



Assumption Life

2020 ANNUAL REPORT

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“Founded in 1903, our main objective has always been to help others.

With a team of dynamic, passionate, creative and resilient professionals, we are committed to delivering excellent personalized services. We provide you with simple and affordable solutions to ensure your financial security.”

BOARD OF DIRECTORS



**Andrée
Savoie**

ICD.D

President
& CEO Adelin
Properties
President of the Board



**Sébastien
Dupuis**

CPA, CA

President & CEO
Assumption Life



**Marc
Landry**

Vice-President, IT and
Logistics Major Drilling
*Vice-President
of the Board*



**Geneviève
Laforge**

LL.B, ASC

Director,
Organizational
Development
*General Secretary
of the Board*



**Yvon
Fontaine**

B.Soc.Sc., LL.B., LL.M.

Corporate Director



**Adrienne
O'Pray**

Vice President
of Client Success
MESH/diversity



**Steven
Ross**

Business
Development
Consultant
PearTree Canada



**Lise
Casgrain**

MBA, ICD.D

Corporate Director



**Ivan
Toner**

ICD.D

President MelamTech
Consulting



**Alain
Bossé**

President & COO
Groupe Savoie



**Bernard
Tanguay**

FCIA, FSA, ASC

Actuary and
Corporate Director

BOARD MEMBER ATTENDANCE

Board of Directors 2020	Board Meeting Attendance	Committee Meeting Attendance	Subsidiary Meetings Attendance
Andrée Savoie	10/10	17/17	3/3
Sébastien Dupuis	10/10	17/17	11/11
Marc Landry	10/10	13/13	3/3
Yvon Fontaine	10/10	2/2	8/8
Adrienne O'Pray	10/10	8/8	0
Steven Ross	10/10	9/9	3/3
Lise Casgrain	10/10	13/13	7/7
Ivan Toner	9/9	8/8	0
Alain Bossé	9/9	7/7	3/3
Bernard Tanguay	9/9	9/9	3/3
Jacques Valotaire	2/2	3/3	3/3
Monique Tremblay	2/2	4/4	3/3

BOARD COMMITTEES

Governance: Oversees the establishment, development and optimal functioning of the Board of Directors and its committees. Assists the Board of Directors in its oversight mandate, particularly with respect to governance. Acts on behalf of the board of directors when it is impractical for the entire board to meet.

Audit: Assists the Board in fulfilling its financial audit, oversight and risk management responsibilities.

Investment: Represents the Board of Directors in developing and monitoring the Company's investment policies, reviewing pension fund performance and reviewing asset liability matching.

HR: Conducts succession planning and staff senior management positions, makes recommendations on the compensation philosophy and reviews compensation packages, reviews human resource management practices and reviews the pension plan.

Review: Reviews transactions between the Company and related parties to monitor their impact on the Company's solvency and stability and ensures compliance with applicable laws.

MESSAGE FROM THE CHAIR OF THE BOARD

The COVID-19 pandemic that has been present for most of 2020 has, of course, forced us all to reassess our ways of doing things and to adapt to many constraints. However, with every challenge lies an opportunity, and Assumption Life has had a year filled with success.

Indeed, 2020 has been a huge human success at Assumption Life. The resilience, adaptability, commitment and creative spirit of our employees allowed us to quickly switch to remote work, review our priorities, modify many processes to meet customer challenges and concerns, and continue to deliver the excellent customer service that sets us apart. This high level of employee engagement is one of the elements that have allowed us to be recognized as one of the best employers in Atlantic Canada. I want to thank all our employees. You make a difference for your colleagues, our customers and our business partners.

Financially, Assumption Life had the third-best year in its history. The details of the financial elements that allowed us to present positive results and enviable profitability can be found in this Annual Report. I would like to congratulate the management team and our employees for their leadership in achieving these results.

Assumption Life has been listening to its customers and business partners since the start of the pandemic to better support them during this crisis. We have worked with them to alleviate the impact of restrictions on our business processes. I would also like to thank our customers and business partners who have shown remarkable resilience and commitment over the past year. You can count on our continued support to enable you to access financial security.

Our Board of Directors has been very active since the beginning of the pandemic to support management in mitigating the risks and restrictions associated with it. In addition to our regular meetings, we received regular written updates from the CEO and met three times during extraordinary meetings. As 2020 was the first year of our new strategic plan, it was important to reassess our priorities.

The Board of Directors also addressed the significant risks related to cybersecurity and the protection of our clients' personal information. Protecting sensitive information is of paramount importance in the design or acquisition of technological tools and platforms that facilitate the work of our producing customers.

Finally, I would like to highlight both the social and community involvement of Assumption Life and its employees. Proud of our status as a mutual, we have always recognized the importance of contributing to our communities' success and improvement, even more so during a pandemic. Our communities can count on Assumption Life to make a difference.



Andrée Savoie
Chair of the Board of Directors

MESSAGE FROM THE PRESIDENT AND CEO

The events surrounding 2020 have brought a lot of changes. However, one element has remained the same: Assumption Life's commitment to our customers, partners and communities.

The resilience and adaptability of the Company and our employees have enabled us to navigate the COVID-19 pandemic and ensure the continuity of our services and products while allowing us to achieve success on several levels. In 2020, Assumption Life demonstrated its strength.

Building on our past

The strength of our past has been essential to getting through this pandemic year. Protecting our customers and communities has been a part of our DNA ever since 1903, as our founders' motto was "Protection, Charity, Union." Our resilience is nothing new and our ability to overcome the challenges of past years is largely based on our ability to constantly renew and adapt.

Building on our achievements

This has never been truer than through our multiple technological transitions. Our actions in this sector have played a key role in many of our achievements in 2020. We launched Vesta: our new platform that simplifies investments thanks to its turnkey format. Easy to navigate and understand, advisors can create client profiles, select funds and capture electronic signatures, allowing them to make sales entirely online. This platform is the cornerstone of our efforts to achieve our strategic investment and retirement goals.

Even before the pandemic entered our lives, Assumption Life had already distinguished itself with its technological adaptation to meet the needs of consumers, especially with individual insurance. We have been, and continue to be, pioneers with our technological advances to better serve our customers and partners.

In group insurance, we have distinguished ourselves exceptionally by our adaptation in supporting companies that have endured very difficult times. We have been able to meet their ever-changing needs without creating an additional burden. Our team has demonstrated exemplary leadership. They continuously listen to clients and partners to communicate relevant information to insurance plan administrators as well as to tailor benefits and premiums to the situation experienced by our clients.

Building on our financial results

The year 2020 was also marked by several financial achievements for the Company. I am extremely proud to report that A.M. Best has awarded Assumption Life an A-Excellent rating for the 21st consecutive year. Maintaining this rating for 21 years in a row, particularly in a period of uncertainty such as this past year, confirms our company's financial strength.

You will find details of our financial results in this Annual Report. However, I would like to proudly point out that our company has had the third-best financial results in its 117-year history. The credit for this success goes to our fantastic employees and advisors who embody our core values of leadership, collaboration, trust and commitment, and who make a difference for our clients, partners and communities.

Building on our subsidiaries

As for our subsidiaries, Louisbourg Investments achieved the largest assets under management in its history with an increase of nearly 9% to reach



\$2.5 billion, in addition to achieving its best financial results since the firm's beginning in 1991.

Furthermore, one of the firm's Canadian equity strategies, the Louisbourg Quantitative Canadian Equity Fund, ranked number 1 among all funds in its class for periods of 1 to 5 years. We have a lot to be proud of!

With the opening of its first office in Western Canada, Louisbourg is now in Vancouver and has also launched a new low-volatility global equity strategy.

TKS, for its part, has particularly distinguished itself by its resilience and rapid adaptation to find solutions to the new technological challenges of 2020. TKS is actively working with new customers and partners to deepen its footprint as a leader in insurance technologies in Canada and the United States.

Building on our social commitment

During the past year, Assumption Life has stood out as a leader in social engagement. A pandemic will not stop us from making a difference. We answered the call. We supported causes related to education, arts and culture, sport, socio-economic development, and prioritized the health sector since health is our greatest asset.

In 2020, our philosophical commitment reached \$464,000, in addition to the 358 hours of volunteer work by our employees. This represents 6% of the Company's net income.

As a result, we have made our communities shine and accompanied them in their resilience, including our support of the Tour of Hope and the Tree of Hope Campaign as well as the creation of a community health care co-operative in Inkerman.

I would also like to pay tribute to the initiative of the Assumption Life Employees Association, which has offered nearly 300 Downtown Moncton Centre-Ville gift cards valued at \$75 each. That is more than \$22,000 that have had a positive and tangible impact on businesses and entrepreneurs in downtown Moncton.

And building on our employees

An independent survey found that 97% of our employees were satisfied with our ability to respond to COVID-19. I would like to sincerely thank all our teams for their day-to-day work and commitment to ensuring the health and safety of our employees, as well as the continuity of our business to serve our customers and partners. Everyone has played a key role in our many accomplishments over the past year. In an unparalleled year, our employees have been present for each other, for our customers, for our partners and for our communities.

I would also like to thank the board members and the Management Team for their support and leadership in guiding our company. I thank all our partners and customers for their trust.

Finally, my sincere thanks to our communities for their support and, particularly, to all our essential workers, whose daily work allows us to keep hope through the COVID-19 pandemic.

Regardless of the circumstances that may lie ahead over the next year, I am confident that together we can continue to overcome challenges, find solutions and move forward successfully.

Let's keep making a difference. .



Sébastien Dupuis
President and CEO

SENIOR MANAGEMENT



**Sébastien
Dupuis**

CPA, CA

President and CEO



**Michel
Allain**

F.S.A., FCIA

Vice-President,
Chief Financial Officer
and Chief Actuary



**Réjean
Boudreau**

B.B.A.

Vice President,
Chief of Organizational
Development
and Client Experience



**Rachelle
Gagnon**

MBA, CHRP

Vice President,
Group Insurance



**Luc
Bossé**

B.B.A.

Vice-President,
Sales and Marketing



**Stéphane C.
Godbout**

MBA

Vice-President, IT,
and Chief Digital Officer

OUR INVOLVEMENT IN NUMBERS

In 2020, Assumption Group supported a broad range of causes and organizations.

Due to the impact of the COVID-19 pandemic in our communities, our contributions have been primarily given to organizations working in the health field. We have also supported numerous causes related to the fields of art and culture, education and socio-economics.

358
HOURS
VOLUNTEERED
outside and during
working hours



More than
80
ORGANIZATIONS
AND INITIATIVES
received donations



HEALTH



EDUCATION



SOCIO-
ECONOMIC



ARTS AND
CULTURE



SPORT



**ASSUMPTION LIFE
FOUNDATION**

4
SCHOLARSHIPS
awarded
to educational
institutions

16
SCHOLARSHIPS
awarded
to students.



ASSUMPTION LIFE HONOURS ITS EMPLOYEES WHO HAVE CONTRIBUTED TO ITS SUCCESS!

Congratulations to all 2020 recipients.
Together, we are making a difference.

TEAM EXCELLENCE AWARD

IT Operations Team

Arthson Mukeya, Lucie Bourque, Marc Boudreau, Patrick Thébeau,
Philippe Poirier et Scott Pelletier



Mail Team

Cinthia Melanson, Jacqueline Goguen and Rachel Poirier



EXCELLENCE AWARD

Organizational Development Team

Geneviève Laforge, Louise Robichaud, Isabelle Gallant, Amy-Lise Arseneault, Nicole Belliveau,
Janique Chiasson, Charline Gaston and Katherine Landry



EXCELLENCE AWARD



**President's Award
for Excellence**
Jasmine Arsenault



Excellence Award
Joel Roy



**Management
Award for
Excellence**
Denis Arseneault



Excellence Award
Mélanie Colquhoun



Volunteer Award
Ghislain Noël



Excellence Award
Michaël Sonier



Excellence Award
Sophie Julie Noël



**Recruit of the
Year Award**
Thomas Raffy



Excellence Award
Deborah Horsman
Benoit



Excellence Award
Lisa Bordage



Excellence Award
Chantal Robichaud

ASSUMPTION LIFE'S 2020 FINANCIAL HEALTH

\$2.1

BILLION
Assets Under
Management

\$155

MILLION
Premium Income

\$7.7

MILLION
Profit Attributable
to Policyholders

\$151

MILLION
Policyholders' Equity

166 %

Solvency ratio as
of December 31, 2020

A - FOR THE 21ST CONSECUTIVE YEAR

Rating by A.M. Best, an agency specializing in the independent assessment of the financial strength and solvency of insurance and reinsurance companies worldwide.

ASSUMPTION MUTUAL LIFE INSURANCE COMPANY

CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED DECEMBER 31, 2020

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INDEPENDENT AUDITOR'S REPORT

To the Policyholders of **Assumption Mutual Life Insurance Company**

Opinion

We have audited the consolidated financial statements of **Assumption Mutual Life Insurance Company** and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2020, and the consolidated statement of income, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2020, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards (IFRSs).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRSs, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- 
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Ernst & Young LLP

Chartered Professional Accountants

Dieppe, Canada

February 25, 2021

VALUATION ACTUARY'S REPORT

To the policyholders of **Assumption Mutual Life Insurance Company**.

I have valued the policy liabilities of **Assumption Mutual Life Insurance Company** for its consolidated statement of financial position as at December 31, 2020, and their change in the consolidated statement of income for the year then ended in accordance with accepted actuarial practices, including the selection of appropriate assumptions and methods.

In my opinion, the amount of policy liabilities makes appropriate provision for all policyholder obligations and the consolidated financial statements fairly present the results of the valuation.



Luc Farmer

Fellow, Canadian Institute
of Actuaries

Moncton, New Brunswick
February, 2021





CONSOLIDATED STATEMENT OF FINANCIAL POSITION *(in thousands)*

As at December 31

		2020	2019
		\$	\$
ASSETS			
Invested assets			
Cash and cash equivalents	4	5,545	27,059
Debt securities		585,180	515,363
Equity securities		94,932	88,094
Mortgages		167,812	152,402
Other invested assets		1,299	1,648
Policy loans		11,548	11,278
		866,316	795,844
Other assets	7	18,943	19,956
Reinsurance assets	12	281,891	242,827
Deferred tax assets	18	4,456	2,751
Property and equipment	8	3,497	3,899
Intangible assets	9	5,962	4,046
Right-of-use assets	10	2,213	2,337
Goodwill		2,226	2,226
Segregated fund net assets	11	875,836	820,754
		2,061,340	1,894,640
LIABILITIES			
Insurance contract liabilities	12	963,026	870,472
Investment contract liabilities	13	20,645	20,310
Other liabilities	15	30,235	28,699
Employee benefit liability	16	15,900	8,933
Deferred tax liabilities	18	674	563
Borrowings	17	-	166
Lease liabilities	10	2,949	2,989
Segregated fund net liabilities	11	875,836	820,754
		1,909,265	1,752,886
EQUITY			
Policyholders' equity			
Accumulated Surplus		136,071	133,642
Accumulated other comprehensive income		14,863	7,133
		150,934	140,775
Non-controlling interests		1,141	979
		152,075	141,754
		2,061,340	1,894,640
Contingencies and Commitment	20, 21		

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

SIGNED ON BEHALF OF THE BOARD


CHAIRMAN


PRESIDENT AND CHIEF EXECUTIVE OFFICER

CONSOLIDATED STATEMENT OF INCOME *(in thousands)*

Year ended December 31

		2020	2019
	Notes	\$	\$
REVENUE			
Gross premiums		155,441	166,593
Premiums ceded to reinsurers		(33,656)	(33,306)
Net premiums	22	121,785	133,287
Fees and commission income	24	23,059	22,642
Investment income	25	15,688	15,860
Realized gains from available-for-sale financial assets	26	3,000	3,301
Fair value gains and losses	27	54,623	56,654
Other operating revenue		(6)	382
Other revenue		96,364	98,839
Total revenue		218,149	232,126
EXPENSES			
Gross benefits and claims paid	23	118,423	124,002
Claims ceded to reinsurers	23	(31,446)	(26,452)
Gross change in contract liabilities		92,779	92,634
Change in contract liabilities ceded to reinsurers		(36,877)	(37,864)
Net benefits and claims		142,879	152,320
Borrowing costs		134	62
Fees and commission expenses	28	21,015	24,348
Administrative expenses	29	36,664	38,699
Other operating expenses	29	5,564	5,346
Other expenses		63,377	68,455
Total expenses		206,256	220,775
PROFIT BEFORE DIVIDENDS AND INCOME TAXES			
Policyholder dividends		11,893	11,351
		1,565	1,445
PROFIT BEFORE INCOME TAXES			
Income taxes	18	10,328	9,906
		1,983	2,089
PROFIT FOR THE YEAR			
		8,345	7,817
PROFIT ATTRIBUTABLE TO:			
Non-controlling interests		612	305
Policyholders		7,733	7,512
		8,345	7,817

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME *(in thousands)*

Year ended December 31

	2020	2019
	\$	\$
PROFIT FOR THE YEAR	8,345	7,817
Other comprehensive income:		
Items that will be reclassified subsequently to net income		
Available-for-sale financial assets:		
Change in unrealized gains, net of income taxes of \$3,733 (\$2,457 in 2019)	9,909	6,418
Reclassification of realized gains included in other revenue, net of income taxes of (\$821) ((\$914) in 2019)	(2,179)	(2,387)
Total of items that will be reclassified subsequently to net income	7,730	4,031
Items that will not be reclassified subsequently to net income		
Remeasurement of defined benefit pension plans, net of income taxes of (\$2,012) ((\$1,414) in 2019)	(5,304)	(3,855)
Total of other comprehensive income	2,426	176
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	10,771	7,993
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO:		
Non-controlling interests	612	305
Policyholders	10,159	7,688
	10,771	7,993

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY *(in thousands)*

Year ended December 31

	2020				
	Surplus	Accumulated other comprehensive income	Total policyholders' equity	Non-controlling interests	Total equity
	\$	\$	\$	\$	\$
Balance, beginning of year	133,642	7,133	140,775	979	141,754
Profit for the year	7,733	-	7,733	612	8,345
Items that will be reclassified subsequently to net income	-	7,730	7,730	-	7,730
Remeasurement of defined benefit pension plans	(5,304)	-	(5,304)	-	(5,304)
Total comprehensive income	2,429	7,730	10,159	612	10,771
Dividends	-	-	-	(450)	(450)
Balance, end of year	136,071	14,863	150,934	1,141	152,075

	2019				
	Surplus	Accumulated other comprehensive income	Total policyholders' equity	Non-controlling interests	Total equity
	\$	\$	\$	\$	\$
Balance, beginning of year	129,985	3,102	133,087	914	134,001
Profit for the year	7,512	-	7,512	305	7,817
Items that will be reclassified subsequently to net income	-	4,031	4,031	-	4,031
Remeasurement of defined benefit pension plans	(3,855)	-	(3,855)	-	(3,855)
Total comprehensive income	3,657	4,031	7,688	305	7,993
Dividends	-	-	-	(240)	(240)
Balance, end of year	133,642	7,133	140,775	979	141,754

The accumulated other comprehensive income is comprised solely of unrealized gains (losses) on available-for-sale financial assets, net of related income taxes.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF CASH FLOWS *(in thousands)*

Year ended December 31

	2020	2019
	\$	\$
OPERATING ACTIVITIES		
Profit for the year	8,345	7,817
Items not affecting cash:		
Deferred income taxes	417	(3,353)
Change in reinsurance assets	(39,064)	(37,143)
Change in insurance and investment contract liabilities	92,874	92,607
Amortization of property and equipment and intangible assets (notes 8 and 9)	1,631	2,067
Amortization of right-of-use assets (note 10)	412	169
Fair value gains and losses (note 27)	(54,623)	(56,654)
Realized gains on disposal of available-for-sale financial assets (note 26)	(3,000)	(3,301)
Employee benefit plan expense	2,338	1,854
Other	(4,240)	(4,013)
	5,090	50
Change in non-cash working capital items related to operations	(3,266)	103
Cash flows from operating activities	1,824	153
INVESTING ACTIVITIES		
Marketable securities, mortgages and investment properties:		
Sales, maturities and reimbursements	136,338	177,889
Purchases and loans	(156,235)	(155,858)
Acquisition of property and equipment and intangible assets	(3,144)	(1,836)
Disposition of property and equipment and intangible assets	-	3,809
Acquisition of additional interest in a subsidiary	-	(150)
Others	199	(365)
Cash flows from investing activities	(22,842)	23,489
FINANCING ACTIVITIES		
Repayment of capital on lease liabilities	(330)	(202)
Lease incentives received	-	684
Change in borrowings	(166)	(154)
Cash flows from financing activities	(496)	328
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR	(21,514)	23,970
CASH AND CASH EQUIVALENTS – BEGINNING OF YEAR	27,059	3,089
CASH AND CASH EQUIVALENTS – END OF YEAR	5,545	27,059

SEE NOTE 19 FOR ADDITIONAL INFORMATION
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THESE CONSOLIDATED FINANCIAL STATEMENTS

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

1. CORPORATE INFORMATION

Assumption Mutual Life Insurance Company, known as **Assumption Life** (the Company), was incorporated under a private law of the Province of New Brunswick's Legislative Assembly. The Company and its subsidiaries (together forming "the Group") underwrite life and non-life insurance risks, such as those associated with death, disability and health. The Group also issues a diversified portfolio

of investment contracts to provide its customers with asset management solutions for their savings and retirement needs. All these products are only offered in Canada.

The Group's head office is located at 770 Main St., in the Assumption Place building in downtown Moncton, N.B., Canada.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Declaration of Compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRSs), as issued by the International Accounting Standards Board (IASB) and published by CPA Canada Handbook-Accounting.

These consolidated financial statements, including all notes, were approved by the Board of Directors on February 25, 2021.

Basis of preparation

The Group presents its consolidated statement of financial position primarily in order of liquidity. Assets are considered current when the Group expects to realize them in its normal operation cycle within twelve months after the reporting date. Liabilities are considered current when the Group expects to settle them in its normal operation cycle within twelve months after the reporting date. All other assets and liabilities are considered non-current. The Group's statement of financial position is not presented according to current and non-current order.

The consolidated financial statements have been prepared on a historic cost basis and those financial assets and financial liabilities that have been measured at fair value.

The consolidated financial statements values are presented in Canadian dollars (\$) rounded to the nearest thousand (\$000), unless otherwise indicated.

Consolidation

These consolidated financial statements include the accounts of the Company and its subsidiaries:

- **Assumption Place Limited (100%)**
- **Atlantic Holdings (1987) Limited (100%)**, the parent company of **Louisbourg Investments Inc. (70%)**
- **Tech Knowledge Solutions Inc. (60%)**

The consolidated financial statements comprise the financial statements of the Group as at December 31 each year.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases. The Company has control over the subsidiaries since it has the power to govern the financial and operating policies of the subsidiaries so as to obtain benefits derived from its activities, has exposure or rights to variable returns from its involvement with the subsidiaries, and the ability to use its power over the subsidiaries to affect the amount of its returns.

All intra-group balances, transactions, income and expenses and profits and losses resulting from intra-group transactions and dividends are eliminated in full.

Assumption Place Limited has been dissolved as of November 30, 2020.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Financial Instruments

Recognition

All financial assets, when initially recognized, at the transaction date, are recorded at fair value and classified as either at fair value through profit or loss, available-for-sale, held-to-maturity or as loans and receivables, based on the features of the instrument and purposes for which the assets have been acquired. Financial liabilities must also be initially recognized at fair value, and must be classified as either at fair value through profit or loss or as other liabilities.

Financial instruments classified at fair value through profit or loss are measured at fair value and any change in fair value is recorded in net income in the period in which it arises.

Financial instruments classified as available-for-sale (AFS) are measured at fair value and any unrealized gains or losses are recognized in other comprehensive income except for impairment losses, either significant or prolonged, at which time the loss is immediately recognized in net income.

Financial assets held-to-maturity (HTM), loans and receivables and financial liabilities classified as other financial liabilities are carried at amortized cost using the effective interest rate method. Interest or dividends arising from these financial instruments are recognized in net income for the period.

The transaction costs of preferred equity securities are charged to income at the settlement date.

Invested Assets

Cash and Cash Equivalents

Cash and cash equivalents are classified as held at fair value through profit or loss and include deposits in bank and short-term notes with a maturity of six months or less from the date of acquisition.

Debt Securities

The Group has designated as held at fair value through profit or loss its debt securities backing actuarial liabilities. Actuarial liabilities are established in accordance with the Canadian Asset Liability Method (CALM), in which the book value of the assets backing the liabilities is used in a base computation. Consequently, any variation in fair value of these assets is taken into consideration in computing actuarial liabilities.

The Group has designated as available-for-sale its debt securities not backing actuarial liabilities. Variation in fair value is consequently presented as other comprehensive income, unless there is objective evidence of impairment, in which case, variation in fair value is reclassified to income.

At each reporting date, debt securities classified as available-for-sale are tested for impairment and when there is objective evidence of impairment, and the decline in value is considered significant or prolonged, the loss accounted in the accumulated other comprehensive income is reclassified to income. The Group considers as objective evidence of the impairment of debt securities the issuer's financial difficulty, a bankruptcy or default of payment of interest or principal. A significant or prolonged decline in fair value of a financial instrument below its cost is also objective evidence of impairment. Once an impairment loss is recorded in income, it is reversed when the debt securities' fair value increases during a subsequent period and the increase can be objectively related to an event occurring after the impairment loss was recognized. Debt securities continue to be measured at fair value even if an impairment loss has been recorded. Following impairment loss recognition, any subsequent decrease in fair value is recognized in income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Equity Securities

The Group has designated as held at fair value through profit or loss its equity securities backing actuarial liabilities. Actuarial liabilities are established in accordance with the Canadian Asset Liability Method (CALM), in which the book value of the assets backing the liabilities is used in a base computation. Consequently, any variation in fair value of these assets is taken into consideration in computing actuarial liabilities.

The Group has designated as available-for-sale its equity securities not backing actuarial liabilities. Variation in fair value is consequently presented as other comprehensive income, unless there is objective evidence of impairment, in which case variation in fair value caused by a significant or prolonged decline is reclassified to income.

At each reporting date, equity securities classified as available for sale are tested for impairment. The Group considers as objective evidence of the impairment of equity securities a significant or prolonged decrease in the fair value of the equity securities below its cost or changes in the economic or legal environment that have a negative effect on the issuer and which indicate that the carrying value may not be recovered.

When the decline in value is considered significant or prolonged, the loss accounted for in accumulated other comprehensive income is reclassified to income. Any decline in value is recognized to income and any increase in value is recorded in other comprehensive income. Impairment losses recognized in profit or loss shall not be reversed through profit or loss.

Mortgages

Mortgages are classified as loans and receivables and are carried at amortized cost using the effective interest rate method, net of a provision for credit losses. Interest calculated according to this method is accounted for in the consolidated statement of income.

At each reporting date, on an individual basis, the Group considers as objective evidence of the impairment of mortgages the issuer's financial difficulty, a bankruptcy or a default of payment of interest or principal. When there is evidence of impairment on mortgage loans, a provision for losses is recorded in order to adjust the carrying value to the present value of estimated future cash flows discounted at the financial asset's original effective interest rate. This provision is immediately charged to income. Realized gains and losses on the sale of mortgages are recorded in income.

Other Invested Assets

Other invested assets consist of notes receivable. They are classified as loans and receivables and are accounted for at amortized cost using the effective interest rate method.

Policy Loans

Policy loans, classified as loans and receivables, are carried at amortized cost using the effective interest rate method and are fully secured by the cash surrender value of the policies on which the respective loans are made.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Other Assets

Other assets include financial assets, such as insurance receivables, accrued income and accounts receivable, and non financial assets, including commissions and prepaid expenses, income tax receivable and others. Other financial assets are classified as loans and receivables.

Reinsurance Assets

In the normal course of business, the Group uses reinsurance to limit its risk on policyholders. Reinsurance assets represent the amounts due to the Group by reinsurance companies for insurance contract and investment contract liabilities ceded. The calculation of these amounts is similar to the provision for future policy benefits on underlying insurance contracts or investment contracts, in accordance with the contract provisions of reinsurance agreements. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders.

At each reporting date, reinsurance assets are tested for impairment. An impairment loss is recorded in income when there is objective evidence that the Group will not recover all amounts receivable within the contract and the amount can be reliably estimated.

Property and Equipment

Property and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. Replacement or major inspection costs are capitalized when incurred, if it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. The depreciation method, basis and period are described in the table below.

	Depreciation method	Basis of depreciation	Depreciation period
Office	Straight-line	Useful life	3 to 40 years
Leasehold improvements	Straight-line	Agreement	Lease duration

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

At the end of each year, the Group revises the residual value and useful life of the assets. Any change represents a modification of an accounting estimate and must be accounted for prospectively.

Impairment reviews are performed when there are indicators that the carrying value may not be recoverable. Impairment losses are recognized in the statement of consolidated income as an expense.

An item of property and equipment is derecognized upon disposal or when no further future economic benefits are expected from its use. Any gain or loss

arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognized.

Intangible Assets

Intangible assets are recorded at cost, less accumulated depreciation and accumulated impairment losses. The amortization method, basis and period are described in the table below. The amortization period and the amortization method are reviewed at least at each financial year end.

	Amortization method	Basis of amortization	Amortization period
Purchased software	Straight-line	Useful life	3 to 10 years
Developed software	Straight-line	Useful life	3 to 10 years
Technology projects under development	None	None	None
Client list	None	Indefinite life	None

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are accounted for by changing the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the consolidated statement of income in the expense category consistent with the function of the intangible asset.

The useful lives of intangible assets are assessed to be either finite or indefinite.

When events or changes in circumstances indicate an impairment of value, the Group reevaluates the carrying value of long lived assets with finite useful lives. An impairment loss exists when the carrying amount of the asset exceeds the higher of fair value less costs to sell and its value in use. All impairment losses are recognized in net income.

Intangible assets with indefinite useful lives are not amortized, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in

the consolidated statement of income when the asset is derecognized.

Leases

The Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low value assets. The Group recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

:

	Depreciation method	Basis of depreciation	Depreciation period
Office	Straight-line	Lease term	10 years
Equipment	Straight-line	Lease term	5 years
Software	Straight-line	Lease term	5 years



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

When events or changes in circumstances indicate an impairment of value, the Group reevaluates the carrying value of the right-of-use assets. An impairment loss exists when the carrying amount of the asset exceeds the higher of fair value less costs to sell and its value in use. All impairment losses are recognized in the consolidated statement of income.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including insubstance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases of assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of assets that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

Goodwill

Goodwill represents the positive difference between the cost and the fair value of identifiable assets, liabilities and contingent liabilities on business acquisitions. It is presumed to have an indefinite life and is not subject to amortization.

Goodwill is tested for impairment annually, and when circumstances indicate that the carrying value may be impaired.

Impairment is determined for goodwill by assessing the recoverable amount of cash-generating units to which the goodwill relates. Where the recoverable amount of the cash-generating units is less than its carrying amount, an impairment loss of the goodwill is recognized in income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Segregated Fund Net Assets

Funds from group and individual annuities issued by the Group may be invested in segregated portfolios at the option of the policyholders. Although the underlying assets are registered in the name of the Group and the segregated fund policyholders have no direct access to the specific assets, the policyholders bear the risks and rewards of the fund's investment performance. The Group derives fee income from the management of its segregated funds. These revenues are accounted in fees and commission revenues.

The segregated funds are recorded at market value. Realized and unrealized gains and losses are immediately included in the change in net assets of the segregated funds.

Insurance Contract Liabilities

Provision for future policy benefits for insurance contracts represent the amounts which, after consideration of future premiums and investment income, provide for all commitments under policy contracts. These liabilities are set equal to the statement of financial position value of the assets that would be required to support them. These provisions are established using the Canadian Asset Liability Method (CALM), which is generally accepted actuarial practice established by the Canadian Institute of Actuaries (CIA).

CALM involves projecting asset and liability cash flows for each business segment under a set of prescribed interest rate scenarios, plus additional scenarios chosen by the Valuation Actuary, if applicable. Net cash flows are invested in new assets, if positive, or assets are sold or borrowed against to meet cash needs in accordance with the assumptions of each scenario. The reinvestment strategies are founded on investment policies and the reinvestment returns are drawn from each underlying scenario. The policy liabilities are at least as great as the liabilities determined under the worst of the scenarios tested. Moreover, the projected asset cash flows include assumptions for investment expenses and credit risk.

To determine the cash flows to use in CALM, the Group uses assumptions based on the Valuation Actuary's best estimate of future experience for each assumption. These assumptions include mortality, disability, investment returns (stock markets, interest rates and defaults of payment), operating expense levels, lapse rates, inflation, policyholder dividends and taxes. The assumptions cover the term of the liabilities being valued, taking into consideration events that might occur in a distant future. All assumptions are examined periodically and are subject to changes to ensure they appropriately reflect emerging experience and changes in risk profile.

These best estimate assumptions are adjusted by the Valuation Actuary to include margins for adverse deviation. These margins take into account the uncertainty in establishing these best estimates and a potential deterioration in expected experience.

The following is a description of the methods used to calculate the assumptions and the margins for adverse deviation:

(a) Mortality

For individual life, the Group uses a recently published industry mortality table, adjusted to take into account the actual experience of the Group.

For annuities and pensions, a recent industry mortality table is used taking into account expected future improvements in annuitant mortality.

(b) Disability

The Group uses disability tables representative of the industry experience, modified to reflect the Group's own experience.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

(c) Investment Returns

The computation of actuarial liabilities takes into account projected net investment income on assets backing liabilities and on new cash flows to be invested or disinvested in the future. The uncertainty of the interest rates at which future cash flows can be reinvested has been taken into account by testing plausible future interest rate scenarios to determine the sensitivity of the results. Investment expenses and asset default risks are also considered in the valuation.

(d) Expenses

The administrative expenses per policy are based on the Group's internal cost analysis, which is updated annually. These unit costs are projected into the future factoring inflation.

(e) Lapses

Each year, an internal study of the Group's policy lapse rates is conducted. The valuation assumptions are chosen by considering both this internal study and the published industry experience.

(f) Policyholder Dividends

Actuarial liabilities include the present value of expected future policy dividends reflecting current dividend scales.

(g) Margins for Adverse Deviation

The basic assumptions made in establishing actuarial liabilities represent best estimates for a range of possible outcomes. To recognize the uncertainty in establishing best estimates, to allow for possible deterioration in experience and to provide greater comfort that the actuarial liabilities are adequate to pay future benefits, actuaries are required to include a margin for each assumption. A range of allowable margins is defined by the Canadian Institute of Actuaries and the actuary must choose the margins, within this range, with consideration for each company's specific situation.

In general, the margins are higher for fully guaranteed products while they are lower for adjustable products or participating policies where the dividends can be modified to reflect the Group's experience.

Under CALM, any liability adequacy deficiency is immediately reported in the consolidated statement of income.

Investment Contract Liabilities

Investment contract liabilities are the amounts that the Group owes to clients since these contracts do not have insurance risk. These amounts are carried at fair value in the consolidated statement of financial position. Variation of fair value is recognized in the variation of investment contract liabilities in the consolidated statement of income.

Other Liabilities

Other liabilities includes financial liabilities, such as insurance payable, suppliers and other charges, and non financial liabilities, including income taxes payable. The financial liabilities are classified as other financial liabilities.

Employee Benefit Plans

The Group offers defined benefit and defined contribution pension plans and post-employment benefits to its employees. The cost of pension benefits under defined benefit plans and of other post-employment benefits earned by employees is determined according to actuarial calculations using the projected unit credit method and management's most likely assumptions of the expected rate of return on the plan's asset, salary escalation, the retirement age of employees, expected health care costs and mortality rates. Plan obligations are discounted based on current market interest rates, and plan assets are recorded at fair value.

The benefit costs are recorded in administrative expenses in the consolidated statement of income.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Net actuarial gains or losses are accounted for in the year in which they occur through other comprehensive income.

For defined contribution plans, the Group pays specified contributions into a separate entity and has no legal or constructive obligation to pay further amounts. As a result, no liability appears on the Group's consolidated financial statements, except for the expense recognized for contributions due but not yet paid at the end of the reporting period. Contributions payable to defined contribution plans are charged to income.

Taxes

The Group provides for income taxes using the liability method of tax allocation. The income tax provision is comprised of current and deferred income taxes based on tax rate and tax regulations effective or practically effective at the consolidated balance sheet date. Current income taxes are based on taxable income. Deferred income taxes reflect the net tax effect of temporary differences between assets and liabilities reported for financial statement purposes and those reported for income tax purposes. A deferred income tax asset is recognized to the extent that future realization of the tax benefit is more likely than not. In addition to income taxes, the charge to the consolidated statement of income includes the tax on capital imposed on financial institutions and the large corporations tax recorded in other operating expenses.

Borrowings

The Group has chosen to classify its borrowings as financial liabilities at amortized cost. The borrowings are initially recognized at fair value, net of related transaction costs. They are subsequently measured at amortized cost using the effective interest rate method.

The interest calculated according to the effective interest rate method is recognized in the consolidated statement of income and presented as borrowing costs.

Segregated Funds Net Liabilities

The liabilities of insurance contracts whose financial risk is supported by policyholders are accounted for as a separate line item in the consolidated statement of financial position and are recorded at

fair value. The assets backing these liabilities are also recorded as a specific item under assets in the consolidated statement of financial position.

Foreign Currency Translation

Monetary assets and liabilities in foreign currencies are converted at the rate of exchange in effect at the consolidated statement of financial position date. Non-monetary assets and liabilities, as well as revenue and expenses, are converted at the historical rate.

Translation gains and losses are included in other operating revenue.

Provisions

The Group recognizes a provision when there is an obligation towards a third party resulting from a past event and it is probable that an outflow of economic resources will be necessary to settle the obligation and the amount can be estimated reliably.

The amount of provision equals the best estimate of the counterpart needed to extinguish the current obligation, given the risks and uncertainties related to the obligation. The Group does not measure the provision at the current value since these provisions do not have a specified period. No amount of provision is recognized for future operating losses.

Contingent liabilities are disclosed if the future obligation is probable, but the amount cannot be reasonably estimated.

Premiums

Gross insurance and annuity premiums are recognized as revenue when due under contracts in force. Net premiums represent gross premiums, net of the share ceded to reinsurers for insuring a part of the risk. When premiums are recognized, a provision for future policy benefits is calculated, with the result that benefits and expenses is matched with such revenue.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Fees and Commission Income

Fees and commission income primarily represent fees earned from the management of the Group's segregated fund and pooled fund assets, administrative services only (ASO) income and reinsurance commission income. Fees and commission income are recorded on an accrual basis when services are rendered.

Investment Income

Interest on cash and debt securities is recorded on an accrual basis. Dividend income is recognized when the right to receive it is established. For loans and receivables reported at amortized cost, interest income is calculated using the effective interest rate method and is reported in the consolidated statement of income. Rental income from investment properties is reported in the consolidated statement of income linearly according to the term of the lease.

Realized gains and losses

Realized gains and losses recorded in the consolidated statement of income on investments include gains and losses on financial assets and investment properties. Gains and losses on the sale of investments are calculated as the difference between net sales proceeds and the original or amortized cost and are recorded on occurrence of the sale transaction.

Recognition of Expenses

Annuities and benefits at maturity are recognized when payment is due. Redemptions are recorded on payment. Death benefits and other benefits are recorded when reported.

Reinsurance recoveries are recorded in the same periods as related benefits.

Changes in accounting policies

As of January 1, 2020, the group did not adopt any changes in accounting policies.

Future accounting policy changes

The standards issued by the IASB that were not applicable as at the date of issue of the Group's consolidated financial statements are described below. The Group intends to adopt these as required once they become applicable.

IFRS 9 - Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 "Financial Instruments". The standard makes changes to the accounting for financial instruments in relation to the following: the classification and measurement of financial instruments reflecting for the financial assets the business model of the management and the cash flow characteristics of these financial assets, the impairment based on the expected loss model and the hedge accounting that takes into account the entity's risk management practices. The provisions of this standard will apply retrospectively for fiscal years beginning on or after January 1, 2018. However, insurers who qualify for the temporary exemption from the application of IFRS 9 will only apply this standard for fiscal years beginning January 1, 2023. The Group meets these criteria since, as at December 31, 2015, it has never previously applied IFRS 9 and its activities are mainly related to insurance since the carrying amount of its liabilities related to insurance represents more than 90% of its total liabilities. Since December 31, 2015, there has been no change in the activities of the Group that requires reassessment of the use of the temporary exemption. The Group will use this exemption and is evaluating the impact of the adoption of this standard on its consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

IFRS 17 - Insurance contracts

In May 2017, the IASB issued IFRS 17 "Insurance contracts", which will replace the current IFRS 4 "Insurance contracts" standard. This new standard deals with the recognition, measurement, presentation and disclosure of information relating to all types of insurance contracts (life insurance, non-life insurance, direct insurance and reinsurance), regardless of the type of entity issuing them, as well as certain collateral arrangements and financial instruments with discretionary participation features. The model in IFRS 17 uses both an assessment of current value insurance contract liabilities and profit recognition in the period in which the services are provided. IFRS 17 is to be applied retrospectively for fiscal years beginning on or after January 1, 2023. The Group is currently evaluating the impact of changes in this standard on its consolidated financial statements.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

3. SIGNIFICANT JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as at the date of the consolidated financial statements, and the reported amounts of revenues, net payments to policyholders and beneficiaries, and expenses during the year. Actual results could differ from management's best estimates.

Judgments

In the process of applying the Group's accounting policies, management has made the following judgments that have the most significant effect on the amounts recognized in the consolidated financial statements:

Classification of insurance and investment contracts

Insurance contracts are those contracts when the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk by comparing benefits that will be paid whether the insured event occurs or not.

Investment contracts are those contracts that transfer significant financial risk to the Group. Financial risk is the risk of a possible future change in one or more of a specified interest rate, financial instrument price, commodity price, a foreign exchange rate, index of price or rates, credit rating or credit index or other variable, provided that in the case of a non-financial variable that the variable is not specific to a party to the contract.

Once a contract has been classified as an insurance contract, it remains an insurance contract for the remainder of its lifetime, even if the insurance risk reduces significantly during this period, unless all rights and obligations are extinguished or expire. Investment contracts can, however, be reclassified as insurance contracts after inception if insurance risk becomes significant.

Determining the lease term of contracts with renewal and termination options

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has several lease contracts that include extension and termination options. The Group applies judgment in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Refer to Note 10 for information on potential future rental payments relating to periods following the exercise date of extension and termination options that are not included in the lease term.

Estimates and assumptions

In the process of applying the accounting policies, management has made the following estimates and assumptions that have the most significant effect on the amounts recognized in the consolidated financial statements:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Fair value of financial instruments

The fair value of a financial instrument is the amount at which the financial instrument could be exchanged in an arm's length transaction between knowledgeable and willing parties who are under no compulsion to act. Fair value is based on active quoted market rates (bid for assets/ask for liabilities) prices. If there is no active market, fair value is based on prevailing market prices for instruments with similar characteristics and risk profiles or internal or external valuation models using observable market based inputs. These methods take into account current data observable on the market for financial instruments that have a similar risk profile and comparable terms. The significant data used in these models include, but is not limited to, rate curves, credit risk, issuer risk, volatility and liquidity valuation and other references published by the market. Management uses its best estimates when such data are not available.

Employee future benefits

The defined benefit obligation and expense is calculated using several demographic and financial actuarial assumptions. The main assumptions include the discount rate and the rate of increase in future compensation. These assumptions are described in note 16.

Income Taxes

The computation of current and deferred taxes (recovery) is based on several factors including the interpretation of tax regulations in the jurisdictions in question, assessments regarding the recovery of deferred tax assets and how the assets and liabilities are expected to be recovered. The recovery of deferred tax assets depends, among other factors, on the taxable expected future earnings from the Group's operations and the tax planning strategies developed. The Group establishes a provision for income tax it considers reasonable and which is based on the weighted estimate of the possible results from the adopted tax positions. When establishing the provision, the Group takes into consideration previous adjustments made by tax authorities, interpretation bulletins and recent rulings rendered in the relevant jurisdictions.

Life and health insurance contract liabilities

The establishment of actuarial liabilities depends on various actuarial assumptions including mortality, disability, investment return (stock markets, interest rates and defaults of payment), operating expense levels, lapse rates, inflation, policyholder dividends and taxes. Further information on these assumptions is provided in notes 2 and 12.



NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

4. INVESTED ASSETS

Carrying Value and Fair Value

	2020				
	Designated at fair value through profit or loss	Available-for-sale	Loans & receivables	Total	Fair value
	\$	\$	\$	\$	\$
Cash and cash equivalents	5,545	-	-	5,545	5,545
Debt securities					
Government	433,459	145,724	-	579,183	579,183
Corporations & other	5,997	-	-	5,997	5,997
	439,456	145,724	-	585,180	585,180
Equity securities					
Common stocks	-	262	-	262	262
Preferred stocks	54,131	18,711	-	72,842	72,842
Investment fund units	21,677	151	-	21,828	21,828
	75,808	19,124	-	94,932	94,932
Mortgages					
Insured residential	-	-	24,829	24,829	21,834
Other residential	-	-	39,449	39,449	38,722
Commercial	-	-	103,534	103,534	98,705
	-	-	167,812	167,812	159,261
Other invested assets	-	-	1,299	1,299	1,299
Policy loans	-	-	11,548	11,548	11,548
	520,809	164,848	180,659	866,316	857,765

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

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Carrying Value and Fair Value

	2019				Fair value
	Designated at fair value through profit or loss	Available-for-sale	Loans & receivables	Total	
	\$	\$	\$	\$	\$
Cash and cash equivalents	27,059	-	-	27,059	27,059
Debt securities					
Government	385,489	124,255	-	509,744	509,744
Corporations & other	5,619	-	-	5,619	5,619
	391,108	124,255	-	515,363	515,363
Equity securities					
Common stocks	-	251	-	251	251
Preferred stocks	50,522	16,779	-	67,301	67,301
Investment fund units	20,398	144	-	20,542	20,542
	70,920	17,174	-	88,094	88,094
Mortgages					
Insured residential	-	-	16,727	16,727	16,286
Other residential	-	-	38,276	38,276	36,755
Commercial	-	-	97,399	97,399	93,735
	-	-	152,402	152,402	146,776
Other invested assets	-	-	1,648	1,648	1,648
Policy loans	-	-	11,278	11,278	11,278
	489,087	141,429	165,328	795,844	790,218

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Investment Properties

The following table details the transactions on investment properties.

	2020	2019
	\$	\$
Balance, beginning of year	-	29,584
Disposition	-	(29,518)
Change in fair value	-	(66)
Balance, end of year	-	-
Rental income and service charge income	-	4,246
Operating expenses that generate rental income	-	(2,919)
Operating expenses that do not generate rental income	-	(406)

Assumption Place, a Group subsidiary, leased retail and office buildings to tenants under operating leases. In August 2019, Assumption Place proceeded with the disposal of its investment properties. As the Group still rents the premises, this transaction resulted in a lease liabilities for the Group and the recognition of a right-of-use asset. (see note 10).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

5. RISK MANAGEMENT RELATING TO FINANCIAL INSTRUMENTS

The principal risks relating to financial instruments that the Group must manage are credit risk, liquidity risk and market risk (interest rate and stock market). The measures adopted by the Group to control each of these risks are outlined below.

Credit Risk

Credit risk is the risk that the Group will incur a financial loss if some of its debtors fail to fulfill their obligation to make payments when due. The Group, in the normal course of its activities, is exposed to that risk through credit granted to its clients, reinsurers and brokers, through credit in the form of mortgages and exposure through its various investment portfolios. The risk of credit concentration may also occur when there is a concentration of investments in entities with similar activities in the same geographic region or in the same sector of activity or when a significant investment is made with a sole entity.

Credit-risk management is conducted through the Group's investment policy and is applied to various means of investment and credit. Investments in debt securities must be selected after an analysis that considers geographic diversification, the type of issuer, average credit rating and maturity of securities. Limits are established for each of these factors.

The Group also has a specific credit policy for mortgages according to which a study must be conducted in order to determine a credit rating for the loan. To manage the risk of concentration, industry limits are established, some sectors are avoided and the loan amounts granted to one person or to one group are limited. Furthermore, loans must be guaranteed by residential or commercial buildings or by land held for subdividing purposes. The type of guarantee is based on the assessment of the degree of counterparty credit risk.

The conclusion of guarantee agreements is also a credit risk mitigation measure. The required amount and type of guarantee are based on the assessment of the counterparty credit risk. Guidelines have been established for the types of acceptable guarantees and related assessment parameters. Management examines the value of guarantees and requires additional guarantees, if needed.

Maximum Credit Risk

The table below summarizes the Group's maximum financial instrument credit risk. The maximum credit risk corresponds to the book value of assets, net of any provision for losses.

	2020	2019
	\$	\$
Cash and cash equivalents	5,545	27,059
Debt securities	585,180	515,363
Mortgages	167,812	152,402
Other invested assets	1,299	1,648
Policy loans	11,548	11,278
Reinsurance assets	281,891	242,827
Other receivables (note 7)	17,231	17,680
	1,070,506	968,257

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Quality of the Debt Securities Portfolio

	2020	2019
	\$	\$
AA	381,227	334,238
A	203,953	181,125
	585,180	515,363

Quality of the Preferred Equity Securities Portfolio

	2020	2019
	\$	\$
PF-2	63,053	60,913
PF-3	9,789	6,388
	72,842	67,301

Loans in Arrears and Provisions for Losses

The carrying value of mortgages in arrears before provisions for losses is as follows:

	2020			
	31-60 days in arrears	61-90 days in arrears	More than 90 days in arrears	Total
	\$	\$	\$	\$
Non impaired mortgages				
Insured residential	-	-	-	-
Other residential	-	-	-	-
	-	-	-	-

	2019			
	31-60 days in arrears	61-90 days in arrears	More than 90 days in arrears	Total
	\$	\$	\$	\$
Non impaired mortgages				
Insured residential	-	-	-	-
Other residential	-	-	210	210
	-	-	210	210

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Provision for losses

Mortgage loans:

Beginning of year	210
Increase in provisions for losses	(210)
End of year	-

2020	2019
\$	\$
210	210
(210)	-
-	210

Liquidity Risk

Liquidity risk is the risk that the Group cannot respond to all of its cash flow commitments as they reach maturity.

This risk is managed through matching of asset and liability cash flows and active management of funds. However, a certain level of liquidity is required to provide for contingencies such as asset repurchases or defaults.

Additional liquidities are available through credit lines, if needed.

The Group has commitments to customers for undisbursed approved mortgages. The following is the payment schedule for those loans:

Undisbursed approved mortgages

1-6 months	7-12 months	Over 1 year
\$	\$	\$
2,219	-	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

The following tables show the carrying amount of financial instruments by maturity, as well as total fair value.

	2020					Total	Fair value
	No maturity	Under 1 year	1 to 5 years	5 to 10 years	Over 10 years		
	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	5,545	-	-	-	-	5,545	5,545
Debt securities							
Government	-	-	10,256	58,939	509,988	579,183	579,183
Corporations & other	-	-	-	2,711	3,286	5,997	5,997
	-	-	10,256	61,650	513,274	585,180	585,180
Equity securities							
Common stocks	262	-	-	-	-	262	262
Preferred stocks	72,842	-	-	-	-	72,842	72,842
Investment fund units	21,828	-	-	-	-	21,828	21,828
	94,932	-	-	-	-	94,932	94,932
Mortgages							
Insured residential	-	3,338	2,916	7,535	11,040	24,829	21,834
Other residential	-	17,157	16,643	4,867	782	39,449	38,722
Commercial	-	28,605	49,009	25,920	-	103,534	98,705
	-	49,100	68,568	38,322	11,822	67,812	159,261
Other invested assets	-	233	-	1,066	-	1,299	1,299
Policy loans	11,548	-	-	-	-	11,548	11,548
Other receivables	17,231	-	-	-	-	17,231	17,231

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

	2019					Total	Fair value
	No maturity	Under 1 year	1 to 5 years	5 to 10 years	Over 10 years		
	\$	\$	\$	\$	\$	\$	\$
Cash and cash equivalents	27,059	-	-	-	-	27,059	27,059
Debt securities							
Government	-	-	1,610	45,738	462,396	509,744	509,744
Corporations & other	-	-	-	610	5,009	5,619	5,619
	-	-	1,610	46,348	467,405	515,363	515,363
Equity securities							
Common stocks	251	-	-	-	-	251	251
Preferred stocks	67,301	-	-	-	-	67,301	67,301
Investment fund units	20,542	-	-	-	-	20,542	20,542
	88,094	-	-	-	-	88,094	88,094
Mortgages							
Insured residential	-	4,344	2,981	1,563	7,839	16,727	16,286
Other residential	-	8,220	21,194	8,041	821	38,276	36,755
Commercial	-	38,014	30,991	28,394	-	97,399	93,735
	-	50,578	55,166	37,998	8,660	152,402	146,776
Other invested assets	-	972	-	676	-	1,648	1,648
Policy loans	11,278	-	-	-	-	11,278	11,278
Other receivables	17,680	-	-	-	-	17,680	17,680

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to variations in market factors. It consists of the following: interest rate risk and stock market risk.

Interest Rate Risk

Interest rate risk is present when there is not a perfect match between asset and liability cash flows and when interest rates fluctuate, which leads to a variation in the disparity between assets and liabilities. Due to the nature of an insurance company's activities, which is investing clients' premiums with the ultimate goal of paying benefits, the payment of which may be uncertain and far off, namely with regard to death benefits and annuity payments, interest rate risk must be managed properly.

The Group has matched its assets with its liabilities in order to minimize profit margin volatility caused by fluctuations between realized profits and profits credited to existing contracts. To manage matching requirements, financial assets and liabilities are distributed over business lines in order to match one business line's assets with its liabilities. This matching is regularly analyzed and modified. The exchange of information among the actuarial department, finance department and investment managers along with the regular publication of credited rates are part of the process.

To further manage risk, matching is based on the characteristics of the products sold. For products that must provide fixed and highly predictable benefits, liabilities and assets with similar characteristics are matched, such as investments in fixed-income instruments. This results in some protection against fluctuating interest rates because any variation in the fair value of assets is compensated by a similar variation in the fair value of liabilities. Considering the investments available on the market, it is more difficult to perform this matching for liabilities with maturities of more than 30 years.

Furthermore, the Group's policy is to achieve fairly complete matching. Thus differences in the durations of assets and liabilities must not exceed certain established parameters. That policy is intended to manage interest rate risk for liabilities with maturities later than those of the matched assets.

Projected asset and liability cash flows are used in the Canadian Asset Liability Method (CALM) to establish technical provisions. Asset cash flows are reduced to take into account possible losses due to insufficient return on assets. Reinvestment risk is assessed based on multiple interest rate scenarios (to take into account possible increases or decreases in rates).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Stock Market Risk

Stock market risk is the uncertainty associated with the valuation of assets arising from market fluctuations. The Group is exposed to that risk in various ways: through management fees calculated on the value of the assets being managed, by the expense resulting from the capital guarantee provided for some products and by the return on assets matched to equity and to actuarial liabilities.

In order to mitigate this risk, the Group's investment policy provides for cautious investments in accordance with clearly defined limits.

Concentration risk

The following tables provide information on concentration risk for equity securities.

	2020		
	Investment funds units	Common Stocks	Preferred stocks
	\$	\$	\$
Energy	-	23	9,059
Finance	-	73	53,823
Industrial	-	44	-
Utilities	-	16	9,960
Other	21,828	106	-
	21,828	262	72,842

	2019		
	Investment funds units	Common Stocks	Preferred stocks
	\$	\$	\$
Energy	-	36	9,309
Finance	-	75	48,814
Industrial	-	38	-
Utilities	-	5	9,178
Other	20,542	97	-
	20,542	251	67,301

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

6. FAIR VALUE MEASUREMENT

Fair Value Hierarchy

A hierarchy of valuation techniques is used for assets and liabilities measured at fair value in the consolidated statement of financial position or for which fair value is disclosed in notes. The hierarchies include the following levels:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included

within level 1 that are observable to the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices).

- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The following table presents information about the fair value of assets and liabilities based on the levels of input used:

	2020			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value	\$	\$	\$	\$
Cash and cash equivalents	5,545	-	-	5,545
Financial assets designated at fair value through profit or loss				
Debt securities	-	439,456	-	439,456
Equity securities	75,282	-	526	75,808
Financial assets available-for-sale				
Debt securities	-	145,724	-	145,724
Equity securities	19,124	-	-	19,124
Assets disclosed at fair value				
Mortgages	-	159,261	-	159,261
Other invested assets	-	1,299	-	1,299
Policy loans	-	11,548	-	11,548
	99,951	757,288	526	857,765
Liabilities measured at fair value				
Investment contract liabilities	-	20,645	-	20,645
	-	20,645	-	20,645

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

	2019			Total
	Level 1	Level 2	Level 3	
Assets measured at fair value	\$	\$	\$	\$
Cash and cash equivalents	27,059	-	-	27,059
Financial assets designated at fair value through profit or loss				
Debt securities	-	391,108	-	391,108
Equity securities	70,920	-	-	70,920
Financial assets available-for-sale				
Debt securities	-	124,255	-	124,255
Equity securities	17,174	-	-	17,174
Assets disclosed at fair value				
Mortgages	-	146,776	-	146,776
Other invested assets	-	1,648	-	1,648
Policy loans	-	11,278	-	11,278
	115,153	675,065	-	790,218
Liabilities measured at fair value				
Investment contract liabilities	-	20,310	-	20,310
Liabilities disclosed at fair value				
Borrowings	-	166	-	166
	-	20,476	-	20,476

There has been no transfer between level 1 and level 2 during the period.

Units in mutual funds are generally classified at Level 2 because fair value is the price assessed by valuation service providers based on observable

market data. However, Canadian private debt mutual funds are classified at Level 3. The following table shows a reconciliation of Level 3 investments:

	2020	2019
	\$	\$
Balance, beginning of year	-	-
Acquisition	530	-
Fair value gains and losses	(4)	-
Balance, end of year	526	-

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

7. OTHER ASSETS

	2020	2019
	\$	\$
Financial assets		
Insurance receivables:		
Policyholders	3,700	4,907
Reinsurers	7,542	7,354
Agents, brokers and intermediates	441	368
Accrued investment income	1,052	1,048
Accounts receivable	4,496	4,003
	17,231	17,680
Non financial assets		
Commissions and prepaid expenses	1,603	1,905
Other	109	371
	1,712	2,276
	18,943	19,956

8. PROPERTY AND EQUIPMENT

Cost	\$
At December 31, 2019	6 545
Additions	497
Dispositions	-
Other movements	(454)
At December 31, 2020	6 588
Accumulated amortization	
At December 31, 2019	2 646
Amortization	847
Dispositions	-
Other movements	(402)
At December 31, 2020	3 091
Carrying amount	
At December 31, 2019	3 899
At December 31, 2020	3 497

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

9. INTANGIBLE ASSETS

	Purchased software	Developed software	Technology projects under development	Client list	Total
Cost	\$	\$	\$	\$	\$
At December 31, 2019	1,606	14,292	333	2,169	18,400
Cost capitalized	453	1,015	2,404	-	3,872
Completed projects	-	-	(1,160)	-	(1,160)
Other movements	(122)	(287)	-	-	(409)
At December 31, 2020	1,937	15,020	1,577	2,169	20,703
Accumulated amortization					
At December 31, 2019	708	13,646	-	-	14,354
Amortization	341	443	-	-	784
Other movements	(122)	(275)	-	-	(397)
At December 31, 2020	927	13,814	-	-	14,741
Carrying amount					
At December 31, 2019	898	646	333	2,169	4,046
At December 31, 2020	1,010	1,206	1,577	2,169	5,962

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

10. LEASES

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year:

Right-of-use assets	Office	Equipment	Software	Total
Cost	\$	\$	\$	\$
As at December 31, 2019	2,018	24	295	2,337
Additions	-	-	288	288
Depreciation expense	(274)	(7)	(131)	(412)
As at December 31, 2020	1,744	17	452	2,213

Lease liabilities	2020	2019
	\$	\$
As at January 1 st	2,989	400
Additions	290	2,791
Accretion of interest	126	46
Payments	(456)	(248)
As at December 31	2,949	2,989

The undiscounted contractual payments planned and required over the next years are as follows:

Year ended December 31	2021	\$429
	2022	\$398
	2023	\$312
	2024	\$381
	remaining	\$1,957

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

The lease liabilities relating to our rental contract for the premises of the head office expires on August 31, 2029. For Louisbourg Investments, the lease liabilities relating to the rental contract for the Moncton premises expires on June 30, 2021 and for the Halifax premises, December 31, 2029. The lease liabilities contract for Louisbourg Investments equipment expires on July 31, 2023. The lease

liabilities for Louisbourg Investments softwares expires on December 31, 2023 and December 31, 2024. For Tech Knowledge Solutions, the lease liabilities relating to the rental contract for the premises expires on December 31, 2027.

The following are the amounts recognised in the consolidated statement of income:

	2020	2019
	\$	\$
Depreciation expense of right-of-use assets	412	169
Interest expense on lease liabilities	126	46
Expense relating to short-term leases	-	33
Variable lease payments not included in the evaluation of the lease liabilities	765	280
Total amount recognised in the consolidated statement of income	1,303	528

The Group estimates that it will incur future charges relating to the payment of variable rents in the amount of \$6,274 during the lease term.

The Group has two lease contracts including extension options. These options are negotiated by management to provide flexibility in the management of the leased asset portfolio and to align with the Group's business needs. Management exercises significant judgment in determining whether these extensions options can reasonably be exercised. The undiscounted potential future rents relating to the periods following the exercise of the extension option dates not included in the term of the lease represent an amount of \$3,838.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

11. SEGREGATED FUNDS NET ASSETS

	2020	2019
NET ASSETS	\$	\$
Investments:		
Debt securities	29,778	29,590
Equity securities	3,564	-
Pooled funds	841,200	789,806
Cash and term deposits	544	3,708
Accrued investment income	117	127
Other	1,598	976
	876,801	824,207
Liabilities	965	3,453
NET ASSETS	875,836	820,754
	\$	\$
CHANGE IN NET ASSETS		
NET ASSETS – BEGINNING OF YEAR	820,754	731,470
Net contributions:		
Contributions	102,299	104,050
Withdrawals	(102,372)	(108,974)
	(73)	(4,924)
Investment income:		
Change in value of investments	32,633	72,931
Interest and dividends	37,419	35,730
	70,052	108,661
Management and administrative fees	(14,897)	(14,453)
NET ASSETS – END OF YEAR	875,836	820,754

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

12. INSURANCE CONTRACT LIABILITIES AND REINSURANCE ASSETS

Nature and Composition

The composition of the Group's insurance contract liabilities is as follows:

	2020		
	Insurance contract liabilities	Reinsurance assets	Net
	\$	\$	\$
Individual insurance	695,007	(220,729)	474,278
Group insurance	82,980	(56,305)	26,675
Annuities and pensions	181,096	(629)	180,467
Other insurance contract liabilities	3,943	(4,228)	(285)
	963,026	(281,891)	681,135

	2019		
	Insurance contract liabilities	Reinsurance assets	Net
	\$	\$	\$
Individual insurance	605,178	(188,952)	416,226
Group insurance	77,995	(52,114)	25,881
Annuities and pensions	184,076	(649)	183,427
Other insurance contract liabilities	3,223	(1,112)	2,111
	870,472	(242,827)	627,645

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Change in insurance contract liabilities and reinsurance assets

The change for the year is explained as follows:

	2020		
	Insurance contract	Reinsurance assets	Net
	\$	\$	\$
Balance, beginning of period before other insurance contract liabilities	867,249	(241,715)	625,534
Change in balances on in-force policies	67,398	(28,534)	38,864
Balances arising from new policies	14,910	(6,921)	7,989
Method and assumption changes	9,526	(493)	9,033
Increase (decrease) in insurance contract liabilities and reinsurance assets	91,834	(35,948)	55,886
Balance before the following:	959,083	(277,663)	681,420
Other insurance contract liabilities	3,943	(4,228)	(285)
Total insurance contract liabilities and reinsurance assets	963,026	(281,891)	681,135

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

	2019		
	Insurance contract	Reinsurance assets	Net
	\$	\$	\$
Balance, beginning of period before other insurance contract liabilities	775,347	(204,188)	571,159
Change in balances on in-force policies	68,991	(33,710)	35,281
Balances arising from new policies	21,016	(6,666)	14,350
Method and assumption changes	1,895	2,849	4,744
Increase (decrease) in insurance contract liabilities and reinsurance assets	91,902	(37,527)	54,375
Balance before the following:	867,249	(241,715)	625,534
Other insurance contract liabilities	3,223	(1,112)	2,111
Total insurance contract liabilities and reinsurance assets	870,472	(242,827)	627,645

Principal changes to actuarial methods and assumptions relating to the insurance contract liabilities net of reinsurance are detailed as follows:

	2020	2019
	\$	\$
Mortality	(798)	(2,023)
Morbidity	(558)	250
Interest	10,590	3,628
Lapses	468	991
Expense	281	1,596
Other (dividends, data)	(950)	302
Total	9,033	4,744

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

13. INVESTMENT CONTRACT LIABILITIES

	2020	2019
	\$	\$
Balance, beginning of period	20,310	20,309
Deposits	3,981	1,776
Interest	320	410
Withdrawals	(3,966)	(2,185)
Increase in investment contract liabilities	335	1
Total investment contract liabilities	20,645	20,310

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

14. INSURANCE RISK

The principal risk the Group faces under insurance contracts is that the actual claims and benefit payments, or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the Group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

The concentration of risk is managed by using reinsurance to limit the Group's risk in regard to each of its insured and in order to stabilize its results. Maximum amounts of benefits varying by activity sector are established for life and health insurance. The Group also possesses reinsurance treaties that cover financial losses related to multiple settlement requests that could occur following catastrophic events that would include multiple insureds.

Amounts recoverable from reinsurers are estimated in a manner consistent with the outstanding claims provision and are in accordance with the reinsurance contracts. Although the Group has reinsurance arrangements, it is not relieved of its direct obligations to its policyholders and thus a credit exposure exists with respect to ceded insurance, to the extent that any reinsurer is unable to meet its obligations assumed under such reinsurance agreements. Each year, the Group ascertains that its reinsurers exceed the minimum capitalization required by the regulatory authorities.

Insurance Contracts

Life insurance contracts offered by the Group include: individual whole life insurance, individual and group term insurance and individual and group annuities.

Life insurance contracts are contracts for which the insurer receives premiums in exchange for benefits that will be paid at the death of the policyholder or lapse of the policy.

Annuity contracts are expressed in the form of an annuity payable at a specified age in exchange for premiums. If death occurs before retirement, contracts generally return the value of the fund accumulated for deferred annuities. Most contracts give the policyholder the option at retirement to take a cash sum amount or a guaranteed conversion rate allowing the policyholders the option of taking a payable annuity.

Single premiums annuities are products that pay a specified payment to a policyholder. Payments are generally either fixed or increased each year at a specified rate or in line with the rate of inflation. Most contracts guarantee an income for a minimum period, or are transferable to a spouse at a specified percentage, at the time of death.

Deferred annuities are contracts that bear a guaranteed interest rate usually for a period equal or less than five years. These contracts waive market value adjustment until death of the policyholder.

Cash outflows related to insurance contract liabilities net of reinsurance are illustrated as follows:

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

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	Under 1 year	1 to 5 years	5 to 10 years	Over 10 years	Total
	\$	\$	\$	\$	\$
Individual insurance	(13,597)	(9,249)	49,096	939,655	965,905
Group insurance	8,690	9,332	6,721	7,036	31,779
Annuities and pensions	42,645	78,482	29,744	72,366	223,237

The main risks that the Group is exposed to are as follows:

- Mortality risk - risk of loss due to policyholder death experience being different than expected
- Morbidity risk - risk of loss due to policyholder health experience being different than expected
- Longevity risk - risk of loss due to the annuitant living longer than expected
- Investment return risk - risk of loss due to actual returns being different than expected
- Expense risk - risk of loss due to expense experience being higher than expected

- Policyholder decision risk - risk of loss due to policyholder decision (lapses and surrenders) being different than expected

Sensitivities

The analysis that follows is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on profit after tax. The correlation of assumptions will have a significant effect in determining the ultimate claims liabilities, but to demonstrate the impact due to changes in assumptions, these had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear.

Assumption	After-tax income impact		
	Change	2020	2019
	\$	\$	\$
Mortality - life insurance products	+ 2%	(2,122)	(2,259)
Mortality - annuity products	- 2%	(363)	(373)
Morbidity	5% adverse	(1,885)	(1,923)
Expenses (contracts maintenance)	+ 5%	(2,093)	(1,932)
Policy termination rates	10% adverse	(12,019)	(10,311)
Interest			
Immediate parallel shift at all points on yield curve	+ 100 bps	6,296	5,508
	- 100 bps	(7,272)	(5,612)
Segregated funds and equity securities			
Immediate change in market value	+ 10%	426	1,019
	- 10%	(1,775)	(2,007)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

15. OTHER LIABILITIES

	2020	2019
	\$	\$
Financial liabilities		
Insurance payable:		
Policyholders	13,285	9,026
Reinsurers	4,238	3,837
Agents, brokers and intermediates	979	1,028
Suppliers and other charges	8,083	8,122
Other	1,713	1,119
	28,298	23,132
Non financial liabilities		
Income tax	1,937	5,567
	30,235	28,699

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

16. EMPLOYEE BENEFIT PLANS

Information about the Group's defined benefit pension plans is as follows:

	2020	2019
	\$	\$
Changes in accrued benefit obligation of defined benefits:		
Balance at beginning of year	77,814	66,691
Current service cost	1,967	1,593
Employees' contributions	645	668
Interest cost	2,534	2,656
Benefits paid	(2,499)	(5,009)
Actuarial losses (gains) resulting from experience adjustments	(246)	147
Actuarial losses resulting from changes of financial assumptions	10,251	11,068
Balance at end of year	90,466	77,814
Changes in plan assets:		
Fair value at beginning of year	69,556	59,671
Employer's contributions	2,688	5,834
Employees' contributions	645	668
Return on plan assets	4,929	8,392
Benefits paid	(2,499)	(5,009)
Fair value at end of year	75,319	69,556

The amounts recognized in the consolidated statement of financial position are as follows:

	2020	2019
	\$	\$
Present value of the defined benefit obligations	90,466	77,814
Fair value of plan assets	(75,319)	(69,556)
Pension plan liability	15,147	8,258

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Re-measurement effects recognized in other comprehensive income:

	2020	2019
	\$	\$
Actuarial gains (losses) of defined benefit obligations		
Experience adjustments	246	(147)
Changes of financial assumption	(10,251)	(11,068)
Return on plan assets greater than discount rate	2,689	5,946
Total effect in other comprehensive income	(7,316)	(5,269)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

The Group's net pension plan expense is computed as follows:

	2020	2019
	\$	\$
Current service cost	1,967	1,593
Net interest on the defined benefit liability	293	211
	2,260	1,804

Employee benefit liability on the consolidated statement of financial position is comprised of the following:

	2020	2019
	\$	\$
Group insurance benefits liability	753	675
Pension plan liability	15,147	8,258
	15,900	8,933

Plan members contribute 7.5% (7.5% in 2019) to their retirement plan. The Group makes the necessary residual contributions to the plans. The Group finances the plans in such a way as to constitute defined benefits according to the plan provisions. The value of these benefits was established by the latest actuarial valuation, dated December 31, 2019 for the Assumption Mutual Life Insurance Company Agent and Employee Pension Plan ("AML"). The average remaining service periods of the active employees covered by the AML pension plan is 16 years (17 years in 2019). The average remaining service periods of the active employees covered by the other retirement benefit plans are the same as the pension plans.

The Group's best estimate of expected payments for the pension plans for the year ending December 31, 2021, is \$1,243.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

The pension fund monies are invested in the following segregated funds:

	2020	2019
	\$	\$
Assumption Life Pension Plan Fund	74,434	68,784
Cash	885	772
	75,319	69,556

Assumption Life Pension Plan Fund

The Assumption Life Pension Plan Fund (the "Pension Plan Fund") is a segregated fund established by Assumption Life. The overall objective of the Pension Plan Fund is a net rate of return, after management fees, that is more than the annual increase in the Consumer Price Index, discounted at the average yearly compound rate over a period of four years.

The Pension Plan Fund portfolio consists of a mix of cash (4.6%), Canadian bonds (40.0%), infrastructure debt (6.4%), Canadian equities (15.4%), foreign equities (24.8%), and alternative investments (8.8%). The Pension Plan Fund is eligible as a registered retirement savings plan under the Income Tax Act of Canada.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

Actuarial assumptions utilized to determine benefit obligation under the defined benefit plans

	2020	2019
	%	%
Discount rate	2.6	3.1 to 3.2
Rate of compensation increase	3.25 to 3.75	3.25 to 3.75
Mortality rate	CPM2014, MI-2017	CPM2014, MI-2017

Sensitivity analysis

Valuation of the defined benefit obligation under the defined benefit plans is sensitive to the preceding actuarial assumptions. The following table summarizes the impact on the defined benefit

obligation at year end if a change of 1% in the actuarial assumptions arises.

	2020	
	+ 1%	- 1%
Discount rate	(16,185)	21,656
Rate of compensation increase	2,757	(2,540)
Mortality rate	(168)	170

Defined contribution plan

As of July 1st, 2014, the Group stopped offering the defined benefit plan to new employees and is now offering a defined contribution plan providing pension benefits. The Group's contributions to the defined contribution plan are not included in the cost recognized for the defined benefit plans above. The total cost recognized for the Group's defined contribution plan is \$392 for the year ended December 31, 2020 (\$365 in 2019).

17. BORROWINGS

The Group has authorized credit lines totalling \$150 bearing interest at the bank's base rate plus 1.05%. These bank loans are renewable annually, are not

guaranteed and are not used as at December 31, 2020.

	2020	2019
	\$	\$
Promissory note without interest, repayable in annual instalments of \$166, maturing in September 2020	-	166
Fair value	-	166

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

18. TAXES

Income tax expense consists of the following:

	2020	2019
	\$	\$
Current income taxes	1,582	5,424
Adjustments from prior years	(16)	18
Deferred income taxes	417	(3,353)
	1,983	2,089

The effective income tax rate in the consolidated statement of income differs from the Group's statutory tax rate, mainly as a result of the following:

	2020		2019	
	\$	%	\$	%
Income tax at statutory rate	2,829	27.4	2,735	27.6
Increase (decrease) in the tax rate resulting from:				
Non taxable investment income	(1,000)	(9.6)	(824)	(8.3)
Differences in tax rates in other provincial jurisdictions	100	1.0	95	0.9
Adjustments from prior year	(16)	(0.2)	18	0.2
Other	70	0.6	65	0.7
	1,983	19.2	2,089	21.1

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

The Group's deferred tax liabilities (deferred tax assets) arise from the following items:

	2020	2019
	\$	\$
Property and equipment and intangible assets	762	661
Insurance contract	(279)	(219)
Debt securities	17	45
Employee benefit plans	(4,359)	(2,444)
Other	77	(231)
	(3,782)	(2,188)
Deferred tax assets	(4,456)	(2,751)
Deferred tax liabilities	674	563
	(3,782)	(2,188)

19. ADDITIONAL INFORMATION ON THE CONSOLIDATED STATEMENT OF CASH FLOWS

Cash flows related to operating activities include the following:

	2020	2019
	\$	\$
Interest received	8,360	8,233
Income taxes paid (received)	8,101	(1,123)
Dividends paid	33	276
Dividends received	3,700	2,763
Cash flows related to financing activities include the following:		
Interest paid on financing	50	53

20. CONTINGENCIES

In its normal course of business, the Group is occasionally named as a defendant in legal proceedings. While it is not possible to anticipate the outcome of such proceedings, the Group does not expect that it will incur significant losses or need to commit significant amounts to such actions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

21. COMMITMENT

As a member of Assuris, the Group incurs, and will likely incur in the future, certain costs in connection with the operations of Assuris. Assuris is responsible for compensating policyholders in the event that a life insurer's operations must be liquidated.

Assuris annually assesses life insurers on the basis of a five-year average of annual premiums and the assessments are charged to income in the year they are incurred. The Group has agreed to provide Assuris with a credit facility which can be drawn upon, at Assuris' option, should the need arise.

22. NET PREMIUMS

	2020		2019	
	Gross premiums	Premiums ceded	Net premiums	Net premiums
	\$	\$	\$	\$
Individual insurance	71,237	(17,717)	53,520	53,511
Group insurance	57,622	(15,939)	41,683	44,711
Annuities and pensions	26,582	-	26,582	35,065
	155,441	(33,656)	121,785	133,287

23. NET BENEFITS AND CLAIMS PAID

	2020		2019	
	Gross benefits and claims paid	Claims ceded to reinsurers	Net benefits and claims paid	Net benefits and claims paid
	\$	\$	\$	\$
Individual insurance	43,676	(19,964)	23,712	22,568
Group insurance	34,257	(11,460)	22,797	27,858
Annuities and pensions	40,490	(22)	40,468	47,124
	118,423	(31,446)	86,977	97,550

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

24. FEES AND COMMISSION INCOME

	2020	2019
	\$	\$
Policyholder administration and investment management services	19,317	18,062
Surrender charges and other contract fees	2,142	2,893
Reinsurance commission income	1,600	1,687
	23,059	22,642

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

25. INVESTMENT INCOME

	2020	2019
	\$	\$
Interest on cash and cash equivalents	247	400
Interest on debt securities designated at fair value through profit or loss	424	605
Interest on debt securities available-for-sale	3,692	3,514
Dividends on equity securities designated at fair value through profit or loss	3,700	2,789
Interest on mortgage loans and other invested assets	7,062	6,676
Interest on policy loans	563	549
Rental income from investment properties	-	2,027
Service charge income from investment properties	-	2,219
Service charge expense from investment properties	-	(2,919)
	15,688	15,860

26. REALIZED GAINS AND LOSSES FROM AVAILABLE-FOR-SALE FINANCIAL ASSETS

	2020	2019
	\$	\$
Realized gains		
Equity securities	-	-
Debt securities	3,000	3,316
Realized losses		
Equity securities	-	-
Debt securities	-	(15)
	3,000	3,301

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

27. FAIR VALUE GAINS AND LOSSES

	2020	2019
	\$	\$
Financial assets at fair value through profit or loss	54,623	56,720
Investment properties	-	(66)
	54,623	56,654

28. FEES AND COMMISSION EXPENSES

	2020	2019
	\$	\$
Fees expenses	1,278	1,502
Commission expenses	19,737	22,846
	21,015	24,348

29. ADMINISTRATIVE AND OTHER OPERATING EXPENSES

	2020	2019
	\$	\$
Administrative expenses		
Salaries and employee benefits expense	24,529	25,600
Amortization on property and equipment (note 8)	847	1,057
Amortization of intangible assets (note 9)	784	1,010
Amortization of right-of-use assets (note 10)	412	169
Professional and consultant fees	5,731	5,467
Investment property related expenses (note 4)	-	406
Other	4,361	4,990
	36,664	38,699
Other operating expenses		
Premium taxes	2,558	2,596
Investment expenses	2,792	2,750
Other	214	-
	5,564	5,346

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

30. CAPITAL MANAGEMENT

With regard to capital management, the Group ensures that equity is always sufficient to maintain the Group's security and stability. Furthermore, it ensures that the return on capital meets the expectations of policyholders entitled to share in the Group's profits. The Group also ensures compliance with the requirements established by the Office of the Superintendent of Financial Institutions of Canada (OSFI).

Moreover, each year the valuation actuary projects the expected results of the Group according to its business plan. This analysis, called the Dynamic Capital Adequacy Testing (DCAT), is presented to the Board of Directors and filed with the regulatory authorities. The purpose of this analysis is to make sure the Group has enough capital to successfully go through the next few years and face unexpected outcomes.

This exercise considers many unfavorable scenarios in order to test the financial strength of the Group. Given the diversity of the Group's lines of business, this analysis shows that no element of exposure

taken separately has any significant impact on its solvency. Also, the combination of these elements to different degrees does not jeopardize the solvency of the Group.

Regulatory requirements and solvency ratio

The regulatory authorities require life insurance companies in Canada to maintain a minimum capitalization ratio in order to carry on business activities. In reference to the guideline imposed by OSFI, the Group maintains a ratio above the supervisory target total ratio of 100%. As of December 31, 2020, the Group's ratio is 166% (152% in 2019).

A ratio of 166% means that the Group has sufficient capitalization to face unexpected negative results of approximately \$86.9 million (\$67.6 million in 2019) while still being able to meet the minimum requirement.

The table below shows the Group's solvency ratio:

Regulatory capital

	2020	2019
Available capital according to requirements	\$218,021	\$198,473
Required capital	\$131,115	\$130,860
Solvency ratio	166%	152%

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS *(in thousands)*

Year ended December 31, 2020

31. RELATED PARTY TRANSACTIONS

Related parties include directors, executives and their affiliates.

Compensation of key management personnel

Key management personnel of the Group includes all directors, executive and non executive, and senior management. The summary of compensation of key management personnel for the year is as follows:

Salaries and other short-term employment benefits
Fees
Post employment pension benefits

2020	2019
\$	\$
4,752	4,438
505	521
397	319
5,654	5,278

32. COMPARATIVE FIGURES

Certain comparative figures have been reclassified in order to conform to the presentation adopted for

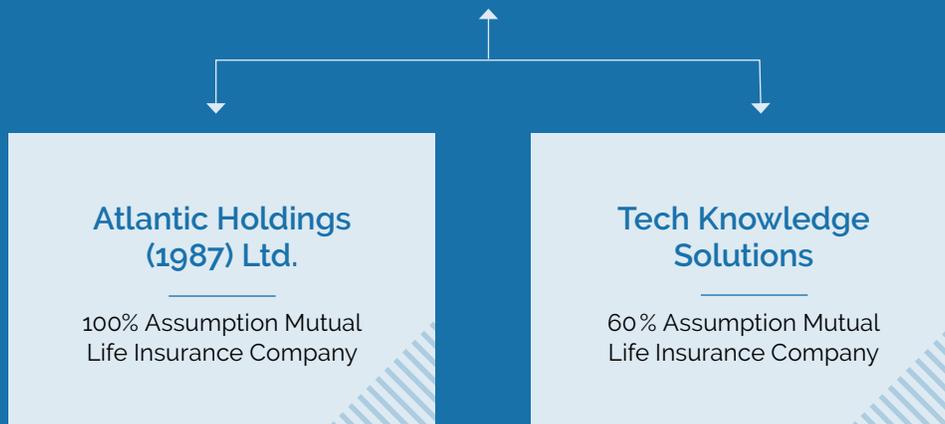
the year ended December 31, 2020.

33. COVID-19

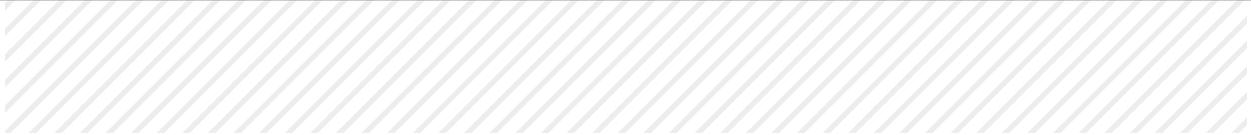
The outbreak of the Coronavirus disease ("COVID-19") has resulted in governments worldwide enacting emergency measures to combat the spread of the virus. These measures, which include the implementation of travel bans, self-imposed quarantine periods and social distancing, have caused material disruption to businesses globally, resulting in an economic slowdown. The duration and impact of the COVID-19 outbreak is unknown at this time, as is the efficacy of the government and central bank monetary and fiscal interventions

designed to stabilize economic conditions. The Group has not been very negatively affected to date in the pandemic; however, due to the continued uncertainty, as at the date of completion of these financial statements, it is not possible to reliably estimate the length and effects of these developments nor the impact on the financial position and financial results of the Group in future periods.

ORGANIZATIONAL CHART



% = percentage of voting rights held



OUR TEAM MAKES THE DIFFERENCE

ASSUMPTION MUTUAL LIFE INSURANCE COMPANY

AKA, YVES-ROGER
ALBRIGHT, KOREY
ALLAIN, KEITH
ALLAIN, MICHEL
ALLAIN, NADINE
AMBERMAN, SHAWN
ARSENAULT, DENIS
ARSENAULT, JASMINE
ARSENAULT, SOPHIE
ARSENAULT, SYLVIE
ARSENEAULT, AMY-LISE
AUDET, DANIEL
BASQUE, EMILIE
BEEFEYA, SHALINI DIVYA
BÉLANGER, ANDRÉ
BELLIVEAU, DONAL
BELLIVEAU, NICOLE

BENOIT, ERIC
BERGEVIN, MANDY
BERRY, SUZANNE
BERTHE, RENE
BLANCHET, NORMAND
BORDAGE, LISA
BORRIS, CHANTAL
BOSSÉ, LUC
BOUCHARD, PIERRE-LUC
BOUCHER, LYNN
BOUCHER, STÉFANY
BOUDREAU, MARC
BOUDREAU, REJEAN
BOUDREAU, SOPHIE
BOURGEOIS, ISABELLE
BOURGEOIS, MEGAN
BOURGEOIS, RENÉE
BOURGEOIS, ZACHARIE
BOURQUE, LUCIE
BREAU, BRENDA
BREAU, JAMMY
BRIDEAU, RACHELLE
BRUN, DINA
BRUN, RENELLE
BRUN LEBLANC, MONIKA STEPHANIE
BUREAUX, ANDREA
CAISSIE, DEBBIE
CAISSIE, MELANIE
CARRIER, MÉLANIE
CASSIDY, KRISTINE
CHARRON, SAMUEL
CHIASSON, JANIQUE
COLQUHOUN, MÉLANIE
COMEAU, RACHEL
COMEAU, SYLVIE
CORMIER, DANIEL
CORMIER, JOLÈNE
CORMIER, TANIA
COUTURE, ALEXIS
CYR, NATHALIE
DAIGLE, MARIE-JOSÉE
DANIEL, GARETH
DESCHÊNES, DANIELLE
DESPRES, ALEXANDRE PATRICK

DESPRES, ROBERT
DESROCHES, GISELE
DEVEAU, CLAIRE
DIONNE, NICOLE
DROUIN, ALEXANDRE
DUGUAY, MONIQUE
DUMITRESCU, ALINA
DUNCAN, LOUIS-NICHOLAS
DUPUIS, SÉBASTIEN
FATOKI, AKINWALE
FRENETTE, ERIC
GAGNON, LINA
GAGNON, RACHELLE
GALEANO, PATRICIA
GALLANT, BERNICE
GALLANT, SANDRA
GALLIEN, PASCAL
GASTON, CHARLINE
GAUDET, GILLES
GAUDET, GINETTE
GAUDET, GISÈLE
GAUDET, MATHIEU
GAUDET, MYRIAM
GAUDET, SERGE
GAUTHIER, JESSIE
GAUTHIER, LOUIS
GAUTREAU, NADINE
GAUVIN, JOCELINE
GAUVIN, MÉLANIE
GAUVIN, ROXANNE
GERVAIS, CHARLES
GIARD, MARYSE
GODBOUT, STÉPHANE
GODIN, MAGGIE
GOGUEN, JACQUELINE
GOGUEN, VENESSA
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HACHEY, DANIE
HARQUAIL, SANDRA
HARQUAIL, SHAWN
HEBERT, LUC
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LANDRY, JEAN-MARC
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LAROCQUE DUPLESSIS, ELZA

LAVERDIÈRE, BENJAMIN
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LEBLANC, JOLINE DIANE
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LÉGER, VÉRONIQUE
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LOSIER, KAYLEE
MAILLET, MIREILLE
MAILLET, MONIQUE
MAILLET, NATALIE
MAILLET-GENDRON, DONNA
MAILMAN, LIETTE
MALLET, LIETTE
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MARR, BEAU
MARTIN, MARIE-PIER
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NOËL, SOPHIE JULIE
NSIKAM NKEUNA, CONSTANTIN



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OUELLETTE, NICOLE
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POIRIER, PHILIPPE
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RICHARD, PIERRE
RICHARD, SHEILA
RICHARD, SUZANNE
ROBICHAUD, CHANTAL
ROBICHAUD, CLAUDETTE
ROBICHAUD, DOMINIC
ROBICHAUD, JULIE LOUISE
ROBICHAUD, LOUISE
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ROBICHAUD, SANDRA
ROBICHAUD, SOPHIE
ROBICHAUD, TIMMY
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ROUSSEL, SÉBASTIEN
ROY, ANGELA
ROY, JOEL
ROY, JUDY
RYAN, JENNIFER
SADLER, ANGELA
SAGHIR, EL MEHDI
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SAVOIE, RACHEL
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VALLEE, JENNIFER

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WALKER, CAMERON
WOOD, LAURA

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BOURGEOIS, DENIS
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CORMIER, DANIEL F.
CURRIE, BRIAN
FRAIL, DEREK
GAUDET, LUC
HORSMAN BENOIT, DEBORAH
HURSHMAN, HEATHER
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LAVIGNE, SHAWN
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LEWIS, SCOTT
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MOORES, MICHEL ANDREW
RABARINIAINA, NASANDRATRA
ROBICHAUD, DANIEL
ROY, MATHIEU
SAVAGE, EMERSON
SIPPLEY, CAROLINE
TIBREWALA, RACHIT
XU, CARL

TKS

LEBEL, CHRIS
BENOIT, CHRISTIAN
MACKENZIE, JOEL
DUFILS, YANNICK
GRASS, MALCOLM
PALMER, BRIAN
COOK, SEAN
FORTMAN, CATHERINE
CAISSIE, MIREILLE
DEVEREAUX, TAYLOR
THIBODEAU, ERIC
PARADIS BOLDUC, LAURENCE
LADD, PARESH
MATTHEWS, VANESSA
MCMANAMAN, JASON
PODUVAL, DHVANIT
AWAD, RODDY

2020 ANNUAL REPORT

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770 Main Street / PO Box 160
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TECH KNOWLEDGE SOLUTIONS

770 Main Street, Suite 404
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Assumption Life

www.assumption.ca