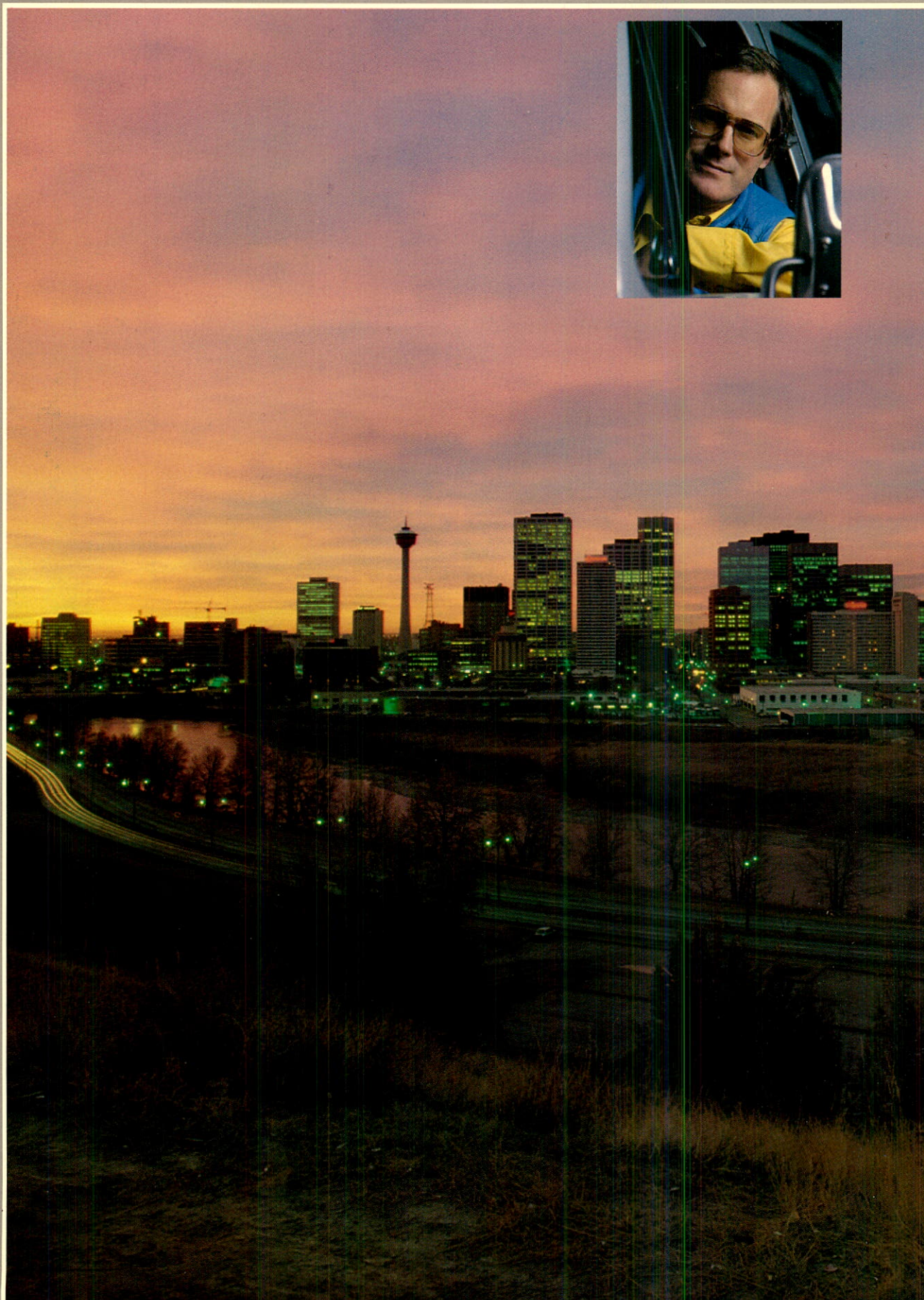




*La version française du rapport  
annuel est disponible au siège social*

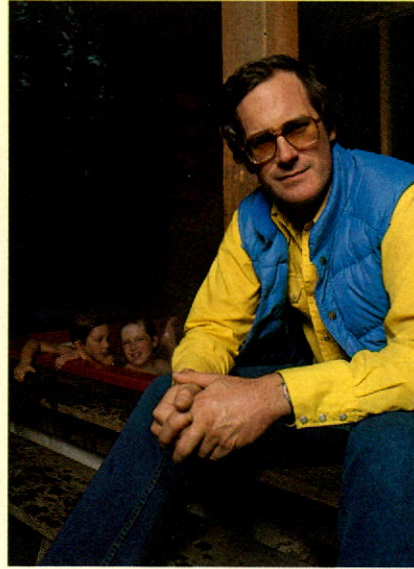
*In the 1979 Annual Report, Imperial Life is  
pleased to feature several of its policyholders in  
North America and Great Britain. The  
Company is grateful to its more than 275,000  
policyholders who over the years have expressed  
their confidence in Imperial Life, its products  
and its commitment to providing the best service  
possible. We are certain that we at Imperial  
Life will continue to earn this confidence, so  
vital to the success of the Company.*





Imperial Life had a very satisfactory year of operations in 1979. The financial statements and highlights in this report attest to that success. In a year in which most countries where we do business were experiencing political and economic uncertainty, we met new sales and premium targets and, in most instances, more than accomplished corporate objectives.

While it is gratifying that we achieved these fine results, the most serious problem still facing the Company and the entire insurance industry is the devastating effect of inflation on our operating expenses. In every country where we do business — Canada, Great Britain, the United States and The Bahamas — rates of inflation are going higher and higher with very few indications that this



trend will be checked in the years ahead. We have been fortunate to the extent that high interest rates have helped us offset rising costs, but it would be foolhardy to expect this to continue indefinitely.

The corporate response to rising costs is to strive for greater productivity, since salaries represent the largest item in our expense budget. The insurance industry is fortunate because its administrative functions can be highly automated, but we still must depend heavily on our skilled and loyal people. In periods of high inflation we cannot guarantee that we will be able to match salary adjustments with the rise in the cost of living and hence we must rely upon greater improvement in the productivity of our staff.

In a competitive industry like ours, cost increases cannot be reflected in our pricing policy if we wish to remain competitive. It is therefore essential that we continue to strive for greater cost control, greater productivity, as well as cost effectiveness. Despite the good results we have achieved in the past few years, which have strengthened the Company considerably, we simply cannot afford, in our long-term best interests, to lose sight of the ogre of inflation. We must continue to do everything possible to counter its effect.



*Imperial Life policyholder Gordon Dixon is a Calgary-based lawyer whose business interests extend to real estate holdings and cattle ranching. Through his Imperial Life insurance policies on both his own and his children's lives, Mr. Dixon is providing insurance protection for the entire family. When Gordon Dixon is not occupied with his busy legal career, he and his wife Olive, along with their three children, Dena, Kathleen and Kenneth, enjoy a hearty outdoor life on their ranch southwest of Calgary.*









In Canada, the Company's new premiums from individual business rose 84% over 1978, to \$65,384,000, and in Nassau, they rose 61%, to \$616,000. Total new individual premiums in North America were \$66,000,000. These increases were reflected in virtually all lines of business, but the greatest gain occurred in single premium annuities which registered an increase of 170% for the year. They were followed by flexible premium retirement annuities at 34% above 1978. In terms of the regional distribution of new premiums in Canada, the western provinces, at 131%, showed the greatest increase over 1978, followed by Ontario at 46%, Quebec at 31% and the Atlantic provinces at 14%. A strong sales trend became evident after the first quarter, gathering momentum throughout the year and culminating in considerable increases in the last quarter of 1979.

At our 37 branches in Canada and Nassau, we have a total of 345 sales representatives who are benefiting from a sophisticated training program which was introduced in 1978. Now fully in operation, this program, called Executive Marketing Skills, provides our sales representatives with financial counseling skills and



techniques that allow them to provide the best professional advice to our clients on matters of insurance. Such training programs, along with an aggressive approach to management development in our marketing

operations, have improved the productivity of our sales force significantly during the year.

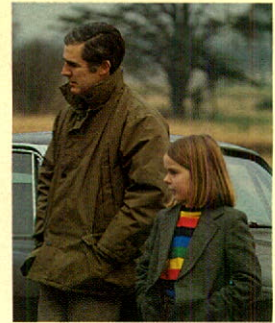
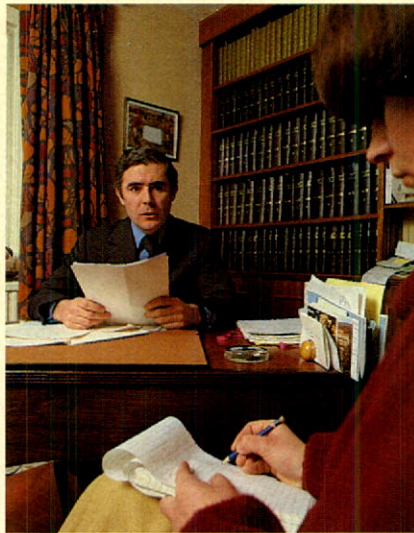
Our operations in the United States underwent extensive changes in 1979 in anticipation of an entirely new approach to marketing our products in the U.S., made possible through the acquisition of an American company: our remaining career branches were closed. We now have 10 brokerage offices and seven general agents in the U.S.

In 1979, Imperial Life introduced a new line of disability income plans and undertook extensive product development research that will result in the introduction of several new products in 1980.



*Like thousands of other Canadians, Leo Fewer of Grand Falls, Newfoundland, owns an Imperial Life whole life insurance policy that provides protection for his family. Mr. Fewer, who has been a papermaker in the pulp and paper industry for over 20 years, purchased his life insurance protection from Imperial Life in 1962.*





Financial results of our operations in Great Britain were satisfactory in 1979, showing an overall increase in premium income of 13.7%, totalling £6,513,000 compared with £5,730,000 in 1978. New business reflected the increased demand for individual pensions in Great Britain during 1979 and premiums for these plans showed a very substantial increase of 323%, from £160,000 in 1978 to £677,000 in 1979. Group, individual life, personal health insurance and single premium business were all up, the increases ranging between 12-1/4% and 20%.

During the year, 22,960 cases were produced, a 6.34% increase over the preceding year. The field force, which numbered a record 384, including 30 managers, registered an improvement in productivity in a year in which inflation ran near 17% and the economic climate was far from encouraging.

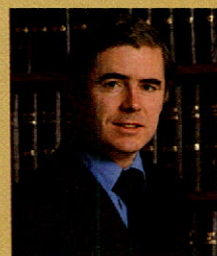
In order to remain competitive and to keep up with the rapidly rising cost of living in Great Britain, management granted substantial pay increases during the year. Other significant decisions involving the Great Britain operations in 1979 included the plans to enlarge our premises in Guildford and to install independent data processing equipment.



*Michael Connell is a successful London businessman with a young family. He and his wife Anne, together with their children, Sean, Jonathan, Lisa and Simon, live in Hertfordshire. A strong believer in insurance protection, Mr. Connell has Imperial Life policies that include whole life and income replacement.*

*Imperial Life began writing business in Great Britain in 1931 and today the Great Britain operations are accounting for a large share of the Company's growth.*



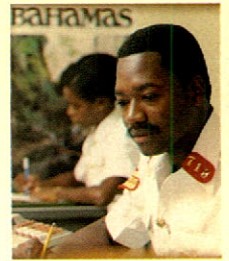








## Group Insurance



For our group operations, 1979 was another successful year both in terms of new sales and growth in annual premiums. New business sales of group life and health insurance in Canada, the United States and The Bahamas totalled \$6,450,000 and new pension sales amounted to \$7,854,000. In-force life and health premiums increased 17.8%, from \$36,750,000 to \$43,277,000. Annual pension premium income increased to \$26,120,000 from \$19,500,000, representing a gain of 33.9% over the preceding year. Growth rates over the past two years exceeded 40% for the life and health business and 60% for pension business. In addition, 63% of new premium income in the life and health business came from cases with annual premiums in excess of \$10,000. This figure indicates that the average size of our group policies, measured both in terms of the number of lives insured per group and the premium income per group, is increasing considerably. Thus, Imperial Life is accomplishing its objective of becoming a successful and respected insurer in the middle-sized market for group products.



In order to ensure that Imperial Life provides its group clients with the best claims service available in Canada, regional claims offices with computer terminal facilities were opened in Montreal, Calgary and Vancouver. In addition, a group brokerage office began doing business in Toronto in 1979.

During the year, the group operations completed arrangements for the purchase and installation of a new pension system called the Corfax Pension System. This innovation will allow us to offer our pension clients a modern, computerized administration system that provides a high quality service comparable to that now available to our individual life and health clients.



*Nearly 1,000 members of The Royal Bahamas Police Force have comprehensive life and major medical insurance coverage through a specially designed Imperial Life group plan. Sergeant Leon Gibson, a member of the Force, located in Nassau, is the full-time administrator of this plan.*

*Imperial Life has been providing insurance coverage to Bahamians since 1899 and now has almost \$28,000,000 invested in the economy of the Commonwealth of The Bahamas.*



## Investments

Despite the increasing strain of inflationary pressures, the world economy experienced further growth in 1979. In terms of performance, however, the picture became rather more mixed than in 1978. Although the U.S. economy, which had previously been a source of strength, was slowing down markedly, other major foreign economies, notably Japan's, were much more resilient, so that overall growth remained about the same. However, this was accompanied by a significant rise in interest rates which spread to all countries as credit demands built up and inflation rates were pushed higher. The absorption of sharply higher oil prices and the growing uncertainty of supply became a major problem for the entire industrialized world and a matter of critical concern for many of the less developed countries.

Increasing levels of inflation brought exceptionally high interest rates world-wide, particularly in North America and Great Britain. Despite this, stock markets fared reasonably well, the Canadian market in particu-



lar registering an extremely strong performance for the second successive year.

Investment funds of the Company increased substantially in 1979, led by major growth in single premium annuity sales which was brought about by the higher level of new money interest rates available in Canada.

Policy loan demand, which had remained moderate through much of

the year, increased considerably during the last quarter. Total loan balances rose \$5,500,000, or 11%, over the year as a whole. After providing for these policyholder requirements, funds available for new discretionary investment totalled a record \$151,000,000.

Mortgages were again the major outlet for investment activity in all areas of the Company's operations, with new commitments exceeding \$82,800,000. High interest rates brought further weakness in housing demand in Canada and thus only 35% of the year's business occurred in this sector. In Great Britain, however, Imperial Life's mortgages filled an important gap in residential financing, funding over 550 housing units.

Although the Company concentrated its Canadian mortgages in the industrial/commercial area, these investments were widespread geographically. Investments were made in 32 different municipalities and in every region of the country.

In total, mortgage loans were made on 1,000 individual properties and financed some 1,230 housing units in Canada, Great Britain, The Bahamas and Trinidad. Despite the extensive volume of new lending, slower disbursement of funds and a high level of repayments kept the increase in the mortgage account to moderate proportions, a gain of \$34,000,000 in general funds of the Company and \$9,900,000 in the segregated funds account.



*Sidney Suen, an architect in Vancouver who specializes in the design of high-rise commercial buildings, is insured with Imperial Life through his agent George D. Wong. Besides his architectural achievements, Mr. Suen is part owner of an attractive west coast restaurant which specializes in oriental cuisine.*













As a hedge against current levels of inflation, the Company, in the early part of the year, continued to make selective investment in its common stock portfolios, particularly in the resource sectors. By the end of the third quarter, however, it was felt prudent to take some profits in the Canadian market which had experienced a particularly vigorous market rise. In the last quarter, sales of some \$9,200,000 were made, resulting in a \$5,300,000 net decline in Canadian holdings for the year. Purchases continued in other lower-valued markets, however, and for the Company as a whole, on a consolidated basis, the book value of stocks increased \$4,000,000 during 1979.

Despite the realization of over \$12,800,000 in capital gains on stocks during the year, the Company retains a strong position in equities, with 17% of its consolidated general funds assets at market value in the stock category and a further 14-1/2% held in property.

Although high interest rates attracted some of our funds to specialized areas of the long-term bond market, the outlook for continued high levels of inflation, coupled with very favourable returns available for short-term deposits, limited our general funds net acquisition to \$9,300,000 of long-term Canadian bonds and £6,200,000 of similar U.K. issues.



Conversely, during the year, we increased substantially our overall general funds holding of short-term securities by more than \$37,000,000.

Imbrook Properties Limited, the Company's Canadian property development subsidiary, acquired new projects with an estimated future developed cost of \$45,000,000. The Company advanced a further \$6,900,000 as its equity portion of Imbrook's 1979 investment program.

The Castlemere Group, the Company's property development affiliate in Great Britain, completed a consolidation and restructuring, carrying out planned rationalization of recent acquisitions. Its assets now total just under £15,000,000, with gross rent in excess of £1,120,000. Imperial Life invested a further £1,425,000 in this Group during the year.

Impco Properties G.B. Limited, a wholly-owned subsidiary, made further progress in developing several existing property sites.

In total, consolidated property assets of the Company increased by \$30,600,000 during the year.

With a 23% increase in revenues, Impco Health Screening Limited, the Company's subsidiary in the medical examination and fitness field, showed continued growth, performing almost 5,000 examinations for over 300 corporate clients.

Taking into account the adjustment of assets to reflect capital gains and currency translation changes, the Company's consolidated assets increased during the year by \$174,800,000 to a total of \$1,114,900,000, including \$224,900,000 of segregated investment funds.

Imperial Life's net investment yield advanced sharply during 1979. After expenses, the combined life and health accounts produced a yield of 9.58%, an increase of 0.88% over 1978.

*Through the Canadian Dental Association, Imperial Life offers extensive group insurance coverage to dentists. These plans include life insurance for members of the Association, their spouses and children, as well as long-term disability.*

*Dr. Christena Chruszez, a dentist practising in downtown Toronto, has taken advantage of these plans to provide protection for herself and her family.*







## Human Resources Data Processing Corporate Communications



### Human Resources

The total Company staff complement at the end of 1979, including staff of wholly-owned subsidiaries, but excluding the sales force, was 1,278, a slight increase over a total of 1,218 at the end of 1978. Thanks to improved productivity among our staff, we were able to avoid a large increase in staff levels and yet accomplish a volume of work that increased during the year by nearly 30%.

Imperial Life provides excellent opportunities for staff development, but the motivation for that development originates with those of our employees who have committed themselves to advancing their careers through professional education and training programs, as well as on-the-job learning.

In 1979, the Company ran a record 43 programs and seminars for 437 members of its Head Office and Toronto

branch staff. This compares most favourably with 32 programs for 292 staff members in 1978. The in-house courses offered to the staff range from management techniques to secretarial skills, from data processing to underwriting.

This year, 40% of our Head Office staff was enrolled in courses leading to an insurance designation and nine employees were awarded a Fellowship in the Life Management Institute, bringing the total number of Fellows on staff to 70, an unusually high number in one company.

Also in the area of human resources, 1979 saw the introduction of a new performance appraisal system that provides valuable information on objectives, performance standards and personal development, while at the same time facilitating human resource planning and forecasting.



### Data Processing

Early in 1979, extensive renovations were made to the data processing facilities at Head Office in Toronto to allow for an estimated ten years' growth. New computer hardware, installed in June, now provides more than twice the capacity of the former equipment. Already it has allowed the Company to begin developing several new systems which will provide more efficient service with less clerical assistance. The power of the computer and its accompanying systems was extended beyond Head Office to Montreal, Calgary and Vancouver, with the installation of display terminals used primarily to provide enquiry and health claims processing for our group health business and in Montreal, for our mortgage systems.

### Corporate Communications

The 1979 Annual Report presents to Imperial Life's shareholders and external publics the new corporate signature of the Company which was put in place in 1979. Beyond this corporate identity program, numerous improvements were accomplished to upgrade employee communications as well as corporate and promotional communications with our shareholders, clients and external publics.



*Will Davies is an active and highly respected grain farmer who lives with his wife Darlene and their two children on a farm in Cupar, Saskatchewan. The federal Government retains Mr. Davies as financial consultant to its Saskatchewan Indian Agriculture Program. The aim of the program is to improve Indian farming methods. Mr. Davies owns Imperial Life whole life policies and has recently purchased a convertible decreasing term plan from the Company to secure a mortgage on additional farm property.*



## Board of Directors

### Acquisition of an American Company

#### Board of Directors

At last year's Annual General Meeting, held on March 21, 1979, Jean Louis Lebel, Q.C., Vice-President and Director of Chevron Standard Limited, was elected a member of the Board of Directors. At this year's Annual General Meeting, held on February 27, 1980, Mr. Maurice Germain and John G. Porteous, Q.C., who were elected to the Board in 1962 and 1963 respectively, retired from the Board. These two gentlemen have contributed generously their experience and valuable counsel over the years and the Company marks with gratitude the end of their membership on its Board.

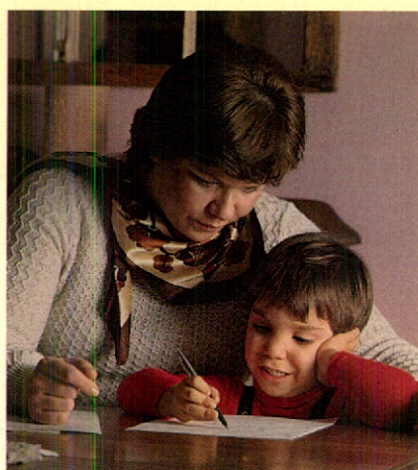
At the same meeting, Harold A. Renouf, O.C., F.C.A., was elected a member of the Board. Mr. Renouf,

who lives in Halifax, is a former Chairman of the Anti-Inflation Board and of the National Commission on Inflation. He is a member of the Board of Directors of the Nova Scotia Municipal Finance Corporation, Fundy Industries Limited, and the Canadian Institute of Child Health. He is a Past President of the Canadian Institute of Chartered Accountants.

In October of 1979, the Board of Directors held its monthly meeting in Great Britain and thus our directors were able to become more familiar with Company operations there and to meet many of our staff in the United Kingdom.

#### Acquisition of an American Company

In the 1978 Annual Report, Imperial Life announced that it had made an



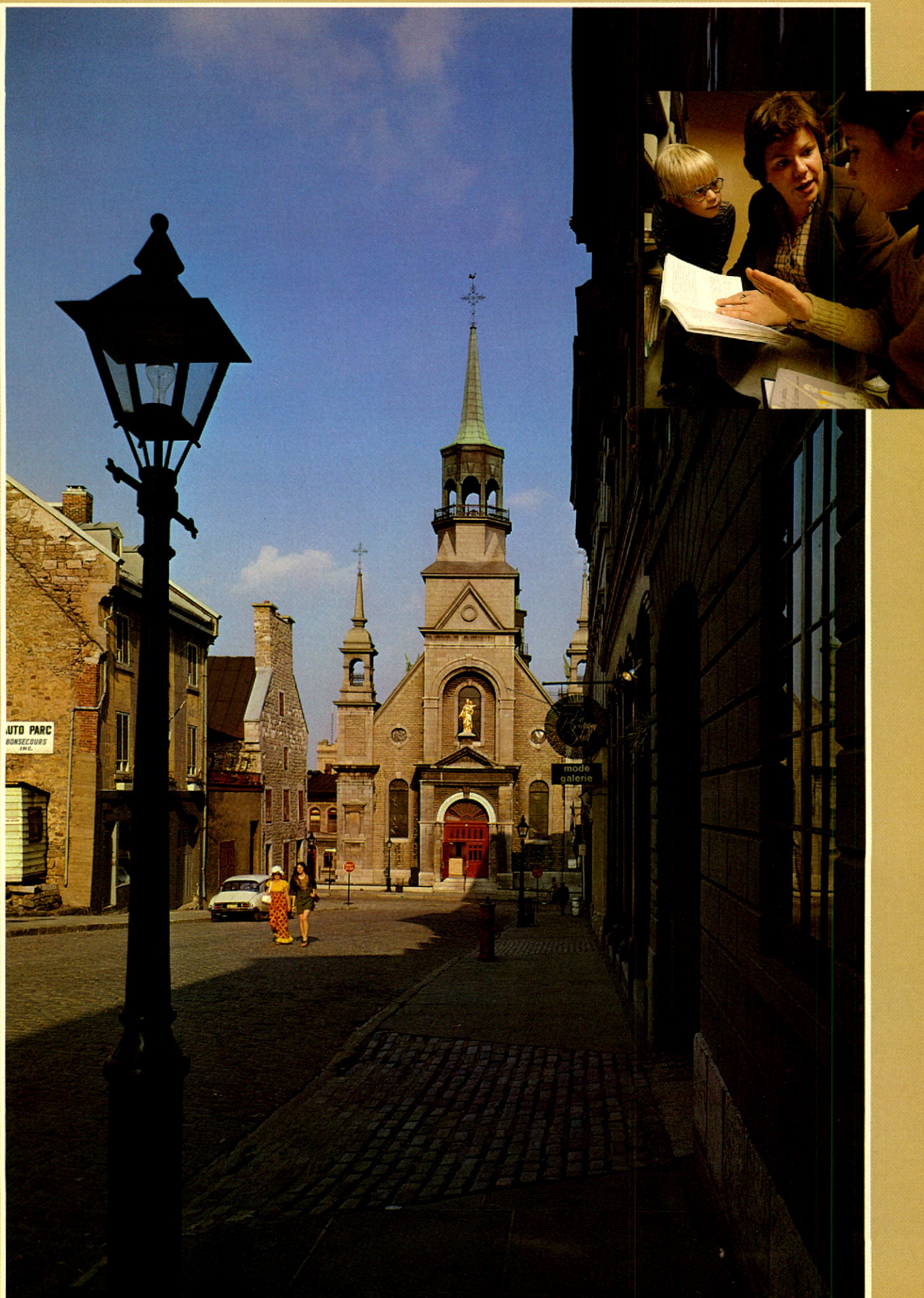
offer to acquire the outstanding shares of Continental American Life Insurance Company of Wilmington, Delaware. This offer was not accepted and work continued to locate a suitable American company for acquisition. Late in 1979, Imperial Life announced that it had signed an agreement as the first step in the acquisition of all of the issued shares of Loyal American Life Insurance Company. Imperial Life entered into a contract with McLean Securities, Inc., the majority shareholder of Loyal American, under which Imperial Life would propose a cash merger between Loyal American and a subsidiary of Imperial Life. In the merger, holders of Loyal American's 991,841 shares of outstanding common stock would receive \$25.00 (U.S.) for each share held. On February 21, 1980, the Alabama Insurance Commissioner approved the merger. We are optimistic that this merger will be approved by Loyal American's shareholders.

With its headquarters in Mobile, Alabama, Loyal American Life Insurance Company has \$50,000,000 in assets, \$1.2 billion life insurance in force and is licensed to operate in 47 states and the District of Columbia. The acquisition of Loyal American will considerably enhance Imperial Life's presence in the United States and provide the Company with an excellent base from which to expand its operations in this large and growing market.



*Nicole Lemieux, an energetic and committed elementary school teacher in Quebec, lives with her husband Robert and their two boys in Repentigny, outside of Montreal. Convinced that the professional woman must assume responsibility for her own financial security and that of her family, Nicole has chosen Imperial Life to provide the family's life insurance protection.*





AUTO PARC  
BONSECOURS  
INC.

mode  
galerie





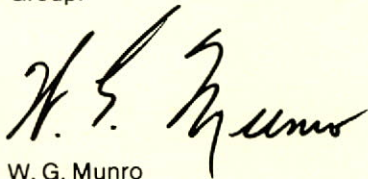


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## In Conclusion

The achievements of 1979 are the result of the untiring efforts of Imperial Life people. May I express, on behalf of the Board, our most sincere appreciation for their hard work during the year and compliment them on utilizing their skills most effectively. I am sure we can look to the future with optimism when we have such competent and loyal staff dedicated to the success of the Company.

I should also like to comment on our position within The Laurentian Group of companies. In the three years we have been associated with the Group, our major shareholders have given us every encouragement in our growth and development. The results over this period speak for themselves. However, as The Laurentian Group itself expands into related financial fields, we are working together to support each other within the Group, by establishing employee exchange programs, by offering products to each other where savings can be passed on to our staffs and by working together through our distribution systems to market products, the sales of which are mutually advantageous. I am confident that our close association will ensure mutual growth in the years ahead and provide benefits to Imperial Life and other members of The Laurentian Group.

A handwritten signature in black ink, appearing to read 'W. G. Munro', with a stylized flourish at the end.

W. G. Munro  
*President*



## Corporate Identity

In 1979, The Imperial Life Assurance Company of Canada introduced this logo as its new corporate identification symbol. Its design is intended to reflect the sound financial heritage of the Company and to suggest the dynamic activity of its present. This graphic presentation of our name conveys the Company's commitment to its position as a leading underwriter of individual life and group insurance products as well as its dedication to personal service.

Throughout 1979, Company staff has worked hard to implement this corporate identification program which calls for the application of our new graphic identity on letterheads, business forms, policies, sales and promotional items, as well as corporate communications material. While the new look of the Company is not yet fully in place, Imperial Life anticipates that this consistent graphic identity will soon be recognized by our policyholders, clients, employees and the public as an attractive and meaningful symbol of our professional response to the need for change.

*The Imperial Life Assurance Company of Canada, incorporated in 1896 and a member of The Laurentian Group of companies since 1977, issues a comprehensive line of coverage designed for today's growing insurance market. The range of plans includes all the usual forms of life, endowment, term, disability and retirement plans; flexible premium retirement annuities; equity plans; single premium immediate and deferred annuities; group pension and disability income plans; group life, accident and sickness plans; and group creditor life insurance.*

**IMPERIAL LIFE**

**L'IMPÉRIALE**

The Imperial Life Assurance Company of Canada  
95 St. Clair Avenue West, Toronto, Canada M5V 1N7  
(416) 593-5561

**IMPERIAL LIFE**

L'Impériale Compagnie d'Assurance Vie  
95 St. Clair Avenue West, Toronto, Canada M5V 1N7  
(416) 593-5561

**L'IMPÉRIALE**



## Financial Highlights

### The Imperial Life Assurance Company of Canada

	1979	1978
New individual insurance sold	\$1,108,374,000	\$ 938,830,000
New group life and annuities	522,571,000	491,625,000
Total new insurance sold	1,630,945,000	1,430,455,000
Annual premiums from new sales of individual life and health	26,002,000	23,526,000
New single premiums	53,135,000	24,283,000
New group insurance premiums	14,837,000	11,394,000
Total new premiums	93,974,000	59,203,000
Total insurance in force at year-end	9,105,964,000	7,670,914,000
Death claims	22,047,000	21,293,000
Dividends to policyholders	13,056,000	12,106,000
Total payments to policyholders and beneficiaries	108,277,000	88,849,000
Total premium income	212,919,000	163,568,000
Total assets including subsidiary companies	1,114,852,000	940,056,000
Net interest rate earned	9.58%	8.70%



## Report of the Directors

During 1979 Imperial Life maintained the excellent rate of growth it set in the preceding year.

New individual life and health premiums showed an increase of 10.5% and new group insurance premiums registered a considerable improvement of 30.2%. Single premiums from the sales of life insurance and annuities more than doubled during 1979. As a result of this strong growth in all lines, new premiums increased from \$59,203,000 to \$93,974,000. Total premium income for the year showed a significant increase of 30.1%, reaching a total of \$212,919,000.

The net income from interest, dividends and rents continued to grow strongly, amounting to \$72,046,000, compared to \$59,995,000 in 1978. The net rate of interest earned on the life and health assets showed a substantial improvement, increasing from 8.70% to 9.58% in 1979.

The total of the liabilities for insurance and annuity contracts, including reserves for segregated investment funds, rose to \$850,463,000 at December 31, 1979, which is greater than governmental requirements. Payments to policyholders and beneficiaries during the year aggregated \$108,277,000, thus passing the \$100,000,000 mark for the first time in the Company's history. This total includes death claims, disability and health insurance claims of \$39,472,000, as well as \$13,056,000 in dividends to holders of participating policies.

Despite the substantial increase in policyholder reserves that the Company was obliged to establish as a result of the growth of new business during the year, consolidated non-par and shareholders' account earnings rose from \$3,531,000 to \$4,183,000. Taking into consideration the share split completed during the year, these earnings amounted to \$4.18 per share. The quarterly dividend to shareholders was raised to \$0.35 per share at the beginning of 1979 and a special dividend of \$0.20 per share was declared in October.

Net earnings in the participating life and annuity operations were \$3,056,000, which was lower than the \$8,433,000 reported in 1978. The decrease is attributable to larger additions to actuarial reserves to cover significant sales of endowment insurance in Great Britain and an improved policyholders' dividend scale.

In terms of our progress in new business activity and earnings, 1979 was a very good year for Imperial Life. Even though we are living in difficult times, typified by continuous and rapid increases in costs and by considerable uncertainty about the future, we have every reason to be quite pleased with our 1979 results.

Needless to say, our financial results reflect only one aspect of the Company's undertakings and accomplishments during the year. In order to ensure that in the future, as now, Imperial Life will continue to supply policyholders with high quality products at fully competitive prices, backed up by the best service possible, Company management and staff directed their energies to several key areas. Some of these include the training of branch management personnel, the development of new products and markets, the implementation of more sophisticated data processing systems and the improvement of internal and external communications.

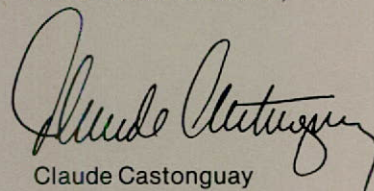
Following a full year's effort aimed at consolidating our position in the United States, Imperial Life signed an agreement late in the year as the first step in the acquisition of all of the issued shares of Loyal American Life Insurance Company, headquartered in Mobile, Alabama. The acquisition of Loyal American will provide Imperial Life and The Laurentian Group with a dynamic marketing presence in nearly all of the United States.

All of these initiatives have called for considerable expenditures, but we are convinced that the future benefits to be derived from these expenditures will fully justify our investment in the growth and progress of the Company.

It was with regret that Imperial Life announced early in 1980 the forthcoming departure of two members of its Board of Directors. Mr. Maurice Germain and John G. Porteous, Q.C., who were elected to the Board in 1962 and 1963 respectively, will both retire from the Board at the Annual General Meeting to be held on February 27, 1980. Having benefited from their experience and valuable counsel over the years, the Company marks with much gratitude the end of their membership on its Board. At the Annual General Meeting, Harold A. Renouf, O.C., F.C.A., is to be nominated for election as a member of the Board of Directors.

Above and beyond the quite justifiable satisfaction we feel at the financial results of 1979, we wish to express our confidence in the Company's success in 1980.

On behalf of the Board,



Claude Castonguay  
Chairman of the Board

Toronto, Canada  
February 26, 1980



## Board of Directors

**\*Claude Castonguay, C.C., F.C.I.A.**

Quebec, Quebec  
Chairman of the Board,  
*The Imperial Life  
Assurance Company  
of Canada;*

President,  
*The Laurentian  
Fund Inc.*

**\*Jean-Marie Poitras, O.C.**

Quebec, Quebec  
Vice-Chairman of the Board,  
*The Imperial Life  
Assurance Company  
of Canada;*

President,  
*The Laurentian  
Mutual Assurance  
Company*

**\*William G. Munro, F.L.M.I.**

Toronto, Ontario  
President,  
*The Imperial Life  
Assurance Company  
of Canada*

**\*†René Amyot, O.C.**

Quebec, Quebec  
Vice-President,  
*The Imperial Life  
Assurance Company  
of Canada;*

Partner,  
*Amyot, Lesage, Bernard,  
Drolet et Sirois*

**†Wilbrod Bherer, C.M., Q.C.**

Quebec, Quebec  
President,  
*Tele-Capital Limited*

**\*†John B. W. Carmichael**

Toronto, Ontario  
Company Director

**\*Frank E. Case**

Brockville, Ontario  
Company Director

**Philippe de Monplanet**

Paris, France  
Vice-President,  
*L'Abeille-Paix-Vie*

**\*Jacques Douville**

Montreal, Quebec  
Executive Vice-President  
and Chief  
General Manager,  
*National Bank  
of Canada*

**Robert Gachet**

Paris, France  
President,  
*Compagnie Financière  
du Groupe Victoire*

**Maurice Germain**

Montreal, Quebec  
Company Director

**\*J. Douglas Gibson, O.B.E.**

Toronto, Ontario  
Chairman of the Board,  
*The Consumers' Gas Company*

**\*Lawrence G. Greenwood**

Toronto, Ontario  
Executive Vice-President,  
*The Canadian Imperial  
Bank of Commerce*

**Sir Henry Johnson, K.B.E.**

Chalfont St. Giles,  
Buckinghamshire, England  
Company Director

**John A. Kempton**

London, England  
Senior Vice-President  
and General Manager  
for Great Britain,  
*The Imperial Life  
Assurance Company  
of Canada*

**J. Louis Lebel, Q.C.**

Calgary, Alberta  
Vice-President and Director,  
*Chevron Standard Limited*

**\*John G. Porteous, Q.C.**

Montreal, Quebec  
Partner,  
*Ogilvy, Renault*

**\*A. Ross Poyntz, F.C.I.A.**

Toronto, Ontario  
Company Director

**†Donald J. Wilkins**

Toronto, Ontario  
Chairman of the Board,  
*Acklands Limited*

\*Member of the  
Executive Committee

•Member of the  
Compensation Committee

†Member of the  
Audit Committee



# Consolidated Balance Sheet

## The Imperial Life Assurance Company of Canada (Incorporated under the laws of Canada)

As at December 31

1979

1978

### Assets

(thousands of dollars)

Bonds and debentures — at amortized cost (Note 1(c)):				
Government	\$ 121,146		\$ 104,966	
Municipal	6,163		6,490	
Corporate	134,817	\$ 262,126	102,542	\$ 213,998
Preferred and common stocks — at cost (Note 1(d))		92,536		88,540
Mortgages on real estate — at outstanding principal balances		341,219		307,194
Loans to policyholders, fully secured by the cash surrender values of these policies (Note 1(e))		53,408		47,945
Real Estate (Note 1(f)):				
Properties under development — at cost	20,728		2,135	
Properties held for investment — at cost	69,647		57,503	
Home Office and branch office premises — at cost	15,507		15,520	
	105,882		75,158	
Less accumulated depreciation	10,486	95,396	10,392	64,766
Segregated investment funds' assets — at market value (Note 1(g))		224,867		179,747
Cash and certificates of deposit		15,500		14,436
Premiums in course of collection		6,314		5,732
Accrued investment income		10,659		9,276
Furniture and equipment — at cost (Note 1(h))	4,764		3,362	
Less accumulated depreciation	2,198	2,566	1,415	1,947
Other assets		10,261		6,475
		<u>\$1,114,852</u>		<u>\$ 940,056</u>

On behalf of the Board

C. CASTONGUAY,  
Chairman of the Board

W. G. MUNRO,  
President

### 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, 1979 and the consolidated statements of income and retained earnings for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as we considered necessary in the circumstances.

Toronto, Canada  
February 6, 1980

In our opinion, these consolidated financial statements present fairly the financial position of the Company as at December 31, 1979 and the results of its operations for the year then ended in accordance with insurance accounting practices as explained in Note 1 to the consolidated financial statements.

COOPERS & LYBRAND  
Chartered Accountants



	1979	1978
Liabilities	(thousands of dollars)	(restated)
Present value of liabilities under assurance and annuity contracts (Note 1(i))	\$ 625,596	\$ 536,941
Policy proceeds, dividends and other amounts on deposit	39,489	39,322
Present value of liabilities under Company retirement funds (Note 1(j))	23,246	22,553
Segregated investment funds' liabilities to policyholders	224,867	179,747
Provision for dividends to policyholders	12,900	11,600
Policy claims in course of settlement and provision for unreported claims	21,412	19,468
Bank loans and notes payable on real estate investments	14,363	9,443
Mortgages on real estate investments	19,484	7,297
Income and premium taxes (Note 1(k))	1,875	2,096
Other liabilities and provisions	33,583	19,191
	<u>1,016,815</u>	<u>847,658</u>
<b>Capital Stock and Retained Earnings</b>		
Capital Stock (Note 1(l)):		
Authorized — 15,000,000 shares of \$1 par value		
Issued — 1,000,000 shares	1,000	1,000
Shareholders' retained earnings (Note 1(m))	4,667	4,646
Appropriated retained earnings primarily for solvency purposes (Note 1(n), (o), (p))	32,613	32,770
Retained earnings primarily for the protection of policyholders	59,757	53,982
	<u>98,037</u>	<u>92,398</u>
	<u>\$1,114,852</u>	<u>\$ 940,056</u>

## Valuation Actuary's Report

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

I have made the valuation of policy benefit liabilities of The Imperial Life Assurance Company of Canada for its consolidated balance sheet as at December 31, 1979 and its consolidated statements of income and retained earnings for the year then ended. In my opinion (i) the valuation conforms to the Recommendations for Insurance Company Financial Reporting of the Canadian Institute of Actuaries, (ii) the

amount of policy benefit liabilities makes proper provision for the future payments under the Company's policies, (iii) a proper charge on the account of those liabilities has been made in the consolidated statement of income, and (iv) the amount of retained earnings appropriated for policies whose cash values exceed their policy benefit liabilities is proper.

Toronto, Canada  
February 6, 1980

A. R. Brereton, F.C.I.A.  
Actuary



# Consolidated Statement of Retained Earnings

## The Imperial Life Assurance Company of Canada

For the year  
ended December 31, 1979

	Shareholders	Appropriated		(thousands of dollars)		
		Invested Asset Valuation Reserve	Miscellaneous Asset Valuation Reserve	Reserve for Excess of Policy Cash Surrender Values over Policy Contract Liabilities		Total
				Participating	Non-Participating	
Retained earnings, beginning of year	\$ 4,646	\$ 8,500	\$ 2,610	\$14,974	\$12,818	\$38,902
Release of cash surrender value appropriation upon adoption of new 1979 valuation basis	—	—	—	(4,823)	(1,309)	(6,132)
Actuarial liabilities strengthened upon adoption of new 1979 actuarial valuation basis	—	—	—	—	—	—
Retained earnings restated, beginning of year	4,646	8,500	2,610	10,151	11,509	32,770
Net income for the year	1,621	—	—	—	—	—
Strengthen (release) appropriations for the year	—	—	769	(915)	(11)	(157)
Dividends to shareholders	(1,600)	—	—	—	—	—
Retained earnings, end of year	<u>\$ 4,667</u>	<u>\$ 8,500</u>	<u>\$ 3,379</u>	<u>\$ 9,236</u>	<u>\$11,498</u>	<u>\$32,613</u>
	Note 1(m)	Note 1(n)	Note 1(o)	Note 1(p)		

## Unappropriated

	Participating	Non-Participating	Total
Retained earnings, beginning of year	\$39,095	\$15,006	\$54,101
Release of cash surrender value appropriation upon adoption of new 1979 valuation basis	4,823	1,309	6,132
Actuarial liabilities strengthened upon adoption of new 1979 actuarial valuation basis	(1,700)	(4,551)	(6,251)
Retained earnings restated, beginning of year	42,218	11,764	53,982
Net income for the year	3,056	2,562	5,618
Strengthen (release) appropriations for the year	391	(234)	157
Dividends to shareholders	—	—	—
Retained earnings, end of year	<u>\$45,665</u>	<u>\$14,092</u>	<u>\$59,757</u>



# Consolidated Statement of Income

## The Imperial Life Assurance Company of Canada

For the year ended December 31

1979

1978

(thousands of dollars)

### Income

Premiums (Note 2)	\$212,919	\$163,568
Interest, dividends and rents after deduction of investment expenses (Note 3)	72,046	59,995
Interest and dividends from segregated investment funds	16,558	12,270
Net realized and unrealized capital gains on assets of segregated investment funds	14,019	7,252
Currency translation gain (Note 1(b))	524	194
	<u>316,066</u>	<u>243,279</u>

### This Income Was Used For

Death claims	22,047	21,293
Disability and health insurance claims	17,425	14,227
Matured endowments	5,614	5,240
Annuity benefits	9,976	7,785
Surrender value benefits	40,159	28,198
Additions to funds held for future payments to policyholders	90,350	42,529
Additions to segregated investment funds	42,617	38,439
Amounts credited to funds on deposit and Company retirement funds	4,874	4,692
Commissions, branch office, agency and operating expenses	61,173	53,662
	<u>294,235</u>	<u>216,065</u>

### Operating Income

Dividends to policyholders	<u>13,056</u>	<u>12,106</u>
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### Income Before Taxes

Income and premium taxes	<u>1,536</u>	<u>3,144</u>
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### Net Income

	<u>\$ 7,239</u>	<u>\$ 11,964</u>
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Non-participating account

\$2,562

\$1,220

Shareholders' account

1,621

2,311

\*Non-participating and shareholders' account

4,183

3,531

Participating life account

3,056

8,433

\*Consolidated earnings per share (basis 1,000,000 shares)

\$4.18

\$3.53



# Notes to Consolidated Financial Statements

December 31, 1979

## 1. Significant Accounting Policies

The accounting practices followed by the Company are as prescribed or permitted by the Department of Insurance of Canada for the purpose of reporting to policyholders and shareholders. These practices were amended for all insurers for 1978 and subsequent years by regulations under the Canadian and British Insurance Companies Act. These accounting practices differ from generally accepted accounting principles primarily in regard to the accounting for income taxes, the valuation of investments and the treatment of currency translation.

- (a) The consolidated financial statements include all subsidiaries of the Company and combine the life, health, and segregated fund insurance branches of the Company.

name of company	percentage of voting equity shares held	location	nature of business
Impco Health Screening Limited	100%	Canada	medical examination service and physical fitness centre
Impco Properties Limited	100%	Canada	property investments
Imbrook Properties Limited	59%	Canada	property investments
Impco Properties G.B. Limited	100%	Great Britain	property investments
its subsidiaries:			
The Invicta Investment Company Limited	100%	Great Britain	property investments
East Layne (Maidstone) Limited	100%	Great Britain	property investments

- (b) Foreign currency transfers in cash are reflected at the actual rates applicable to the dates of the transactions. Other foreign currency transactions are recorded at book translation rates adopted for each currency for a fiscal year. The rates are established in accordance with year-end market rates and anticipated prospects for currency relationships. The following book rates were utilized for the translation of foreign currency amounts to Canadian dollars:

	1979	1978
Great Britain pound	\$2.00	\$2.00
Jamaican dollar	.70	.85
United States dollar	1.10	1.05
Bahamian dollar	1.10	1.05
Bermudian dollar	1.10	1.05
Cuban peso	1.00	1.00
Trinidad and Tobago dollar	.45	.45

The adoption of new book translation rates on January 1, 1979 produced a book translation gain of \$883,000. In addition, the further Jamaican dollar devaluation during the year was provided for by establishment of a loss provision of \$359,000 for foreign currency devaluation.

Effective January 1, 1980, the book translation rate has been changed for the Great Britain pound to \$2.40 and the Jamaican dollar to \$.60. The resulting book gain in 1980 on currency translation, as a result of using more appropriate translation rates, is \$2,493,000 (1978 — \$707,000). Assets translated into equivalent Canadian dollars at the new rates will be \$40,190,000 more than at the former rates and liabilities will be \$37,697,000 more than at the former rates.

- (c) Investments in bonds and debentures (debt securities) are carried at amortized cost plus or minus the unamortized balance of losses or gains on sales of such securities. 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, deferred on the balance sheet and amortized over the period to maturity of the security sold. At December 31, 1979, the unamortized balance added in arriving at the carrying value of bonds and debentures amounted to \$1,561,000 (1978 — \$459,000).
- (d) Investments in stocks (equity securities) are carried at cost plus or minus losses or gains on sale of stocks and adjusted toward market value. The market value adjustment each year is 7% of the difference between adjusted book value and year-end market value of all equity securities. The adjustment account, representing the unamortized gain or loss on sales of stocks and the adjustment toward market, deducted in arriving at the carrying value of stocks amounted to \$9,716,000 at December 31, 1979 (1978 — \$1,774,000).
- (e) Policy loans are carried at their unpaid balance and are fully secured by the cash surrender values of the policies on which the respective loans are made.
- (f) Real estate is carried at cost. Properties held for investment and home and branch office premises are depreciated on a straight-line basis ranging from 1-1/2% to 2-1/2% per annum. Canadian property investment subsidiaries calculate depreciation on buildings on the sinking fund method using a 5% factor. Depreciation on completed buildings is recorded at a rate sufficient to write these assets off over their anticipated useful life, office buildings 50 years, industrial buildings 40 years. Depreciation is not recorded on properties under development or in the British property investment companies.



- (g) Investments held for segregated funds are carried at market value. The liability to policyholders equals the net assets in each fund. The Consolidated Statement of Income includes all operating transactions of the segregated funds. The net assets of each fund amount to:

	1979	1978
group contract funds		
Bond	\$ 7,168,000	\$ 7,300,000
Equity	22,472,000	15,996,000
Mortgage	37,472,000	34,610,000
Diversified	40,484,000	30,941,000
Segregated employer funds	55,142,000	41,367,000
Great Britain Retirement & Death Benefit Fund	8,345,000	6,266,000
individual contract funds		
Great Britain Secure Capital	157,000	103,000
Great Britain Fixed Interest	360,000	51,000
Great Britain Equity	216,000	52,000
Great Britain Managed	3,322,000	1,664,000
Great Britain Growth	23,366,000	21,024,000
Great Britain Pension Managed*	21,058,000	15,827,000
Impco Growth	1,151,000	979,000
Impco Retirement Growth	4,154,000	3,567,000
	<u>\$224,867,000</u>	<u>\$179,747,000</u>

\*formerly Great Britain Pension Growth Fund

- (h) Furniture and equipment is carried at cost less accumulated depreciation provided on the straight-line basis at rates of 20% to 30%.
- (i) Amendments to the Canadian and British Insurance Companies Act effective for 1978 and subsequent years permit a new Canadian modified reserving method for all policy actuarial liabilities. This method defers acquisition expenses over the premium paying period of the policy equal to the lesser of 150% of the net level annual premium and the amount that, in the actuary's opinion, represents the true acquisition costs. In establishing the valuation premium, the actuary satisfies himself that the margin between the valuation premium and the gross premium is sufficient to provide for recovery of the acquisition costs along with future administrative expenses and, when taken into account along with any other gains and resources, will enable the Company to meet dividend expectations on an appropriate scale. Rates of mortality, withdrawal, and interest appropriate to the circumstances of the Company and the policies in force are used.
- The Company established a mortality fluctuation provision in actuarial liabilities at the end of 1977. A formula adjustment has been developed for mortality strain experience which deviates from the normal range. The provision will be debited or credited annually in accordance with the positive or negative deviation from the range. This will have the effect of neutralizing the impact on net income in any one year of abnormal deviations from the range in mortality trends.

The actuarial liabilities are:

	1979	1978 (restated)
life		
participating	\$349,952,000	\$335,789,000
participating mortality fluctuation provision	2,205,000	1,675,000
non-participating	269,112,000	195,473,000
non-participating mortality fluctuation provision	1,411,000	944,000
health		
individual	2,478,000	2,023,000
group	438,000	1,037,000
	<u>\$625,596,000</u>	<u>\$536,941,000</u>

- (j) 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:

	1979	1978
general funds		
active employees	\$ 8,107,000	\$ 7,796,000
retired employees	15,139,000	14,757,000
	<u>23,246,000</u>	<u>22,553,000</u>
segregated funds		
active employees	27,927,000	22,061,000
retired employees	1,383,000	967,000
	<u>29,310,000</u>	<u>23,028,000</u>
	<u>\$52,556,000</u>	<u>\$45,581,000</u>

The Imperial Life Staff Pension Fund provided an improved scale of benefits under a supplementary trust deed effective June 1, 1974. The resulting actuarial deficiency determined on January 1, 1975 amounted to \$2,201,000. This amount, together with interest at 7%, is being funded over 14 years. During the year, past service pension costs of \$244,000 including interest, have been charged to operations. The deficiency funded to date totals \$561,000 (1978 — \$433,000).

The Imperial Life Retirement and Death Benefit Fund (G.B.) provided an improved scale of benefits under a trust deed effective April 1, 1975. The valuation of December 31, 1978 reflected a surplus of \$1,074,000. The funding rate for 1979 to cover future liabilities was \$1,266,000 (1978 — \$760,000).

- (k) The income tax charge against operations and the related liability are determined using the "taxes payable" method. The Company is currently studying the appropriateness of adopting deferred tax accounting in the future.



## Notes to Consolidated Financial Statements (continued)

- (l) The Laurentian Fund Inc. held 982,055 (98.2%) of the issued shares of the Company at December 31, 1979. The Fund is a member of The Laurentian Group of companies engaged in the field of general and life insurance. The minority shares are held in the names of 85 shareholders.

The Annual and Special General Meeting on March 21, 1979, approved a By-law with effect from April 2, 1979, under which the Company's capital stock was to be divided into one million shares of \$1 par value to replace the 200,000 shares with a par value of \$5 a share.

The same Annual and Special General Meeting approved and the Minister of Consumer and Corporate Affairs of Canada subsequently granted Letters Patent replacing the Special Act of Incorporation of the Company, continuing the Company as a company incorporated by Letters Patent under the Canadian and British Insurance Companies Act, and giving effect to an increase in the authorized capital of the Company to \$15,000,000, authority for the declaration of stock dividends, and a restatement of the authority of the Directors to delegate any of their powers to one or more committees.

- (m) The transfer from the participating life account to shareholders' account is \$1,041,000 (1978 — \$967,000) or 7-1/2% of the distributions from the participating account as limited by Section 84 of the Canadian and British Insurance Companies Act. The transfer from the non-participating life account is \$100,000 (1978 — \$1,000,000).

- (n) The invested asset valuation reserve is required by regulation and is maintained to cover both fluctuations in market values of invested assets compared with book values and fluctuations in currency translation rates. At the balance sheet date the asset valuation reserve was \$8,500,000 (1978 — \$8,500,000). A provision of \$10,325,000 (1978 — \$8,342,000) was required based on 1-1/2% of the book value of debt securities. This amount is offset by a positive excess of currency exchange in translating net assets at current rates of \$3,844,000 (1978 — \$2,530,000). The appropriated retained earnings for the asset valuation reserve are in excess of statutory requirements.

- (o) The miscellaneous asset valuation reserve is required by regulation and is an appropriation of retained earnings equal to the net values of formerly "non-admitted assets". The figures include in other assets, agents' debit balances, employee loans, leasehold improvements, deferred assets, and separately, furniture and equipment.

- (p) The Canadian and British Insurance Companies Act, Sections 82(4) to (7) specify that for 1978 and subsequent years a method of actuarial liability determination be used which will more appropriately match income and expense. In addition, solvency standards are maintained by an appropriation of retained earnings rather than this amount being deducted in the income statement. The income statement is therefore more closely related to one produced in conformity with generally accepted accounting principles. The reserve for excess of policy cash surrender values over policy contract liabilities at the beginning of the year was restated at \$21,660,000. As a result of the adoption of more stringent valuation assumptions in 1979, \$6,132,000 was released to unappropriated retained earnings. Actuarial liabilities were strengthened by a like amount of \$6,251,000. The higher valuation standard in actuarial liabilities permitted a normal release for the year of \$926,000. At December 31, 1979, the reserve was \$20,734,000 for both types of policies. This reserve must remain in the Company to meet solvency standards and is not distributable.

### 2. Premium Income

Premium income was derived from the following lines of business:

	1979	1978
participating individual life	\$ 61,431,000	\$ 54,682,000
participating individual annuity	5,779,000	8,220,000
non-participating individual life	14,219,000	13,630,000
non-participating individual annuity	52,052,000	21,643,000
group life	18,160,000	15,303,000
group annuity	12,610,000	5,637,000
individual health	2,520,000	2,155,000
group health	21,721,000	18,472,000
segregated funds	24,427,000	23,826,000
	<u>\$212,919,000</u>	<u>\$163,568,000</u>



### 3. Interest, Dividends, Rents and Amortization of Investment Gains and Losses

In 1978, the method of computing investment income in accordance with the Act and regulations was adjusted to reflect the amortization of gains and losses on disposals of bonds and stocks. In addition, stock values are adjusted toward market on a formula basis. Gains or losses on disposal of real estate are also included in investment income.

	1979	1978
interest, dividends and rents	\$75,121,000	\$64,685,000
amortization of bond net losses	(258,000)	(102,000)
amortization of stock net gains and adjustment toward market	4,897,000	1,789,000
real estate net gains	231,000	142,000
	<u>79,991,000</u>	<u>66,514,000</u>
Less:		
investment expenses		
general investment expenses	5,274,000	4,184,000
real estate taxes	1,615,000	1,409,000
depreciation	1,056,000	926,000
	<u>7,945,000</u>	<u>6,519,000</u>
	<u>\$72,046,000</u>	<u>\$59,995,000</u>

### 4. Jamaica Insurance Business

The Company ceased writing new business in Jamaica on August 31, 1978, at which time most of the agency force joined The Jamaica Mutual Life Assurance Society. On the eighth of September 1978, the Company entered into an agreement with The Jamaica Mutual Life Assurance Society to transfer to that local company all its business of life and health insurance in Jamaica. The transfer will not take place until the Operative Date, specified in the agreement as 31 days after the final required approval is obtained. It is expected that the Operative Date will be in 1980. The following step has been completed:

- (i) The report of the independent actuary appointed by the two parties and whose report is required under the Insurance Acts in both Canada and Jamaica.

The following two approvals have been requested:

- (ii) The approval of the Minister of Finance, Canada, upon the advice of the Superintendent of Insurance for Canada.
- (iii) The approval of the Superintendent of Insurance for Jamaica.

The court calendar date is now being sought:

- (iv) When the above two approvals have been obtained, the sanction of the Supreme Court of Jamaica in accordance with Section 93 of the Insurance Act, 1971 (Act 8 of 1971 of the Laws of Jamaica) will be sought.

Although the agreement has not been concluded, its effective date is December 31, 1977, the date on which the Jamaican policy liabilities were valued and agreed to by both parties. Jamaican assets at equivalent agreed values have been earmarked under the agreement and will be turned over to The Jamaica Mutual at the Operative Date together with any growth in those assets from the operations in Jamaica from January 1, 1978 to the Operative Date. The financial effect of the transfer has not been reflected in these financial statements nor have the Jamaican assets and liabilities been segregated therein. After all requisite approvals have been obtained the transaction will be booked as of the Operative Date. The book value of the liabilities being transferred is approximately \$5,403,000 at December 31, 1979 using 1979 rates of currency translation. The Company's total assets and liabilities in Jamaica at December 31, 1979 at book values and 1979 book rates of currency translation were approximately \$10,054,000 and \$7,409,000 respectively.

### 5. Loyal American Life Insurance Company, Mobile, Alabama

On December 28, 1979, Imperial Life entered into a stock option agreement with McLean Securities, Inc., (MSI), a corporation organized under the laws of Delaware, pursuant to which Imperial has agreed to use its best efforts to enter into a merger agreement with Loyal American Life Insurance Company (Loyal) that would include a plan of merger pursuant to which a subsidiary corporation of Imperial would be merged into Loyal and Loyal would become a wholly-owned subsidiary of Imperial. In 1980, an offer of \$25.00 US per share will be made for all of the 991,841 shares outstanding. The stock option agreement covers approximately 74% of Loyal stock held by MSI.



## Ten-Year Review

(dollar amounts in thousands)

	1979*	1978*	1977	1976	1975	1974	1973	1972	1971	1970
Revenue										
Premiums	\$212,919	\$163,568	\$135,361	\$132,705	\$110,106	\$ 98,389	\$ 91,550	\$ 81,131	\$ 76,277	\$ 62,767
Interest, dividends and rents	88,604	72,265	58,316	51,721	47,786	43,747	38,901	34,508	32,404	30,260
Total paid or credited to policyholders and beneficiaries excluding dividends	233,062	162,403	144,635	131,844	115,328	85,430	83,797	85,455	77,249	59,569
Dividends to policyholders	13,056	12,106	9,957	10,069	10,061	9,556	8,990	8,813	8,414	7,539
Commissions, branch office, agency and operating expenses	61,173	53,662	45,806	44,242	38,973	33,632	29,767	24,357	22,929	20,656
Dividends to shareholders	1,600	1,060	920	720	720	700	640	560	510	480
Total assets	1,114,852	940,056	812,393	756,896	713,595	654,244	621,051	574,184	537,470	501,732
Life insurance in force	9,105,964	7,670,914	6,340,190	6,003,198	5,557,828	4,963,307	4,286,669	3,770,815	3,306,376	3,107,109
Net rate of interest earned	9.58%	8.70%	7.99%	7.57%	7.37%	7.16%	6.93%	6.66%	6.54%	6.38%
Earnings per share	\$4.18	\$3.53	\$2.07	\$ .93	\$1.47	\$ .89	\$1.20	\$1.09	\$2.29	\$ .44
Number of agents	701	735	738	745	723	702	702	633	626	656
Number of employees	1,278	1,218	1,201	1,254	1,253	1,228	1,155	1,096	1,116	1,142

\*statutory accounting rules were significantly changed effective 1978

## Summary of Capital and Retained Earnings

At December 31

(dollar amounts in thousands)

	1979*	1978*	1977	1976	1975	1974	1973	1972	1971	1970
Appropriated										
Participating account	\$18,344	\$23,563	\$10,525	\$10,525	\$10,525	\$ 9,057	\$12,057	\$12,067	\$12,722	\$12,372
Non-participating account	14,269	15,339	3,600	3,600	3,600	3,270	3,269	3,525	3,604	3,477
Shareholders' Capital stock	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Retained earnings	4,667	4,646	3,395	3,057	2,754	2,454	2,204	1,951	1,635	1,342
Unappropriated										
Participating account										
Life retained earnings	45,665	39,095	28,324	27,189	26,910	30,528	32,160	32,983	33,517	33,339
Non-participating account										
Life retained earnings	11,360	12,096	6,546	6,202	7,046	7,381	7,379	6,533	6,344	5,244
Health retained earnings	2,732	2,910	2,483	2,013	1,263	934	992	1,273	1,254	998

\*statutory accounting rules were significantly changed effective 1978



## Officers of Imperial Life

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**Claude Castonguay, C.C., F.C.I.A.**  
*Chairman of the Board  
and Chairman of the  
Executive Committee  
of the Board*

**William G. Munro, F.L.M.I.**  
*President*

**René Amyot, Q.C.**  
*Vice-President*

**J. B. Purdy, C.F.A., F.L.M.I.**  
*Senior Vice-President —  
Investments*

**Grant D. Sylvester, C.L.U.**  
*Senior Vice-President —  
Marketing*

**John J. Breithaupt**  
*Vice-President —  
Systems and Resources*

**R. Lewis Dunn, F.C.I.A.**  
*Vice-President —  
Group Insurance*

**Gordon H. Johnson, F.C.A., F.L.M.I.**  
*Vice-President  
and Comptroller*

**Alan R. Brereton, F.C.I.A.**  
*Actuary*

**William R. Brown, F.L.M.I.**  
*Director —  
Group Administration*

**Hugh C. Fardy, C.L.U.**  
*Director —  
Marketing Administration*

**Daniel M. Fleming, M.D., D.P.H.**  
*Medical Director*

**Michael A. Hale, F.C.I.A.**  
*Director —  
Marketing Planning*

**G. James Hunter, C.L.U.**  
*Director —  
Group Marketing*

**Brian A. Hurley, A.A.C.I., S.R.P.A.**  
*Director —  
Mortgage Investments*

**John H. McMeekin, C.F.A., F.L.M.I.**  
*Director —  
Investment Policy*

**Thomas A. Milburn, F.C.I.A.**  
*Research Actuary*

**John D. Ogden, C.L.U.**  
*Director —  
U.S. Operations*

**William L. Stanley, F.L.M.I.**  
*Director —  
Marketing Services*

**Glenn R. Swanick, F.C.I.A.**  
*Director —  
Corporate Planning*

**W. Alan Teeter, C.L.U.**  
*Director —  
Canadian Marketing Operations*

**Peter M. Walter, C.F.A., F.L.M.I.**  
*Director —  
Securities Investments*

**E. Harold Wykes**  
*General Counsel  
and Secretary*

### In Great Britain

**John A. Kempton**  
*Senior Vice-President  
and General Manager for  
Great Britain*

**Roger H. A. Wain**  
*Assistant General Manager  
for Great Britain*

**W. Nicholas Anderton, F.I.A.**  
*Actuary for Great Britain*

**Eric A. Percival**  
*Director of Administration  
and Resident Secretary*

**Cecil W. Ward**  
*Director of Marketing*

**Anthony F. Hopper**  
*Director of Special Projects*

**Eric R. Paton**  
*Deputy Director of Marketing*

**Michael C. Spillman**  
*Deputy Director of Agencies*

### Officer of Impco Health Screening Limited

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

### Officers of Imbrook Properties Limited

**Maurice W. Facey**  
*President*

**Anthony P. Alberga**  
*Vice-President —  
Development*

**Brian E. Richardson**  
*Vice-President —  
Finance*

**W. Dennis Young**  
*Vice-President —  
Operations*

### Officers of Castlemere Properties Limited;

*a property affiliate of  
Imperial Life in Great Britain*

**Archie J. Preston**  
*Chairman of the Board*

**Stephen G. Lindemann**  
*Executive Director*



# Imperial Life Offices

## 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.**  
R. D. McCorquodale, C.L.U.

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

**Penticton, B.C.**  
D. A. B. Hall, C.L.U.

**Regina, Sask.**  
J. J. Dean, C.L.U.

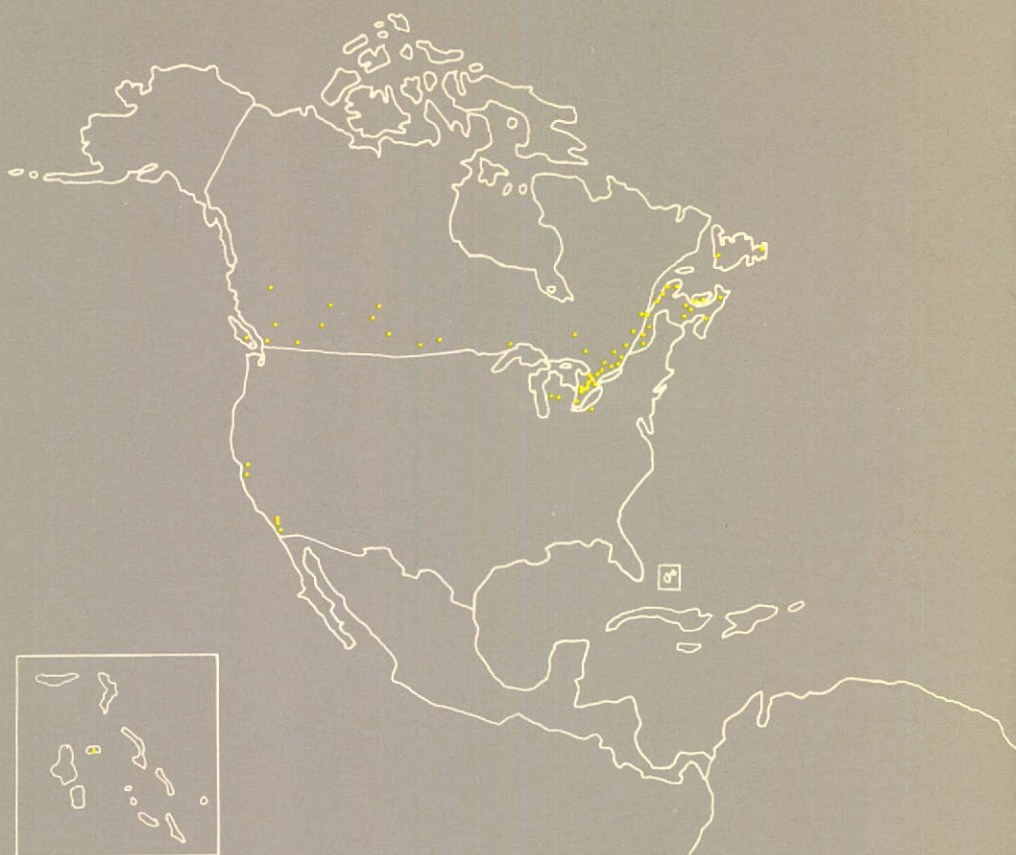
**Saskatoon, Sask.**

**Thunder Bay, Ont.**  
A. R. Nicholls, C.L.U.

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

**Victoria, B.C.**  
R. H. Knowlton, C.L.U.

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



## Sales Offices

**Duncan, B.C.**  
**Kamloops, B.C.**  
**Prince Albert, Sask.**  
**Prince George, B.C.**

### Ontario Region

**Barrie, Ont.**  
D. A. Conway, C.L.U.  
**Hamilton, Ont.**  
H. K. Kay, C.L.U.  
**Kingston, Ont.**  
E. W. Stewart-Normans

**Kitchener, Ont.**  
W. S. Lillie, C.L.U.

**London, Ont.**  
J. B. Glover, C.L.U.

**North Bay, Ont.**  
V. A. Shelp, C.L.U.

**Oshawa, Ont.**  
W. T. McIntosh

**Ottawa, Ont.**  
D. H. Zwicker

**St. Catharines, Ont.**  
R. A. Newton, C.L.U.

**Toronto, Ont.**  
V. Chin

**Toronto, Ont.**  
J. M. Ferguson, C.L.U.

**Toronto, Ont.**  
F. E. Murphy, C.L.U.

**Toronto, Ont.**  
G. A. Wilson, C.L.U.

### Sales Offices

**Belleville, Ont.**  
**Brantford, Ont.**  
**Brockville, Ont.**  
**Chatham, Ont.**  
**Kirkland Lake, Ont.**  
**Niagara Falls, Ont.**  
**Peterborough, Ont.**  
**Sarnia, Ont.**  
**Stratford, Ont.**  
**Welland, Ont.**  
**Windsor, Ont.**  
**Woodstock, Ont.**

### Quebec Region

K. M. Sopora, C.L.U., F.L.M.I.  
Director of Marketing —  
Quebec Region

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

**Montreal, Que.**  
E. W. Tobin, C.L.U.

**Quebec, Que.**  
M. Pineau

**Rimouski, Que.**  
P.-E. Levesque

**Ste-Foy, Que.**  
E. G. Paré

**Sherbrooke, Que.**  
G. Fontaine, C.L.U.

**Thetford Mines, Que.**  
J.-G. Cyr

**Trois-Rivières, Que.**  
D. L. Comtois, C.L.U.

### Sales Offices

**Chandler, Que.**  
**Lévis, Que.**  
**Matane, Que.**  
**St-Georges Est, Que.**  
**Ste-Anne-des-Monts, Que.**

### Atlantic Region

D. B. MacKay, C.L.U.  
Regional Director —  
Atlantic Region

**Charlottetown, P.E.I.**  
W. H. Tomilson

**Halifax, N.S.**  
W. L. Charlton

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

**St. John's, Nfld.**  
R. K. Moores, C.L.U.

### Sales Offices

**Bouctouche, N.B.**  
**Corner Brook, Nfld.**  
**Saint John, N.B.**  
**Summerside, P.E.I.**  
**Sydney, N.S.**

### Branch Office in the South

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



### Management Development

J. P. Cairns, C.L.U.  
Director of Marketing —  
Management Development

### Group Insurance Offices in Canada

**Calgary, Alta.**  
J. G. Brown, C.L.U.  
**Montreal, Que.**  
G. P. Nolin, C.L.U.  
**Toronto, Ont.**  
D. B. Jarvis, C.L.U.

**Toronto, Ont.**  
R. A. Young  
**Vancouver, B.C.**  
D. G. Emo, C.L.U.



**Brokerage Offices  
in U.S.A.**



**Western Region**

**R. F. Baxter**

*Director of Marketing —  
U.S. Region West*

**Concord, Calif.**

C. H. Ramey

**Orange, Calif.**

J. M. Quintana

**San Diego, Calif.**

S. S. LaFond

**San Jose, Calif.**

E. M. Breuer

**Santa Ana, Calif.**

M. J. Phillips

**Eastern Region**

**J. J. Margolis**

*Regional Brokerage Manager*

**Cleveland, Ohio**

J. S. Huba

**Cleveland, Ohio**

E. K. Sidlo

**East Lansing, Mich.**

L. P. McKinzie

**Grand Rapids, Mich.**

F. W. Bleyerveld

**Southfield, Mich.**

J. J. Margolis

**Imperial Life Offices  
in Great Britain**



**Chief Office**

Imperial Life House

London Road

Guildford, Surrey

GU1 1TA



**Mortgage Loan  
Offices in Canada**

**Calgary, Alta.**

D. M. Johnston, A.A.C.I., S.R.P.A.

**Halifax, N.S.**

J. R. MacRae

**Kitchener, Ont.**

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

**Montreal, Que.**

R. Cusson, E.A.

**Quebec, Que.**

**Toronto, Ont.**

R. I. Alguire

**Toronto, Ont.**

W. A. Copeland, C.P.M.

**Vancouver, B.C.**

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

**Investment Office  
in the Caribbean**

**Nassau, Bahamas**

D. Holland

*Resident Superintendent  
of Investments*



**Branch Offices**

**Abingdon**

J. E. Barlow

**Birmingham**

D. H. Scott

**Bristol**

E. P. Bamford

**Bromley**

C. W. M. Frampton

**Camberley**

R. A. Knox-Johnston

**Cambridge**

D. F. Morley

**Cardiff**

B. J. Cross

**Croydon**

C. C. Myers

**Glasgow**

C. D. H. MacLean

**Hove**

T. T. Hyde

**Leicester**

M. M. Leask

**Liverpool**

D. G. Kearon

**London**

P. N. Crookenden

**London**

A. H. Evans

**London**

R. W. J. Exall

**London**

G. G. Howlett

**London**

J. A. Jacobs

**London**

G. H. King

**London**

B. A. Lane

**London**

D. S. Lee

**London**

B. Roden

**London**

D. Schiff

**Maidstone**

G. F. Garfield

**Manchester**

G. Ratcliffe

**Newcastle**

G. D. Mein

**Nottingham**

H. G. Spencer-Mustoe

**Plymouth**

I. D. Hopkins

**Southampton**

J. F. Wilson

**Wembley**

C. Burman

**Wetherby**

P. A. Dodds

**Group and Pensions  
Office**

**Guildford**

B. J. Porter



