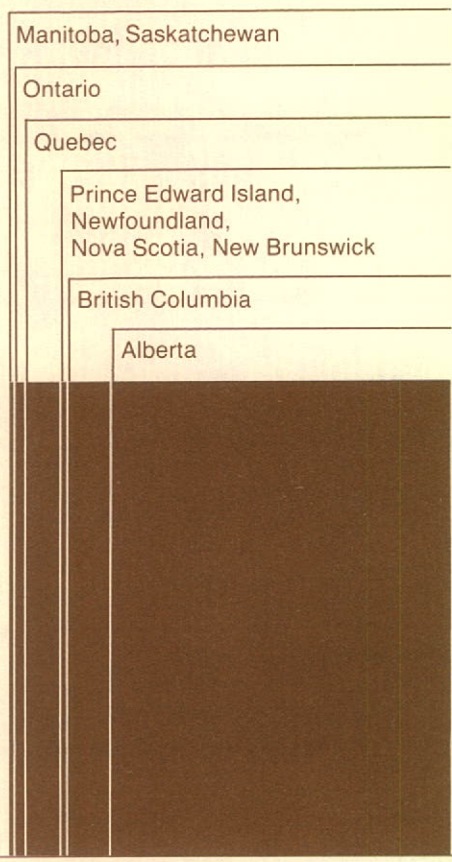
Homeownership premiums written during 1984 amounted to $10.2 million, a decrease of 31 percent over the comparable 1983 total of $14.7 million.

At the end of 1984, 389,000 loans were on repayment and approximately 2,720 or 0.70 percent were reported by lenders as being at least three months in arrears. The comparable 1983 default ratio was 1.11 percent. The current default ratio is the lowest since 1976.

Claim losses totalled $99.4 million, 9.1 percent above the 1983 total of $91.1 million. A reserve to cover potential losses is established for each case as soon as it is determined that a claim may be anticipated. To assist in determining the loss, it is necessary to obtain a report from the lender on the amount owing on the mortgage and to make an estimate of the net realizable value of the real estate after disposal costs. In addition, the date of claim settlement is estimated to ensure that unpaid accrued interest costs can be properly reflected, as well as taxes, legal, and maintenance costs.

Claims losses in Alberta increased nearly 60 percent during 1984 to $84.2 million, representing 85 percent of all homeownership claims losses, while all other provinces experienced a decline in claims losses.

Losses Incurred First and Second Mortgage Insurance by Province 1984 $122.5 million



The Mortgage Insurance Company of Canada

Alberta legislation does not offer lenders the covenant of the borrower as additional security on a mortgage. With the decline in real estate prices in many cases below the mortgage amount owing, many borrowers continue to walk away from their mortgage obligations. While we continue to lobby for changes, the Provincial Government has given little indication of changing their legislation.

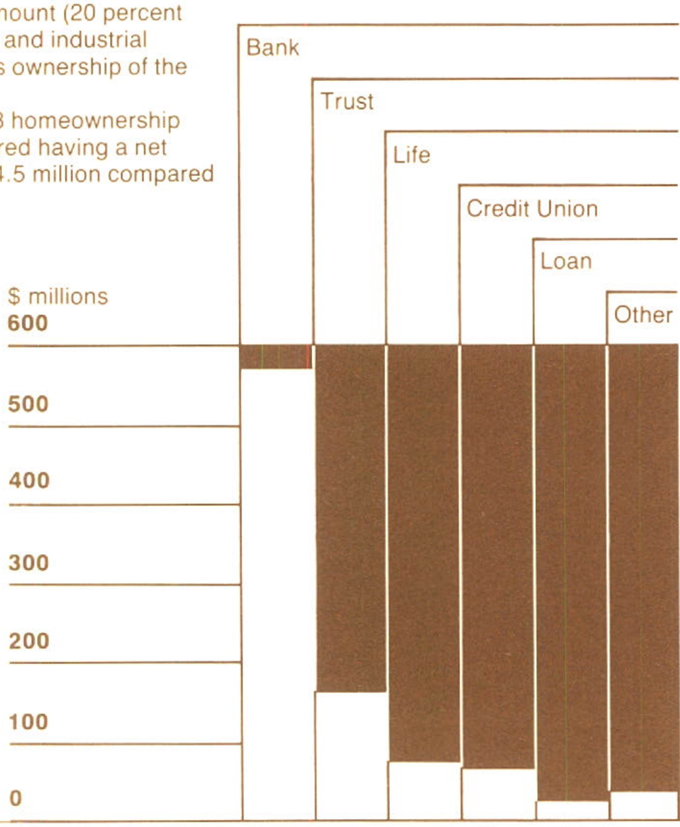
Approximately 14 percent of homeownership mortgage insurance claim settlements during 1984 involved the acquisition of real estate by MICC. The balance were either cases where the lender sold the property and MICC paid the difference between the net sale proceeds and the claim amount (26%), or where we elected to settle the claim through payment under Option "B" (60%). Under this latter form of settlement, the lender receives 25 percent of the approved claim amount (20 percent on rental, commercial and industrial properties) and retains ownership of the real estate.

During the year, 733 homeownership properties were acquired having a net realizable value of $34.5 million compared with 642 properties valued at $31.6 million during 1983. A total of 650 properties were sold for a consideration of $32.7 million during 1984. This compares with sales of 559 properties valued at $23.7 million during 1983. At the end of 1984, homeownership real estate holdings totalled $23.5 million, compared with $21.8 million at the end of 1983. At December 31, 1984, an additional 84 properties valued at $4.1 million had been sold but the sales had not yet closed.

Real estate is held on the books at estimated net realizable value which is estimated market value less estimated disposal costs (real estate commissions, legal fees, appraisal, etc.) On acquisition, each property is reviewed to determine if it should be held or sold. Company policy generally is to sell acquired real estate as soon as possible.

To assist in the sale of properties, especially during periods of high mortgage rates, the company has offered preferred rate mortgage financing. These mortgages are subsequently offered for sale to institutional investors. The homeownership mortgage portfolio stood at $11.7 million at the end of 1984 compared with $17.1 million at the end of 1983.

First and Second Mortgage Insurance Commitments By Type of Lender
1984 $956 million



Income Properties
First and Second Mortgages

Rental

Rental activity accounted for about 8 percent of total activity during 1984. Commitments to insure totalled $81 million during 1984, 6.6 percent above the comparable 1983 total of $75 million. Premiums written totalled $1.1 million, compared with the 1983 total of $0.8 million.

There were 12,175 insured rental loans on repayment at the end of 1984. About 145 loans were reported at least one month in arrears, a default ratio of 1.19 percent. The comparable 1983 default ratio was 1.64 percent.

Claims losses increased in 1984 to $15.3 million compared with $7.1 million in 1983. During the year, one property was sold for a consideration of $1.3 million and no properties were acquired. During 1983, a total of seven properties were sold valued at $0.8 million and one rental property was acquired having a net realizable value of $338,000. At the end of 1984, rental property holdings totalled $4.8 million compared with $6.2 million at the end of 1983.

Commercial and Industrial

Activity in this sector accounted for about two percent of MICC's commitments to insure in 1984. Commitments to insure totalled $22 million during 1984, compared to the 1983 total of $50 million. Premiums written totalled $221,841 during 1984 compared to $812,609 in 1983. During 1984, there was a refund of premiums of $150,808 resulting in the 1984 premiums written figure being reduced to $71,033.

Of 4,990 loans on repayment at the end of 1984, 125 were reported at least one month in arrears or 2.54 percent. The comparable 1983 default ratio was 3.65 percent.

Claims losses totalled $7.8 million during 1984, 14.8 percent below the comparable 1983 total of $9.1 million.

During the year, four properties were acquired having a net realizable value of $3.1 million compared with nine properties valued at $5.2 million during 1983. A total of five properties were sold for a consideration of $3.5 million. At the end of 1984, real estate holdings totalled $9.3 million compared with $9.7 million at the end of 1983.

Other Programs

Surety Bonding

In this business, MICC bonds or guarantees the performance of its contractor or developer clients for their construction or financial obligations.

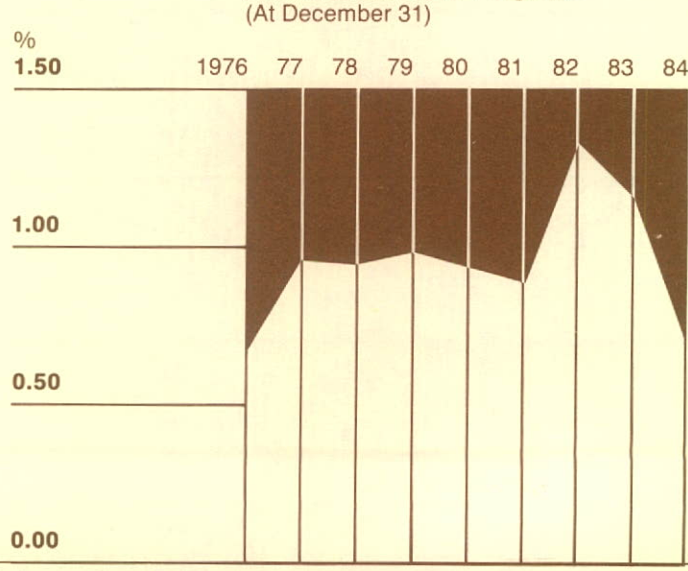
Most of the bonds issued guarantee the performance of a contractor to complete a contract. These bonds are secured by the financial resources of the contractor. If the contractor should default there would be no loss on the bond if the contract obligations could be completed under the direction of MICC for the balance of the contract price oustanding at time of default.

The company issued an increasing number of financial guarantee bonds to real estate developers in 1984 which are based on the project viability, the financial resources of the bonded customer and sometimes collateral security. These bonds obtain a higher premium than other types of surety bonds. The company's surety operations are currently more real estate than construction oriented compared to other surety companies. This occurs because of MICC's experience in this area.

The company also participates in surety reinsurance and retrocession business through Lloyds of London which produced $375,000 of revenue in 1984.

Total gross premium written in 1984 was $3.3 million, up 32.7 percent over 1983. Net premiums written after reinsurance ceded was $2.4 million up 44.1 percent over 1983. Losses in claims incurred were $1.4 million or 67 percent of premiums earned of $2.1 million.

Default Ratio % All Programs
(At December 31)



The Mortgage Insurance Company of Canada

Condominium Deposit
This program is offered only in Ontario and insures the deposits of condominium buyers before a condominium has been registered. MICC insurance is used when the deposits exceed the $20,000 limit insured by the Ontario New Home Warranty Program.

During 1984, MICC insured over $35 million in deposits for a premium of $308,412. This compares with $20 million in deposits and a premium of $160,734 in 1983. Losses amounted to $3.0 million during the year compared with no losses in 1983.

Lease Guarantee Insurance
MICC continues to be very restrictive in underwriting proposals for this program with only five lease guarantee commitments being issued in 1984 with an aggregate insured rent of $7.3 million. The comparable 1983 figures were three lease guarantee commitments with an aggregate insured rent of $4.0 million.

Premiums written totalled $117,767 in 1984, 51.8 percent below the previous years total of $244,332. Lease guarantee claims losses totalled $1.2 million during 1984, 22.7 percent above the comparable 1983 total of $1.0 million.

New Home Warranty
Premiums earned under the Ontario and Quebec New Home Warranty programs amounted to $2.5 million in 1984, 16.8 percent above the $2.1 million recorded during 1983. Losses incurred under this program totalled $2.2 million during 1984, compared with $1.9 million in 1983.

RenoLoan
Renovation Financing Made Easier (Ontario)
RenoLoan is designed to assist homeowners thinking of improving their home or builders who specialize in contract or speculative renovation. RenoLoan was developed by MICC with co-operation and support from the Ontario Ministry of Municipal Affairs and Housing. Mortgage financing under RenoLoan is funded by private sector lenders who are protected against default by MICC mortgage insurance.

Self-Directed Registered Retirement Savings Plan
The Department of National Revenue has confirmed that a taxpayer's self-directed registered retirement savings plan may lend to the annuitant, or any relation of the annuitant, funds secured by a mortgage on real estate in Canadá. MICC's program covers most types of properties and includes both first and second mortgages.

Investments
The year 1984 was very challenging given the flat performance of the Toronto Stock Market and the six month decline in the bond market and its subsequent year-end rally. The 90 day commercial paper rates were 9.80% in January, 12.75% in July and closed at 9.85%. Within these markets our investment portfolio responded to cash needs of the corporation in as timely and as careful a manner as possible.

Total pre-tax income was $40.9 million compared to $54.8 million in 1984. At year end, the market value of the portfolio was 91.72 percent of book value compared to 101.5 percent at December 31, 1983. The average term of the bond portfolio decreased marginally from 8.07 years in 1983 to 8.02 years in 1984 with continued emphasis on liquidity via Government of Canada issues. The asset allocation shows a significant reduction in the preferred category as the better tone of the bond market spilled over to the preferred market, particularly the higher coupon sinking fund preferred which we sold. Primarily as a result of these sales dividend income was $7.8 million compared to the $12.7 million achieved in 1983. Interest and amortization income was $17.3 million versus $19.3 million.

Capital gains realized through the sale of investments and options in 1984 totalled $7.9 million compared with $20.1 million in 1983.

Equity in the earnings of Inter-City Gas Corporation was $7.6 million compared to $2.8 million in 1983.

Invested Asset Classification
of The Mortgage Insurance Company
of Canada at Book Value

(000's omitted)		Dec. 31	% of Total	
		1984	1984	1983
	Money Market	332	0.1	0.1
	Federal Government (Under 3 years)	18,427	6.5	6.0
Liquid Assets		18,759	6.6	6.1
Bonds (Other)		76,905	27.2	30.2
	Retractable Preferred	5,393	1.9	4.2
	Sinking Fund Preferred	692	0.3	3.9
	Conventional Preferred	16,480	5.8	8.3
Preferred		22,565	8.0	16.4
	Convertible Preferred	19,479	6.9	6.8
	Common Stock	129,039	45.7	35.2
Common & Convertible		148,518	52.6	42.0
	Total Equity	171,083	60.6	58.4
Mortgages		15,755	5.6	5.3
Total Portfolio		$282,502	100.0	100.0

The Mortgage Insurance
Company of Canada

Programs

		Potential Premiums 1984 ($000's)	Potential Premiums 1983 ($000's)	Premiums Written 1984 ($000's)	Premiums Written 1983 ($000's)
First & Second Mortgages	Homeownership	**$12,236**	$16,950	**$10,182**	$14,715
	Rental	**1,538**	1,313	**1,110**	840
	Commercial/Industrial	**470**	911	**71**	813
	Total	**14,244**	19,174	**11,363**	16,368
Other Programs	Surety	**3,308**	2,493	**2,415**	1,676
	Lease Guarantee	**165**	123	**118**	244
	New Home Warranty	**4,129**	4,305	**4,129**	4,305
	Condominium Deposit	**308**	161	**308**	161
	U.S.A. Reinsurance	**—**	—	**110**	98
	Total	**7,910**	7,082	**7,081**	6,484
Grand Total		**$22,154**	$26,256	**$18,444**	$22,852

		Claims Losses 1984 ($000's)	Claims Losses 1983 ($000's)	Default Ratios 1984 %	Default Ratios 1983 %
First & Second Mortgages	Homeownership	**$99,424**	$91,112	**.70**	1.11
	Rental	**15,268**	7,066	**1.19**	1.64
	Commercial/Industrial	**7,770**	9,118	**2.54**	3.65
	Unallocated Reserves	**1,800**	1,800	**—**	—
	Total	**124,262**	109,096	**.74**	1.16
Other Programs	Surety	**1,439**	569	**n.a.**	n.a.
	Lease Guarantee	**1,195**	974	**n.a.**	n.a.
	New Home Warranty	**2,196**	1,870	**n.a.**	n.a.
	Condominium Deposit	**3,000**	—	**n.a.**	n.a.
	U.S.A. Reinsurance	**2**	—	**n.a.**	n.a.
	Total	**7,832**	3,413	**n.a.**	n.a.
Grand Total		**$132,094**	$112,509	**n.a.**	n.a.

n.a. -- not applicable

Real Estate

(000's omitted)**	Single family* No.	Single family* $	Rental No.	Rental $	Commercial/Industrial No.	Commercial/Industrial $	Total No.	Total $
Activity								
Held at December 31, 1983	478	$21,772	3	$6,150	13	$9,708	494	$37,630
Acquired during 1984	733	34,497	—	—	4	3,103	737	37,600
Sales and adjustments during 1984	650	32,733	1	1,325	5	3,539	656	37,597
Held at December 31, 1984	561	23,536	2	4,825	12	9,272	575	37,633
Holdings								
as at December 31, 1984								
Newfoundland	70	1,686	—	—	—	—	70	1,686
Prince Edward Island	1	35	—	—	—	—	1	35
Nova Scotia	4	109	—	—	—	—	4	109
New Brunswick	—	—	—	—	—	—	—	—
Quebec	23	645	1	475	3	482	27	1,602
Ontario	55	1,940	—	—	9	8,790	64	10,730
Manitoba	2	53	—	—	—	—	2	53
Saskatchewan	2	90	—	—	—	—	2	90
Alberta	302	14,942	—	—	—	—	302	14,942
British Columbia	102	4,036	1	4,350	—	—	103	8,386
Total	561	$23,536	2	$4,825	12	$9,272	575	$37,633

*Includes condominium (strata title) units.

**Represents Book Value

The Mortgage Insurance
Company of Canada

Historical Financial Analysis Issued Commitments to insure (Canadian Business, data are gross $ millions)		1984	1983	1982	1981	1980
First and Second mortgage insurance programs – Total		**956**	1,307	796	2,145	3,608
	Homeownership loans	**853**	1,182	693	1,781	3,219
	Rental loans	**81**	75	81	255	149
	Commercial/industrial loans	**22**	50	22	109	240
	Lease guarantee	**7**	4	14	12	9
Insurance in Force	(Canadian mortgage insurance) At year end ($ billions)	**17.0**	17.7	18.9	20.0	19.8
Average Values	Homeownership loans (high ratio)	**61,826**	61,517	60,369	61,807	52,905
	New construction (per unit)	**68,781**	70,422	76,279	75,493	64,920
	Existing homes (per unit)	**56,748**	55,827	48,812	46,261	43,887
	Rental projects (per loan)	**249,463**	194,259	597,740	845,858	268,411
	Commercial/industrial (per loan)	**338,413**	391,273	297,531	459,936	386,870
GDS and TDS Ratios	Gross debt service ratio*	**23.4%**	22.9%	24.2%	24.9%	24.4%
	Total debt service ratio**	**29.5%**	28.7%	30.2%	31.1%	30.4%
Capital and Reserves ($000's)	Policyholders reserves	**153,241**	152,518	161,016	186,798	195,742
	Capital	**48,724**	105,659	209,002	208,058	218,343
	Total	**201,965**	258,177	370,018	394,856	414,085
Active Lender Clients		**180**	200	194	255	331

*GDS – (Gross debt service ratio) the percentage of gross income used for mortgage payments and property taxes.
**TDS – (Total debt service ratio) the percentage of gross income used for mortgage payments, property taxes and all other instalment debts.

Board of Directors

As of March 31, 1985

The Board of Directors

Michel F. Belanger
Chairman of the Board and
Chief Executive Officer
The National Bank of Canada
Montreal, Quebec

***Ron C. Brown, Q.C.**
Partner
Blake, Cassels & Graydon
Toronto, Ontario

H. Reuben Cohen, Q.C.
Barrister and Solicitor
Moncton, New Brunswick

John H. Coleman
Chairman of the Board
MICC Investments Limited
Toronto, Ontario

***Harold Corrigan**
Vice-President
Corporate Relations
Alcan Aluminium Limited
Montreal, Quebec

Stanley Davison
Vice-Chairman
Bank of Montreal
Calgary, Alberta

Stuart E. Eagles
President
Canadian Pacific
Enterprises Limited
Calgary, Alberta

Leonard Ellen
Chairman
Leonard Ellen Canada Inc.
Montreal, Quebec

Jock K. Finlayson
Chairman
The Royal Insurance
Company of Canada
Toronto, Ontario

***Robert G. Graham**
President and Chief
Executive Officer
MICC Investments Limited
Toronto, Ontario
and Inter-City
Gas Corporation
Winnipeg, Manitoba

Gordon P. Osler
Chairman
Stanton Pipes Limited
Toronto, Ontario

***David Rattee**
Executive Vice-President
and Chief General Manager
Continental Bank of Canada
Toronto, Ontario

***Reginald T. Ryan**
Deputy Chairman
MICC Investments Limited
Toronto, Ontario

Marshall G. Smith
Executive Vice-President,
Investments
The Great West Life
Assurance Company
Winnipeg, Manitoba

Alan Sweatman, Q.C.
Partner
Thompson, Dorfman and
Sweatman
Winnipeg, Manitoba

G.J. van den Berg
Company Director
Toronto, Ontario

B.G. Willis
Executive Vice-President
Richardson Greenshields
of Canada Limited
Toronto, Ontario

*Audit Committee Member

Executive Officers

MICC Investments Limited

John H. Coleman
Chairman

Reginald T. Ryan
Deputy Chairman

Robert G. Graham
President and
Chief Executive Officer

James D. Hewitt
Executive Vice-President
and Chief Operating Officer

J. Donald Bergeron
Vice-President,
Legal Counsel and Secretary

The Mortgage Insurance Company of Canada

Reginald T. Ryan
Chairman

Robert G. Graham
President and
Chief Executive Officer

James D. Hewitt
Executive Vice-President
and Chief Operating Officer

J. Donald Bergeron
Vice-President
Legal Counsel and
Secretary

Alan D. Munro
Vice-President, Marketing

Clair E. Shoemaker
Vice-President and
Chief Underwriter

Michael L. Stein
Vice-President,
Claims and Real Estate

Organization

Head Office

Accounting & Finance
S.A. Bell, Director
C. Connick, Manager, Accounting

Administration & Personnel
M.E. Keene, Manager

Audit
C. Martinez, Manager

Branch Operations
K. Webb, Director

Collections
C. Hale, Manager

Data Processing
H. Hallworth, Director

Insurance Services
R.G. Bowden, Manager

Investments
M.S. Lamont, Director

Real Estate
C.E. Madden, Manager, Marketing

RenoLoan
E.R. Weber, Manager, Operations

Residential Claims
J. Narine, Administration, Account Manager

J. Leeder, Account Manager

P. Marotta, Account Manager

Surety
J.C.W. Thompson, Manager

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G. Lowe, Manager

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S. Frank, Assistant Manager

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G. Hilton, Manager

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609 West Hastings Street
Vancouver, British Columbia
V6B 4W4 (604) 687-1531
J.G. McLean, Manager
M. McGill, Marketing and Underwriting Officer (B.C.)

MICC INVESTMENTS LIMITED

MICC

CANADA