

**The Prudential Assurance  
Group of Companies**

**Review of Canadian  
Operations 1983**



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### Accounting Notes

The accounting principles and presentation adopted by the Canadian group of companies are in the main based upon those prescribed or permitted by the Department of Insurance for British insurance companies.

However, in certain circumstances the principles and reporting requirements of the U.K. parent have been adopted.

**Although contracts are no longer sealed by a handshake, the human element will always play a major role in any business transaction.**

### Growth of Assets

(thousands of dollars)

\$1,839,260	83
\$1,532,161	82
\$1,332,594	81
\$1,231,363	80
\$1,086,109	79

### Growth of Earned Premium Income

(thousands of dollars)

\$ 519,321	83
\$ 465,584	82
\$ 375,830	81
\$ 289,803	80
\$ 263,885	79

**The Prudential Assurance  
Group of Companies  
Review of Canadian Operations**  
(all dollar amounts in thousands)

The accounting notes form an integral  
part of these statements

	1983	1982 (restated)
Earned Premium Income	\$ 519,321	\$ 465,584
Market Value Adjustments on Segregated Funds	24,229	11,496
Investment Income	163,380	146,910
Net Realized Capital Gains (Losses)	13,335	(1,102)
	<b>720,265</b>	622,888
Total Paid to or Set Aside for the Protection of Contractholders and Beneficiaries	534,140	469,577
Expenses and Taxes	145,208	121,108
	<b>679,348</b>	590,685
Net Income	\$ 40,917	\$ 32,203
Assets	<b>\$1,839,260</b>	\$1,532,161



## Annual Review of Canadian Operations

The Prudential Assurance group of companies had an excellent year in Canada. Life and Pension Operations continue to meet targets for profitable growth, particularly in non-participating annuity business; Property and Casualty Operations exceeded all previous earnings records; Constellation Assurance rebounded to an excellent position after a year of poor experience in 1982. Investment performance was generally above median in the comparative surveys and showed consistent month over month improvement throughout the year.

### Corporate Structure

During 1983 we re-organized Prudential Assurance by splitting most of the corporate services functions, which had previously been shared, and allocating accountability for these services separately to our two main operations, Life and Pension and Property and Casualty. A few functions, notably investment management and data processing, have been retained as integrated divisions belonging to one of the two main Operations with services provided to the other. This re-organization has as its main aims increased productivity by permitting corporate services employees to become more closely involved with business objectives, and increased flexibility to respond to future market changes.

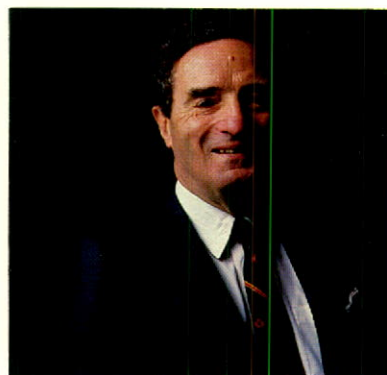
Data Processing provides services to the whole group of companies, and in 1983 the acquisition of an IBM 3083 has led to a noticeable improvement in response times for our networks across Canada. We have progressed towards our objective of increased automation, not only by introducing several mainframe enhancements, but also by increasing our use of personal computers and word processors.

The combination of re-organization and automation forced many of our staff to work in new environments; without their enthusiastic co-operation the re-organization would not have succeeded. The Board and Management are aware of this and wish to express appreciation and thanks to those individually involved. Thanks for a job well done and excellent results achieved are also extended to all staff and life agents across Canada.

### Canadian Advisory Board

In May, the directors were saddened by the sudden death of Mr. H.E. McArthur of Vancouver who joined the Board in March 1981. We have been fortunate in being able to appoint Mr. Chester A. Johnson as our Director from British Columbia.

As already announced in the press, the undersigned retired as Chairman at the end of the year but will remain a director. Mr. Radcliffe R. Latimer became Chairman of the Canadian Advisory Board on 1 January 1984.



I.D. Mair

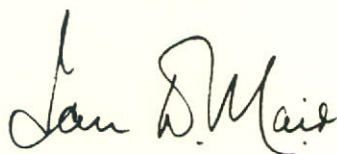
## Changing Environment

It is apparent that there will be changes in the entire financial services sector in Canada. Banks, trust companies and insurance companies are pressing for extended powers which will inevitably lead to increased competition among them. Banking legislation which is up-dated every ten years, will require little amendment, but legislation for trust companies and insurance companies is seriously out of date. In addition, certain provincial legislation applicable to insurance companies has already been amended to give to provincially-licensed companies at least some of the extended powers the federally-licensed companies are seeking. In particular, Quebec has announced plans to have in place by June 1984 legislation to give full extended powers in relation to financial services.

We regard uniformity of regulation across the country, both federally and provincially, and the ability for all sectors of the financial services industry to compete fairly in the marketplace as advisable if the industry is to properly serve the Canadian public. We continue to urge the Federal Minister to exercise his existing authority to bring about the changes in the Federal Insurance Act, not only to permit diversification in financial services, but also to bring insurance legislation up to date after standing still for fifty years.

The Prudential Assurance group of companies is well organized to take advantage of opportunities in the broadening financial services area and to respond nimbly to meet the opportunities which lie ahead. We see an exciting

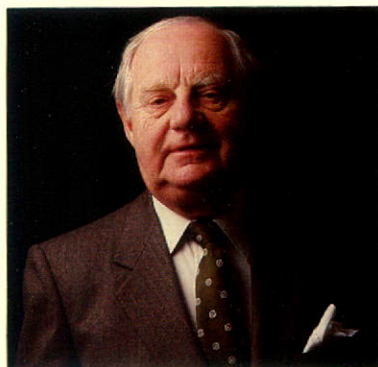
and vigorous future. However, while joining the industry to press for extended powers which will significantly broaden the scope for growth in our market share and profit, we will not forget the needs of the public that we serve. The concept of one-stop financial services shopping is exciting, but we have not yet seen much evidence that the public will prefer the apparent convenience of one-stop shopping to the demonstrated expertise of specialists in relatively narrow fields. We intend to maintain our reputation for superior service and fair dealing, and we confidently rely on our staff and life agents to achieve this in their day to day contact with the insuring public.



**I.D. Mair**  
President for Canada  
and Chief Executive Officer



**J.N. Cole**  
Chairman of the Board



J.N. Cole

## 20 Corporations (Major Investments)

Alcan  
Amca International  
Bank of Nova Scotia  
Bell Enterprises  
Bow Valley  
Brascan  
B.C. Forest  
Canadian Pacific  
Dofasco  
Gulf Canada  
Imperial Oil  
Inco  
Noranda  
Norcen  
Royal Bank  
Seagrams  
Stelco  
Texaco Canada  
Toronto-Dominion Bank  
Walker Resources

Note: Companies are listed alphabetically and not by amount of holdings.



## **Prudential Assurance Life and Pension Operations**

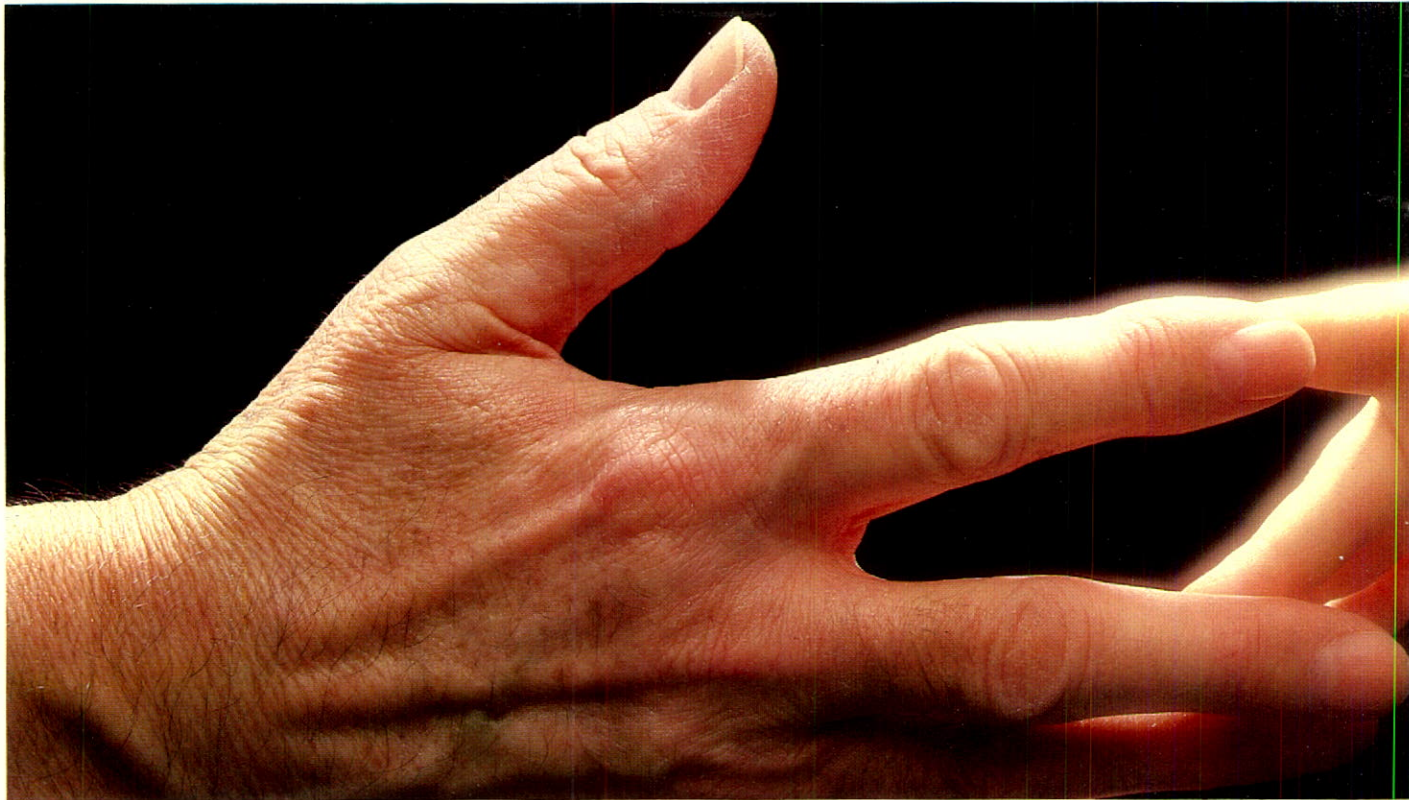


M.A.P. Beck

We expect that the extremely turbulent environment of the past few years will continue to surround our business in the future. This has caused us to identify and concentrate our energies toward excellent performance in the few key areas which are critical to achieving sustained profitable growth.

### **A Thriving Career Agency Force**

Throughout the 1970's, our number of career agents fluctuated around 400. In 1983, we began a program aimed at systematically increasing our agency strength. At the end of 1982, we had 414 full-time agents and we increased this to 459 in 1983.



### **Excellent Investment Performance**

In 1981, we decided to use pension fund comparative surveys as the standard of performance measurement for all of our insurance and pension funds, and to measure our success by our ability to compete successfully in the pension fund management



marketplace. In 1983, our comparative performance advanced significantly in all major asset categories and the market value of assets under our management increased by 20% to \$1.45 billion as of 31 December 1983. This included \$165 million in segregated investment funds, up 63% from 1982.

### **Increased Depth of Management Expertise**

During 1983, we held our now annual planning seminar and more of our managers and supervisors attended strategic, general and project management courses throughout the year.

In the area of Sales Management Development, a greatly improved program for developing second-line managers was introduced during the fall.

### **Advanced Pension Administration Systems**

In 1983, we purchased a controlling share of Corfax Benefit Systems Limited, a company which specializes in computerized benefit administration systems. By combining our own expertise with that of Corfax, we have increased our pension and group registered retirement savings plan administration capability toward market leadership and have been rewarded with outstanding sales results in 1983, particularly in group registered retirement savings plans.



**The protection of the loved ones remains a basic concern from one generation to the other.**



### Competitive Operating Effectiveness

We continued to renovate our computer systems and administrative procedures with the objective of containing our costs. To ensure that these benefits are realized we implemented in 1983 a staff hiring freeze which will continue throughout 1984.

### A Reputation for Giving Good Value to the Public

In spite of generally lower interest rates, we maintained in 1983 our dividends to contractholders at the 1982 level and will do so again in 1984. By controlling our expenses, and aided by consistently excellent mortality experience, we have avoided price increases in our major insurance products and have increased our levels of communication and service to clients.

In the continuing process of keeping our products and services up-to-date, we made several improvements to our individual savings plan

"Pruflex" — lower minimum premiums, monthly payment facilities, reduced termination charges and a wider range of investment options. We also introduced a new "Term for Life" insurance plan to provide more affordable insurance programs for people over age 50.

### Statistical Highlights

*Total premium income* increased to \$307 million in 1983, up 13.7% over 1982. This total includes \$169 million single premiums, an increase of 33% over last year.

*Net Income* before dividends to contractholders was down from \$52.6 million in 1982 to \$47.8 million in 1983. This reflects the lower overall level of interest rates, our strategy to increase our investment in common stocks which has repaid handsomely in capital gains not yet realized, and new business strain due to our buoyant growth.

*Death Benefits* totalled \$18.2 million, an increase of only 1% over 1982, reflecting a third consecutive year of excellent experience.

*Surrender payments* were down to \$105 million in 1983 from \$116 million in 1982. The high dollar level of surrender values reflects our strategy of encouraging clients to update their savings and insurance programs by transferring to our current series of more flexible products.

### Summary

1983 was an excellent year in terms of both financial results and implementation of strategies for long-term profitable growth.

We thank all of our managers, agents and staff who have worked together with great enthusiasm to build a sound and thriving organization for the future.



### M.A.P. Beck

Executive Vice-President,  
Life and Pension Operations

### Growth of Assets

(thousands of dollars)

\$1,445,227 83

\$1,199,428 82

\$1,047,492 81

\$ 967,375 80

\$ 863,491 79

### Growth of Earned Premium Income

(thousands of dollars)

\$ 306,979 83

\$ 270,010 82

\$ 212,021 81

\$ 156,469 80

\$ 148,058 79



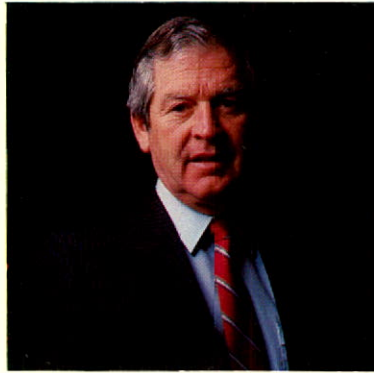
**The Prudential Assurance  
Company Limited  
Review of Life and Pension  
Operations**

(all dollar amounts in thousands)

The accounting notes form an integral  
part of these statements.

	1983	1982
Earned Premium Income	\$ 306,979	\$ 270,010
Market Value Adjustments on Segregated Funds	24,229	11,496
Investment Income	130,228	117,166
Net Realized Capital Gains	1,486	—
	<b>462,922</b>	398,672
Total Paid to or Set Aside for the Protection of Contractholders and Beneficiaries	399,546	341,979
Expenses and Taxes	53,690	46,971
	<b>453,236</b>	388,950
Net Income	\$ 9,686	\$ 9,722
Assets	<b>\$1,445,227</b>	\$1,199,428

### **Prudential Assurance Property and Casualty Operations**



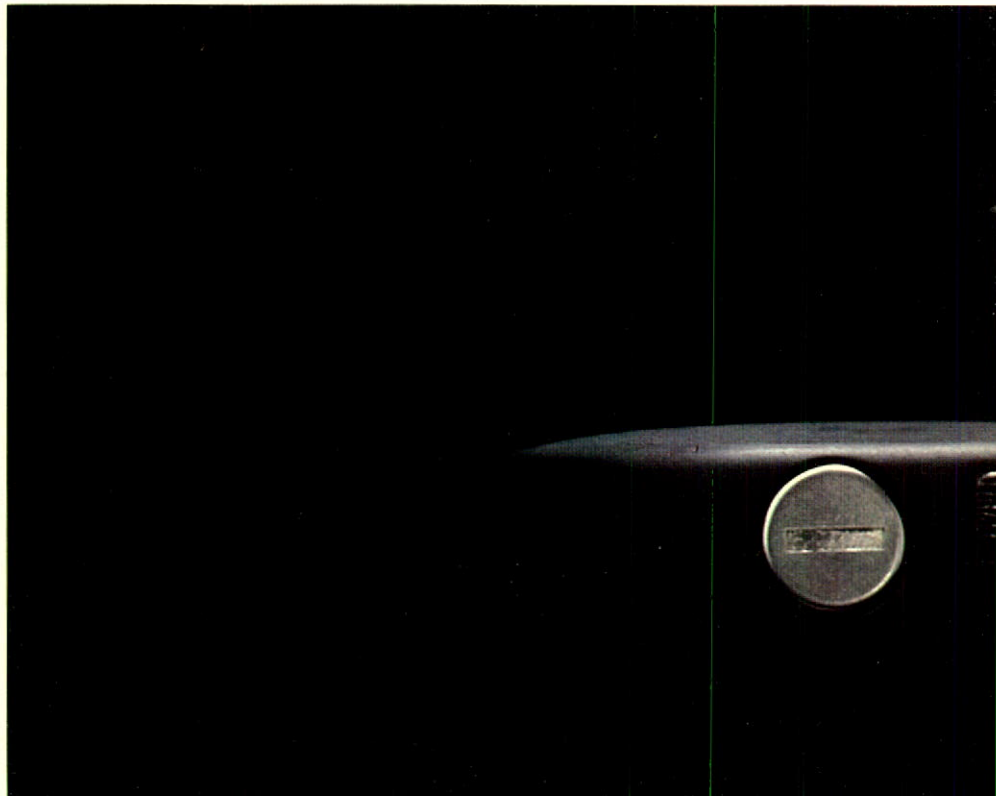
J.J. Rowen

1983 was a very good year – much better than had been expected. We made an underwriting profit versus a projected loss. Our investment income, including realized gains of some \$11 million, exceeded our projections.

Insurance industry spokesmen suggest that the private insurance industry operating index for 1983 will run close to 102% – 103% compared to an operating result of 107% in 1982. Prudential Assurance published results, including Prudasco, will show a result in the neighbourhood of 96% versus 97% in 1982.

Growth in terms of written premium income was non-existent in 1983. This is causing serious concern at all levels of our organization. For the first time in years we ended the year with fewer customers and a reduced work force, notwithstanding strenuous efforts to protect our percentage share of the market.

**The automobile insurance market has been a key element of the excellent results achieved by our Property and Casualty operations in 1983.**



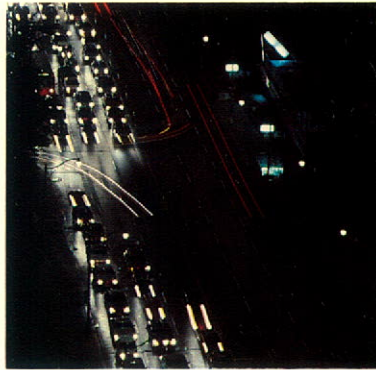


### Excellent Automobile Insurance Results

As was the case last year, higher unemployment, higher gasoline prices, and a slowly improving economy—particularly in the Province of Quebec—all contributed towards keeping the automobile accident frequency at historically low levels. This, in turn, led to good profits on this important large book of business written by the Company. The arrival of more normal winter driving conditions after a reprieve of some two years contributed to a much higher accident frequency in the closing weeks of the year but it has had little impact on the final profitable underwriting results.

Our accident and health treaty arrangements produced an underwriting profit—as did our commercial automobile, fire and ocean marine accounts.

The commercial liability account, including professional errors and omissions business, turned in a very sour performance. Substantial pruning of our book of business, as well as the lapsation of the Careerguard Loss of Wages Pool, took place during 1983. Changes in our claims handling procedures produced



improved results in the latter half of the year. We look forward to even better results on what, unfortunately, must be a smaller portfolio in 1984.

Substantial investment in computer hardware and software programmes, not to mention human resources, was made in 1983, and plans for 1984 again call for additional costs to be incurred in the vital Data Processing Division.

### Challenging Year Ahead

Inflationary pressures eased considerably in 1983 and the prospects for further reductions in the rate of inflation appear excellent.

The professional world-wide reinsurance market has finally shown signs of reacting to the disastrous results produced on liability business. As a consequence, our own treaty arrangements have been renewed for 1984 at a moderate increase in costs in excess of that charged in 1983.

Economic, political and competitive issues are such that we expect a most difficult year in 1984. We have entered a period of no growth compounded by a world-wide excess in general insurance capacity. This capacity is being used to gain an entry—and in some instances an expanded presence—in Canada.

Apparently the owners of such capital have decided this region of the world is a desirable one in which to invest for the long term.

Regardless of the challenges and problems facing us, we are convinced the difficult times ahead will again produce opportunities for growth and profits in excess of that anticipated by our major competitors.



### J.J. Rowen

Executive Vice-President,  
Property and Casualty  
Operations

### Growth of Assets

(thousands of dollars)

<b>\$307,793</b>	<b>83</b>
<b>\$259,491</b>	<b>82</b>
<b>\$225,102</b>	<b>81</b>
<b>\$210,129</b>	<b>80</b>
<b>\$184,517</b>	<b>79</b>

### Growth of Earned Premium Income

(thousands of dollars)

<b>\$166,582</b>	<b>83</b>
<b>\$155,721</b>	<b>82</b>
<b>\$133,316</b>	<b>81</b>
<b>\$108,270</b>	<b>80</b>
<b>\$ 99,483</b>	<b>79</b>



**The Prudential Assurance  
Company Limited**  
**Review of Property and Casualty  
Operations**

(all dollar amounts in thousands)

The accounting notes form an integral  
part of these statements.

\* After a charge of \$514,000 relating to  
prior years.

	1983	1982
Gross Written Premiums	<b>\$182,134</b>	\$182,884
Reinsurance Premiums	<b>(16,363)</b>	(17,378)
Net Written Premiums (Increase) in Unearned Premiums	<b>165,771</b>	165,506
	<b>811</b>	(9,785)
Earned Premium Income	<b>166,582</b>	155,721
Investment Income	<b>24,949*</b>	22,736
Net Realized Capital Gains (Losses)	<b>11,178</b>	(1,376)
	<b>202,709</b>	177,081
Total Paid to or Set Aside for the Protection of Contractholders and Beneficiaries	<b>96,541</b>	94,439
Expenses and Taxes	<b>76,794</b>	61,454
	<b>173,335</b>	155,893
Net Income (Loss)	<b>\$ 29,374</b>	\$ 21,188
Assets	<b>\$307,793</b>	\$259,491

## Constellation Assurance Company



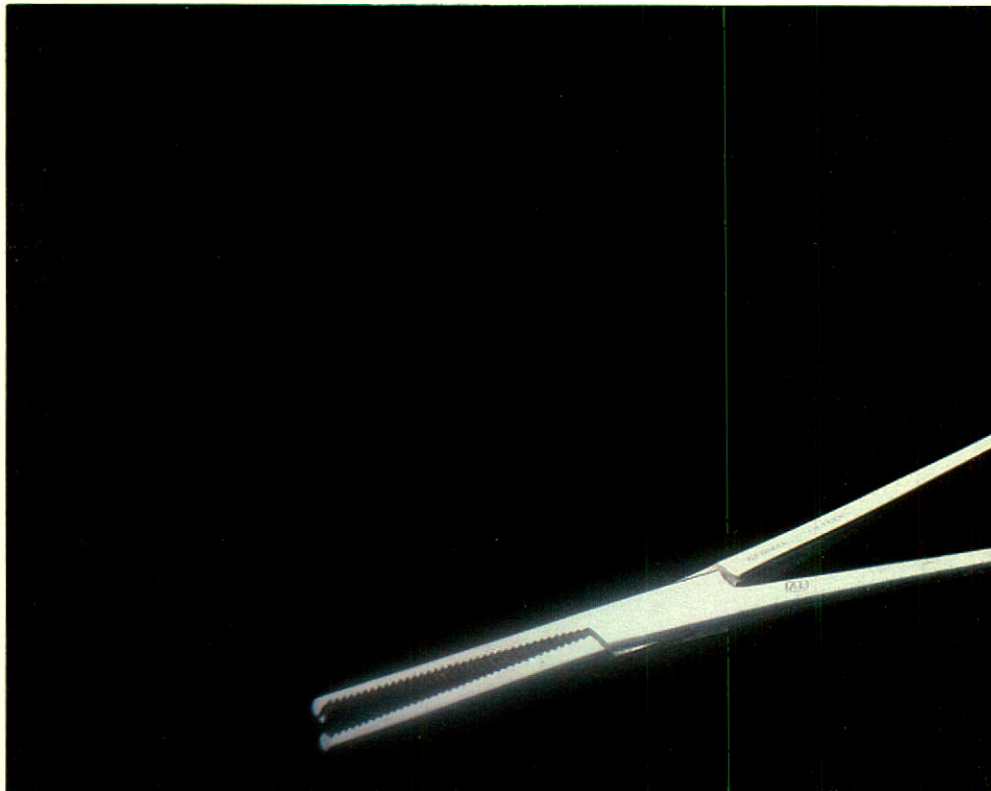
T.L. Bourk

This year met our expectations of continued escalation of health care costs and slower growth within the life and health insurance industry in Canada. Against this background, Constellation's 1983 results were very favourable. Premium income growth of 13.4% was triple that of the industry growth rate. Net income of \$286 thousand, an increase over the prior year, included an operating profit improvement of \$96 thousand.

### Product Strength

It was encouraging to see the inflation rate drop throughout 1983 and the strengthening of most sectors in the economy. Unfortunately, unemployment remained high with its resulting human costs and negative effect on government deficits. These forces continue to constrain consumer demand for life and health insurance, particularly in the group markets. Our new sales, although

The ability to practice is the professional's major asset, and should this be lost, it is comforting to know that Constellation Assurance is there.







comparable to the prior year in dollar terms, showed changes reflecting new Individual product introductions as well as Constellation's growing reputation in the Association insurance market; Individual and Association business now represent 34% of our total. Within the Company's major product line-group-health and disability business continued to grow strongly with year-over-year increases of 11.8% and 17.8% respectively.

### Service to Our Brokers

As a Company operating within the brokerage distribution system, we have established a unique servicing capability attractive to contractowners and brokers. During the year, this servicing organization was strengthened and projects are in place to provide further expansion of computerized and other customer support systems in all seven sales and service locations across the country. Improvements in quotation handling, claims and contract administration are areas receiving particular attention. We are taking advantage of new computer technology for customer service which will lead to a network of local service centres within the next few months.

Pressures on premium rates and underwriting practices have not subsided since the beginning of the recession in 1981. However, there are encouraging signs that insurance requests have less emphasis on coverages that can lead to over-insurance or

escalating contractowner costs. We believe this change is positive and have undertaken product revisions and new product designs to adapt to this trend.

### Our Staff Development

We continue to be dedicated to the training and development of our staff in all facets of our business and this will be broadened to support productivity improvement measures introduced during the past year.



Although we maintain a relatively high growth rate we build productivity improvements into our operations as a standard practice. During the year, the Quality Circles concept was introduced which complements the underlying efficiency and service practices already in effect.

### Improved Operating Results

Expanded data processing and customer service systems required a considerable investment in time and dollar terms throughout the year. In spite of these costs, our overall expense ratio was improved over the prior year. Claim payments reflected a considerable improvement in claims experience from the previous 18 months and at \$22.9 million were up only 11.2%. Investment income grew by 18.3% over the prior

year with an overall yield, before capital gains, of 11.2%, compared to 17% and 11.35% respectively in 1982. These results were very satisfactory considering the sharply dropping interest rates and changing investment scene that prevailed throughout the prior 18 months. Total assets now exceed \$75.7 million, up by \$11.3 million.

### A Tribute

During the year we were saddened by the deaths of two men who had made significant contributions to our Company. Senator Maurice Lamontagne was a Director from the inception of the Company in 1970 and had provided important perspective as an economist and international statesman. Dr. Kenneth G. Brown was Medical Officer. He was well regarded within our industry and had exceptional qualifications in Cardiology and Internal Medicine as well as Insurance Medicine.

### Summary

I am pleased at the support of our employees who have responded to the many changes occurring in our industry with initiative and adaptability; these qualities are appreciated. We are confident that our company has the expertise needed to balance market requirements with our long term objectives of being leaders in the employee benefit and disability insurance markets.



### T.L. Bourk

President and  
Chief Executive Officer

### Growth of Assets

(thousands of dollars)

**\$75,738** **83**

**\$64,479** **82**

**\$53,452** **81**

**\$48,250** **80**

**\$38,101** **79**

### Growth of Earned Premium Income

(thousands of dollars)

**\$39,518** **83**

**\$34,135** **82**

**\$25,580** **81**

**\$19,876** **80**

**\$16,344** **79**

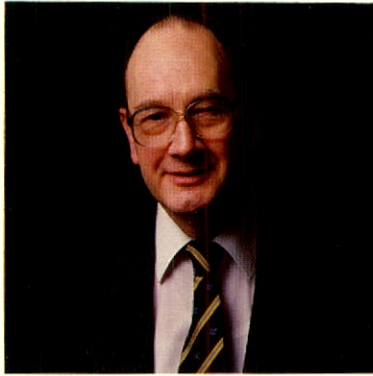


**Constellation Assurance  
Company**  
**Review of Operations**  
(all dollar amounts in thousands)

The accounting notes form an integral  
part of these statements.

	<b>1983</b>	1982 (restated)
Gross Written Premiums	<b>\$44,764</b>	\$39,334
Reinsurance Premiums	<b>(5,113)</b>	(5,345)
Net Written Premiums (Increase) in Unearned Premiums	<b>39,651</b> <b>(133)</b>	33,989 146
Earned Premium Income	<b>39,518</b>	34,135
Investment Income	<b>7,269</b>	6,058
Net Realized Capital Gains	<b>86</b>	100
	<b>46,873</b>	40,293
Total Paid to or Set Aside for the Protection of Contractholders and Beneficiaries	<b>34,770</b>	29,842
Expenses and Taxes	<b>11,817</b>	10,239
	<b>46,587</b>	40,081
Net Income	<b>\$ 286</b>	\$ 212
Assets	<b>\$75,738</b>	\$64,479

## Prudential Assurance Investment Operations



D.W. Parkin

In securities markets we had another active year, but the nature of this activity was substantially different from 1982. Fixed income markets stabilized, after several years of high volatility, with interest rates varying within a range of only 1% during the year, and at a much lower overall level than we previously experienced. Nevertheless, we were able to maintain a competitive rate of return on our bonds and mortgages, enhanced by several attractive new issues and active trading. Common stocks had a remarkable year, with the Toronto Stock Exchange 300 Index reaching a peak of 2611 in September – an impressive gain of 93% in fourteen months. Our investment policy included substantial additions to our stock portfolios in the first half of the year. At the year-end,

**The stock certificate is still the cornerstone of modern portfolio management, even though most titles are now transferred electronically.**





realignment of equity portfolios and other market activity (including bond trading) had produced realized capital gains amounting to approximately \$36 million in our major accounts.

As we did last year, we have listed on page 3 twenty Canadian companies in which we have invested Canadian contractholders' monies.

### Pension Fund Management

With the stabilization of fixed income security markets, and the strong improvement in stock markets caused by the economic recovery, it is not surprising that our policy of high equity investment representation produced good results in 1983.

Those pension funds which allowed us full discretion in regard to asset mix enjoyed first quartile performance in 1983. Our equity performance was well above average for all measurement periods ending 31 December 1983, and our bond funds were consistently in the top 25% of comparable funds for whatever period is selected for review.

These results indicate the validity of the team approach which we have adopted for investment management, coming as they do in a year when some personnel turnover was experienced. Continuity of management style is considered to be a vital criterion in assessing professional money management organizations, and we are confident that our results will support this point of view.

### Objectives and Performance

As was anticipated a year ago, the lower level of interest rates prevailing in 1983 made it difficult to keep investment income above 1982 results, allowing for growth in funds invested. However, as the table shows, we were able to meet our objectives for insurance funds in most instances.



### D.W. Parkin

Senior Vice-President for Canada, Finance

### 1983 Investment Income

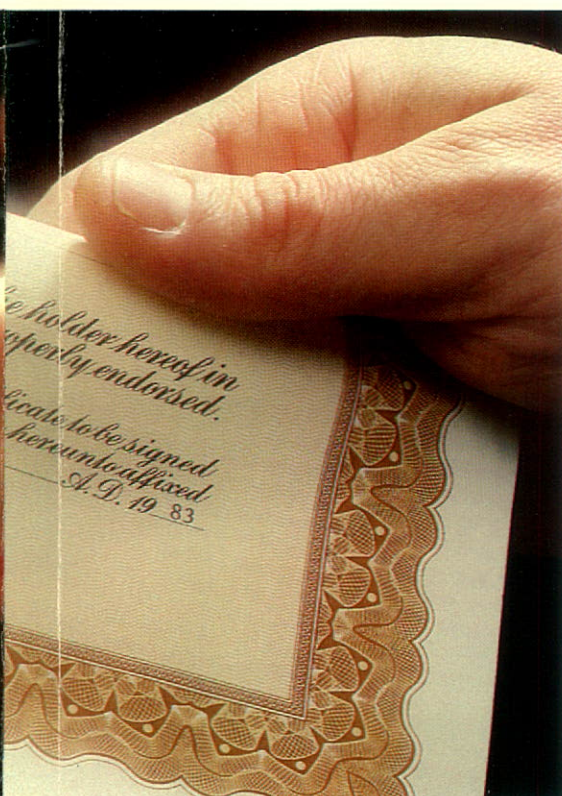
	Objectives (thousands of dollars)	Results	Yield
Life & Pension	\$125,000	\$130,228	11.8
Property & Casualty	\$ 25,300	\$ 25,463	10.7
Prudasco Assurance	\$ 900	\$ 934	11.9
Constellation Assurance	\$ 7,500	\$ 7,269	11.2

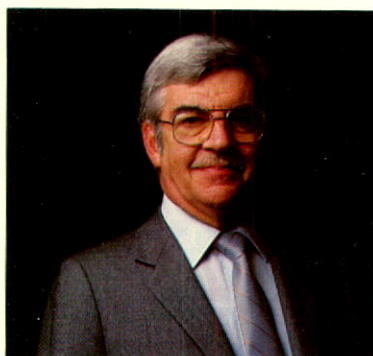
### The Prudential Assurance group of companies

#### Review of Investment Operations

(all dollar amounts in millions)

Assets	Life and Pension	Property & Casualty	Constellation	Prudasco
Bonds and Debentures	\$ 641	\$169	\$59	\$ 6
Stocks	124	65	1	3
Mortgages	263	16	5	—
Real Estate	103	10	—	—
Cash and Short Term				
Investments	33	18	7	1
Segregated Funds	165	—	—	—
Other Assets	116	30	4	1
As at 31 December 1983	\$1,445	\$308	\$76	\$11
As at 31 December 1982	\$1,199	\$259	\$64	\$ 9



**Prudasco Assurance  
Company**


Incorporated on 30 November 1979 under the Canadian and British Insurance Companies Act, the Company is primarily used as a reinsurance medium and currently reinsures 4% of all Property and Automobile Insurance written in Canada by Prudential Assurance.

**J.J. Delorme**  
President

**Prudasco Assurance Company  
Review of Operations**

(all dollar amounts in thousands)

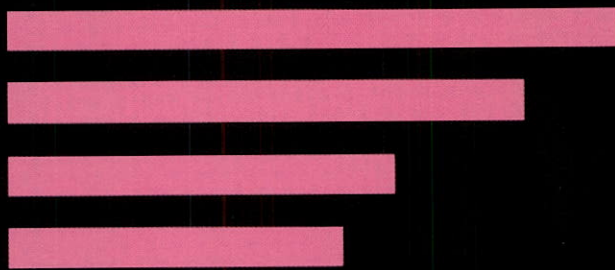
The accounting notes form an integral part of these statements.

	1983	1982 (restated)
Gross Written Premiums	\$ 6,201	\$6,187
Reinsurance Premiums	—	—
Net Written Premiums	6,201	6,187
(Increase) in Unearned Premiums	41	(469)
Earned Premium Income	6,242	5,718
Investment Income	934	950
Net Realized Capital Gains	585	174
	7,761	6,842
Total Paid to or Set Aside for the Protection of Contractholders and Beneficiaries	3,283	3,317
Expenses and Taxes	2,907	2,444
	6,190	5,761
Net Income	\$ 1,571	\$1,081
Assets	\$10,502	\$8,763

**Growth of  
Assets**

(thousands of dollars)

\$10,502	83
\$ 8,763	82
\$ 6,548	81
\$ 5,688	80


**Growth of  
Earned  
Premium  
Income**

(thousands of dollars)

\$ 6,242	83
\$ 5,718	82
\$ 4,913	81
\$ 3,993	80





## Prudential Corporation plc World-Wide Operations

The Prudential Assurance Company Limited is the main insurance arm of Britain's largest insurance group, the Prudential Corporation plc which operates in 34 countries.

In addition to insurance, Prudential Corporation plc is also involved in reinsurance, property development, and pension and investment management through its subsidiary companies.

### Prudential Corporation plc Summary of World-Wide Operations

World-wide results have been converted from pounds sterling to Canadian dollars using the exchange rate of \$1.806 (In 1982, the exchange rate was \$1.990)

<b>(All dollar amounts in millions)</b>	<b>1983</b>	<b>1982</b>
Earned Premium Income		
Life	<b>\$ 2,786</b>	\$ 2,746
Property and Casualty	<b>1,246</b>	1,208
Other Income	<b>2,849</b>	2,807
Total Income	<b>\$ 6,881</b>	\$ 6,761
Total Assets at Market Value	<b>\$ 30,185</b>	\$ 28,299
Life Business in Force	<b>\$130,835</b>	\$124,365

## Canadian Board of Directors

### John N. Cole,

Chairman  
Chairman and President:  
The Cole Foundation  
Vice-President: Marlen  
Univest Inc.  
Director: Atlantic Shopping  
Centres Ltd., British American  
Bank Note Inc., Devtek Ltd.,  
Domco Industries Inc., Gerbro  
Inc., Gerin Ltd., North  
American Car Canada Ltd.  
Former Vice-Chairman: Wood  
Gundy Ltd.  
Chairman: Montreal  
Children's Hospital  
Foundation  
Vice-Chairman: Advisory  
Board, Salvation Army

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Lawyer. Partner: Black &  
Company, Calgary, Alberta  
Director: British American  
Bank Note Inc., Monenco  
Limited, Scurry-Rainbow Oil  
Ltd., TransAlta Utilities  
Corporation  
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Advisory Board

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The Prudential Assurance Co.  
Ltd.  
Past President: Canadian  
Save the Children Fund  
Director: Montreal Children's  
Hospital Foundation

### Rodolphe B. Casgrain

President: Casgrain & Co.  
Ltd.,  
Trustee: Canada Permanent  
Income Investments

### Derek E. Fellows, F.I.A., F.P.M.I.

Prudential Assurance,  
U.K. Management

### Radcliffe R. Latimer, B.Sc., M.B.A.

President and Chief Executive  
Officer: TransCanada  
PipeLines Ltd.  
Director: Great Lakes Gas  
Transmission Company, Trans  
Quebec & Maritimes Pipeline  
Inc., Constellation Assurance  
Company, Algoma Central  
Railway, Citibank Canada

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President for Canada: The  
Prudential Assurance Co. Ltd.  
Chairman: Constellation  
Assurance Company,  
Prudasco Assurance  
Company, Paramet  
Corporation Ltd.  
President: Prudasco Inc.

### G. Wallace F. McCain, B.A.

President: McCain Foods Ltd.  
Director: Various McCain  
companies

### Brian Medhurst, M.A., F.I.A.

Prudential Assurance,  
U.K. Management

### Frank M. Simpson, A.C.I.I.

Prudential Assurance,  
U.K. Management

### Robert A. Utting

Vice-Chairman and Director:  
The Royal Bank of Canada



## Branches and Sub-Offices

White Horse  
Nanaimo  
Victoria  
Vancouver  
Prince George  
Kelowna  
Calgary  
Lethbridge  
Red Deer  
Edmonton  
Medicine Hat  
Fort McMurray  
Saskatoon  
Regina  
Winnipeg  
Thunder Bay  
Windsor  
Sarnia  
Sudbury  
London  
Kitchener  
Burlington  
Hamilton  
Toronto  
Peterborough  
Ottawa  
Montréal  
Trois-Rivières  
Québec City  
Jonquière  
Sherbrooke  
Fredericton  
St. John  
Halifax  
St. John's

## Insurance products and related services available from the Prudential Assurance group of companies

The Prudential Assurance group of companies in Canada comprises The Prudential Assurance Company Limited, Constellation Assurance Company, Prudasco Assurance Company, Prudasco Inc. and Paramet Corporation Limited. Together, the group markets one of the most complete ranges of insurance coverages available in Canada.

### The principal types of individual Life and Annuity contracts include:

Whole Life, Term for Life, Level and Decreasing Term, Five Year Renewable Term, Prudential Economic Protection, Non-Smokers' Insurance, Family Plan, Children's Insurance, Immediate and Deferred Annuities, Single and Joint Life Annuities, Individual Registered Retirement Savings Plans, Disability Income Riders, Accidental Death and Dismemberment Riders.

### Property and Casualty coverages include:

Private Passenger and Commercial Automobile, Non-owned Liability, Garage Liability, Homeowners' and Tenants' Packages, Composite Dwelling: All Risks Cover on specified valuable articles, Personal Liability, Fire and Extended Coverages, Earthquake, Multi-Peril Cover, Accounts Receivable, Valuable Papers, Bailee's Customers, Furriers Storage and Certificates, Contractors' Equipment, Installation Floaters, Goods in Transit, Plate Glass Insurance, Commercial Liability, Employers' Liability, Commercial Crime including Robbery and Theft, Fidelity and Surety, Boiler and Machinery, and Marine.

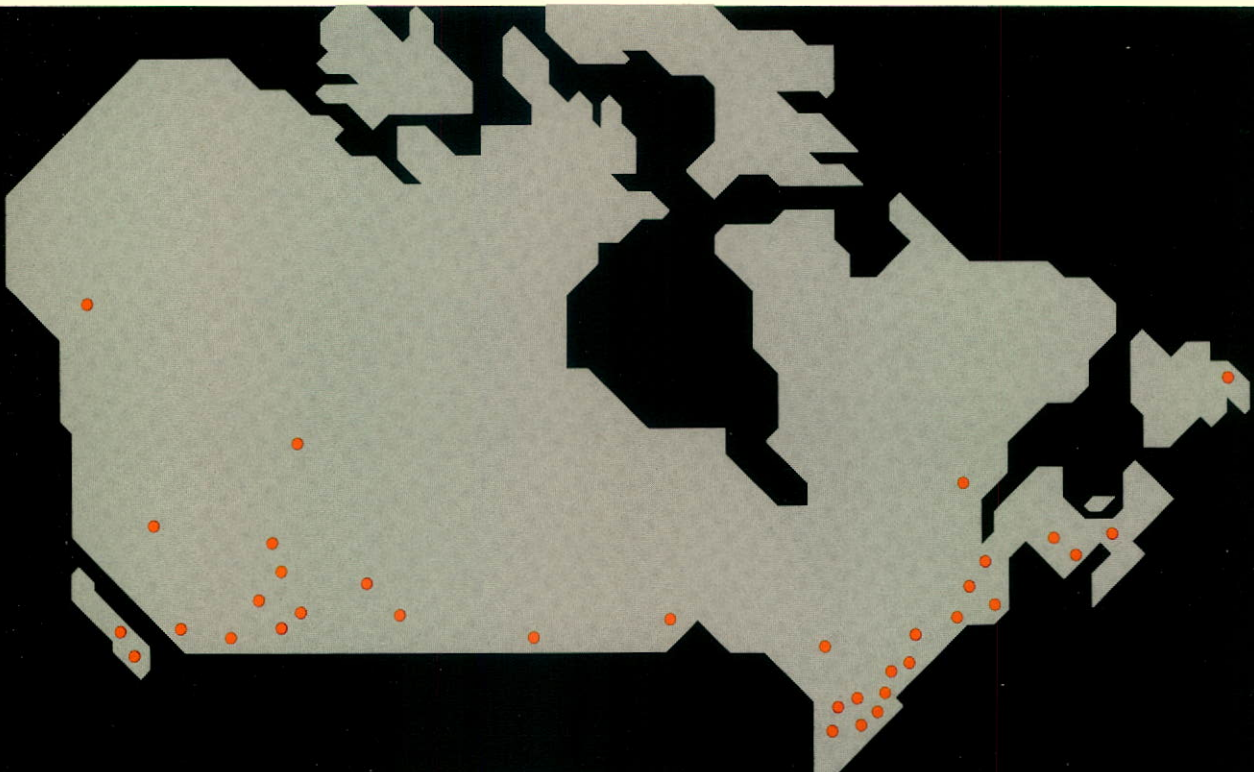
### Group Plans include:

Group and Dependents' Life, Group Survivor Income Benefit, Group Accidental Death and Dismemberment, Extended Health Care, Dental Insurance, Weekly Indemnity, Long-Term Disability, Travel Accident, Structured Settlements, Group Registered Retirement Savings and Deferred Profit Sharing Plans, Full Service Pension Plans, Immediate and Deferred Annuities, Pension Fund and Investment Portfolio Management.

### Individual disability income:

Non-cancellable and Guaranteed Renewable Disability Income Insurance, Guaranteed Renewable Disability Income Insurance, Office Overhead Protection, and Disability "Buy-Sell" Insurance.

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Assurance**

**The Prudential Assurance Company Limited**  
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*one of the Prudential Assurance group of companies*