

Canada Life participating account – mortgage holdings

Excludes former New York Life and Crown Life blocks



Investment details as of Dec. 31, 2009

Portfolio size: \$ 468.8 million

Proportion of total assets of the Canada Life participating account: 18.9%

Investment guidelines

Commercial mortgages are managed by a specialized mortgage area located in Winnipeg, with six regional offices located in major centres across Canada. The guidelines are to acquire high-quality mortgages that meet our underwriting standards and diversification criteria. The diversification criteria covers sector, geography and issuer.

Residential mortgages are managed by the specialized mortgage area located in Winnipeg. Many mortgages are originated as a result of referrals by the insurance sales force. A smaller portion of the residential mortgages is purchased wholesale from third parties.

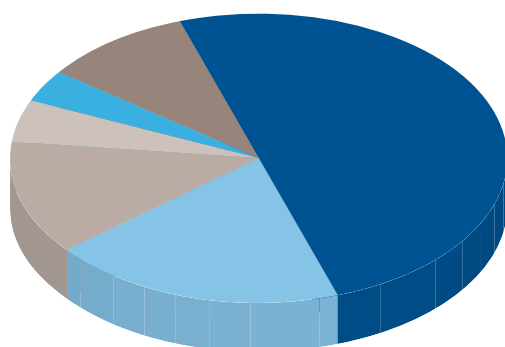
Investment mix as of Dec. 31, 2009

	\$ Millions	Percentage
Residential mortgages		
Insured	\$ 149.4	31.9%
Uninsured	\$ 14.0	3.0%
<i>Total residential</i>	\$ 163.5	34.9%
Commercial mortgages		
Insured	\$ 33.4	7.1%
Uninsured	\$ 271.9	58.0%
<i>Total commercial</i>	\$ 305.3	65.1%
Total mortgage assets	\$ 468.8	100.0%

Investments by term as of Dec. 31, 2009

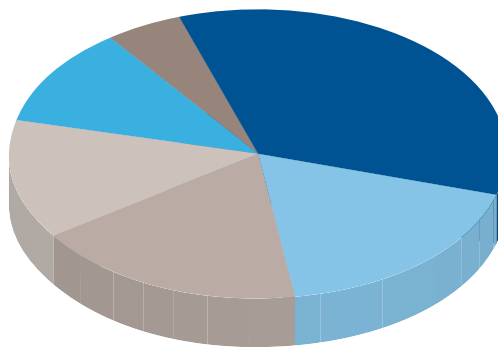
	Residential	Commercial
Years to maturity		
0 to 5 years	99.7%	21.0%
Over 5 years	0.3%	79.0%
<i>Total</i>	100.0%	100.0%

Investments by location as of Dec. 31, 2009



Ontario	50.2%
Alberta	19.1%
Quebec	12.7%
British Columbia	4.7%
Manitoba	3.6%
Other	9.7%

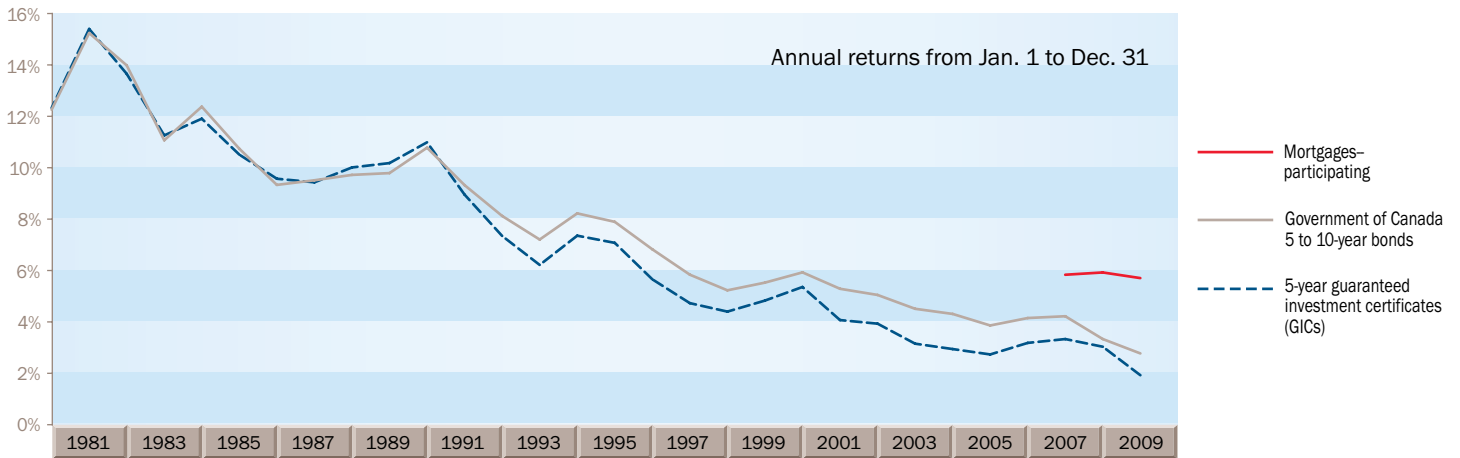
Investments by sector as of Dec. 31, 2009



Single-family residential	34.9%
Multi-family residential	17.9%
Retail and shopping centre	17.8%
Miscellaneous and specialty	13.5%
Industrial buildings	11.0%
Other	4.9%

Note: Throughout report totals may not add up due to rounding.

Returns



Historical average returns as of Dec. 31, 2009

	1-year	2-year	3-year
Mortgages – participating	5.7%	5.8%	5.8%
Government of Canada 5 to 10-year bonds	2.8%	3.1%	3.5%
5-year guaranteed investment certificates (GICs)	1.9%	2.5%	2.8%

All historical average annual returns are geometric means.

Performance data is provided for illustrative purposes only and represents past performance, which is not necessarily indicative of future performance.

The return on the mortgages of the participating account reflects the return on the mortgage assets backing liabilities and surplus after investment expenses are deducted. The return on the mortgages of the participating account is based on corporate accounting provisions issued by the Canadian Institute of Chartered Accountants regarding accounting for financial instruments (assets) in effect since Jan. 1, 2007. The return on the mortgages contributes to the overall investment performance of the total participating account.

Five-year GIC returns are based on the nominal yields to maturity taken from the Statistics Canada CANSIM V122526 (Bank of Canada website) Feb. 11, 2010. For each calendar year, the average of the monthly GIC rates was used.

Government of Canada bond returns are taken from the Statistics Canada CANSIM V122486 (Bank of Canada website) Feb. 11, 2010. For each calendar year, the average of the monthly values was used.