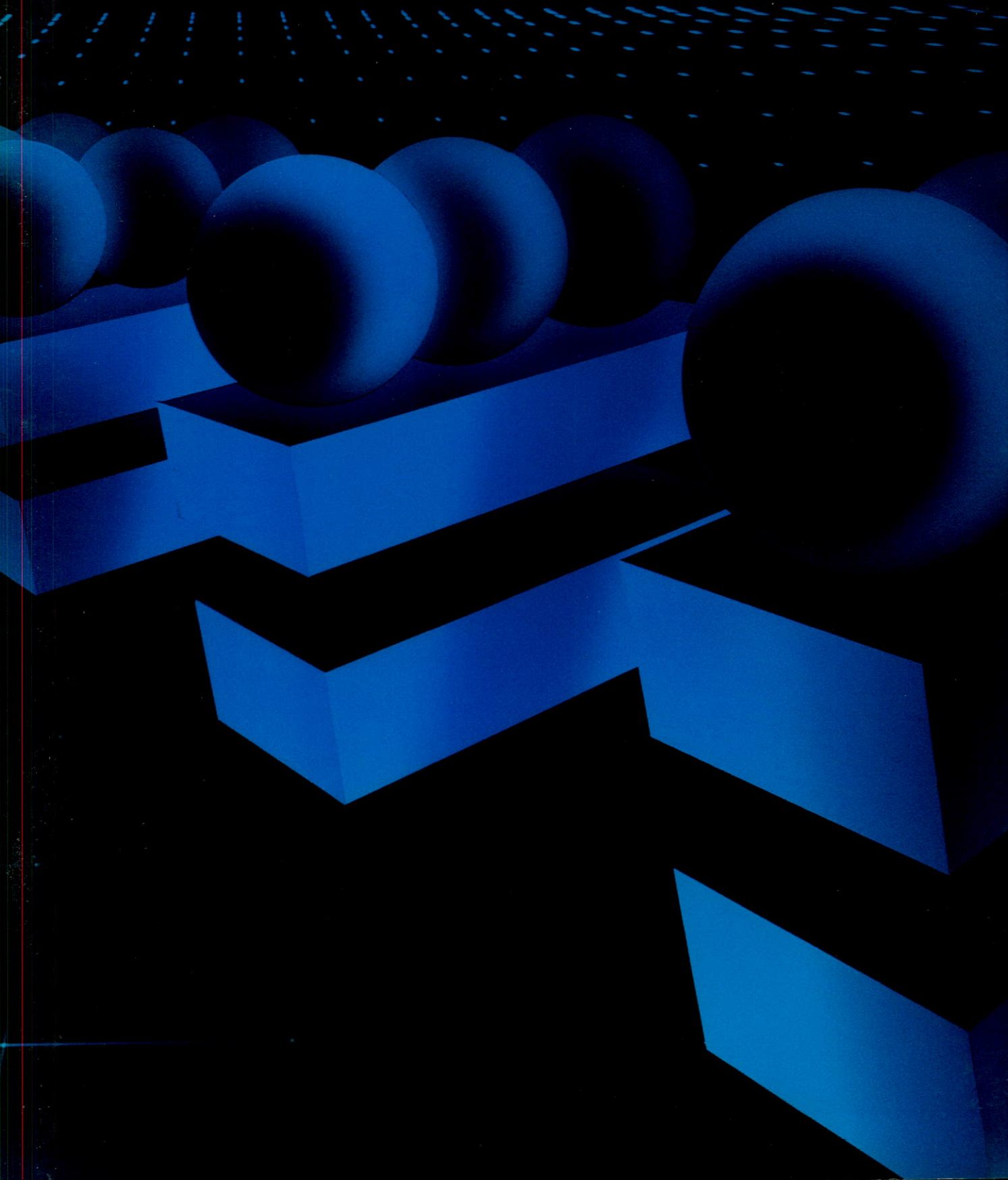


Crown Life Annual Report 1984



Corporate Profile

Crown Life Insurance Company is an international leader in providing financial services for people and businesses.

Founded in Canada in 1900, the Company offers a full range of life insurance, health insurance and pension programs on a participating and non-participating basis to individuals and groups. Additionally, reinsurance services are provided to other insurance companies.

The Company serves over five million clients through sales and service offices in Canada, the United States, the United Kingdom, the Atlantic and Caribbean Islands and Hong Kong. Subsidiary companies operate in the United States, the United Kingdom, Trinidad and Tobago, and Jamaica.

With assets of \$4.85 billion and more than \$67 billion of life business in force, the Company ranks in the top two percent of all life companies in North America.

Crown Life's major shareholder, Crownx Inc., owns 93.8 percent of the common shares of the Company. Crownx is an integrated service company with diversified businesses in the areas of financial services, health care and information technology.

Crown Life is the major business unit in the Crown Financial Group which also includes Crown Financial Services Inc., Coronet Trust Company, and a minority interest in Beutel, Goodman & Company Ltd.

Inquiries about Crown Life, its products, services and associated companies are welcomed. □

New standards of athletic achievement marked the XXIIIrd Olympiad in Los Angeles. Crown Life was there as Official Insurer of the Canadian Olympic Team.

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Crown Life Insurance Company
120 Bloor Street East
Toronto, Ontario, Canada
Telephone: (416) 928-4500
Telex: 06-22651

U.S. Executive Center
Crown Life Insurance Company
The Torpedo Factory
201 North Union Street
Alexandria, Virginia, U.S.A.
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Pour obtenir un exemplaire de ce rapport annuel en français, adressez-vous à Crown, compagnie d'assurance-vie.

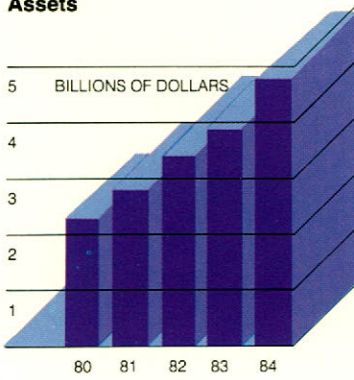
The cover design, featuring Crown Life's corporate symbol, is an example of optically generated art, created by artist/photographer Oscar Guzman of Toronto.



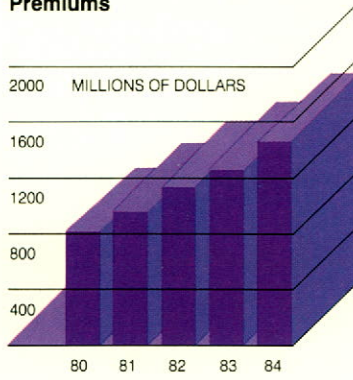
HOWARD
OF
MAGNIFICENT

		1984	1983
NEW BUSINESS AND BUSINESS IN FORCE		(thousands of dollars)	
New business	Life	19,014,331	13,817,933
	Health	117,538	130,118
	Annuity	404,157	336,581
Business in force	Life	67,645,378	53,279,043
	Health	486,475	435,703
	Annuity	2,059,250	1,670,707
OPERATING RESULTS			
Revenue	Premiums	1,457,989	1,246,451
	Investment income	415,108	366,969
	Other	252,499	140,633
		2,125,596	1,754,053
Policy benefits		1,711,978	1,412,456
Income from operations		74,579	53,607
Participating policyholders	Dividends	36,024	32,530
	Share of income	1,390	5,472
Net income for the year	Preferred shareholders	3,224	—
	Common shareholders	39,331	22,795
		42,555	22,795
FINANCIAL POSITION			
Assets		4,846,127	3,954,603
Policyholders' and shareholders' equity	Participating policyholders	155,090	153,700
	Shareholders	410,645	257,735
		565,735	411,435
PER COMMON SHARE RESULTS		(dollars)	
Net income		19.67	11.40
Shareholders' dividends		3.60	3.12

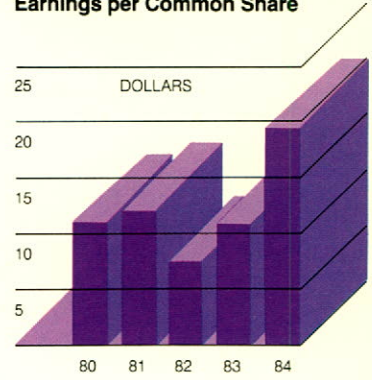
Assets



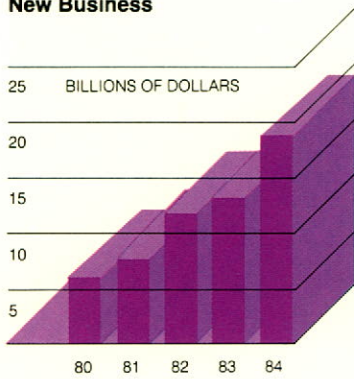
Premiums



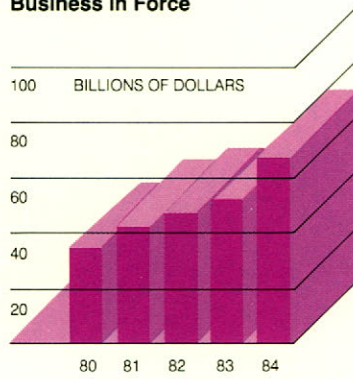
Earnings per Common Share



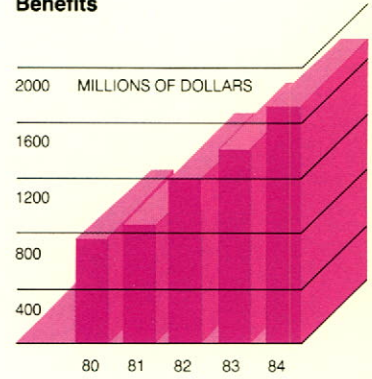
New Business



Business In Force



Benefits



The year 1984 was one of record growth and achievement for Crown Life. The Company's operating results reflected the improved trends demonstrated in 1983, the result of a focused marketing thrust, innovative new products and significantly improved productivity.

Consolidated revenue was a record \$2.13 billion, compared to \$1.75 billion in 1983.

Net income, before dividends of \$3.2 million to preferred shareholders, amounted to \$42.6 million. Net income attributable to holders of common shares in 1984 amounted to \$39.3 million, or \$19.67 per share, an increase of 73 percent from \$22.8 million, or \$11.40 per share, in the previous year.

After policyholder dividends of \$36.0 million, net income attributable to participating policyholders was \$1.4 million in 1984, compared to \$5.5 million in the previous year after policyholder dividends of \$32.5 million. The increase in policyholder dividends reflected an increased scale of dividends adopted by the Company during 1984.

Included in net income were unusual items of \$5.3 million resulting from gains on the sale of real estate and currency revaluation, partially offset by a provision for loss and write-down of asset values. The corresponding figure for 1983 was \$9.6 million resulting mainly from gains realized on the sale of real estate offset by a write-down of assets and a provision for future policy benefits.

Income from operations was \$74.6 million, compared to \$53.6 million in 1983, an increase of 39 percent.

Contributing substantially to the improved overall results in 1984 was very favourable group health claims experience in the United States. Individual insurance operations in both Canada and the United States also contributed favourably to net income and Canadian group insurance results improved considerably.

Crown Life achieved strong sales of individual life insurance in the United States and the United Kingdom, while reinsurance sales continued to show excellent growth. The face amount of life insurance sold in 1984 was \$19.0 billion, up 38 percent over the previous year.

During the past year, Crown Life's assets grew by 23 percent to \$4.85 billion. Benefits

paid or provided for future payments to policyholders increased by 21 percent to a record \$1.7 billion. Life insurance in force increased by 27 percent to \$67.6 billion.

The United States continues to be Crown Life's largest market, accounting for 62 percent of the Company's premium income in 1984. Canadian business comprised 20 percent, while 18 percent came from international and reinsurance operations.

Crown Life has a significant number of competitive advantages, particularly in the area of marketing. Extensive market research is conducted as an ongoing means of designing products which meet the needs of today's sophisticated consumer. As an international marketer, the Company can adapt products which sell well in one country for sale in other territories.

As a stock company, Crown Life can become involved in other financial areas and take advantage of opportunities for synergy with other companies in the Crown Financial Group.

The rate of growth in overhead costs has been reduced significantly. In addition, a major commitment to systems development has improved service to clients while increasing efficiency.

During the past year, a number of initiatives further strengthened the Company's management. In June, Alan E. Morson, formerly Executive Vice-President, Insurance Operations, was elected President of Crown Life, succeeding Robert A. Bandeen who continues as Chairman and Chief Executive Officer.

Robert W. Luba, who joined the Company in February 1984 as Executive Vice-President, Corporate Finance, subsequently assumed responsibility for Investments. Mr. Luba reports to the Chairman.

In September, Crown Life issued \$125 million of Preferred Shares, paying a dividend at the rate of 9.125 percent annually. The highly successful issue was the first public offering of shares which the Company had made since its founding in 1900. The offer was subscribed promptly and received widespread public distribution. The proceeds are invested in fixed income securities which will strengthen the capital base of the Company and will provide increased earnings for holders of common shares.

Robert A. Bandeen, Chairman and Chief Executive Officer (right), with Alan E. Morson, President (centre), and Robert W. Luba, Executive Vice-President, Corporate Finance and Investments.



The environment in which the Company operates will continue to be volatile in the years ahead. The financial services industry is being influenced by numerous factors which vary from country to country. Inflation and fluctuating interest rates have prompted consumer demands for new products and services. These demands, along with new technology, have motivated financial institutions to offer clients a broader range of products and services.

Such issues as potential income tax and pension changes, and differentiation of premium rates by sex, are challenges for the Company and the industry.

Crown Life's policy of flexibility has enabled the Company to adapt effectively to a changing marketplace. For example, in the United Kingdom, a fundamental change took place last spring when the government withdrew tax relief for life insurance premiums. Crown Life Assurance Company, however, had positioned itself to put greater emphasis on its already strong marketing thrust in the pension area so that the impact of the Government action on the company's growth was minimized.

Recognizing the challenges and opportunities of the future, Crown Life has expanded the scope of its public relations activities in order to heighten the Company's image. Crown Life is committed to be a valued corporate citizen in all of the communities and countries in which it operates.

There were a number of changes to the Crown Life Board of Directors during the past year.

Subsequent to his election as President, Alan E. Morson was elected a Shareholders' Director of the Company.

In June 1984, Peter C. Godsoe was elected a Policyholders' Director. Mr. Godsoe is Vice-Chairman of the Board and a Director of the Bank of Nova Scotia. At the same time, Alvin G. Libin was elected a Shareholders' Director. He is President and Chief Executive Officer of Crownx Properties Inc. Mr. Libin is Chairman of the Board of American Eagle Petroleum Ltd. and a Director of Crownx.

Also in June, Gordon C. Donley, Q.C., was elected a Policyholders' Director. He retired as Senior Vice-President and Secretary of Crown Life after serving the Company with distinction and dedication for 34 years,

including 20 years as Secretary to the Board of Directors.

Gordon C. Gray, Chairman of the Board of Royal LePage Limited, resigned from the Board of Directors at the beginning of 1985. Mr. Gray had provided expertise and wise counsel as a member of three of the Board's Committees over a ten-year period.

On behalf of the Board of Directors, we extend thanks to all employees and sales associates for their outstanding contributions to the Company's success during the past year.

The achievements of 1984 constitute a springboard from which the Company and its subsidiaries can launch new initiatives to ensure continuing success in 1985 and future years. □



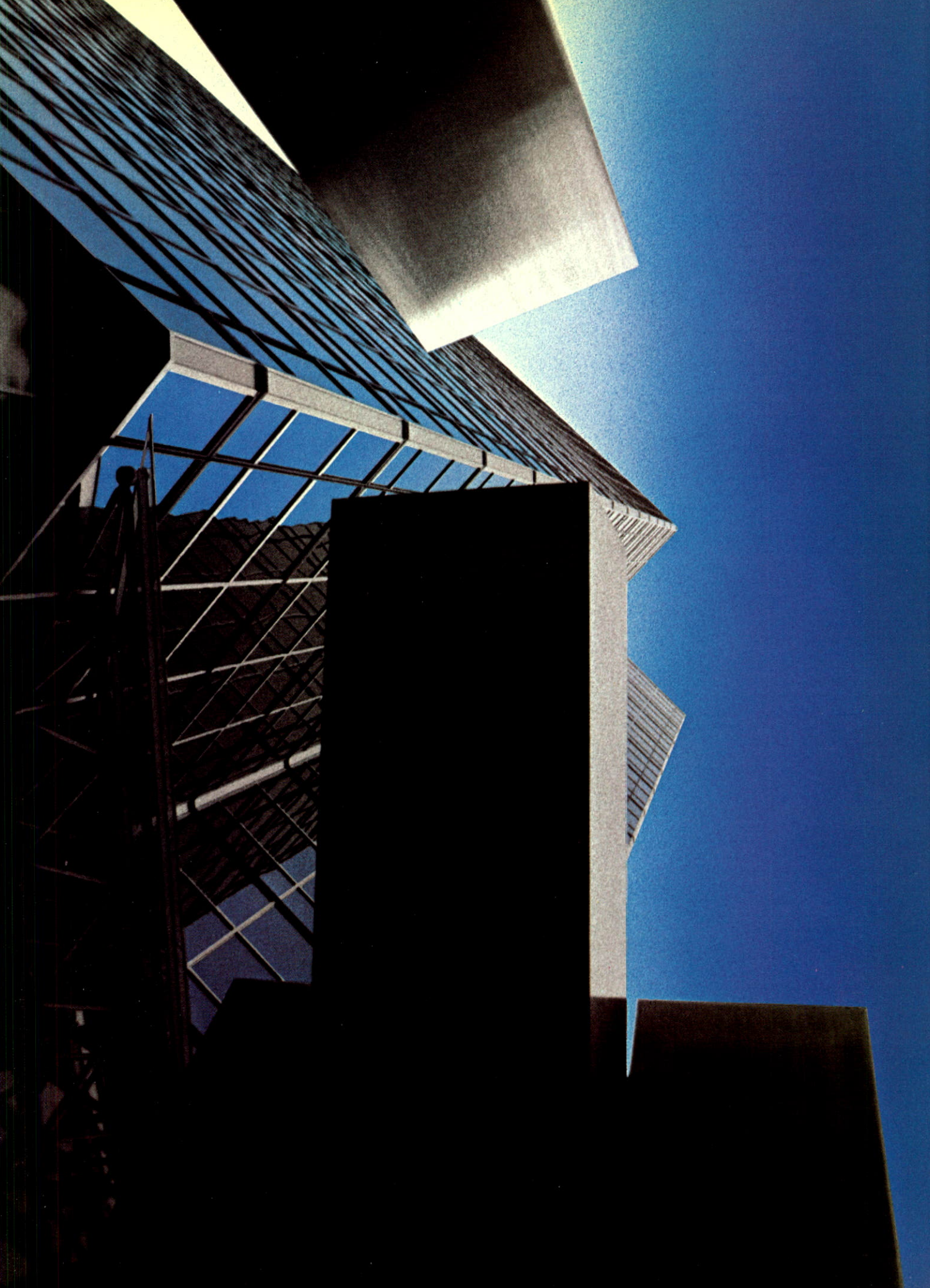
Robert A. Bandeen
Chairman and Chief Executive Officer



Alan E. Morson
President

February 7, 1985

The dynamic thrusting forms of Kosso Eloul's "Meeting Place" capture the energy and excitement of Toronto. Commissioned by Crown Life to commemorate the City's Sesquicentennial, the monumental sculpture graces the entrance to the Company's new office complex at One-Sixty Bloor Street East.



Inurance Operations

Building on the momentum established in 1983, Insurance Operations made significant advances in each division. Records were achieved for total revenue and the sale of new business for the Company's overall insurance operations. Life insurance in force also was at a new high. Service to clients was enhanced substantially through improvements in data processing.

Market research was conducted in seven profit centres. Field operations were consolidated further. A United States headquarters was established. A United States insurance company was acquired to market variable life products. The Company's operations in the United Kingdom were restructured. A direct marketing division was established in Canada to distribute Individual and Group products, using mass marketing techniques. Innovative new products were introduced in all profit centres. New associations were established for market synergies with other companies and for mutually beneficial services to the members of outside organizations.

Early in 1984, corporate actuarial and related functions, headed by David R. Johnston, Senior Vice-President and Actuary, were moved into Insurance Operations. Later in the year, Group Pension Operations also were transferred into Insurance Operations to place the Company in a better position to address the new marketing thrusts.

United States Individual Insurance

Sales of Individual products in the United States outpaced those of 1983. This division has excellent, well packaged products which are very competitive. The Universal Life plan, introduced late in 1982, continued to achieve widespread acceptance with consumers. A series of new participating products met with enthusiastic acceptance as well.

The United States General Agents are of crucial importance in the development and distribution of Crown Life products. The input of the General Agents was supplemented during 1984 by increased market research so that product revisions and innovations were assured of acceptance in the marketplace.

The division continued to be profitable overall, despite high mortality ratios during the second half of 1984. Losses were experienced in the participating segment because of the strain of a significant amount of new business and improved dividend scales to policyholders.

During the year, the marketing area of the division was reorganized in order to improve the focus of management for the years ahead.

United States Group Insurance

The year 1984 marked a period of exceptional results in the United States Group Insurance division. The products that were introduced in late 1982 and in 1983 earned excellent sales results, especially in the health line.

Earnings were very strong in 1984, following several years of losses, the result of focused underwriting, cost reduction programs and an easing in medical cost acceleration.

A highlight was the establishment of a United States headquarters at Alexandria, Virginia, and the transfer of the U.S. Group Insurance Operations to the new facility. Several key positions have been filled by citizens of the United States who have extensive experience in the Group Insurance marketplace. One such professional is Robert L. Laszewski who joined Crown Life in early 1984 as Vice-President, U.S. Group Insurance.

The consolidation of field administration offices in 1983, reducing the number from 13 to three facilities, will provide significant productivity improvements in future years. The separation of sales and administration functions in the field offices permits management to focus attention on the needs of each area and, along with new systems and procedures, allows the Company to provide improved service to clients. For this reason, further administrative functions are being decentralized to the Regional Offices at Chicago, Tampa and Sacramento.

The Company will continue to monitor its Group Insurance Operations carefully. Health costs have been rising dramatically. As government restrictions on budgets intensify, there is a tendency to shift costs to insurers. The insurance industry needs to motivate the medical profession, hospitals and government to develop methods of controlling health costs.

During 1984, Crown Life heightened its corporate presence in the United States with the establishment of a U.S. Headquarters facility in the Torpedo Factory office building (shown opposite) in Alexandria, Virginia.



United States Pensions

The United States continued to account for a substantial portion of the growth in the Company's pension business during 1984. Product innovations resulted in increased sales during the year.

Earnings for 1984 suffered because of very narrow interest spreads. Projected improvements in profit margins and an increased sales volume with new products will lead to significant improvements in 1985.

Marketing efforts are being focused on smaller case corporate pension plans, the non-qualified annuity market segment and the endowment and trust markets.

United States Subsidiaries

In April 1984, Crown Life acquired all of the shares of Independence Life and Accident Insurance Company. It is licensed in 48 states and the District of Columbia. Subsequently, its name was changed to Crown America Life Insurance Company.

This subsidiary will be used primarily to market variable insurance products in the United States. Its new variable life product will be introduced early in 1985 to be marketed by General Agents to stockbrokers and insurance brokers.

With the acquisition of the more broadly licensed Crown America Life, the Company sold Annapolis Life Insurance Company, a subsidiary acquired late in 1982 to market variable insurance products. A gain of approximately \$800,000 was realized on the transaction.

A wholly-owned subsidiary in New York State, Coronet Life Insurance Company, commenced operations in 1982. During 1984, its name was changed to American Crown Life Insurance Company in order to take advantage of the Crown identity.

A new marketing strategy was developed to take advantage of the strengths of the complete product line of Crown Life. The revised marketing thrust is expected to produce tangible results in the New York State market during 1985.

Canadian Individual Insurance

A field office revitalization program during 1984 resulted in a consolidation of the Canadian Individual Insurance distribution system and contributed to a significant reduction in expenses. There also was great emphasis on

reducing administrative costs and the overall result was a marked improvement in the division's profitability for the year.

Many new competitive products were launched during 1984 with the introduction of the Olympic series. Developmental work was completed on Plan for Life, a unique and flexible financial service product. This innovative new plan will be launched early in 1985.

Administrative computer systems continued to be enhanced in order to improve policyholder service. Computer support is being introduced at sales offices in order to increase productivity.

Canadian Group Insurance

There was solid growth in new business during 1984 with sales increases being recorded for life and health insurance as well as for pensions.

Income in the Group Life and Health Insurance operations improved significantly over the 1983 results. Group Pension profitability was unsatisfactory but is expected to improve in 1985.

The first phase of a new group administration system was installed in August 1984 with the full installation to be completed early in 1985. After the conversion to the new system is completed, client service is expected to improve substantially.

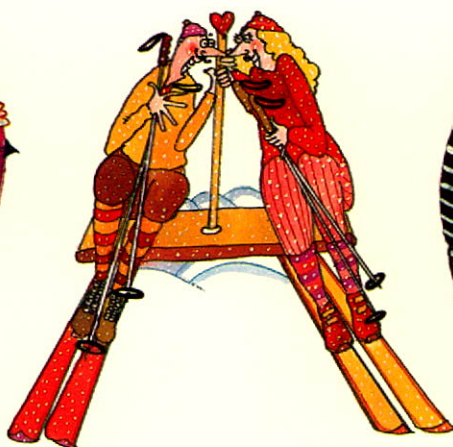
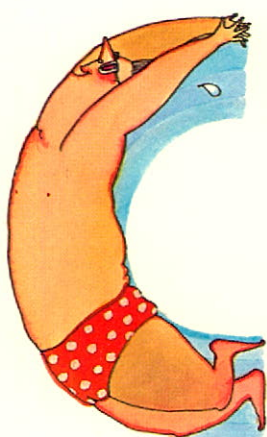
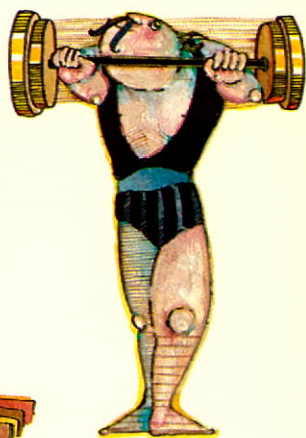
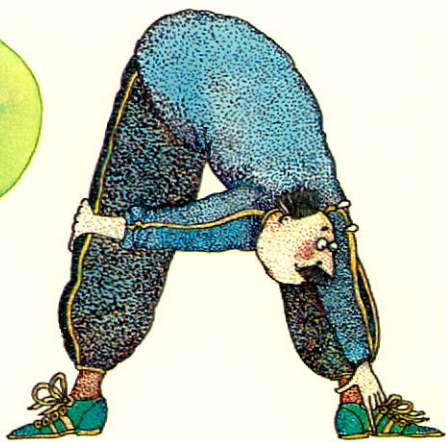
In 1983, Crown Life concluded an agreement with the British Columbia Automobile Association to market life insurance coverage to its membership. In 1984, a similar agreement was made with the Alberta Motor Association, followed early in 1985 with the conclusion of an agreement with the CAA Toronto. These agreements, which enhance public awareness of the Company, involve the sale of life insurance at a low cost and with minimal advice.

Legislative reform of pensions in Canada is expected. Crown Life will have products ready for the altered market in order to take advantage of the new opportunities in this business.

International Operations

The Crown Life Group of Companies in the United Kingdom continued to grow during 1984 despite an unfavourable tax environment and achieved an increase in premium revenue of

An estimated three million Canadians in 175 cities will participate in the Great PARTICIPaction Challenge, sponsored by Crown Life. PARTICIPaction is the Canadian movement for personal fitness.



16 percent over 1983. Total assets increased to \$412.8 million at year end.

In March 1984, the United Kingdom Government withdrew the tax relief for life insurance premiums. Crown Life Assurance Company, however, had positioned itself to put greater emphasis on its already strong marketing thrust in the pension area so that the impact of the Government action on the company's growth was minimized. Continued strong growth and improved financial results are anticipated for 1985.

In November 1984, the corporate structure of Crown Life Assurance Company and its subsidiaries was reorganized to improve the efficiency of the Group of companies. Under the reorganization, the 71 percent interest formerly held by Crown Life Insurance Company in Crown Life Assurance Company has been replaced by an equivalent interest in Crown Financial Management Limited, a non-insurance holding company which owns Crown Life Assurance Company and its affiliated companies.

Crown Life (Caribbean) Limited, 49 percent owned by Crown Life and operating in Trinidad and Tobago, achieved excellent financial results in 1984. Total assets grew to \$41.6 million.

Crown Life Insurance Company (Jamaica) Limited made good progress in its localization program. The subsidiary entered into a joint venture with Eagle Merchant Bank of Jamaica Limited in October 1984. Under the terms of the agreement, Eagle Merchant Bank invested J\$ 2.5 million in preferred shares which are convertible into a 49.9 percent interest in the company when regulatory approval is received. The name of the company will be changed to Crown-Eagle Life Insurance Company. A new president, Marjorie Stephenson, has been appointed.

Reinsurance Operations

Crown Life is one of the top ten life reinsurers in North America. The business involves three major activities: Life Reinsurance, Financial Reinsurance and Special Risk Reinsurance.

The Division wrote \$10.1 billion face amount of life insurance during 1984, net of reinsurance amounts retroceded to other companies, compared to \$4.5 billion in the previous year.

The Company continues to be a leader in financial reinsurance. This operation provides services to clients to assist them in reaching their marketing potential while maintaining fiscal soundness.

The special risk market continued to be a high growth area during 1984. It is expected to grow substantially in 1985 while maintaining a favourable profit margin. This market includes such products as catastrophe reinsurance, abnormal stop loss, student accident and convention coverage.

Corporate Finance and Investments

During 1984, the Corporate Finance and Investment operations were consolidated and restructured under the direction of Robert W. Luba, Executive Vice-President, Corporate Finance and Investments.

Corporate Finance provides financial and accounting services to the profit centres, corporate departments and senior management. It is responsible for banking, audit services, tax reporting, as well as statutory reporting. It also monitors performance of divisions and subsidiaries relative to their objectives as well as ensuring that administrative systems are operating efficiently.

In December 1984, Robert W. Chisholm joined the Company as Vice-President, Finance with overall responsibility for the Company's Finance function.

Finance

Innovation is the keystone element in all phases of finance. An example of innovation during 1984 was the highly successful public offering of Preferred Shares from which substantial benefits will accrue to the Company and its shareholders. Five million \$2.28 Class I cumulative Preferred Shares, Series A were issued in September 1984 for cash consideration of \$125 million. The shares are retractable in September 1989 at par. The issue added nearly 4,000 shareholders to the Company's rolls.

In 1985, the initial steps will be taken to transfer appropriate functions directly to the profit centres. Other plans call for a continued strengthening of audit services and for the development of additional expertise in cash

Early in 1985, Crown Life became associated with Beutel, Goodman & Company Ltd. The investment counselling firm will manage certain portions of Crown Life's investment portfolio.

1201

Beutel Goodman & C
Investment Counsel
& Real Estate Division



management and foreign exchange. A new financial information services computer system will improve management reporting and will increase productivity.

Investment Operations

Investment Operations comprise the Investment Management and Investment Administration functions, as well as responsibility for Real Estate operations. Investment Management is responsible for the underwriting, acquisition and management of the assets of both the Insurance Operations and corporate funds.

The assets of the Insurance Operations primarily are fixed rate, fixed term bonds and mortgages, managed to match the liability structure within each operating line. This procedure is consistent with the nature of the obligations under Crown Life's policies. The investment program takes account of the matching of the duration of assets with that of liabilities. The portfolio is managed to achieve the yields required to fund the liabilities and to provide an appropriate profit margin.

The assets in corporate funds are managed to maximize real rates of return, without the constraints placed on the management of funds for the Insurance Operations. Such funds are invested in shares, real estate and fixed income obligations.

Total assets under investment management as at December 31, 1984, were \$4.44 billion, up from \$3.72 billion at the end of the previous year.

Investment income, net of related expenses, increased to a record \$415 million in 1984, up from \$367 million in 1983.

By the end of 1984, fifty-seven percent of Crown Life's debt investments were in the United States. These investments primarily were commercial mortgage loans and public and private placement bonds. Based on the Company's current activity in the commercial mortgage market, Crown Life is about the tenth largest lender in the United States among insurance companies and the largest among Canadian insurers. During 1984, debt investments were made in 26 states. By the end of 1985, the Company expects to be able to consider investment opportunities throughout the United States. In Canada, the past year was the most productive in terms of commercial mortgage volume, setting a pace that is expected to continue in 1985. In both countries,

the Company is active in this market with a wide range of sophisticated financial vehicles. Loans from one million to 20 million dollars are available. Most types of sound, income producing investments will be considered for financing by Crown Life.

Crown Life's innovative Investment department will direct its primary focus during 1985 to the support of the Company's Insurance Operations, involving the management of more than \$4 billion of assets. The Investment department is very active in trading of public bonds, in private placement bonds and commercial mortgages. Additional attention will be directed toward further improving the credit analysis and underwriting capabilities in the bond and mortgage areas. Involvement in more creative investment alternatives, such as interest rate swaps, currency swaps and financial futures will continue.

Real Estate

In the real estate area, further plans were developed during 1984 to position this division of the Company for growth. Significant profits were realized through the sale of one of the Company's existing income producing commercial properties.

The sale of a 50 percent interest in the One-Sixty Bloor Street East office complex in Toronto produced a capital gain of \$11.4 million. At year end, about 65 percent of the rental space had been leased or committed. The major tenant is J. Walter Thompson Company Limited, an international advertising agency which has leased an area of 77,120 square feet. This firm's name will be on the building. It is anticipated that the balance of the building will be fully leased by the end of 1985.

Crown Life also owns property on the south-east corner of Bloor and Church Streets in Toronto. During 1985, the development program for this prime site will begin.

Suitable investment opportunities and potential joint venture partners will be pursued relative to the United States real estate market during 1985.

Crown Financial Services Inc.

During 1984, Crown Financial Services Inc., a subsidiary of Crownx Inc., made considerable progress in defining its strategic direction. The long-term goal of Crown

The world's leading hockey powers – Canada, the United States, the USSR, Czechoslovakia, Sweden and West Germany vied for supremacy in the 1984 Canada Cup Series. Crown Life insured all participants and was a major sponsor of the national television coverage.



Financial Services is to create a highly profitable, diversified financial services company. A key element underlining the strategy is to recognize the strength of Crown Life and to diversify in a manner that enhances the strength of the insurance company.

Coronet Trust Company

In February 1984, Crown Financial Services Inc. acquired a 75 percent interest in Coronet Trust Company, a federally chartered firm. At year end, it had assets of over \$80 million. Rapid growth in the asset base and sales network is in progress in order to build a national trust company. Cooperative projects were started in conjunction with Crown Life during 1984. Crown Life is providing participation to Coronet Trust in commercial mortgages. Coronet Trust is the source of new products for marketing by Crown Life's field force.

During 1985, Crown Financial Services will be seeking additional acquisitions in the financial services field in both Canada and the United States.

Private Ledger Financial Services, Inc.

In a move which broadened the financial services operations in the United States, Private Ledger Financial Services, Inc. was purchased in July 1984. Private Ledger, a member of the National Association of Security Dealers and registered with the Securities and Exchange Commission as a broker-dealer, sells a broad range of investment related products through its 636 registered representatives located throughout the United States.

Private Ledger's registered representatives, about 25 percent of which are certified financial planners, have started to work with Crown Life's general agents to sell life insurance.

Beutel, Goodman & Company Ltd.

With the Crown Financial Group increasingly moving to investment related products, a major step forward occurred in February 1985 whereby Crown Financial Services Inc. acquired a 40 percent interest in Beutel, Goodman & Company Ltd.

Founded in 1967, Beutel, Goodman provides counselling services to pension funds and private individuals. In addition, Beutel, Goodman operates the Dynamic Group of

mutual funds and has an associated investment counselling operation in Houston, Texas. The association with Beutel, Goodman is part of the strategic plan for ensuring superior long-term investment performance.

Beutel, Goodman will manage Crown Life's segregated funds and the United States equity portion of variable life products. The equity portion of Crown Life's portfolio, the assets backing capital and retained earnings, also will be managed by Beutel, Goodman.

Corporate Operations

The primary function of Corporate Operations is to provide administrative and technical support services to Insurance Operations and to Investments.

The corporate management team was strengthened with two senior appointments.

Geoffrey T. Wood joined Crown Life in September 1984 as Vice-President, Information Services. He assumed the role of overseeing the Company's rapidly expanding information systems and office administration operations.

In March 1985, Gillian Barnes joined Crown Life as Vice-President, Human Resources. Miss Barnes has had extensive experience in the fields of management training and development, as well as other aspects of the vital human resources function.

People Programs

In all endeavours, people are the crucial ingredients that carry a corporation to success or failure. Employees are the most important resource of any company.

Training and human resources development programs for all levels of employees were enhanced during 1984. The General Management Development Program, initiated in 1983, was continued in 1984. This program includes an intensive four-week course at Bishop's University in Lennoxville, Quebec, attended by high potential middle and senior managers of Crown Life and associated companies.

In conjunction with the establishment of the United States headquarters, a human resource presence will be established in the United States in order to provide a wide range of services to employees in that country, including the administration of the United States

The President's Council.

Seated, left to right: Robert W. Luba, Executive Vice-President, Corporate Finance and Investments; Gillian Barnes, Vice-President, Human Resources; Robert L. Williamson, Vice-President, Reinsurance and International Operations; Geoffrey T. Wood, Vice-President, Information Services; Alan E. Morson, President.

Standing: Gareth W. Evans, Vice-President, Corporate Planning; Herbert N. Beiles, Senior Vice-President, Canadian Insurance Operations; Robert G. Boeckner, Senior Vice-President, U.S. Insurance Operations; Robert W. Chisholm, Vice-President, Finance; Roy W. Linden, Secretary; David R. Johnston, Senior Vice-President and Actuary; Hugh D. Wainwright, Vice-President and General Counsel.



payroll system, legislative compliance and regulatory reporting.

In accordance with its people policies, Crown Life has established a commitment to a number of principles: respect for the individual, satisfaction for the customer, dedication to excellence, trust in relationships and responsibility to society.

Corporate Actuarial

The Corporate Actuarial department performs a number of vital functions. Policy liabilities are valued in accordance with industry standards and regulatory requirements in order to demonstrate the solvency position of the Company. In addition, analysis is provided concerning the experience under the Company's insurance policies as well as the overall profitability of the various insurance operations.

Information Systems

The strategic and operating plans for Information Systems are an integral part of the plans for each user area of the Company. Significant development work is being conducted in all segments of Crown Life's operations. Total data processing costs in 1984 increased 22 percent over the previous year and they will be significantly higher in 1985 in order to improve customer service and to increase productivity.

On a centralized basis, the optimization of data and voice communications networks will be continued and new methodologies will be introduced for project management and systems development.

In the area of advanced office systems, a local area network and an electronic mail system is being implemented. Research will continue into electronic filing, voice mail, decision support systems and micro-mainframe interface.

Corporate Relations

Crown Life accelerated the implementation of its aggressive corporate relations program during 1984 in recognition of the growing importance of effective communications.

An innovative new corporate advertising program made its debut on network television in Canada in January 1984. Broadcasting of the advertisements peaked during the Winter Olympics at Sarajevo, Yugoslavia, and the Summer Olympics at Los Angeles, highlighting

the Company's exclusive role as Official Insurer of the Canadian Olympic Team.

Subsequently, the campaign continued featuring the Company's role as Official Insurer of the Canada Cup 1984. Television spots will continue to be a feature of Crown Life's corporate advertising during 1985, with the theme: "Secure your Future — Look to the Crown".

The corporate advertising program produced a significant increase in consumer awareness of Crown Life in Canada.

The Crown Life Pro-Am, a benefit golf tournament sanctioned by the Royal Canadian Golf Association, was expanded into the United States in 1984. This event, started in 1973, has raised \$525,000 since its inception with the funds being donated to charities and for the betterment of amateur golf.

Late in 1984, the Company signed an agreement with PARTICIPaction under which Crown Life will be associated with the organization in 1985 as a major corporate sponsor and as the exclusive corporate sponsor of The Great Canadian PARTICIPaction Challenge. The 1985 Challenge, a coast-to-coast project to create national awareness of the benefits of regular physical activity, will be held on May 29th. It is anticipated that more than 175 communities will be involved with in excess of three million participants.

A new pro-active approach was developed during 1984 for charitable contributions to improve the Company's focus in supporting health, welfare and higher education. □

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Assets	December 31, 1984	1984	1983
		(thousands of dollars)	
Invested assets	Bonds	1,764,874	1,359,635
	Shares	355,112	326,862
	Mortgage loans	1,573,242	1,386,472
	Real estate	106,971	112,928
	Loans to policyholders	320,057	308,314
	Cash and short term deposits	200,210	111,099
	Other	20,777	12,483
	Segregated investment funds	103,635	105,538
		4,444,878	3,723,331
Other assets	Accrued investment income	73,782	59,540
	Premiums receivable	70,593	54,976
	Amounts receivable under financial reinsurance agreements	186,185	60,391
	Agents advances	26,757	24,146
	Other	43,932	32,219
		401,249	231,272
		4,846,127	3,954,603

On behalf of the Board



R.A. Bandeen
Chairman



A.E. Morson
President

Consolidated Balance Sheet

Liabilities	December 31, 1984	1984	1983
		(thousands of dollars)	
Policy liabilities	Provision for future policy benefits	3,277,774	2,852,848
	Policyholders' funds on deposit	149,890	146,173
	Benefits payable and provision for unreported claims	156,233	133,588
	Provision for policyholders' dividends	27,587	23,948
	Segregated investment funds	103,635	105,538
		3,715,119	3,262,095
Other liabilities	Bank indebtedness	116,863	44,100
	Amounts payable under financial reinsurance agreements	288,703	129,343
	Other	156,165	102,440
		4,276,850	3,537,978
Minority interest		3,542	5,190
 Policyholders' and Shareholders' Equity			
Share capital (note 3)		127,000	2,000
Retained earnings (note 4)	Appropriated, primarily for statutory purposes	295,512	283,601
	Unappropriated	143,223	125,834
		438,735	409,435
		565,735	411,435
		4,846,127	3,954,603

Consolidated Statement of Income

Year ended December 31, 1984		1984	1983
		(thousands of dollars)	
Revenue	Premiums	1,457,989	1,246,451
	Investment income (note 5)	415,108	366,969
	Other	252,499	140,633
		2,125,596	1,754,053
Policy benefits	Policy benefits	968,307	813,487
	Provision for future policy benefits	743,671	598,969
		1,711,978	1,412,456
Expenses	Commissions, salaries and other operating costs	319,068	273,037
	Income, premium and other taxes (note 6)	20,625	16,671
		2,051,671	1,702,164
Income from operations before minority interest		73,925	51,889
Minority interest		654	1,718
		74,579	53,607
Income from operations		5,302	9,601
Unusual items (note 7)		88	(2,411)
Share of income (loss) of non-consolidated subsidiaries			
		79,969	60,797
Dividends to policyholders		36,024	32,530
Participating policyholders' share of income		1,390	5,472
		42,555	22,795
Net income			
Attributable to:			
	Preferred shareholders	3,224	—
	Common shareholders	39,331	22,795
		(dollars)	
Earnings per common share:			
	Income from operations	17.23	9.25
	Net income	19.67	11.40

Consolidated Statement of Retained Earnings

23

Year ended December 31, 1984		1984			1983
		(thousands of dollars)			
		Participating policyholders	Shareholders	Total	Total
Appropriated	Balance, beginning of year	77,702	205,899	283,601	255,967
	Transfer (to) from unappropriated	(15,067)	26,978	11,911	27,634
	Balance, end of year	62,635	232,877	295,512	283,601
Unappropriated	Balance, beginning of year	75,998	49,836	125,834	131,451
	Net income	1,390	42,555	43,945	28,267
		77,388	92,391	169,779	159,718
	Preferred share issue expenses	—	4,221	4,221	—
	Dividends to shareholders	—	10,424	10,424	6,250
		77,388	77,746	155,134	153,468
	Transfer (to) from appropriated	15,067	(26,978)	(11,911)	(27,634)
	Balance, end of year	92,455	50,768	143,223	125,834
Retained earnings		155,090	283,645	438,735	409,435

Consolidated Statement of Changes in Cash

(Excluding Segregated Investment Funds)

Year ended December 31, 1984		1984	1983
		(thousands of dollars)	
Sources of cash	From operations		
	Net income	42,555	22,795
	Non-cash items		
	Increase in policy liabilities	481,467	493,821
	Other	(7,469)	30,702
		516,553	547,318
	Sale or maturity of invested assets	4,666,783	2,687,312
	Preferred share issue	125,000	—
	Investment in non-consolidated subsidiaries	—	20,821
	Other	924	1,696
		5,309,260	3,257,147
Uses of cash	Invested assets acquired	5,255,714	3,326,375
	Investment in non-consolidated subsidiaries	16,069	2,129
	Dividends to shareholders	10,424	6,250
	Other	10,705	27,667
		5,292,912	3,362,421
	Increase (decrease) in cash	16,348	(105,274)
	Cash, beginning of year	66,999	172,273
	Cash, end of year	83,347	66,999
Represented by:	Cash and short term deposits	200,210	111,099
	Bank indebtedness	(116,863)	(44,100)
		83,347	66,999

December 31, 1984

1. Summary of Significant Accounting Policies and Practices**Basis of presentation**

The accompanying consolidated financial statements have been prepared in accordance with accounting practices prescribed or permitted by the Department of Insurance of Canada. These accounting practices vary from generally accepted accounting principles primarily with respect to investment valuation, the translation of amounts denominated in foreign currencies and accounting for income taxes.

Principles of consolidation

These consolidated financial statements include the accounts of the Company and wholly-owned American Crown Life Insurance Company (formerly Coronet Life Insurance Company), Crown America Life Insurance Company, Coronet Properties Limited and 71% owned Crown Financial Management Limited which operates Crown Life Assurance Company Limited and its affiliates.

The accounts of Crown Life Insurance Company (Jamaica) Limited and 49% owned Crown Life (Caribbean) Limited are accounted for using the equity method due to the requirements of their jurisdictions. The Company intends to transfer its holdings in Private Ledger Financial Services, Inc. to an affiliated company, and has disposed of its wholly-owned subsidiary Annapolis Life Insurance Company, early in 1985. Accordingly, these subsidiaries are accounted for on an equity basis.

Assets and liabilities of subsidiaries are valued in accordance with accounting practices prescribed or permitted by regulatory authorities of the jurisdictions in which the subsidiaries are domiciled.

Foreign currency translation

Amounts denominated in foreign currency are translated into Canadian dollars at rates of exchange which approximate current exchange rates. Translation gains and losses which arise from adjusting these rates of exchange are included in income in the year the adjustment is made.

Invested assets

The Company holds investments for both its life and health insurance business. For life insurance investments, realized gains and losses on sales of bonds and mortgage loans are deferred and amortized over the period to maturity of the asset sold. Both realized and unrealized gains and losses on investments in shares are taken into income on a 15% (1983; 7%) declining balance basis. For health insurance investments, all gains and losses realized on disposal are reflected in income in the year of disposition. Unrealized gains and losses are not recognized.

The Company values its investments as follows:

- (i) Bonds are carried at amortized cost and mortgage loans at outstanding principal balances, adjusted for unamortized discounts. Those held for the life insurance business are adjusted to include the unamortized portion of gains and losses on disposal.
- (ii) Shares are carried at cost. Shares held for the life insurance business are adjusted to include the unamortized portion of gains and losses on disposal.
- (iii) Real estate is carried at cost less encumbrances and accumulated depreciation.

Segregated investment funds

Certain policy contracts allow the policyholder to reinvest in separate investment funds managed by the Company for the benefit of these policyholders. In accordance with statutory requirements, the assets of these funds are carried at their year end market values, and a corresponding amount is reported as a liability on the balance sheet. The investment income from these funds includes all realized and unrealized gains and losses and is reflected in investment income, net of related expenses. Any increase in segregated investment fund liabilities is reported as an expense in the year of change.

Policy liabilities

Policy liabilities are amounts required for the servicing of benefits under the Company's insurance and annuity policy contracts. The most significant item in this category is the provision for future policy benefits.

The provision for future policy benefits represents the amount which, in the judgment of the Valuation Actuary, is required, together with future premiums and investment income, to provide for benefits, administrative expenses and taxes on insurance and annuity policies. This amount is calculated using interest, mortality and other assumptions considered to be appropriate to the circumstances of the Company and recognizes the deferral of certain costs of acquiring policies. In formulating these assumptions, consideration is given to past experience of the Company and that of the life insurance industry. This experience is monitored on an on-going basis and, when appropriate, policy liabilities are adjusted to reflect changed circumstances. Such adjustments are included in income in the year of change.

Income taxes

Income taxes are calculated using the taxes payable method, whereby income taxes are provided on taxable income rather than on financial statement income.

2. Investment in Subsidiaries

- (i) In 1984, the Company acquired Crown America Life Insurance Company (formerly Independence Life and Accident Insurance Company) at a cost of \$8,350,000 in cash of which \$4,370,000 represents the net assets acquired and \$3,980,000 represents primarily the cost of the licenses acquired.
- (ii) In 1984, the Company acquired Private Ledger Financial Services, Inc., ("Private Ledger"), a California corporation engaged in the sale of investment related products throughout the United States. The purchase price will be finalized based on fair market value to be determined by an independent appraisal. The book value of the net assets of Private Ledger at the date of acquisition was approximately \$1,900,000.

The purchase price will be settled by the application of amounts loaned to Private Ledger's parent company American Principals Holdings, Inc. ("APHI") in 1983 and amounts subsequently paid to APHI aggregating \$13,435,000. In the event that the purchase price is less than this amount, the Company will be an unsecured creditor of APHI, which is in receivership. If the purchase price exceeds this amount, the Company would be required to pay cash for any balance.

Prior to the acquisition of Private Ledger a provision for loss on the loan to APHI was recorded in the accounts. Management is of the opinion that this provision continues to be reasonable.

- (iii) On January 14, 1985, the Company sold Annapolis Life Insurance Company for net cash proceeds of \$4,598,000 resulting in a gain of approximately \$800,000.

3. Share Capital

			1984	1983
			(thousands of dollars)	
Authorized	10,000,000	Class I preferred shares, par value of \$25		
	2,400,000	Class II preferred shares, par value of \$100		
	5,000,000	Class A shares, non-voting, par value of \$1		
	5,000,000	Common shares, par value of \$1		
Issued	5,000,000	\$2.28 Class I cumulative preferred shares, Series A	125,000	—
	2,000,000	Common shares	2,000	2,000
			127,000	2,000

During the year, the Company obtained supplementary letters patent amending the authorized capital of the Company by the creation of the Class I and Class II preferred shares shown above, each of which is issuable in series, and cancelling the previously authorized non-voting preferred shares.

On September 19, 1984, the Company issued 5,000,000, \$2.28 Class I cumulative preferred shares, Series A for cash consideration of \$125,000,000. The shares are retractable on September 30, 1989 at par. Expenses of the issue amounting to \$4,221,000 have been charged to unappropriated retained earnings.

4. Retained Earnings

The Company is required by the Department of Insurance of Canada to make certain appropriations of retained earnings. The Company makes additional appropriations for prudent business reasons.

		1984	1983
		(thousands of dollars)	
Appropriated retained earnings	Investment values and currency exchange	57,000	52,500
	Excess of cash surrender values over policy liabilities	120,141	114,822
	Non-Canadian additional statutory requirements	37,430	42,539
	Canadian additional statutory requirements	14,622	11,443
	Value of miscellaneous assets	51,539	47,517
	Specified contingencies	2,780	2,780
	General contingencies	12,000	12,000
		295,512	283,601

5. Investment Income

Investment income was derived from the following sources:

		1984	1983
		(thousands of dollars)	
	Bonds	170,516	147,150
	Shares	37,231	42,184
	Mortgage loans	173,536	146,652
	Real estate	4,400	3,030
	Loans to policyholders	19,375	18,488
	Short term deposits	14,586	13,294
	Other	5,007	1,000
	Segregated investment funds	5,240	14,543
		429,891	386,341
	Expenses	14,783	19,372
		415,108	366,969

Effective January 1, 1984, the Department of Insurance of Canada increased the rate at which realized and unrealized gains on shares are taken into income from 7% to 15%. The effect of this change is to increase investment income on shares by \$6,156,000 over what it would have been under the 7% basis. The carrying value of shares at December 31, 1984 has been increased by an identical amount.

6. Income, Premium and Other Taxes

		1984	1983
		(thousands of dollars)	
	Income taxes	757	647
	Premium and other taxes	19,868	16,024
		20,625	16,671

7. Unusual Items

		1984	1983
		(thousands of dollars)	
	Gain on sale of real estate	9,508	17,377
	Gain on foreign currency translation	4,616	—
	Loss on investment in subsidiaries	—	(1,149)
	Additional provision for future policy benefits	—	(3,000)
	Provision for loss and write-down of asset values	(8,385)	(3,074)
	Other	(437)	(553)
		5,302	9,601

8. Related Party Transactions

During the year the Company leased real estate and data processing equipment to Datacrown Inc., an affiliated company, for \$1,027,000 (1983; \$938,000) and paid Datacrown Inc. \$9,202,000 (1983; \$8,638,000) for computer services.

Included in share investments at December 31, 1984 and 1983 are 729,500 Class A shares of Crowntek Inc., at a cost of \$18,967,000.

The Company acquired fixed assets from Datacrown Inc. for \$3,500,000.

9. Pension Plans

The present value of unfunded past service pension liabilities as at December 31, 1984 is estimated to be \$8,785,000 and is being amortized over approximately ten years.

10. Contingent Liabilities

From time to time in connection with its operations, the Company is named as a defendant in a lawsuit. These actions have generally been resolved over a period of time with minimal damages in excess of policy reserves assessed against the Company. Accordingly, the Company does not make special provision for these and other lawsuits until final determination by the court or until it appears necessary because of the opinion of counsel for the Company.

11. Comparative Figures

Certain 1983 amounts have been reclassified to conform with the financial statement presentation adopted in 1984.

Auditors' Report**To the Policyholders and Shareholders of Crown Life Insurance Company**

We have examined the consolidated balance sheet of Crown Life Insurance Company as at December 31, 1984 and the consolidated statements of income, retained earnings and changes in cash 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 cash position 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.



THORNE RIDDELL, Chartered Accountants

Toronto, Canada, February 6, 1985

Valuation Actuary's Report**To the Policyholders and Shareholders of Crown Life Insurance Company**

I have made the valuation of policy liabilities of Crown Life Insurance Company and its United States subsidiary insurance companies for its consolidated balance sheet as at December 31, 1984 and its consolidated statement of income for the year then ended. In my opinion, the valuation conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries.

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

In my opinion, the amount held for policy liabilities 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 income, and the amount of retained earnings reserved for the excess of cash surrender values over policy liabilities is proper.



D.R. Johnston, F.S.A., F.C.I.A., M.A.A.A.
Senior Vice-President and Actuary

Toronto, Canada, February 6, 1985

	1984	1983	1982	1981	1980
OPERATING RESULTS	(thousands of dollars)				
Revenue					
Premiums	1,457,989	1,246,451	1,145,169	945,808	811,774
Investment income	415,108	366,969	330,418	210,838	200,010
Other	252,499	140,633	38,633	3,240	16,198
	2,125,596	1,754,053	1,514,220	1,159,886	1,027,982
Policy benefits					
Policy benefits	968,307	813,487	744,522	625,423	525,619
Provision for future policy benefits	743,671	598,969	467,888	258,131	255,225
	1,711,978	1,412,456	1,212,410	883,554	780,844
Expenses					
Commissions, salaries and other operating costs	319,068	273,037	253,108	213,532	179,481
Income, premium and other taxes	20,625	16,671	14,868	15,820	13,124
	339,693	289,708	267,976	229,352	192,605
Minority interest	654	1,718	636	—	—
Income from operations	74,579	53,607	34,470	46,980	54,533
Unusual items	5,302	9,601	29,101	24,673	2,518
Share of income (loss) of non-consolidated subsidiary companies	88	(2,411)	(2,843)	3,983	1,986
	79,969	60,797	60,728	75,636	59,037
Dividends to policyholders	36,024	32,530	30,468	28,256	21,555
Participating policyholders' share of income	1,390	5,472	15,652	21,789	14,154
Net income	42,555	22,795	14,608	25,591	23,328
Earnings per common share (in dollars)	19.67	11.40	7.30	12.80	11.66
FINANCIAL POSITION					
Assets	4,846,127	3,954,603	3,414,943	2,826,434	2,323,347
Policyholders' and shareholders' equity					
Participating policyholders	155,090	153,700	148,228	132,576	110,786
Shareholders	410,645	257,735	241,190	232,783	212,792
	565,735	411,435	389,418	365,359	323,578
Dividends to shareholders	10,424	6,250	6,200	5,600	4,800
NEW BUSINESS AND BUSINESS IN FORCE					
New business					
Life	19,014,331	13,817,933	11,969,452	7,578,194	6,299,993
Health	117,538	130,118	86,242	85,720	75,508
Annuity	404,157	336,581	302,384	166,977	114,455
Business in force					
Life	67,645,378	53,279,043	47,753,477	40,886,895	35,306,835
Health	486,475	435,703	368,429	345,454	321,006
Annuity	2,059,250	1,670,707	1,320,705	1,016,045	776,859

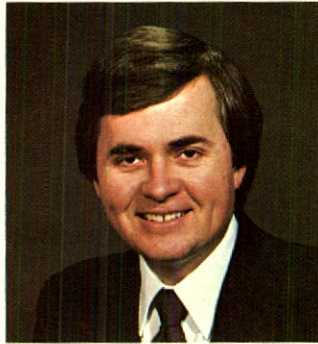
Year ended December 31, 1984	1984	1983	1984	1983	1984	1983
Analysis of Consolidated Net Income	(thousands of dollars)					
	Participating policyholders		Shareholders		Total	
Revenue	268,969	300,599	1,856,627	1,453,454	2,125,596	1,754,053
Policy benefits	148,319	193,798	1,563,659	1,218,658	1,711,978	1,412,456
Expenses	82,101	71,010	257,592	218,698	339,693	289,708
Transfer from participating account to shareholders' account	(1,869)	(1,712)	1,869	1,712	—	—
Income from operations before minority interest	36,680	34,079	37,245	17,810	73,925	51,889
Minority interest	211	1,033	443	685	654	1,718
Income from operations	36,891	35,112	37,688	18,495	74,579	53,607
Unusual items	390	3,800	4,912	5,801	5,302	9,601
Share of income (loss) of non-consolidated subsidiaries	133	(910)	(45)	(1,501)	88	(2,411)
	37,414	38,002	42,555	22,795	79,969	60,797
Dividends to policyholders	36,024	32,530	—	—	36,024	32,530
Net income	1,390	5,472	42,555	22,795	43,945	28,267

Year ended December 31, 1984	1984				1983	
Consolidated Summary of Premiums, New Business and Business in Force	(thousands of dollars)					
	Canada	United States	Inter-national	Reinsurance	Total	Total
Individual life						
New business	975,633	3,819,313	1,578,969	10,116,134	16,490,049	10,854,016
In force at end of year	6,635,446	14,657,869	3,605,372	18,998,903	43,897,590	30,119,104
Premium income	71,019	165,713	126,411	37,431	400,574	348,727
Percentage of total premiums	4.9	11.4	8.6	2.6	27.5	28.0
Individual health						
New business	624	3,829	14	34	4,501	4,861
In force at end of year	5,461	13,004	199	1,147	19,811	15,504
Premium income	4,879	9,142	957	7,676	22,654	15,680
Percentage of total premiums	.3	.6	.1	.5	1.5	1.3
Individual annuity						
New business	47,312	4,219	22,237	—	73,768	55,791
In force at end of year	277,684	158,873	75,781	44	512,382	461,655
Premium income	50,537	9,293	34,879	51	94,760	72,475
Percentage of total premiums	3.5	.6	2.4	—	6.5	5.8
Group life						
New business	1,079,595	1,178,684	266,003	—	2,524,282	2,963,917
In force at end of year	9,288,525	12,056,371	2,402,892	—	23,747,788	23,159,939
Premium income	34,568	42,810	2,807	4,012	84,197	86,657
Percentage of total premiums	2.4	2.9	.2	.3	5.8	6.9
Group health						
New business	12,385	100,185	467	—	113,037	125,257
In force at end of year	82,732	376,313	7,394	225	466,664	420,199
Premium income	83,942	353,462	9,568	9,794	456,766	385,231
Percentage of total premiums	5.7	24.2	.7	.7	31.3	30.9
Group annuity						
New business	14,079	304,798	11,512	—	330,389	280,790
In force at end of year	337,253	1,105,461	104,154	—	1,546,868	1,209,052
Premium income	40,605	320,107	31,927	6,399	399,038	337,681
Percentage of total premiums	2.8	22.0	2.2	.4	27.4	27.1
Total						
Premium income	285,550	900,527	206,549	65,363	1,457,989	1,246,451
Percentage of total premiums	19.6	61.7	14.2	4.5	100.0	100.0

New business and business in force amounts are comprised of amounts written directly by the Company and amounts reinsured from other companies, net of reinsurance amounts retroceded to other companies.

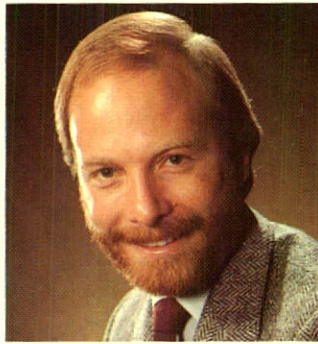
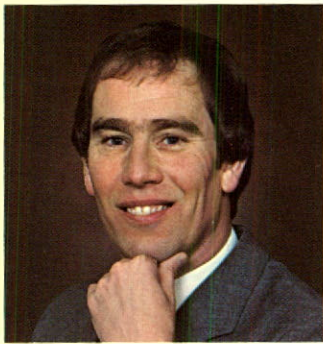
New business and business in force are based on insurance amounts for life and annualized premiums for health. For annuities, new business is gross first year and single premium income and business in force is the actuarial liability held to provide for future policy payments.

International Sales Leaders for 1984



Left
A.A. 'Andy' Anderson
 Pension Sales Representative
 Seattle Pensions Office

Right
Richard A. Berg
 Marketing Manager
 Houston Group Office
 Houston, Texas



Left
Neil Davies
 Manager
 Birmingham Broker Branch
 United Kingdom

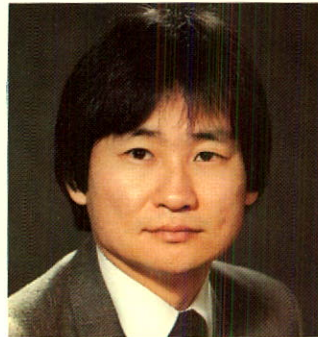
Centre
Duncan Emslie
 Regional Sales Manager
 Calgary Group Sales Office

Right
Robert E. Lee
 Robert E. Lee of Washington, Inc.
 General Agent
 Seattle, Washington



Left
Terry V. Newton
 Manager
 Bahamas

Right
Michael Sandler
 Regional Pension Manager
 Denver Regional Pension Office



Left
Nick Sarif
 Manager
 Sutton Branch
 United Kingdom

Centre
Terry Shewchuck
 Regional Pension Manager
 Montreal Group Pension Office

Right
Mickey Yada
 Sales Representative
 Vancouver Georgia

Atlantic and Caribbean

Nassau, Bahamas	T.V. NEWTON
Freeport, Bahamas	A.K. WALLACE
Hamilton, Bermuda	KITSON & COMPANY LTD.
Netherlands Antilles, Curacao and Aruba	L. TAVERNIER V. GIBBS
Hato Rey, Puerto Rico	J. ARGOMANIZ AND ASSOC. INC.
San Juan, Puerto Rico (Group)	J.A. RODRIGUEZ JANER
Christiansted, St. Croix, V.I.	MARSHALL & STERLING INCORPORATED
Grand Cayman, Cayman Islands, B.W.I.	CAYMAN INS. CENTRE

Crown Life (Caribbean) Limited

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San Fernando, Trinidad	A. STANLEY

Crown Life Insurance Company (Jamaica) Limited

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Mandeville, Jamaica	R.H. HERON

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Calgary, Alberta	W. AULD
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Grande Prairie, Alberta	R.P. CHOMA
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Halifax, Nova Scotia (Group)	W. JOHNSTONE
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London, Ontario	T.A. STEWART
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Quebec, Quebec	F. CLUFF, CLU
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Saskatoon, Saskatchewan	E. GULLAGE, CLU
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Sherbrooke, Quebec	
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St. John's, Newfoundland	
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Toronto, Ontario

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Birmingham Central	J. BENTON
Bristol (Broker)	A. WEILAND
Bristol	M.R. KILMINSTER
Cardiff	G.J. HOWE
Cardiff City	C. MORGAN
Croydon	N.V. ALLMARK
East Anglia	B.W. FLETCHER
Edinburgh	J.J. CAPALDI
Exeter	S. HOWE
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Halesowen	P. LOCKYER
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 Denver, Colorado (Group) M. FERM
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 Little Rock, Arkansas (Group) S. BALL
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* as of February 12, 1985

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Canadian Individual Insurance

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Canadian Individual Insurance

U.S. Insurance

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U.S. Insurance Operations

U.S. Group Insurance

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U.S. Individual Insurance

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U.S. Individual Insurance

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U.S. Individual Insurance

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U.S. Pensions

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Vice-President, Actuarial Services,
Reinsurance and International Operations

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Vice-President, Reinsurance

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Corporate Finance and Investments

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Vice-President, Human Resources

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Hugh D. Wainwright, LL.B.
Vice-President and General Counsel

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Ross C. MacKay, M.D., F.R.C.P. (C)
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Managing Director and Chief Executive

Crown Life (Caribbean) Limited

Gordon P. Deane, F.C.I.I.
Managing Director

Crown Life Insurance Company (Jamaica) Limited

Marjorie Stephenson, FLMI
President

American Crown Life Insurance Company

Raymond Dozell, FLMI
President

Crown America Life Insurance Company

Robert G. Boeckner, F.S.A., F.C.I.A., M.A.A.A.
President

* as of March 11, 1985

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