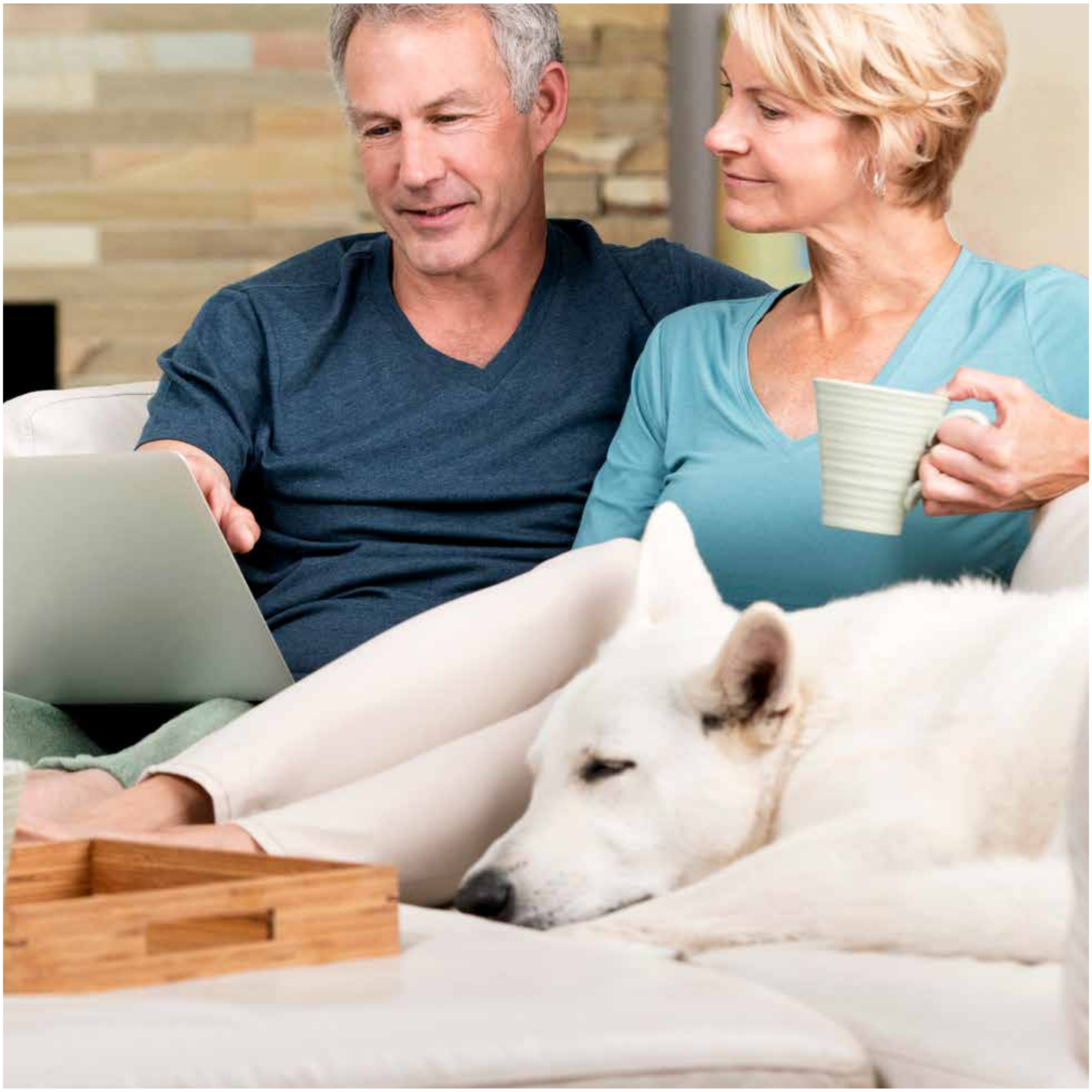
Stability for uncertain times



Canada Life participating life insurance

There may be places in your portfolio for big risks. Life insurance isn't one of them.

You buy participating life insurance to protect the people or organizations you care about, after you die.

And with that protection come important features like your policy's guaranteed cash value, which you can use while you're alive.

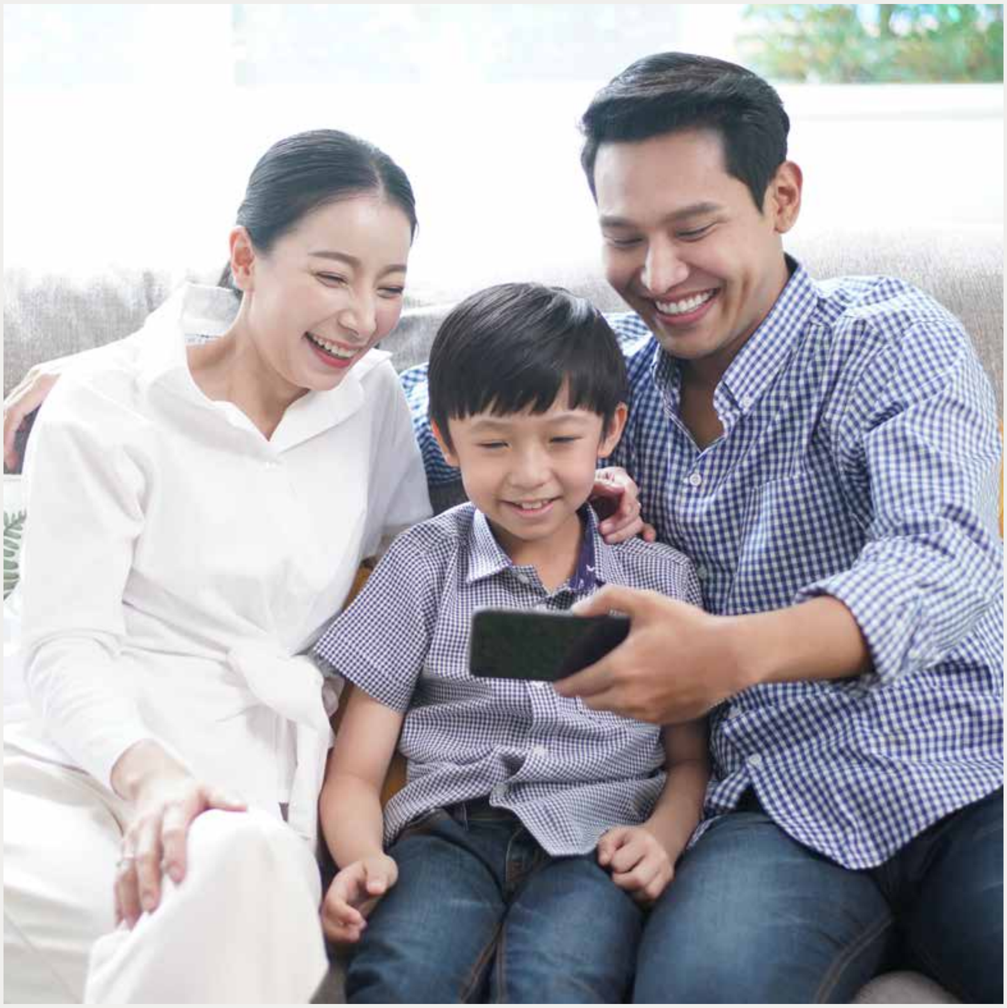
Chances are, you won't use either benefit for a long time. However, it's very important they'll be there when you need them the most – for example, if you want to use your policy's cash value for an emergency or opportunity.

You need policy value and growth that are stable, with less volatility than equity investments.

That's where Canada Life™ can help.

Here are some features of Canada Life participating life insurance that support stability and growth in your policy:

1. Guaranteed payout, premium payments and cash value
2. Downside risk protection
3. Careful and deliberate asset mix
4. Smoothed returns



Guaranteed payout, premium payments and cash value

Your policy's stability is built on a foundation of guarantees: guaranteed payout (death benefit), guaranteed premium payments and guaranteed cash value.

Guaranteed payout on death

Your policy's base coverage amount is guaranteed for as long as you live.

Guaranteed premium payments

Your premium payments for your policy's base coverage won't go up, no matter your age.

Guaranteed cash value

Your policy has value which you can access for cash during your lifetime. It's guaranteed to grow over time unless you withdraw that value.

These guarantees are based on you making required premium payments. If you cash out some or all of your coverage, this will reduce the payout and cash value, and you may have to report taxable income.

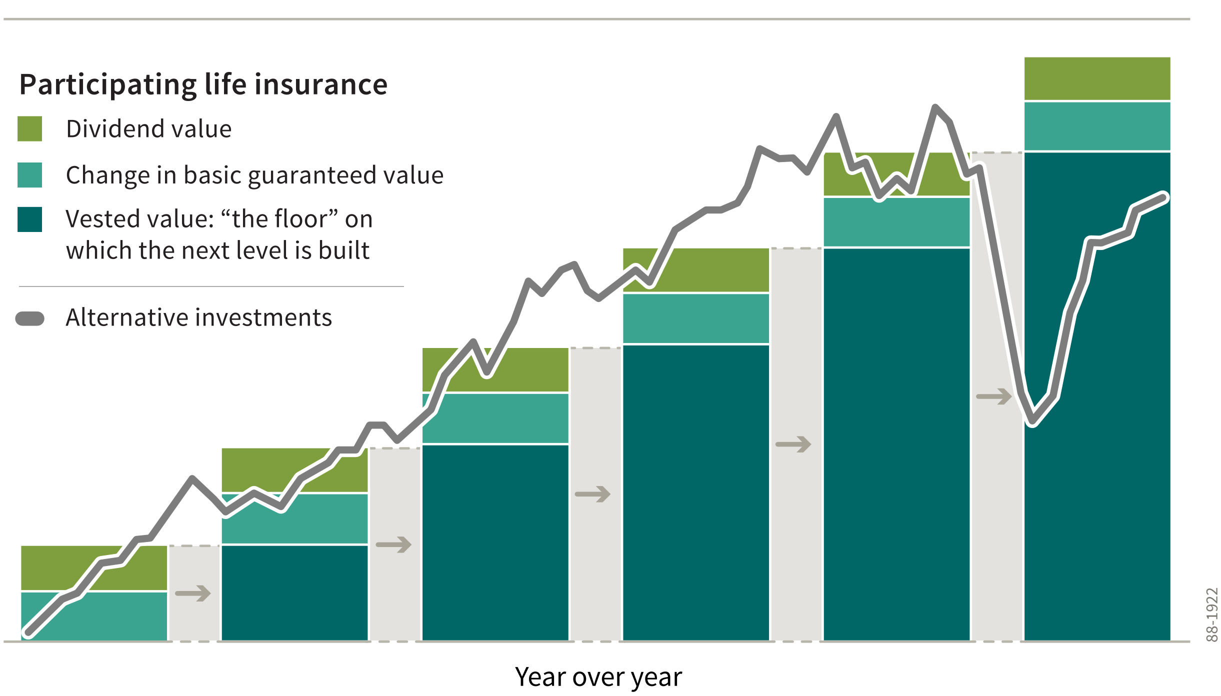
Downside risk protection

Downside risk is the chance of an unexpected decline in the value of an asset. Participating life insurance limits your downside risk.

That's because:

- Your policy's base coverage has a guaranteed payout and guaranteed cash value, as described above.
- Starting at a policy's first anniversary, participating policyowners may receive dividends. Dividends can be used to purchase additional insurance, which may have an associated cash value.
- This cash value, once credited to the policy, is vested. It can't be reduced or used for any purpose, other than as authorized by the policyowner, to pay premiums or to preserve the policy's tax-exempt status. If markets fall, it's protected.

Visual example of vesting



Dividends are not guaranteed

Careful and deliberate asset mix

For steady, long-term growth, we generally manage the participating account as a broadly diversified fixed-income account. Currently, the target asset mix is about 75% fixed-income investments and 25% equities. The exact asset allocation at any time can vary, based on the investment guidelines established for the participating account.

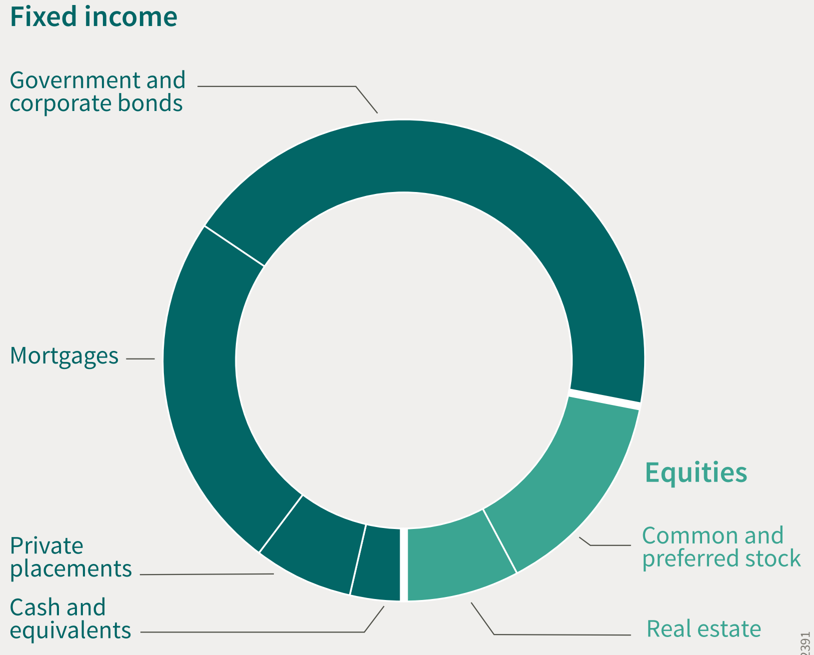
Currently, our largest investment segments are bonds and mortgages.

We're very careful and deliberate with our asset mix. We focus on high quality bonds, incorporation of insured mortgages, asset diversification and active management by a professional investment team. This asset mix helps provide strong, steady, low-risk growth for your policy over the long term.

An asset mix with more equities could mean higher growth in some years. But it could also mean more short-term volatility and risk, factors our mix aims to minimize.

Broadly diversified fixed-income account

Canada Life participating account invested assets



Proportions are approximate and may change.

Smoothed returns

Smoothing is the process by which investment gains and losses are brought into the dividend scale interest rate over a period of time.

Dividend scale interest rate

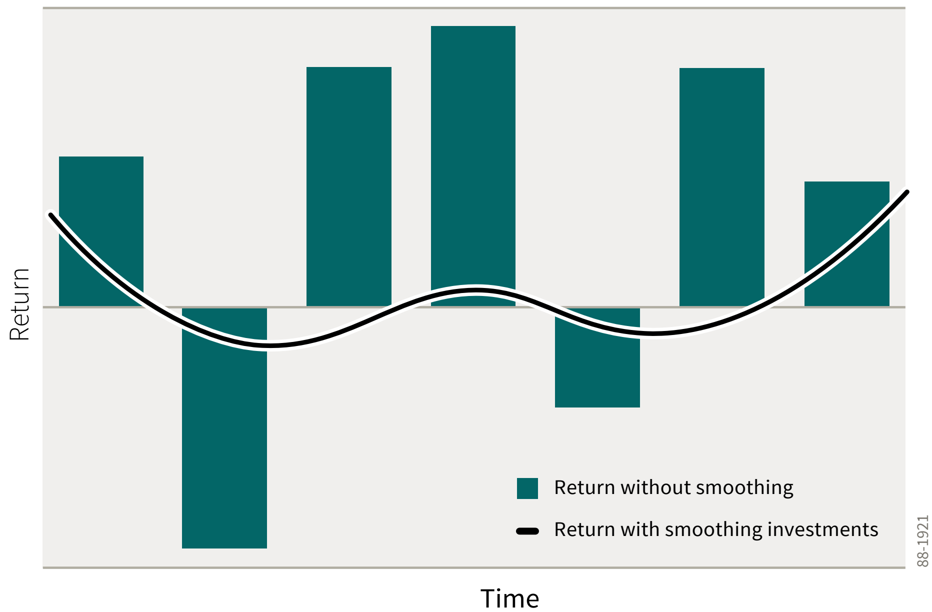
The dividend scale interest rate is only one factor that contributes to an individual policy's performance. It's used to determine the amount of participating policyowner dividends that come from participating account investments and can't be directly tied to the cash value growth in a particular policy. The actual cash value growth in a policy varies based on a number of factors. For example: type of product, product features, premium-paying period, issue age, rating, dividend option and dividend scale.

Smoothing

We don't bring investment gains and losses into the dividend scale interest rate right away. Instead, we use what's called smoothing – we gradually bring them into the dividend scale interest rate over time. This takes out the highs and lows and helps give more stability for any dividends you may receive. The smoothing method could change in the future.

Our long-term investment strategy, together with our smoothing approach, helps reduce the impact of short-term volatility on the investment component of participating policyowner dividends.

Visual example of smoothing



Returns shown are fictitious examples.

Strong commitment

Canada Life is committed to participating life insurance. We have more than 170 years of experience in the participating insurance market. We have distributed participating policyowner dividends since 1848, even in difficult economic times. We've never left the participating life insurance market and our track record speaks for itself.

We will continue to manage the participating account for stability and strength. Each year, we may hold on to some participating account earnings, which become part of the participating account surplus. Over the years, Canada Life has built up a strong surplus. This surplus can be used for purposes such as to:

- Help ensure financial strength and stability for the company
- Help during periods of major change

Track record of policyowner dividends in difficult times

- **1914** First World War $560,300
- **1930** Great Depression $13.5 million
- **1939** Second World War $8.8 million
- **1945** End of Second World War $8.7 million
- **1957** 1957 Recession $25.3 million
- **1970** Vietnam War $72.8 million
- **1974** Oil Crisis (1974-1975) $100.5 million
- **1981** 1981 Recession $231 million
- **2001** Downturn following Sept. 11 $662.6 million
- **2008** Financial crisis $883.6 million

Amounts shown include Canada Life, Great-West Life and London Life

Numbers shown reflect the then current dollar amount of dividends distributed to policyowners as reported in company annual reports for the associated year. Numbers may be rounded. Amounts reported before 2001 may include policyowner dividends distributed for policies issued outside of Canada.

Past performance is not necessarily indicative of future performance.

88-1960

Talk with your advisor about stable growth

If you need life insurance and you want stable growth, then Canada Life participating life insurance may be a good fit for you. Ask your advisor how it could help you with your specific goals.

Visit **canadalife.com** **@CanadaLifeCo**

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