

Canada Life participating account – public bond holdings

Excludes former New York Life and Crown Life blocks



Investment details as of Dec. 31, 2009

Portfolio size: \$ 888.3 million

Proportion of total assets of the Canada Life participating account: 35.8%

Investment guidelines

Publicly traded bonds are managed by a specialized public bond unit located in Winnipeg. The guidelines are to invest in high-quality investment grade bonds. Diversification is maintained by sector, geography and by issuer. Public bonds support the long-term stable growth and core guarantees within participating policies and provide liquidity.

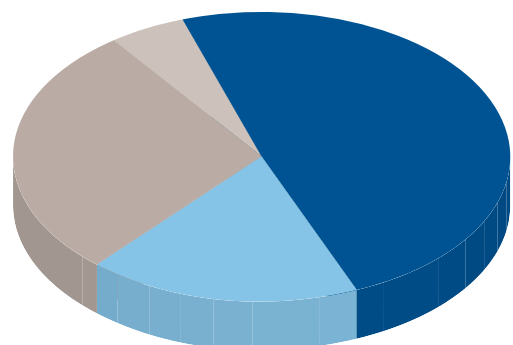
Investment mix as of Dec. 31, 2009

	\$ Millions	Percentage
Fixed income		
Government bonds	\$ 358.7	40.4%
Corporate bonds	\$ 529.7	59.6%
Total public bond assets	\$ 888.3	100.0%

Investments by term as of Dec. 31, 2009

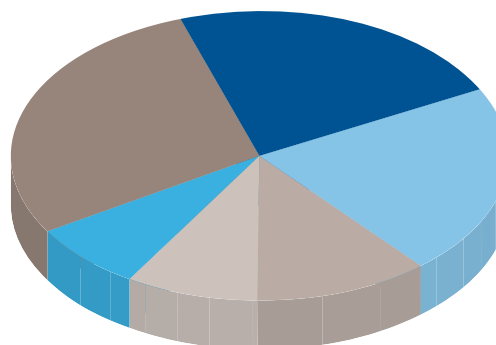
Years to maturity		
0 to 5 years	\$ 71.8	8.1%
Over 5 years	\$ 816.5	91.9%
Total	\$ 888.3	100.0%

Investments by quality as of Dec. 31, 2009



AAA	48.9%
AA	18.0%
A	28.1%
BBB	5.0%
BB or less	0.0%

Corporate bonds by sector as of Dec. 31, 2009



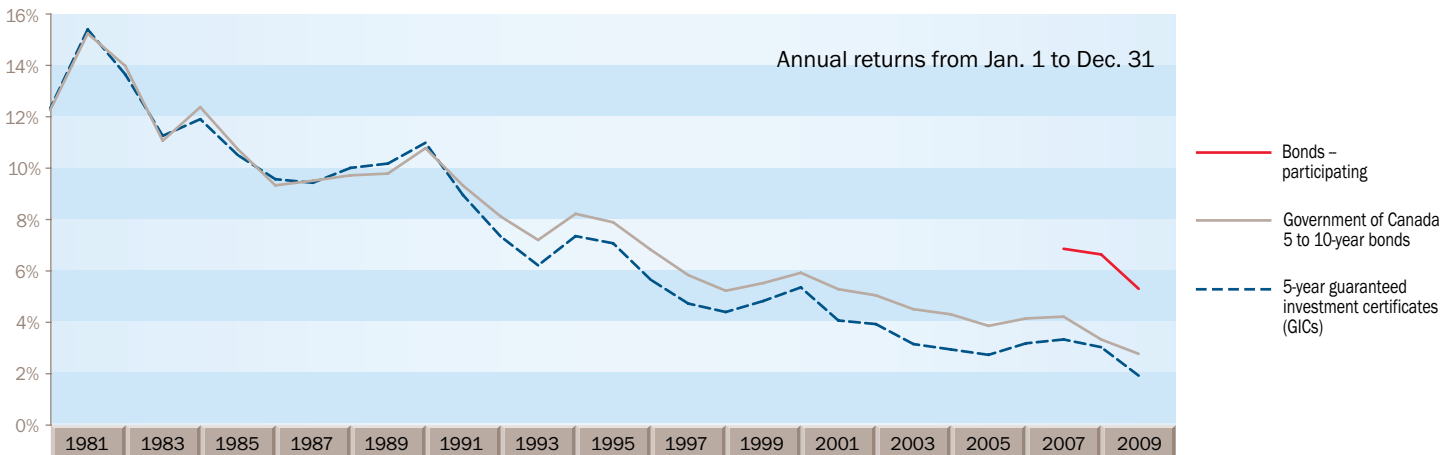
Government related/ universities/health care	22.8%
Utilities	21.2%
Sovereign/supranationals	11.4%
Asset-backed securities	8.6%
Banks and guarantees	7.7%
Other	28.4%

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

Major holdings as of Dec. 31, 2009

	Percentage of public bond holdings	Percentage of total participating assets
Government of Canada	20.1%	7.2%
Fannie Mae	8.3%	3.0%
Freddie Mac	5.3%	1.9%
Inter-American Development Bank	5.2%	1.9%
Province of Saskatchewan	4.3%	1.5%
Province of Ontario	4.2%	1.5%
HSBC Bank Canada	2.8%	1.0%
GS Mortgage Securities Corporation	2.1%	0.7%
Broadcast Centre Trust	2.0%	0.7%
Province of Nova Scotia	1.9%	0.7%
Total major holdings	56.2%	20.1%

Returns



Historical average returns as of Dec. 31, 2009

	1-year	2-year	3-year
Public bonds and private placements – participating	5.3%	6.0%	6.3%
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 bonds of the participating account reflects the return on the bond assets backing liabilities and surplus after investment expenses are deducted. The return on the bonds 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, with the exception of unrealized gains and losses on bonds, which are excluded because bonds in the participating account are generally held until maturity. Holding bonds until maturity promotes stability and better matches the long term focus of permanent life insurance. The return on the bonds contribute to the overall investment performance of the total participating account return

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.

The 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.