

## CONSOLIDATED FINANCIAL STATEMENTS

ASSETS  
(\$'000)

Reference Page	FS Notes Reference		Current Period		Prior Period		Opening Prior Year Restated	
			Total	Vested in Trust	Total	Vested in Trust	Total	Vested in Trust
			(01)	(02)	(03)	(04)	(05)	(06)
		Cash and Cash Equivalents	010	790		1,904		
		Assets held for sale	020	0		0		
<a href="#">21.012</a>		Short Term Investments	040	0		0		
		Accrued Investment Income	070	11		60		
<a href="#">21.150</a> <a href="#">or/ou</a>		Accounts Receivable	100	935		1,292		
		Policy/Certificate Loans	200	0		0		
<a href="#">21.012</a>		Bonds and Debentures	250	50		50		
<a href="#">21.050</a>		Mortgage Loans	300	0		0		
<a href="#">21.012</a>		Preferred Shares	420	3,571		2,189		
<a href="#">21.012</a>		Common Shares	440	1,421		1,028		
<a href="#">21.012</a>		Investment Properties	510	0		0		
		Derivative Financial Instruments	520	0		0		
<a href="#">22.020</a>		Reinsurance Assets	530	0		0		
<a href="#">21.080</a>		Property and Equipment	540	0		0		
<a href="#">21.012</a>		Interests in Associates & Joint Ventures	550	0		0		
<a href="#">60.010</a>		Segregated Funds Net Assets	560	0		0		
<a href="#">21.100</a>		Other Loans and Invested Assets	600	0		0		
		Investments in Subsidiaries	750	0		0		
		Current Tax Assets	780	0		0		
		Deferred Tax Assets	800	77		68		
		Goodwill	820	0		0		
		Intangible Assets	830	0		0		
		Defined Benefit Pension Plan	840	0		0		
<a href="#">21.155</a>		Other Assets	880	18		15		
		<b>TOTAL ASSETS</b>	899	6,873		6,606		0

## CONSOLIDATED FINANCIAL STATEMENTS

LIABILITIES, POLICYHOLDERS'/SHAREHOLDERS' EQUITY AND HEAD OFFICE ACCOUNT  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	Opening Prior Year Restated
			(01)	(03)	(05)
		<b>Liabilities</b>			
		Liabilities held for sale 005	0	0	
22.020		Actuarial Liabilities for Insurance Contracts 010	376	392	
22.020		Other Contract Liabilities 040	146	139	
		Trust and Banking Deposits 070	0	0	
22.030 or/ou		Accounts Payable 100	328	399	
21.080		Mortgage Loans and Other Real Estate Encumbrances 130	0	0	
		Derivative Financial Instruments 140	0	0	
		Defined Benefit Pension Plan 145	0	0	
		Amounts Due in respect of Staff Pension Plans (not including amounts on line 145 above) 150	0	0	
22.030		Provisions and Other Liabilities 160	385	333	
		Segregated Fund Liabilities 420	35	0	
		Current Tax Liabilities 430	0	0	
		Deferred Tax Liabilities 250	0	0	
		Subordinated Debt 280	0	0	
		Other Debt 310	0	0	
		<b>Total Liabilities</b> 389	<b>1,270</b>	<b>1,263</b>	<b>0</b>
		<b>Policyholders' Equity</b>			
20.040		Participating Account 510			
		Participating Account - Accumulated OCI (Loss) 520			
20.040		Non-Participating Account (Mutual Companies Only) 540			
		Non-Participating Account - Accumulated OCI (Loss) 550			
		<b>Total Policyholders' Equity</b> 589	<b>0</b>	<b>0</b>	
		<b>Shareholders' Equity</b>			
		Capital Stock 610			
		Other Capital 640			
		Contributed Surplus 670			
20.040		Retained Earnings 700			
		Accumulated Other Comprehensive Income (Loss) 740			
		<b>Total Shareholders' Equity</b> 779	<b>5,603</b>	<b>5,343</b>	
		<b>Non-controlling Interests</b> 829	<b>0</b>	<b>0</b>	
		<b>Total Equity</b> 839	<b>5,603</b>	<b>5,343</b>	<b>0</b>
		<b>TOTAL LIABILITIES AND EQUITY</b> 899	<b>6,873</b>	<b>6,606</b>	<b>0</b>
20.044		<b>Head Office Account</b> 800			
		<b>Accumulated Other Comprehensive Income (Loss)</b> 840			
		<b>TOTAL LIABILITIES, HEAD OFFICE ACCOUNT AND ACCUMULATED OTHER COMPREHENSIVE INCOME</b> 999			

## CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF INCOME  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
			(01)	(03)
		<b>Revenue</b>		
35.020		Gross Premiums	2,100	2,123
35.020		Premiums ceded	0	0
45.020		Net Premiums	2,100	2,123
35.020		Gross Investment Income	152	340
35.020		Less: Investment Expenses and Taxes	0	0
23.010		Net Investment Income	152	340
35.020		Share of Income/Loss of Associates & Joint Ventures	0	0
		Fee Income	0	0
23.030		Other Revenue	0	0
35.020		Fraternal and Other Fund Revenues	0	0
		<b>Total Revenue</b>	<b>2,252</b>	<b>2,463</b>
		<b>Policy/Certificate Benefits and Expenses</b>		
35.020		Policyholder/Certificateholder Benefits	61	86
35.020		Benefits ceded	0	0
		Gross Changes to Actuarial Liabilities		
35.020		Normal	59	38
35.020		Basis Change	0	0
35.020		Gross Changes to Other Contract Liabilities	0	0
		Changes in Actuarial and Other Contract Liabilities Ceded		
35.020		Normal	0	0
35.020		Basis Change	0	0
35.020		Policyholder/Certificateholder Dividends	0	0
35.020		Experience Rating Refunds	0	0
35.020		Transfer to and (Transfer from) Other Funds	0	0
35.020		Gross Commissions	0	0
35.020		Commissions Ceded	0	0
35.020		Interest on Policyholder/Certificateholder Amounts on Deposit	0	0
23.030		Interest Expense and Finance costs	0	0
23.030		General Expenses and Taxes (excl. income taxes)	1,875	1,854
23.030		Other Expenses	0	0
35.020		Fraternal and Other Fund Expenses	0	0
		<b>Total Benefits and Expenses</b>	<b>1,995</b>	<b>1,978</b>
		<b>Income Before Income Tax</b>	<b>257</b>	<b>485</b>
		Provision for Income Taxes		
		Current	53	94
		Deferred	(9)	16
		<b>Income Before the following:</b>	<b>213</b>	<b>375</b>
35.020		Discontinued Operations (net of Income Taxes of \$ )	0	0
		<b>Income Before Attribution to Participating Policyholders/Certificateholders</b>	<b>213</b>	<b>375</b>
35.020		Income Attributable to Participating Policyholders/Certificateholders (Stock Companies)	0	0
35.020		<b>Net Income</b>	<b>213</b>	<b>375</b>
35.020		Less: Fraternal and Other Fund Account	0	0
35.020		<b>Net Income: Insurance Fund</b>	<b>213</b>	<b>375</b>
		<b>Attributable to:</b>		
		Non-controlling Interests		0
		Equity Holders	213	375
			(99)	
		830	0	

CONSOLIDATED FINANCIAL STATEMENTS

STATEMENT OF EQUITY IN PARTICIPATING ACCOUNT  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	010	0
		Adjustments	040	0
		(Specify)	070	0
20 030		Share of Net Income (Loss)	100	0
20 040		Transfer from (to) Retained Earnings (Stock companies only)	130	0
20 040		Transfer from (to) Non-Par Account (Mutual companies only)	160	0
		<b>End of Year</b>	<b>199</b>	<b>0</b>

STATEMENT OF NON-PARTICIPATING ACCOUNT  
Mutual Companies Only  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	310	0
		Adjustments	340	0
		(Specify)	370	0
20 030		Share of Net Income (Loss)	400	0
20 040		Transfer from (to) Par Account	430	0
		Dividends to Preferred Shareholders	460	0
		<b>End of Year</b>	<b>499</b>	<b>0</b>

STATEMENT OF RETAINED EARNINGS  
Stock Companies Only  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period
		(05)	(01)	(03)
		Beginning of Year	510	204
		Adjustments	540	0
		(Specify)	570	0
20 030		Share of Net Income (Loss)	600	213
20 040		Transfer from (to) Par Account	630	0
		Dividends to Shareholders		
		Preferred	710	0
		Common	740	350
		<b>End of Year</b>	<b>859</b>	<b>350</b>

CONSOLIDATED FINANCIAL STATEMENTS

COMPREHENSIVE INCOME (LOSS), and  
ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)  
(\$'000)

Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
20.030		<b>Comprehensive Income (Loss)</b>			
		Net Income/Income Before Attribution to Participating Policyholders/Certificateholders	010	213	375
		Other Comprehensive Income (Loss):			
		<b>Items that may be reclassified subsequently to Net Income:</b>			
		<b>Available for Sale:</b>			
		Change in Unrealized Gains and Losses:			
		- Loans	110	0	0
		- Bonds and Debentures	140	0	0
		- Equities	170	233	(33)
		Reclassification of (Gains) Losses to Net Income	210	(35)	(188)
		<b>Derivatives Designated as Cash Flow Hedges</b>			
		Change in Unrealized Gains and Losses	310	0	0
		Reclassification of (Gains) Losses to Net Income	340	0	0
		<b>Foreign Currency Translation</b>			
		Change in Unrealized Gains and Losses	410	0	0
		Impact of Hedging	440	0	0
		Share of Other Comprehensive Income of Associates & Joint Ventures	460	0	0
		Other	445	0	0
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	449	198	(221)
		<b>Items that will not be reclassified subsequently to Net Income:</b>			
		Revaluation Surplus	455	0	0
		Remeasurements of Defined Benefit Plans	470	0	0
		Other	480	0	0
<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	489	0	0		
Total Other Comprehensive Income (Loss)	510	198	(221)		
<b>Total Comprehensive Income (Loss)</b>	589	411	154		
Attributable to:					
Participating Policyholders/Certificateholders (Stock companies)	615	0	0		
Non-controlling Interests	600	0	0		
Equity Holders	620	411	154		
Reference Page	FS Notes Reference		Current Period	Prior Period	
			(01)	(03)	
		<b>Accumulated Other Comprehensive Income (Loss)</b>			
		Accumulated Gains (Losses), net of tax, on:			
		<b>Items that may be reclassified subsequently to Net Income:</b>			
		<b>Available for Sale:</b>			
		- Loans	710	0	
		- Bonds and Debentures	740	0	
		- Equities	770	347	
		Derivatives Designated as Cash Flow Hedges	810	0	
		Foreign Currency (Net of Hedging Activities)	840	0	
		Share of Other Comprehensive Income of Associates & Joint Ventures	860	0	
		Other	845	0	
		<b>Subtotal of items that may be reclassified subsequently to Net Income</b>	849	347	
		<b>Items that will not be reclassified subsequently to Net Income:</b>			
		Revaluation Surplus	855	0	
		Remeasurements of Defined Benefit Plans	870	0	
		Other	880	0	
		<b>Subtotal of items that will not be reclassified subsequently to Net Income</b>	889	0	
		Balance at end of Year	899	347	
				(107)	

## Summary of Capital Elements and Ratio Calculations

(thousands of dollars)

	01	02	Ref
<b>Capital Available:</b>			
<b>Tier 1</b>			
Common shares		5,000	001
Contributed surplus		100	002
Retained earnings	161		003
Less: Accumulated after tax fair value gains/(losses) arising from changes in the institution's own credit risk			301
Less: After tax fair value gains/(losses) on owner-occupied property upon conversion			204
Plus: Accumulated after tax revaluation loss on owner-occupied property (revaluation)			206
Less: Accumulated net after-tax gains or losses up to the transfer date on owner-			207
Less: Accumulated net after tax fair value gains after transition to IFRS on investment			208
Less: Net decrease in actuarial liabilities due to recognition of mortality improvement			210
Less: Discretionary participation features included in reported equity			212
Plus: Accumulated gains reported in OCI up to the transfer date on investment property			213
Retained earnings for MCSR purposes		161	203
Future use: fair value option			302
Participating account			004
Non-cumulative perpetual preferred shares			005
Qualifying non-controlling interests (excluding innovative tier 1)			006
Innovative Instruments in Tier 1 (max 15% net tier 1)			007
Non-participating account (mutual companies)			311
Accumulated net after-tax foreign currency translation adjustment reported in Other			313
Accumulated net after-tax unrealized loss on available-for-sale equity securities			314
Accumulated changes in liabilities included in OCI under shadow accounting			316
Accumulated defined benefit pension plan remeasurements included in OCI			317
<b>Gross Tier 1 Capital</b>		5,261	010
Less: Deductions for Net Tier 1 Capital (page 20.020, line 249)	0		012
<b>Net Tier 1 Capital</b>		5,261	020
Less: Additional deductions for Adjusted Net Tier 1 Capital (page 20.020, line 299)	0		321
<b>Adjusted Net Tier 1 Capital</b>		A 5,261	329
<b>Tier 2A (page 20.020 line 079)</b>	347		021
<b>Tier 2B allowed (page 20.030 line 045)</b>	0		022
<b>Tier 2C (page 20.030 line 068)</b>	0		023
<b>Net Tier 2 Capital (page 20.030 line 695)</b>		B 347	025
<b>Total Capital Available</b>	(A + B)	C 5,608	040
<b>Capital Required:</b>			
<b>Asset Default and Market Risk</b>			
Asset Default (C-1) Risk			
- Backing Non-Par, Surplus and Non-Qualifying Participating	i) 368		041
- Backing Qualifying Participating Policies	ii)		042
Index Linked Pass Through Products	iii)		043
C-1 and C-3 requirements for letters of credit and collateral used to obtain reserve or	iv)		220
Off-Balance Sheet Exposures			
- Backing Non-Par, Surplus and Non-Qualifying Participating	v)		044
- Backing Qualifying Participating Policies	vi)		045
Segregated Funds Risk	vii)		046
<b>Total Asset Default and Market Risk</b>	sum of (i to vii)	368	050
<b>Insurance Risks</b>			
Mortality Risk	i) 167		051
Morbidity Risk	ii) 335		052
Lapse Risk	iii)		053
<b>Total Insurance Risks</b>	sum of (i to iii)	502	060
<b>Changes in Interest Environment (C-3) Risk</b>			062
<b>Foreign Exchange Risk</b>			067
<b>Other (specify)<sup>2</sup></b>			070
<b>Total Capital Risk Metric</b>		D 870	080
<b>MCSR</b>			
Tier 1	(A + D) x 100	604.71	098
Total	(C + D) x 100	644.60	099

<sup>1</sup> Phase-in of the impact of including in Tier 1 the AOCI DB Plan remeasurements balance, if any, as at Dec 31, 2012 and of the<sup>2</sup> Provide details of additional requirements.