

C L I F F O R D
C H A N C E

CLIFFORD CHANCE LLP

EXECUTION VERSION

INTACT FINANCIAL CORPORATION

AND

DALRIADA TRUSTEES LIMITED

GUARANTEE
relating to
THE ROYAL & SUN ALLIANCE UK PENSION
SCHEME 2002

THIS DEED is made on

18 November 2020

BETWEEN:

- (1) **INTACT FINANCIAL CORPORATION** (registered in Canada with number 891059693) whose registered office is at 700 University Avenue, Toronto, Canada, ON M5G 0A1 (the "**Guarantor**"); and
- (2) **DALRIADA TRUSTEES LIMITED** (registered in Northern Ireland with number NI 38344) whose registered office is at Linen Loft, 27-37 Adelaide Street, Belfast, BT2 8FE, acting in its capacity as a Trustee (as defined below).

INTRODUCTION:

The Guarantor has agreed to guarantee (on the terms set out in this deed) the Guaranteed Obligations of the Employer (as defined below).

THIS DEED PROVIDES as follows:

1. **INTERPRETATION**

1.1 In this Guarantee:

"**Business Day**" means a day (other than a Saturday or Sunday) on which banks are open for general business in both London and Toronto;

"**Change of Control**" has the meaning given to that term in clause 3.5;

"**Effective Time**" means:

- (a) if the Transaction is implemented by means of a scheme of arrangement under Part 26 of the Companies Act 2006, the time at which that scheme of arrangement becomes effective in accordance with its terms; or
- (b) if the Transaction is implemented by means of a takeover offer under section 974 of the Companies Act 2006, the time at which that takeover offer is declared or becomes unconditional in all respects in accordance with its terms;

"**Employer**" means Royal & Sun Alliance Insurance plc (registered in England with number 93792) whose registered office is at St Marks Court, Chart Way, Horsham, West Sussex, RH12 1XL;

"**Group**" means in relation to any entity, that entity and any of its group undertakings (group undertakings having the meaning given to it in section 1161 of the Companies Act 2006);

"**Guarantee**" means the terms set out in this deed, as amended from time to time;

"**Guaranteed Obligations**" means all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally and in any capacity whatsoever) of each Employer to make payments to the Scheme;

"Insolvency Event" means in respect of an Employer:

- (a) an 'insolvency event' as defined in Section 121 of the Pensions Act 2004 or regulations made from time to time thereunder; or
- (b) the receipt by the Pension Protection Fund of an application or notification from the Trustee or the Pensions Regulator that such Employer is unlikely to continue as a going concern, which is purported to be made in accordance with Section 129 of the Pensions Act 2004 or regulations made from time to time thereunder;

"Insolvency Proceedings" means in respect of the Guarantor:

- (a) it makes a general assignment for the benefit of creditors;
- (b) it commences a voluntary case or proceeding under any Debtor Relief Law;
- (c) an involuntary proceeding under any Debtor Relief Law or a proceeding for the appointment of a receiver, receiver-manager, liquidator, assignee, trustee, custodian, sequestrator, conservator, administrator, bank liquidator, bank administrator, monitor or other similar official of it, or for any substantial part of its property, for a readjustment or deferment of its obligations or any part thereof is commenced against it and is not controverted within 21 days or is not dismissed or stayed within 30 days after commencement of the case or proceeding;
- (d) it consents to entry of an order for relief in an involuntary case or proceeding under any such law, or consents to the appointment of or taking possession by a receiver, receiver-manager, liquidator, assignee, trustee, custodian, sequestrator, conservator, administrator, bank liquidator, bank administrator, monitor or other similar official of it, or for any substantial part of its property, for a readjustment or deferment of its obligations or any part thereof;
- (e) an order for relief or other order approving any case or proceeding is entered under any Debtor Relief Law; or
- (f) any corporate action, legal proceedings or other formal procedure is taken in relation to any of the foregoing;

For the purposes of the foregoing, **"Debtor Relief Law"** means (i) any of the Bankruptcy and Insolvency Act (Canada), the Companies' Creditors Arrangement Act (Canada), and the Winding-up and Restructuring Act (Canada), as in effect from time to time, and any successors to such statutes and any proceeding under applicable corporate law seeking a compromise or arrangement of any debts of the corporation, or a stay of proceedings to enforce any of the claims of the corporation's creditors against it or (ii) any other Canadian federal or provincial bankruptcy, insolvency, reorganization, liquidation or similar law.

"Material Adverse Effect" means a material adverse effect on:

- (a) the ability of the Guarantor to perform its payment obligations under this Guarantee;

- (b) the business, operations, property, assets or financial condition of the Guarantor or any of its material Subsidiaries;
- (c) the validity or enforceability of, or the effectiveness, making or ranking of, this Guarantee; or
- (d) the validity or enforceability, or the effectiveness or ranking of, any right or remedy of the Trustee under this Guarantee;

"Payment Direction Agreement" means the payment direction agreement entered into by the Guarantor, Intact Ventures Inc., 2283485 Alberta Ltd, Regent Bidco Limited, RSAIG, Royal Insurance Holdings Ltd, Royal & Sun Alliance Insurance plc and the Trustee on or around the date of this Guarantee;

"Pension Protection Fund" means the Board of the Pension Protection Fund as established under Part 2 of the Pensions Act 2004;

"Pensions Regulator" has the meaning given to it in the Pensions Act 2004;

"Relevant Change of Control" has the meaning given to that term in clause 3.2;

"Reservations" means:

- (a) the principle that equitable remedies are remedies which may be granted or refused at the discretion of the court and damages may be regarded as an adequate remedy;
- (b) the limitation on enforcement as a result of laws relating to bankruptcy, insolvency, liquidation, reorganisation, court schemes, moratoria, administration and other laws affecting the rights of creditors generally;
- (c) the statutory time-barring of claims;
- (d) defences of set off or counterclaim;
- (e) rules against penalties and similar principles;
- (f) the possibility that an undertaking to assume liability for, or indemnify a person against, non-payment of stamp duty may be void; and/or
- (g) the fact that a court may refuse to give effect to a purported contractual obligation to pay costs imposed upon another person in respect of costs of an unsuccessful litigation brought against that person or may not award by way of costs all of the expenditure incurred by a successful litigant in proceedings brought before that court or that a court may stay proceedings if concurrent proceedings based on the same grounds and between the same parties have previously been brought before another court.

"RSAIG" means RSA Insurance Group plc (registered in England with number 2339826) whose registered office is at 20 Fenchurch Street, London, EC3M 3AU;

"**Scheme**" means the occupational pension scheme known as the Royal & Sun Alliance UK Pension Scheme 2002, established with effect from 1 April 2002 by a trust deed dated 20 March 2002;

"**Sterling**" and "**£**" means the lawful currency of the United Kingdom;

"**Subsidiary**" means:

- (a) a subsidiary within the meaning of Section 1159 of the Companies Act 2006; and
- (b) unless the context otherwise requires, a subsidiary undertaking within the meaning of Section 1162 of the Companies Act 2006;

"**Subscription Deed**" means the subscription deed entered into by the Guarantor, Intact Ventures Inc., 2283485 Alberta Ltd, Regent Bidco Limited, RSAIG, Royal Insurance Holdings Limited and Royal & Sun Alliance Insurance plc on or around the date of this Guarantee;

"**Tax**" means any tax, levy, impost, duty or other charge or withholding of a similar nature (including any related penalty or interest payable in connection with any failure to pay or any delay in paying any of the same);

"**Tax Deduction**" means a deduction or withholding for or on account of Tax from a payment under this Guarantee;

"**Transaction**" means the proposed acquisition by the Guarantor, or one of its Subsidiaries, of the entire issued and to be issued ordinary share capital of RSAIG; and

"**Trustee**" means the trustee or trustees for the time being of the Scheme.

1.2 In this Guarantee, unless otherwise specified a reference to:

- 1.2.1 assets includes present and future properties, revenues and rights of every description and includes uncalled capital;
- 1.2.2 an authorisation includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarisation;
- 1.2.3 a statutory provision includes a reference to the statutory provision as modified or re-enacted, or both, from time to time and any subordinate legislation made under the statutory provision;
- 1.2.4 a person includes any individual, firm, company, corporation, unincorporated association or body (including a partnership, trust, joint venture or consortium), government, state, agency, organisation or other entity whether or not having separate legal personality;
- 1.2.5 a person includes a reference to that person's legal personal representatives, successors in title, permitted assigns and permitted transferees and this Guarantee shall be binding on and enforceable by any person who is for the time being a Trustee including any person who succeeds or replaces a trustee of the

Scheme (and this sub-clause 1.2.5 shall be in addition to, and not affect, the provisions of the Trustee Act 1925 dealing with transfers of assets and liabilities from one trustee to another);

- 1.2.6 this Guarantee (or any specified provision of it) or any other document shall be construed as a reference to this Guarantee, that provision or that document as in force for the time being and as amended, restated, varied, supplemented or novated from time to time;
 - 1.2.7 including shall not be construed narrowly but be taken as reading including without limitation;
 - 1.2.8 a clause, unless the context otherwise requires, is a reference to a clause of this Guarantee; and
 - 1.2.9 words importing the singular shall include the plural and vice versa.
- 1.3 If the Trustee considers that any amount paid to them under this Guarantee is capable of being avoided or otherwise set aside on the liquidation or administration of the payer or otherwise, then that amount will not be considered to have been irrevocably paid for the purposes of this Guarantee.
- 1.4 The headings in this Guarantee do not affect its interpretation.
- 1.5 It is intended by the Parties that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

2. **GUARANTEE**

- 2.1 Subject to clauses 2.2, 2.4 and 3 below, with effect on and from the Effective Time the Guarantor hereby irrevocably and unconditionally:
- 2.1.1 guarantees to the Trustee punctual performance by each Employer of all of that Employer's Guaranteed Obligations;
 - 2.1.2 undertakes to the Trustee that, whenever an Employer does not pay any amount when due in respect of that Employer's Guaranteed Obligations, the Guarantor shall within three (3) Business Days of a demand by the Trustee pay that amount to the Trustee as if the Guarantor was principal obligor; and
 - 2.1.3 indemnifies the Trustee as an independent and primary obligation immediately on demand against any cost, charge, expense, loss or liability suffered or incurred by the Trustee if any payment obligation guaranteed by the Guarantor is or becomes unenforceable, invalid or illegal; the amount of the cost, charge, expense, loss or liability under this indemnity will be equal to the amount the Trustee would otherwise have been entitled to recover on the basis of a guarantee.

For the avoidance of doubt:

- 2.1.4 the Trustee may not make any claim (or continue to pursue any demand already made) under clause 2.1.2 in respect of any Guaranteed Obligation in respect of

which the Trustee has received payment in full from the Employer, the Guarantor or a combination of both the Employer and the Guarantor; and

- 2.1.5 no amount may be claimed under this Guarantee in respect of a contingent debt for as long as such debt remains contingent.
- 2.2 Amounts payable by the Guarantor under this Guarantee shall be paid in Sterling. Demand may be made at any time on or after the date upon which payment is due. The Trustee shall, when making the demand, also notify the Guarantor of the bank account to which the payment should be made.
- 2.3 The Guarantor's liability under this Guarantee is unlimited and the guarantee contained in this Guarantee is a continuing guarantee and will extend to the ultimate balance of the Guaranteed Obligations from time to time. For the avoidance of doubt, but without prejudice to clause 2.17, this Guarantee shall continue in full force and effect and may not be terminated by the Guarantor until all amounts which may be or become payable by each Employer to the Scheme have been irrevocably paid in full.
- 2.4 Without prejudice to clause 2.9, where any amount paid under this Guarantee constitutes a double-recovery, the Trustee must promptly account for any excess recovery to the Guarantor. In the event that Royal & Sun Alliance Insurance plc does not pay any amount when due in respect of its Guaranteed Obligations, Royal & Sun Alliance Insurance plc may elect to make payment of the unpaid Guaranteed Obligations to the Trustee in accordance with the Subscription Deed and Payment Direction Agreement in lieu of a payment by the Guarantor under this Guarantee. Any amounts received by the Trustee from the Guarantor pursuant to the Subscription Deed and the Payment Direction Agreement will discharge, to the extent of any such receipt, the Guarantor's obligation to pay the Guaranteed Obligations to the Trustee in accordance with this Guarantee.
- 2.5 If any discharge, release or arrangement is made by the Trustee in whole or in part on the faith of any payment, security or other disposition which is avoided, set aside, refunded or reduced under any applicable law or proves to have been invalid or must be restored in insolvency, liquidation, administration or otherwise, without limitation, the liability of the Guarantor under this Guarantee will continue as if the discharge, release or arrangement had not occurred. The Trustee may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.
- 2.6 Without prejudice to clause 3, the liabilities and obligations of the Guarantor under this Guarantee shall remain in full force and effect and will not be affected by any act, omission, neglect, event or thing which, but for this provision, would reduce, release or prejudice any of its obligations under this Guarantee (without limitation and whether or not known to the Guarantor or any Trustee), including:
- 2.6.1 any time, waiver, consent or other accommodation granted to, or composition with, any person;
- 2.6.2 any release of any person under the terms of any composition or arrangement;

- 2.6.3 the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any person;
- 2.6.4 any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- 2.6.5 any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of any person;
- 2.6.6 any amendment, novation, supplement, extension or restatement (however fundamental and whether or not more onerous, and of whatsoever nature) or replacement of this Guarantee, any Guaranteed Obligation or any other document or security, including any agreement or document relating to the Scheme;
- 2.6.7 any unenforceability, illegality, invalidity or non-provability of any obligation of any person under this Guarantee, any Guaranteed Obligation or any other document or security; or
- 2.6.8 any insolvency or similar proceedings.

The Guarantor hereby irrevocably waives any defences to enforcement it may have (now or in the future) by reason of any one or more of the foregoing.

- 2.7 Without prejudice to the generality of clause 2.6, the Guarantor expressly confirms that it intends that this Guarantee shall extend from time to time to any (however fundamental) variation, increase, extension or addition of or to any of the Guaranteed Obligations.
- 2.8 This Guarantee is a guarantee of payment and performance and not of collection. The Guarantor waives any right it may have of first requiring the Trustee (or any trustee, agent or appointee on its behalf) to proceed against or enforce any other right or security or claim payment from any person, including any Employer, before claiming from the Guarantor under this Guarantee. This waiver applies irrespective of any law to the contrary. The liability of the Guarantor to make payment under this Guarantee shall arise immediately upon delivery of a written demand for payment by the Trustee but without prejudice to clauses 2.1.4 and 2.1.5 or to the period for payment described in clause 2.1.2.
- 2.9 Until all amounts which may be or become payable by any Employer to the Trustee have been irrevocably paid in full, each Trustee (or any trustee, agent or appointee on its behalf) may without affecting the liability of the Guarantor under this Guarantee:
 - 2.9.1
 - (a) refrain from applying or enforcing any other moneys, security or rights held or received by that Trustee (or any trustee or agent on its behalf) in respect of those amounts; or

- (b) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and

2.9.2 hold in an interest-bearing suspense account any moneys received from the Guarantor or on account of the Employer's liability to the Trustee.

If, by virtue of this clause 2.9, the aggregate of all amounts received by the Trustee from the Employer and the Guarantor in respect of all Guaranteed Obligations which have fallen due for payment is greater than the aggregate amount of such Guaranteed Obligations, the Trustee shall promptly account for the excess to the Guarantor.

2.10 Unless:

2.10.1 all Guaranteed Obligations have been irrevocably paid in full; or

2.10.2 the Trustee otherwise directs,

the Guarantor will not exercise any rights which it may have by reason of performance by it of its obligations under this Guarantee or by reason of any amount being payable, or liability arising, under this Guarantee:

2.10.3 to be indemnified by an Employer;

2.10.4 to claim any contribution or indemnity from any other guarantor of any of an Employer's obligations or liabilities to make payments to the Scheme or in respect of any payment made or moneys received on account of the Guarantor's liability under this Guarantee;

2.10.5 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Trustee in respect of an Employer's obligations or liabilities to make payments to the Scheme, or under or pursuant to any other guarantee or security taken by the Trustee pursuant to or in connection with such obligations or liabilities of an Employer;

2.10.6 to bring legal or other proceedings for an order requiring an Employer to make any payment, or perform any obligation, in respect of any Guaranteed Obligation;

2.10.7 to exercise any right of set-off against an Employer, other than as set out in the Subscription Deed; and/or

2.10.8 to claim, rank, prove or vote as a creditor of an Employer, or its estate in competition with the Trustee (or any trustee or agent on their behalf).

If the Guarantor receives any payment, distribution, benefit or security in relation to such rights it shall hold that payment, distribution, benefit or security on trust for the Trustee and immediately pay or transfer the same to the Trustee or in accordance with any directions given by the Trustee.

2.11 The guarantee contained in this Guarantee is in addition to and is not in any way prejudiced or affected by, and shall not merge with any other judgment, guarantee,

security, right or remedy now or subsequently obtained or held by the Trustee for the discharge and performance of any of the Guaranteed Obligations.

- 2.12 The Guarantor must make all payments under this Guarantee without any Tax Deduction unless a Tax Deduction is required by law. If the Guarantor is aware or becomes aware that it must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction) it must notify the Trustee as soon as reasonably practicable. If a Tax Deduction is required by law, the amount of the payment due from the Guarantor must be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- 2.13 If the Guarantor is required to make a Tax Deduction, the Guarantor must make the minimum Tax Deduction required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- 2.14 If reasonably requested by the Trustee, the Guarantor must provide, within 30 days of such request, the Trustee with information to substantiate the correct application of any such Tax Deduction or payment required in connection with a Tax Deduction.
- 2.15 Any amount payable under this Guarantee by the Guarantor is exclusive of any value added tax or any other Tax of a similar nature which might be chargeable in connection with that amount. If any such Tax is chargeable, the Guarantor must pay to the Trustees (in addition to and at the same time as paying that amount) an amount equal to the amount of that Tax.
- 2.16 If the Guarantor is required by this Guarantee to reimburse or indemnify the Trustee for any cost or expense, the Guarantor shall reimburse or indemnify (as the case may be) the Trustee for the full amount of such cost or expense, including such part thereof as a value added tax or any other Tax of a similar nature, save to the extent that the Trustee reasonably determines that it is entitled to a credit or repayment in respect of such Tax from the relevant tax authority.
- 2.17 The Guarantor shall pay and, within three (3) Business Days of demand, indemnify the Trustee against any cost, loss or liability that the Trustee incurs in relation to all stamp duty, registration and other similar Tax payable in respect of this Guarantee.
- 2.18 All payments made by the Guarantor under this Guarantee shall be calculated and must be made without (and be free and clear of any deduction for) set off or counterclaim and the Guarantor irrevocably waives any defence of set off or counterclaim.
- 2.19 If a payment under this Guarantee is due on a day which is not a Business Day, the due date for that payment will instead be the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).

3. **SUBSTITUTION AND TERMINATION**

- 3.1 Where a debt is triggered or would absent this clause be triggered under Section 75 of the Pensions Act 1995 other than by an Employer triggering a wind-up of the Scheme pursuant to the wind-up provisions in the Scheme rules, the Guarantor may propose arrangements pursuant to which:

- 3.1.1 the debt is no longer triggered or payable and the Guarantor or another member of the Guarantor's Group would become an employer as defined in Section 124 of the Pensions Act 1995 in relation to the Scheme; and
- 3.1.2 if the Guarantor becomes an employer as defined in Section 124 of the Pensions Act 1995 in relation to the Scheme this Guarantee shall terminate (save in respect of a written demand made pursuant to clause 2.1.2 before the effective date of termination),

The Trustee shall use all reasonable endeavours to do all that it is required to do to implement such proposals, provided that the Trustee shall not be required to take any action (or refrain from taking action) which it considers (acting reasonably):

- 3.1.3 would or might prejudice the likelihood of the Guaranteed Obligations or Scheme member benefits being paid in full;
 - 3.1.4 would or might cause the Trustee to be in breach of any applicable law (including fiduciary obligations), or would cause the Trustee to be in breach of any directly applicable regulatory guidance; or
 - 3.1.5 would or might prejudice the eligibility of the Scheme to enter the Pension Protection Fund.
- 3.2 This clause 3.2 applies where a Change of Control occurs in relation to any of the Employers ("**Relevant Change of Control**"). Following a Relevant Change of Control, the Guarantee shall terminate in relation to the Employer that is the subject of the Relevant Change of Control (unless the Guarantor elects otherwise in writing) subject to the Guarantor having procured:
- 3.2.1 the issue of a replacement guarantee ("**Replacement Guarantee**") from a company in the group in respect of which the Employer or Employers have become Subsidiaries which the Trustee has confirmed in writing is acceptable to it (acting reasonably); or
 - 3.2.2 (at the election of the Guarantor) the provision of such other compensation for the termination of this Guarantee as the Trustee (acting reasonably) confirms in writing is acceptable to it.
- 3.3 The Trustee will not unreasonably delay or withhold its acceptance to a proposal under clause 3.2.1 where:
- 3.3.1 the Replacement Guarantee is in substantially the same form as this Guarantee; and
 - 3.3.2 the Trustee is satisfied that the proposed guarantor has adequate financial strength relative to the solvency deficit existing in respect of the Scheme at such time

(together, the "**Replacement Guarantee Conditions**"). The Guarantor acknowledges and agrees that it may nevertheless be reasonable for the Trustee to withhold or delay its acceptance to a proposal under clause 3.2.1 notwithstanding that the Replacement Guarantee Conditions are satisfied.

- 3.4 Termination under clause 3.2 shall occur on the later of:
- 3.4.1 the date of the Relevant Change of Control; and
 - 3.4.2 the date on which (as applicable):
 - (a) the Replacement Guarantee has taken effect; or
 - (b) other compensation which has been confirmed by the Trustee as being acceptable to it in accordance with clause 3.2 is received by the Trustee.
- 3.5 A "**Change of Control**" shall occur if the guarantor ceases to directly or indirectly control more than fifty per cent. of the voting rights in an Employer.

4. REPRESENTATIONS

- 4.1 The representations and warranties set out in this clause 4 are made by the Guarantor to the Trustee on the date of this Guarantee and on the occurrence of the Effective Time.
- 4.2 The Guarantor is duly established and validly existing under the laws of Canada. It and each of its Subsidiaries has the power to own its assets and to carry on its business as it is being conducted.
- 4.3 The Guarantor has the power to enter into, perform and deliver, and has taken all necessary action to authorise the entry into, performance and delivery of, this Guarantee and no limit on its powers will be exceeded as a result of the grant of this Guarantee.
- 4.4 Subject to the Reservations, this Guarantee is the Guarantor's legally binding, valid and enforceable obligation.
- 4.5 The entry into and performance by the Guarantor of, and the transactions contemplated by, this Guarantee do not and will not conflict with:
- 4.5.1 any law or regulation applicable to it or any of its material Subsidiaries;
 - 4.5.2 its or any of its material Subsidiaries' constitutional documents; nor
 - 4.5.3 any document which is binding upon it or any of its material Subsidiaries or any of its or its material Subsidiaries' assets or constitute a default or termination event (howsoever described) under any such document.
- 4.6 All authorisations required by the Guarantor in connection with the entry into, performance, validity and enforceability of, and the transactions contemplated by, this Guarantee have been obtained or effected and are in full force and effect.
- 4.7 The Guarantor's payment obligations under this Guarantee rank at least *pari passu* with all its other present and future unsecured and unsubordinated payment obligations, except for obligations mandatorily preferred by law.
- 4.8 No Insolvency Proceedings have been taken or threatened in relation to the Guarantor and no Insolvency Event applies to any Employer.

4.9

4.9.1 The representations in this clause 4 are deemed to be repeated by the Guarantor on the anniversary of the date of this Guarantee in each year so long as:

- (a) any Guaranteed Obligations; or
- (b) any present and/or future obligations or liabilities of the Guarantor under this Guarantee,
are outstanding.

4.9.2 When a representation is repeated, it is applied to the circumstances existing at the time of repetition.

5. GUARANTOR'S COVENANTS

5.1 The Guarantor agrees to be bound by the covenants set out in this clause 5.

5.2 The Guarantor must notify the Trustee of any breach of any of the provisions of this Guarantee promptly upon becoming aware of its occurrence.

5.3 The Guarantor must promptly obtain, maintain and comply with the terms of any authorisation required under any law or regulation to enable it to perform its obligations under, or for the validity or enforceability of this Guarantee.

5.4 The Guarantor must comply in all respects with all laws to which it is subject where failure to do so has or is reasonably likely to have a Material Adverse Effect.

5.5 The Guarantor must ensure that its payment obligations under this Guarantee rank at least *pari passu* with all its other present and future unsecured and unsubordinated payment obligations, except for obligations mandatorily preferred by law.

5.6 The Guarantor shall promptly notify the Trustee upon becoming aware that any representation made or deemed to be made by the Guarantor under this Guarantee is or proves to have been incorrect or misleading when made or deemed to be made.

5.7 The Guarantor agrees that it shall promptly, upon the reasonable request of the Trustee, execute and deliver at its own expense any document (executed under deed or under hand as the Trustee may direct) and do any act or thing in order to confirm or establish the validity and enforceability of this Guarantee.

6. GENERAL

6.1 No variation of this Guarantee is valid unless it is in writing and signed by or on behalf of the Guarantor and the Trustee.

6.2 The failure to exercise or delay in exercising a right or remedy provided by this Guarantee or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Guarantee or by law prevents further exercise of the right or remedy or the exercise of another right or remedy. The rights and remedies provided in this Guarantee are

cumulative and not exclusive of any rights or remedies provided by law or any other guarantee or security now or subsequently held by the Trustee.

6.3 Every provision contained in this Guarantee shall be severable and distinct from every other provision and if any of the provisions of this Guarantee, or the application of it to any person or circumstance, shall to any extent be or become invalid or unenforceable under the law of any applicable jurisdiction:

6.3.1 the validity and enforceability of the remaining provisions of this Guarantee and of the application of that provision to any other person or circumstance; and

6.3.2 the validity and enforceability of that provision and of its application to that person or circumstance under the law of any other jurisdiction,

shall not in any way be affected or impaired thereby.

6.4 Any person falling within the definition of Trustee under this Guarantee may enforce this Guarantee. A person who is not a party to this Guarantee (other than another party falling within the definition of Trustee under this Guarantee) has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce any term of this Guarantee but this does not affect any right or remedy of a third party which exists or is available apart from that Act. Any person who is for the time being a Trustee of the Scheme may enforce or enjoy the benefit of any term of this Guarantee pursuant to the Contracts (Rights of Third Parties) Act 1999.

6.5 Any amounts received by the Trustee under or in connection with this Guarantee will be applied to the Scheme.

7. ASSIGNMENT

7.1 Subject to clause 7.2 and clause 8.3, neither the Guarantor nor the Trustee shall assign or transfer any of their rights and obligations under this Guarantee other than with the prior written consent of the other party.

7.2 The Guarantor acknowledges that:

7.2.1 the rights and obligations of the Trustee under this Guarantee may be transferred to the Pension Protection Fund as a result of the operation of Section 161 of, and schedule 6 to, the Pensions Act 2004; and

7.2.2 the rights and obligations under this Guarantee shall be binding upon and enure for the benefit of any person who is for the time being a Trustee including any person who succeeds or replaces a Trustee.

7.3 Without prejudice to clause 8.2.2, the Trustee may also expressly assign or transfer any of its rights and obligations under this Guarantee to any person falling within the definition of Trustee under this Guarantee.

8. CURRENCY INDEMNITY

8.1 The Guarantor shall, as an independent obligation, indemnify the Trustee against any cost, loss or liability which the Trustee incurs as a consequence of the Trustee receiving an amount under this Guarantee in a currency other than Sterling.

8.2 Without prejudice to the generality of clause 8.1, if any sum due from the Guarantor under this Guarantee (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

8.2.1 making or filing a claim or proof against the Guarantor;

8.2.2 obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

the Guarantor shall as an independent obligation, within three Business Days of demand, indemnify the Trustee against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

8.3 The Guarantor waives any right it may have in any jurisdiction to pay any amount under this Guarantee in a currency or currency unit other than that in which it is expressed to be payable.

9. INDEMNITY

9.1 If the Guarantor requests an amendment, waiver or consent in relation to the Guarantee, the Guarantor shall, within three (3) Business Days of demand, reimburse the Trustee for the amount of all costs and expenses (including legal fees) reasonably incurred by the Trustee in responding to, evaluating, negotiating or complying with that request.

9.2 The Guarantor shall, within three (3) Business Days of demand, pay to the Trustee the amount of all costs and expenses (including legal fees) incurred by the Trustee in connection with the enforcement of or the preservation of any rights under this Guarantee and any proceedings instituted in any jurisdiction by or against the Trustee as a consequence of taking, holding or enforcing this Guarantee.

9.3 The Guarantor shall, within three (3) Business Days of demand, indemnify the Trustee against any cost, expense, loss or liability incurred by the Trustee as a result of any default by the Guarantor in the performance of any of the obligations expressed to be assumed by it in this Guarantee.

10. NOTICES

10.1 Each notice or other communication to be made under or in connection with this Guarantee shall be in writing and shall be delivered personally or sent by first class post or pre-paid recorded delivery (or air mail if overseas) or, unless otherwise stated, by email to the party due to receive the notice or communication, at the address identified in clause 10.4 below.

10.2 Except as provided in clause 10.3 below, any notice or other communication in connection with this Guarantee will be deemed to be given as follows:

10.2.1 if delivered personally or by way of a pre-paid recorded delivery, at the time of delivery;

10.2.2 if posted, five Business Days after being deposited in the post, postage prepaid, in a correctly addressed envelope; and

10.2.3 if by email, when received in legible form.

10.3 A notice or other communication not received on a Business Day or received after 5 p.m. on a Business Day in the place of receipt will only be deemed to be given on the next Business Day in that place.

10.4 Addresses

10.4.1 The contact details of the Trustee are set out below (provided that the contact details may be changed at any time by the Trustee giving written notice to the Guarantor):

Address: Dalriada Trustees Limited, 46 New Broad Street, London, EC2M 1JH

Attention: [REDACTED]

Email: [REDACTED]

10.4.2 The contact details of the Guarantor are set out below (provided that the contact details may be changed at any time by the Guarantor giving written notice to the Trustee):

Address: 700 University Avenue, Toronto, Canada, ON M5G 0A1

Attention: [REDACTED]

Email: [REDACTED]

11. GOVERNING LAW AND JURISDICTION

11.1 This Guarantee shall be governed by, and construed in accordance with, English law.

11.2 The courts of England have exclusive jurisdiction to hear and decide any suit, action or proceedings, and to settle any disputes, which may arise out of or in connection with this Guarantee (respectively, "Proceedings" and "Disputes") and, for these purposes, each party irrevocably submits to the jurisdiction of the courts of England.

11.3 Each party irrevocably waives any objection which it might at any time have to the courts of England being nominated as the forum to hear and decide any Proceedings and to settle any Disputes and agrees not to claim that the courts of England are not a convenient or appropriate forum.

12. SERVICE OF PROCESS

The Guarantor irrevocably appoints Law Debenture Corporate Services at Fifth Floor, 100 Wood Street, London EC2V 7EX as its agent under this Guarantee for service of process in any proceedings before the English courts. If the person appointed as process agent above is unable for any reason to act, the Guarantor must promptly (and in any event within 5 Business Days of such event taking place) appoint another agent on terms acceptable to the Trustee. Failing this, the Trustee may appoint another agent for this purpose. The Guarantor agrees that failure by a process agent to notify it of any process will not invalidate the relevant proceedings. This clause does not affect any other method of service allowed by law.

13. WAIVER OF IMMUNITY

13.1 The Guarantor irrevocably and unconditionally:

13.1.1 agrees not to claim any immunity from proceedings brought by a Trustee against it in relation to this Guarantee and to ensure that no such claim is made on its behalf;

13.1.2 consents generally to the giving of any relief or the issue of any process in connection with those proceedings;

13.1.3 waives generally all immunity it or its assets or revenues may otherwise have in any jurisdiction, including immunity in respect of:

(a) the giving of any relief by way of injunction or order for specific performance or for the recovery of assets or revenues; and

(b) the issue of any process against its assets or revenues for the enforcement of a judgment or, in an action in rem, for the arrest, detention or sale of any of its assets and revenues; and

13.1.4 agrees that in any proceedings in England this waiver shall have the fullest scope permitted by the English State Immunity Act 1978 and that this waiver is intended to be irrevocable for the purposes of the English State Immunity Act 1978.

14. COUNTERPARTS

This Guarantee may be executed in any number of counterparts each of which when executed and delivered shall be an original, but all the counterparts together shall constitute one and the same instrument.

15. DELIVERY

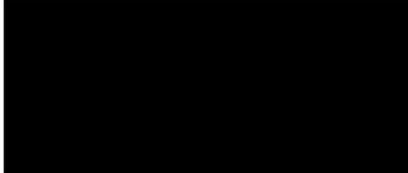
This Guarantee is delivered on the date written at the start of the Guarantee.

IN WITNESS WHEREOF the Parties hereto have executed and delivered this Deed on the day and year first before written.

Executed as a deed by)
INTACT FINANCIAL CORPORATION)
acting by a two duly authorised representatives)

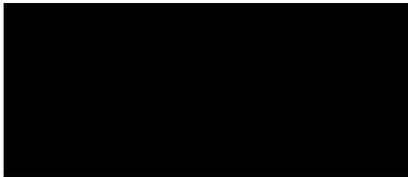
Signature of representative:

Name of representative:



Signature of representative:

Name of representative:

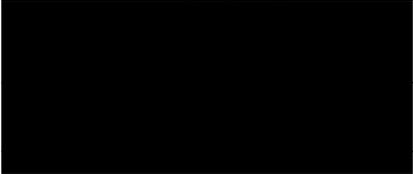


Executed as a deed by)
DALRIADA TRUSTEES LIMITED)



Signature of director

Name of director



Signature of director

Name of director