

Temporary moratorium on redemptions from Great-West Life's Canadian Real Estate Investment Fund

Winnipeg – December 16, 2008 . . . The Great-West Life Assurance Company today announced a temporary moratorium on redemptions from its Canadian Real Estate Investment Fund No. 1 effective close of business (4:00 p.m. EST) December 15, 2008.

The Great-West Life Real Estate Fund is a Segregated Fund which holds a diversified portfolio of high-quality income producing properties. Given the current economic environment, redemption requests have recently increased. Real estate assets are generally less liquid than other major asset classes and cannot be rapidly liquidated. Therefore, in accordance with the terms of the Information Folder governing the Fund, it has been determined that a temporary moratorium on redemptions is necessary to ensure equitable treatment for all investors in the Fund.

"This Segregated Fund has performed well over many years," said Allen Loney, President and Chief Executive Officer. "It is important in today's difficult economic environment that we continue to manage the Fund in a way which balances the long-term interests of all participants in the Fund."

Great-West Life is a leading Canadian insurer, with interests in the life and health insurance, investment, retirement savings and reinsurance businesses, primarily in Canada and Europe. Great-West Life is a member of the Power Financial Corporation group of companies.

Cautionary note regarding Forward-Looking Information

This release contains some forward-looking statements about the Company, including its business operations, strategy and expected financial performance and condition. Forward looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects," "anticipates," "intends," "plans," "believes," "estimates" or negative versions thereof and similar expressions. In addition, any statement that may be made concerning future financial performance (including revenues, earnings or growth rates), ongoing business strategies or prospects, and possible future Company action is also a forward-looking statement. Forward-looking statements are based on current expectations and projections about future events and are inherently subject to, among other things, risks, uncertainties and assumptions about the Company, economic factors and the financial services industry generally, including the insurance and mutual fund industries. They are not guarantees of future performance, and actual events and results could differ materially from those expressed or implied by forward-looking statements made by the Company due to, but not limited to, important factors such as sales levels, premium income, fee income, expense levels, mortality experience, morbidity experience, policy lapse rates and taxes, as well as general economic, political and market factors in North America and internationally, interest and foreign exchange rates, global equity and capital markets, business competition, technological change, changes in government regulations, unexpected judicial or regulatory proceedings, catastrophic events, and the Company's ability to complete strategic transactions and integrate acquisitions. The reader is cautioned that the foregoing list of important factors is not exhaustive, and there may be other factors listed in other filings with securities regulators, including factors set out under "Risk Management and Control Practices" in the Company's 2007 Annual Management's Discussion and Analysis and the Company's Management's Discussion and Analysis dated October 30, 2008, which, along with other filings, is available for review at www.sedar.com. The reader is also cautioned to consider these and other factors carefully and to not place undue reliance on forward-looking statements. Other than as specifically required by applicable law, the Company has no intention to update any forward-looking statements whether as a result of new information, future events or otherwise.

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