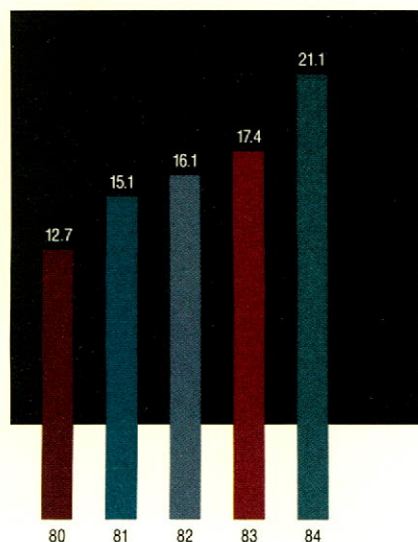


Financial Highlights

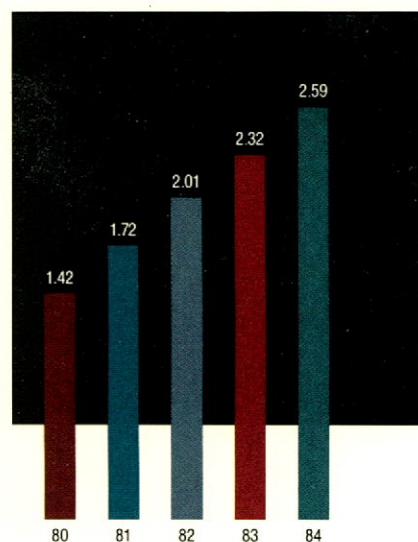
Total life insurance in force

(dollar amounts in billions)



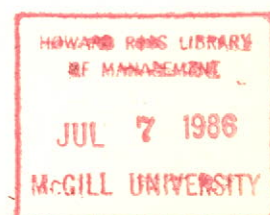
Total assets including subsidiary companies

(dollar amounts in billions)



The Imperial Life Assurance Company of Canada

	1984	1983
	\$	\$
New individual life and annuities	3,321,414,000	2,075,165,000
New group life and annuities	349,869,000	782,051,000
Total new insurance sold	3,671,283,000	2,857,216,000
Annual premiums from new sales of individual life and health	61,978,000	58,280,000
New individual single premiums	72,204,000	59,999,000
New group annual premiums	11,851,000	18,375,000
New group single premiums	13,053,000	53,670,000
Total new premiums	159,086,000	190,324,000
Total life insurance in force at year-end	21,059,896,000	17,435,695,000
Death claims	37,384,000	43,614,000
Dividends to policyholders	28,180,000	26,602,000
Total payments to policyholders and beneficiaries	282,562,000	247,486,000
Total premium income	394,927,000	354,396,000
Total assets including subsidiary companies	2,594,100,000	2,322,148,000
Net interest rate earned	12.15%	12.15%





Looking Forward to the Challenges

At Imperial Life we are well aware of the challenges that confront us over the balance of the century. We know that in the past the insurance industry has been slow to meet these challenges, but for us at Imperial Life that means simply that we will have to compete even more aggressively to meet not just the external challenges but those we create for ourselves. We will deliver new products and services and stay a front runner. To achieve this, however, we must take a deeper look at the changing global economy, new challenges for the industry, our emerging client needs, and our corporate capacity to respond.

The Global Economy

The business environment has changed dramatically over the last decade, not just in our financial services industry, but throughout the western world. In the '70s, our western economies were forced to cope simultaneously with commodity price shocks and a series of recessions characterized by high interest rates which burdened countries, corporations and individuals. Growing unemployment reduced consumer confidence and undercut government fiscal plans.

Our research shows that many Canadians believe that the present unemployment situation is likely to persist long into the future and that our western economies are undergoing some type of "structural" change. The traditional pattern of cyclical recovery has not taken place on schedule. For example, the Canadian economic recovery usually follows the U.S. recovery in a matter of months. This has not happened.

The good news is that Canadians have emerged from these challenging times with their eyes wide open and their sunglasses a little less rosy. They no longer expect government to do everything for them. In part because the decade of the '70s was characterized by seemingly relentless shocks, the tendency to hope for a return of the "good old days" has been replaced by a more realistic acceptance of the challenge to adapt to the new rules of the game.

Canadians now see clearly that our future economic strength depends not only on a better understanding of the global economy but on improving our ability to compete as international players. This stands in sharp contrast to our attitude in the early '70s, when Cana-

dians believed that with our oil riches, our hydro electric power and our vast mineral resources, if push came to shove, we could "go it alone." The political and economic upheaval of the last few years has dramatically changed that view. We know now that wars in far off countries affect us too; and that each round of rescheduling third world country debt may very well affect our domestic mortgage rates.

New Challenges to the Industry

This new-found Canadian realism is all to the good. The challenges of the changing global economic environment are seen very clearly in our own industry. For generations the services which our industry offered were well delineated. Banks took money on deposit and lent money when you needed it; trust companies offered fiduciary services, managing money in trust accounts. Insurance companies insured; securities firms bought and sold stock. Gradually over the last half century those distinctions began to blur. In the last few years this process has accelerated: banks sell life insurance; brokerage firms take money on deposit; and Imperial Life now offers a growing range of financial services.

Imperial Life is aggressively taking up the challenge to adapt to the changing financial services marketplace. We have had some major successes in the last year, continuing to gain in both strength and increased flexibility as part of the dynamic Laurentian Group.

The current pressure for deregulation of the financial services sector provides another opportunity to step up front under the new rules of the game. Deregulation of the financial services sector is, however, being treated as a two-edged sword by Canadian consumers. To be sure, consumers welcome the opportunity for more competition among financial service providers which means better access to a greater variety of financial services. However, our research tells us that while there is early enthusiasm for one-stop shopping – banking, borrowing, investing, choosing life insurance and making deposits – with one phone call, there are some reservations. Although more Canadians are using

Looking Forward to the Challenges (continued)

the ever-widening range of electronic banking services, there is mounting public concern over privacy, and the potential concentrations of power in a completely deregulated financial services environment. These consumer concerns are also being raised by government, and within the industry.

These issues will need to be addressed, if the changes already under way are to develop into a widely accepted, better integrated system which contributes to the growth and prosperity of the country, and the security and well-being of all Canadians.

Imperial Life welcomes the challenge of participating in the transformation of the financial services sector; we feel confident that a comprehensive review of the system will serve us all better than an attitude that perpetuates the present patchwork of existing regulation. Imperial Life is working actively to ensure a fair framework that will provide our clients with financial options better suited to the changing lifestyles of the next decade.

Emerging Client Needs

Our clients' needs are changing and we are responding with a strategy for growth that takes into account these new consumer realities. We are changing our focus from policy management systems to client management systems. Our emphasis is on timely service, as well as affordability. Our communications will be stepped up to ensure an effective and courteous response. But most importantly, we are taking a strategic look at our product lines to be sure we are well positioned for growth in this dynamic marketplace.

Canadian lifestyles are changing in fundamental ways; the last round of financial uncertainty has simply speeded up the process. We once treated Canadian consumer behavior as relatively stable and predictable, assuming that the majority of Canadians held similar values, had similar aspirations and understood their place in the economy. Our image of the typical Canadian family consisted of a male head of household who was the sole breadwinner, expecting to work for the better part of 40 years earning successive raises to bring home to his wife and family. She stayed at home to look

after their two children and manage the house, the summer cottage, the station wagon, and a trip to Europe when the children reached college age. Perhaps she might return to work some day, but only part-time. This picture has changed.

Research tells us that after a solid decade of persisting economic uncertainty middle-class Canadians are making new choices, rearranging their life plans, and searching for an island of personal security in what many of them see as an unpredictable environment. The old picture of the traditional Canadian family is now clearly out of step with present day realities when two paychecks are often required to meet the mortgage payment. The average Canadian worker may not be a male head-of-family wage earner; over 40 per cent of Canadian families these days are headed by women. More than half of all women eligible to work are now in the work force, and the rate at which they are participating in work outside the home is increasing. And two children are no longer a certainty in the new Canadian family; some couples either choose not to have children, or to delay until after the mortgage is paid down, and then have only one child. Not just in Canada, but all across the western industrialized world the birth rate is declining as education levels go up. These changes imply a new set of needs for the Canadian family, and a new definition of financial security.

As a result of these many visible changes in the make-up of Canadian society, the middle-class market is fragmenting, becoming more variable and volatile. These changes are having, and will continue to have, a wide ranging impact on the financial services sector in general, and on the insurance industry in particular.

The Corporate Response

At Imperial Life we welcome the opportunity to anticipate and respond to these trends. Diversifying lifestyles and changing values mean that defining consumer niches is becoming more of a challenge; traditional labels such as "family", "student", "mother" are now less reliable indicators of market groups and their financial service needs. While once the demographic breakdown of the population gave us a good indication of consumer needs and demands, now we must use more sophisticated research

tools to better target our markets. Our goal is not only to continue to serve the traditional markets, but to target those rapidly expanding markets, especially the upscale market of two-paycheck households which seek quality, long-term value, and time-saving services.

Attitudes toward work are also changing, and with them, employment and compensation demands. For example, conventional, rigidly-defined 40-hour a week "jobs" are no longer appropriate to today's social and economic realities; uniform traditional salary and benefit packages no longer suit the personal needs and wants of many employees. Flexibility is now a highly prized work attribute – flexible hours, flexible compensation, flexible job structures and diversified benefit options. With improved technical support systems, Imperial Life will have the capacity to tailor more personalized benefits and at a faster pace. This will provide more flexibility for our corporate and institutional clients.

As information age technology is adapted to large segments of the workplace, it is becoming clear that people – our human resources – are the source of wealth for the future. In step with this realization, our new products must meet the challenge of offering creative new financial services benefit options. Similarly, we are taking action within Imperial Life to ensure that our distribution system and our human resource planning are in line with these trends.

Our effectiveness in being client-driven and achieving our growth and performance goals is therefore tied to gaining an ever-deeper understanding of the global economic environment and the emerging consumer determination to define for themselves a secure place in this changing world. Meeting our financial objectives means articulating a clear response to these crucial client concerns. Imperial Life is confident of its ability to develop an appropriate range of consumer products, and to profit through meeting the challenges of the '80s.





In 1984 Imperial Life's Great Britain operations successfully met their objectives of growth and diversification of products and services. Among key players in achieving these goals were (left to right) Stan Webster, Field Manager, Nottingham Branch; Robert D. I. Bigland, Managing Director, Laurentian Investment Management Limited; Roger H. A. Wain, Senior Vice-President and General Manager for Great Britain; and John C. Walton, Director of Investments.

Claude Bruneau (left), Chairman and President, and R. Lewis Dunn, Executive Vice-President, led Imperial Life through an intensive planning exercise in 1984. The result is a mission, objectives and strategies document that will serve as the blueprint for corporate activities in Canada and The Bahamas over the next few years.



One of Imperial Life's corporate goals is to be a leader in the cost-effective application of technology. In the areas of group operations and information processing, this challenge is being addressed by Robert E. Brown (left), Vice-President - Group Operations, and Van M. Campbell, Vice-President - Data Processing.

Operational Review

In 1984, Imperial Life experienced keen competition, participated in much discussion about the rapidly evolving financial services industry, underwent an intensive planning exercise and enjoyed excellent financial results as well as adequate sales volumes.

In July, Mr. Robert E. Brown joined Imperial Life as Vice-President - Group Operations.

Throughout the year senior management refined its planning process and by year-end had put the final touches on its corporate mission, objectives and strategies document. These will be supported by more detailed action plans for each operating area.

In May, Imperial Life, along with other companies in The Laurentian Group, made a \$15-million investment in Pallas Group, a Luxembourg-based investment firm and international banking venture. Pallas Group subsequently bought a 50 per cent share in the London-based operations of Dillion, Read Ltd.

The following month, Imperial Life announced the intention of companies in The Laurentian Group to purchase by way of a take-over bid all of the common and preferred shares of Ontario-based Anglo-Permanent Corporate Holdings Limited and its subsidiaries, Laurier Life Insurance Company and A & C Insurance Brokers Limited, with combined assets of \$9.4 million. This acquisition was completed in November. Appointed to the Board of Laurier Life as directors were: Ms. Jacqueline Boutet, President of Jacqueline L. Boutet Inc.; Mr. Claude Bruneau, Chairman and President, Imperial Life; Mr. Roger Décary, Executive Vice-President and General Manager, The Laurentian Mutual Insurance; Mr. R. Lewis Dunn, Executive Vice-President, Imperial Life; Mr. Michael Howlett, Executive Vice-President, Secretary and Chief Operating Officer of John C. Preston Limited; Ms. Veronica Maidman, President and Chief Executive Officer of Toronto Credits Limited; Dr. Roger More, President of Roger More and Associates Inc., Management Consultants; Mr. Phillippe Roberge of Tees Watson Poitevin Javet and Roberge;

Ms. Carole Salomon, Vice-President, Marketing, Lowney/Moirs Division of Nabisco Brands Limited; and Ms. Marie Taylor, Chairman of British Columbia Utilities Commission.

After receiving regulatory approval to increase its authorized capital, Imperial Life issued a first series of one million Second Preferred Shares with a par value of \$25 each and placed them privately in July. In October, the Company relocated to 330 Bay Street in Toronto its wholly owned subsidiary, Impco Investment Management Limited, and appointed Mr. Peter Walter as President and Mr. Robert Hammill as Vice-President and Treasurer. This subsidiary manages the investment of Pooled and Segregated Group Pension funds and other corporate client funds.

Summary of Financial Results

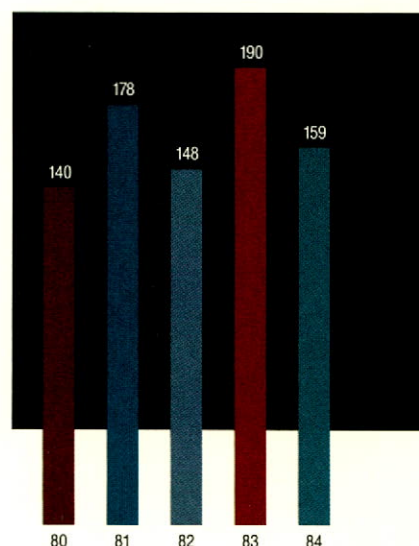
Premium income for 1984 totalled \$394.9 million, compared with \$354.4 million in 1983. New individual continuous premiums were \$62 million, compared with \$58.3 million last year. New individual single premiums were \$72.2 million this year, up from \$60 million last year.

New group annual premiums totalled \$11.9 million, down from \$18.4 million in 1983. New single premium group annuities were \$13.1 million, compared with \$53.7 million last year. The 1983 results included an exceptionally large single premium annuity case.

Net investment income totalled \$257.3 million, compared with \$267.1 million last year. Included in these results are the returns on invested assets in segregated funds, which amounted to \$72.6 million in 1984, compared with \$97.9 million in 1983.

Benefit payments to policyholders increased to \$254.4 million from \$220.9 million for the comparable period last year. Disability and health insurance claims and annuity benefits were higher than for the comparable period last year. Surrender value benefits were significantly higher in 1984.

Total new premiums
(dollar amounts in millions)



Operational Review

(continued)

Operating expenses totalled \$130.2 million, compared with \$115.9 million for the same period last year. This year's results include higher expenses resulting from increased ownership of existing subsidiaries, new acquisitions, and the development of new insurance and financial services subsidiaries in Canada and Great Britain, as well as expenses associated with the Series I, Second Preferred Share Issue.

Net income for the year amounted to \$7,109,000 or \$7.11 per common share, after preferred share dividends of \$4,112,000. During the comparable period of 1983, the net income was \$4,587,000 or \$4.59 per share, after preferred share dividends of \$2,932,000. The net income of the participating policyholders' fund for the year amounted to \$5,546,000, compared with \$5,418,000 in 1983.

Board of Directors

In September, Mr. Raymond Garneau resigned from the Board of Directors to run for office in the Canadian federal election. At the Annual General Meeting to be held on Wednesday, February 27, 1985, Mr. Jack Kempton will be retiring from the Board and from the G.B. Advisory Board. Mr. Kempton had been a member of the Board of Directors since 1979 and served for several years as Senior Vice-President and General Manager of the Great Britain operations of Imperial Life. Standing for election at this meeting will be The Rt. Hon. The Lord Marsh of Mannington, Chairman of the Newspaper Publishers' Association, London, England. On this same occasion the following will be appointed to the G.B. Advisory Board: Mr. Jacques Gagné, Senior Vice President of the Europe, Middle East and Africa Division of the National Bank of Canada; and The Hon. Angus Ogilvy, a Director of Sotheby's.

Early in 1985, Mr. Clifford T. Hackett died. He had been Vice-President and General Manager for the Great Britain operations before his retirement in 1976 and a Director of Imperial Life from 1977 to 1979.

Individual Marketing – Canada and The Bahamas

In 1984, total new individual premiums written amounted to \$72.2 million, slightly higher than in 1983.

While agent retention rates improved significantly, lower recruiting activity resulted in a decline in the numbers of full-time agents. Early in 1984, we introduced higher qualification standards for new agents and this had a direct impact on recruiting activity, particularly in the first half of the year. Those agents recruited under the new standards are generally showing significantly improved sales results in comparison with agents recruited previously.

During 1984, we merged several of our branches in order to create larger, more efficient branch offices. In August, we opened a new branch in Vancouver, Central Vancouver branch, in an effort to develop and penetrate additional markets in that area.

Several new products were launched in 1984. "Lifetime Term" is a highly competitive series of four new plans that meet a range of client needs. There is considerable choice in premium and benefit levels as well as provision for future guaranteed increases in coverage to offset the effects of inflation. "The Company Plan" provides a full range of employee benefit coverages for employers with from four to 20 employees. Life, health, RSP and registered pension benefits are also offered. Arrangements were concluded with Aetna Insurance allowing Imperial Life agents to distribute their highly competitive disability income product line.

In Ontario and the four Atlantic Provinces where many of our agents are licensed to market property and casualty products, new premiums from the sale of personal lines, automobile and homeowner insurance amounted to \$935,239 through 3,335 cases.



Operational Review

(continued)

The annual Pursuit of Excellence sales campaign in October produced all-time records with a total of 3,398 cases and a total of \$1,196,472 in first-year commissions.

Opened in 1983, the Women's Financial Planning Centre in Toronto had a very successful year in 1984, conducting 160 seminars and attracting 4,873 participants. Sales results during the latter half of the year were most encouraging and we intend to focus our efforts even more on productivity in 1985.

Our plan of providing sales support to our agents through the installation of IBM personal computers in the branches was on target for the year and we anticipate that all branches will have such hardware and software packages by September of 1985.

Group Operations – Canada and The Bahamas

Imperial Life ended 1984 in a significantly improved financial position in its combined group life, health and pension operations. Improvements in the economy, inflation rates, interest rates and claim trends contributed positively to these results.

Cost constraints continue to be a major concern with employers in the management of their employee benefit programs. As a result, there was very little growth in terms of new benefit programs or upgrading of those already in existence. This concern, by employers, was further compounded by the necessity for further rate increases on their existing programs.

While costs continue to increase, the trends have been improving steadily. Imperial Life's stable base of group policyholders, along with new sales, produced annualized group life and health premium of \$78,892,000 in 1984, compared with \$75,023,000 a year earlier. This represents a growth rate of 5.2 per cent.

In the fall of the year, the Group Operations, in co-operation with Individual Marketing, successfully launched a new group life and health product tailored to the needs of the small business market in Canada. The distribution of this

product is exclusive to Imperial Life's career agents and has received positive response from both the market and our agents.

Group pension business continued to show positive growth. New sales produced \$15,663,000 of premium deposits and total deposits of \$47,536,000. This resulted in group pension assets under management totalling \$542,305,000 at December 31, 1984.

The development of our pension administration system, INFOMAX, has continued and it is now handling a larger portion of our in-force and new business. This system will allow us to attract and serve larger volumes of business in the future.

Imbrook Properties Limited

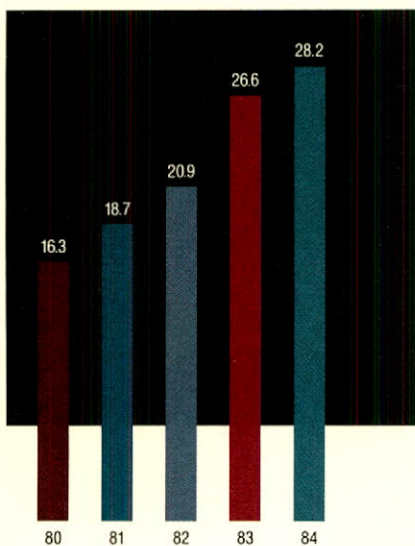
Imbrook Properties Limited is Imperial Life's 56 per cent owned Canadian property development, investment and management subsidiary with offices in Vancouver, Edmonton, Calgary, Toronto, Montreal and Halifax.

Imbrook's 160,000 square-foot downtown Vancouver office building located at 1140 West Pender Street was completed in January. At that time a 50 per cent interest in the leasehold was sold to Country & New Town Properties. Concurrently, Imbrook purchased a 50 per cent interest in the freehold from Country & New Town Properties. The building was officially opened in June and named Laurentian Pacific Place, in honour of the project's major tenant. By year-end, Laurentian Pacific Place was 65 per cent leased.

In February, Imbrook signed a comprehensive development agreement for a prime downtown Vancouver site upon which will be constructed the 43,000 square-foot head office building for the Bank of British Columbia. Excavation commenced in the fall, with completion of the project expected in the fall of 1986. In addition to the Bank of British Columbia, two major Vancouver law firms have agreed to leasing terms, such that at year-end the project is now 52 per cent leased.

Dividends to policyholders

(dollar amounts in millions)



Also in February, the Imbrook-Seaton Joint Venture started construction of its 80,000 square-foot shopping centre in Woodbridge, Ontario. The project was substantially completed and 90 per cent leased at the end of the year.

The company sold its downtown Halifax development site in August. Guildford Place, a small shopping centre in Surrey, British Columbia, in which Imbrook had a 50 per cent interest, was sold in April. In December, the company sold its 40,000 square-foot renovated office building at 67 Richmond Street in Toronto. Also, undeveloped land adjacent to Place du Commerce in Brossard, Quebec was sold.

1984 was an active leasing year for the company. Imbrook's managed portfolio had a 300,000 square-foot net reduction in vacant space during the year. The Maritime portfolio ended 1984 with the lowest vacancy rate, while the Alberta portfolio had the highest vacancy rate. For all cities, however, the company's vacancy rates are now significantly below the average for these cities.

At year-end, the company's book value of revenue-producing properties was \$134 million, compared with \$82 million at the end of 1983, and the book value of properties under development was \$41 million, compared with \$82 million the previous year. Total assets increased from \$184 million in 1983 to \$201 million in 1984. Space under management increased from 2,835,000 square feet to 2,975,000 square feet, excluding the Bank of British Columbia Building.

IMPCO Health Services Ltd.

IMPCO Health Services Ltd., the company's subsidiary which provides a broad spectrum of preventive and occupational health services to over 550 Canadian corporations and government agencies, continued to expand throughout the year.

On March 1, 1984, IMPCO Health acquired the shares of Alberta Medicorp Ltd. In addition to increased exposure in the Calgary market, this acquisition pro-

vided IMPCO Health with an operation in Edmonton as well as mobile services through Alberta.

During April, the company opened its new Vancouver facility which consists of an expanded medical centre and a fully equipped fitness centre.

The trend to profitability experienced toward the end of 1983 continued throughout 1984. A more stable economy, particularly in Ontario, and the continuing maturation of our operations in Calgary and Vancouver, helped return the company to profitability. For the year, consolidated revenues increased by 48 per cent to \$1,963,863 and net income rose to \$13,302, from a loss position of \$80,808 in 1983.

Laurier Life Insurance Company

Acquired by The Laurentian Group and Imperial Life in November, Laurier Life Insurance Company had a successful financial year in 1984 and launched an innovative renewable term product available only to people who have never smoked. Rates for this product are very competitive and sales have been brisk.

Laurier Life's premium income rose from \$9,187,000 in 1983 to \$10,984,000 in 1984 and written annualized premiums increased from \$4,200,000 to \$7,500,000 over the same period. Net income for 1984 rose from \$136,000 to \$308,000 and assets grew from \$9,395,000 in 1983 to \$10,948,000 at the end of 1984.

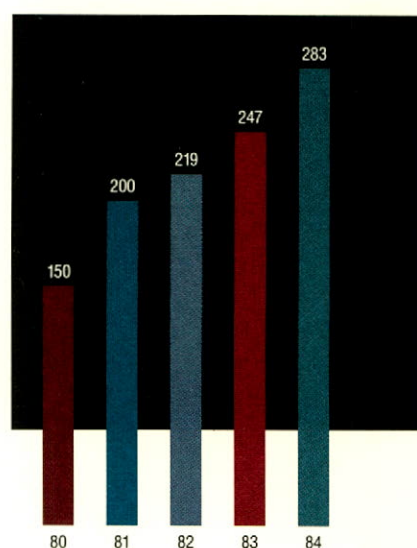
American Operations

Imperial Life's U.S. subsidiary, Loyal American Life Insurance Company, which specializes in providing members of credit unions with life and health insurance products, had a very successful year in 1984. New premiums rose by 30 per cent from \$5.9 million in 1983 to \$7.4 million in 1984.* Assets also increased, from \$161 million to \$172 million. The net worth of Loyal American rose from \$37 million to \$44 million and profits showed a considerable increase from \$7.5 million to \$13.2 million.

*Dollar amounts for Loyal American are in U.S. dollars.

Total payments to policyholders and beneficiaries

(dollar amounts in millions)





In a continuing effort to offer our clients a high level of service, we introduced higher qualification standards for new agents in 1984.



Launched in 1983 as a marketing experiment, the Women's Financial Planning Centre in Toronto offers seminars and individual counselling. It had a very active year in 1984 and began to show encouraging sales results.



Imperial Life dramatically stepped up its corporate sponsorship and community relations activities in 1984. One of the major projects to be sponsored was the 1984-85 National Ballet School audition tour in search of gifted children from across Canada who qualify to study at the School.

Operational Review

(continued)

In addition to improving its rate of persistency and securing extensive additional credit union authorizations to market its products, Loyal American made several corporate moves to enhance its spheres of influence and business potential. It sold its interest in Modern Income Life and bought Southeastern Life, which it subsequently sold in exchange for a 32 per cent effective control of shares of Prairie States Life. After acquiring a 20 per cent control position of Southland Corporation and a four-year option to increase its holdings to 51 per cent, Loyal American restructured Southland, renaming it Laurentian Capital, establishing a New York office for this company, and listing its shares on the AMEX. It also sold a subsidiary of Southland, American Sun, at a profit. By securing the multi-family rezoning of its Long Beach subsidiary's property holdings, Loyal American added significant value to this property.

Loyal American also acquired a \$400,000 block of cancer insurance premium business from Consumers Life in Georgia, along with an active agency in South Carolina. Another block of \$4 million of cancer premiums was acquired from Founders Life in Florida, as well as several active nationwide agencies based in Tampa, Florida. And finally, Loyal American arranged for the purchase of 100 per cent of American Educators Life in North Carolina by Prairie States Life.

Great Britain Operations

The operations in Great Britain experienced a year of significant achievements in sales and development of new life insurance products as well as new services complementary to them.

Total new business in 1984 amounted to £29.8 million, compared with £22.5 million in 1983. This total includes new annual premiums of £13.5 million, an increase of 14.6 per cent over 1983, and single premiums of £6.3 million, an increase of 26.9 per cent. Sales of guaranteed income bonds produced new revenues of £10.1 million, compared with £5.7 million in 1983. Of the overall £29.8

million of new business, £16.8 million resulted from product sales of Imperial Life (U.K.) Limited, the wholly owned subsidiary launched in January to specialize in the transaction of investment-linked business in Britain.

The past year was the first full year of operation for another of Imperial Life's British subsidiaries, Laurentian Investment Management Ltd., a licensed dealer in securities. While the 1984 target for this subsidiary was to bring an additional £3 million of funds under management, by year-end it had attracted new funds of £5.5 million, increasing the overall total under management to £8.5 million. In December, Laurentian Investment Management sold a 40 per cent stake of its operations to Brown Shipley, a respected and successful merchant bank. The private portfolio management activities of the two companies will be integrated, thus increasing funds under management to £22 million and resulting in greater opportunities and economies of scale.

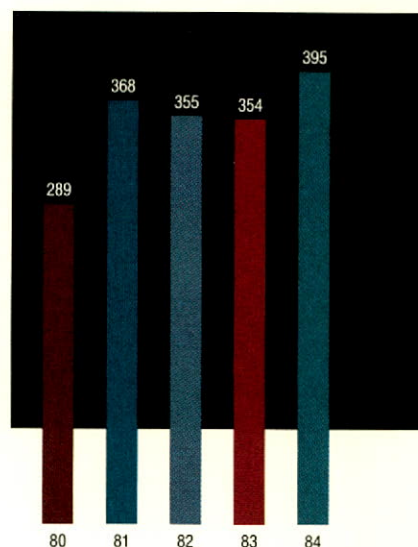
Brook Securities & Company Limited, our G.B. licensed deposit-taker, launched its first services, with the offer of loan facilities to investment-linked policyholders and clients of Laurentian Investment Management. In February, we became the largest shareholder of the £6 million British Empire Securities Trust and the shareholders voted to transfer the investment management contract to our subsidiary Laurentian Financial Services.

Six new life insurance products were introduced during 1984: the Low Start Home Plan; the Executive Timechoice Investment Scheme; the Capital Accumulation Plan; the Gilt Conversion Plan; and two plans making up a Flexible Pension Portfolio – the Personal and Executive Pension Programmes.

We continued to build the G.B. Broker Division by recruiting sales personnel experienced in the intermediary market and by opening broker branches in Manchester and London.

Total premium income

(dollar amounts in millions)



Operational Review

(continued)

Investments

During 1984, world economic recovery continued to be centred in the United States with unexpectedly strong real growth in the first half of the year. Despite continued low inflation rates, high levels of credit demand and continuing concern over the deficit pushed up interest rates to mid-year levels that significantly throttled growth. However, fears that this slowdown might lead to another recession were then alleviated by U.S. Federal Reserve Board action and by year-end interest rates had recovered to the levels of late 1983. Continued low inflation in Canada and the U.S. at around four per cent meant that real returns on bonds in North America remained at historically very high rates. The bond market in Great Britain had a lacklustre year with gilts coming under pressure in the last few months of 1984. Although in all areas substantial amounts of new investment during the year were directed to bonds, a significant portion of the North American funds was still in short-term securities at year-end. Bond assets on a combined consolidated basis increased during 1984 by \$81.9 million.

Mortgage interest rates remained relatively stable throughout most of the year, but demand for loans was reduced as construction activity continued weak and much of the refinancing of higher cost loans had taken place in the previous year. From time to time Canadian mortgage returns were unattractive in comparison with those offered by bonds and this reduced our level of new commitments. Repayments of our mortgages also remained relatively high and represented more than 70 per cent of the new funds disbursed in 1984. Hence, the net increase in the mortgage accounts on a consolidated basis was limited to only \$27 million.

At the outset of 1984, equity markets in Canada and the United States fell back under the pressure of high and rising interest rates. They were reflecting as well perceptions of a corporate profit squeeze due to a poor pricing environment, particularly for commodity-producing and trade-sensitive sectors of the economy. However, with the sharp drop in interest rates at mid-year, these markets rebounded, recovering much of the ground lost in the early months of the year. The stock market in Great Britain, on the other hand, was strong through the year, reacting to a significant recovery of corporate profits. At mid-year we took advantage of the high real returns on fixed income investments to increase current investment income through moving \$15 million of North American market equities into debt instruments. In Great Britain further portfolio additions of £2.6 million were made, largely in new issues. With the addition of a number of special corporate equity investments, our assets in stocks, on a consolidated basis, increased by \$34 million.

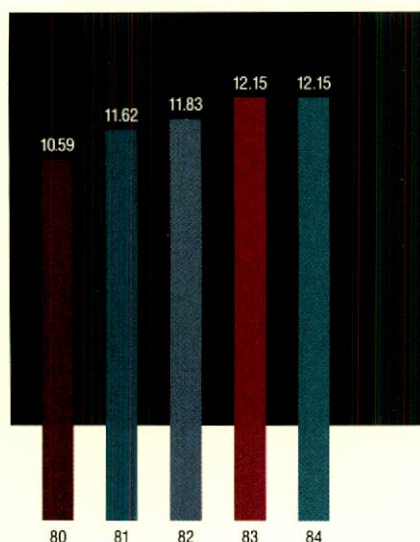
While real estate remained an active sector of our investments, largely through subsidiary property companies, the market environment under much-reduced inflation rates and continued spotty leasing conditions was less attractive to us than in the past. Actual development expenditures were limited and offset by a number of profitable disposals so that our consolidated property assets showed an increase for the year of only \$5.1 million.

At the end of the year, the market values of all bonds, stocks, mortgages and real estate in the consolidated general funds of the Company were \$160 million in excess of their cost, thus retaining the very strong additional values that have been built into the asset base.

In the segregated funds area excellent gains in market values were recorded by equity funds in Great Britain, and fixed income fund values in Canada

Net interest rate earned

(percentages)



also benefitted from good market appreciation. In addition to continuing sales growth with existing pooled funds in Canada and in Great Britain, significant new funds were acquired in Great Britain through the launching of 10 new unit-linked funds of our new subsidiary, Imperial Life (U.K.) Limited. In October, we activated our Canadian investment counselling subsidiary, Impco Investment Management Limited, to expand our activities in the individually managed pension fund market. Despite further decline in the value of sterling, the total value in Canadian dollars of our combined segregated funds rose by \$86.8 million.

In total, our consolidated assets at the end of 1984 amounted to \$2,594,100,000, an 11 per cent increase for the year.

Returns on new portfolio investment eased from those available in the previous year and a considerable amount of corporate investments were also made at low initial yields. On the other hand, investment income was augmented by an increase in the rate at which realized and unrealized gains and losses on stocks are taken into revenue. The result of these conflicting factors was that there was no change in the formula net yield earned as calculated on the invested assets of Imperial Life itself. This rate for the combined life and health assets in 1984 was 12.15 per cent.

Community Relations

In addition to its long-sustained program of charitable donations, Imperial Life supported a wide range of social, cultural, sporting, health care and fitness projects in the context of its community relations and corporate sponsorship activities in 1984. Ranging from national projects, such as the Vanier Cup, the audition tour of the National Ballet School and a search conference on feminism at the Niagara Institute, to such local events

as harness racing in Pabos, Quebec, minor league softball in Saint John, New Brunswick, and the Caribana Festival in Toronto, the Company provided funds to sponsor activities that made a contribution to the quality of life where we do business and that at the same time supported our commitment to target marketing. We intend to pursue this kind of sponsorship to enhance our ability to market our products to clients who need them, while at the same time demonstrating our commitment to realistic corporate social responsibility.

Conclusion

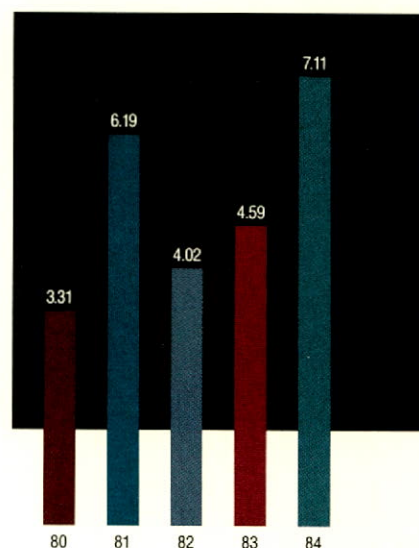
The past year brought many challenges to Imperial Life, ranging from external competitive pressures to the search for a new internal definition of how we choose to address our future as an integral part of The Laurentian Group. We met those challenges in 1984 with enthusiasm and imagination. With the continued support of our agents and staff we anticipate an energetic and successful year in 1985.



Claude Bruneau
Chairman of the Board and President

February 27, 1985

Earnings per share
(in dollars)



The Year at a Glance

January

17

Great Britain organization (GB) launches Imperial Life (U.K.) Limited, a £6.25 million subsidiary to specialize in the transaction of investment-linked business in Britain. The new company introduces new products and new funds.

February

GB becomes the largest shareholder of the British Empire Securities Investment Trust and obtains their investment management contract which is transferred to Imperial Life's subsidiary Laurentian Financial Services.

21

GB launches "Low Start Home Plan Mortgage Endowment."

29

Imperial Life holds Annual General Meeting.

Four new members are elected to the Board of Directors:

Raymond Garneau, Chairman and Chief Executive Officer, The Montreal City and District Savings Bank and Credit Foncier;
Patricia Johnston-Lavigne, business consultant in Montreal and formerly Senior Vice-President, the Canadian Federation of Independent Business;
Anna Porter, President and Publisher, Key Porter Books of Toronto;
Sandra D. Sutherland, Partner in Freeman & Company, Barristers and Solicitors of Vancouver.

Two Directors retire from the Board: Frank E. Case and J. Douglas Gibson, O.B.E.

March

IMPCO Health Services expands Alberta base with acquisition of Alberta Mediacorp Ltd., an occupational health service with mobile facilities.

All time record month in GB. £706,985 in issued commissions from 4,944 cases.

7

Laurentian Capital Corporation officially opens an office in New York City.

April

GB introduces Imperial Life (U.K.) and the expanded British Broker Division to intermediary market and press.

5-21

Imperial Life sponsors "A Majority of Two" at the Persephone Theatre in Saskatoon.

18

IMPCO Health Services opens Harbour-side Executive Health Club in Vancouver.

May

Laurentian Investment Management, Imperial Life's new British subsidiary with a license to deal in securities, announces that it has already met its year's target of bringing under management £3 million in new funds.

GB announces loan facilities for Laurentian Investment Management clients via Brook Securities & Company Limited.

Along with The Laurentian Mutual, Loyal American and The Provident, Imperial Life makes a significant investment (\$15 million U.S.) in Pallas Group, a Luxembourg-based investment firm and international banking venture. Pallas takes 50 per cent share in the London-based operations of Dillon, Read Ltd., which is to be involved in venture capital, management buyouts, investment funds, money management and risk arbitrage.

10-13

Imperial Life holds sales conference in Doral, Florida.

24

Southland Capital Investors Inc. is re-named Laurentian Capital Corporation. Loyal American owns 20 per cent of Laurentian Capital and has a four-year option to increase its holdings to 51 per cent.

25

Loyal American sells its shares in Modern Income Life of Decatur, Illinois, realizing an \$800,000 gain.

June

10

Imperial Life sponsors a performance by the Hamburg Ballet of John Neumeier's St. Matthew Passion in Toronto during the International Festival.

13

Loyal American sells its wholly owned subsidiary, Southeastern General Life Insurance Company, in exchange for shares in Prairie States Life, making Prairie States Life an affiliate of Loyal American which is its major shareholder with 31 per cent of the shares.

14

GB announces facility for loans against the security of investment-linked policies, via licensed deposit-taker subsidiary, Brook Securities & Company Limited.

15

Imperial Life announces the intention of companies in The Laurentian Group to purchase by way of a takeover bid all of the common and preferred shares of Ontario-based Anglo-Permanent Corporate Holdings Limited. Anglo-Permanent has two subsidiaries, Laurier Life Insurance Company and A & C Insurance Brokers Limited. Consolidated assets are approximately \$9.4 million.

15-19

Loyal American holds its Annual President's Awards Convention in Quebec City.

20

The Laurentian Pacific Building, jointly owned by Imbrook Properties and Country and New Town Properties (Canada) Limited, is officially opened in Vancouver.

July

The University of Western Ontario's Business Quarterly Journal publishes a special supplement devoted entirely to issues concerning working women in Canada. Imperial Life is the sponsor.

GB launches "Executive Timechoice Income Scheme" for provision of funds for early retirement.

13

Imperial Life announces that its authorized capital has been increased and a first series of 1 million Second Preferred Shares with par value of \$25 each has been issued and privately placed.

16

Robert (Bob) E. Brown joins Imperial Life as Vice-President – Group Operations.

August

GB Broker Division opens new branches in Manchester and London.

GB launches "Capital Accumulation Plan," an investment-linked plan mainly for the intermediary market.

1

Laurentian Capital Corporation is officially listed on the American Stock Exchange (AMEX).

September

GB launches its final issue of "Guaranteed Income Bond," completing more than £10 million sales of this product in 1984.

4

Imperial Life launches a small group product, "The Company Plan", geared to covering the insurance needs of businesses employing four to 20 individuals.

18-21

The Niagara Institute holds a landmark Search Conference on Women, drawing some of Canada's key thinkers on women's issues. Imperial Life is a sponsor.

30

Loyal American disposes of its health and accident subsidiary, American Sun, for a profit.

October

GB launches "Gilt Conversion Plan."

3

Imperial Life sponsors a special reception at the conference of the Association Québécoise de Planification Fiscale et Successorale in Quebec City.

15

Imperial Life announces that Impco Investment Management Limited has moved its offices to 330 Bay Street in Toronto and that Mr. Peter Walter has been appointed President. A wholly owned subsidiary, Impco Investment Management manages the investment of Pooled and Segregated Group Pension Funds and other corporate client funds.

19

Imperial Life begins selling a complete line of Aetna Canada disability products.

22

Imbrook Properties announces the construction of the 400,000 square-foot Bank of B.C. building in Vancouver.

22-23

Imperial Life's Board of Directors meets in Vancouver after visits to western Canadian branches.

31

New records are set in the annual Imperial Life Pursuit of Excellence campaign. The month-long sales contest ends with agents in Canada and The Bahamas writing 3,398 cases for a total of \$1,196,472 in first-year commissions.

November

1

The new General Ledger Millennium accounting system goes on-line at Imperial Life, providing management with timely and more comprehensive information.

24

Imperial Life is a sponsor of the Vanier Cup national championship game in Toronto – the equivalent of the Grey Cup in college football.

28

Anglo-Permanent Corporate Holdings Limited holds its first board meeting under new owners Imperial Life and Laurentian Mutual.

30

Loyal American acquires \$400,000 block of cancer premium business from Consumers Life of Georgia.

Loyal American arranges for its affiliate Prairie States Life to acquire 100 per cent of American Educators Life of North Carolina.

December

GB Launches the "Flexible Pension" portfolio, comprising new personal and executive pension programmes, and a variety of new investment funds.

GB announces plans to sell a 40 per cent stake of Laurentian Investment Management to Brown Shipley, a merchant bank. After integration of their private client investment portfolios, Laurentian Brown Shipley will have £22 million of funds under management.

Imperial Life sponsors Cinderella – A Christmas Pantomime starring Karen Kain and Ross Petty, in Toronto, Ottawa and Hamilton.

4

Imperial Life Board approves more than \$20 million in participating dividends to policholders for 1985.

7

Imperial Life introduces four new products under the "Lifetime Term Package," each providing lifetime insurance coverage at term rates.

31

Loyal American acquires \$4-million block of cancer premium business from Founders Life of Florida.

The decision is announced to install a direct communications link between Imperial Life's Head Office in Toronto and its Nassau operations in the first quarter of 1985.

Approximately 65 per cent of the common shares of The Laurentian Fund are sold to The Laurentian Group Corporation. Thus, Imperial Life becomes a subsidiary of The Laurentian Group Corporation.

**The Imperial Life Assurance
Company of Canada**

December 31, 1984

Board of Directors

The accompanying consolidated financial statements were approved by the Board of Directors which has overall responsibility for their contents.

Audit Committee

The Board of Directors is assisted in its responsibilities for these consolidated financial statements by its Audit Committee. This committee consists of directors not involved in the daily operations of the Company. The function of this committee is to:

- Review and report to the Board upon all consolidated financial statements.
- Review the Company's internal audit and financial control systems.
- Recommend the nomination of the external auditors and their fee arrangements to the Board of Directors.
- Review other accounting and financial matters as required.

In carrying out the above responsibilities, this committee meets with management and both the Company's external and internal auditors to approve the scope and timing of their respective audits, to review their findings and to satisfy itself that their responsibilities have been properly discharged.

Management

The accompanying consolidated financial statements have been prepared by management, who are responsible for their integrity, objectivity and reliability. The consolidated financial statements were prepared in accordance with the accounting policies prescribed or permitted by the Department of Insurance of Canada, with the exception of real estate accounting, which was modified to reflect the recommendations of the Canadian Institute of Chartered Accountants/Canadian Institute of Actuaries Joint Task Force on Generally Accepted Accounting Principles for Life Insurance Companies. In the opinion of management the accounting policies utilized are

appropriate in the circumstances and fairly reflect the financial position, results of operations and changes in financial position of the Company within reasonable limits of materiality.

The Company's accounting system and related internal controls are designed, and supporting procedures are maintained, to provide reasonable assurance that financial records are complete and accurate and that assets are safeguarded against loss from unauthorized use or disposition. These supporting procedures include the careful selection and training of qualified staff, the establishment of organizational structures providing a well-defined division of responsibilities and accountability for performance, the communication of written policies and procedures, and the requirement for written evidence of adherence to the code of corporate conduct.

Valuation Actuary

The Valuation Actuary is appointed by the Board of Directors pursuant to Section 71.1 of the Canadian and British Insurance Companies Act. His function is to carry out an annual valuation of the Company's policy benefit liabilities in accordance with the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries for the purpose of issuing reports to policyholders, shareholders and the Superintendent of Insurance. These reports express his opinion based on an informed judgement that:

- Good and sufficient provision has been made for all the obligations guaranteed under the terms of the policies in force.
- The assumptions for interest, mortality, morbidity and other contingencies are appropriate to the circumstances of the Company and the policies in force.
- The method used to calculate policy benefit liabilities produces a valuation in respect of each life insurance policy that is not less than the valuation produced by the use of methods as prescribed by statute.

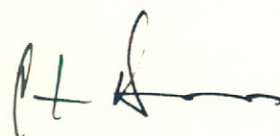
External Auditors

Coopers & Lybrand have been appointed external auditors pursuant to Section 78.1 of the Canadian and British Insurance Companies Act to report to the policyholders, shareholders and to the Superintendent of Insurance regarding the fairness of presentation of the Company's consolidated financial position and results of operations as shown in the annual financial statements.

The opinion of the external auditors is based upon obtaining an understanding of the Company's accounting systems, procedures and internal controls. Based upon their evaluation of these systems, the external auditors conduct appropriate tests of the Company's accounting records and obtain sufficient audit evidence and explanations to provide reasonable assurance that the financial statements are presented fairly on an appropriate basis.

Regulatory Authorities

The Superintendent of Insurance of Canada, at least once every three years, has a field examination performed on the affairs of the Company. Periodic statutory reports are filed with insurance regulatory authorities in various jurisdictions and facilitate further review of operating results and enquiry by examination staff.



C. Bruneau
Chairman, President and
Chief Executive Officer



G. H. Johnson
Vice-President - Finance

Summary of Significant Accounting Policies to the Consolidated Financial Statements

The Imperial Life Assurance Company of Canada

December 31, 1984

Accounting practices followed by the Company differ from generally accepted accounting principles primarily in regard to the valuation of investments, the treatment of currency translation, the discounting and the drawdown of deferred income taxes and the charging of depreciation. These accounting practices are as prescribed or permitted by the Department of Insurance of Canada modified to reflect a formula basis for the recognition of gains and losses on real estate for the purpose of reporting to policyholders and shareholders. The treatment of realized and unrealized gains on real estate has been modified to the more appropriate basis proposed in the Report of the Canadian Institute of Chartered Accountants/Canadian Institute of Actuaries Joint Task Force on Generally Accepted Accounting Principles for Life Insurance Companies tabled with both Institutes on December 1, 1982.

Principles of consolidation

The consolidated financial statements include all operating subsidiaries and combine the life, health and segregated investment fund insurance branches of the Company. The excess of the price paid for the shares of Loyal American Life Insurance Company (Loyal American), Castlemere Properties Limited, and Laurentian Financial Services Limited, over the underlying net asset value upon acquisition, described in the balance sheet as goodwill, is being amortized on a straight-line basis over a period of twenty years, ten years, and five years respectively.

Foreign currency translation

All foreign currency items in each year are translated into Canadian dollars using rates set at the beginning of that year, which rates are anticipated by the Company to approximate the average exchange rates which will prevail during that year. If appropriate, these rates are adjusted at the beginning of the following year with the resulting gain and loss being reflected in income on a five-year moving average basis. Foreign currency gains and losses arising from cash transactions and official governmental evaluations are reflected in income immediately.

Asset valuation

Bonds and debentures are carried at amortized cost. The difference between the proceeds on the sale of a bond or debenture and its amortized cost is considered to be an adjustment of future portfolio yield which is deferred on the balance sheet as a "formula adjustment" and amortized over the lesser of the period to maturity or twenty years.

Stocks are carried at cost, except for those of Loyal American, which are carried at market value. The "formula adjustment" on stocks represents the balance of deferred net realized gains or losses on stocks after deduction of amounts brought into income. Net realized gains or losses together with net unrealized gains or losses are amortized at a rate of 15%

per annum on a reducing balance basis commencing in 1984 for inclusion in the statement of income. The change in rates occurred because for some time the life insurance industry was aware that amortizing realized and unrealized gains on stocks into income at a rate of 7% per annum was too slow to provide equity to each generation of policyholders and increasing amounts of deferred gains were being built up on balance sheets. At the request of the industry, and after appropriate study, the Superintendent of Insurance modified the regulations effective January 1, 1984 to permit a 15% per annum rate of amortization in place of the 7% rate permitted from 1978 to 1983 inclusive.

Mortgages are carried at their outstanding principal balances.

Real estate is carried at cost less accumulated depreciation to December 31, 1981. Effective January 1, 1982 the Company adopted a "formula adjustment" on real estate representing the balance of deferred net realized gains or losses on real estate after deduction of amounts brought into income. Net realized gains or losses subsequent to January 1, 1982 together with net unrealized gains or losses are amortized at a rate of 7% per annum on a reducing balance basis for inclusion in the statement of income. Market values are established by a scheduled program of independent market appraisals every five years with regard to each property and by internal appraisals by qualified staff appraisers for each of the intervening years. The full portfolio is thus independently appraised every five years. The market value established is an estimate of the realizable value of each property and thus recognizes in that determination any element of depreciation. No provision for depreciation of real estate investments is therefore required.

Oil and gas properties held directly are carried at cost to the Company.

Policy loans are carried at their unpaid balance and are fully secured by the value of the policies on which the respective loans are made.

Collateral loans made to certain annuitants are carried at their unpaid balance and are fully secured through the assignment of all payments made on the underlying contracts. These payments are sufficient to repay all loans and interest due over the term of such contracts.

Investments held for segregated funds are carried at market value. The liability to policyholders equals the net assets in each fund.

Furniture, equipment and leasehold improvements are carried at cost less depreciation.

Joint ventures

(a) Real estate

The Company, through its Canadian property investment subsidiaries, participates in various real estate joint ventures in all of which it has an ownership of 50% or more. They are all accounted for on a proportionate consolidation basis.

(b) Oil and gas properties

The Company has entered into joint ventures through which it participates in oil and gas exploration and development. They are accounted for on an equity basis.

Depreciation

No depreciation is charged on real estate. Furniture, equipment and leasehold improvements are depreciated on a straight-line basis at annual rates of 10% to 50%.

Present value of liabilities under assurance and annuity contracts

The present value of liabilities under life assurance and annuity contracts, except for the foreign subsidiary life insurance companies, are determined by the Valuation Actuary to be an amount which, together with future premiums and interest, is sufficient to meet all future benefits and expenses. In compliance with the Canadian and British Insurance Companies Act, the method used defers acquisition expenses, to a maximum statutory amount, over the premium-paying period of the policy. It also allows for a sufficient margin to enable the Company to meet future dividend expectations. Investment returns, mortality, morbidity, expenses, policy retention rates and other assumptions appropriate to the circumstances of the Company and the policies in force are used.

Loyal American's reserving methods, as determined by its consulting actuaries, are on the basis of generally accepted accounting principles in the United States, which basis is comparable to the above except that the total acquisition costs are deferred and amortized over the premium-paying period of the policy. A mortality fluctuation provision is maintained within the actuarial liabilities to counteract any mortality strain experience which deviates from the normal range. If an abnormal deviation occurs, the provision is adjusted by formula thereby neutralizing its impact on net income. No such reserve is maintained by Loyal American.

Liabilities for individual health insurance are determined on a two-year preliminary term basis and for group health insurance on the basis of unearned premiums plus an additional reserve.

Income taxes

The Company and its subsidiaries provide for deferred income taxes. Imperial Life calculates its deferred income taxes on a discounted basis. The provision for deferred income taxes arises mainly as the result of timing differences between income reported for statement purposes and income for tax purposes relating principally to policyholders' reserves, depreciation and the accounting for investments.

**The Imperial Life Assurance
Company of Canada**

As at December 31, 1984

Notes

1984**1983**

(thousands of dollars)

Assets

		\$	\$
Bonds and debentures	3	547,569	472,032
Stocks	4	230,930	198,441
Mortgages		503,356	475,830
Real estate	5	299,997	297,578
Oil and gas properties	6	2,274	2,230
Loans to policyholders		87,362	87,095
Collateral loans		31,740	34,262
Cash and term deposits		67,510	40,473
Segregated investment funds' assets	11	699,476	611,594
Goodwill	7	16,701	16,153
Premiums in course of collection		14,790	12,992
Accrued investment income		29,501	29,533
Furniture, equipment and leasehold improvements	8	14,304	9,753
Formula adjustment on bonds and debentures	3	687	642
Formula adjustment on real estate	5	3,049	5,086
Other assets		44,854	28,454

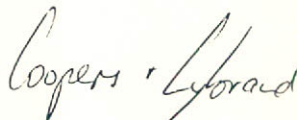
On behalf of the Board

2,594,100**2,322,148**C. Bruneau,
ChairmanH. A. Renouf,
Director**Auditors' Report**

To the Policyholders and Shareholders of
The Imperial Life Assurance Company of Canada

We have examined the consolidated balance sheet of The Imperial Life Assurance Company of Canada as at December 31, 1984 and the consolidated statements of income, retained earnings and changes in financial position for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1984 and the results of its operations and the changes in its financial position for the year then ended in accordance with accounting principles as explained in the summary of significant accounting policies to the consolidated financial statements.



Toronto, Canada
February 4, 1985

Coopers & Lybrand
Chartered Accountants

	Notes	1984	1983
		(thousands of dollars)	
Liabilities		\$	\$
Present value of liabilities under assurance and annuity contracts	9	1,234,883	1,131,903
Policy proceeds, dividends and other amounts on deposit		49,452	45,934
Present value of liabilities under Company retirement funds	10	18,829	16,333
Segregated investment funds' liabilities to policyholders	11	699,476	611,594
Provision for dividends to policyholders		27,327	24,501
Policy claims in course of settlement and provision for unreported claims		61,387	52,852
Formula adjustment on stocks	4	43,270	44,746
Bank loans		82,792	62,723
Mortgages on real estate investments		59,281	72,935
Income and premium taxes payable		1,213	1,006
Deferred income taxes	12	12,908	17,623
Deferred foreign currency translation gains (losses)	2	(1,354)	1,359
Other liabilities and provisions		94,294	64,338
		2,383,758	2,147,847
Policyholders' and Shareholders' Equity			
Capital stock	13		
Preferred shares		48,935	23,935
Common shares		1,000	1,000
Contributed surplus	14	59	59
Retained earnings			
Shareholders'	15	-	-
Appropriated, primarily for solvency purposes	16	44,128	49,115
Unappropriated, primarily for the protection of policyholders		116,220	100,192
		210,342	174,301
		2,594,100	2,322,148

Report of the Valuation Actuary

To the Policyholders and Shareholders of
The Imperial Life Assurance Company of Canada

I have made a valuation of the policy liabilities of The Imperial Life Assurance Company of Canada for its consolidated balance sheet at December 31, 1984 and its consolidated statements of income, retained earnings, and changes in financial position for the year then ended, in accordance with the Recommendations of the Canadian Institute of Actuaries. I have relied on valuations made by the actuaries of the foreign subsidiary life insurance companies.

Toronto, Canada
February 4, 1985

In my opinion,

1. the amount of the policy liabilities makes proper provision for future payments under the companies' policies;
2. a proper charge on account for those policy liabilities has been made in the consolidated statement of income; and
3. the amount of retained earnings appropriated for policies whose cash value exceeds the policy liability is appropriate.

Maffale

M. A. Hale, F.C.I.A.
Vice-President and Actuary

Consolidated Statement of Retained Earnings

The Imperial Life Assurance Company of Canada

For the year ended December 31, 1984

	Shareholders'	Appropriated		(thousands of dollars)
		Participating	Non-Participating	Total
	\$	\$	\$	\$
Retained earnings, beginning of year	-	29,298	19,817	49,115
Appropriated retained earnings of acquired subsidiaries	-	-	586	586
Net income for the year	6,312	-	-	-
Strengthen (release) appropriations for the year	-	(1,287)	(4,286)	(5,573)
Dividends to shareholders – preferred	(4,112)	-	-	-
– common	(2,200)	-	-	-
Retained earnings, end of year	-	28,011	16,117	44,128
	(note 15)			(note 16)

	Unappropriated		(thousands of dollars)
	Participating	Non-Participating	Total
	\$	\$	\$
Retained earnings, beginning of year	78,099	22,093	100,192
Net income for the year	5,546	4,909	10,455
Strengthen (release) appropriations for the year	1,287	4,286	5,573
Retained earnings, end of year	84,932	31,288	116,220

Consolidated Earnings per Common Share

The Imperial Life Assurance Company of Canada

For the year ended December 31, 1984

	1984	1983
	(thousands of dollars)	
	\$	\$
Non-participating account net income for the year	4,909	2,388
Shareholders' account net income for the year	6,312	5,131
	11,221	7,519
Less preferred share dividend	4,112	2,932
Earnings applicable to common shares	7,109	4,587
Basic earnings per common share	\$7.11	\$4.59

Consolidated Statement of Income

The Imperial Life Assurance Company of Canada

For the year ended December 31, 1984	Notes	1984	1983
		(thousands of dollars)	
Income		\$	\$
Premiums	17	394,927	354,396
Investment income	18	184,699	169,254
Investment income from segregated investment funds		72,613	97,881
Currency translation gain (loss)		(241)	293
		<u>651,998</u>	<u>621,824</u>
Benefits and Operating Costs			
Death claims		37,384	43,614
Disability and health insurance claims		61,393	46,239
Matured endowments		8,098	6,864
Annuity benefits		51,333	44,638
Surrender value benefits		96,174	79,529
Additions to funds held for future payments to policyholders		128,896	121,008
Additions to segregated investment funds		88,690	113,154
Interest credited to funds on deposit and Company retirement funds		8,457	9,041
Commissions, marketing and operating expenses		130,168	115,853
		<u>610,593</u>	<u>579,940</u>
Operating Income before dividends and taxes		41,405	41,884
Dividends to policyholders		28,180	26,602
Income before taxes		<u>13,225</u>	<u>15,282</u>
Current income and premium taxes		2,123	1,816
Deferred income taxes	12	(5,665)	529
		<u>(3,542)</u>	<u>2,345</u>
Net Income		<u>16,767</u>	<u>12,937</u>
		\$	\$
Non-participating account		4,909	2,388
Shareholders' account		6,312	5,131
Non-participating and shareholders' account		<u>11,221</u>	<u>7,519</u>
Participating life account		5,546	5,418
		<u>16,767</u>	<u>12,937</u>

Consolidated Statement of Changes in Financial Position

The Imperial Life Assurance Company of Canada

For the year ended December 31, 1984

1984

1983

(thousands of dollars)

Source of Funds

	\$	\$
Net income	16,767	12,937
Non-cash charges (credits):		
Increase in policyholders' reserve	120,793	114,906
Other	(2,768)	5,291
Funds provided from operations	134,792	133,134
Principal repayments or disposition of investments:		
Bonds	159,000	291,076
Stocks	88,758	96,718
Mortgages	40,786	47,853
Real estate	36,559	28,421
Loans to policyholders	9,298	8,414
	334,401	472,482
	469,193	605,616
Increase in prepaid premiums	777	-
Increase in amounts on deposit	8,170	5,408
Increase in bank loans and notes payable	22,892	618
Increase in mortgages on real estate investments	12,879	35,474
Refund of prior years' income taxes	6,203	5,429
Issue of preferred shares for cash	25,000	-
Other	9,773	-
	554,887	652,545

Application of Funds

New investments:		
Bonds	250,882	328,294
Stocks	118,555	118,889
Mortgages	59,931	92,692
Real estate	40,603	75,045
Oil and gas properties	32	72
Loans to policyholders	5,192	5,368
	475,195	620,360
Policyholder benefits	9,660	7,570
Company retirement fund payments	718	5,024
Repayment of mortgages on real estate	27,652	7,375
Purchase of furniture, equipment and leasehold improvements	8,313	3,217
Shareholders' dividends - preferred	4,112	2,932
- common	2,200	2,200
Other	-	1,818
	527,850	650,496
Increase in cash and term deposits	27,037	2,049
Cash and term deposits, beginning of year	40,473	38,424
Cash and term deposits, end of year	67,510	40,473

Notes to Consolidated Financial Statements

The Imperial Life Assurance Company of Canada

December 31, 1984

1 Accounting policies

The more significant accounting policies used by the Company are set out in the preceding Summary of Significant Accounting Policies.

2 Currency translation

Effective January 1, 1985 the book currency translation rate for certain currencies will be changed to more appropriate rates. This will result in a currency translation gain of \$7,770,000 (1984 \$2,835,000 loss). The assets and liabilities as shown at December 31, 1984 will be decreased on January 1, 1985 by \$53,718,000 and \$61,488,000 respectively by this change.

The following are the more significant currency translation rates used for the years 1983 and 1984 together with those to be used for 1985:

	1985	1984	1983
	\$	\$	\$
Great Britain pound	1.60	1.85	2.00
United States dollar	1.30	1.20	1.20
Bahamian dollar	1.30	1.20	1.20

Effective January 1, 1983 currency translation gains (losses) are being reflected in income on a five-year moving average basis, rather than being taken into income in the current year. Deferred foreign currency translation losses carried forward to subsequent years amount to \$1,354,000.

3 Bonds and debentures

	1984	1983
	\$	\$
Cost	547,569,000	472,032,000
Market value	546,578,000	470,857,000

The formula adjustment on bonds and debentures is \$687,000 (1983 \$642,000) which will be charged against income in future years.

The formula adjustment amount charged against income in the year was \$151,000 (1983 \$365,000).

4 Stocks

	1984	1983
	\$	\$
Cost*	230,930,000	198,441,000
Market value	300,516,000	273,125,000

*Stocks of Loyal American are included at market value.

The formula adjustment on stocks is \$43,270,000 (1983 \$44,746,000) which will be credited to income in future years.

The formula adjustment amount credited to income in the year at the 15% per annum rate is \$19,823,000 (1983 \$8,997,000). If the 7% per annum rate had been applied to 1984 the formula adjustment amount credited to income would have been \$9,251,000.

5 Real estate

	1984	1983
	\$	\$
(a) Real estate, at cost		
Properties under development	53,867,000	98,996,000
Investment properties	232,340,000	184,643,000
Home Office and branch office properties	25,573,000	26,101,000
	311,780,000	309,740,000
Less accumulated depreciation at December 31, 1981	11,783,000	12,162,000
	299,997,000	297,578,000
Market values	390,130,000	401,887,000

The formula adjustment on real estate is \$3,049,000 (1983 \$5,086,000), which will be charged against income in future years.

The formula adjustment amount credited to income in the year is \$7,409,000 (1983 \$7,363,000).

No depreciation was charged for the year.

(b) Interest in real estate joint ventures

The following is a summary of the Company's proportionate share, through its subsidiaries, in all its real estate joint ventures' assets and liabilities:

	1984	1983
	\$	\$
Assets	107,436,000	83,635,000
Liabilities	41,213,000	37,568,000

6 Oil and gas properties

The Company has invested in oil and gas exploration and production through limited partnerships and joint ventures as follows:

	1984	1983
	\$	\$
Limited partnerships	203,000	220,000
Joint ventures	2,071,000	2,010,000
	2,274,000	2,230,000

Both the partnerships and the joint ventures in their accounts follow the full cost method of accounting for oil and gas property operations.

7 Goodwill

Total goodwill amortized in the year amounted to \$1,165,000 (1983 \$1,151,000).

8 Furniture, equipment and leasehold improvements

	1984	1983
	\$	\$
Cost	25,928,000	17,245,000
Less accumulated depreciation	11,624,000	7,492,000
	14,304,000	9,753,000

These amounts include the cost of the Company's computers of \$4,677,000 less accumulated depreciation of \$1,819,000. The depreciation charge for the year amounted to \$3,220,000 (1983 \$2,320,000).

9 Present value of liabilities under assurance and annuity contracts

	1984	1983
	\$	\$
Life:		
participating	510,566,000	473,226,000
participating mortality fluctuation provision	3,042,000	2,926,000
non-participating	704,988,000	642,238,000
non-participating mortality fluctuation provision	2,824,000	2,884,000
Health:		
individual	13,263,000	9,988,000
group	200,000	641,000
	1,234,883,000	1,131,903,000

Notes to Consolidated Financial Statements

(continued)

The Imperial Life Assurance Company of Canada

December 31, 1984

10 Company pension plans

The Company has contributory pension plans, covering substantially all of its employees and branch managers, and retirement benefit arrangements for its full-time agents. The total liability in all funds is made up as follows:

	1984	1983
	\$	\$
General funds:		
active participants	14,670,000	12,320,000
retired participants	4,159,000	4,013,000
	<u>18,829,000</u>	<u>16,333,000</u>
Segregated funds:		
active participants	48,646,000	46,616,000
retired participants	33,197,000	31,817,000
	<u>81,843,000</u>	<u>78,433,000</u>
	<u>100,672,000</u>	<u>94,766,000</u>

The Company contribution amounted to \$2,145,000 (1983 \$2,450,000).

11 Segregated investment funds

The net assets of each fund amounted to:

	1984	1983
	\$	\$
Group contract funds:		
Bond	39,678,000	28,762,000
Equity	51,214,000	50,784,000
Mortgage	56,190,000	54,269,000
Diversified	77,914,000	65,636,000
Money market	14,146,000	17,738,000
Segregated employer funds	237,793,000	214,113,000
Great Britain retirement and death benefit funds	33,595,000	28,407,000
Individual contract funds:		
Great Britain property	5,295,000	4,751,000
Great Britain secure capital	224,000	348,000
Great Britain fixed interest	1,164,000	1,665,000
Great Britain equity	3,747,000	2,671,000
Great Britain managed	33,070,000	27,802,000
Great Britain growth	41,088,000	37,936,000
Great Britain pension managed	85,734,000	71,598,000
Imperial Life (U.K.) North American	462,000	-
Impco growth	1,750,000	1,306,000
Impco retirement growth	3,725,000	3,808,000
Imperial Life funds	<u>686,789,000</u>	<u>611,594,000</u>
Subsidiary Company funds:		
Imperial Life (U.K.) Limited	12,687,000	-
	<u>699,476,000</u>	<u>611,594,000</u>

The Consolidated Statement of Income includes the net investment income, net unrealized capital gains, and operating transactions of the segregated funds for the year.

12 Deferred income taxes

	1984	1983
	\$	\$
Imperial Life	365,000	1,036,000
Loyal American	9,329,000	12,023,000
Other subsidiaries	3,214,000	4,564,000
	<u>12,908,000</u>	<u>17,623,000</u>

The deferred income taxes of Loyal American were reduced in 1984 by \$7,135,000 as a result of the Tax Reform Act (USA) 1984. The deferred income taxes previously provided on timing differences that are effectively eliminated by the fresh-start adjustment are reflected as a credit against deferred income tax expense.

13 Capital stock

(a) Cumulative redeemable First Preferred Shares, Series A

Authorized:

1,157,400 first preferred shares of \$25 par value.

Issued and outstanding:

\$3.0625 (12.25% per annum) cumulative redeemable preferred shares, series A.

	1984	1983
	\$	\$
957,400 shares	<u>23,935,000</u>	<u>23,935,000</u>

The Company is obliged to make all reasonable efforts to purchase for cancellation in the open market during each calendar quarter 10,000 shares (4% per annum of the number of shares issued) at a price not exceeding \$25 per share plus costs of purchase. If unable to fulfill such obligation in any calendar quarter, the obligation will carry over only to the succeeding calendar quarters of the same calendar year. The shares are retractable at the option of the holder, subject to requisite statutory approval, by deposit on or before June 8, 1986 for redemption on July 8, 1986 at \$25 per share plus accrued and unpaid preferential dividends.

(b) Cumulative redeemable Second Preferred Shares, Series I

Authorized:

6,000,000 second preferred shares of \$25 par value.

Issued and outstanding:

Cumulative redeemable second preferred shares, series I (floating rate).

	1984	1983
	\$	\$
1,000,000 shares	<u>25,000,000</u>	<u>-</u>

The Company is not obliged to redeem these shares prior to July 31, 1991. On or after July 31, 1991, they will be redeemable at the option of the Company at \$25 per share, plus all accrued and unpaid dividends calculated to the redemption date.

(c) Common shares

Authorized:
15,000,000 shares of \$1 par value
Issued and outstanding:

	1984	1983
	\$	\$
1,000,000 shares	1,000,000	1,000,000

14 Contributed surplus

Contributed surplus represents the difference between cost and par value on preferred shares purchased for redemption.

15 Shareholders' retained earnings

The shareholders' retained earnings is a segregation of earnings from which common and preferred shareholder dividends are paid. The Company funds this account in each quarter to meet all dividend requirements. The directors have discretion in making transfers from unappropriated non-participating retained earnings to shareholders' retained earnings.

16 Appropriated retained earnings

The Company is required by the Department of Insurance of Canada to maintain certain appropriations within its retained earnings to provide for (a) market and currency value fluctuations within its invested assets, (b) the undepreciated value of its furniture, equipment and leasehold improvements, excluding computers, and (c) the excess of policy cash surrender values over the present value of related policy contract liabilities.

The amounts appropriated to meet these requirements at December 31 were:

	Invested asset valuation reserve	Miscellaneous asset valuation reserve	Cash surrender value reserve	Total
	\$	\$	\$	\$
1984				
participating	6,725,000	6,750,000	14,536,000	28,011,000
non-participating	1,885,000	2,414,000	11,818,000	16,117,000
	8,610,000	9,164,000	26,354,000	44,128,000
1983				
participating	12,025,000	4,759,000	12,514,000	29,298,000
non-participating	4,379,000	2,215,000	13,223,000	19,817,000
	16,404,000	6,974,000	25,737,000	49,115,000

17 Premium income

Premium income was derived from the following lines of business:

	1984	1983
	\$	\$
participating individual life	100,376,000	105,331,000
participating individual annuity	24,108,000	16,989,000
non-participating individual life	49,490,000	28,929,000
non-participating individual annuity	34,642,000	37,277,000
group life	34,761,000	33,336,000
group annuity	17,843,000	16,907,000
individual health	20,480,000	17,154,000
group health	47,538,000	42,439,000
segregated funds	65,689,000	56,034,000
	394,927,000	354,396,000

18 Investment income

Investment income, including realized and unrealized net gains on investments less investment expenses, was derived from:

	1984	1983
	\$	\$
Bonds and debentures	53,475,000	54,316,000
Stocks	30,732,000	19,579,000
Mortgages on real estate	56,087,000	52,901,000
Real estate	33,285,000	31,760,000
Loans to policyholders	6,115,000	6,113,000
Collateral loans	4,251,000	4,347,000
Term deposits	7,939,000	6,339,000
Other	4,704,000	4,397,000
	196,588,000	179,752,000
Expenses	11,889,000	10,498,000
	184,699,000	169,254,000

19 Lease commitments

The Company has contractual obligations in respect of rents payable on leased premises and equipment as follows:

	\$
1985	4,616,000
1986	4,159,000
1987	3,172,000
1988	2,661,000
1989	1,462,000
Remaining years	15,284,000
	31,354,000

20 Related party transaction

In the ordinary course of business, the Company receives management services from an associated company, The Laurentian Group Corporation. The fee for these services amounted to \$987,000 (1983 \$794,000).

**The Imperial Life Assurance
Company of Canada**

December 31, 1984

21 Subsidiary companies

The subsidiary companies whose financial results are consolidated in these statements are:

Name of company	Percentage of voting equity shares held	Nature of business
IMPCO Health Services Ltd., Canada	100%	Medical examination and physical fitness services
Its subsidiary:		
Alberta Medicorp Ltd., Canada	100%	Medical examination and diagnostic services
Impco Properties Limited, Canada	100%	Real estate investments
Impco Investment Management Limited, Canada	100%	Investment management
Imbrook Properties Limited, Canada	56.41%	Real estate investments
Anglo-Permanent Corporate Holdings Limited, Canada	91%	Management services
Its subsidiary:		
Laurier Life Insurance Company, Canada	98%	Life insurance
Its affiliate:		
A & C Insurance Agencies Limited, Canada	49%	Insurance brokers
Loyal American Life Insurance Company, United States	100%	Life and health insurance
Its subsidiary:		
Long Beach Development Corporation, United States	100%	Real estate investments
Impco Properties G.B. Limited, Great Britain	100%	Real estate investments
Its subsidiaries:		
The Invicta Investment Company Limited, Great Britain	100%	Real estate investments
Imperial Life Property Management Company (G.B.) Limited, Great Britain	100%	Real estate investments

Castlemere Properties Limited, Great Britain	100%	Real estate investments
Its subsidiaries:		
Property Investment and Finance Limited, Great Britain	100%	Real estate investments
Property Investment and Finance (Developments) Limited, Great Britain	100%	Real estate investments
Grandchester Properties Limited, Great Britain	100%	Real estate investments
Laurentian Financial Services Limited, Great Britain	100%	Investment management
Its subsidiary:		
Laurentian Investment Management Limited, Great Britain	80%	Investment portfolio managers
Imperial Life (U.K.) Limited, Great Britain	100%	Life insurance
Impan Properties Limited, Jamaica	80%	Real estate investments
Affiliated:		
Brook Securities & Company Limited, Great Britain	30%	Investment managers

22 Subsequent events

- (a) The Company has entered into a preliminary agreement with Pacific Standard Life Insurance Company of Davis, California, U.S.A., to sell to it, effective in 1985, the U.S.A. group business as at December 31, 1984. The transfer of this business is subject to approval of regulatory authorities, an independent valuation actuary's report, and the signing of a definitive agreement.
- When the transfer is completed, the assets and liabilities of the Company will be reduced by approximately \$9,000,000. The amount of business in force will be reduced by approximately \$564,085,000.
- (b) On January 31, 1985, agreement was reached, subject to regulatory approvals, to acquire from General Re Corporation, Connecticut, U.S.A., ownership of Trident Life Assurance Company Limited, Milldon and Co. Limited, Milldon and Co. (Insurance Services), Trident Insurance Group Management Services Limited, Trident Investors Life Assurance Company Limited, and Bondwall Limited, all of Gloucester, England. The total group have assets in excess of \$460,000,000. It is the intention of the Company to create a new wholly-owned Great Britain holding company, Imperial Trident Holdings Limited, to hold all of the shares of these acquisitions.

Ten-Year Review

The Imperial Life Assurance Company of Canada

	1984	1983	1982	1981	1980	1979	1978*	1977	1976	1975
(dollar amounts in thousands)										
Revenue:	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Premiums	394,927	354,396	354,591	368,407	289,056	212,919	163,568	135,361	132,705	110,106
Investment	257,312	267,135	230,513	158,368	147,099	102,623	79,517	70,955	55,844	55,815
Total paid or credited to policyholders and beneficiaries excluding dividends	480,425	464,087	432,341	383,455	316,758	233,062	162,403	144,635	131,844	115,328
Dividends to policyholders	28,180	26,602	20,949	18,728	16,272	13,056	12,106	9,957	10,069	10,061
Commissions, branch office, agency and operating expenses	130,168	115,853	110,280	103,015	88,015	61,173	53,662	45,806	44,242	38,973
Dividends to shareholders										
– Preferred	4,112	2,932	2,948	1,458	–	–	–	–	–	–
– Common	2,200	2,200	2,200	3,000	1,800	1,600	1,060	920	720	720
Total assets	2,594,100	2,322,148	2,009,965	1,722,423	1,416,360	1,114,852	940,056	812,393	756,896	713,595
Life insurance in force	21,059,896	17,435,695	16,070,375	15,087,414	12,719,006	9,105,964	7,670,914	6,340,190	6,003,198	5,557,828
Net rate of interest earned	12.15%	12.15%	11.83%	11.62%	10.59%	9.58%	8.70%	7.99%	7.57%	7.37%
Earnings per share	\$7.11	\$4.59**	\$4.02**	\$6.19**	\$3.31	\$4.24***	\$3.53	\$2.07	\$0.93	\$1.47
Number of agents	864	903	805	745	775	701	735	738	745	723
Number of employees	1,627	1,444	1,479	1,538	1,507	1,278	1,218	1,201	1,254	1,253

*Statutory accounting rules were significantly changed for 1978 and subsequent years.

**Basic earnings per share, after Preferred Share dividend.

***Restated due to change in accounting policy.

Summary of Capital and Retained Earnings

At December 31	1984	1983	1982	1981	1980	1979	1978*	1977	1976	1975
(dollar amounts in thousands)										
Appropriated	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
Participating account	28,011	29,298	26,186	22,412	24,409	18,344	23,563	10,525	10,525	10,525
Non-participating account	16,117	19,817	19,882	19,765	17,039	14,269	15,339	3,600	3,600	3,600
Shareholders'										
Capital Stock										
– Preferred	48,935**	23,935	23,935	24,538**	–	–	–	–	–	–
– Common	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained earnings	–	–	1	371	4,717	4,667	4,646	3,395	3,057	2,754
Unappropriated										
Participating account										
Life retained earnings	84,932	78,099	75,794	64,345	50,904	42,984***	39,095	28,324	27,189	26,910
Non-participating account										
Life retained earnings	33,231	22,273	19,414	14,140	11,197	10,517***	12,096	6,546	6,202	7,046
Health retained earnings	(1,943)	(180)	226	2,607	741	2,732	2,910	2,483	2,013	1,263

*Statutory accounting rules were significantly changed for 1978 and subsequent years.

**Issued capital stock increased by issue of 1,000,000 Cumulative Redeemable Preferred Shares, Series A of \$25 par value each on July 9, 1981, and 1,000,000 Cumulative Redeemable Second Preferred Shares, Series I of \$25 par value each on July 13, 1984.

***Restated due to change in accounting policy.

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Executive Vice-President,
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The Laurentian
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Mutual Insurance

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National Bank of Canada

***Philippe de Monplanet**
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L'Abeille-Paix-Vie

Robert Gachet
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President,
Compagnie Financière
du Groupe Victoire

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Toronto, Ontario
Director,
Canadian Imperial
Bank of Commerce;
Chairman,
Canadian Reinsurance Company
Canadian Reassurance Company

John A. Kempton
London, England
Company Director

Patricia Johnston-Lavigne
Mount Royal, Quebec
Partner,
Johnston, Lavigne and Associates

****J. Louis Lebel**, Q.C.
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President,
Dome Canada Limited;
Counsel,
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Michel Marchal
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Mobile, Alabama
Vice-Chairman of the Board
and Chief Executive Officer,
Loyal American Life
Insurance Company

****William G. Munro**, F.L.M.I.
Toronto, Ontario
Company Director

***Anna Porter**
Toronto, Ontario
President and Publisher,
Key Porter Books

***Harold A. Renouf**, O.C., F.C.A.
Halifax, Nova Scotia
Chairman,
Via Rail Canada Inc.

Sandra D. Sutherland, Q.C.
Vancouver, British Columbia
Partner,
Freeman & Company
Barristers and Solicitors

***Roger H. A. Wain**
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Senior Vice-President
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for Great Britain,
The Imperial Life
Assurance Company
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Chairman of the Board,
Acklands Limited

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The Grand Bahama Port Authority Limited

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Bahamas Development Bank

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Company Director

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Ripley, England
Chief Commissioner, The Girl Guides Association

Sir Henry Johnson, K.B.E.
Chalfont St. Giles, England
Company Director

The Rt. Hon. The Lord Marsh of Mannington
London, England
Chairman, Newspaper Publishers' Association

André J. Plagnol
London, England
Vice-President, Europe, Middle-East
and Africa Division,
National Bank of Canada

Roger H. A. Wain
Senior Vice-President and General Manager
for Great Britain,
The Imperial Life Assurance Company of
Canada

*Member of the
Executive Committee

*Member of the
Human Resources Committee

*Member of the
Audit Committee

*Member of the
Great Britain Committee

Claude Bruneau, LL.L., M.B.A.
Chairman of the Board, President
and Chief Executive Officer;
Chairman of the Executive Committee
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Executive Vice-President

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Investments

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and Administration

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Group Operations

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Corporate Planning

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Vice-President,
General Counsel and Secretary

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Executive Director –
Administrative Services

John N. Elder, C.L.U.
Executive Director –
Property/Casualty Marketing

Hugh C. Fardy, C.L.U.
Executive Director –
Marketing Administration

Brian A. Hurley, A.A.C.I., S.R.P.A.
Executive Director –
Mortgage Investments

Thomas A. Milburn, F.S.A., F.C.I.A.
Individual Operations Actuary

Thomas Porter, M.D.
Medical Director

Dennis Simms
Executive Director –
Individual Insurance Systems

W. Alan A. Teeter, C.L.U.
Executive Director –
Marketing Operations

Officers in Great Britain

Roger H. A. Wain
Senior Vice-President
and General Manager for
Great Britain

Eric R. Paton
Director of Marketing

David G. Peters, F.C.I.S., A.C.I.I., A.M.B.I.M.
Director of Financial Services

John C. Walton
Director of Investments

Nigel W. Ratcliffe
Head of Information Systems
and Planning

Geoff M. Bird
Personnel Director

David E. G. Pope
Director of Broker Services

Richard A. Knox-Johnston
Director of Agencies

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F. Murray Hall, M.D., F.R.C.P.(C)
President

James F. Massie
Vice-President and General Manager

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Chairman of the Board

Matthew S. Metcalfe
Chief Executive Officer
and Vice-Chairman of the Board

Claude Bruneau, LL.L., M.B.A.
Vice-Chairman of the Board

Jean-Marie Poitras, O.C.
Vice-Chairman of the Board

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President and
Chief Operating Officer

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First Senior Vice-President,
Marketing and Field Operations

John C. Strom
Senior Vice-President
and Treasurer

Gale S. Fly
Senior Vice-President
and Director of Information Systems

Jo Williams
Vice-President and Secretary

Edward C. Dahmer, Jr.
Vice-President, Comptroller

Charlie Dennis
Vice-President, Credit Union
Life Division

Gordon G. Kerr
Vice-President, Flight Operations

Thomas D. Rogers
Vice-President, Training Director

Donald A. Sanders
Vice-President, Cancer Division

Glenn R. Swanick, F.S.A., F.C.I.A.
Vice-President, Corporate Planning

James C. Toomey
Vice-President, Data Division

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Chairman of the Board

Stephen G. Lindemann
Executive Director

Officers of Imbrook Properties Limited

W. Dennis Young
President and
Chief Executive Officer

John H. McMeekin, C.F.A., F.L.M.I.
Executive Vice-President

Anthony P. Alberga
Vice-President –
Development

Brian E. Richardson
Vice-President –
Finance

Head Office

Imperial Life Building
95 St. Clair Avenue West
Toronto, Canada
M4V 1N7

Branch and Sales Offices in Canada

Western Region

W. H. Kamineski, C.L.U.
Director of Marketing –
Western Region

Brandon, Man.
R. W. MacKalski

Calgary, Alta.

Edmonton, Alta.
C. B. Schultz, C.L.U.

Kamloops, B.C.
C. W. Abbott, C.L.U.

Regina, Sask.
R. J. Blouin

Saskatoon, Sask.
D. J. Hunt

Vancouver, B.C.
J. A. C. MacIntosh, C.L.U.

Vancouver, B.C.
N. Tsang

Victoria, B.C.
P. N. Hutchinson

Winnipeg, Man.
A. C. Campeau, C.L.U.

Sales Offices

Langley, B.C.
Nanaimo, B.C.
Penticton, B.C.
Prince Albert, Sask.
Prince George, B.C.
Steinbach, Man.

Ontario Region

V. Joannette, C.L.U.
Director of Marketing –
Ontario Region

Barrie, Ont.
D. A. Conway, C.L.U.

Hamilton, Ont.
K. P. Sigurdson

Kingston, Ont.
M. A. Campbell, C.L.U.

Kitchener, Ont.
N. D. Trotter, C.L.U.

London, Ont.
C. D. Leroux, C.L.U.

North Bay, Ont.
J. S. Knight

Oshawa, Ont.
D. Westlake, C.L.U.

Ottawa, Ont.
P. G. Koppel, C.L.U.

Toronto, Ont.
K. Sagheer

Toronto, Ont.
D. G. Reynolds

Toronto, Ont.
D. H. Zwicker, C.L.U.

Sales Offices

Kemptville, Ont.
Kirkland Lake, Ont.
Niagara Falls, Ont.
Orillia, Ont.
Peterborough, Ont.
St. Catharines, Ont.
Sarnia, Ont.
Stayner, Ont.
Stratford, Ont.
Windsor, Ont.
Woodstock, Ont.

Quebec/Atlantic Region

K. M. Sopora, C.L.U., F.L.M.I.
Director of Marketing –
Quebec/Atlantic Region

Charlottetown, P.E.I.
E. D. Grant

Halifax, N.S.

Moncton, N.B.
D. B. MacKay, C.L.U.

Montreal, Que.
L. Couture, C.L.U.

Montreal, Que.
G. Déry

Montreal, Que.
E. Pichelli

Quebec, Que.
G. Pineau

Rimouski, Que.
P.-E. Lévesque

St. John's, Nfld.
R. Martel

Thetford Mines, Que.
J.-G. Cyr, C.L.U.

Sales Offices

Chandler, Que.
Grand Falls, Nfld.
Matane, Que.
Saint John, N.B.
Sherbrooke, Que.
Ste-Anne-des-Monts, Que.
Ste. Foy, Que.
Summerside, P.E.I.
Sydney, N.S.

Women's Financial Planning Centre

Toronto, Ont.
W. L. Stanley, F.L.M.I.

In The Bahamas:

Branch Office

Nassau, Bahamas
G. A. Sweeting, C.L.U.

Investment Office

M. J. Hutchinson
Investment Manager

Sales Office

Freeport, Bahamas

In the United States:

Loyal American Life Insurance Company

Head Office in Mobile, Alabama
Licensed to operate in 47 states
and the District of Columbia

Group Insurance Offices in Canada

Calgary, Alta.
J. G. Brown, C.L.U.

Montreal, Que.
L. Kato

Toronto, Ont.
D. N. Harvey

Vancouver, B.C.
T. G. Heselton

Mortgage Loan Offices in Canada

Calgary, Alta.
W. G. McDougall, A.A.C.I.

Halifax, N.S.
J. G. MacDonald

Montreal, Que.
J.-P. Morin

Toronto, Ont.
R. W. Newton, C.R.A.

Vancouver, B.C.
K. K. Jerome, A.A.C.I., M.A.I.

In Great Britain:

Chief Office

Imperial Life House
London Road
Guildford, Surrey
GU1 1TA

Branch and Sales Offices

Central London
D. Morris

Glasgow
J. M. Goudie

Newcastle
L. T. G. Hughes

South London
G. F. Garfield

Sales Office
Wardour Street

London Region

D. Schiff
London Area
Director

Aldwych
A. Charvonia

City
D. S. Lee

Haymarket
A. H. Evans

Holborn
B. Roden

Kingsway
N. R. Sumner

North London
A. R. Woolf

University
J. A. Jacobs

Whitehall
A. G. Phokou

Sales Office
Southend

Midland Region

J. M. Locke
Regional Manager –
Midlands

Birmingham
S. M. Shinerock

Cambridge
D. F. Morley

Leeds
P. A. Dodds

Leicester
M. M. Leask

Sales Offices

Liverpool
Manchester
Nottingham

South West Region

H. G. Spencer-Mustoe
Regional Manager –
South West

Bristol
E. P. Bamford

Cardiff
B. J. Cross

Exeter
N. J. Hemming

Oxford
J. E. Barlow

Plymouth
I. D. Hopkins

Southampton
R. L. Noach

South East Region

S. Freedman
Regional Manager –
South East

Brighton
T. T. Hyde

Canterbury
T. Painter

Maidstone
C. M. Haley

North Kent
S. Freedman

Surrey
T. J. Evans

Broker Division

D. E. G. Pope
Director of
Broker Services

P. A. Forsdick
Broker Sales
Manager

Birmingham
W. Poulton

Bristol
K. Swain

Manchester
J. Board

Guildford
A. J. Childs