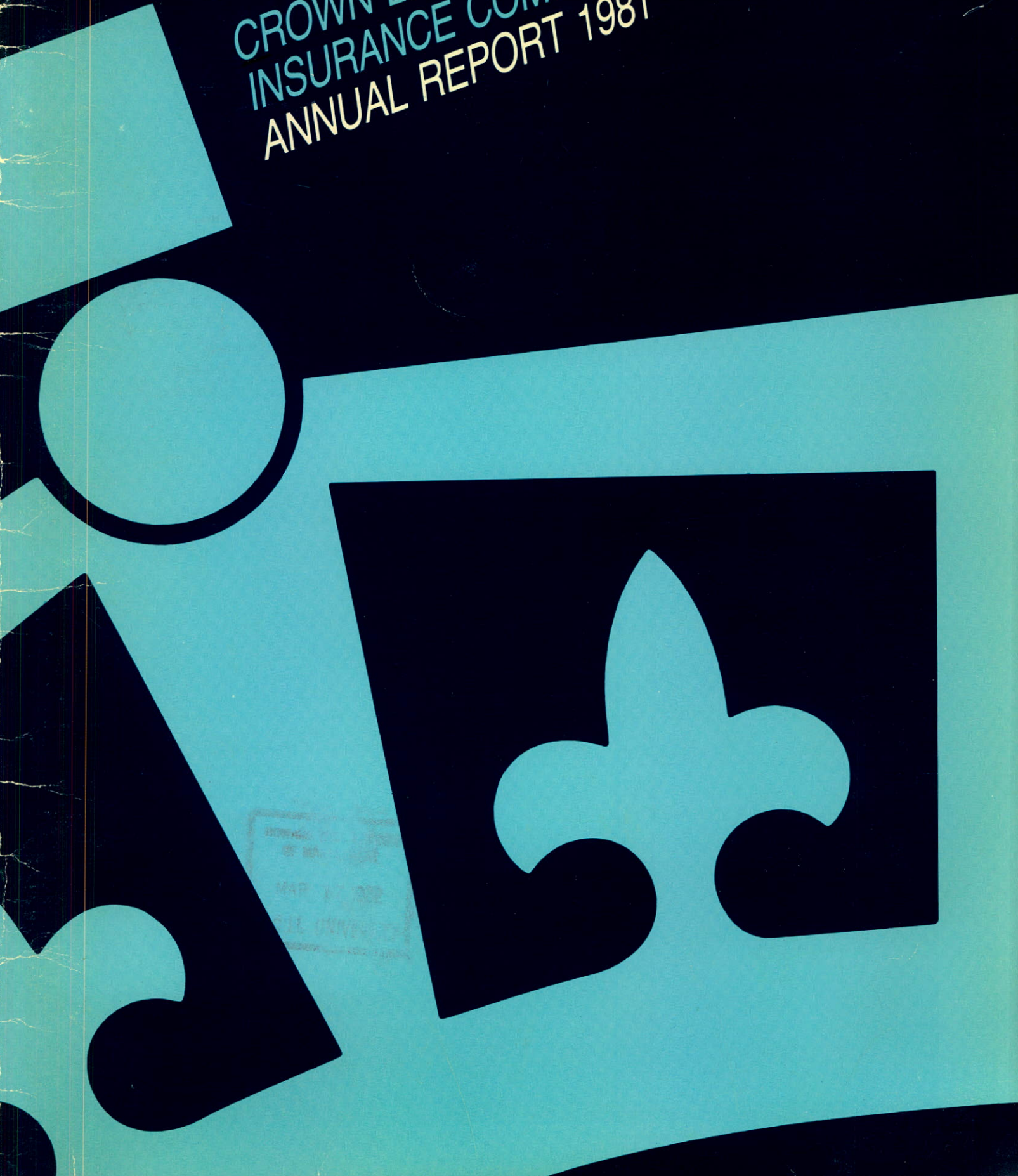


CROWN LIFE  
INSURANCE COMPANY  
ANNUAL REPORT 1981



MAR 27 1982  
THE UNIVERSITY

## Board of Directors as of February 10, 1982

### H.M. Burns

Toronto, Ontario  
Chairman;  
Chairman and  
Chief Executive Officer,  
Extendicare Ltd.

### R.C. Dowsett,

F.S.A., F.C.I.A., M.A.A.A.  
Toronto, Ontario  
President

### John J. Jodrey

Hantsport, Nova Scotia  
Vice-President;  
Chairman and President,  
Minas Basin Pulp and  
Power Company Limited

### R.A. Banded, Ph.D.

Montreal, Quebec  
President and  
Chief Executive Officer,  
Canadian National Railways

### D. McK. Brown, Q.C.

Vancouver, British Columbia  
Senior Partner,  
Russell and DuMoulin,  
Barristers and Solicitors

### Marsh A. Cooper

Toronto, Ontario  
President,  
M.A. Cooper Consultants Inc.

### W.H. Cruickshank,

M.D., D. Psych., D.P.H.  
Toronto, Ontario

### John H. Devlin

Toronto, Ontario  
Chairman,  
Rothmans of Pall Mall  
Canada Limited

### John R. Evans, C.C., M.D.,

F.R.C.P. (C)  
Toronto, Ontario  
Director,  
Population Health and Nutrition,  
International Bank for  
Reconstruction and  
Development,  
Washington, D.C.

### G.C. Gray, F.C.A.

Toronto, Ontario  
Chairman and  
Chief Executive Officer,  
A.E. LePage Limited

### D.J. Hennigar, M.B.A.

Halifax, Nova Scotia  
Atlantic Regional Director,  
Burns Fry Limited

### H.L. Livergant

Toronto, Ontario  
President and  
Chief Operating Officer,  
Extendicare Ltd.

### James S. Palmer, Q.C.

Calgary, Alberta  
Partner,  
Burnet, Duckworth and Palmer

**Raymond Primeau, B.A.,**  
B.Sc.A., LL.L., D.B.A., D.E.S.  
Montreal, Quebec  
Professor, Ecole Polytechnique,  
University of Montreal

### Stephen B. Roman,

K.C.S.G., LL.D.  
Toronto, Ontario  
Chairman and  
Chief Executive Officer,  
Denison Mines Limited

### David T. Schiff

New York, N.Y.  
Managing Director,  
Lehman Brothers Kuhn Loeb  
Incorporated

### F.H. Sherman

Hamilton, Ontario  
President and  
Chief Executive Officer,  
Dofasco Inc.

### The Earl of Westmorland,

K.C.V.O.  
London, England  
Chairman,  
Sotheby Parke Bernet & Co.

### D.G. Willmot

Toronto, Ontario  
Chairman of the Board,  
The Molson Companies Limited

## Honorary Directors

### C.F.W. Burns,

C.M., KStJ  
Honorary Chairman

### J-Ubald Boyer

F.W. Hill, F.S.A.

### J.H. Mowbray Jones

Hon. C. Wallace

## This is Crown Life

Founded in Canada in 1900, Crown Life Insurance Company is an international leader in providing financial security programs for people and businesses.

The Company offers a complete range of life insurance, health insurance and pension programs for individuals and groups. In addition, reinsurance services are provided to other insurance companies.

Sales and service are provided through 249 offices in Canada, the United States, the United Kingdom, the Atlantic and Caribbean Islands and Hong Kong.

Crown Life maintains life insurance subsidiary companies in the United Kingdom, Trinidad and Tobago, Jamaica, and New York State. In addition, a computer services subsidiary — Datacrown Inc. — operates in Canada and the United States.

With more than \$40 billion of life insurance protection in force, the Company ranks in the top 2% of all life companies operating in North America.

Crown Life's major shareholder — Extendicare Ltd. — is one of the largest professional managers of health care facilities in North America.

## Corporate Headquarters

120 Bloor Street East,  
Toronto, Ontario,  
Canada.  
M4W 1B8

## Table of Contents

1981 Highlights/1  
Report of the Board of Directors/2  
Year In Review/4  
Consolidated Financial Statements/10  
Corporate Officers/20  
Sales and Service Offices/22  
Key Values/25  
Life Insurance Subsidiaries/25

# 1981 Highlights

	1981	1980
<b>NEW BUSINESS AND BUSINESS IN FORCE</b>		
		\$
<b>New business</b>		
Life insurance amounts .....	7,643,951,000	6,344,094,000
Annuity premiums, first year and single .....	166,977,000	110,172,000
Health premiums, first year .....	63,492,000	62,720,000
<b>Business in force</b>		
Life insurance amounts .....	41,065,709,000	35,406,857,000
Annuity liabilities .....	1,016,045,000	776,859,000
Health total premiums .....	358,590,000	333,649,000
<b>OPERATING RESULTS</b>		
<b>Premiums</b>		
Life .....	363,893,000	317,313,000
Annuity .....	227,574,000	165,691,000
Health .....	354,616,000	328,770,000
	<u>946,083,000</u>	<u>811,774,000</u>
<b>Amounts paid or credited to policyholders and beneficiaries</b> .....	912,085,000	802,399,000
<b>Earnings from consolidated insurance operations</b>		
Participating policyholders' account .....	9,240,000	12,613,000
Non-participating and shareholders' account .....	10,608,000	21,229,000
	<u>19,848,000</u>	<u>33,842,000</u>
<b>Net earnings for the year</b>		
Participating policyholders' account .....	21,961,000	14,481,000
Non-participating and shareholders' account .....	27,278,000	23,865,000
	<u>49,239,000</u>	<u>38,346,000</u>
<b>FINANCIAL POSITION</b>		
<b>Assets</b> .....	2,834,402,000	2,329,456,000
<b>Reserves, surplus and share capital</b>		
Participating policyholders' account .....	133,648,000	111,687,000
Non-participating and shareholders' account .....	239,679,000	218,001,000
	<u>373,327,000</u>	<u>329,688,000</u>
<b>PER SHARE RESULTS (2,000,000 SHARES)</b>		
<b>Net earnings for non-participating and shareholders' account</b> .....	13.64	11.93
<b>Shareholders' dividends declared</b> .....	2.80	2.40

# Report of the Board of Directors



H.M. Burns, Chairman



R.C. Dowsett, President

The Directors are pleased to present their eighty-first annual report, together with the Consolidated Financial Statements showing the results of the Company's operations for the year ended December 31, 1981.

The Financial Statements consolidate the results of Crown Life Insurance Company and its wholly-owned subsidiaries, Crown Life Assurance Company Limited, Crown Life Pensions Limited (both United Kingdom life insurance companies), and Coronet Properties Limited (a Canadian real estate company).

The Financial Statements include, on an equity basis, the accounts of Datacrown Inc., a computer services subsidiary company. Also included on an equity basis are the accounts of the life insurance subsidiary companies, Crown Life Insurance Company (Jamaica) Limited, which commenced operations in Jamaica on January 12, 1981, and Crown Life (Caribbean) Limited, a Trinidad and Tobago company, which has a substantial minority interest owned by residents of Trinidad.

## Comparison with Prior Years

The Department of Insurance of Canada has introduced a number of changes in the classification of items in annual statements for insurance companies for the 1981 reporting year. The 1981 figures and the corresponding 1980 figures shown in these Statements reflect these changes in classification, which have minimal effect on the overall financial position of the Company and no effect on total net earnings.

In addition, the Company's practice in prior years was to report amounts of new business and business in force on a "net" basis, after deduction of amounts reinsured with other companies. The figures shown in this report are on a "gross" basis, comprised of business written directly by the Company plus business reinsured from other companies. This basis is accepted within the industry and more clearly reflects the Company's sales activities. Comparative figures for prior years have been revised to this new basis.

Effective January 1, 1981, the Company began using new rates of exchange of C\$1.15 and C\$2.50 for

transactions in United States dollars and Pounds Sterling, respectively. The 1980 results in these Financial Statements have not been revised to the new rates but continue to reflect the old rates of exchange, which had been in use for many years, namely C\$1.00 and C\$2.00. Consequently, it is not always appropriate to make direct comparisons between 1981 and 1980 figures.

## New Business

Total new life insurance business issued in 1981 exceeded \$7.6 Billion. Individual life sales exceeded \$4.3 Billion and Group life sales were \$3.3 Billion. First year and single premium income for Individual and Group annuities grew dramatically to \$167 Million in 1981. First year premium income for Individual and Group health insurance policies for 1981 exceeded \$63 Million.

## Business in Force

Total life insurance in force was \$41.0 Billion at the end of 1981. Group life policies accounted for \$21.9 Billion in force, and Individual life policies for \$19.1 Billion. Liabilities under annuity contracts, including segregated fund annuities, in force at the end of 1981, exceeded \$1.0 Billion. Health insurance business in force generated total gross premiums exceeding \$358 Million during 1981.

## Revenue

Total revenue for 1981 exceeded \$1.1 Billion, including \$946 Million of premium income. A detailed exhibit showing sources of premium income for various lines of business and territories is included with the Financial Statements. Total revenue also included nearly \$219 Million of net investment income earned on the Company's invested assets for an overall net yield of 9.28%. Had consistent foreign currency rates of exchange been used in both 1981 and 1980, it is estimated that total revenue would be up about 2%.

## Benefits and Expenses

Death and disability benefits amounted to \$123 Million for 1981. Overall mortality experience for Individual policies improved slightly over the very favourable 1980 levels. Mortality experience for Group policies was somewhat less favourable than in 1980.

Health insurance benefits totalled \$293 Million in 1981. Overall health insurance claim ratios increased slightly in 1981 due to unsatisfactory experience in Group medical coverages in the United States and in Group long term disability coverages in Canada.

During 1981, the Company paid or credited \$912 Million to policyholders and beneficiaries. Total insurance expenses exceeded \$212 Million and nearly \$16 Million in taxes were incurred (not including \$3 Million in taxes incurred by non-consolidated subsidiaries).

---

---

## Net Earnings for the Year

Total net earnings for 1981 were \$49.2 Million and for 1980 were \$38.3 Million.

Earnings from consolidated insurance operations, before addition of unusual items and earnings of non-consolidated subsidiaries, totalled \$19.8 Million during 1981, down substantially from earnings of \$33.8 Million recorded for 1980. The 1981 earnings from insurance operations reflect, among other matters, substantially increased dividends to policyholders, a loss in the Group health line of \$9.5 Million which is greater than the loss for 1980, and statutory strain associated with increased annuity sales.

Unusual earnings figures recorded for 1981 totalled \$25.4 Million compared to the 1980 figure of \$2.5 Million. The 1981 figure is itemized in the notes to the Financial Statements and consists primarily of a gain of \$35.7 Million flowing from the change in rates of exchange for the United States dollar and Pound Sterling assets and liabilities, and a charge of \$10 Million resulting from a strengthening of liabilities under Group annuity contracts.

Earnings figures for the non-consolidated subsidiary companies — Datacrown Inc., Crown Life (Caribbean) Limited and Crown Life Insurance Company (Jamaica) Limited were nearly \$4.0 Million for 1981, compared to about \$2.0 Million for 1980; most of the increase reflects a continued improvement in earnings of Datacrown Inc.

In the participating section of the business, after \$28.3 Million of dividends were allotted to policyholders, and after a transfer of \$1.5 Million to the shareholders' account, total earnings were \$21.9 Million, including unusual items of \$11.2 Million. In 1980, after \$21.6 Million of policyholder dividends, total earnings were \$14.4 Million including unusual items of \$1.1 Million.

In the non-participating section, including the shareholders' account, total earnings were \$27.3 Million, or \$13.64 per share; the 1980 earnings shown were \$23.9 Million or \$11.93 per share. Included in the per share figures shown are unusual items totalling \$7.08 in 1981 and \$0.71 in 1980.

If the new rates of foreign currency exchange had been used to translate the 1980 transactions as reported, there would have been no material change in the 1980 figures in the participating section and the net earnings for the year in the non-participating section would have approximated \$28 Million or \$14 per share.

## Assets and Liabilities

Total assets at the end of 1981 were \$2.83 Billion. Liabilities under policy contracts amounted to \$2.28 Billion at the end of 1981.

The total of reserves, surplus and share capital increased to \$373 Million at the end of 1981. This total

represents more than 13% of assets, providing a sound margin for the protection of policyholders. General surplus in insurance funds decreased to \$115 Million at the end of 1981. This decrease in general surplus was due mainly to substantial increases in several of the reserves which are held to provide additional solvency margins.

## General

On March 5, 1981 both Mr. C.F.W. Burns and Mr. A.F. Williams retired from the Board in accordance with the retirement rules of the Company.

Mr. C.F.W. Burns' illustrious career with the Company spanned thirty-five years as a Director, President and Chairman.

Mr. A.F. Williams served the Company with distinction over a period of fifty-four years as an employee, officer, President and Director.

The Board acknowledges the extensive contributions made by these two gentlemen to the development of the Company.

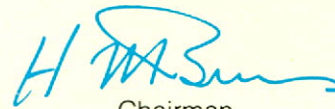
At the Board meeting immediately following the Annual Meeting in March 1981, Mr. C.F.W. Burns was appointed Honorary Chairman and Mr. A.F. Williams was appointed an Honorary Director. The following were re-appointed Honorary Directors — Mr. J.-Ubald Boyer, Mr. F.W. Hill, Mr. J.H. Mowbray Jones and the Honourable Clarence Wallace.

On March 5, 1981, Mr. Harold L. Livergant, President and Chief Operating Officer, Extendicare Ltd., was elected a Shareholders' Director. On May 27, 1981, the Honourable J.N. Turner, P.C., Q.C., submitted his resignation as a Shareholders' Director which was regrettably accepted.

It is with profound sorrow that the Directors record the passing of their highly esteemed associate Mr. Arthur F. Williams on May 31, 1981.

The Directors wish to express their appreciation to the dedicated people in our sales organizations, Home Office, Branch Offices and subsidiary companies for their diligent work and enthusiasm during the year.

## On behalf of the Board



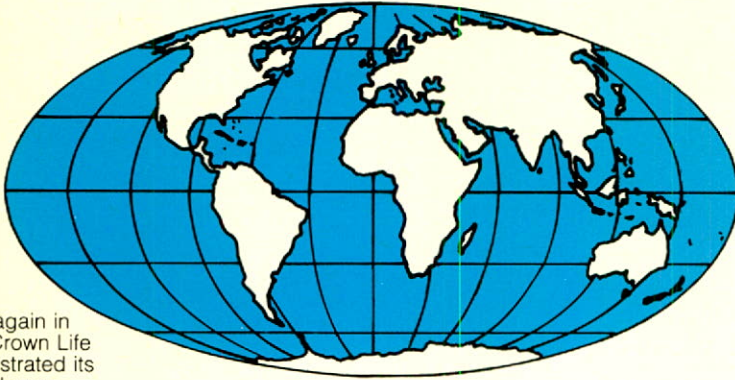
Chairman



President

# Year in Review

During 1981 Crown Life continued to expand its activities on a broad front. The year was highlighted by the achievement of record levels of sales, revenues and service to clients.



Once again in 1981 Crown Life demonstrated its strength as a major international insurer.

The Company's status as a major international life insurer was enhanced by the formation of new subsidiary life insurance companies in Jamaica and New York State. Crown Life is now represented in all states of the United States, as well as in Canada, the United Kingdom, many Atlantic and Caribbean Islands and Hong Kong.

In 1981 premium revenues reached all time high levels as the Company responded to the needs of today's discriminating insurance buyer with the introduction of a broad range of innovative new products.

The total amount paid or credited to policyholders and beneficiaries — another important measure of the Company's effectiveness — totalled a record \$912 Million in 1981.

As a major institutional investor, the Company embarked during 1981 on a number of very significant real estate developments. These projects are part of an aggressive overall investment strategy designed to enhance future rates of return.

The Company's positive 1981 results were achieved despite a difficult world-wide economic environment; they reflect the depth and flexibility of our financial and human resources.

## Sales and Marketing

Sales momentum continued to grow strongly throughout the year bringing year-end results to record levels in most territories and lines of business.

Once again during the past year Crown Life demonstrated its strength in the international marketplace. In 1981 fully 72% of the Company's total premium income was generated outside of Canada.

The United States continues to represent Crown Life's largest single market, accounting for 54% of the Company's \$946 Million in premium income.

Canadian business accounted for 28% of the overall total, while the balance, 18%, came from overseas operations.

Sales in the United States lagged during the early part of 1981 in the face of intense rate competition, but recovered well in the latter part of the year. The strongest growth was achieved in the Group annuity line which was up 59%. Individual health sales, up 43%, and Individual annuity sales, up 35%, were not far behind.

In the Individual life and Group health lines, which were most severely impacted by rate competition early in the year, sales were growing impressively at year-end.

Canada posted record sales volumes, as the Company's program to expand its agency force began to bear fruit. Individual health, up 53%, Group health, up 21%, and Individual life, up 17%, led the way.

Particularly gratifying was the significant contribution to sales growth by our subsidiaries and agencies abroad. The Bahamas, Bermuda, Hong Kong, Jamaica, the Netherland Antilles, Puerto Rico, Trinidad and Tobago, and the United Kingdom all registered excellent growth.

The Company's sales successes in difficult times are the result of the combination of sales personnel second to none, strong support from their Home Office and Branch Office associates, and continuing timely revision of product lines to meet the changing needs of insurance buyers.

Among the many innovations added to our already extensive product portfolio were non-smokers discounts for Individual life coverages; Crown Select Trust, an innovative approach to the underwriting of Group health insurance; "new



During 1981 Crown Life introduced a broad range of innovative new products.



Michael B. Hutchison, Vice-President and Director of Marketing and Agencies (left) presents the Coronet Trophy sales award to Fernando Hui, General Manager of the Robert E. Lee Agency of Hong Kong.

money" products in the U.S. and Canada; unit-linked pensions in the U.K.; and many others.

In addition, increased policyholder dividend scales and rate and product improvements made our existing product lines more competitive than ever.

Changes such as these have earned Crown Life a reputation throughout the industry as a leader in innovation.

### Earnings

Total 1981 earnings of just over \$49 Million were at a satisfactory level but did include unusual items totalling \$25 Million which are not attributable to 1981 insurance operations. The \$25 Million is made up primarily of a one-time gain of \$35 Million flowing from the revaluation of United States and United Kingdom assets and liabilities using more current foreign currency rates of exchange, and a special \$10 Million charge resulting from a strengthening of Group annuity policy contract liabilities.

1981 earnings from insurance operations were lower than in 1980 for a number of reasons.

In the participating lines of business, favourable experience led to the decision to significantly increase policyholder dividends. As a result a larger proportion of the year's earnings was paid to policyholders, with reported earnings from insurance operations, after dividends, being reduced.

Turning to the non-participating lines of business, the Group health line again showed a significant

loss in 1981. The Company, along with the rest of the industry, continued to experience unsatisfactory results under Group medical coverages in the United States. Spiraling medical costs and hospital "cost shifting" from the public sector to the private carriers, have made this business increasingly difficult to write profitably. Inadequate rates charged by some competitors made Group health sales difficult and led to the cancellation of a significant number of existing Crown Life Group policies.

We believe we have come through the worst of this problem. Expenses have been trimmed dramatically, strong controls introduced, and products redesigned. Moreover, many of our competitors, after suffering similar losses, are adjusting their rates to more appropriate levels making our premium rates more competitive.

In Canada, experience under Group long term disability coverages deteriorated during the latter part of 1981, perhaps reflecting the developing unfavourable economic conditions. Appropriate rate actions have been taken.

In the annuity lines of business, statutory accounting requirements necessitate the establishment of actuarial liabilities larger than the premiums received. Thus the strong sales growth in these lines caused a "statutory strain" which exceeded the profit from existing business, resulting in reported "losses" in both the Individual and Group annuity lines. These "losses" will be recovered in future years as the actuarial liabilities are released.

On the plus side, the Individual life, Group life and Individual health lines all contributed satisfactory earnings.



General Agent Rudy Facciani and the staff of his Fresno Agency have every reason to celebrate their status as Crown Life's leading sales outlet for 1981.

### Shareholders' Dividends

The quarterly dividend payable April 1, 1982 to shareholders of record as of March 19, 1982 has been increased from 70¢ to 77.5¢ per share. Shareholders' dividends have now been paid, without interruption for the past sixty years, and this is the twenty-eighth consecutive year in which an increase has been approved.



Crown Life Executive Officers, from left to right: David R. Johnston, Vice-President and Director of Corporate Finance; John S. Burton, Vice-President and Director of Investments; Alan E. Morson, Executive Vice-President, Insurance Operations; Jack W. Roberts, Vice-President and Director of Group Insurance; Robert C. Dowsett, President; Gordon C. Donley, Vice-President and Secretary; Michael B. Hutchison, Vice-President and Director of Marketing and Agencies; and Robert G. Boeckner, Vice-President and Director of Administration.

### Reinsurance Operations

Among all the Canadian direct-writing life insurance companies Crown Life has, for many years, had the largest professional reinsurance operation. In 1981 the Company recorded reinsurance sales of \$910 Million, up 42% from 1980. By the year-end the Company served approximately 300 reinsurance client companies world-wide.

Crown Life's Home Office Reinsurance Department functions as a self-contained operation, handling its own underwriting, administration and marketing functions. In 1981 a regional reinsurance office was established in San Francisco to better serve the needs of our west coast client companies.

In addition to its normal reinsurance sales activities, the Reinsurance Department arranges reinsurance cessions in connection with our own directly written large policies which exceed the Company's \$1.25 Million face amount retention limit. Last year, for example, Crown Life sales representatives settled 124 policies of \$1 Million or more with combined face amounts of \$288 Million.

Another important aspect of Crown Life's reinsurance operations is the development of the corporate block reinsurance market related to financial planning. A team of specialists from different areas of the Company is involved in the design, application and sale of block reinsurance arrangements with a variety of companies. In 1981 the Company concluded 24 major corporate block reinsurance agreements which contributed significantly to both earnings and surplus. Crown Life's pioneering work in this area is known throughout the industry.

### Investments

Net investment income totalled a record \$219 Million in 1981, up from \$187 Million in 1980. General fund invested assets increased by \$309 Million to \$2.6 Billion. This growth — calculated using consistent rates of foreign currency exchange at the beginning and the end of the year — represents a 13% increase.

The past year featured extreme volatility in debt markets. The yield on long term Government of Canada bonds started the year at 13%, rose to 18% by September, and then fell to 15.5% by year-end. Similar volatility characterized the U.S. and U.K. markets.

Within this difficult environment, U.S. dollar bond portfolios increased by \$87 Million and Canadian dollar bond portfolios by \$28 Million, with the emphasis on lower grade corporate bonds of 10 years or shorter duration. The term of bond portfolios continued to fall as the term of new liabilities in general decreased. The overall new money rate on new bond investments in North America was 15.58%. During 1981 greater use was made of the private placement bond market which offered relatively higher yields, although providing less liquidity.

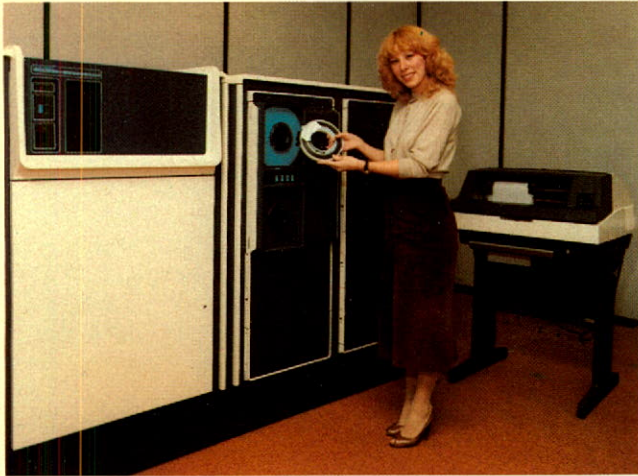
Mortgage loans during 1981 increased \$36 Million in all territories, as continued low levels of construction activity during the year inhibited demand for mortgage financing.

Policy loans rose by \$50 Million in 1981 reflecting the high level of interest rates. The trend of new policy loans is closely tied to the trend in prime lending rates.



Work commenced in 1981 on "One-Sixty Bloor Street East", Crown Life's \$45 Million office complex on Bloor Street in downtown Toronto. The project is scheduled for completion in the third quarter of 1983.





This Data General Eclipse MV8000 mini-computer was installed in Crown Life's Home Office in July 1981. It is being used to develop new and enhanced on-line applications for use in the Company's Canadian and U.S. Group Offices.

The common stock portfolio was increased by \$18 Million in 1981 in Canada and the United States but absolute returns were negative as equity markets declined significantly.

During 1981 Crown Life embarked on a major expansion of its Canadian real estate investments. Industrial buildings were purchased in Edmonton and Toronto and construction was completed on an industrial building in Mississauga, Ontario.

Work commenced during 1981 on The Gainsborough apartment tower in Edmonton. This luxury residential building is scheduled for completion in May, 1983. In addition, demolition and excavation work was completed on the site of the Company's \$45 million One-Sixty Bloor East office complex in downtown Toronto.

Perhaps the most significant event in real estate was the announcement that Crown Life has purchased, for future development, a 70,000 square foot land assembly on the southeast corner of Bloor and Church streets, across from the One-Sixty Bloor site. Purchased at a cost of \$21.9 Million, the site could accommodate a major development which would become the flagship of Crown Life's real estate portfolio.

With this latest land acquisition, Crown Life now owns three of the four corners of this major Toronto intersection. The third corner is the site of the Company's Home Office building.

In the United States, during 1981 Crown Life developed the Maryland Computer facility for its subsidiary company Datacrown Inc. This facility was purchased late in 1981 by Datacrown Inc.

Crown Life's investment objective continues to be to optimize rates of return while maintaining adequate security for our obligations to policyholders. Invested assets are balanced

appropriately with liabilities in the various political and geographical jurisdictions in which we operate.

### Subsidiary Life Insurance Companies

The year 1981 was one of significant progress and growth for the Crown Life Group of Companies in the United Kingdom, as our life insurance subsidiaries there performed well ahead of the industry in general. Premium income in Crown Life Assurance Company Limited was up 69% to £33.5 Million, while premium income in Crown Life Pensions Limited increased 29% to £13.1 Million. Total assets of the U.K. subsidiaries increased during the year by 41% to £75.6 Million.

The rapid expansion of our direct sales force in the U.K. was accelerated during the past year with the opening of four new sales offices, bringing the total number of Crown Life sales outlets in the U.K. to 35.

Marketing activities during the past year included the extension of the unit-linked concept to the Company's line of pension products, following the success of unit-linked life insurance products.

1981 also saw the establishment of a new U.K. computer services subsidiary, Crown Computer Services Ltd. This new company, which is 57% owned by Crown Life Assurance Company, is a joint venture with Beaufort Computer Services Ltd., a United Kingdom computer services company



One Penn Plaza, Manhattan, N.Y., will be the address of Coronet Life Insurance Company, Crown Life's recently formed New York subsidiary.

---

specializing in life insurance industry applications. Crown Computer Services Ltd. will provide all the systems and data processing services for the Crown Life Group of Companies in the U.K. and will market the insurance software packages that they develop to other client firms.

Crown Life (Caribbean) Limited, our life insurance subsidiary company operating in Trinidad and Tobago, achieved exceptional growth with life insurance sales increasing more than 51% to TT\$164 Million; premium income was up more than 19% to TT\$11.2 Million; total assets grew to TT\$56 Million. This impressive growth was achieved in conjunction with earnings from operations that exceeded our business plan for the fourth successive year.

Crown Life Insurance Company (Jamaica) Limited successfully commenced operations in 1981. The new company is now writing individual business in Jamaica. We are localizing our operations in Jamaica in accordance with government requirements and plan controlled growth in conjunction with the turn around in the Jamaican economy. The new company exceeded its business plans in its first year of operations and is progressing well.

At the beginning of January, 1982 a wholly-owned subsidiary, Coronet Life Insurance Company, was formed in New York State. The new company, which is scheduled to be operational in the first half of 1982, will issue non-participating life, health and annuity business on both an individual and group basis. Our initial investment in this company will be U.S.\$6 Million.

The new company will enhance our marketing operations in the United States through the combined ability of Crown Life and Coronet Life to write business in all states on a consistent basis; this will especially aid our sales to large multi-state franchised operations.

The vast size of the New York market, together with Crown Life's proven expertise in the marketing of life insurance products, should produce strong growth for this new subsidiary company.

### **Datacrown Inc.**

During 1981 the Company's computer services subsidiary, Datacrown Inc., enjoyed growth in revenue and profitability unparalleled in the subsidiary's 10 year history. Significantly, this growth took place in a market characterized by intense competition.

Total revenue in Canada and the United States was up 26% in 1981 to \$86 Million, while after-tax earnings at \$3.86 Million were double those of the previous year. The Company is now among the top two dozen computer services firms in North America and is the second largest in Canada.

During 1981 Datacrown's Toronto Systemcenter took delivery of the first IBM 3081 computer in Canada. The 3081 is IBM's most powerful commercial computer.

Other highlights of the year included the signing of Datacrown's first major computer replacement order in the United States and the completion of a new computer facility in Maryland near Washington, D.C. This \$10 Million, 70,000 square foot facility, which became operational in the fourth quarter of 1981, will handle the work of Datacrown's rapidly growing base of U.S. clients. This new U.S. facility, combined with Datacrown's two other Systemcenters in Toronto and Ottawa, will form a powerful integrated computer network to serve clients of all sizes throughout North America.

### **Community Relations**

Crown Life has, for many years, engaged in a broad range of community support activities. One such program is the Crown Life Pro-Am, a benefit golf tournament undertaken in 1973. Over the years this event, which started as a small tournament in the province of Manitoba, has grown to become the largest of its kind in Canada. It is the only tournament involving professionals and amateurs which is officially sanctioned by the Royal Canadian Golf Association.



Crown Life Chairman H. Michael Burns (far right) congratulates members of the Victoria Golf Club, winners of the 1981 Crown Life Pro-Am national championship.

In 1981 more than 12,000 amateur golfers in Ontario and Western Canada participated in the tournament, raising over \$60,000 for charity. Since its inception, the tournament has raised some \$252,000 for various charities in participating provinces.

The year 1982 will see further expansion of this popular club team event, with the inclusion of the province of Quebec. In 1983 the tournament will include the four Atlantic Provinces and thus become a major event on the national golf scene.

The Company is pleased to support amateur golf programs across Canada, and to provide this form of assistance to worthwhile charitable organizations.



The Toronto Eglinton Agency is the first of a number of community agencies which will be situated in "main street" locations in selected Canadian cities. Manager Andy Burdi is shown at right.

### Federal Budget

On November 12, 1981 the Canadian Government brought down a budget containing sweeping changes to the Canadian tax system. In our view, many of these changes represent significant attacks by government on the development of free enterprise and individual initiative.

Moreover, contrary to its stated theme of equity, the budget in many places strikes not at the rich but at middle income families who already bear a high percentage of the overall tax burden.

The budget contains several provisions which have serious implications for those Canadians purchasing life insurance policies, annuity contracts, or who are covered by private health and dental plans.

These budget proposals would impose a new tax on the interest build-up in life insurance and annuity policies. Other provisions would eliminate income averaging annuities; tax the health and dental insurance premiums paid by employers; eliminate the deductibility of interest on loans for contributions to Registered Retirement Savings Plans, Registered Pension Plans and Deferred Profit Sharing Plans; and increase the taxable gain on surrender of life insurance policies.

The budget seems to have been constructed without in any way recognizing the substantial premium taxes paid by insurance companies to provincial governments in connection with life and health insurance coverages.

We believe that these budget proposals would severely penalize those thrifty, hard-working Canadians who have traditionally provided financial security for themselves and their dependents through life insurance. Many other countries provide tax incentives for the purchasers of life insurance whereas, by contrast, the current budget proposes to impose a tax penalty on individual initiative and thrift.

Perhaps most disconcerting of all is the fact that the proposed changes will most seriously affect lower and middle income taxpayers for whom insurance often represents the most economical and secure means of providing for the future.

Government officials may yet respond to the strong representations that have been made by the public and by industry groups. We hope that changes will be made, and that the budget provisions will be modified to recognize the unique role of life insurance in providing long-term protection, and to reconfirm that the individual, rather than government agencies, should bear the primary responsibility for the provision of his or her financial security.

### Outlook for 1982

Despite the economic uncertainty which prevails today throughout much of the world, we are optimistic about Crown Life's continued growth and profitability in 1982.

The resurgence of sales experienced by the Company in the latter part of 1981 shows every indication of continuing and building throughout the coming year. We see a continuing increase in the public's need for the kinds of basic financial security that life insurance, health insurance and pensions can provide and we are optimistic about our ability to capture an increasing share of the markets in which we operate.

Crown Life and its subsidiary companies make up an organization of people serving people. The abilities and skills of sales representatives and employees continue to be great sources of strength. During a period of unexpected changes and many challenges, the loyalty and dedicated efforts of these people have been important ingredients in the continued progress of the Company. We look forward with confidence to the challenges of 1982 and beyond.

President

# Consolidated Statement of Earnings

Year Ended December 31, 1981	1981	1980
		\$000
<b>Revenue</b>		
Life insurance and annuity premiums .....	591,467	483,004
Health insurance premiums .....	354,616	328,770
Investment income, net of related expenses of \$8,340,000 (1980 \$6,505,000) .....	218,887	186,809
Segregated funds investment income .....	(8,049)	13,201
Special reinsurance received agreements .....	—	13,800
Other .....	3,240	2,398
	<b>1,160,161</b>	<b>1,027,982</b>
<b>Amounts paid or credited to policyholders and beneficiaries</b>		
Death and disability benefits .....	123,151	113,555
Health insurance benefits .....	292,988	266,680
Annuities .....	29,494	26,391
Maturities and surrenders of policies .....	154,173	94,745
Experience rating refunds .....	6,967	12,438
Special reinsurance ceded agreements .....	12,581	77,670
Dividends to policyholders .....	28,256	21,555
Interest on amounts on deposit and other liabilities .....	18,925	11,810
Increase in amounts required to provide for unmatured obligations on policies in force .....	259,318	163,370
Increase (decrease) in segregated fund liabilities .....	(13,768)	14,185
	<b>912,085</b>	<b>802,399</b>
<b>Expenses</b>		
Life insurance and annuity expenses .....	145,983	118,713
Health insurance expenses .....	66,425	59,904
	<b>212,408</b>	<b>178,617</b>
<b>Earnings from consolidated insurance operations before taxes</b> .....	<b>35,668</b>	<b>46,966</b>
Premium and other taxes .....	14,350	12,575
Income taxes .....	1,470	549
	<b>19,848</b>	<b>33,842</b>
<b>Earnings from consolidated insurance operations</b> .....	<b>25,408</b>	<b>2,518</b>
Gain on foreign currency translation and other unusual items .....	—	—
Earnings of non-consolidated subsidiary companies, after income taxes of \$3,187,000 (1980 \$2,083,000) .....	3,983	1,986
	<b>49,239</b>	<b>38,346</b>
<b>Net earnings for the year</b> .....		

## Consolidated Statement of General Surplus

Year Ended December 31, 1981	1981	1980
	\$000	
General surplus in insurance funds, beginning of year .....	<b>154,095</b>	88,774
Net earnings for the year .....	<b>49,239</b>	38,346
	<b>203,334</b>	127,120
Transfer to (from) reserve for investment values and currency exchange .....	<b>40,000</b>	(8,500)
Transfer to reserve for excess of cash surrender values over policy contract liabilities .....	<b>10,430</b>	4,335
Transfer to (from) reserve for non-Canadian additional statutory requirements .....	<b>17,981</b>	(29,075)
Transfer to (from) reserve for Canadian additional statutory requirements .....	<b>(1,500)</b>	800
Transfer to reserve for value of miscellaneous assets .....	<b>15,470</b>	4,047
Transfer to (from) reserve for specified contingencies .....	<b>—</b>	(3,400)
Dividends to shareholders .....	<b>5,600</b>	4,800
Increase in shareholders' account .....	<b>574</b>	18
	<b>88,555</b>	(26,975)
<b>General surplus in insurance funds, end of year .....</b>	<b>114,779</b>	154,095

## Analysis of Consolidated Net Earnings

Year Ended December 31, 1981	Net earnings attributable to							
	Total		Participating policyholders' account		Non-participating and shareholders' account		Statutory earnings per share	
	1981	1980	1981	1980	1981	1980	1981	1980
	\$000		\$000		\$000		\$	
Earnings from consolidated insurance operations before policyholders' dividends .....	<b>48,104</b>	55,397	<b>39,053</b>	35,302	<b>9,051</b>	20,095	<b>4.53</b>	10.04
Dividends to policyholders .....	<b>(28,256)</b>	(21,555)	<b>(28,256)</b>	(21,555)				
Transfer from participating account to shareholders' account .....			<b>(1,557)</b>	(1,134)	<b>1,557</b>	1,134	<b>.78</b>	.57
<b>Earnings from consolidated insurance operations .....</b>	<b>19,848</b>	33,842	<b>9,240</b>	12,613	<b>10,608</b>	21,229	<b>5.31</b>	10.61
Gain on foreign currency translation and other unusual items .....	<b>25,408</b>	2,518	<b>11,233</b>	1,094	<b>14,175</b>	1,424	<b>7.08</b>	.71
Earnings of non-consolidated subsidiary companies .....	<b>3,983</b>	1,986	<b>1,488</b>	774	<b>2,495</b>	1,212	<b>1.25</b>	.61
<b>Net earnings for the year .....</b>	<b>49,239</b>	38,346	<b>21,961</b>	14,481	<b>27,278</b>	23,865	<b>13.64</b>	11.93

Statutory earnings attributable to shareholders include a portion of the earnings of subsidiary companies, earnings of the non-participating life and health accounts, the shareholders' account and, as limited by law, the amount transferred from the participating policyholders' account to the shareholders' account. This transfer was based on 5% of distributed participating earnings.

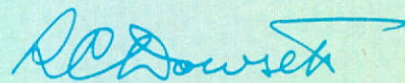
# Consolidated Balance Sheet

<b>Assets</b>	<b>December 31, 1981</b>	<b>1981</b>	<b>1980</b>
		\$000	
<b>Invested assets</b>			
Bonds .....		<b>1,099,504</b>	855,391
Shares .....		<b>237,725</b>	207,586
Mortgages on real estate .....		<b>856,409</b>	766,892
Real estate .....		<b>70,513</b>	64,473
Loans on policies, secured by cash values .....		<b>252,990</b>	184,731
Equity value of non-consolidated subsidiary companies .....		<b>18,591</b>	14,620
Bank certificates of deposit .....		<b>79,549</b>	25,538
Cash .....		<b>8,608</b>	6,737
Other .....		<b>708</b>	1,380
Segregated investment funds .....		<b>71,707</b>	82,556
		<b>2,696,304</b>	2,209,904
<b>Other assets</b>			
Outstanding premiums .....		<b>43,451</b>	50,507
Accrued interest .....		<b>44,480</b>	35,401
Recoverable advances to agents and general agents .....		<b>25,502</b>	17,347
Other .....		<b>24,665</b>	16,297
		<b>138,098</b>	119,552
		<b>2,834,402</b>	2,329,456

**On behalf of the Board**



Chairman



President

**Liabilities****December 31, 1981****1981****1980**

\$000

**Liabilities under policy contracts**

Amounts required, in addition to future premiums and interest, to provide for unmaturred obligations under all policies in force .....	<b>1,980,098</b>	1,570,106
Policyholders' dividends and other amounts on deposit .....	<b>98,617</b>	89,365
Policy benefits in course of payment and provision for unpaid claims .....	<b>111,846</b>	111,048
Provision for next dividends payable to policyholders .....	<b>21,119</b>	16,898
Segregated fund liabilities .....	<b>71,707</b>	82,556
	<b>2,283,387</b>	1,869,973

**Other liabilities**

Bank indebtedness .....	<b>35,576</b>	16,535
Special reinsurance ceded agreements .....	<b>88,157</b>	70,498
Taxes payable .....	<b>8,420</b>	8,410
Other .....	<b>45,535</b>	34,352
	<b>177,688</b>	129,795

**Reserves, surplus and share capital**

Reserve for investment values and currency exchange .....	<b>55,000</b>	15,000
Reserve for excess of cash surrender values over policy contract liabilities .....	<b>82,893</b>	72,463
Reserve for non-Canadian additional statutory requirements .....	<b>54,000</b>	36,019
Reserve for Canadian additional statutory requirements .....	<b>6,800</b>	8,300
Reserve for value of miscellaneous assets .....	<b>40,849</b>	25,379
Reserve for specified contingencies .....	<b>2,780</b>	2,780
Reserve for general contingencies .....	<b>12,000</b>	12,000
Total reserves .....	<b>254,322</b>	171,941
General surplus in insurance funds .....	<b>114,779</b>	154,095
Share capital .....	<b>2,000</b>	2,000
Shareholders' account .....	<b>2,226</b>	1,652
	<b>373,327</b>	329,688
	<b>2,834,402</b>	2,329,456

The accompanying notes are an integral part of these Consolidated Financial Statements.

# Notes to Consolidated Financial Statements

1. The accounting practices followed by the Company are prescribed or permitted by the Department of Insurance of Canada. The Company's significant accounting policies are as follows: —

(i) Consolidated financial statements include the operations and financial position of the Company's subsidiaries listed below: —

Crown Life Assurance Company Limited	Crown Life Pensions Limited
Crown Life Management Services Limited	Coronet Properties Limited

Datacrown Inc., the computer services subsidiary, and its subsidiaries have been shown on an equity basis as their accounts are not compatible with the accounting practices prescribed or permitted under the Canadian and British Insurance Companies Act.

The accounts of Crown Life (Caribbean) Limited, a Trinidad and Tobago subsidiary life insurance company, and the accounts of Crown Life Insurance Company (Jamaica) Limited, a Jamaican subsidiary life insurance company, have been shown on an equity basis due to requirements of these jurisdictions.

The values of assets and liabilities used to account for subsidiary companies are the values prescribed or permitted by legislation or regulation in the jurisdictions in which they are domiciled.

(ii) Foreign currencies are translated at book rates of exchange established by the Company. These rates are intended to approximate market values and are altered when a change has occurred which, in the opinion of the Company, will not be reversed in the short term. United States dollar items have been translated into Canadian dollars at \$1.15 (1980 at \$1.00) and Pound Sterling items at \$2.50 (1980 at \$2.00). Items in other foreign currencies have been translated into Canadian dollars at appropriate rates of exchange. If current rates of exchange had been used for all foreign currencies there would have been no material change to the general surplus in insurance funds.

The 1980 amounts have not been restated to reflect changes in the United States dollar and Pound Sterling currency exchange rates which became effective January 1, 1981. The changes resulted in a gain on foreign currency translation of \$35,681,000, which, in accordance with accounting practices prescribed or permitted by the Department of Insurance of Canada, has been included in income.

(iii) Investment income includes: —

(a) Interest, dividends and rents.

(b) With respect to assets held for the life insurance business, a portion of the difference between cost and market value of shares and a portion of gains and losses realized on disposal of bonds, shares and mortgages.

(c) With respect to assets held for the health insurance business, all gains and losses realized on disposal of invested assets.

(d) With respect to the segregated investment funds and life insurance subsidiaries, all realized and unrealized capital gains and losses on invested assets.

(iv) The item gain on foreign currency translation and other unusual items consists of the following:—

	1981	1980
		\$
Gain on foreign currency translation due to a change in Company book rates of exchange — see note 1. (ii) .....	35,681,000	—
Additional amount to provide for unmaturing obligations on policies in force .....	(10,000,000)	—
Write down of asset values .....	(1,086,000)	(120,000)
Realized gains on foreign currency transactions .....	320,000	2,183,000
Non-amortizable capital gains on disposal of assets held for the life insurance business — real estate .....	427,000	385,000
— other .....	66,000	70,000
	25,408,000	2,518,000

(v) Income taxes are the aggregate of the amounts payable and recoverable based on the tax laws of each of the countries in which the Company does business. The provision is based on the taxes payable method which does not recognize the tax effect of timing differences between accounting earnings and taxable earnings.



- 
- (vi) Asset valuations are as follows: —
- (a) Bonds, at amortized cost; including, for life insurance business, the deferred portion of realized gains and losses on disposals.
  - (b) Shares, at cost; including, for life insurance business, a portion of the difference between cost and market, and the deferred portion of the realized gains and losses on disposals.
  - (c) Mortgages, at outstanding principal balances; including, for life insurance business, the deferred portion of realized gains and losses on disposals.
  - (d) Real estate, at cost less encumbrances and accumulated depreciation.
  - (e) Segregated investment funds, at market values.
  - (f) Data processing equipment, which is included in other assets, at cost less accumulated depreciation.
  - (g) Recoverable advances to agents and general agents, at amounts due less allowance for doubtful recoveries.
  - (h) Furniture, fixtures and equipment, which are included in other assets, at cost less accumulated depreciation.
- (vii) Valuation of liabilities under policy contracts: —
- (a) Liabilities under policy contracts are the liabilities related to the payment after the valuation date of all matured and unmatured obligations under all policy contracts.
  - (b) Liabilities under policy contracts are determined using assumptions appropriate to the circumstances of the Company and the policies in force. The calculation assumes that the amount of acquisition expenses allowed by law is deferred and amortized over the premium paying period of the policies.
  - (c) When a policy provides for a cash surrender value higher than the amount held as a policy contract liability, surplus has been appropriated to provide a reserve for the difference.
2. The reserve for investment values and currency exchange provides \$58,735,000 for book values of invested assets in excess of prescribed market values, less \$3,735,000, the major portion of the net unrealized foreign exchange gains.
  3. The reserve for non-Canadian additional statutory requirements provides \$54,000,000 as an appropriation of surplus reflecting valuation requirements of non-Canadian jurisdictions for assets, liabilities and reserves where such requirements are different from the basis described in these notes.
  4. The reserve for Canadian additional statutory requirements provides \$6,800,000 as a supplementary appropriation of surplus within the health insurance account.
  5. The reserve for value of miscellaneous assets is in respect of the Company and all of its subsidiaries, and includes: \$25,502,000 recoverable advances to agents and general agents; \$7,586,000 furniture and fixtures; \$7,761,000 prepaid expenses and sundry receivables.
  6. The reserve for specified contingencies provides \$2,780,000 as additional group health insurance reserves.
  7. The Company and its subsidiaries maintain a number of pension plans for their eligible employees. It is estimated that at December 31, 1981 these plans have unfunded liabilities of \$8,880,000 (1980 \$5,483,000), which are being amortized over varying periods in accordance with applicable governing legislation. Based on the payment of \$1,016,000 made for 1981 (1980 \$745,000), the average amortization period for these unfunded liabilities is approximately eleven years.
  8. During the year: —
    - (a) The Company leased real estate and data processing equipment to Datacrown Inc. for an annual rental of \$2,374,000 (1980 \$2,338,000).
    - (b) The Company paid \$7,249,000 (1980 \$6,164,000) to Datacrown Inc. for computer services.
    - (c) The Company sold real estate to Datacrown Inc. for \$11,058,000 on which the Company holds mortgages of \$8,279,000, at market rates of interest.
  9. The share capital authorized, issued and fully paid is 2,000,000 shares, par value \$1 each.
  10. Certain 1980 comparative figures presented in these statements differ from those shown in the 1980 Consolidated Financial Statements. These revisions have been made in order to reflect changes in the classification of certain items introduced by the Department of Insurance of Canada in 1981.
-

## Valuation Actuary's Report to the policyholders and shareholders

---

I have made the valuation of policy contract liabilities of Crown Life Insurance Company for its consolidated balance sheet as at December 31, 1981 and its consolidated statement of earnings for the year then ended. In my opinion, the valuation for Crown Life Insurance Company conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries.

In regard to the policy contract liabilities of the United Kingdom subsidiary insurance companies, I have relied upon the valuation made by the Appointed Actuary of the subsidiary companies.

In my opinion, the amount held for liabilities under policy contracts makes proper provision for the obligations payable in the future under the companies' policies, a proper charge on account of those liabilities has been made in the statement of earnings, and the amount of surplus reserved for the excess of cash surrender values over policy contract liabilities is proper.

Toronto, Canada  
February 9, 1982



D.R. Johnston, F.S.A., F.C.I.A., M.A.A.A.  
Vice-President and Director of Corporate Finance

## Auditors' Report to the policyholders and shareholders

---

We have examined the consolidated balance sheet of Crown Life Insurance Company as at December 31, 1981 and the consolidated statements of earnings and general surplus and the analysis of consolidated net earnings 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, 1981 and the results of its operations for the year then ended in accordance with accounting practices described in Note 1 to the financial statements applied on a basis consistent with that of the preceding year.

Toronto, Canada  
February 9, 1982



COOPERS & LYBRAND  
Chartered Accountants

# Summary of Growth

	1981*	1980*	1979*	1978*	1977	1971
<b>Revenue</b>						
	\$000					
Life insurance premiums .....	<b>363,893</b>	317,313	285,556	247,842	226,810	111,207
Annuity premiums .....	<b>227,574</b>	165,691	141,558	110,711	93,399	27,930
Health insurance premiums .....	<b>354,616</b>	328,770	291,680	241,449	197,837	48,024
Investment and other income* .....	<b>214,078</b>	216,208	150,269	123,263	108,725	48,953
	<b>1,160,161</b>	1,027,982	869,063	723,265	626,771	236,114
<b>Amounts paid or credited and expenses</b>						
Life insurance and annuity amounts* ..	<b>569,838</b>	492,566	395,607	337,597	302,260	125,633
Health insurance amounts* .....	<b>313,991</b>	288,278	253,921	197,908	166,715	41,361
Dividends to policyholders* .....	<b>28,256</b>	21,555	19,964	15,182	15,320	10,386
Life insurance and annuity expenses* ..	<b>145,983</b>	118,713	111,142	93,012	86,737	42,507
Health insurance expenses* .....	<b>66,425</b>	59,904	49,639	39,982	33,691	7,767
<b>Taxes</b>						
Premium and other taxes .....	<b>14,350</b>	12,575	11,545	10,277	10,266	2,871
Income taxes .....	<b>4,657</b>	2,632	476	1,270	1,640	2,400
	<b>19,007</b>	15,207	12,021	11,547	11,906	5,271
<b>Net earnings for the year*</b> .....	<b>49,239</b>	38,346	41,550	35,267	10,830	3,205
<b>Dividends to shareholders</b> .....	<b>5,600</b>	4,800	3,600	2,870	2,640	1,320
<b>Total assets*</b> .....	<b>2,834,402</b>	2,329,456	2,031,888	1,761,880	1,556,271	809,597
<b>Reserves, surplus and share capital</b>						
Participating reserves* .....	<b>45,886</b>	28,780	33,433	43,181	13,017	6,627
Participating general surplus* .....	<b>87,762</b>	82,907	63,773	38,816	15,085	22,250
Non-participating reserves* .....	<b>208,436</b>	143,161	170,301	124,922	23,087	15,088
Non-participating general surplus* .....	<b>27,017</b>	71,188	25,001	47,681	57,436	40,903
Shareholders' capital and surplus .....	<b>4,226</b>	3,652	3,634	3,592	3,569	3,405
	<b>373,327</b>	329,688	296,142	258,192	112,194	88,273
<b>New business</b>						
Individual life amounts .....	<b>4,327,687</b>	3,390,029	2,854,479	2,617,389	2,525,777	1,052,861
Group life amounts .....	<b>3,316,264</b>	2,954,065	2,966,393	3,235,458	2,521,561	957,520
	<b>7,643,951</b>	6,344,094	5,820,872	5,852,847	5,047,338	2,010,381
Annuity premiums, first year and single ..	<b>166,977</b>	110,172	98,284	64,424	61,623	18,517
Health premiums, first year .....	<b>63,492</b>	62,720	59,978	48,442	44,333	14,551
<b>Business in force</b>						
Individual life amounts .....	<b>19,134,262</b>	15,899,189	14,197,887	12,759,674	11,298,990	5,162,534
Group life amounts .....	<b>21,931,447</b>	19,507,668	19,609,637	17,135,076	14,701,673	4,242,628
	<b>41,065,709</b>	35,406,857	33,807,524	29,894,750	26,000,663	9,405,162
Annuity liabilities* .....	<b>1,016,045</b>	776,859	629,763	514,952	435,640	182,182
Health total premiums .....	<b>358,590</b>	333,649	296,586	245,698	201,578	48,854
<b>Number of office staff</b> .....	<b>2,946</b>	3,177	3,166	3,042	2,961	1,927
<b>Number of sales offices</b> .....	<b>249</b>	240	229	221	217	202

\*Revisions in accounting practices distort comparison with pre-1978 figures.

## Segmented Financial Data

### Consolidated Summary of Premiums Year Ended December 31, 1981

	1981			1980	
	Canada	United States	United Kingdom & Other	Total	Total
	\$000			\$000	
<b>Individual life insurance</b>					
First year .....	9,585	18,985	16,254	44,824	35,691
Single .....	1,548	3,763	18,836	24,147	24,430
Renewal .....	65,811	100,768	34,742	201,321	163,528
	<b>76,944</b>	<b>123,516</b>	<b>69,832</b>	<b>270,292</b>	223,649
<b>Group life insurance</b>					
First year .....	1,563	4,484	7,424	13,471	9,469
Renewal .....	33,071	38,763	8,296	80,130	84,195
	<b>34,634</b>	<b>43,247</b>	<b>15,720</b>	<b>93,601</b>	93,664
<b>Individual annuity</b>					
First year .....	1,467	3,383	5,544	10,394	7,236
Single .....	45,508	16,530	782	62,820	51,061
Renewal .....	3,144	4,461	5,434	13,039	10,180
	<b>50,119</b>	<b>24,374</b>	<b>11,760</b>	<b>86,253</b>	68,477
<b>Group annuity</b>					
First year .....	5,945	5,874	5,426	17,245	13,410
Single .....	25	75,900	594	76,519	42,748
Renewal .....	22,784	8,881	15,892	47,557	41,056
	<b>28,754</b>	<b>90,655</b>	<b>21,912</b>	<b>141,321</b>	97,214
<b>Health insurance</b>					
First year .....	6,928	31,515	24,727	63,170	62,563
Renewal .....	64,364	195,699	31,383	291,446	266,207
	<b>71,292</b>	<b>227,214</b>	<b>56,110</b>	<b>354,616</b>	328,770
<b>Total premiums</b> .....	<b>261,743</b>	<b>509,006</b>	<b>175,334</b>	<b>946,083</b>	811,774

**Consolidated Summary of  
New Business and Business In Force  
Year Ended December 31, 1981**

	1981			1980	
	\$000			\$000	
<b>New Business</b>	Canada	United States	United Kingdom & Other	Total	Total
Individual life amounts .....	1,286,978	2,205,986	834,723	4,327,687	3,390,029
Group life amounts .....	805,575	2,368,278	142,411	3,316,264	2,954,065
	<b>2,092,553</b>	<b>4,574,264</b>	<b>977,134</b>	<b>7,643,951</b>	6,344,094
Annuity premiums, first year and single .....	52,945	101,687	12,345	166,977	110,172
Health premiums, first year .....	6,985	31,703	24,804	63,492	62,720

**Business In Force**

Individual life amounts .....	6,596,024	10,102,336	2,435,902	19,134,262	15,899,189
Group life amounts .....	8,083,157	10,710,902	3,137,388	21,931,447	19,507,668
	<b>14,679,181</b>	<b>20,813,238</b>	<b>5,573,290</b>	<b>41,065,709</b>	35,406,857
Annuity liabilities .....	454,972	467,992	93,081	1,016,045	776,859
Health total premiums .....	72,233	228,370	57,987	358,590	333,649

New business and business in force has been reported on a gross basis (comprised of business written directly by the Company plus business reinsured from other companies).

**Analysis of Earnings  
from Consolidated  
Insurance Operations  
Year Ended December 31, 1981**

	Total		Net earnings attributable to			
	1981	1980	Participating policyholders' account		Non-participating and shareholders' account	
	1981	1980	1981	1980	1981	1980
	\$000		\$000		\$000	
Revenue .....	1,160,161	1,027,982	237,148	187,827	923,013	840,155
Amounts paid or credited to policyholders and beneficiaries .....	912,085	802,399	171,154	134,393	740,931	668,006
Expenses and taxes .....	228,228	191,741	55,197	39,687	173,031	152,054
Transfer from participating account to shareholders' account .....			(1,557)	(1,134)	1,557	1,134
<b>Earnings from consolidated insurance operations ..</b>	<b>19,848</b>	<b>33,842</b>	<b>9,240</b>	<b>12,613</b>	<b>10,608</b>	<b>21,229</b>

**R.C. Dowsett,**  
F.S.A., F.C.I.A., M.A.A.A.  
President

## Administration

**R.G. Boeckner,**  
F.S.A., F.C.I.A., M.A.A.A.  
Vice-President  
and Director of Administration

**M.W. Shadwick,** F.L.M.I.  
Associate Superintendent,  
Corporate Administration

**J.I. Dalrymple,** F.S.A., F.C.I.A.  
Corporate Planning Officer

**G.K. Dowsley**  
Financial Planning Officer

**R.D. Boyd,** A.S.A.  
Superintendent,  
Corporate Data Processing  
Services

**G.G. Kalmar,** F.L.M.I.  
Associate Superintendent,  
Corporate Data Processing  
Services

**D.K. Dalziel,** F.L.M.I.  
Associate Superintendent,  
Data Processing Production  
Services

**R.H. McMillan**  
Assistant Superintendent,  
Data Processing Production  
Services

**P.C. Kingsley,** F.L.M.I.  
Associate Superintendent,  
Data Processing Systems

**T.D. Richardson,** F.L.M.I.  
Associate Superintendent,  
Data Processing Systems

**A.F. Adams**  
Assistant Superintendent,  
Data Processing Systems

**J.S. Ricketts,** F.L.M.I.  
Assistant Superintendent,  
Data Processing Systems

**A.W. Davis,** F.L.M.I.  
Superintendent, Office  
Administration

**M.A. Stevenson**  
Associate Superintendent,  
Office Administration  
(Services)

**T.W. Mason**  
Assistant Superintendent,  
Office Administration  
(Facilities)

## Corporate Finance

**D.R. Johnston,**  
F.S.A., F.C.I.A., M.A.A.A.  
Vice-President and Director of  
Corporate Finance

**W.M. Howlett,** C.A., F.L.M.I.  
Financial Vice-President

**R.M. Gignac,** C.G.A., F.L.M.I.  
Superintendent, Accounting

**L.E. Ryan,** F.L.M.I.  
Associate Superintendent,  
Financial Administration

**K.G. Gillespie**  
Assistant Comptroller

**H.E. Kroesen,** C.A., F.L.M.I.  
Assistant Superintendent,  
Accounting

**G.E. Neill**  
Assistant Comptroller

**D.W. Smith,** F.L.M.I.  
Assistant Comptroller

**D.V. Rough,** C.A., F.L.M.I.  
Internal Auditor

**D.C. Rowe,** F.L.M.I.  
Assistant Internal Auditor

**G.W. Evans,**  
F.S.A., F.C.I.A., M.A.A.A.  
Senior Actuary

**R.H. Houle,**  
F.S.A., F.C.I.A., M.A.A.A.  
Senior Actuary

**D.F. Macklin,**  
F.S.A., F.C.I.A., M.A.A.A.  
Actuary

**D.B. Dixon,**  
F.S.A., F.C.I.A., M.A.A.A.  
Associate Actuary

**R.S. Lumsden**  
Assistant Superintendent,  
Actuarial Valuation

## Investment

**J.S. Burton**  
Vice-President and  
Director of Investments

**J.E. Franks,** C.F.A.  
Superintendent,  
Securities

**J.P. Mulvihill,** C.F.A.  
Superintendent,  
Securities

**T.M.A. Green**  
Associate Superintendent,  
Investment Administration

**A.L. Guido,** C.F.A.  
Associate Superintendent,  
Investment Research

**F.E. Whitehead**  
Senior Investment  
Vice-President

**G.M. Lowe**  
Superintendent,  
Property Investments

**A.J. Shell,**  
F.S.A., F.C.I.A., M.A.A.A.,  
E.A.  
Superintendent,  
Property Investments

**A.H. Kiverago**  
Assistant Superintendent,  
Property Investments

**G.E. Palmer,** A.A.C.I.  
Assistant Superintendent,  
Property Investments

**D.T. Potts**  
Assistant Superintendent,  
Property Investments

**D.I. Trimble,** C.P.M., F.L.M.I.  
Assistant Superintendent,  
Property Investments

**B.A. Tuck,** C.R.A., S.R.A.  
Assistant Superintendent,  
Property Investments

## Secretarial

**G.C. Donley,** Q.C.  
Vice-President and Secretary

## Law

**H.D. Wainwright,** LL.B.  
Legal Vice-President and  
General Counsel

**R.W. Linden,** LL.B.  
Senior Counsel

**T.W. Powers,** LL.B.  
Counsel

**J.R. Heatley,** LL.B.  
Associate Counsel

**J.C. Kyle,** LL.B.  
Associate Counsel

**K.V. Rathee**  
Associate Legal Officer

**K.E. Rounthwaite,** LL.B.  
Assistant Counsel

**H.I. Mactavish,**  
Q.C., LL.B., F.L.M.I.  
Corporate Counsel

## Personnel

**H.C. Harley,** M.D.  
Personnel Vice-President

**R.A. Kirk**  
Superintendent, Personnel

**M.J. Tate**  
Personnel Officer

**S.M. Davidson**  
Salary Administration Officer

## Insurance Operations

**A.E. Morson,** F.S.A., F.C.I.A.  
Executive Vice-President,  
Insurance Operations

## Group

**J.W. Roberts,**  
F.S.A., F.C.I.A., M.A.A.A.  
Vice-President and  
Director of Group Insurance

**L.G. Rollerson,**  
F.S.A., F.C.I.A., M.A.A.A.  
Senior Group Vice-President

**P.W. Ormrod,** A.S.A.  
Superintendent,  
Group Actuarial and  
Underwriting

**K.P. Bahl**  
Associate Superintendent,  
Group Underwriting

**H. Essert,** F.S.A., F.C.I.A.  
Associate Group Actuary,  
Insurance

**H.A. Gittens**  
Associate Superintendent,  
Group Accounting

**S.D. Hillyer,** A.S.A.  
Group Statistics Officer

**N. Jess,** F.L.M.I.  
Associate Superintendent,  
Group Underwriting

**S.A. McCorquodale,** F.L.M.I.  
Associate Superintendent,  
Group Renewal Underwriting

**K. Fraser,** F.L.M.I.  
Assistant Superintendent,  
Group Actuarial

**B.L. Stackhouse,**  
F.S.A., F.C.I.A., M.A.A.A.  
Group Sales Vice-President

**J.T. MacDonald**  
Superintendent,  
Group Health Claims and  
Branch Administration

**M.J. Poirier**  
Superintendent,  
Group Sales

**M.P. Buriak**  
Group Marketing Officer

**G.A. de Roos**  
Associate Superintendent,  
Group Branch Administration

**C.J. O'Callaghan**  
Assistant Superintendent,  
Group Health Claims

**F.P. Juster**  
Group Vice-President,  
U.S. Field Operations

**J.J. Watts**  
Group Marketing Officer,  
U.S. Operations

**H.N. Beiles,**  
F.S.A., F.C.I.A., M.A.A.A., E.A.  
Group Pensions  
Vice-President

**R.B. Nutley,** F.L.M.I.  
Superintendent,  
Group Pension Administration

**M. Den Heyer,**  
F.S.A., F.C.I.A., E.A.  
Associate Group Actuary,  
Pensions

**W. Babcock,** F.S.A., F.C.I.A.  
Assistant Group Actuary,  
Pensions

**S.F.V. Worsdale,** F.L.M.I.  
Director,  
Group Administration

**P.R. Smith,** F.L.M.I.  
Associate Superintendent,  
Group Administration

**S.E. Austin**  
Assistant Superintendent,  
Group Administration

## Individual

**R.L. Williamson,**  
F.S.A., F.C.I.A., M.A.A.A.  
Senior Individual  
Vice-President

**W.J. Willins**  
Reinsurance Vice-President

**C.G. Willows**  
Director of Underwriting

**K.F. Deviney,** F.S.A., F.C.I.A.  
Associate Actuary,  
Underwriting

**P.A. Maginn,** F.L.M.I.  
Associate Superintendent,  
Special Marketing  
Administration (U.S.)

**L.M. Cooper,**  
A.S.A., M.A.A.A., E.A.  
Individual Health Officer

**S.R. Griffiths,** F.L.M.I.  
Assistant Superintendent,  
Underwriting

**G.J. Hirlehey,** F.L.M.I.  
Assistant Superintendent,  
Policy Issue Administration

**P.E. Lewis**  
Reinsurance Administration  
Officer

**A.H. McDonald**  
Reinsurance Marketing  
Officer

**P.C. Butler,**  
F.S.A., F.C.I.A., M.A.A.A.  
Director, Individual Life  
Insurance  
and Annuities

**E.M. Mandrish,**  
F.S.A., F.C.I.A.  
Associate Actuary

**J.E. Shepherd,** F.L.M.I.  
Associate Superintendent,  
Policy Administration

**O. Zimmerman,**  
F.S.A., F.C.I.A., M.A.A.A.  
Associate Actuary

**J.L. Dark,** F.S.A., F.C.I.A.  
Assistant Actuary

**K.G. Magee,**  
F.S.A., F.C.I.A., E.A.  
Assistant Actuary

**R.I. McKinnon,** F.L.M.I.  
Assistant Superintendent,  
Policy Change Administration

**F.T. Halliday,** F.L.M.I.  
Superintendent,  
Branch Administration

**M.P. Archambault**  
Associate Superintendent,  
Branch Administration

**W.W. Down**  
Assistant Superintendent,  
Policy Accounting

**J.B. Godin,** F.L.M.I.  
Assistant Superintendent,  
Branch Administration

**H.B. Goodfellow,** CLU  
Assistant Superintendent,  
Branch Administration

**J.P. Murphy**  
Assistant Superintendent,  
Branch Administration

**G.A. Payne,** F.L.M.I.  
Assistant Superintendent,  
Branch Administration

**D.F. Walker,** F.L.M.I.  
Claims Officer

**O.A. Martin**  
Assistant Claims Officer

## Medical

**R.C. MacKay,**  
M.D., F.R.C.P. (C)  
Senior Medical  
Vice-President

**E.S. Moller,** M.D.  
Medical Director

**P.J. Purves,** M.D.  
Associate Medical Director

**E.A. Williamson,**  
M.B., Ch.B., C.C.F.P.  
Associate Medical Director

## Marketing

**M.B. Hutchison,**  
F.S.A., F.C.I.A., M.A.A.A.  
Vice-President and Director  
of Marketing and Agencies

**W.P. Hobbs,** CLU  
Agency Vice-President (U.S.)

**A.W. Thomas,** F.L.M.I.  
Agency Vice-President (U.S.)

**D.I.B. Williams**  
Agency Vice-President (U.S.)

**J.D. Ferguson,** F.L.M.I.  
Superintendent of Marketing

**W.E. Foote,** CLU  
Superintendent of Marketing  
Research and Development  
(U.S.)

**W.J. Buchan**  
Agency Superintendent (U.S.)

**B.M. Bush**  
Regional Agency  
Superintendent (U.S.)

**M. Kroes**  
Regional Agency  
Superintendent

**R.G. Reynolds**  
Senior Marketing  
Vice-President, Canada

**W.G. Alexander,** CLU  
Director of Estate Planning

**R.D. Field,** F.L.M.I.  
Director of  
Marketing Development

**E.W. Sharp**  
Director of  
Agency Personnel  
Development

**J.M. Parco,** CLU  
Superintendent of Agencies

**F.B. Brown,** CLU  
Marketing Officer

**A.B. Cummer,** CLU  
Marketing Officer,  
Estate Planning Services

**J.K. Lancaster**  
Regional Agency  
Superintendent

**J.M. Russell,** CLU  
Marketing Officer

**D.R. Scodellaro**  
Regional Agency  
Superintendent

**M. Latendresse**  
Senior Agency Vice-President  
for Quebec and the  
Atlantic Provinces

**R. Routh**  
Senior Superintendent  
of Agencies

**H.E. Wolfram,** F.L.M.I.  
Superintendent,  
Marketing Services

**B.J. Francis,** F.L.M.I.  
Marketing Officer

**G.A. Wetz**  
Marketing Officer,  
Field Service

**J.D. Shaw**  
Superintendent of Marketing

**F.R. Benjamin,** F.L.M.I.  
Agency Administration  
Superintendent

**J. Rudra**  
Marketing Superintendent

**D. O'Sullivan**  
Assistant Superintendent,  
Agency Administration

## New York Operations

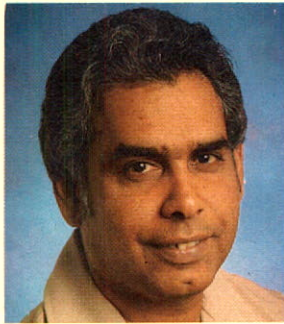
**R. Dozell,** F.L.M.I.  
Senior Financial  
Vice-President

## United Kingdom Operations

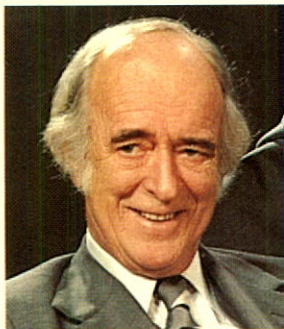
**A.J. Duggin,** F.I.A.  
General Manager for the  
United Kingdom

# Sales and Service Offices

## 1981 Sales Leaders



**Bernard Maraj**  
Unit Manager, Newtown Agency  
Crown Life (Caribbean) Limited.



**Colin B. Walker, CLU**  
Manager,  
B.C. Mainland Agency



**William J. O'Brien, CLU**  
Associate Manager,  
B.C. Mainland Agency



**Colin J. Walker**  
Regional Group Superintendent,  
Eastern Canada

## Atlantic and Caribbean

<b>Nassau, Bahamas</b> .....	T.V. Newton
<b>Freeport, Bahamas</b> .....	A.K. Wallace
<b>Hamilton, Bermuda</b> .....	Kitson & Company Ltd.
<b>Netherland Antilles, Curacao and Aruba</b> .....	M. Kock
<b>Hato Rey, Puerto Rico</b> .....	J. Argomaniz and Assoc. Inc.
<b>Mayaguez, Puerto Rico</b> .....	J.L. Olivieri
<b>San Juan, Puerto Rico (Group)</b> .....	F. Benedit
<b>Christiansted, St. Croix, V.I.</b> .....	Marshall & Sterling Incorporated
<b>Grand Cayman, Cayman Islands, B.W.I.</b> .....	Cayman Insurance Centre Ltd. Estate Planning Associates, Ltd.

## Crown Life (Caribbean) Limited

<b>Port of Spain, Trinidad</b> .....	S. Hunter B. Maraj
<b>San Fernando, Trinidad</b> .....	A. Stanley

## Crown Life Insurance Company (Jamaica) Limited

<b>Kingston, Jamaica</b> .....	K.O.P. Jamaica Ltd.
<b>Mandeville, Jamaica</b> .....	R.H. Heron

## Canada

<b>Barrie, Ontario</b> .....	K.C. Charlton
<b>Belleville, Ontario</b> .....	R. Valeriote
<b>Calgary, Alberta</b> .....	R.H.C. de Jaray, CLU L.G. Gorrie, CLU
<b>Calgary, Alberta (Group)</b> .....	D. Emslie
<b>Edmonton, Alberta</b> .....	R.K. Brown
<b>Halifax, Nova Scotia</b> .....	W.C. Cooper
<b>Halifax, Nova Scotia (Group)</b> .....	R.V. Doucette
<b>Hamilton, Ontario</b> .....	W. Johnstone M. Stein
<b>Hull, Quebec</b> .....	R. Allaire, CLU
<b>Kelowna, British Columbia</b> .....	R.D. Graham
<b>Kingston, Ontario</b> .....	G.K.C. Smith, CLU
<b>Kitchener, Ontario</b> .....	P.J. Conway, CLU
<b>Laval, Quebec</b> .....	J.P. Lapalme, CLU
<b>London, Ontario</b> .....	T.A. Stewart
<b>Markham, Ontario</b> .....	I.J. Martin
<b>Moncton, New Brunswick</b> .....	A.D. Williston, CLU
<b>Montreal, Quebec</b> .....	R. Allaire, CLU D.R. Bock, CLU C. Dansereau, CLU A. DiFruscia J.G. Duplessis, CLU J.R. Guimond, CLU C. Morin, CLU G. Remillard, CLU A. Waddell, CLU
<b>Montreal, Quebec (Group)</b> .....	C. Walker
<b>Noranda, Quebec</b> .....	C.A. Perreault, CLU
<b>Oshawa, Ontario</b> .....	R.W. Allen, CLU
<b>Ottawa, Ontario</b> .....	D.B. Hutcheson, CLU
<b>Peterborough, Ontario</b> .....	G. Cull
<b>Quebec, Quebec</b> .....	G. De Rico P. Renaud, CLU D.R. Shields, CLU
<b>Regina, Saskatchewan</b> .....	D.R. Shields, CLU
<b>Richmond, British Columbia</b> <b>Saskatoon, Saskatchewan</b> .....	M.D. Whiting, CLU
<b>Sault Ste. Marie, Ontario</b> .....	J.B. Donnelly, CLU

<b>Sherbrooke, Quebec</b> .....	R. Belanger
<b>St. Catharines, Ontario</b> .....	R.L. Guinan
<b>St. John's, Newfoundland</b> .....	W.J. Battcock
<b>Sudbury, Ontario</b> .....	A.M. Smrke, CLU
<b>Thunder Bay, Ontario</b> .....	R. Darcis
<b>Toronto, Ontario</b> .....	E.J. Black, CLU A. Burdi F.H. Coulson, CLU L. Fenson G.C. French, CLU D.G. McTaggart, CLU V. O'Reilly R.S. Taylor, CLU D. Teddiman, CLU
<b>Toronto, Ontario (Group)</b> .....	R.E. Zeran
<b>Trois Rivieres, Quebec</b> .....	P. Beauchesne, CLU
<b>Vancouver, British Columbia</b> .....	B. Hobbs W.J. O'Brien, CLU N. Tsang C.B. Walker, CLU
<b>Vancouver, British Columbia (Group)</b> <b>Victoria, British Columbia</b> .....	J.R. Bremer P.B. Cafferky
<b>Windsor, Ontario</b> <b>Winnipeg, Manitoba</b> .....	D.G. Jacks, CLU R.C. Sanders G. Whyte
<b>Winnipeg, Manitoba (Group)</b> .....	R. Davis

## Property Investment and Management Offices

<b>Edmonton, Alberta</b> .....	W.F. Waters
<b>Halifax, Nova Scotia</b> .....	L.N. Swift
<b>Hamilton, Ontario (Management)</b> .....	F. Reed
<b>Kitchener, Ontario</b> .....	J.M. Reeves
<b>Montreal, Quebec</b> .....	F.W. Carrothers
<b>Toronto, Ontario</b> .....	R. Glover
<b>Toronto, Ontario (Management)</b> .....	M. McCaig
<b>Vancouver, British Columbia</b> .....	A.H. Kiverago

## Hong Kong

<b>Hong Kong</b> .....	Robert E. Lee of Hong Kong
------------------------	----------------------------

## United Kingdom

### Crown Life Group of Companies, U.K.

<b>Birmingham</b> .....	C.F. Scuffil
<b>Birmingham (Pensions &amp; Group)</b> .....	N. Davis
<b>Birmingham (Broker)</b> .....	J.S. Smith
<b>Bristol, Clifton</b> .....	M. Kilminster
<b>Bristol (Pensions &amp; Group)</b> .....	J. Knight
<b>Bristol (Broker)</b> .....	D.F. Reeve
<b>Cardiff</b> .....	G. Howe
<b>Coventry</b> .....	B.E.E. Ryan
<b>Croydon</b> .....	N.V. Allmark
<b>Glasgow</b> .....	A.I.J. Robertson
<b>Glasgow (Pensions &amp; Group)</b> .....	J. Stevenson
<b>Glasgow (Broker)</b> .....	F. Morrison
<b>Leeds</b> .....	T.E. Pitts
<b>Leeds (Pensions &amp; Group)</b> .....	R. Cooper
<b>Leeds (Broker)</b> .....	A. Stokes
<b>Liverpool</b> .....	A.P.J. Roberts
<b>London, Chelsea</b> .....	R. Burns
<b>London, Finchley</b> .....	M.D. Green

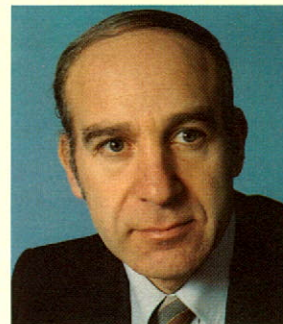


**London, Langham** ..... D. Greenberg  
**London, Mayfair** ..... D.F.K. Forbes  
**London North (Pensions & Group)** ..... K. Furniss  
**London Central (Pensions & Group)** ..... M. Dwyer  
**London South (Pensions & Group)** ..... R. Webb  
**London (Broker)** ..... M. Brookes  
**Manchester**  
**Manchester (Pensions & Group)** ..... I. Robertson  
**Newcastle (Pensions & Group)** ..... J.M. Spence  
**Nottingham** ..... J.G. Linsdell  
**Nottingham (Broker)** ..... M. Donnelley  
**Reading** ..... F.J. Vernon  
**Reigate** ..... D.N. Markham  
**Reigate (Broker)** ..... M. Tuppen  
**Southampton** ..... R.E. Woodham  
**Taunton** ..... H.S. Howe  
**Watford** ..... R.O. Hansen-Luke  
**Woking** ..... U.K. Head Office

## United States

**Akron, Ohio (Group)** ..... R. Schoeler  
**Albuquerque, New Mexico** ..... C.B. Thorndyke  
**Allentown, Pennsylvania** ..... D.P. Landgraf, CLU  
**Anchorage, Alaska** ..... Robert E. Lee (Alaska)  
**Atlanta, Georgia** ..... Crown Associates, Inc.  
**Atlanta, Georgia (Group)** ..... L. Ulvila  
**Austin, Texas** ..... Robert N. Hicks & Associates  
 of Austin, Inc.  
**Baltimore, Maryland** ..... The Jacobson Agency  
**Billings, Montana**  
 ..... J.L. DuBois & Associates, Inc.  
**Birmingham, Alabama** ..... Gannon & Associates  
**Birmingham, Alabama (Group)** ..... D. Marin  
**Boise, Idaho** ..... Crown Associates of Idaho  
**Boston, Massachusetts**  
 ..... Joseph G. O'Brien & Associates  
 John Powers Insurance Agency Inc.  
**Boston, Massachusetts (Group)** ..... P.F. Toland  
**Bridgeport, Connecticut**  
 ..... Crown Life Brokerage Agency, Inc.  
**Burbank, California (Group)**  
 ..... R.K. McElroy (Regional Office)  
**Casper, Wyoming** ..... R.L. Suranyi  
**Charleston, South Carolina**  
 ..... Crown Agencies, Inc. of South Carolina  
**Charleston, West Virginia**  
 ..... Crown Associates of West Virginia, Inc.  
**Charlotte, North Carolina**  
 ..... Jay Livingston Associates, Ltd.  
**Charlotte, North Carolina (Group)** ..... D. Peine  
**Chicago, Illinois** ..... Agency Holding Corporation  
**Chicago, Illinois (Group)**  
 ..... J. Bushell (District Office)  
**Cincinnati, Ohio**  
 ..... William C. Riffle Associates, Inc.  
**Cincinnati, Ohio (Group)** ..... T. Kaylor  
**Cleveland, Ohio** ..... R.C. Oglevee Agency, Inc.  
**Columbus, Ohio**  
 ..... David F. Shama & Associates, Inc.  
**Columbus, Ohio (Group)** ..... E. Briggs  
**Concord, New Hampshire**  
 ..... Crown Life Brokerage Agency, Inc.  
**Corpus Christi, Texas**  
 ..... Michael D. Harris & Associates  
 of Corpus Christi, Inc.  
**Dallas, Texas** ..... Bill Waters & Associates, Inc.  
**Dallas, Texas (Group)** ..... J. Dean

**Davenport, Iowa** ..... Don Carothers & Associates  
**Dayton, Ohio** ..... William C. Riffle Associates, Inc.  
**Denver, Colorado**  
 ..... Crown Associates of Colorado, Inc.  
**Denver, Colorado (Group)** ..... C.M. Stevens  
**Des Moines, Iowa** ..... Crown Life Agency, Inc.  
**Detroit, Michigan** ..... Detroit Center Agency, Inc.  
**Detroit, Michigan (Group)**  
 ..... J. Barker (Regional Office)  
 ..... R. Gordon (District Office)  
**El Paso, Texas**  
 ..... Michael D. Harris & Associates  
 of El Paso, Inc.  
**Erie, Pennsylvania**  
 ..... Crown Life Associates, Inc.  
**Fargo, North Dakota**  
 ..... Crown Life Brokerage, Inc.  
**Farmington, Connecticut**  
 ..... Crown Life Brokerage Agency, Inc.  
**Fresno, California**  
 ..... The Rudy Facciani Company  
 Insurance Marketing Inc.  
**Fresno, California (Group)** ..... L.E. Christoffersen  
**Grand Rapids, Michigan**  
 ..... Irving O. Benson & Associates, Inc.  
**Grand Rapids, Michigan (Group)**  
 ..... W. Chickering  
**Hartford, Connecticut (Group)** ..... J. Hart  
**Hollywood, Florida (Group)** ..... W. Monek  
**Honolulu, Hawaii** ..... C.F. Cusack, Jr., CLU  
 Robert E. Lee of Hawaii, Inc.  
 A.K. Young  
**Hopkinsville, Kentucky**  
 ..... Crown Life Associates, Inc.  
**Houston, Texas** ..... R.E. Lee of Houston, Inc.  
**Houston, Texas (Group)** ..... R. McKillop  
**Indianapolis, Indiana**  
 ..... Crown Life Associates, Inc.  
**Indianapolis, Indiana (Group)** ..... A. Sprunk  
**Jackson, Mississippi**  
 ..... Crown Life Brokerage Agency  
 Mississippi, Inc.  
**Jacksonville, Florida** ..... Crown Agencies, Inc.  
**Jacksonville, Florida (Group)** ..... M. Plymale  
**Knoxville, Tennessee**  
 ..... Crown Holdings Ltd., Inc.  
**Landover, Maryland**  
 ..... Don Rizzo Associates, Inc.  
 Don Rizzo Associates of Maryland, Inc.  
**Landover, Maryland (Group)** ..... G. Chapman  
**Las Vegas, Nevada** ..... Michael D. Carothers  
 Insurance Agency, Inc.  
**Lexington, Kentucky**  
 ..... Crown Life Associates, Inc.  
**Little Rock, Arkansas**  
 ..... G.M. Johnston & Associates  
**Little Rock, Arkansas (Group)** ..... C. Carter  
**Los Angeles, California**  
 ..... Robert E. Lee of Los Angeles, Inc.  
 I.J. Weinrot & Son, Inc.  
**Los Angeles, California (Group)**  
 ..... P. Abrahamian (District Office)  
**Louisville, Kentucky**  
 ..... Crown Life Associates, Inc.  
**Louisville, Kentucky (Group)** ..... J. McDowell  
**Lubbock, Texas** ..... J.P. Harris  
**McLean, Virginia (Group)** ..... D.C. Cummins  
**Memphis, Tennessee** ..... P.J. Robb, Inc.  
**Memphis, Tennessee (Group)** ..... D. Breese  
**Miami, Florida** ..... V. Cuervo



**Michael D. Green**  
 Branch Manager,  
 Finchley, United Kingdom



**Michael W. Dwyer, F.L.I.A.**  
 Branch Manager, London Central,  
 Pensions and Group, U.K.



**Rudy E. Facciani**  
 General Agent,  
 Fresno, California Agency



**William Hipskind**  
 Regional Group Superintendent,  
 North Central United States

<b>Milwaukee, Wisconsin</b> .....	J.A. O'Brien, Inc.	<b>Springfield, Massachusetts</b>	.....	Crown Life Brokerage Agency, Inc.
<b>Milwaukee, Wisconsin (Group)</b> ..	R. McDermott	<b>Springfield, New Jersey (Group)</b>	.....	A.J. Marsala
<b>Minneapolis, Minnesota</b>	.....	<b>St. Louis, Missouri</b> .....	James T. Blair III, Inc.	
.....	Crown Associates of Minneapolis, Inc.	<b>St. Louis, Missouri (Group)</b> .....	J. Niblock	
.....	Robert E.A. Smith Associates, Inc.	<b>St. Petersburg, Florida</b> .....	Wittner & Co.	
<b>Minneapolis, Minnesota (Group)</b>	.....	<b>State College, Pennsylvania</b>	.....	A.F. Williams, CLU
.....	J. Peterson	<b>Tampa, Florida (Group)</b> .....	H. Holcomb	
<b>Mobile, Alabama</b> .....	Ray Artigues	<b>Toledo, Ohio</b> .....	Crown Agency, Inc.	
.....	d/b/a Crown Agencies	<b>Tulsa, Oklahoma</b> ..	John Daly & Associates, Inc.	
<b>Nashville, Tennessee</b>	.....	<b>Wadley, Georgia</b>	.....	McElreath Insurance Agency, Inc.
.....	Crown Life Agencies, Inc.			
<b>Newark, New Jersey</b>	.....			
.....	The David Malcolm Agency, Inc.			
<b>New Orleans, Louisiana</b>	.....			
.....	Ray Artigues & Associates, Inc.			
<b>New Orleans, Louisiana (Group)</b> .....	A. Pierce			
<b>North Palm Beach, Florida</b>	.....			
.....	John E. Hamm Jr. & Associates, Inc.			
<b>Oakbrook, Illinois (Group)</b>	.....			
.....	W. Hipskind (Regional Office)			
<b>Oklahoma City, Oklahoma</b>	.....			
.....	John Daly & Associates, Inc.			
<b>Oklahoma City, Oklahoma (Group)</b> .....	J. Jewell			
<b>Omaha, Nebraska</b>	.....			
.....	Crown Associates of Omaha			
<b>Orlando, Florida</b> .....	Wittner & Co.			
<b>Oxnard, California</b> .....	R.C. Shipley, CLU			
<b>Peoria, Illinois</b> .....	Kerry P. Craig & Associates			
<b>Philadelphia, Pennsylvania</b> .....	J. Ridge, CLU			
<b>Philadelphia, Pennsylvania (Group)</b>	.....			
.....	P. Hopkinson			
<b>Phoenix, Arizona</b>	.....			
.....	Crown Associates of Arizona, Inc.			
<b>Phoenix, Arizona (Group)</b> .....	S. Hinds			
<b>Pittsburgh, Pennsylvania</b>	.....			
.....	R.C. Oglevee & Associates, Inc.			
<b>Pittsburgh, Pennsylvania (Group)</b>	.....			
.....	F. Buccheri			
<b>Portland, Maine</b>	.....			
.....	Crown Life Brokerage Agency, Inc.			
<b>Portland, Oregon</b> .....	A.M. Whitaker Company			
<b>Providence, Rhode Island</b> .....	J.A. O'Neil			
<b>Rapid City, South Dakota</b> .....	O.M. Olsen			
<b>Richmond, Virginia</b> .....	L. Allen Jackson, Inc.			
<b>Richmond, Virginia (Group)</b> .....	T. Ford			
<b>Sacramento, California</b>	.....			
.....	Robert E. Lee of Northern California, Inc.			
<b>Sacramento, California (Group)</b> .....	K. Mitchell			
<b>Salt Lake City, Utah</b> .....	W. Parker Earl, Inc.			
<b>Salt Lake City, Utah (Group)</b> .....	S. Walker			
<b>San Antonio, Texas</b>	.....			
.....	Robert N. Hicks & Associates of			
.....	San Antonio, Inc.			
<b>San Bernardino, California</b>	.....			
.....	R.E. Lee of San Bernardino			
.....	Insurance Agency, Inc.			
<b>San Diego, California</b>	.....			
.....	Robert E. Lee of San Diego, Inc.			
<b>San Diego, California (Group)</b> .....	B. Nerhus			
<b>San Francisco, California</b>	.....			
.....	R.E. Lee (California) Inc.			
<b>San Francisco, California (Group)</b> ..	G.B. Smith			
<b>San Jose, California (Group)</b> .....	U. Feusi			
<b>Santa Ana, California</b>	.....			
.....	Orange County Insurance Associates			
<b>Santa Ana, California (Group)</b> .....	F. Biane			
<b>Seattle, Washington</b>	.....			
.....	Robert E. Lee of Washington, Inc.			
<b>Seattle, Washington (Group)</b> .....	T. Waligora			
<b>Shawnee Mission, Kansas</b>	.....			
.....	Crown Associates Limited			

# Key Values Governing Crown Life Activities

---

The following key values, reflected in the Crown Life Business Mission, are central to the development of Crown Life:

## Growth with Profit

Crown Life intends to grow in order to ensure that more and more people achieve an increasing measure of financial security. This growth will create expanding opportunities and horizons for all associated with our Company. Profits are necessary for the survival of any business enterprise; profit is a key element in our strategic plans for every line of business, for every product and for every activity of the Company and its subsidiaries.

## Real Value to Customers

Providing real value to customers in all our products and services is an important commitment. Real value may take many different forms, for example: competitive pricing, appropriate service, sound advice and timely benefits. The commitment is to provide real value in all of our Crown Life activities.

## Industry Leadership

Industry leadership is a goal we pursue. This may mean such things as attaining the largest rate of premium growth in a given territory, being the first company to provide a new product, or having the best bond trading operation. We will strive for industry leadership in all aspects of Company operations.

## Excellence of Performance

The commitment to excellence of performance must be pervasive. In all areas of endeavour we will strive to do whatever we do in the best possible fashion; achievement will be rewarded.

●  
Through concentration on these four key values – concentration by all people associated with Crown Life – we will focus our activities and achieve success for policyholders, for sales associates, for employees and for shareholders.

# Life Insurance Subsidiaries

---

## Officers of Life Insurance Subsidiary Companies

### Crown Life Group of Companies/United Kingdom

**A.J. Duggin**, F.I.A.  
Managing Director and Chief Executive

**M. Christophers**, F.I.A.  
Director of Finance

**R.J. Higgins**, A.C.I.I.  
Director of Administration

**D.W. Johnstone**, A.C.I.I.  
Director of Pensions and Group Insurance

**S.W. Nesbitt**, F.L.I.A.  
Director of Individual Sales and Marketing

**A.J. Withey**  
Director of Investment

**N.K. Chambers**, F.I.A.  
New Developments Director

**R.A. Corver**, F.C.C.A., A.C.I.S.  
Company Secretary

**C.A. Evers**, F.I.A.  
Deputy Actuary

### Crown Life (Caribbean) Limited

**G.P. Deane**, F.C.I.I.  
Managing Director

**T.A.K. Bates**  
Marketing Director

**C. Payne**, F.L.M.I.  
Administrative Director

### Crown Life Insurance Company (Jamaica) Limited

**G.W. Evans**, F.S.A., F.C.I.A., M.A.A.A.  
Managing Director and Actuary

**K.O. Peart**  
Marketing Manager

**R. Chang**  
Administrative Manager

### Coronet Life Insurance Company

**R. Dozell**, F.L.M.I.  
President

**W.X. Byrne**, CLU  
Marketing Vice-President

