

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise. The securities offered hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended (the "1933 Act") or any state securities laws. These securities may not be offered, sold or delivered in the United States or to or for the account or benefit of U.S. persons (as defined in Regulation S to the 1933 Act). See "Plan of Distribution".

## Short Form Prospectus

New Issue

November 15, 2001



# \$200,000,000

## 6.74% Debentures Due November 24, 2031

The indebtedness of Great-West Lifeco Inc. ("Great-West Lifeco" or the "Corporation") evidenced by the 6.74% Debentures offered hereunder (the "Debentures") will be dated November 23, 2001 and will mature on November 24, 2031. Interest on the Debentures at the rate of 6.74% per annum will accrue from the date of closing of the offering hereunder and will be payable semi-annually in arrears in equal instalments on May 24 and November 24 of each year commencing May 24, 2002, until November 24, 2031. The initial interest payment, payable on May 24, 2002, will be \$33.88 per \$1,000 principal amount of Debentures based on the anticipated issue date of November 23, 2001. **The effective yield on the Debentures purchased at 99.885% of their principal amount, the price at which the Underwriters (as defined below) have agreed to purchase the Debentures, and held to maturity, will be 6.749%.** See "Details of the Offering".

The Corporation may, at its option, redeem the Debentures on not less than 30 nor more than 60 days' prior notice to the registered holder, in whole at any time or in part from time to time, at a redemption price equal to the greater of the Canada Yield Price (as defined below) and par, together in each case with accrued and unpaid interest to the date fixed for redemption. In cases of partial redemption, the Debentures to be redeemed will be selected by the Trustee (as defined below) pro rata or in such other manner as it shall deem appropriate. Any Debentures that are redeemed by the Corporation will be cancelled and will not be reissued. See "Details of the Offering".

The Debentures will be direct, unsecured and unsubordinated obligations of Great-West Lifeco and will rank equally and rateably with all existing or future unsecured and unsubordinated indebtedness of Great-West Lifeco. As at September 30, 2001, Great-West Lifeco had outstanding \$659,000,000 in total consolidated long-term debt.

	<u>Price to Public</u>	<u>Underwriters' Fee and Discount (1)</u>	<u>Net Proceeds to the Corporation (2)(3)</u>
Per \$1,000 principal amount of Debentures .....	Non-Fixed Price	\$10.15	\$989.85
Total.....	Non-Fixed Price	\$2,030,000	\$197,970,000

- (1) Consisting of (i) an underwriting fee of \$9.00 and (ii) a discount of \$1.15, in each case per \$1,000 principal amount of Debentures. The Underwriters' overall compensation will increase or decrease by the amount by which the aggregate price paid for the Debentures by the purchasers exceeds or is less than the gross proceeds paid by the Underwriters to Great-West Lifeco.
- (2) Plus accrued interest, if any, from November 23, 2001 to the date of delivery.
- (3) Before deduction of the expenses of this issue, estimated at \$300,000, which, together with the Underwriters' Fee, will be paid from the general funds of the Corporation.

BMO Nesbitt Burns Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., Scotia Capital Inc., TD Securities Inc., Merrill Lynch Canada Inc., National Bank Financial Inc. and Casgrain & Company Limited (collectively, the "Underwriters") have agreed to purchase the Debentures from the Corporation at 99.885% of their principal amount subject to the terms and conditions set forth in the Underwriting Agreement referred to under "Plan of Distribution".

The Debentures will be offered to the public at prices to be negotiated by the Underwriters with purchasers. Accordingly, the price at which the securities will be offered and sold to the public may vary as between purchasers and during the period of distribution of the Debentures. In connection with this offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Debentures at a level above that which might otherwise prevail in the open market. See "Plan of Distribution".

The Underwriters, as principals, conditionally offer these securities, subject to prior sale, if, as and when issued by the Corporation and accepted by the Underwriters in accordance with the conditions contained in the Underwriting Agreement referred to under "Plan of Distribution". **BMO Nesbitt Burns Inc. ("BMO Nesbitt Burns"), the lead Underwriter, is a wholly-owned subsidiary of BMO Nesbitt Burns Corporation Limited, an indirect majority-owned subsidiary of Bank of Montreal. In addition, one of the Underwriters, TD Securities Inc. ("TD Securities"), is a direct wholly-owned subsidiary of The Toronto-Dominion Bank.** As part of a capital reorganization, approximately \$150 million of the net proceeds from the issue of the Debentures will be used ultimately to repay \$150 million in borrowings from an unsecured credit facility (the "Credit Facility") provided by Bank of Montreal and The Toronto-Dominion Bank to a wholly-owned subsidiary of the Corporation which was guaranteed by the Corporation. See "The Great-West Life Assurance Company – *Reorganization of Capital*" and "Use of Proceeds". By virtue of the relationship of BMO Nesbitt Burns and TD Securities with Bank of Montreal and The Toronto-Dominion Bank, respectively, the Corporation may be considered to be a connected issuer of BMO Nesbitt Burns and TD Securities under applicable securities legislation. See "Plan of Distribution".

Subscriptions for Debentures will be received subject to rejection or allotment in whole or in part and the right is reserved to close the subscription books at any time without notice. A book-entry only certificate representing the Debentures will be issued in registered form only to The Canadian Depository for Securities Limited ("CDS"), or its nominee, and will be deposited with CDS on the closing of this offering. A purchaser of the Debentures will receive only a customer confirmation from the registered dealer who is a CDS participant and from or through whom the Debentures are purchased. See "Details of the Offering – Depository Services".

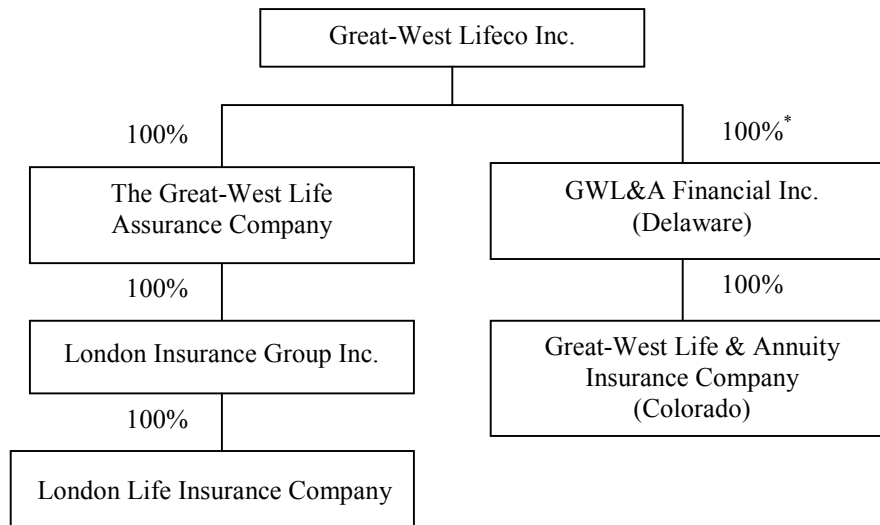
## TABLE OF CONTENTS

	<u>Page</u>		<u>Page</u>
Great-West Lifeco Inc .....	3	Ratings .....	11
Use of Proceeds .....	5	Risk Factors .....	11
Details of the Offering .....	5	Legal Matters .....	13
Earnings Coverage .....	9	Purchasers' Statutory Rights.....	13
Plan of Distribution .....	9	Certificate of the Corporation .....	C-1
Documents Incorporated by Reference.....	10	Certificate of the Underwriters.....	C-2
Eligibility for Investment .....	11		

## GREAT-WEST LIFECO INC.

### Corporate Structure

The following chart summarizes Great-West Lifeco's corporate structure as at September 30, 2001, including its interests in its material subsidiaries. Unless otherwise indicated, all companies are incorporated under the laws of Canada. The indicated percentages represent holdings of common shares.



\*Held by Great-West Lifeco through wholly-owned subsidiaries.

### General

Great-West Lifeco was incorporated under the *Canada Business Corporations Act* (the "CBCA") on November 8, 1979. Its name was changed to Great-West Lifeco Inc. and its capital structure was reorganized by Certificate of Amendment dated May 15, 1986. Its articles, as further amended, were restated by Restated Certificate of Incorporation dated August 7, 1997 and were subsequently amended by Certificates of Amendment dated November 6, 1997, April 23, 1998, September 9, 1998, March 3, 1999, April 22, 1999 and April 26, 2001.

As at September 30, 2001, Great-West Lifeco held directly all of the outstanding common shares, and held, directly or indirectly, approximately 59.96% of the outstanding preferred shares of The Great-West Life Assurance Company ("Great-West Life"), all of the outstanding preferred shares of London Life Insurance Company ("London Life") and, through wholly-owned subsidiaries, all of the outstanding common shares of Great-West Life & Annuity Insurance Company ("GWL&A"). Great-West Lifeco currently has no other holdings and carries on no business or activities unrelated to its holdings in Great-West Life and GWL&A. However, Great-West Lifeco is not restricted to investing in securities of Great-West Life, GWL&A and its other subsidiaries. As at September 30, 2001, Power Financial Corporation controlled, directly or indirectly, approximately 82.11% of the outstanding Common Shares of Great-West Lifeco representing approximately 64.99% of the voting rights attached to all of the outstanding voting shares of the

Corporation.

From time to time, Great-West Lifeco and its subsidiaries evaluate existing businesses, products and services, and such review could result in Great-West Lifeco or its subsidiaries disposing of or acquiring businesses or offering new, or discontinuing existing, products and services. In the ordinary course of their operations Great-West Lifeco and its subsidiaries consider and discuss with third parties the purchase or sale of businesses or business segments.

The head office and principal place of business of Great-West Lifeco is located at 100 Osborne Street North, Winnipeg, Manitoba, R3C 3A5.

### **The Great-West Life Assurance Company**

Great-West Life was incorporated on August 28, 1891 by an Act of Parliament of Canada and commenced operations in 1892. It is governed by the *Insurance Companies Act* (Canada) (the "ICA") and its operations are under the supervision of the Office of the Superintendent of Financial Institutions.

Great-West Life owns all of the common shares of London Insurance Group Inc. ("LIG"), a company continued under the CBCA. LIG owns all of the common shares of London Life, which is governed by the ICA. Great-West Life also owns 9.2 million common shares of its affiliate, Investors Group Inc.

Through Great-West Life and London Life, Great-West Lifeco offers a wide range of life insurance, health insurance, retirement and investment products, as well as reinsurance products, to individuals, businesses and other private and public organizations. The operations of Great-West Life and London Life are managed from Winnipeg, Manitoba and London, Ontario.

#### *Reorganization of Capital*

Through a series of transactions in late 2000 and early 2001, a wholly-owned subsidiary of the Corporation ("Bidco") acquired \$240,000,000 of Non-Cumulative Preferred Shares, Series L (the "Series L Shares") issued by Great-West Life. The purchase of the Series L Shares was funded in part from drawing \$150 million upon the Credit Facility. Subsequent to the completion of this offering and the issue to the Corporation of subordinated debentures of Great-West Life (the "Great-West Life Subordinated Debentures") as described in "Use of Proceeds", Great-West Life intends to effect a capital reorganization as a result of which the Series L Shares held by Bidco will be cancelled.

The Great-West Life Subordinated Debentures will mature on November 24, 2036 and will bear interest at a rate of 6.74% per annum, payable semi-annually in equal instalments in arrears until November 24, 2031. Thereafter, interest on the Great-West Life Subordinated Debentures will be payable at a rate per annum equal to the 90-day Bankers' Acceptance Rate plus 1.00% payable quarterly in arrears until maturity. Subject to the prior approval of the Superintendent of Financial Institutions, Great-West Life may: (i) prior to November 24, 2031, redeem the Great-West Life Subordinated Debentures in whole or in part, at a redemption price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest, or (ii) on or after November 24, 2031, redeem all but not less than all of the Great-West Life Subordinated Debentures on any interest payment date at a redemption price equal to par together with accrued and unpaid interest. The Great-West Life Subordinated Debentures will also have an interest deferral provision which obligates Great-West Life to defer payment of interest thereon for up to ten consecutive semi-annual interest periods in the event that Great-West Life does not pay dividends on preferred shares held by persons with whom it is not associated or affiliated. The Great-West Life Subordinated Debentures will be direct, unsecured and subordinated obligations of Great-West Life and will rank equally and rateably with all existing or future unsecured and subordinated indebtedness of Great-West Life.

### **Great-West Life & Annuity Insurance Company**

Great-West Lifeco's principal United States subsidiary is GWL&A, a company domiciled in the State of Colorado and qualified to do business directly or through its subsidiaries in all states.

In the United States, GWL&A offers a wide range of life and health products for group clients, savings products for corporations, public and non-profit employers and individuals, and life insurance products for individuals and businesses.

## USE OF PROCEEDS

The net proceeds from the sale of the Debentures, amounting to approximately \$197,670,000 after deducting the Underwriters' fee, the Underwriters' discount and estimated expenses of the issue, will initially be added to the Corporation's general funds. Immediately thereafter, the Corporation intends to invest all or substantially all of such net proceeds in the Great-West Life Subordinated Debentures. As a part of the capital reorganization described under "The Great-West Life Assurance Company – *Reorganization of Capital*", approximately \$150 million of the proceeds from the sale of the Great-West Life Subordinated Debentures will be used ultimately to repay amounts borrowed under the Credit Facility.

## DETAILS OF THE OFFERING

The following is a summary of certain of the material attributes and characteristics of the Debentures, which does not purport to be complete. Reference is made to the Trust Indenture referred to below for the full text of the material attributes and characteristics applicable to the Debentures.

### General

The Debentures will be issued under and pursuant to the provisions of a trust indenture (the "Trust Indenture") to be dated as of November 23, 2001 between the Corporation and Computershare Trust Company of Canada, as trustee (the "Trustee"). The Debentures will be limited to \$200,000,000 aggregate principal amount, will be dated November 23, 2001 and will mature on November 24, 2031. The Debentures will be issued without coupons, in denominations of \$1,000 and authorized multiples thereof. The principal and interest on the Debentures will be paid in lawful money of Canada in the manner and on the terms set out in the Trust Indenture.

### Depository Services

Except as otherwise provided below, the Debentures will be issued in "book-entry only" form and must be purchased, transferred or redeemed through participants ("Participants") in the depository service of CDS or its nominee. Each of the Underwriters is a Participant. On the closing of this offering, the Corporation will cause a global certificate or certificates representing the Debentures to be delivered to, and registered in the name of, CDS or its nominee. Except as described below, no purchaser of Debentures will be entitled to a certificate or other instrument from the Corporation or CDS evidencing that purchaser's ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a Participant acting on behalf of such purchaser. Each purchaser of Debentures will receive a customer confirmation of purchase from the registered dealer from which the Debentures are purchased in accordance with the practices and procedures of that registered dealer. The practices of registered dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. CDS will be responsible for establishing and maintaining book-entry accounts for its Participants having interests in the Debentures. Reference in this short form prospectus to a holder of Debentures means, unless the context otherwise requires, the owner of the beneficial interest in the Debentures.

If the Corporation determines, or CDS notifies the Corporation in writing, that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Debentures and the Corporation is unable to locate a qualified successor, or if the Corporation at its option elects, or is required by law, to terminate the book-entry system, then Debentures will be issued in fully registered form to holders or their nominees.

### Transfer or Redemption of Debentures

Transfers of ownership or redemptions of Debentures will be effected through records maintained by CDS or its nominee for such Debentures with respect to interests of Participants, and on the records of Participants with respect to interests of persons other than Participants. Holders who desire to purchase, sell or otherwise transfer ownership of or other interests in the Debentures, may do so only through Participants.

The ability of a holder to pledge a Debenture or otherwise take action with respect to such holder's interest in a Debenture (other than through a Participant) may be limited due to the lack of a physical certificate.

## **Payments and Notices**

Payments of principal, redemption price, if any, and interest on each Debenture will be made by the Corporation to CDS or its nominee, as the case may be, as the registered holder of the Debenture and the Corporation understands that such payments will be credited by CDS or its nominee to Participants. Payments to holders of Debentures of amounts so credited will be the responsibility of the Participants.

As long as CDS or its nominee is the registered holder of the Debentures, CDS or its nominee, as the case may be, will be considered the sole owner of the Debenture for the purposes of receiving notices or payments on the Debentures. The responsibility and liability of the Corporation in respect of notices or payments on the Debentures is limited to giving notice or making payment of any principal, redemption price, if any, and interest due on the Debentures to CDS or its nominee.

Each holder must rely on the procedures of CDS and, if such holder is not a Participant, on the procedures of the Participant through which such holder owns its interest, to exercise any rights with respect to a Debenture. The Corporation understands that under existing policies of CDS and industry practices, if the Corporation requests any action of holders or if a holder desires to give any notice or take any action which a registered holder is entitled to give or take with respect to a Debenture, CDS would authorize the Participant acting on behalf of the holder to give such notice or to take such action, in accordance with the procedures established by CDS or agreed to from time to time by the Corporation, the Trustee and CDS. Any holder that is not a Participant must rely on the contractual arrangement it has directly, or indirectly through its financial intermediary, with a Participant to give such notice or take such action.

The Corporation, the Underwriters and the Trustee, as applicable, will not have any liability or responsibility for (i) records maintained by CDS relating to beneficial ownership interest in the Debentures held by CDS or the book-entry accounts maintained by CDS, or (ii) maintaining, supervising or reviewing any records relating to any such beneficial ownership interest, or (iii) any advice or representation made by or with respect to CDS and contained herein or in the Trust Indenture with respect to the rules and regulations of CDS or any action to be taken by CDS or at the direction of the Participants.

## **Status**

The Debentures will be direct, unsecured and unsubordinated obligations of the Corporation and will rank equally and rateably with all existing or future unsecured and unsubordinated indebtedness of the Corporation.

## **Covenants**

The Trust Indenture will contain covenants substantially to the following effect:

1. so long as any of the Debentures are outstanding, the Corporation will not create, assume or suffer to exist any Security Interest on any of its assets to secure any Obligation unless at the same time the Corporation shall secure or cause to be secured equally and rateably therewith all the Debentures then outstanding, provided that this will not apply to or operate to prevent Permitted Encumbrances; and
2. the Corporation will not merge, amalgamate or consolidate with or into any other corporation or sell, convey or dispose of, in one transaction or a series of transactions, and whether at the same time or over a period of time, all or substantially all of its assets to any other person unless (a) either the Corporation is the continuing or successor company following such merger or sale, or the continuing or successor company, if other than the Corporation, by supplemental indenture assumes all of the obligations of the Corporation under the Trust Indenture, and (b) after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing under the Trust Indenture.

## **Events of Default**

The Trust Indenture will provide that an "Event of Default" in respect of the Debentures will occur upon:

- (a) the Corporation's failure to pay any principal of or premium on the Debentures when due and the continuance of such default for a period of five days;

- (b) the Corporation's failure to pay any interest on the Debentures when due and the continuance of such default for a period of 30 days;
- (c) the Corporation's failure to perform or observe any other covenant or agreement of the Corporation under the Trust Indenture, any supplemental indenture thereto or the Debentures and the continuance of such default for a period of 60 days after written notice thereof to the Corporation by the Trustee;
- (d) the failure by the Corporation or any Material Subsidiary, whether as primary obligor or guarantor, to pay any principal, premium or interest when due and payable on any Indebtedness beyond any applicable grace period, the outstanding principal amount of which Indebtedness exceeds \$50 million in the aggregate; or
- (e) the Corporation or any Material Subsidiary becoming insolvent or bankrupt or being ordered wound-up or liquidated or a resolution being passed for the winding-up or liquidation of the Corporation.

If an Event of Default has occurred and is continuing, the Trustee may, in its discretion and shall, upon request of holders of not less than 25% of the principal amount of Debentures and upon being indemnified against all costs, expenses and liabilities to be incurred, declare the principal of and interest on all outstanding Debentures to be immediately due and payable and enforce such payment.

### **Interest**

Interest on the Debentures at a rate of 6.74% per annum will be payable semi-annually in arrears in equal instalments on May 24 and November 24 of each year, commencing on May 24, 2002 and continuing until November 24, 2031. The initial interest payment, payable on May 24, 2002, will be \$33.88 per \$1,000 principal amount of Debentures based upon the anticipated issue date of November 23, 2001. If any of the aforesaid dates upon which interest on the Debentures is payable is not a business day, such interest shall be payable on the next business day thereafter.

### **Redemption**

The Corporation may, at its option, redeem the Debentures on not less than 30 nor more than 60 days' prior notice to the registered holder, in whole at any time or in part from time to time, at a redemption price equal to the greater of the Canada Yield Price and par, together in each case with accrued and unpaid interest to the date fixed for redemption. In cases of partial redemption, the Debentures to be redeemed will be selected by the Trustee pro rata or in such manner as it shall deem equitable. Any Debentures that are redeemed by the Corporation will be cancelled and will not be reissued.

### **Open Market Purchases**

The Corporation will have the right to purchase Debentures in the market or by tender or by contract at any price. All Debentures that are purchased by the Corporation will be cancelled and will not be reissued. Notwithstanding the foregoing, any subsidiary of the Corporation may purchase Debentures in the ordinary course of its business of dealing in securities.

### **Satisfaction and Discharge**

The Trust Indenture will contain provisions requiring the Trustee to release the Corporation from its obligations under the Trust Indenture and the Debentures provided that (i) the Corporation satisfies the Trustee that it has irrevocably deposited funds or made due provision for the payment of the fees and expenses of the Trustee and for payment of all principal and interest and other amounts due or to become due on the Debentures and (ii) other conditions specified in the Trust Indenture are satisfied.

## **Modification**

The Trust Indenture and the rights of the holders of Debentures may, in certain circumstances, be modified. For that purpose, among others, the Trust Indenture will contain provisions making extraordinary resolutions binding upon all holders of Debentures. "Extraordinary Resolution" will be defined, in effect, as a resolution passed by the affirmative vote of the holders of not less than 66 2/3% of the principal amount of Debentures represented and voted at a meeting duly called and held in accordance with the Trust Indenture or as a resolution contained in one or more instruments in writing signed by the holders of not less than 66 2/3% of the principal amount of the then outstanding Debentures.

## **Definitions**

The Trust Indenture will contain definitions substantially to the following effect:

"business day" shall mean a day on which banks are open for business in Toronto.

"Canada Yield Price", shall mean a price which, if the Debentures were to be issued at such price on the redemption date, would provide a yield thereon from the redemption date to November 24, 2031 equal to the Government of Canada Yield, plus 34 basis points, compounded semi-annually and calculated on the day that is three business days prior to the date of redemption.

"Funded Obligation" shall mean any Indebtedness which is not payable on demand and which by its terms matures, or is renewable at the option of the debtor to a date, more than 18 months after the date such Indebtedness was created, assumed, guaranteed or last renewed.

"Government of Canada Yield" on any date shall mean the average of the mid-market yields to maturity on such date provided by two independent investment dealers selected by the Trustee from a list of investment dealers provided by the Corporation, assuming semi-annual compounding, which an issue of non-callable Government of Canada bonds would produce if issued at par on such date, in Canadian dollars in Canada, with a term to maturity equal to the remaining term to November 24, 2031.

"Indebtedness" shall mean any indebtedness of any person for borrowed money other than money borrowed from the Corporation or a subsidiary of the Corporation.

"Material Subsidiary" shall mean any of Great-West Life, GWL&A, GWL&A Financial Inc., LIG and London Life, and "Material Subsidiaries" shall mean all of such companies.

"Obligations" shall mean, with respect to any person, all items which in accordance with Canadian generally accepted accounting principles would be included as liabilities on the liability side of the balance sheet of such person, and all contingent liabilities of such person.

"Permitted Encumbrances" shall mean any of the following:

- (a) any purchase money Security Interest (including by way of capital lease) granted by the Corporation;
- (b) any Security Interest on any property or asset existing at the time such property or asset is acquired by the Corporation and which was not incurred in contemplation of such acquisition;
- (c) any Security Interest for taxes, government charges and business related liens in respect of the Corporation;
- (d) any Security Interest on any of the Corporation's assets (other than on the common shares of any Material Subsidiary) granted, assumed or suffered to exist in the ordinary course of business and for the purpose of carrying on the same in favour of any bank or other lender to secure any Indebtedness of the Corporation other than Funded Obligations; and
- (e) any extension, renewal, alteration, substitution or replacement of any Security Interest referred to above, provided that it does not extend to additional collateral and the principal amount of the Obligation secured thereby is not increased.

"Security Interest" shall mean any assignment, mortgage, charge (whether fixed or floating), hypothec, pledge, lien or other encumbrance on or interest in property or assets that secures payment of any Indebtedness or Obligation.



## EARNINGS COVERAGE

The annual interest requirements on the consolidated long-term debt of the Corporation, after giving effect to this issue, would amount to approximately \$61,475,000 for the twelve months ended December 31, 2000 and \$60,857,000 for the twelve months ended September 30, 2001.

Consolidated net income before taxes available for interest of the Corporation was approximately \$1,048,803,000 for the twelve months ended December 31, 2000 and approximately \$813,397,000 for the twelve months ended September 30, 2001, which is approximately 17.1 times the annual interest requirements on the consolidated long-term debt of the Corporation, after giving effect to this issue, as at December 31, 2000 and approximately 13.4 times such annual interest requirements, after giving effect to this issue, as at September 30, 2001.

## PLAN OF DISTRIBUTION

Pursuant to an underwriting agreement (the "Underwriting Agreement") dated November 8, 2001 between the Corporation and the Underwriters, the Corporation has agreed to sell and the Underwriters have severally agreed to purchase, as principals, subject to compliance with all necessary legal requirements and to the terms and conditions contained therein, on November 23, 2001 or such other date not later than December 21, 2001 as may be agreed upon by the parties (the "Closing Date"), all but not less than all of the principal amount of Debentures at a price of \$998.85 per \$1,000 principal amount, for a total consideration of \$199,770,000 plus accrued interest, if any, from November 23, 2001 to the date of delivery, payable in cash to the Corporation against delivery of such principal amount of Debentures, and a certificate representing such Debentures. The Underwriting Agreement provides that the Corporation will pay the Underwriters a fee of \$1,800,000 on account of underwriting services rendered in connection with this offering.

The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion if there should occur conditions of national or international consequence which in the opinion of the Underwriters may materially adversely affect Canadian financial or equity markets. The obligations of the Underwriters under the Underwriting Agreement may also be terminated upon the occurrence of certain stated events including, any material adverse change in the business, financial condition, affairs, operations, assets, liabilities or capital of the Corporation which in the opinion of the Underwriters would be expected to have an adverse effect on the market price or value of the Debentures. The Underwriters are, however, obligated to take up and pay for all of the Debentures if any of the Debentures are purchased under the Underwriting Agreement.

The Debentures will be offered to the public at prices to be negotiated by the Underwriters with purchasers. Accordingly, the price at which the Debentures will be offered and sold to the public may vary as between purchasers and during the period of distribution of the Debentures. The Underwriters' overall compensation will increase or decrease by the amount by which the aggregate price paid for the Debentures by the purchasers exceeds or is less than the gross proceeds paid by the Underwriters to the Corporation.

The Underwriters may not, throughout the period of distribution, bid for or purchase the Debentures. The foregoing restriction is subject to certain exemptions, as long as the bid or purchase is not engaged in for the purpose of creating actual or apparent active trading in, or raising the price of, the Debentures. In connection with this offering, the Underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Debentures at a level above that which might otherwise prevail in the open market. Such transactions may begin, be interrupted or terminate at any time.

The Debentures offered hereby have not been and will not be registered under the 1933 Act or any state securities laws. Accordingly, the Debentures may not be offered, sold or delivered directly or indirectly in or within the United States, or to, or for the account or benefit of, U.S. persons. Offers and sales of Debentures in the United States would constitute a violation of the 1933 Act unless made in compliance with the registration requirements of the 1933 Act or pursuant to an exemption therefrom.

BMO Nesbitt Burns, the lead Underwriter, is a wholly-owned subsidiary of BMO Nesbitt Burns Corporation Limited, an indirect majority-owned subsidiary of Bank of Montreal. In addition, one of the Underwriters, TD Securities, is a direct wholly-owned subsidiary of The Toronto-Dominion Bank. As part of the capital reorganization described under "The Great-West Life Assurance Company - *Reorganization of Capital*" and "Use of Proceeds", approximately \$150 million of the net proceeds from the issue of the Debentures will be used ultimately to repay the Credit Facility. By virtue of the relationship of BMO Nesbitt Burns and TD Securities with Bank of Montreal and The Toronto-Dominion Bank, respectively, the Corporation may be considered to be a connected issuer of BMO Nesbitt Burns and TD Securities under applicable securities legislation. As of the date hereof, the terms of the Credit Facility

have been complied with. Both BMO Nesbitt Burns and TD Securities were involved, as members of the syndicate of Underwriters, in the decision to distribute the Debentures and in the determination of the terms thereof. Neither Bank of Montreal nor The Toronto-Dominion Bank participated in the decision to distribute the Debentures or the determination of the terms thereof.

#### **DOCUMENTS INCORPORATED BY REFERENCE**

The following documents of the Corporation filed with the securities commissions or similar regulatory authorities in each of the provinces of Canada are specifically incorporated by reference into and form an integral part of this short form prospectus:

- (a) the Annual Information Form dated April 26, 2001, including documents incorporated by reference therein;
- (b) the audited consolidated comparative financial statements as at and for the years ended December 31, 2000 and December 31, 1999 and the report of the auditors thereon;
- (c) the interim unaudited consolidated comparative financial statements as at and for the nine-month periods ended September 30, 2001 and September 30, 2000, together with the interim Management's Discussion and Analysis attached thereto;
- (d) Management's Discussion and Analysis on pages 15-47 of the Corporation's Annual Report for the year ended December 31, 2000; and
- (e) the Management Proxy Circular dated March 14, 2001 with respect to the annual and special meeting of shareholders held on April 26, 2001, except for the provisions of the circular titled "Executive Compensation – Composition of the Compensation Committees" on pages 12 and 13 of the circular and "Executive Compensation – Report on Executive Compensation" on pages 13 and 14 of the circular and the graph titled "Cumulative Value of a \$100 Investment Assuming Reinvestment of Dividends" on page 15 of the circular.

All documents of the type referred to above, any material change reports (other than confidential material change reports) and any press releases, all as filed by the Corporation with the provincial securities commissions or similar authorities in Canada after the date of this short form prospectus and prior to the termination of the offering shall be deemed to be incorporated by reference into this short form prospectus.

**Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada (the permanent information record in Québec).** Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice-President, Counsel and Secretary, Canada, of Great-West Lifeco at 100 Osborne Street North, Winnipeg, Manitoba, R3C 3A5, telephone (204) 946-1190. For the purpose of the Province of Québec, this simplified prospectus contains information to be completed by consulting the permanent information record. A copy of the permanent information record may be obtained from the Vice-President, Counsel and Secretary, Canada of Great-West Lifeco at the above-mentioned address and telephone number. Copies may also be obtained through the Internet at [www.sedar.com](http://www.sedar.com).

**Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this short form prospectus, to the extent that a statement contained herein or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of such modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this short form prospectus.**

## ELIGIBILITY FOR INVESTMENT

Eligibility of the Debentures for investment by purchasers to whom any of the following statutes apply is, in certain cases, governed by criteria which such purchasers are required to establish as policies or guidelines pursuant to the applicable statute (and, where applicable, the regulations thereunder) and is subject to the prudent investment standards and general investment provisions provided therein:

*Insurance Companies Act* (Canada)  
*Trust and Loan Companies Act* (Canada)  
*Pension Benefits Standards Act, 1985* (Canada)  
*An Act respecting insurance* (Québec)  
*An Act respecting trust companies and savings companies* (Québec)  
*Supplemental Pension Plans Act* (Québec)  
*Loan and Trust Corporations Act* (Ontario)  
*Pension Benefits Act* (Ontario)  
*Trustee Act* (Ontario)  
*The Pension Benefits Act* (Manitoba)  
*Employment Pension Plans Act* (Alberta)  
*Insurance Act* (Alberta)  
*Loan and Trust Corporations* (Alberta)  
*Financial Institutions Act* (British Columbia)

As of the date hereof, in the opinion of Blake, Cassels & Graydon LLP and Osler, Hoskin & Harcourt LLP, the Debentures, when issued, will be qualified investments under the *Income Tax Act* (Canada) (the "Income Tax Act") and the regulations thereunder (the "Regulations") for trusts governed by registered retirement savings plans, registered retirement income funds, registered education savings plans or deferred profit sharing plans (other than a deferred profit sharing plan to which the Corporation or an employer with which the Corporation does not deal at arm's length within the meaning of the Income Tax Act makes a payment).

## RATINGS

The following table discloses the provisional ratings of the Debentures by the rating organization indicated:

<b><u>Rating</u></b>	<b><u>Organization</u></b>
AA—	Standard & Poor's Corporation
AA (low)	Dominion Bond Rating Service Limited

The "AA" rating category used by Standard & Poor's Corporation denotes "very strong" and represents the second highest of ten categories available from Standard & Poor's Corporation for long-term debt obligations. The "—" designation after a rating indicates an issuer's relative strength within a rating category.

The "AA" rating category used by Dominion Bond Rating Service Limited denotes "superior credit quality" and represents the second highest of ten rating categories available from Dominion Bond Rating Service Limited for long-term debt obligations. The "(low)" designation after a rating indicates the relative standing of credit within a particular rating category.

The foregoing provisional ratings should not be construed as a recommendation to buy, sell or hold the Debentures inasmuch as such ratings do not comment as to market price or suitability for a particular investor. There is no assurance that any rating will remain in effect for any given period of time or that any rating will not be revised or withdrawn entirely by the rating organization in the future if in its judgement circumstances so warrant.

## RISK FACTORS

Investment in the Debentures is subject to certain risks. Investors should consider carefully the following risks in conjunction with the other information in this prospectus before purchasing Debentures.

## **Holding Company Structure**

As a holding company, Great-West Lifeco's ability to pay interest and other operating expenses and dividends and to meet its obligations generally depends upon receipt of sufficient funds from its principal subsidiaries and its ability to raise additional capital. The likelihood that holders of Debentures will receive the payments owing to them in connection with the Debentures will be dependent upon the financial position and creditworthiness of Great-West Life, GWL&A and London Life. For example, as set forth above under "Great-West Lifeco Inc. - The Great-West Life Assurance Company - *Reorganization of Capital*", the Great-West Life Subordinated Debentures, in which the Corporation intends to invest the net proceeds of the Debentures, obligate Great-West Life to defer payment of interest on the Great-West Life Subordinated Debentures for up to ten consecutive semi-annual interest periods in the event that Great-West Life does not pay dividends on preferred shares held by persons with whom it is not associated or affiliated. If the interest on the Great-West Life Subordinated Debentures is deferred, the Corporation may have to find an alternative source of funds, or may have to reallocate funds received from its principal subsidiaries, in order to pay interest, operating expenses or dividends and to meet its obligations generally. The payment of interest and dividends by the principal subsidiaries is also subject to restrictions set forth in the insurance, securities and corporate laws and regulations which require that solvency and capital standards be maintained by Great-West Life, GWL&A and London Life.

## **Operational Risk**

The businesses conducted by Great-West Lifeco's principal subsidiaries are subject to risks including competition from other businesses, dependence on key personnel, reliance on information technology systems, investment performance and underwriting experience of morbidity, mortality and catastrophic risk, all of which could affect the ability of the Corporation to meet its obligations. Specifically, the businesses conducted by the Corporation's principal subsidiaries may be further adversely affected, directly or indirectly, by the terrorist-related events that commenced in the United States on September 11, 2001.

## **Liquidity Risk**

Great-West Lifeco does not intend to list the Debentures on any stock exchange and there can be no assurance that there will be a secondary market for or liquidity in the Debentures. Each of the Underwriters may from time to time purchase and sell the Debentures in the secondary market or make a market for the Debentures, but no Underwriter is obliged to do so and there can be no assurance that any Underwriter will undertake any market making activities in respect of the Debentures.

## **Interest Rate Risks**

Prevailing interest rates will affect the market price or value of the Debentures. The market price or value of the Debentures will decline as prevailing interest rates for comparable debt instruments rise, and increase as prevailing interest rates for comparable debt instruments decline.

## **Changes in Creditworthiness or Credit Ratings**

The perceived creditworthiness of Great-West Lifeco and changes in credit ratings of the Debentures may affect the market price or value and the liquidity of the Debentures.

## **Regulatory Environment**

The businesses of certain of Great-West Lifeco's principal subsidiaries are subject to various regulatory requirements imposed by legislation and regulation in Canada and the United States applicable to insurance companies and companies providing financial services. Material changes in the regulatory framework or the failure to comply with regulatory requirements could have an adverse effect on Great-West Lifeco.

## **General Economic Conditions**

Unfavourable economic conditions may adversely affect the business of Great-West Lifeco's principal subsidiaries.

## **LEGAL MATTERS**

Certain legal matters in connection with this offering will be passed upon by Blake, Cassels & Graydon LLP for the Corporation and by Osler, Hoskin & Harcourt LLP for the Underwriters. As of November 8, 2001, the partners and associates of Blake, Cassels & Graydon LLP as a group and the partners and associates of Osler, Hoskin & Harcourt LLP as a group, owned beneficially, directly or indirectly, less than one percent of any class of securities of the Corporation or any associated party or affiliate of the Corporation.

## **PURCHASERS' STATUTORY RIGHTS**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may only be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment, irrespective of the determination at a later date of the purchase price of the securities distributed. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, damages where the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

## **CERTIFICATE OF THE CORPORATION**

Dated: November 15, 2001

This short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities laws of all the provinces of Canada. For the purposes of the Province of Québec, this simplified prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

By: (signed) **RAYMOND L. MCFEETORS**  
Co-President and Chief Executive Officer

By: (signed) **WILLIAM W. LOVATT**  
Vice-President, Finance, Canada  
as Chief Financial Officer

On behalf of the Board of Directors

By: (signed) **CHARLES H. HOLLENBERG**  
Director

By: (signed) **GAIL S. ASPER**  
Director

## CERTIFICATE OF THE UNDERWRITERS

Dated: November 15, 2001

To the best of our knowledge, information and belief, this short form prospectus, together with the documents incorporated herein by reference, constitutes full, true and plain disclosure of all material facts relating to the securities offered by this prospectus as required by the securities laws of all the provinces of Canada. For the purposes of the Province of Québec, to our knowledge, this simplified prospectus, as supplemented by the permanent information record, contains no misrepresentation that is likely to affect the value or the market price of the securities to be distributed.

BMO NESBITT BURNS INC.

By: (signed) PETER MARCHANT

CIBC WORLD MARKETS INC.

By: (signed) DONALD A. FOX

RBC DOMINION SECURITIES INC.

By: (signed) FREDERICK CHANN

SCOTIA CAPITAL INC.

By: (signed) BARRY NOWOSELSKI

TD SECURITIES INC.

By: (signed) J. DAVID BEATTIE

MERRILL LYNCH CANADA INC.

By: (signed) MARIANNE HARRIS

NATIONAL BANK FINANCIAL INC.

By: (signed) IAN MCPHERSON

CASGRAIN & COMPANY LIMITED

By: (signed) GASTON SIMONEAU

GREAT-WEST  
LIFECO<sub>INC.</sub>