Short Form Prospectus dated May 7, 1998

This short form prospectus constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. No securities commission or similar authority in Canada has in any way passed upon the merits of the securities offered hereunder and any representation to the contrary is an offence. Information has been incorporated by reference in this short form prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Corporate Secretary, The Mutual Life Assurance Company of Canada, 227 King St. South, Waterloo, Ontario, N2J 4C5, telephone (519) 888-3900. For the purpose of the Province of Quebec 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 Corporate Secretary of The Mutual Life Assurance Company of Canada at the above-mentioned address and telephone number.

New Issue

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

$400,000,000

$250,000,000 5.80% Debentures, Series 1, due 2013
(subordinated indebtedness)
$150,000,000 6.30% Debentures, Series 2, due 2028
(subordinated indebtedness)

The subordinated indebtedness of The Mutual Life Assurance Company of Canada ("Mutual Life") evidenced by the 5.80% Debentures, Series 1, due 2013 (the "Series 1 Debentures") will be dated May 15, 1998 and will mature on May 15, 2013. Interest on the Series 1 Debentures at the rate of 5.80% per annum will be payable half-yearly in arrears on November 15 and May 15, commencing November 15, 1998 until May 15, 2008. Thereafter, interest on the Series 1 Debentures will be payable at the 90 day Bankers' Acceptance Rate (as defined herein) plus 1.00%, payable quarterly on the 15th day of each of August, November, February and May in each year, commencing on August 15, 2008.

The subordinated indebtedness of Mutual Life evidenced by the 6.30% Debentures, Series 2, due 2028 (the "Series 2 Debentures") will be dated May 15, 1998 and will mature on May 15, 2028. Interest on the Series 2 Debentures at the rate of 6.30% per annum will be payable half-yearly in arrears on November 15 and May 15, commencing November 15, 1998 until May 15, 2028.

The Series 1 Debentures and the Series 2 Debentures are collectively referred to herein as the "Debentures".

Mutual Life may at any time prior to May 15, 2008, at its option, with the prior approval of the Superintendent of Financial Institutions Canada (the "Superintendent"), redeem the Series 1 Debentures, in whole or in part, at the higher of (i) par and (ii) the Canada Yield Price (as defined herein), together, in each case, with accrued and unpaid interest to the date fixed for redemption. Mutual Life may on or after May 15, 2008, at its option, with the prior approval of the Superintendent, redeem all but not less than all of the Series 1 Debentures, on any interest payment date at par. See "Details of the Offering — Redemption".

Mutual Life may at any time, at its option, with the prior approval of the Superintendent, redeem the Series 2 Debentures, in whole or in part, at the higher of (i) par and (ii) the Canada Yield Price, together, in each case, with accrued and unpaid interest to the date fixed for redemption. See "Details of the Offering — Redemption".

The Debentures will be direct unsecured obligations of Mutual Life constituting subordinated indebtedness which, in the event of the insolvency or winding-up of Mutual Life, will be subordinate in right of payment to the prior payment in full of the policyholder liabilities of Mutual Life and of all other liabilities of Mutual Life except liabilities which by their terms rank in right of payment equally with or subordinate to subordinated indebtedness of Mutual Life, including the Debentures. See "Details of the Offering".

In the opinion of counsel, the Debentures will qualify, at the date of issue, for investment under certain statutes as set forth under "Eligibility for Investment".

	Price to Public	Underwriting Fee and Discount(1)	Net Proceeds to Mutual Life(4)(5)
Per $1,000 principal amount of Series 1 Debentures	Non-Fixed Price	$10.72(2)	$989.28
Total	Non-Fixed Price	$2,680,000	$247,320,000
Per $1,000 principal amount of Series 2 Debentures	Non-Fixed Price	$11.81(3)	$988.19
Total	Non-Fixed Price	$1,771,500	$148,228,500

(1) 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 Mutual Life.
(2) Consisting of an underwriting fee of $7.50 and an underwriting discount of $3.22 per $1,000 principal amount of Series 1 Debentures.
(3) Consisting of an underwriting fee of $9.00 and an underwriting discount of $2.81 per $1,000 principal amount of Series 2 Debentures.
(4) Plus accrued interest, if any, from May 15, 1998 to the date of delivery.
(5) Before deducting expenses of issue estimated at $250,000.

The Underwriters have agreed to purchase the Series 1 Debentures and the Series 2 Debentures from Mutual Life at 99.678% and 99.719%, respectively, 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.

We, as principals, conditionally offer the Debentures, subject to prior sale if, as and when issued by Mutual Life and accepted by us in accordance with the conditions contained in the Underwriting Agreement and subject to the approval of certain legal matters on behalf of Mutual Life by McCarthy Tétrault and on our behalf by Osler, Hoskin & Harcourt. See "Plan of Distribution".

Subscriptions 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. It is intended that definitive global Debentures (as defined herein) will be available for delivery on the closing date of this offering, which is expected to be on or about May 15, 1998.

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Reference in this prospectus to "Mutual Life" means The Mutual Life Assurance Company of Canada, and reference to "TMG" means Mutual Life and its consolidated subsidiaries.

ELIGIBILITY FOR INVESTMENT

In the opinion of McCarthy Tétrault and Osler, Hoskin & Harcourt, the Debentures to be issued by Mutual Life hereunder would be, if issued on the date hereof, eligible investments, without resort to the so-called "basket provisions", or their purchase will not be prohibited, in each case subject to general investment provisions, and in certain cases subject to prudent investment requirements and to additional requirements relating to investment or lending policies or goals, under or by the following statutes:

Insurance Companies Act (Canada)
Trust and Loan Companies Act (Canada)
Pension Benefits Standards Act, 1985 (Canada)
Loan and Trust Corporations Act (Ontario)
Pension Benefits Act (Ontario)
Supplemental Pension Plans Act (Quebec)
an Act respecting insurance (Quebec) for insurers other than a guarantee fund corporation
an Act respecting trust companies and savings companies (Quebec) for a trust company investing its own funds and deposits it receives and a savings company investing its own funds
Loan and Trust Corporations Act (Alberta)
Insurance Act (Alberta)
Financial Institutions Act (British Columbia)
The Pension Benefits Act, 1992 (Saskatchewan)

In the opinion of such counsel, the Debentures will, at the date of issue, be qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds and deferred profit sharing plans, other than a deferred profit sharing plan under which any of the employers is Mutual Life or does not deal with Mutual Life at arm's length within the meaning of the *Income Tax Act* (Canada).

CREDIT RATINGS

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

Ratings	Rating Agency
A (high)	Dominion Bond Rating Service Limited
A1 (negative outlook)	Moody's Investors Service, Inc.
AA− (negative outlook)	Standard & Poor's Rating Services

Credit ratings are intended to provide investors with an independent measure of the quality of an issue of securities. The foregoing ratings should not be construed as a recommendation to buy, sell or hold the Debentures, in as much as such ratings do not comment as to market price or suitability for a particular investor. Any of the foregoing ratings may be revised or withdrawn at any time by the respective rating organization if in its judgment circumstances so warrant.

DOCUMENTS INCORPORATED BY REFERENCE

The following documents of Mutual Life, filed with the various securities commissions or similar authorities in the provinces of Canada, are incorporated by reference into this short form prospectus:

(i) Annual Information Form dated April 30, 1998 which includes comparative financial statements of Met Branch and MetCan (both as hereinafter defined) for the fiscal year ended December 31, 1997, together with the notes thereto and the auditors' report thereon;

(ii) Comparative consolidated financial statements for the fiscal year ended December 31, 1997, together with the notes thereto and the auditors' report thereon, and management's discussion and analysis of financial condition and results of operation as contained in pages 12 to 34 of Mutual Life's 1997 Annual Financial Report;

(iii) Annual Filing (in lieu of a management proxy circular) for the year ended December 31, 1996;

(iv) Material Change Report dated January 6, 1998 relating to the date of eligibility for eligible participating policyholders to participate in the distribution of shares for the proposed demutualization of Mutual Life;

(v) Material Change Report dated March 12, 1998 relating to the MetLife Acquisition (as defined herein);

(vi) Material Change Report dated March 24, 1998 relating to the sale by Mutual Life of its 100% ownership interest in Mutual Asset Management Limited to Perigee Investment Counsel Inc.; and

(vii) Comparative unaudited interim consolidated financial statements for the quarter ended March 31, 1998.

Any documents of the types referred to above, comparative consolidated interim financial statements (unaudited), material change reports (excluding confidential reports) and any annual information form all as filed by Mutual Life with the various securities commissions or any 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.

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 a 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 in its unmodified or superseded form shall not be deemed to constitute a part of this short form prospectus.

SUMMARY OF THE OFFERING

The following information is a summary only and should be read in conjunction with the detailed information provided elsewhere in this short form prospectus.

Issue:	\$250,000,000 principal amount of 5.80% Debentures Series 1 due 2013 (the "Series 1 Debentures"). \$150,000,000 principal amount of 6.30% Debentures Series 2 due 2028 (the "Series 2 Debentures").
Price:	Non-fixed price.
Maturity:	Series 1 Debentures — May 15, 2013 Series 2 Debentures — May 15, 2028
Interest:	Series 1 Debentures — 5.80% per annum, payable half-yearly in arrears on November 15 and May 15 of each year commencing November 15, 1998 until May 15, 2008. Thereafter, interest on the Series 1 Debentures will be payable at the 90 day Bankers' Acceptance Rate plus 1.00% payable quarterly on the 15th day of each of August, November, February and May in each year commencing August 15, 2008. Series 2 Debentures — 6.30% per annum, payable half-yearly in arrears on November 15 and May 15 of each year commencing November 15, 1998 until May 15, 2028.
Redemption:	Mutual Life may at any time prior to May 15, 2008, at its option, with the prior approval of the Superintendent, redeem the Series 1 Debentures, in whole or in part, at the higher of (i) par and (ii) the Canada Yield Price, together, in each case, with accrued and unpaid interest to the date fixed for redemption. All but not less than all of the Series 1 Debentures are redeemable, on or after May 15, 2008, on any interest payment date at par at the option of Mutual Life, with the prior approval of the Superintendent. Mutual Life may at any time, at its option, with the prior approval of the Superintendent, redeem the Series 2 Debentures, in whole or in part, at the higher of (i) par and (ii) the Canada Yield Price, together, in each case, with accrued and unpaid interest to the date fixed for redemption.
Rank:	The Debentures will be direct unsecured obligations of Mutual Life constituting subordinated indebtedness.
Covenant:	Mutual Life will not create, issue, incur or reclassify any indebtedness subordinate in right of payment to policyholders and other creditors which, in the event of insolvency or winding-up of Mutual Life, would rank in right of payment in priority to the Debentures.
Use of Proceeds:	The proceeds from the sale of this issue will be used to satisfy a portion of the purchase price relating to the MetLife Acquisition (as defined herein).
Interest Coverage:	The pro forma interest coverage as at December 31, 1997 after giving effect to this offering is approximately 10 times the total subordinated indebtedness annual interest requirements.
Ratings:	The Debentures are rated A (high) by Dominion Bond Rating Service Limited, A1 (negative outlook) by Moody's Investors Service, Inc. and AA− (negative outlook) by Standard and Poor's Rating Services. See "Credit Ratings".

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

Mutual Life was created by a special act of the Legislative Assembly of Ontario in 1868 as The Ontario Mutual Life Assurance Company. It became federally chartered in 1878 and changed its name to The Mutual Life Assurance Company of Canada in 1900. As a mutual company, Mutual Life has no shareholders and its board of directors is elected by its voting policyholders. As measured by consolidated worldwide assets at the end of 1997, TMG, with $22.1 billion, is the fifth largest Canadian life insurance company.

TMG provides a wide range of life, health and annuity products and other financial services to individuals and corporations across North America. TMG's Canadian operations are organized into four operating units which consist of retail insurance, group life and health insurance, savings and retirement and surplus. TMG's United States operations are managed by The Mutual Group (U.S.) Inc. ("TMG(US)"), a wholly-owned subsidiary of TMG. In addition to the traditional life and health insurance products and services, TMG's business segments and corporations are responsible for the development and delivery of savings products such as segregated and mutual funds as well as residential mortgages, non-residential mortgages, corporate loans, portfolio management services, administrative services to compliment self-insured risk plans and investment services provided by external fund managers. TMG also conducts reinsurance operations in Canada and in the United States through Mutual Life's U.S. branch which is managed by TMG(US).

Mutual Life's principal executive offices are located at 227 King Street South, Waterloo, Ontario, Canada.

RECENT DEVELOPMENTS

Demutualization

On December 8, 1997, Mutual Life announced its intention to seek eligible policyholder approval to demutualize. Demutualization is a process involving the conversion of Mutual Life to a stock company through conversion of eligible participating and voting non-participating policyholders' embedded ownership rights into shares of Mutual Life. This will allow such policyholders to fully realize the value of their ownership in Mutual Life. It also allows Mutual Life to attract new investors and to raise additional capital to develop new products and services and to assess opportunities for acquisition. Mutual Life was the first major Canadian mutual life insurance company to announce its intention to pursue this course. This process is targeted for completion by the end of 1998. The financial information provided in this short form prospectus or incorporated herein by reference does not include the impact of demutualization.

MetLife Acquisition

On March 12, 1998, Mutual Life agreed, subject to the satisfaction of certain closing conditions including the receipt of regulatory approval, to acquire from Metropolitan Life Insurance Company ("MetLife"), substantially all of MetLife's Canadian retail life insurance, savings and group operations. MetLife's Canadian operations consist primarily of the Canadian branch operations of MetLife ("Met Branch") and Metropolitan Life Insurance Company of Canada ("MetCan"). The transaction will involve the domestication of Met Branch through the transfer of substantially all of its operations to MetCan and the assumption of specified insurance policies followed by the purchase by Mutual Life of all of the issued and outstanding shares of MetCan (the "MetLife Acquisition").

Pursuant to the agreement of purchase and sale entered into by Mutual Life and MetLife dated March 12, 1998, the aggregate purchase price to be paid by Mutual Life for the portion of MetLife's Canadian operations being purchased is approximately $1.2 billion, subject to adjustments for certain matters. Mutual Life plans to finance the purchase price as to approximately $395,298,500 by the sale of the Debentures and as to the balance through internally available financial resources.

The closing date for the MetLife Acquisition is expected to be June 30, 1998. However, there are a number of conditions precedent to the closing of the acquisition for the benefit of each of Mutual Life and MetLife, including securing regulatory approvals in respect of the transaction, which may delay the closing date. In the event the closing does not occur by June 30, 1999, Mutual Life and MetLife have agreed to enter into a management arrangement whereby Mutual Life would manage the business intended to be purchased. This arrangement will attempt to give approximately the same economic result for both organizations.

After the MetLife Acquisition, TMG will have one of the largest direct financial services distribution networks in Canada with a core sales force of over 3,000 agents and managers. The market position of the combined entity in Canada will be strong in all lines of business, ranking first in the retail life business (as measured by life insurance coverage), and ranking in the top three in all business units by common industry measures of market share. Operating synergies are anticipated from the combined organization through expense reductions and revenue synergies from the addition of MetLife's Canadian sales force, particularly through segregated fund and mutual fund sales.

The MetLife Acquisition will result in a total customer base for TMG of over 3 million Canadians, including retail insurance, savings and retirement customers and certificate holders in group benefit plans. In order to realize upon potential synergies, integration plans include the following: (i) a program has been initiated to license former MetLife agents who have joined Mutual Life for mutual fund sales to realize upon the potential in that growing market, particularly within the existing Canadian customer base of MetLife's Canadian operations; and (ii) operations will be consolidated, with some service functions, group claims and technology development located in Ottawa, Ontario and the remainder of the operations in Waterloo, Ontario.

Integration costs are estimated to be $210 million pre-tax, including the recommissioning of the MetLife Canadian operations being purchased. The risks of the integration are being mitigated through a series of initiatives, including the temporary relocation of Mutual Life staff to Ottawa, Ontario, a continued presence in Ottawa, Ontario, the rapid integration of sales offices and of systems, recognizing particularly systems where Year 2000 issues must be addressed.

SELECTED FINANCIAL INFORMATION

The following selected financial information has been derived from the consolidated financial statements of TMG which are incorporated herein by reference and from the pro forma financial statements of TMG reflecting this offering and the MetLife Acquisition which are included elsewhere in this short form prospectus.

Selected Consolidated Information

	As at and for the Year Ended December 31,			
	TMG			Pro Forma(1)
	1995	1996	1997	1997
				(unaudited)
		(millions of dollars)		
Income				
Premium income	2,305	2,087	2,076	2,946
Investment income	1,727	1,734	1,652	2,147
Fees and other income	101	125	149	199
Total income	4,133	3,946	3,877	5,292
Benefits paid and provided for	3,238	2,978	2,889	3,977
General expenses and commissions	559	577	632	920
Income and other taxes	132	167	146	153
Net income from continuing operations	204	224	210	242
Discontinued operations	(12)	(26)	(53)	(54)
Net income	192	198	157	188
Assets				
Insurance and trust operations	20,761	21,431	21,307	27,314
Discontinued operations	3,769	6,390	751	751
Total corporate assets	24,530	27,821	22,058	28,065
Liabilities and equity				
Liabilities for future policy benefits	16,646	16,428	15,894	21,296
Other liabilities	2,067	2,781	3,055	3,260
Discontinued operations	3,723	6,348	719	719
	22,436	25,557	19,668	25,275
Subordinated debt	255	256	267	667
Total equity	1,839	2,008	2,123	2,123
Total liabilities and equity	24,530	27,821	22,058	28,065
Financial strength ratios (unaudited)				
Return on average corporate assets (continuing operations)	1.07%	1.06%	0.98%	0.88%
Return on average equity (continuing operations)	12.02%	11.92%	10.35%	11.7%
Business in force (unaudited)				
Total life insurance	144,883	153,497	166,052	245,899
Total annuities	12,840	12,851	12,739	14,019
Total health insurance	938	743	804	1,147
MCCSR(2)	223%	214%	245%	175%–185%(3)

(1) The pro forma financial information reflects this offering and the MetLife Acquisition. For pro forma assumptions and basis of presentation, see the notes to the pro forma financial statements of TMG included elsewhere in this short form prospectus.

(2) MCCSR means Minimum Continuing Capital and Surplus Requirement which is a formula, prescribed by the Superintendent to determine the adequacy of an insurance company's capital.

(3) Based on management estimates.

DETAILS OF THE OFFERING

The following is a summary of the material attributes and characteristics of the Series 1 Debentures and of the Series 2 Debentures offered hereby, and does not purport to be complete. Reference is made to the Trust Indenture referred to below for the full text of the attributes and characteristics of the Debentures.

General

The Debentures offered hereby will be issued under and pursuant to the provisions of a trust indenture (the "Trust Indenture") dated as of May 15, 1998 between Mutual Life and CIBC Mellon Trust Company, as trustee (the "Trustee"). The Series 1 Debentures will be limited to $250,000,000 aggregate principal amount and the Series 2 Debentures will be limited to $150,000,000 aggregate principal amount. The Series 1 Debentures will be dated May 15, 1998 and will mature on May 15 , 2013 and the Series 2 Debentures will be dated May 15, 1998 and will mature on May 15, 2028. Principal and interest on the Debentures will be payable in lawful money of Canada in the manner described below under "Payment of Principal and Interest".

Status and Subordination

The Debentures will be direct unsecured obligations of Mutual Life constituting subordinated indebtedness and will rank equally and rateably with all debentures of Mutual Life from time to time issued and outstanding under the Trust Indenture. The Trust Indenture provides that in the event of the insolvency or winding-up of Mutual Life, the indebtedness evidenced by debentures issued thereunder, including the Debentures, will be subordinate in right of payment to the prior payment in full of the policyholder liabilities of Mutual Life and of all other liabilities of Mutual Life except liabilities which by their terms rank in right of payment equally with or subordinate to subordinated indebtedness of Mutual Life, including the Debentures.

Form and Denomination

Except as otherwise provided below, each of the Series 1 Debentures and the Series 2 Debentures will be represented in the form of a fully registered single global Debenture (each a "global Debenture" and collectively, the "global Debentures"), held by, or on behalf of, The Canadian Depository for Securities Limited ("CDS") as depository of each global Debenture for the participants ("participants") of CDS registered in the name of CDS or its nominee, and registration of ownership and transfers of the Debentures will be made through the depository system of CDS. On the closing date of this offering, CDS shall credit interests in the global Debentures to the accounts of its participants as directed by the Underwriters.

Except as described below, no purchaser of a Series 1 Debenture or a Series 2 Debenture will be entitled to a certificate or other instrument from Mutual Life or CDS evidencing that purchaser's ownership thereof, and no holder of a beneficial interest in a Series 1 Debenture or Series 2 Debenture will be shown on the records maintained by CDS except through book entry accounts of a participant of CDS acting on behalf of beneficial owners. Each purchaser of a Series 1 Debenture or a Series 2 Debenture represented by a global Debenture, as the case may be, will receive a customer confirmation of purchase from the Underwriter from whom the Series 1 Debenture or the Series 2 Debenture is purchased in accordance with the practices and procedures of the Underwriter. The practices of the Underwriters 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 global Debentures. Sales of interests in global Debentures can only be completed through participants in the depository service of CDS.

Series 1 Debentures and Series 2 Debentures will be issued in fully registered form ("physical Debentures") to holders or their nominees, other than CDS or its nominee, only if (i) required to do so by applicable law, (ii) the depository system of CDS ceases to exist, (iii) Mutual Life determines that CDS is no longer willing or able to discharge properly its responsibility as depository and Mutual Life is unable to locate a qualified successor or (iv) Mutual Life at its option elects to terminate the book entry system through CDS.

Covenant

The Trust Indenture provides that Mutual Life will not create, issue, incur or reclassify any indebtedness subordinate in right of payment to policyholders and other creditors which, in the event of the insolvency or winding-up of Mutual Life, would rank in right of payment in priority to the Debentures.

Events of Default

The Trust Indenture provides that an event of default in respect of the Debentures will occur only if Mutual Life becomes insolvent or bankrupt or resolves to wind up or liquidate or is ordered to be wound up or liquidated. If an event of default has occurred and is continuing, the Trustee may, in its discretion, and shall, upon the request of holders of not less than 25% in principal amount of the Debentures outstanding, declare the principal of and interest on all outstanding Debentures to be immediately due and payable. There will be no right of acceleration in the case of a default in the payment of interest or a default in the performance of any other covenant of Mutual Life in the Trust Indenture, although a legal action could be brought to enforce such covenant. The *Winding-up and Restructuring Act* (Canada) provides that Mutual Life is deemed insolvent if, among other things, a creditor has served a written demand on Mutual Life to pay an amount exceeding $200 then due and Mutual Life has neglected to pay the sum for 60 days.

Interest

Interest on the Series 1 Debentures at the rate of 5.80% per annum will be payable half-yearly in arrears on November 15 and May 15 in each year, commencing November 15, 1998 until May 15, 2008. Thereafter, interest on the Series 1 Debentures will be payable at the 90 day Bankers' Acceptance Rate (as defined herein) plus 1.00%, payable quarterly on the 15th day of each of August, November, February and May in each year, commencing August 15, 2008. Interest on the Series 2 Debentures at the rate of 6.30% per annum will be payable half-yearly in arrears on November 15 and May 15, commencing November 15, 1998 until May 15, 2028. Interest will be calculated on the basis of the actual number of days elapsed in each interest period divided by 365 or 366 in a leap year, as the case may be.

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

"90 day Bankers' Acceptance Rate", for any quarterly interest period, shall mean the average bid rate of interest (expressed as an annual percentage rate) rounded to the nearest one-hundred-thousandth of one percent (with .000005 percent being rounded up) for Canadian dollar bankers' acceptances with maturities of three months which appears on the Reuters Screen CDOR Page as of 10:00 a.m., Toronto time, on the first Business Day of such quarterly interest period; provided that if such rate does not appear on the Reuters Screen CDOR Page on such day, the 90 day Bankers' Acceptance Rate for such period shall be the average of the bid rates of interest (expressed and rounded as set forth above) for Canadian dollar bankers' acceptances with maturities of three months for same day settlement as quoted by such of the Schedule I Banks (as defined in the Bank Act of Canada) as may quote such a rate as of 10:00 a.m., Toronto time, on the first Business Day of such quarterly interest period;

"Business Day" shall mean a day, other than a Saturday or Sunday, on which banks are open for business in Toronto; and

"Reuters Screen CDOR Page" shall mean the display designated as page "CDOR" on the Reuters Monitor Money Rates Service (or such other page as may replace the CDOR page on that service) for the purpose of displaying, among other things, Canadian dollar bankers' acceptance rates.

Payment of Principal and Interest

Global Debenture

As long as CDS or its nominee is the registered holder of a global Debenture, CDS or its nominee, as the case may be, will be considered the sole owner of such global Debenture for the purposes of receiving payments of interest and principal on such global Debenture. Mutual Life expects that CDS or its nominee, upon receipt of any payment of principal or interest in respect of a global Debenture, will credit participants' accounts, on the date principal or interest is payable, with payments in amounts proportionate to their respective interests in the principal amount of such global Debenture as shown on the records of CDS or its nominee at the close of business on the second business day prior to the applicable interest payment date, with respect to the payment of interest, and at maturity, with respect to the payment of principal. Mutual Life also expects that payments of principal and interest by participants to the owners of beneficial interests in such global Debenture held through such participants will be governed by standing instructions and customary practices, and will be the responsibility of such participants. The responsibility and liability of Mutual Life in respect of Debentures represented by a global Debenture is limited to making payment of any principal and interest due on such global Debenture to the Trustee.

Redemption

Mutual Life may, at its option, with the prior approval of the Superintendent, redeem the Debentures in whole at any time or in part from time to time, by giving prior notice of not less than 30 days and not more than 60 days, at a redemption price which, if the Debentures are redeemed prior to May 15, 2008 with respect to the Series 1 Debentures or May 15, 2028 with respect to the Series 2 Debentures, is equal to the greater of (i) par and (ii) the Canada Yield Price (as defined below), 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 by lot, or in such other manner as the Trustee may deem equitable.

On or after May 15, 2008, Mutual Life may, at its option, with the prior approval of the Superintendent, redeem all but not less than all of the Series 1 Debentures, on not less than 30 days' nor more than 60 days' prior notice, on any interest payment date at par.

Any Debentures redeemed by Mutual Life will be cancelled and shall not be reissued.

"Canada Yield Price" with respect to the Series 1 Debentures is the amount derived by discounting payments of interest and principal under the Series 1 Debentures at the "Government of Canada Yield" plus 0.11%, calculated on the business day preceding the date the redemption of the Series 1 Debentures is authorized and with respect to the Series 2 Debentures is the amount derived by discounting payments of interest and principal under the Series 2 Debentures at the "Government of Canada Yield" plus 0.16%, calculated on the business day preceding the date the redemption of the Series 2 Debentures is authorized.

"Government of Canada Yield" with respect to the Series 1 Debentures is the adjusted monthly equivalent of the yield to maturity, compounded semi-annually, which a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at par on that day with a term to maturity equal to the remaining term to maturity of the Series 1 Debentures and with respect to the Series 2 Debentures is the adjusted monthly equivalent of the yield to maturity, compounded semi-annually, which a non-callable Government of Canada bond would carry if issued, in Canadian dollars, at par on that day with a term to maturity equal to the remaining term to maturity of the Series 2 Debentures. The Government of Canada Yield shall be calculated by two independent registered Canadian investment dealers selected by the Trustee and approved by Mutual Life.

Open Market Purchases

Mutual Life has the right, subject to the prior approval of the Superintendent, to purchase Debentures in the market or by tender (available to all holders of the Series 1 Debentures and the Series 2 Debentures, respectively) or by private contract at any price. All Debentures that are purchased by Mutual Life will be cancelled and will not be reissued. Notwithstanding the foregoing, any subsidiary of Mutual Life may purchase Debentures in the ordinary course of its business of dealing in securities.

Transfer of Debentures

Transfers of beneficial ownership in Debentures represented by a global Debenture will be effected through records maintained by CDS or its nominee for such global Debenture, with respect to interests of participants, and on the records of participants with respect to interests of persons other than participants. Beneficial owners who are not participants in the depository service of CDS, but who desire to purchase, sell or otherwise transfer ownership of or other interest in such global Debenture, may do so only through participants in the depository service of CDS.

The ability of a beneficial owner of an interest in a Debenture represented by a global Debenture to pledge the Debenture or otherwise take action with respect to such owner's interest in a Debenture represented by a global Debenture (other than through a participant) may be limited due to the lack of a physical certificate.

Modification

The Trust Indenture and the rights of the holders of debentures, including the Debentures, may in certain circumstances be modified. For that purpose, among others, the Trust Indenture contains provisions making extraordinary resolutions binding upon all holders of debentures. "Extraordinary resolution" is defined, in effect, as a resolution passed at a meeting of holders of the debentures by the favourable votes of the holders of not less than 66⅔% of the principal amount of debentures voted on the resolution at such meeting at which a quorum, as specified in the Trust Indenture, is present, or as a resolution contained in one or more instruments in writing signed by the holders of not less than 66⅔% principal amount of the then outstanding debentures. Provision is made in the Trust Indenture for additional approval by the same percentage of the holders of a series of debentures if the rights of the holders of such series are affected in a manner or to an extent substantially different from those of other series.

Holders' Rights

Rights of a holder of a Debenture represented by a global Debenture, including voting rights, must be exercised through a participant in accordance with the rules and procedures of CDS.

Additional Subordinated Indebtedness

The Trust Indenture does not contain any restriction on the aggregate amount of subordinated indebtedness which may be issued thereunder.

INTEREST COVERAGE

After giving effect to this offering, the annual cash interest requirements on the subordinated indebtedness of TMG for the twelve months ended December 31, 1997 would have been $43 million (using the applicable exchange rates on such date for subordinated indebtedness denominated in foreign currency). The pro forma consolidated net income from continuing operations of TMG for the twelve months ended December 31, 1997 (based on the assumptions described in the notes to the pro forma financial statements of TMG included elsewhere in this short form prospectus), before the deduction of interest and issue expenses on long term debt, and income and other taxes, amounted to $438 million, being approximately 10 times the total subordinated indebtedness (after giving effect to this offering) annual interest requirements of $43 million.

ASSET COVERAGE

After giving effect to this offering, the pro forma consolidated adjusted net tangible assets of TMG available to cover all subordinate indebtedness were as follows at December 31, 1997:

	As at December 31, 1997 Pro Forma[(1)] Consolidated (unaudited) (millions of dollars)
Total assets[(2)]	$27,314
Deduct:	
Liabilities for future policy benefits	$21,296
Guaranteed trust deposits	$ 551
Commercial paper	$ 379
Other liabilities[(2)]	$ 1,420
Deferred realized gains on bonds and mortgages	$ 629
Intangible Assets	$ 559
Net tangible assets available to pay subordinated debt	$ 2,480

(1) For pro forma assumptions and basis of presentation, see the notes to the pro forma financial statements of TMG included elsewhere in this short form prospectus.

(2) Assets and liabilities have been restated to exclude the effect of the discontinued operations.

After giving effect to this offering, the pro forma consolidated net tangible assets of TMG of $2,480 million as at December 31, 1997 is equivalent to 3.7 times the principal amount of the subordinated indebtedness outstanding on such date.

PLAN OF DISTRIBUTION

Under an agreement dated May 7, 1998 (the "Underwriting Agreement"), between Mutual Life, Goldman Sachs Canada, Nesbitt Burns Inc. and RBC Dominion Securities Inc. (the "Underwriters"), Mutual Life has agreed to sell and the Underwriters have agreed to purchase on May 15, 1998, or on such other date not later than June 15, 1998 as may be agreed upon, subject to the terms and conditions contained therein including the approval of certain legal matters, all but not less than all of the $250,000,000 principal amount of the Series 1 Debentures at a price of $996.78 per $1,000 principal amount and all but not less than all of the $150,000,000 principal amount of the Series 2 Debentures at a price of $997.19 per $1,000 principal amount, for a total consideration of $398,773,500 plus accrued interest, if any, from May 15, 1998 to the date of delivery, payable to Mutual Life against delivery of the Debentures. Mutual Life has agreed to pay the Underwriters a fee of $3,225,000 for services rendered in connection with this offering. The obligations of the Underwriters under the Underwriting Agreement may be terminated at their discretion on the basis of their assessment of the state of the financial markets and may also be terminated upon the occurrence of certain stated events.

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 Mutual Life.

In connection with this offering, the Underwriters may over allot or effect transactions which stabilize or maintain the market price of the Debentures at levels other than those which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time.

Each Underwriter has represented and acknowledged that the Debentures have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons except in certain transactions exempt from the registration requirements of the Securities Act. Terms used in this paragraph have the meanings given to them by Regulation S under the Securities Act.

The decision to distribute the Debentures and the determination of the terms of the distribution were made through negotiation between Mutual Life on the one hand and the Underwriters on the other hand.

USE OF PROCEEDS

The estimated net proceeds to Mutual Life from the sale of the Debentures, after deducting the expenses of issue, estimated to be $250,000, and the Underwriters' fee, will amount to $395,298,500. Such proceeds are planned to be used to finance a portion of the purchase price related to the MetLife Acquisition. The balance of the purchase price in respect of the acquisition will be financed through internally available financial resources.

GOVERNING LAW

The Debentures shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

LEGAL MATTERS

Legal matters in connection with the issue and sale of the Debentures will be passed upon, on behalf of Mutual Life, by McCarthy Tétrault and, on behalf of the Underwriters, by Osler, Hoskin & Harcourt.

TRANSFER AGENT AND REGISTRAR

The transfer agent and registrar for the Debentures is CIBC Mellon Trust Company at its principal office in Toronto.

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 within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces 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 such 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 advisor.

COMPILATION REPORT

To the Directors of The Mutual Life Assurance Company of Canada

We have reviewed, as to compilation only, the accompanying pro forma condensed consolidated balance sheet of The Mutual Life Assurance Company of Canada as at December 31, 1997 and the pro forma condensed consolidated statement of income for the year then ended. These pro forma condensed consolidated financial statements have been prepared solely for inclusion in this Prospectus. In our opinion, these pro forma condensed consolidated financial statements have been properly compiled to give effect to the proposed transaction and the assumptions described in the notes thereto.

April 30, 1998	(Signed) ERNST & YOUNG
Toronto, Canada	Chartered Accountants

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET
As at December 31, 1997
(unaudited)

	Mutual Life	Met Branch	Met Can	Total Adjustments	Pro Forma Consolidated
	note (1)	note (1)	note (1)	note (3)	
			(in millions of dollars)		
Assets					
Invested assets other than real estate	20,231	5,243	878	(1,037)	25,315
Real estate	625	508	—	(325)	808
Investments in subsidiaries	—	240	—	(240)	—
Other assets	451	165	44	6	666
Goodwill	—	—	—	525	525
	21,307	6,156	922	(1,071)	27,314
Discontinued operations	751	—	—		751
Total Assets	22,058	6,156	922	(1,071)	28,065
Liabilities and equity					
Liabilities for future policy benefits	15,894	4,974	725	(297)	21,296
Guaranteed trust deposits	551	—	—	—	551
Deferred net capital gains	790	138	14	(32)	910
Other liabilities	1,714	109	5	(29)	1,799
	18,949	5,221	744	(358)	24,556
Discontinued operations	719	—	—		719
	19,668	5,221	744	(358)	25,275
Subordinated debt	267	—	30	370	667
Equity					
Authorized and issued share capital	—	—	113	(113)	—
Policyholders' equity					
Retained earnings	2,124	935	35	(970)	2,124
Currency translation account	(1)	—	—		(1)
	2,123	935	148	(1,083)	2,123
Total liabilities and equity	22,058	6,156	922	(1,071)	28,065

See accompanying notes

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

PRO FORMA CONDENSED CONSOLIDATED INCOME STATEMENT
For the Year Ended December 31, 1997
(unaudited)

	Mutual Life	Met Branch	Met Can	Total Adjustments	Pro Forma Consolidated
	note (1)	note (1)	note (1)	note (3)	
			(in millions of dollars)		
Income					
Premiums	2,076	775	101	(6)	2,946
Investment	1,652	506	77	(88)	2,147
Fees and other	149	8	10	32	199
	3,877	1,289	188	(62)	5,292
Benefits and expenses					
Benefits paid	3,479	944	73	(15)	4,481
Provision for future policy benefits	(590)	27	57	2	(504)
	2,889	971	130	(13)	3,977
General expenses and commissions	632	189	35	64	920
	3,521	1,160	165	51	4,897
Income before taxes	356	129	23	(113)	395
Income and other taxes	146	29	16	(38)	153
Net income from continuing operations	210	100	7	(75)	242
Discontinued operations	(53)	—	(1)		(54)
Net income from subsidiaries	—	14		(14)	—
Net income	157	114	6	(89)	188

See accompanying notes

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

NOTES TO THE PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET AND PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME

As at and for the Year Ended December 31, 1997
(unaudited)
(in millions of dollars)

1. BASIS OF PRESENTATION

The pro forma condensed consolidated balance sheet of The Mutual Life Assurance Company of Canada ("Mutual Life") as at December 31, 1997 and the pro forma condensed consolidated statement of income for the year then ended have been prepared using the following information:

(a) Audited consolidated financial statements of Mutual Life for the year ended December 31, 1997;

(b) Audited financial statements of the Canadian Branch of Metropolitan Life Insurance Company ("Met Branch") for the year ended December 31, 1997;

(c) Audited financial statements of Metropolitan Life Insurance Company of Canada ("MetCan") for the year ended December 31, 1997;

(d) Such other supplementary information as was considered necessary to reflect the proposed transaction in these pro forma financial statements.

The pro forma condensed consolidated financial statements of Mutual Life should be read in conjunction with the audited financial statements, including the notes thereto, of Mutual Life, MetCan and Met Branch.

The pro forma condensed consolidated financial statements are not intended to reflect the results of operations or the financial position that would have actually resulted had the transaction been effected on the date indicated or the results which may be obtained in the future.

Certain of the financial items of MetCan and Met Branch have been reclassified to conform to the presentation format used by Mutual Life.

2. PRO FORMA ASSUMPTIONS

For the purposes of these pro forma condensed consolidated financial statements, the financial position and the results of operations of Mutual Life, MetCan and Met Branch have been combined to give effect to the acquisition of the operations of Met Branch and shares of MetCan and the related issue of Mutual Life subordinated debt as if the transactions had occurred on December 31, 1997 for the pro forma condensed consolidated balance sheet presented and on January 1, 1997 for the pro forma condensed consolidated income statement presented. The following assumptions were used to prepare the pro forma condensed consolidated statements:

(a) Prior to the acquisition of MetCan, the operations of Met Branch (excluding certain assets, liabilities and a portion of surplus related to businesses retained by MetLife), will be transferred to MetCan ("Domestication of Met Branch")

(b) Pursuant to a Master Agreement ("the Agreement") dated March 12, 1998, Mutual Life has agreed to purchase all of the issued and outstanding shares of MetCan (following the Domestication of Met Branch) subject to the satisfaction of certain closing conditions, for approximately $1.2 billion, with a target closing date of June 30, 1998, pending regulatory approval.

(c) The acquisition of MetCan will be accounted for using the purchase method. The difference between the purchase price and the estimated fair value of the net assets acquired has been allocated to goodwill. The amount assigned to goodwill will be amortized to income over a period not exceeding twenty years.

(d) Approximately $400 million in subordinated debt will be issued to finance the transaction and has been reflected in the adjustments. The estimated weighted average rate of interest on the subordinated debt is assumed to be 6.0%.

3. PRO FORMA ADJUSTMENTS

The pro forma adjustments contained in these pro forma condensed consolidated financial statements are based on estimates and assumptions made by the management of Mutual Life based on information currently available. The information for the actual acquisition may differ as a result of changes arising from evaluation of the fair value of MetCan's net assets by Mutual Life at the effective date of acquisition. The following adjustments have been made to reflect the proposed transactions:

(a) Under the terms of the Agreement certain lines of business remain with MetLife. The following adjustments have been made to the pro forma condensed consolidated balance sheet to reflect the assets, liabilities and a portion of surplus excluded from the acquisition as stipulated by the Agreement, as well as necessary consolidation entries ("Met Adjustments"). In addition, the

3. PRO FORMA ADJUSTMENTS (Continued)

adjustments include the effects of the purchase including adjustments for estimated goodwill as outlined below and the issuance of $400 million of subordinated debt used to satisfy a portion of the purchase price ("Purchase and Financing Adjustments").

	Met Adjustments	Purchase and Financing Adjustments	Total Adjustments
		(in millions of dollars)	
Invested assets other than real estate	(237)	(800)	(1,037)
Real estate	(325)	—	(325)
Investments in subsidiaries	(240)	—	(240)
Other assets	(14)	20	6
Goodwill	—	525	525
Total assets	(816)	(255)	(1,071)
Liabilities for future policy benefits	(157)	(140)	(297)
Deferred net capital gains	(32)	—	(32)
Other liabilities	(64)	35	(29)
	(253)	(105)	(358)
Subordinated debt	(30)	400	370
Authorized and issued share capital	—	(113)	(113)
Retained earnings	(533)	(437)	(970)
Total liabilities and equity	(816)	(255)	(1,071)

The estimates of fair value include adjustments to increase assets by $20 million and to reduce liabilities by $105 million. There has been no related income effect shown for these adjustments. The following is a summary of the purchase consideration in millions of dollars:

Assets acquired	6,282
Liabilities assumed	(5,607)
Fair value of net assets acquired	675
Goodwill	525
Total purchase consideration	1,200

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA

NOTES TO THE PRO FORMA CONDENSED CONSOLIDATED BALANCE SHEET AND PRO FORMA CONDENSED CONSOLIDATED STATEMENT OF INCOME (Continued)

As at and for the Year Ended December 31, 1997
(unaudited)
(in millions of dollars)

3. PRO FORMA ADJUSTMENTS (Continued)

(b) The income adjustments made to the pro forma condensed consolidated income statement include adjustments to reflect the lines of business that remain with MetLife and to consolidate Met Branch and those subsidiaries acquired by Mutual Life.

	Met Adjustments	Purchase and Financing Adjustments	Total Adjustments
		(in millions of dollars)	
Income			
Premiums	(6)	—	(6)
Investment	(23)	(65)	(88)
Fees and other	32	—	32
	3	(65)	(62)
Benefits and expenses			
Benefits paid	(15)	—	(15)
Provision for future policy benefits	2	—	2
	(13)	—	(13)
General expenses and commissions	15	49	64
	2	49	51
Income before taxes	1	(114)	(113)
Income and other taxes	(1)	(37)	(38)
Net income from continuing operations	2	(77)	(75)
Discontinued operations	—	—	—
Net income from subsidiaries	(14)	—	(14)
Net income	(12)	(77)	(89)

Goodwill has been amortized (approximately $25 million per year) over a period not to exceed twenty years. The amount of amortization may change as a result of the pending demutualization. Interest on the subordinated debt has been expensed at an assumed interest rate of 6.0% ($24 million, $14 million net of tax). Investment income has been reduced to reflect the estimated cost of using available invested assets to finance the acquisition ($65 million, $38 million net of tax).

No adjustment has been made for anticipated future cost savings or revenue improvements nor for restructuring costs to integrate the operations of MetCan with Mutual Life. The restructuring costs are anticipated to be approximately $210 million, pre-tax.

CERTIFICATE OF MUTUAL LIFE

Dated May 7, 1998

The foregoing, 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 short form prospectus as required by the securities laws of all provinces of Canada. For the purposes of the *Securities Act* (Quebec), this short form 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.

(Signed) ROBERT M. ASTLEY
Chief Executive Officer

(Signed) KAREN E. MAIDMENT
Chief Financial Officer

On behalf of the Board of Directors

(Signed) WILLIAM P. COOPER
Director

(Signed) JAMES H. SMITH
Director

UNDERWRITERS' CERTIFICATE

Dated May 7, 1998

To the best of our knowledge, information and belief, the foregoing, 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 short form prospectus as required by the securities laws of all provinces of Canada. For the purposes of the *Securities Act* (Quebec), to our knowledge, this short form 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.

GOLDMAN SACHS CANADA
By: GOLDMAN SACHS CANADA INC.

By: (Signed) DAVID J. GLUSKIN

NESBITT BURNS INC.

By: (Signed) THOMAS E. FLYNN

RBC DOMINION SECURITIES INC.

By: (Signed) MARIANNE HARRIS

The following includes the name of every person having an interest, either directly or indirectly, to the extent of not less than 5% in the capital of:

GOLDMAN SACHS CANADA: Goldman Sachs Canada is a limited partnership in which The Goldman Sachs Group, L.P. is the limited partner and Goldman Sachs Canada Inc., a wholly-owned subsidiary of The Goldman Sachs Group, L.P., is the general partner;

NESBITT BURNS INC.: The Nesbitt Burns Corporation Limited, a majority-owned subsidiary of a Canadian chartered bank;

RBC DOMINION SECURITIES INC.: RBC Dominion Securities Limited, a majority-owned subsidiary of a Canadian chartered bank.