

UNDERWRITING AGREEMENT

November 19, 2020

Intact Financial Corporation
700 University Avenue, Suite 1500
Toronto, Ontario
M5G 0A1

Attention: Mr. Louis Marcotte
 Senior Vice President and Chief Financial Officer

Ladies and Gentlemen:

In furtherance of a letter agreement dated November 12, 2020 among CIBC World Markets Inc. (“**CIBC**”) and Barclays Capital Canada Inc. (“**Barclays**”, and together with CIBC, the “**Lead Underwriters**” and each a “**Lead Underwriter**”) and Intact Financial Corporation, a corporation incorporated under the laws of Canada (the “**Corporation**”), the Lead Underwriters, together with BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Cormark Securities Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., JP Morgan Securities Canada Inc., Raymond James Ltd. and UBS Securities Canada Inc. (collectively with the Lead Underwriters, the “**Underwriters**” and each an “**Underwriter**”), understand that the Corporation desires to issue and sell, on a “bought deal” private placement basis, to the Underwriters 9,272,000 subscription receipts of the Corporation (the “**Subscription Receipts**”), which Subscription Receipts will have the material attributes described in the Term Sheet (as defined below), all as more particularly described below.

Upon and subject to the terms and conditions contained in this Agreement, the Underwriters hereby severally offer to purchase from the Corporation in their respective percentages set out in paragraph 12 hereof, and the Corporation hereby agrees to sell to the Underwriters all but not less than all of the Subscription Receipts at a price of \$134.50 per Subscription Receipt (the “**Subscription Price**”), for an aggregate purchase price (the “**Purchase Price**”) of \$1,247,084,000. The Underwriters intend to offer the Subscription Receipts on a private placement basis as provided in Section 2, initially at the Subscription Price. After a reasonable effort has been made to sell all of the Subscription Receipts at the Subscription Price, the Underwriters may subsequently reduce the selling price to investors from time to time. Any such reduction in the selling price to investors shall not affect the Purchase Price payable by the Underwriters to the Corporation. Sales outside of Canada may be made through the affiliates of the Underwriters.

In consideration of the Underwriters’ agreement to purchase the Subscription Receipts which will result from the Corporation’s acceptance of this offer, and in consideration of the services to be rendered by the Underwriters in connection therewith, the Corporation agrees to pay to CIBC, on behalf of the Underwriters, a fee (the “**Underwriting Fee**”) equal to 3.75% of the gross proceeds of the Subscription Receipts purchased by the Underwriters, payable as to 50% at the Closing Time and 50% at the Acquisition Closing Time (as defined below). For greater certainty, in the event that the Escrow Release Conditions are not satisfied prior to the date on

which a Termination Event (as defined herein) occurs, the Underwriters shall only be entitled to receive the fee paid to them at the Closing Time. The Underwriting Fee shall be exclusive of any applicable sales or transfer taxes.

Notwithstanding anything to the contrary in this Agreement, the Underwriters shall be entitled to arrange for substituted purchasers for the Subscription Receipts (“**Substituted Purchasers**”) at the Subscription Price, in which case the Corporation will sell such number of Subscription Receipts to be purchased by such Substituted Purchasers directly to them and the Underwriters’ obligation to purchase the Subscription Receipts shall be rateably reduced. For greater certainty, to the extent that the Underwriters arrange for Substituted Purchasers to purchase the Subscription Receipts, the Underwriters will be acting as the Corporation’s exclusive agents to offer the Subscription Receipts and to the extent that Substituted Purchasers acquire any of the Subscription Receipts, the Underwriters shall not be deemed to have acquired (at any time) or have any obligation to acquire any of such Subscription Receipts.

Terms and Conditions

1. Definitions and Interpretation

1.1 Whenever used in this Agreement:

“**2.7 Announcement**” means the Corporation’s release dated November 18, 2020 in accordance with Rule 2.7 of the Takeover Code entitled “Recommended Cash Offer for RSA Insurance Group plc by Regent Bidco Limited (a wholly owned subsidiary of Intact Financial Corporation) and Associated Separation of RSA’s Scandinavian Business”, including any amendments thereto;

“**Acquisition**” means the direct or indirect acquisition by the Corporation of all of the issued and to be issued ordinary shares of RSA, for 685 pence per ordinary share, as the same may be increased or revised as permitted by the Takeover Code, payable in cash by the Corporation or one of its wholly-owned subsidiaries and subject to the terms and conditions set out in the 2.7 Announcement, such Acquisition to be implemented by way of the Scheme or, alternatively, by means of a Takeover Offer;

“**Acquisition Closing**” means, where the Acquisition is implemented by way of a Scheme, the Scheme becoming effective in accordance with its terms, and where the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer becoming or being declared unconditional in all respects;

“**Acquisition Closing Date**” means the date upon which the Acquisition Closing occurs;

“**Acquisition Closing Time**” means the time on the Acquisition Closing Date at which the Acquisition Closing occurs;

“affiliate”, “distribution”, “material change”, “material fact” and “misrepresentation”, have the respective meanings ascribed to such terms in the *Securities Act (Ontario)*;

“**Agreement**” means the agreement resulting from the acceptance by the Corporation of the offer contained in this letter in accordance with the terms of this letter;

“**Barclays**” has the meaning ascribed to such term above;

“**Business Day**” means any day that is not a Saturday, a Sunday or a statutory or civic holiday or a day on which banking institutions are not generally authorized or obligated to open for business in Toronto, Ontario;

“**Canadian GAAP**” means generally accepted accounting principles in effect from time to time in Canada for public enterprises applied in a consistent manner from period to period including, without limitation, the accounting recommendations published in the Handbook of the Chartered Professional Accountants of Canada;

“**Canadian Securities Regulators**” means the applicable securities commission or regulatory authority in each of the provinces and territories of Canada and “**Canadian Securities Regulator**” means any one of them;

“**CIBC**” has the meaning ascribed to such term above;

“**Claims**” has the meaning ascribed to such term in paragraph 8.1;

“**Closing Date**” means December 3, 2020 or any earlier or later date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon in writing as the date on which the purchase and sale of the Subscription Receipts contemplated herein is completed;

“**Closing Time**” means 8:00 a.m., Toronto time, on the Closing Date, or such other time on the Closing Date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon;

“**Co-operation Agreement**” means the co-operation agreement entered into on November 18, 2020 among, *inter alios*, the Corporation, Regent Bidco Limited, Tryg and RSA;

“**Collaboration Agreement**” means the collaboration agreement entered into on November 18, 2020 among Regent Bidco Limited, the Corporation and Tryg;

“**Common Share**” means a common share in the capital of the Corporation;

“**Cornerstone Investors**” means CDPQ Marchés boursiers inc., a wholly-owned subsidiary of Caisse de dépôt et placement du Québec, CPP Investment Board PMI-2 Inc., a wholly-owned subsidiary of Canada Pension Plan Investment Board and

2380162 Ontario Limited, a wholly-owned subsidiary of Ontario Teachers' Pension Plan;

“Cornerstone Private Placements” means the private placements of subscription receipts of the Corporation to the Cornerstone Investors in accordance with the terms of the Cornerstone Subscription Agreements, as described in the Disclosure Materials;

“Cornerstone Subscription Agreements” means, collectively, the agreements between the Corporation and each Cornerstone Investor entered into on November 11, 2020, pursuant to which each such Cornerstone Investor has agreed to subscribe for and purchase subscription receipts of the Corporation, and includes, for greater certainty, all schedules and appendices thereto;

“Corporation” has the meaning ascribed to such term above;

“Corporation’s Auditors” means Ernst & Young LLP (Canada), the auditors of the Corporation;

“Corporation’s Information Record” means all information contained in any press release, material change report (excluding any confidential material change report), financial statements, information circulars, annual information forms, prospectuses or other document of the Corporation which has been publicly filed by, or on behalf of, the Corporation pursuant to Securities Laws or otherwise by or on behalf of the Corporation and is accessible under the Corporation’s issuer profile at www.sedar.com, other than information that has been modified or superseded by subsequent disclosures of information by the Corporation and that is accessible under the Corporation’s issuer profile at www.sedar.com, to the extent so modified or superseded;

“Corporation’s Management Information Circular” means the Corporation’s management proxy circular dated May 6, 2020 included in the Corporation’s Information Record;

“Credit Agreements” means (i) the fifth amended and restated credit agreement made as of November 26, 2019 among the Corporation and certain of its subsidiaries, as borrowers, [REDACTED], as administrative agent, and certain other parties, as it may be amended, supplemented, replaced or modified from time to time, (ii) the credit agreement made as of November 26, 2019 among Intact U.S. Financial Services, Inc., as borrower, the Corporation, as guarantor, [REDACTED] and [REDACTED], and certain other parties, as it may be amended, supplemented, replaced or modified from time to time, and (iii) a bridge and term loan credit agreement dated as of November 18, 2020 between, among others, the Corporation, as borrower, [REDACTED], as agent and joint lead arranger and joint bookrunner, [REDACTED] as syndication agent and joint lead arranger and joint bookrunner, and the lenders from time to time party thereto, as it may be amended, supplemented, replaced or modified from time to time;

“Disclosure Materials” means, collectively, the Term Sheet, the Investor Presentation, the 2.7 Announcement and the Press Release;

“Escrow Release Conditions” means (i) where the Acquisition is implemented by way of a Scheme, the Scheme becoming effective in accordance with its terms, and where the Acquisition is implemented by way of a Takeover Offer, the Takeover Offer becoming or being declared unconditional in all respects and (ii) if the Cornerstone Private Placements have not closed by the Closing Time, the Cornerstone Private Placements have closed;

“Financial Statements” means (i) the consolidated financial statements of the Corporation for the year ended December 31, 2019, including the independent auditor’s report thereon and the notes thereto and (ii) the interim consolidated financial statements (unaudited) of the Corporation for the quarter ended September 30, 2020 and any amendments thereto;

“Governmental Authority” has the meaning ascribed thereto in paragraph 6.1.18;

“Indemnified Parties” has the meaning ascribed to such term in paragraph 8.1;

“Indemnifying Party” has the meaning ascribed to such term in paragraph 8.1;

“Investor Presentation” means the Corporation’s investor presentation dated November 18, 2020, prepared primarily for the information of the Corporation’s existing security holders in connection with the 2.7 Announcement and entitled “Building a Leading P&C Insurer – Acquisition of RSA’s Canada and UK&I operations”, in the English and French languages, including any amendments thereto;

“Investor Rights Agreements” means the investor rights agreements to be entered into between the Corporation and each of the Cornerstone Investors upon closing of the Cornerstone Private Placements pursuant to which the Corporation will agree to grant certain rights to the Cornerstone Investors;

“Knowledge” means information to the best of the knowledge, after due inquiry, of the following persons: Charles Brindamour, Louis Marcotte, Benoit Morissette, Frédéric Cotnoir, Ken Anderson and Kevin Lemay and includes any information that they ought reasonably to have known;

“Laws” mean any and all applicable federal, state, provincial, municipal or local laws, including all statutes, ordinances, decrees, regulations, by-laws, orders in council, Governmental Authority judgments, orders, decisions, decrees, directives, policies, guidelines, rulings, awards and general principles of common and civil law and equity;

“Lead Underwriters” has the meaning ascribed to such term above;

“Material Adverse Effect” means (i) an effect that, individually or in the aggregate, is, or could reasonably be expected to be, material and adverse to the Corporation and its Subsidiaries considered as a whole or to the business, affairs, capital, operations, prospects, or financial condition, assets or liabilities (contingent or otherwise) of the Corporation and its Subsidiaries taken as a whole or (ii) any fact, event, or change that would result in the Disclosure Materials containing a misrepresentation;

“NI 45-106” means National Instrument 45-106 – *Prospectus Exemptions* ;

“NI 51-102” means National Instrument 51-102 – *Continuous Disclosure Obligations*;

“Offering” means the offering of Subscription Receipts as contemplated herein and in the Disclosure Materials;

“Outside Date” means December 31, 2021;

“Person” means any individual, partnership, limited partnership, joint venture, sole proprietorship, company or corporation, trust, trustee, unincorporated organization, a government or an agency or political subdivision thereof;

“Press Release” means the Corporation’s press release dated November 18, 2020 in respect of the Acquisition, in the English and French languages, including any amendments thereto;

“Purchase Price” has the meaning ascribed to such term above;

“Qualified Institutional Buyer” has the meaning ascribed to such term in Schedule “A”;

“Qualifying Jurisdictions” means, collectively, all of the provinces and territories of Canada, the United States, and such other jurisdictions where the Subscription Receipts may be lawfully sold on a private placement basis as provided herein;

“RSA” means RSA Insurance Group plc;

“RSA Financial Statements” means (i) the consolidated financial statements of RSA as at and for the year ended December 31, 2019, including the independent auditor’s report thereon and the notes thereto, and (ii) the 2020 interim results of RSA as at and for the six months ended June 30, 2020 and any amendments thereto;

“SEC” means the United States Securities and Exchange Commission;

“Scheme” means the scheme of arrangement of RSA under Part 26 of the UK Companies Act of 2006;

“Securities Laws” means, collectively, and, as the context may require, the applicable securities laws of each of the Qualifying Jurisdictions, and the respective regulations and rules made under those securities laws together with all applicable published: fee schedules, prescribed forms, policy statements, instruments, blanket orders and rulings of Canadian Securities Regulators and U.S. Securities Regulators and all discretionary orders or rulings, if any, of Canadian Securities Regulators and U.S. Securities Regulators, as applicable, made in connection with the transactions contemplated by this Agreement;

“Selling Firms” has the meaning ascribed to such term in paragraph 2.1;

“Separation” means the separation of RSA’s Scandinavian business pursuant to the terms of the Separation Agreement;

“Separation Agreement” means the agreement entered into on November 18, 2020 between (among others) the Corporation and Tryg pursuant to which RSA’s Scandinavian business will be separated after the closing of the Acquisition, as the same may be amended after the date hereof with the approval of the Lead Underwriters, on behalf of the Underwriters, to the extent such approval is required as provided herein;

“Standard Listing Conditions” has the meaning ascribed to such term in paragraph 7.2.1.5;

“Stock Exchange” means the Toronto Stock Exchange;

“Subscription Agreements” means, collectively, the agreements to be entered into between the Corporation and each Substituted Purchaser substantially in the form of Schedule “B” for Substituted Purchasers in Canada or internationally (other than in the United States) and Schedule “C” for Substituted Purchasers in the United States, pursuant to which such Substituted Purchasers will agree to subscribe for and purchase the Subscription Receipts as contemplated herein, and includes, for greater certainty, all schedules and appendices thereto;

“Subscription Price” has the meaning ascribed to such term above;

“Subscription Receipt Agent” means Computershare Trust Company of Canada, as subscription receipt agent and escrow agent under the Subscription Receipt Agreement;

“Subscription Receipt Agreement” means the subscription receipt agreement to be entered into by the Corporation, the Lead Underwriters and the Subscription Receipt Agent on the Closing Date, governing the terms of the Subscription Receipts;

“Subscription Receipts” has the meaning ascribed to such term above;

“Subsidiary” means a subsidiary for the purposes of the *Securities Act* (Ontario);

“Substituted Purchasers” has the meaning ascribed to such term above;

“Takeover Code” means the City Code on Takeovers and Mergers of the United Kingdom;

“Takeover Offer” means a takeover offer under Section 974 of the UK Companies Act of 2006;

“Takeover Panel” means the Panel on Takeovers and Mergers of the United Kingdom;

“Term Sheet” means the term sheet dated November 12, 2020 entitled “Intact Financial Corporation Private Placement of Subscription Receipts”, including any amendments thereto;

“Termination Date” has the meaning ascribed to such term above;

“Termination Event” means the earliest to occur of any of: (i) 11:59 p.m. (London UK local time) on the Outside Date, if the Acquisition Closing has not occurred prior to such time, and (ii) (a) the Scheme lapses or is withdrawn with the consent of the Takeover Panel or by order of the High Court of Justice in England and Wales and the Corporation delivers to the Lead Underwriters notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a Takeover Offer or otherwise; or (b) if the Acquisition is implemented by way of a Takeover Offer, such Takeover Offer lapses, terminates or is withdrawn (with the consent of the Takeover Panel, where required) and the Corporation delivers to the Lead Underwriters notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a Scheme or otherwise;

“TMX Group” has the meaning ascribed to such term in paragraph 24;

“Transaction Agreements” means, collectively, the Co-operation Agreement, the Collaboration Agreement, the Cornerstone Subscription Agreements, the Investor Rights Agreements, the Separation Agreement, the Subscription Agreements, the Subscription Receipt Agreement and the Tryg SPA;

“Tryg” means Tryg A/S;

“Tryg SPA” means the share purchase agreement dated November 18, 2020 between 2283485 Alberta Ltd. and Tryg;

“Underlying Common Shares” means the Common Shares issuable pursuant to the terms and conditions of the Subscription Receipts;

“Underwriters” has the meaning ascribed to such term above;

“Underwriters’ Disclosure” means disclosure in respect of one or more of the Underwriters provided to the Corporation in writing by an Underwriter for inclusion in the applicable disclosure document;

“Underwriting Fee” has the meaning ascribed to such term above;

“United States” means the United States of America, its territories and possessions, any state of the United States and the District of Columbia;

“U.S. Affiliates” has the meaning ascribed to such term in Schedule “A”; and

“U.S. Securities Regulators” means the applicable securities commissions or other securities regulatory authorities of the United States or a state of the United States and **“U.S. Securities Regulator”** means any one of them.

- 1.2 Whenever used in this Agreement, the terms **“affiliate”**, **“associate”**, **“distribution”**, **“misrepresentation”**, **“material fact”** and **“material change”** shall, except to the extent modified herein or as the context requires, have the meanings given to such terms, and **“distribution”** shall include a **“distribution to the public”** as defined, under applicable Securities Laws.
- 1.3 Unless otherwise expressly provided in this Agreement, words importing only the singular number include the plural and *vice versa* and words importing gender include all genders and the words **“include”**, **“includes”** and **“including”** shall be interpreted to be inclusive and not exclusive.
- 1.4 Unless otherwise expressly provided in this Agreement, all references to monetary amounts in this Agreement are to the lawful money of Canada.

2. Covenants of the Underwriters

The Underwriters covenant with the Corporation that:

- 2.1 they will offer the Subscription Receipts for sale to investors on a private placement basis on behalf of the Corporation, directly and through other investment dealers and brokers (the Underwriters, together with such investment dealers and brokers, are referred to herein as the **“Selling Firms”**) in the Qualifying Jurisdictions only as permitted by and in accordance with applicable Securities Laws which, for greater certainty, shall include delivery by the Underwriters of a copy of the Disclosure Materials to each purchaser of Subscription Receipts from the Underwriters, and, subject as hereinafter provided, as permitted by applicable Securities Laws, only upon the terms and conditions set forth in this Agreement and that they will not, directly or indirectly, offer Subscription Receipts for sale in any jurisdiction or in any manner that would require the filing of a prospectus, registration statement, offering memorandum or similar document or would result in the Corporation having any reporting or other obligation in such jurisdiction and they shall ensure that each Selling Firm (other than the Underwriters), prior to its

appointment as such, has delivered to the Underwriters an undertaking to the foregoing effect.

Any offer of Subscription Receipts in the United States will be made in accordance with all applicable Laws and with Schedule "A" attached hereto, and the Underwriters' representations, warranties and covenants contained therein are hereby incorporated by reference herein and made a part hereof;

- 2.2 they will obtain from each Substituted Purchaser an executed Subscription Agreement, together with all documentation as may be necessary in connection with the distribution of the Subscription Receipts on a private placement basis, and make such inquiries, obtain such information and collect and retain such documents as are necessary under Canadian Securities Laws to establish the eligibility of each Canadian purchaser of Subscription Receipts to purchase Subscription Receipts pursuant to the Offering in compliance with one of the "accredited investor", "employee, executive officer, director and consultant" or "minimum amount investment" exemptions from the prospectus requirements of applicable Canadian Securities Laws under NI 45-106 and/or section 73.3 of the *Securities Act* (Ontario) or another available prospectus exemption. If the Corporation is required by a Canadian Securities Regulator to provide additional information with respect to the verification of the eligibility of one or more purchasers of Subscription Receipts as an "accredited investor" (as defined under NI 45-106 and section 73.3 of the *Securities Act* (Ontario)), the Underwriters shall, following the request of the Corporation, provide in a timely manner (i) to the Corporation such information as may be required in order to confirm the procedure of the relevant Underwriter or Selling Firm undertaken to verify the eligibility of an investor as an "accredited investor" within the meaning of NI 45-106 and section 73.3 of the *Securities Act* (Ontario) and (ii) to the applicable Canadian Securities Regulator such information or documentation as may be required by such Canadian Securities Regulator in order to confirm the eligibility of a purchaser as an "accredited investor" within the meaning of NI 45-106 and section 73.3 of the *Securities Act* (Ontario) (to the extent such purchaser is such an accredited investor);
- 2.3 they will obtain and promptly provide to the Corporation with respect to each Canadian purchaser of Subscription Receipts pursuant to the Offering the information required to be set forth in Form 45-106F1 under NI 45-106 to allow such form to be prepared and filed in a timely manner and, where necessary, will provide to purchasers of Subscription Receipts the notifications, and obtain from purchasers of Subscription Receipts the approvals for the collection of information contemplated in Form 45-106F1 under NI 45-106;
- 2.4 they will not make any representations or warranties with respect to the Corporation or the Subscription Receipts other than as set forth in this Agreement, the Disclosure Materials or otherwise with the written approval of the Corporation, acting reasonably; and

2.5 notwithstanding anything to the contrary in this Agreement, the obligations of the Underwriters under this Agreement are several and not joint and several, and no Underwriter will be liable for any act, omission, default or conduct by any other Underwriter or any Selling Firm appointed by any other Underwriter.

3. Covenants of the Corporation

3.1 The Corporation covenants and agrees with the Underwriters that:

- 3.1.1 the Subscription Receipts will be duly and validly created, authorized and issued on the payment therefor and such Subscription Receipts will have attributes corresponding in all material respects to the descriptions thereof in this Agreement and the Term Sheet;
- 3.1.2 until the Closing Date, it shall allow and assist the Underwriters to participate fully in the preparation of the Disclosure Materials and shall allow the Underwriters to conduct all “due diligence” investigations which the Underwriters may require or which may be considered necessary or appropriate by the Underwriters. Without limiting the generality of the foregoing, the Corporation will make available its senior management and use its best efforts to make available the Corporation’s Auditors and the Corporation’s legal counsel to answer any questions which the Underwriters may ask in connection with fulfilling the Underwriters’ obligations as underwriters and to participate in one or more due diligence sessions to be held prior to the Closing Time, provided that reasonable advance notice thereof (including the list of questions to be asked thereof) is provided to the Corporation. In addition, the Corporation will make available to the Underwriters all material documents to which it has access in connection with the Acquisition (to the extent the Corporation has the right to so make available and provided that the information in question is not subject to a claim of legal privilege) necessary for the Underwriters to assess the Offering and, subject to the Underwriters executing a customary non-reliance letter, copies of all formal summary written reports produced by or on behalf of the Corporation in the course of its due diligence investigation of the business and affairs of RSA as it relates to the Acquisition that are not subject to a claim of legal privilege. Notwithstanding the foregoing, the scope of information and materials to be provided to the Underwriters under this Section 3.1.2 shall be determined and limited by, among other things, Rule 20.1 of the Takeover Code requiring public disclosure of certain information related to the Acquisition or the parties to the Acquisition which are shared with shareholders of the Corporation or RSA, such that the Corporation shall not be obliged to make any information or materials available to the Underwriters to the extent such action would make the Corporation be required under Rule 20.1 of the Takeover Code to make publicly available any information which the Corporation would not otherwise make, or be required to make, public;

- 3.1.3 during the period from the date hereof to the Closing Date, it will promptly notify the Underwriters in writing of the full particulars of any material change, actual, anticipated, contemplated, proposed or threatened, in the business, financial condition, assets, liabilities (contingent or otherwise), results of operations or prospects of the Corporation or its Subsidiaries (on a consolidated basis), or to the Knowledge of the Corporation, RSA, or of any change in any material fact contained or referred to in the Disclosure Materials and of the existence of any material fact which is, or may be, of such a nature as to render the Disclosure Materials untrue, false or misleading in a material respect or result in a misrepresentation. It shall, to the satisfaction of the Underwriters and their counsel, acting reasonably, promptly comply with all applicable filing and other requirements under the Securities Laws in the Qualifying Jurisdictions as a result of such change or fact. The Corporation shall, in good faith, first discuss with the Underwriters any change in circumstances (actual, proposed or, within the Corporation's Knowledge, threatened) or fact which is of such a nature that there is or could be reasonable doubt whether notice need be given to the Underwriters pursuant to this paragraph 3.1.3. For greater certainty but not so as to limit the generality of the foregoing, it is understood and agreed that, during the period from the date hereof to the Closing Date, if the Underwriters reasonably determine, after consultation with the Corporation, that a material change or change in a material fact has occurred which makes untrue or misleading any statement of a material fact contained or referred to in the Disclosure Materials, or which may result in a misrepresentation, the Corporation will promptly prepare any amendment to such Disclosure Materials which in its opinion, acting reasonably, may be necessary or advisable, after consultation with the Underwriters and deliver to the Underwriters a copy of such amendment and such other documents as the Underwriters shall reasonably require;
- 3.1.4 it will ensure that, when issued, the Underlying Common Shares will be conditionally approved for listing on the Stock Exchange, subject only to compliance with Standard Listing Conditions;
- 3.1.5 it will use commercially reasonable efforts to list the Subscription Receipts on the Stock Exchange effective upon the expiry of the statutory hold period of four months plus one day under applicable Canadian Securities Laws if the Acquisition Closing Date has not occurred by such date, subject to the requirements of the Stock Exchange including any minimum distribution requirements;
- 3.1.6 it will not, and shall cause its subsidiaries not to, without the prior approval of the Lead Underwriters, on behalf of the Underwriters, amend any of the terms or conditions of the Co-operation Agreement, the Collaboration Agreement, or of the Acquisition as set out in the 2.7 Announcement or waive any provision thereof, in whole or in part, where (in each case) such amendment or waiver would be materially adverse to the interest of the

holders of Subscription Receipts, provided that any amendment or waiver (including the treatment of a condition as having been satisfied) that is (A) required pursuant to the Takeover Code or by a court of competent jurisdiction or the Takeover Panel (including any refusal by the Takeover Panel to allow the invocation of a condition) or (B) in the event the Acquisition is implemented by way of a Takeover Offer, reducing the acceptance condition to not less than 75% of the then issued ordinary share capital of RSA shall not be regarded as being materially adverse to the interest of the holders of Subscription Receipts;

- 3.1.7 it will not agree, and will cause its Subsidiaries not to agree, without the prior approval of the Lead Underwriters, on behalf of the Underwriters, to (i) waive any provision of the Separation Agreement, the Tryg SPA or any Cornerstone Subscription Agreement, or (ii) make any amendments to the terms and conditions of such agreements, where (in each case) such amendment or waiver would be materially adverse to the interest of the holders of Subscription Receipts;
- 3.1.8 it will comply with all covenants of the Corporation set forth in the Transaction Agreements in all material respects and it will duly, punctually and faithfully perform all the obligations to be performed by it under the Transaction Agreements;
- 3.1.9 it will comply with, and will procure that its Subsidiaries comply with, the rules and principles of the Takeover Code and/or any rulings of the Takeover Panel in respect of the Acquisition;
- 3.1.10 it will use its commercially reasonable efforts to expeditiously pursue the satisfaction of all conditions to the completion of the Offering, the Acquisition (including, for greater certainty, the Escrow Release Conditions) and the Cornerstone Private Placements, in each case, in its control, and if the Acquisition Closing Time occurs prior to the occurrence of a Termination Event, to cause the issuance of the Underlying Common Shares pursuant to the terms of the Subscription Receipts;
- 3.1.11 except as required by applicable Law, it will not distribute any documents relating to the Offering and will not make any public communications, verbally, electronically or in writing, regarding the Offering without the prior consent and/or approval of the Lead Underwriters, on behalf of the Underwriters; provided that the Lead Underwriters consent to (i) the inclusion of the Underwriters' names and the summary of the transactions contemplated by this Agreement contained in the Disclosure Materials and in the subsequent scheme circular (if the Acquisition is implemented by a Scheme) or the offer document (if the Acquisition is implemented by a Takeover Offer), and (ii) the publication of this Agreement on a website pursuant to the Takeover Code; and

- 3.1.12 the Subscription Receipts and Underlying Common Shares shall have attached to them, whether through the electronic deposit system of CDS Clearing and Depository Services Inc., an ownership statement issued under a direct registration system or other electronic book based system, or on physical certificates that may be issued, as applicable, such restrictive legends as are set forth in the Subscription Agreements.
- 3.2 During the period commencing on the date hereof and ending on the Closing Date, the Corporation will promptly inform the Underwriters of the full particulars of:
- 3.2.1 the issuance by any Canadian Securities Regulator, any U.S. Securities Regulator, the Stock Exchange or any other Governmental Authority (including the SEC) of any order to cease or suspend trading of any securities of the Corporation or of the institution or threat of institution of any proceedings for that purpose;
 - 3.2.2 any request made to the Corporation by any Governmental Authority for any information in respect of the Offering or the Cornerstone Private Placements; and
 - 3.2.3 any notice or other correspondence received by the Corporation or any of its Subsidiaries from any Governmental Authority requesting information, a meeting or a hearing or commencing or threatening any investigation into the Corporation or its business, or to the Knowledge of the Corporation, RSA, that could reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities (contingent or otherwise), results of operations or prospects of the Corporation (on a consolidated basis) or the completion of the Offering or the Cornerstone Private Placements.
- 3.3 The Corporation will use reasonable commercial efforts to promptly do, make, execute, deliver or cause to be done, made, executed or delivered, all such acts, documents and things as the Underwriters may reasonably require from time to time for the purpose of giving effect to the transactions contemplated by this Agreement, the Subscription Agreements, the Cornerstone Subscription Agreements and the Subscription Receipt Agreement.
- 3.4 The Corporation will apply the net proceeds from the issue and sale of the Subscription Receipts substantially in accordance with the disclosure set forth in the Term Sheet and the Investor Presentation.
- 3.5 The Corporation will make all necessary filings, obtain all necessary regulatory consents and approvals (if any) and will pay all filing fees required to be paid in connection with the transactions contemplated in this Agreement.
- 3.6 Promptly following the termination of the Acquisition or the Separation Agreement, or the determination not to proceed with the Acquisition, the Separation

or the Cornerstone Private Placements, the Corporation shall provide the Lead Underwriters, on behalf of the Underwriters, with notice thereof.

4. Deliveries

The Corporation shall cause to be delivered to the Underwriters:

- 4.1 copies in the English language and (in the case of the Press Release and Investor Presentation) in the French language of the Disclosure Materials;
- 4.2 at the time of the delivery to the Underwriters pursuant to this paragraph 4 of Disclosure Materials in the French language, if and as applicable, an opinion of the Corporation's counsel in Québec, dated the date of such document, addressed to the Underwriters and their counsel in form and substance satisfactory to the Underwriters and their counsel, acting reasonably, that the document in the French language in all material respects is a complete and proper translation of the English version thereof; and
- 4.3 during the period commencing on the date hereof and ending on the Closing Date, the Corporation will promptly provide to the Lead Underwriters and their counsel drafts of any press release of the Corporation relating to the Offering or the Cornerstone Private Placements or, to the extent they refer to the Underwriters or the Offering, the Acquisition or the Separation, for review and approval by the Lead Underwriters, on behalf of the Underwriters, and their counsel, such approval not to be unreasonably withheld, prior to issuance.

5. Representations and Warranties – Disclosure Materials

- 5.1 The delivery to the Underwriters of the Disclosure Materials shall constitute the representation and warranty of the Corporation to the Underwriters that: (i) each such document at the time of its respective delivery fully complied with the requirements of the Securities Laws pursuant to which it was or is prepared, and, as applicable, filed and contained no misrepresentation, and (ii) that all the information and statements contained therein (except information and statements relating solely to Underwriters' Disclosure) are at the respective dates thereof, true and correct in all material respects and contain no misrepresentation.
- 5.2 The Corporation consents to the use by the Underwriters of the Disclosure Materials in connection with the distribution of the Subscription Receipts in the Qualifying Jurisdictions in compliance with the provisions of this Agreement.
- 5.3 Each Underwriter by signing this Agreement represents and warrants, severally and not jointly with each other Underwriter, to the Corporation that it is not, except as disclosed in the Subscription Agreements, a person in respect of which the Corporation is a "related issuer" or "connected issuer" within the meaning of National Instrument 33-105 – *Underwriting Conflicts*.

6.

Representations and Warranties – General

- 6.1 The Corporation represents and warrants to the Underwriters (on their own behalf and on behalf of each of the Substituted Purchasers), and acknowledges that each of them is relying upon such representations and warranties, that:
- 6.1.1 each of the Corporation and its Subsidiaries has been duly incorporated or otherwise formed and organized and is validly existing under the Laws of its jurisdiction of incorporation, amalgamation, continuance or formation, as the case may be, with corporate or partnership power, capacity and authority to own, lease and operate its properties and assets and carry on its businesses as currently owned and carried on and is current with all material filings required to be made under the Laws of the jurisdictions in which it exists or carries on any material business and has all necessary licences, leases, permits, authorizations and other approvals necessary to permit it to conduct its business as it is currently conducted, except where the failure to make any filing or obtain any license, lease, permit, authorization or other approval would not have a Material Adverse Effect, and all such licences, leases, permits, authorizations and other approvals are in full force and effect in accordance with their terms except where the failure to so maintain such licences, leases, permits, authorizations or other approvals would not have a Material Adverse Effect;
- 6.1.2 the authorized capital of the Corporation consists of an unlimited number of Common Shares of which 143,018,134 Common Shares were issued and outstanding as at the close of business on November 18, 2020 and an unlimited number of Class A Shares (issuable in series, the rights and preferences of which may be established from time to time by the board of directors of the Corporation) of which 10,000,000 Non-cumulative Rate Reset Class A Shares Series 1, 8,405,004 Non-cumulative Rate Reset Class A Shares Series 3, 1,594,996 Non-cumulative Floating Rate Class A Shares Series 4, 6,000,000 Non-cumulative Class A Shares Series 5, 6,000,000 Non-cumulative Class A Shares Series 6, 10,000,000 Non-cumulative Rate Reset Class A Shares Series 7 and 6,000,000 Non-cumulative Class A Shares Series 9 were issued and outstanding as at the close of business on November 18, 2020. The Corporation has no Common Shares reserved for issuance except (i) as disclosed in the Corporation's Management Information Circular or (ii) in connection with the Corporation's dividend reinvestment plan. All of the outstanding shares of the Corporation are validly issued, fully paid and non-assessable. Except as described in the Corporation's Management Information Circular and other than in connection with internal reorganization transactions that have not resulted and will not result in a change in ultimate beneficial ownership of any securities of the Corporation, and except for (i) the Non-cumulative Floating Rate Class A Shares Series 2 issuable by the Corporation on conversion from time to time of the Non-cumulative Rate Reset Class A Shares Series 1, (ii) the Non-cumulative Rate Reset Class A Shares Series

1 issuable by the Corporation on conversion from time to time of the Non-cumulative Floating Rate Class A Shares Series 2, (iii) the Non-cumulative Floating Rate Class A Shares Series 4 issuable by the Corporation on conversion from time to time of the Non-cumulative Rate Reset Class A Shares Series 3, (iv) the Non-cumulative Rate Reset Class A Shares Series 3 issuable by the Corporation on conversion from time to time of the Non-cumulative Floating Rate Class A Shares Series 4, (v) the Non-cumulative Floating Rate Class A Shares Series 8 issuable by the Corporation on conversion from time to time of the Non-cumulative Rate Reset Class A Shares Series 7, (vi) the Non-cumulative Rate Reset Class A Shares Series 7 issuable by the Corporation on conversion from time to time of the Non-cumulative Floating Rate Class A Shares Series 8, (vii) this Agreement and the Cornerstone Subscription Agreements, (viii) the Common Shares issuable pursuant to the Subscription Receipts and the subscription receipts issuable under the Cornerstone Subscription Agreements, and (ix) any steps taken pursuant to the Separation Agreement, there are, and there will be at the Closing Date:

- 6.1.2.1 no options, warrants, conversion privileges, stock appreciation rights, phantom equity or similar rights, agreements, arrangements or commitments based upon the book value, income or any other attribute of the Corporation or any material Subsidiary or other rights, agreements, arrangements or commitments (pre-emptive, contingent or otherwise) obligating the Corporation or any such Subsidiary to issue or sell any securities of the Corporation or any such Subsidiary or securities or obligations of any kind convertible into or exchangeable for any securities of the Corporation or any such Subsidiary;
- 6.1.2.2 no bonds, debentures or other evidences of indebtedness of the Corporation or any material Subsidiary having the right to vote (or that are convertible for or exercisable into securities having the right to vote) on any matter;
- 6.1.2.3 no contractual obligations of the Corporation or any material Subsidiary to repurchase, redeem or otherwise acquire any outstanding securities or indebtedness of the Corporation or any such Subsidiary;
- 6.1.2.4 no contractual obligations of the Corporation or any material Subsidiary with respect to the voting or disposition of any outstanding securities of the Corporation or any such Subsidiary; and
- 6.1.2.5 the vesting provisions contained in any of the Corporation's outstanding securities will not be accelerated or otherwise amended as a result of the completion of the transactions

contemplated in this Agreement, the Transaction Agreements or the 2.7 Announcement;

- 6.1.3 the Corporation is a “reporting issuer” or has equivalent status under applicable Securities Laws in all the Qualifying Jurisdictions, is not on the list of defaulting issuers maintained by the applicable Canadian Securities Regulator and is not in default of any requirement under applicable Securities Laws;
- 6.1.4 the businesses of the Corporation and its Subsidiaries have not been, and are not being, and will not be, immediately following the Acquisition Closing Time in respect of the Acquisition, conducted, in violation of any Laws, except for violations and possible violations that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect or prevent or materially impair the ability of the Corporation to complete the transactions contemplated in this Agreement, the Transaction Agreements or the 2.7 Announcement. The Corporation and its Subsidiaries have all permits, licenses, franchises, variances, exemptions, orders and other governmental authorizations, consents and approvals necessary to conduct their business as presently conducted, except those the absence of which would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect or (with the exception of governmental authorizations, consents and approvals required in connection with the Acquisition and the Separation set forth in the 2.7 Announcement) prevent or materially impair the ability of the Corporation to complete the transactions contemplated in this Agreement, the Transaction Agreements and the 2.7 Announcement;
- 6.1.5 the Corporation and its Subsidiaries have, good and marketable title to the property and assets owned by them and hold a valid leasehold interest in all property leased by them, in each case, free and clear of all mortgages, charges and other encumbrances, except for those that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect or prevent or materially delay or impair the ability of the Corporation to consummate the transactions contemplated in this Agreement;
- 6.1.6 the Corporation and its Subsidiaries own or possess, or can acquire on reasonable terms, adequate patents, patent rights, licenses, inventions, copyrights, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information, systems or procedures), trademarks, service marks, trade names or other intellectual property (collectively, “**Intellectual Property**”) necessary to carry on the business now operated by them;
- 6.1.7 none of the Corporation or any of its Subsidiaries has received any notice nor is it otherwise aware of any infringement of or conflict with asserted

rights of others with respect to any Intellectual Property or of any facts or circumstances which would render any Intellectual Property invalid or inadequate to protect its interest therein, except such notice, infringement, conflict, facts or circumstances as would not be reasonably likely to have a Material Adverse Effect;

6.1.8 the Corporation and each of its Subsidiaries is not in violation of its constating documents; the Corporation and each of its Subsidiaries is not in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan agreement, evidence of indebtedness, note, lease or other agreement, understanding or instrument to which it is a party or by which it may be bound or to which any of its property or assets is subject, other than defaults that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect. The execution, delivery and performance of this Agreement and the Transaction Agreements, and the consummation of the Acquisition and the transactions contemplated hereunder and thereunder:

6.1.8.1 do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Corporation or any of its Subsidiaries pursuant to any contract, indenture, mortgage, loan agreement, note, lease or other instrument to which the Corporation or any of its Subsidiaries is a party or by which the Corporation or any of its Subsidiaries is bound or to which any of the property or assets of the Corporation or any of its Subsidiaries is subject (other than conflicts, breaches, defaults, liens, charges and encumbrances that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect);

6.1.8.2 do not and will not result in any violation of the provisions of the constating documents of the Corporation or any of its Subsidiaries or any applicable Laws other than violations that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect;

6.1.8.3 do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach or default under, and do not and will not conflict with any licence, permit, approval, consent, certificate, registration or authorization (whether governmental, regulatory or otherwise) issued to the Corporation or any Subsidiary or any agreement, indenture, lease, document or instrument to which the Corporation or any Subsidiary is a party

or by which it is contractually bound at the Closing Time, except for breaches or violations which would not individually or in the aggregate be reasonably likely to have a Material Adverse Effect; or

- 6.1.8.4 do not and will not result in a breach of or default under, and do not and will not create a state of facts which, after notice or lapse of time or both, will result in a breach or default under, and do not and will not conflict with any statute, regulation or rule applicable to the Corporation or any Subsidiary, or any judgment, order or decree of any governmental body, agency or court having jurisdiction over the Corporation or any Subsidiary, except for breaches or violations which would not individually or in the aggregate be reasonably likely to have a Material Adverse Effect;
- 6.1.9 the documents forming the Corporation's Information Record complied in all material respects with applicable Canadian Securities Laws at the time they were filed and such documents, and the statements set forth therein, were true and correct in all material respects and contained no misrepresentations at the time they were filed;
- 6.1.10 the Corporation has no Knowledge of any legislation, regulation, by-law or other lawful requirement currently in force or proposed to be brought into force by any Governmental Authority with which the Corporation or its Subsidiaries will be unable to comply and/or which could reasonably be expected to have a Material Adverse Effect; no written notice has been received by the Corporation or any Subsidiary of any pending or threatened administrative, regulatory or judicial actions, suits, demands, demand letters, claims, liens, non-compliances or violations, investigations or proceeding relating to the actual or alleged breach of any licences, permits, legislation, regulations, by-laws or other requirements to which the Corporation, any Subsidiary or, to the Knowledge of the Corporation, RSA is or will be subject which could reasonably be expected to have a Material Adverse Effect;
- 6.1.11 the forward-looking statements (as such forward-looking statements are described in the Investor Presentation under the caption "**Forward-looking statements**") included in the Disclosure Materials are based on or derived from sources which the Corporation believes to be reliable and accurate or represent its good faith estimates;
- 6.1.12 to the Knowledge of the Corporation, upon and assuming completion of the Scheme, all the outstanding ordinary shares of capital stock of RSA will be owned, directly or indirectly, by the Corporation;

- 6.1.13 the Corporation is not currently considering any material write-offs or write-downs with respect to any of RSA's investment portfolio assets following completion of the Acquisition;
- 6.1.14 the representations and warranties of the Corporation in the Transaction Agreements executed on or prior to the date hereof, true copies of which have been provided to the Underwriters, are and will be true and correct in all material respects or in all respects if already qualified by materiality as of the date hereof or thereof and as of the Closing Time; and the representations and warranties of the Corporation in the other Transaction Agreements to be executed at or prior to the Closing Time, true copies of the anticipated forms of which have been provided to the Underwriters, will be true and correct in all material respects or in all respects if already qualified by materiality as of the Closing Time;
- 6.1.15 each of the Transaction Agreements (other than the Subscription Receipt Agreement, the Subscription Agreements and the Investor Rights Agreements) has been executed and delivered by the Corporation and/or, as applicable, its affiliates party thereto and, to the Knowledge of the Corporation, has been executed and delivered by all other parties thereto;
- 6.1.16 to the Knowledge of the Corporation, the representations and warranties of each Cornerstone Investor party to each Cornerstone Subscription Agreement, true copies of which have been provided to the Underwriters, are true and correct in all material respects or in all respects if already qualified by materiality as of the date hereof;
- 6.1.17 each of the Transaction Agreements (other than the Subscription Receipt Agreement, the Subscription Agreements and the Investor Rights Agreements) conform, and in the case of the Subscription Receipt Agreement, will conform, at the Closing Time with the respective descriptions thereof in the Disclosure Materials in all material respects (to the extent they are described therein);
- 6.1.18 there is (i) other than as disclosed in the Corporation's Information Record, no litigation or governmental or other proceeding or investigation at law or in equity before any court or before or by any federal, provincial, state, municipal, local or other governmental or public department, commission, board, bureau, agency, instrumentality or body, domestic or foreign, any subdivision or authority of any of the foregoing or any quasi-governmental, self-regulatory organization or private body exercising any regulatory, expropriation or taxing authority under or for the account of its members or any of the above (collectively, "**Governmental Authority**"), pending or, to the Knowledge of the Corporation, threatened (and the Corporation does not know of any reasonable basis therefor) against, or involving the assets, properties or business of, the Corporation or its Subsidiaries; and (ii) no matter under discussion with any Governmental Authority relating to taxes,

governmental charges or assessments asserted by any such authority in respect of the Corporation or any Subsidiary which, if determined adversely, could reasonably be expected to have a Material Adverse Effect or prevent or materially delay or impair the ability of the Corporation to consummate the transactions contemplated in this Agreement, the Transaction Agreements or the 2.7 Announcement, or the performance by the Corporation of its obligations hereunder or thereunder or under the terms of the Subscription Receipts or which questions the validity of the issuance of the Subscription Receipts or of any action taken or to be taken by the Corporation pursuant to this Agreement, the Transaction Agreements or the 2.7 Announcement, or in connection with the issuance of the Subscription Receipts;

- 6.1.19 the Corporation has all requisite power and authority in compliance with the terms and provisions of its constating documents to: (i) enter into this Agreement and the Transaction Agreements and make the 2.7 Announcement and consummate the Acquisition; (ii) issue and deliver the Subscription Receipts in accordance with the provisions of this Agreement and the Underlying Common Shares in accordance with the provisions of the Subscription Receipt Agreement and the Subscription Agreements; and (iii) carry out all the terms and provisions of this Agreement and the Transaction Agreements and of the Acquisition as contemplated in the 2.7 Announcement;
- 6.1.20 this Agreement, the Transaction Agreements (other than those referred to in Section 6.1.21) and the terms contemplated in the 2.7 Announcement, have been duly authorized and (where applicable) executed and delivered by the Corporation, and each constitutes a legal, valid and binding obligation of the Corporation, enforceable against it in accordance with its terms, except where enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity where equitable remedies are sought and except as rights to indemnity and contribution may be limited by applicable Laws;
- 6.1.21 at the Closing Time, each of the Subscription Agreements, the Subscription Receipt Agreement and the Investor Rights Agreements will be duly authorized, executed and delivered by the Corporation, and will constitute a legal, valid and binding obligation of the Corporation, enforceable against it in accordance with its terms, except where enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or similar Laws affecting creditors' rights generally and by general principles of equity where equitable remedies are sought and except as rights to indemnity and contribution may be limited by applicable Laws;
- 6.1.22 the outstanding Common Shares of the Corporation are listed and posted for trading on the Stock Exchange;

- 6.1.23 the Corporation and its Subsidiaries have obtained or will, on or prior to the Closing Time, have obtained all required third party consents and approvals and all consents of Governmental Authorities, in each case, as required in connection with the issuance of the Subscription Receipts and the Underlying Common Shares, and the issuance of the subscription receipts to be issued to the Cornerstone Investors under the Cornerstone Subscription Agreements and the Common Shares issuable under the terms thereof;
- 6.1.24 at the Closing Time, the Underlying Common Shares will be duly and validly authorized for issuance in accordance with this Agreement, the Subscription Agreements and the Subscription Receipt Agreement;
- 6.1.25 all consents or waivers required under the Credit Agreements in connection with the Offering, the Acquisition, the Separation and the Cornerstone Private Placements have been obtained by the Corporation in compliance with the Credit Agreements;
- 6.1.26 prior to the Closing Time, the Stock Exchange will have conditionally approved for listing the Underlying Common Shares on the Stock Exchange, subject to the fulfillment of all of the Standard Listing Conditions;
- 6.1.27 the certificates to be issued at the Closing Time representing the Subscription Receipts comply with all legal requirements, including, without limitation, the by-laws, rules and regulations of the Stock Exchange;
- 6.1.28 the Financial Statements have been prepared in accordance with Canadian GAAP applied on a basis consistent with prior periods (except as disclosed in such financial statements) and Securities Laws and present fairly in all material respects the consolidated financial position, as the case may be, of the Corporation, as at their respective dates;
- 6.1.29 other than as disclosed in the Financial Statements, there are no off-balance sheet transactions, obligations (contingent or otherwise), or other agreements of the Corporation or its Subsidiaries with unconsolidated entities or other Persons that may have a material current or future effect on the consolidated financial condition or the results of operations of the Corporation and its Subsidiaries or that would reasonably be expected to be material to a purchaser in making a decision to purchase the Subscription Receipts;
- 6.1.30 the Corporation and each of its Subsidiaries maintain systems of internal accounting controls sufficient to provide reasonable assurances that:
 - 6.1.30.1 transactions are executed in accordance with management's general or specific authorization;

- 6.1.30.2 transactions are recorded as necessary to permit preparation of financial statements in conformity with Canadian GAAP and to maintain accountability for assets;
 - 6.1.30.3 access to assets is permitted only in accordance with management's general or specific authorization;
 - 6.1.30.4 the recorded accountability for assets is compared with existing assets at reasonable intervals and appropriate action is taken with respect to any differences;
 - 6.1.30.5 material information relating to the Corporation and its Subsidiaries is made known to those within the Corporation responsible for the preparation of the Financial Statements during the period in which the Financial Statements have been prepared and that such material information is disclosed to the public within the time periods required by applicable Laws; and
 - 6.1.30.6 all significant deficiencies and material weaknesses in the design or operation of such internal controls that could adversely affect the Corporation's ability to disclose to the public information required to be disclosed by it in accordance with applicable Law and all fraud, whether or not material, that involves management or employees that have a significant role in the Corporation's internal controls have been disclosed to the audit committee of the Corporation's board of directors;
- 6.1.31 since September 30, 2020:
- 6.1.31.1 no Material Adverse Effect has occurred nor any change in material fact (actual, proposed, threatened or contemplated) in the business, affairs, operations, business prospects, assets, liabilities or obligations, contingent or otherwise, or capital of the Corporation or its Subsidiaries taken as a whole;
 - 6.1.31.2 there has not been any adverse material change in the consolidated financial position of the Corporation; and
 - 6.1.31.3 other than as disclosed in the Corporation's Information Record or the Disclosure Materials, there has been no material transaction entered into by the Corporation or its Subsidiaries, other than those in the ordinary course of business;
- 6.1.32 the Corporation's Auditors are independent with respect to the Corporation as required by applicable Securities Laws;
- 6.1.33 there has not been any reportable event or reportable disagreement (each within the meaning of NI 51-102) with the Corporation's Auditors;

- 6.1.34 to the Knowledge of the Corporation, the financial information of RSA disclosed to the public by the Corporation is consistent with RSA Financial Statements;
- 6.1.35 to the Knowledge of the Corporation, the RSA Financial Statements (i) give a true and fair view of the state of RSA's affairs as at and for the periods covered therein, (ii) in the case of the consolidated financial statements of RSA as at and for the year ended December 31, 2019, have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority, and (iii) in the case of the consolidated financial statements of RSA as at and for the six months ended June 30, 2020 have been prepared in accordance with International Accounting Standard 34 'Interim Financial Reporting' (IAS 34), as adopted by the European Union and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority;
- 6.1.36 the Corporation is not aware based on its due diligence to date of RSA, including financial due diligence, of any fact or circumstance which would be likely to have a Material Adverse Effect following completion of the Acquisition;
- 6.1.37 the Corporation is not aware of any facts or circumstances that would cause it to believe that (i) the Acquisition, the Separation or the Cornerstone Private Placements will not be completed in accordance with the 2.7 Announcement and the Transaction Agreements in accordance with the disclosure in the Disclosure Materials (and (x) in the case of the Acquisition, on or prior to the Outside Date, and (y) in the case of the Cornerstone Private Placements, at or prior to the Closing Time) or (ii) any Transaction Agreements will be terminated;
- 6.1.38 the Corporation and each of its Subsidiaries has filed all necessary federal, state, provincial, local and foreign income, payroll, franchise and other tax returns and has paid all taxes shown as due thereon or with respect to any of its properties or any transactions to which it was a party, except those that it is disputing in good faith, and established adequate reserves for such taxes which are not due and payable and, except as disclosed in the Corporation's Information Record, there is no tax deficiency that has been, or to the Knowledge of the Corporation is proposed to be, asserted against the Corporation or any of its Subsidiaries;
- 6.1.39 the Subscription Receipts and the Underlying Common Shares to be issued as described herein will, prior to the Closing Time (in the case of the Subscription Receipts) and the Acquisition Closing Time (in the case of the Underlying Common Shares), when issued, delivered and paid for in full, be validly issued as fully paid securities of the Corporation;

- 6.1.40 other than in respect of the Acquisition, the Corporation has not completed any “significant acquisition” (as such term is defined in NI 51-102) since December 31, 2018 and the Corporation is not proposing any “proposed acquisition” (as such term is used in Item 10 of Form 44-101F1 to National Instrument 44-101 – *Short Form Prospectus Distributions*), that in any such case would require the inclusion of any acquisition financial statements or pro forma financial statements in a prospectus of the Corporation;
- 6.1.41 the Corporation has taken legal advice as to the implications of the Takeover Code as it applies to the Acquisition, and in particular, the scope of Rule 9 of the Takeover Code;
- 6.1.42 there are no obligations or liabilities of the Corporation or its Subsidiaries (including in respect of obligations and liabilities disclosed in the Corporation’s Information Record or the Disclosure Materials, and any change in those obligations or liabilities) whether or not accrued, contingent or otherwise and whether or not required to be disclosed, except for those that would not, individually or in the aggregate, be reasonably likely to have a Material Adverse Effect or prevent or materially delay or impair the ability of the Corporation to consummate the transactions contemplated in this Agreement;
- 6.1.43 except as disclosed in the Corporation’s Information Record, there are no claims, actions or proceedings or investigations pending or, to the Knowledge of the Corporation, threatened against the Corporation or any Subsidiary or any of their respective directors or officers before any Governmental Authority which might have a Material Adverse Effect or prevent or materially delay or impair the ability of the Corporation to consummate the transactions contemplated in this Agreement, the Transaction Agreements and the 2.7 Announcement;
- 6.1.44 except as mandated by an applicable Governmental Authority, which mandates have not materially affected the Corporation or its Subsidiaries, taken as a whole, there has been no material suspension of the operations of the Corporation or the Corporation’s Subsidiaries as a result of the novel coronavirus (COVID-19) pandemic. The Corporation has been monitoring the COVID-19 pandemic and the potential impact on all of its operations, and has implemented measures considered appropriate by the Corporation to support the wellness of its employees where the Corporation and the Corporation’s Subsidiaries operate while continuing to operate;
- 6.1.45 other than as may be required under applicable Securities Laws and the rules and by-laws of the Stock Exchange, no consent, approval, authorization, order, registration or qualification of or with any Governmental Authority is required for the creation, issue or sale of the Subscription Receipts or the Underlying Common Shares as contemplated by this Agreement;

- 6.1.46 at the Closing Date, the Corporation is not the subject of a cease trading order made by any Canadian Securities Regulator, U.S. Securities Regulator or other competent Governmental Authority which has not been rescinded, and the Corporation is not aware of any investigation, order, inquiry or proceeding which has been commenced or which is pending, contemplated or threatened by any such Governmental Authority;
 - 6.1.47 the Corporation has not filed any confidential material change report with any of the Canadian Securities Regulators, the Stock Exchange or any other self-regulatory authority which remains confidential;
 - 6.1.48 all of the issued securities of each Subsidiary are validly authorized, issued and outstanding and, in respect of each such Subsidiary that is a corporation, are fully paid and non-assessable and, except for non-material Subsidiaries, are owned directly or indirectly by the Corporation, free and clear of all mortgages, liens, charges, pledges, security interests, encumbrances, claims or demands whatsoever;
 - 6.1.49 the outstanding Common Shares of the Corporation are listed and posted for trading on the Stock Exchange;
 - 6.1.50 there is no legal or governmental action, proceeding or investigation pending or, to the Knowledge of the Corporation, threatened, which would question the validity of the creation, issuance or sale of the Subscription Receipts or Underlying Common Shares, or the subscription receipts to be issued in connection with the Cornerstone Private Placements or the Common Shares to be issued pursuant thereto, or the validity of any action taken or to be taken by the Corporation in connection with this Agreement; and
 - 6.1.51 Computershare Investor Services Inc. has been duly appointed as the registrar and transfer agent of the Corporation with respect to the Common Shares and on or prior to the Closing Time Computershare Trust Company of Canada will have been duly appointed as the registrar and transfer agent of the Corporation with respect to the Subscription Receipts and the escrow agent under the Subscription Receipt Agreement.
- 6.2 The Corporation hereby acknowledges and agrees that its representations and warranties contained in Schedule "A" hereto are hereby incorporated by reference herein and made a part hereof and hereby acknowledge that each Underwriter is relying upon such representations and warranties.
- 7.**Closing of the Offering**
 - 7.1 The closing of the purchase and sale of the Subscription Receipts, provided for in this Agreement shall be completed electronically at the Closing Time.

7.2 The following are conditions precedent to the obligations of the Underwriters under this Agreement, which conditions may be waived in writing in whole or in part by the Lead Underwriters on behalf of the Underwriters:

7.2.1 receipt by the Underwriters of the following documents:

7.2.1.1 a favourable legal opinion, dated the Closing Date, from the Corporation's counsel, Blake, Cassels & Graydon LLP, with respect to all such matters as the Underwriters may reasonably request, including, without limiting the generality of the foregoing: to the existence and corporate power and capacity of the Corporation; the authorized share capital of the Corporation; the creation, authorization, issue and sale of the Subscription Receipts; that, upon the Corporation receiving payment of the Purchase Price, the Subscription Receipts will be legal, valid and binding obligations of the Corporation enforceable in accordance with their terms and the terms of the Subscription Receipt Agreement; the Underlying Common Shares have been duly authorized and reserved for issuance and, when issued in accordance with the terms of the Subscription Receipt Agreement, will be validly issued and outstanding as fully paid and non-assessable Common Shares; that the attributes of the Subscription Receipts and the Underlying Common Shares are consistent in all material respects with the descriptions thereof in the Term Sheet, and the form of definitive certificates representing the Subscription Receipts and the Underlying Common Shares, respectively, comply with the Corporation's constating documents (in the case of the Underlying Common Shares), the Subscription Receipt Agreement (in the case of the Subscription Receipts), applicable Laws and Stock Exchange rules; that the Underlying Common Shares have been conditionally approved for listing by the Stock Exchange, subject to the fulfillment of the Standard Listing Conditions; the appointment of Computershare Investor Services Inc. as registrar and transfer agent of the Common Shares and Computershare Trust Company of Canada as the registrar and transfer agent of the Subscription Receipts and the escrow agent under the Subscription Receipt Agreement; the enforceability of this Agreement, the Subscription Receipt Agreement and the Subscription Agreements; the obtaining of all necessary approvals of the Canadian Securities Regulators and the Stock Exchange and under the laws of the Province of Ontario in connection with the sale of the Subscription Receipts to the Underwriters and/or to Substituted Purchasers; that the execution and delivery of this Agreement, the Subscription Receipt Agreement and the Subscription Agreements by the Corporation and the consummation of the transactions contemplated herein and therein, do not and will not result in a breach of any of (A) the

provisions of the constating documents of the Corporation, or (B) any law of general application applicable in the Province of Ontario; the qualification of the Subscription Receipts as qualified investments under the *Income Tax Act* (Canada) for trusts governed by registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax-free savings accounts; the reporting issuer status of the Corporation under applicable Canadian Securities Laws in those jurisdictions in which subscriptions by investors to purchase Subscription Receipts are made; that no prospectus, offering memorandum or other document is required under Canadian Securities Laws in those jurisdictions in which subscriptions by investors to purchase Subscription Receipts are made, and except as have been obtained or completed, no proceeding is required to be taken and no approval, consent or authorization of or filing with any securities regulatory authority in any Canadian province or territory in which subscriptions by investors to purchase Subscription Receipts are made is required in order to permit the issuance of the Subscription Receipts and the Underlying Common Shares, subject to certain specified conditions and exceptions (including the filing of reports on Form 45-106F1); the issuance of the Underlying Common Shares to holders of the Subscription Receipts resident in any province or territory of Canada in which subscriptions by investors to purchase Subscription Receipts are made, in accordance with the terms of the Subscription Receipt Agreement will be exempt from the prospectus requirements under applicable Securities Laws of Canada or such province or territory, and no other documents are required to be filed, proceedings taken or approvals, permits, consents or authorizations under applicable Laws are required to be obtained by the Corporation to permit such issuance; and as to the first trade in the Underlying Common Shares in those jurisdictions in which subscriptions by investors to purchase Subscription Receipts are made. It is understood that such counsel may rely on, or arrange for direct delivery of, the opinions of local counsel acceptable to them as to matters governed by the laws of jurisdictions other than Canada and the Provinces of Ontario, Québec, British Columbia and Alberta, if applicable, and may rely, to the extent appropriate in the circumstances, as to matters of fact, on certificates of an officer of the Corporation;

- 7.2.1.2 if any of the Subscription Receipts are sold in the United States, a favourable legal opinion addressed to the Underwriters and the U.S. Affiliates, dated the Closing Date, from Skadden, Arps, Slate, Meagher & Flom LLP to the effect that the offer, sale and delivery of the Subscription Receipts to the Underwriters in the manner

contemplated by this Agreement, the initial resale of the Subscription Receipts by the Underwriters to the U.S. Purchasers (as defined in such opinion) in the manner contemplated in this Agreement and the U.S. Qualified Institutional Buyer's Investment Letters (in the form provided by the U.S. Affiliates to U.S. Purchasers) and the delivery of the Underlying Common Shares to the U.S. Purchasers holding the Subscription Receipts in the manner contemplated by the U.S. Qualified Institutional Buyer's Investment Letters, do not require registration under the Securities Act of 1933, as amended, it being understood that such counsel will not express any opinion with respect to any subsequent reoffer or resale of any Subscription Receipts or the Underlying Common Shares;

- 7.2.1.3 a favourable legal opinion, dated the Closing Date, from Torys LLP, in form and content satisfactory to the Underwriters, as to such matters as the Underwriters may reasonably request;
- 7.2.1.4 a certificate or certificates, dated the Closing Date and signed by the chief executive officer and the chief financial officer of the Corporation, or such other officers of the Corporation as may be acceptable to the Underwriters, acting reasonably, certifying for and on behalf of the Corporation (without personal liability):
 - (i) that the Corporation has complied with all terms, covenants and conditions of this Agreement and the Subscription Agreements to be complied with thereby at or prior to the Closing Time;
 - (ii) that the representations and warranties of the Corporation contained herein and in the Subscription Agreements are true and correct in all material respects as of the Closing Time with the same force and effect as if made at and as of the Closing Time after giving effect to the transactions contemplated hereby, except for representations and warranties which are made as of a specific date other than the Closing Date, in which case they will be true and correct in all material respects as of that date only;
 - (iii) that no order, ruling or determination having the effect of ceasing or suspending trading in the Subscription Receipts or Common Shares has been issued and no proceedings for such purpose are pending or, to the best of the knowledge, information and belief of the persons signing such certificate, are contemplated or threatened;

- (iv) since the respective dates of the Disclosure Materials, there has been no material adverse change, financial or otherwise, in the business, affairs, operations, assets, liabilities (contingent or otherwise), capital or prospects of the Corporation and its Subsidiaries (taken as a whole), or any development involving a prospective material adverse change, financial or otherwise, in the business affairs, operations, assets, liabilities (contingent or otherwise) or capital of the Corporation and its Subsidiaries (taken as a whole), from that disclosed in the Corporation's Information Record or the Disclosure Materials (as they existed at the respective dates thereof);
- (v) none of the documents filed with Securities Regulators forming the Corporation's Information Record contained a misrepresentation as at the time the relevant document was filed that has not since been corrected;
- (vi) the Acquisition has not been terminated or amended in any material respect, no material provision has been waived by the Corporation and no event has occurred or condition exists which will prevent the Acquisition Closing Date from occurring on or prior to the Outside Date, substantially and in all material respects as contemplated in the 2.7 Announcement, and the Corporation has no reason to believe that the Acquisition will not be completed in accordance with the 2.7 Announcement on or prior to the Outside Date;
- (vii) the Acquisition has not lapsed or been withdrawn;
- (viii) the Separation Agreement has not been terminated or amended in any material respect, no material provision has been waived by the Corporation and no event has occurred or condition exists which will prevent the Separation from occurring, substantially and in all material respects as contemplated in the Separation Agreement, and the Corporation has no reason to believe that the Separation will not be completed in accordance with the terms of the Separation Agreement;
- (ix) the Cornerstone Subscription Agreements have not been terminated or amended in any material respect, no material provision has been waived by the Corporation and no event has occurred or condition exists which will prevent the Cornerstone Private Placements from closing prior to the Acquisition Closing, substantially in all material

respects as contemplated in the Cornerstone Subscription Agreements, and the Corporation has no reason to believe that the Cornerstone Private Placements will not be completed in accordance with the terms of the Cornerstone Subscription Agreements prior to the Acquisition Closing; and

- (x) as to such other matters of a factual nature as the Underwriters and the Underwriters' counsel may reasonably request;

and such statements shall be true in fact;

7.2.1.5 evidence satisfactory to the Underwriters of the approval of the listing and posting for trading on the Stock Exchange of the Underlying Common Shares subject only to satisfaction by the Corporation of the conditions imposed by the Stock Exchange in the letter of the Stock Exchange granting conditional listing approval (the "**Standard Listing Conditions**");

7.2.1.6 evidence satisfactory to the Underwriters that the Corporation's board of directors has authorized and approved this Agreement and the Transaction Agreements, and, in each case, all matters relating thereto, and has authorized and approved the issuance of the Subscription Receipts, the Underlying Common Shares and all matters relating thereto;

7.2.1.7 confirmation of Computershare Investor Services Inc., the registrar and transfer agent of the Corporation with respect to the Common Shares, as to the issued and outstanding Common Shares as of a date within two (2) Business Days of the Closing Date;

7.2.1.8 a certificate or certificates, dated the Closing Date and signed by the chief executive officer and the chief financial officer of the Corporation, or such other officers of the Corporation as may be acceptable to the Underwriters, certifying on behalf of the Corporation, with respect to: (i) the constating documents of the Corporation; (ii) the resolutions of the directors of the Corporation relevant to the Offering, the authorization of this Agreement, the Acquisition, the Transaction Agreements and the other agreements and transactions contemplated by this Agreement; and (iii) the incumbency and signatures of signing officers of the Corporation; and

7.2.1.9 copies of executed Cornerstone Subscription Agreements;

all in form and substance satisfactory to the Underwriters, acting reasonably;

- 7.2.2 this Agreement and the Transaction Agreements shall have been executed and delivered by the parties thereto on or before the Closing Time in form and substance satisfactory to the Underwriters, acting reasonably;
 - 7.2.3 the Corporation shall have duly and validly delivered to the Underwriters the Subscription Receipts, whether by way of electronic deposit or delivery of certificates in definitive form as directed by the Underwriters, in accordance with the terms of the Subscription Receipt Agreement; and
 - 7.2.4 the Underwriters not having previously terminated their obligations pursuant to paragraph 10 of this Agreement.
- 7.3 It shall be a condition precedent to the Corporation's obligations to issue the Subscription Receipts that:
- 7.3.1 the Underwriters shall have delivered or caused to be delivered payment to the Subscription Receipt Agent of the aggregate Purchase Price, less an amount equal to 50% of the Underwriters' Fee, by wire transfer; and
 - 7.3.2 the Underwriters shall have complied with the covenants and satisfied all terms and conditions herein contained to be complied with and satisfied by them at or prior to the Closing Time.

8. Indemnity

- 8.1 The Corporation (the "**Indemnifying Party**") shall indemnify and hold harmless each of the Underwriters and their respective subsidiaries and affiliates, and each of their respective directors, officers, employees, shareholders, partners and agents (collectively, the "**Indemnified Parties**") from and against all losses (other than losses of profit in connection with the distribution of the Subscription Receipts), claims, costs, expenses, actions, suits, proceedings, investigations, damages and liabilities (joint and several), including, without limitation, the reasonable fees and expenses of their counsel, all amounts paid to settle Claims (as defined below) if settled in accordance with the terms hereof or satisfy judgments or awards, and other out-of-pocket expenses incurred in investigating and defending any pending or threatened action, suit, proceeding, investigation or claim that may be made or threatened against any of the Indemnified Parties or in enforcing this indemnity (collectively, the "**Claims**"), to which any of the Indemnified Parties may become subject or otherwise involved in any capacity insofar as the Claims arise out of, result from, are based upon, or arise directly or indirectly by reason of:
 - 8.1.1 any information or statement (except any information or statement relating to Underwriters' Disclosure) contained in the Disclosure Materials being or being alleged to be an untrue statement, omission or misrepresentation;
 - 8.1.2 any order made or any inquiry, investigation or proceeding announced, instituted or threatened by any court, securities Governmental Authority, stock exchange or by any other competent authority, based upon any untrue

statement or misrepresentation or alleged untrue statement or misrepresentation (except a statement or misrepresentation relating solely to Underwriters' Disclosure) in the Disclosure Materials (except any document or material delivered or filed solely by the Underwriters) preventing or restricting the trading in or the sale or distribution of the Subscription Receipts or Common Shares in any of the Qualifying Jurisdictions;

- 8.1.3 any breach or default under any representation, warranty, covenant or agreement of the Corporation in this Agreement or any other documents, materials, instruments or certificates to be delivered pursuant hereto or the failure thereby to comply with any of its obligations hereunder or thereunder; or
 - 8.1.4 the Corporation failing to comply with any requirement of any Securities Laws relating to the private placement of the Subscription Receipts.
- 8.2 If any Claim contemplated by this paragraph 8 shall be asserted against any of the Indemnified Parties, or if any potential Claim contemplated by this paragraph 8 shall come to the knowledge of any of the Indemnified Parties, the Indemnified Party concerned shall notify the Indemnifying Party, as soon as practicable, of the nature of such Claim (provided that any failure or delay to so notify shall not, except (and only) to the extent of actual material prejudice to the Indemnifying Party therefrom, affect the Indemnifying Party's liability under this paragraph 8), and the Indemnifying Party, shall, subject as hereinafter provided, promptly assume the defence on behalf of the Indemnified Party of any suit brought to enforce such Claim. Any such defence shall be through legal counsel acceptable to the Indemnified Party, and the Indemnifying Party shall pay the fees and disbursements of such counsel relating to such matter, and no admission of liability or settlement shall be made by the Indemnifying Party without, in each case, the prior written consent of the Indemnified Party, such consent not to be unreasonably withheld. Without limiting the generality of the foregoing, no Indemnifying Party shall, without the Underwriters' prior written consent, settle, compromise, consent to the entry of any judgment in or otherwise seek to terminate any Claim in respect of which indemnification may be sought hereunder (whether or not any Indemnified Party is a party thereto) unless such settlement, compromise, consent or termination includes an unconditional release of all Indemnified Parties from any liabilities arising out of such Claim without any admission of negligence, misconduct, liability or responsibility by any Indemnified Party. An Indemnified Party shall have the right to employ separate counsel in any such suit and participate in the defence thereof but the fees and expenses of such counsel shall be at the expense of the Indemnified Party unless: (i) the Indemnifying Party fails to assume the defence of such suit on behalf of the Indemnified Party within ten days of receiving notice of such suit or having assumed such defense, fails to pursue it; (ii) the employment of such counsel has been authorized by the Indemnifying Party; or (iii) the named parties to any such suit (including any added or third parties) include both the Indemnified Party and the Indemnifying Party, and the Indemnified Party

shall have been advised in writing by its external counsel that there may be one or more legal defences available to the Indemnified Party which are different from or in addition to those available to the Indemnifying Party or the Indemnified Party is advised in writing by its external counsel that there is an actual or potential conflict in the Indemnifying Party's and its interests (in each of which cases the Indemnifying Party shall not have the right to assume the defence of such suit on behalf of the Indemnified Party, the Indemnified Party shall be required to keep the Indemnifying Party apprised of the developments of the Claim, including providing copies of any material documents related thereto to the Indemnifying Party, and the Indemnifying Party shall be liable to pay the reasonable fees and expenses of the counsel for the Indemnified Party). No admission of liability or settlement may be made by an Indemnified Party without, in each case, the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld. It is understood that the Indemnifying Party shall, in connection with any one Claim or separate but substantially similar or related Claims in the same jurisdiction arising out of the same general allegations or circumstances, be liable for the reasonable fees and expenses of only one separate law firm at any time for all Indemnified Parties not having actual or potential differing interests. It is the intention of the Indemnifying Party to constitute the Underwriters as trustees for the Underwriters' subsidiaries and affiliates and their respective directors, officers, employees, shareholders, partners and agents of the covenants of the Indemnifying Party under this paragraph 8 and the Underwriters agree to accept such trust and to hold and enforce such covenants on behalf of such persons.

- 8.3 The Indemnifying Party agrees to reimburse the Underwriters monthly for the time spent by the Underwriters' personnel in connection with any Claim at their normal per diem rates. The Indemnifying Party also agrees that if any Claim is brought against, or an investigation commenced in respect of, the Indemnifying Party or the Indemnifying Party and the Indemnified Party and personnel of the Underwriters will be required to testify, participate or respond in respect of or in connection with this Agreement, the Underwriters will have the right to employ their own counsel in connection therewith and the Indemnifying Party will reimburse the Underwriters monthly for the time spent by their personnel in connection therewith at their normal per diem rates together with such reasonable disbursements and out-of-pocket expenses as may be incurred, including reasonable fees and disbursements of the Underwriters' counsel.
- 8.4 If for any reason the indemnification provided for in paragraph 8.1 is unavailable or unenforceable, in whole or in part, to or by an Indemnified Party in respect of any losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) for which indemnity is provided in paragraph 8.1, and subject to the restrictions and limitations referred to therein, the Indemnifying Party and the Underwriters shall contribute to the amount paid or payable (or, if such indemnity is unavailable only in respect of a portion of the amount so paid or payable, such portion of the amount so paid or payable) by such Indemnified Party as a result of such losses (other than losses of profits in connection with the distribution of the Subscription Receipts), claims, damages, liabilities, costs or expenses (or Claims

in respect thereof) in such proportion as is appropriate to reflect the relative benefits received by the Indemnifying Party on the one hand and the Underwriters on the other hand from the sale of the Subscription Receipts as well as their relative fault; provided, however, that each of the Underwriters shall not in any event be liable to contribute, in the aggregate, any amount in excess of that Indemnified Party's portion of the Underwriting Fee actually received under this Agreement.

The relative benefits received by the Indemnifying Party on the one hand and the Underwriters on the other hand shall be deemed to be in the proportion that the total proceeds received from the sale of the Subscription Receipts (net of the Underwriting Fee (or any portion thereof) actually received) is to the Underwriting Fee (or any portion thereof) actually received. The amount paid or payable by an Indemnified Party as a result of such losses, claims, damages, liabilities, costs or expenses (or Claims in respect thereof) referred to above shall be deemed to include any reasonable legal or other expenses incurred by such Indemnified Party in connection with investigating or defending any such losses, claims, damages, liabilities, costs or reasonable expenses (or Claims in respect thereof), whether or not resulting in any such Claim.

- 8.5 The Underwriters shall cease to be entitled to the rights of indemnity and contribution contained in this paragraph 8 and shall reimburse any funds advanced by the Indemnifying Party pursuant to this paragraph 8 if the Corporation has complied with the provisions of paragraph 3.1.3 and the person asserting any Claim for which indemnity would otherwise be available was not delivered a copy of the Disclosure Materials or was not provided with a copy of any amendment to the Disclosure Materials prepared by the Corporation and provided to the Underwriters for dissemination to prospective investors which corrects any misrepresentation contained in the Disclosure Materials which is the basis for such Claim.
- 8.6 The Underwriters shall be indemnified by the Corporation to the extent and manner as set out herein. Such indemnity shall be in addition to, and not in derogation or substitution for, any other liability that any party may have, or any right that any of the Indemnified Parties may have, apart from that indemnity, and shall be binding upon and enure to the benefit of any successors, assigns, heirs and personal representatives of the Corporation and any Indemnified Party. The rights of contribution provided in this paragraph 8 are in addition to and not in derogation or substitution of any other right to contribution which the Indemnified Parties may have by statute or otherwise at law.
- 8.7 The Indemnifying Party hereby waives any right it may have of first requiring an Indemnified Party to proceed against, enforce any other right, power, remedy or security or claim payment from, any other person before claiming against it.

9. Expenses

Whether or not the transactions herein contemplated shall be completed, all expenses of or incidental to the Offering and the transactions contemplated herein or in the

Disclosure Materials including, without limitation: expenses incurred in connection with the Acquisition, listing fees, expenses payable in connection with the qualification of the distribution of the Subscription Receipts, expenses incurred in connection with the Cornerstone Private Placements, the fees, taxes and disbursements of counsel for the Corporation, all fees, taxes and disbursements of local counsel, all fees and expenses of the Corporation's Auditors, all fees and expenses of the Subscription Receipt Agent pursuant to the Subscription Receipt Agreement, all reasonable costs and out of pocket expenses incurred in the marketing of the Subscription Receipts (including travel), all costs relating to roadshows, meetings and the preparation of audio-visual and other meetings materials and all costs incurred in connection with preparing, printing, translating and providing commercial copies or other copies of the Disclosure Materials, any other documents and the certificates representing the Subscription Receipts, and all applicable sales and transfer taxes, shall be borne by and be for the account of the Corporation. The Underwriters shall be responsible for the fees, taxes and disbursements of the Underwriters' legal counsel and for the Underwriters' out of pocket expenses; provided, however, that if the sale of the Subscription Receipts as contemplated herein is not completed for any reason other than due to a breach by the Underwriters of the terms and conditions of this Agreement, the Underwriters shall be promptly reimbursed by the Corporation for all of the reasonable fees, taxes and disbursements of the Underwriters' legal counsel and the Underwriters' reasonable out of pocket expenses.

10. Termination

- 10.1 In addition to any other remedies which may be available to the Underwriters, an Underwriter shall be entitled, at its option, to terminate and cancel, without any liability on the Underwriter's part, that Underwriter's obligations under this Agreement if, prior to the Closing Time:
 - 10.1.1 any inquiry, action, suit, investigation or other proceeding (whether formal or informal) is instituted, announced or threatened or any order is issued by any Governmental Authority or otherwise (other than an inquiry, investigation, proceeding or order based upon the activities or alleged activities of the Underwriters or the Selling Firms), or there is any change of Law, or the interpretation or administration thereof, which in the reasonable opinion of the Underwriter operates to prevent or restrict the trading in the Common Shares or the Subscription Receipts or the distribution of the Subscription Receipts or which in the reasonable opinion of the Underwriter, acting in good faith, could be expected to have a material adverse effect on the market price or value of the Common Shares or Subscription Receipts, by giving the Corporation and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time;
 - 10.1.2 there shall occur, be discovered or be publicly announced by the Corporation any material change in the business, financial condition, assets, liabilities (contingent or otherwise), results of operations or prospects of the Corporation and its Subsidiaries (taken as a whole) or any change in any material fact contained or referred to in the Disclosure Materials, or there shall exist any material fact which is, or may be, of such a nature as to render

the Disclosure Materials untrue, false or misleading in a material respect or result in a misrepresentation (other than a change or fact related solely to the Underwriters or the Selling Firms), which in the reasonable opinion of the Underwriter could be expected to have a material adverse effect on the market price or value of the Common Shares or Subscription Receipts, by giving the Corporation and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time;

10.1.3 there should develop, occur or come into effect or existence any event, action, state, condition or occurrence of national or international consequence (including the COVID-19 pandemic, to the extent that there is any material adverse development related thereto after the date hereof), acts of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions or any action, law, regulation or inquiry which, in the reasonable opinion of the Underwriter, materially adversely affects or involves, or may materially adversely affect or involve, the financial markets in Canada, the United States or the United Kingdom, or the business, operations or affairs of the Corporation and its Subsidiaries (taken as a whole), or the market price or value of the Common Shares or the Subscription Receipts, by giving the Corporation and, if applicable, the Lead Underwriters written notice to that effect not later than the Closing Time; or

10.1.4 a Termination Event occurs prior to the Closing Time.

10.2 If an Underwriter terminates its obligations hereunder pursuant to this paragraph 10, the Corporation's liability hereunder to that Underwriter shall be limited to the Corporation's obligations under paragraph 8 and payment of expenses referred to in paragraph 9 hereof.

11. Reliance on the Lead Underwriters, etc.

All steps or other actions which must or may be taken by the Underwriters in connection with this Agreement shall be taken by the Lead Underwriters or a Lead Underwriter, as the case may be, with the exception of the matters contemplated by paragraphs 8, 10, 12 and 13 on the Underwriters' behalf, and the execution of this offer by the Underwriters shall constitute the authority of the Corporation for accepting notification of any such steps or other actions from the Lead Underwriters or a Lead Underwriter, as the case may be.

12. Underwriters' Obligation to Purchase Subscription Receipts

12.1 The Underwriters' obligation to purchase the Subscription Receipts at the Closing Time shall be several and not joint, and the Underwriters' respective obligations in this respect shall be as to the following percentages of the aggregate amount of Subscription Receipts to be purchased at that time:

CIBC

21.5%

Barclays	21.5%
BMO Nesbitt Burns Inc.	12.33%
National Bank Financial Inc.	12.33%
TD Securities Inc.	12.33%
RBC Dominion Securities Inc.	7.0%
Scotia Capital Inc.	7.0%
Cormark Securities Inc.	1.0%
Desjardins Securities Inc.	1.0%
HSBC Securities (Canada) Inc.	1.0%
JP Morgan Securities Canada Inc.	1.0%
Raymond James Ltd.	1.0%
<u>UBS Securities Canada Inc.</u>	<u>1.0%</u>
Total	100%

- 12.2 If one or more of the Underwriters fails to purchase its or their applicable percentages of the aggregate amount of the Subscription Receipts (the “**Defaulted Securities**”) at the Closing Time the other Underwriter or Underwriters shall have the right, but shall not be obligated, within 24 hours thereafter, to purchase on a pro rata basis (or in such other proportion as the remaining Underwriters may mutually agree) all, but not less than all, of the Defaulted Securities; if however, the Underwriters shall not have completed such purchase or purchases within such 24-hour period, then:
- 12.2.1 if the number of Defaulted Securities is less than 10% of the number of Subscription Receipts to be purchased hereunder, the non-defaulting Underwriters shall be obligated, each severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations bear to the underwriting obligation of all non-defaulting Underwriters, or
- 12.2.2 if the number of Defaulted Securities is 10% or more of the number of Subscription Receipts to be purchased hereunder, the Underwriter or Underwriters which are able and willing to purchase shall be relieved of all obligations to the Corporation hereunder at the Closing Time.

In the event that one or more of the Underwriters fails to purchase its or their applicable percentages of the aggregate amount of the Subscription Receipts as described in this paragraph 12.2, the other Underwriter or Underwriters, as applicable, shall have the right, but not the obligation, to postpone the Closing Date for not more than three (3) Business Days in order that any changes in the arrangements or documents for the purchase and delivery of the Subscription Receipts may be made. Nothing in this paragraph 12.2 shall oblige the Corporation to sell to any or all of the Underwriters less than all of the aggregate amount of the Subscription Receipts or shall relieve any of the Underwriters in default hereunder from liability to the Corporation.

13. Conditions

All of the terms and conditions contained in this Agreement to be satisfied by the Corporation prior to the Closing Time shall be construed as conditions, and any breach or failure by the Corporation to comply with any of such terms and conditions shall entitle any Underwriter to terminate its obligations hereunder by written notice to that effect given to the Corporation prior to the Closing Time. It is understood and agreed that the Underwriters may waive in whole or in part, or extend the time for compliance with, any of such terms and conditions without prejudice to their rights in respect of any such terms and conditions or any other or subsequent breach or non-compliance; provided, however, that to be binding, any such waiver or extension must be in writing and signed by all the Underwriters. If an Underwriter elects to terminate its obligations hereunder, the obligations of the Corporation hereunder shall be limited to the indemnity referred to in paragraph 8 hereof and the payment of expenses referred to in paragraph 9 hereof.

14. Survival

All warranties, representations, covenants and agreements of the Corporation herein contained (including its obligations under paragraphs 8 and 9) shall survive the purchase by the Underwriters of the Subscription Receipts and shall continue in full force and effect, regardless of any investigation which the Underwriters may carry out or which may be carried out on behalf of the Underwriters or otherwise and notwithstanding any subsequent disposition by the Underwriters of the Subscription Receipts.

15. Securities Sales

Except for the issuance of the Subscription Receipts and the issuance of the Underlying Common Shares pursuant to the Subscription Receipt Agreement, the Corporation shall not, directly or indirectly, without the prior written consent of the Lead Underwriters, on behalf of the Underwriters, such consent not to be unreasonably withheld, offer, sell or issue for sale or resale (or agree, or announce any intention, to do so) any equity securities or any securities convertible into, or exchangeable or exercisable for, equity securities, for a period commencing on the date hereof and ending on the date that is 120 days after the Closing Date, except (i) Common Shares and other related securities of the Corporation issued under the Corporation's existing incentive, dividend reinvestment, shareholder rights and deferred unit plans; (ii) subscription receipts of the Corporation pursuant to the Cornerstone Private Placements and the issuance of Common Shares pursuant to the terms of those subscription receipts; or (iii) preferred shares of the Corporation to finance part of the Acquisition.

16. Notice

Any notice or other communication required or permitted to be given hereunder shall be in writing and shall be personally delivered or sent by email on a Business Day to the following addresses:

in the case of the Corporation:

Intact Financial Corporation
700 University Avenue, Suite 1500
Toronto, Ontario
M5G 0A1

Attention: Mr. Louis Marcotte, Senior Vice President and Chief
Financial Officer
Email: **[REDACTED]**

and

Attention: Frédéric Cotnoir, Senior Vice President, Corporate and
Legal Services and Secretary
Email: **[REDACTED]**

with a copy to:

Blake, Cassels & Graydon LLP
Suite 4000, Commerce Court West
199 Bay Street
Toronto, ON M5L 1A9

Attention: Jeffrey R. Lloyd / Markus Viirland
Email: Jeffrey.lloyd@blakes.com / markus.viirland@blakes.com

in the case of the Underwriters, c/o the Lead Underwriters:

in the case of CIBC:

CIBC World Markets Inc.
Brookfield Place, Canada Trust Tower
161 Bay Street, 7th Floor
Toronto, Ontario
M5J 2S8

Attention: Richard Finkelstein, Managing Director
Email: Richard.Finkelstein@CIBC.ca

in the case of Barclays:

Barclays Capital Canada Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4910
Toronto, Ontario
M5H 2R2

Attention: Erik Charbonneau, Managing Director

Email: Erik.Charbonneau@Barclays.com

with a copy to:

Torys LLP
79 Wellington St. W.
30th Floor
Box 270, TD South Tower
Toronto, Ontario M5K 1N2 Canada

Attention: David Seville / Josh Lavine
E-mail: dseville@torys.com / jlavine@torys.com

The Corporation or any of the Underwriters may change its address by notice given in the manner aforesaid. Any such notice or other communication shall be deemed to have been given on the day on which it was delivered or sent by email if received on or before 5:00 p.m. (Toronto time) on such day; otherwise it shall be deemed to have been received by 9:00 a.m. on the next Business Day.

17. Time of Essence

Time shall be of the essence of this Agreement.

18. Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and the courts of Ontario shall have non-exclusive jurisdiction over any dispute hereunder.

19. Counterparts

This Agreement may be executed in several counterparts, including by facsimile, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

20. Publicity

Neither the Corporation nor the Underwriters shall make any public announcement concerning the appointment of the Underwriters or the Offering without the consent of the other parties, acting reasonably, and any public announcements shall be made in compliance with applicable Laws, including restrictions in respect of general solicitation, general advertising and directed selling efforts under the Securities Laws of the United States and any restrictions or requirements under the Takeover Code. After completion of the Offering, the Underwriters shall

be entitled to place advertisements in financial and other newspapers and journals at their own expense describing their services hereunder.

21. Advertisements

The Corporation acknowledges that the Underwriters shall have the right, subject to this Agreement and applicable Law (including the Takeover Code), at its own expense, to place such advertisement or advertisements relating to the sale of the Subscription Receipts contemplated herein as the Underwriters may consider desirable or appropriate and as may be permitted by applicable law. The Corporation and the Underwriters each agree not to make or publish any advertisement in any media whatsoever relating to, or otherwise publicize, the Offering so as to result in a violation of any applicable Law (including the Takeover Code) or in any exemption from the prospectus and/or registration requirements of applicable Securities Laws in any of the provinces or territories of Canada or any other jurisdiction in which the Subscription Receipts shall be offered or sold being unavailable in respect of the sale of the Subscription Receipts to prospective purchasers.

22. Acknowledgement by the Corporation

The Corporation hereby acknowledges that (i) the purchase and sale of the Subscription Receipts pursuant to this Agreement, including the determination of the Subscription Price, is an arm's-length commercial transaction between the Corporation, on the one hand, and each of the Underwriters and any affiliate through which it may be acting, on the other, (ii) each of the Underwriters is acting as principal and not as an agent or fiduciary of the Corporation (provided, for greater certainty, that to the extent that the Underwriters arrange for Substituted Purchasers to purchase the Subscription Receipts, the Underwriters will be acting as the Corporation's exclusive agents to offer the Subscription Receipts), (iii) the engagement by the Corporation of each of the Underwriters in connection with the offering and sale of the Subscription Receipts and the process leading up to the offering and sale thereof is as independent contractors and not in any other capacity; (iv) the Underwriters and their respective affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Corporation; and (v) the Underwriters have not provided any legal, accounting, regulatory or tax advice with respect to the Offering and the Corporation has consulted its own legal, accounting, regulatory and tax advisors to the extent it deemed appropriate. Furthermore, the Corporation agrees that it is solely responsible for making its own judgments in connection with the offering and sale of the Subscription Receipts (irrespective of whether any of the Underwriters has advised or is currently advising the Corporation on related or other matters) and no Underwriter has any obligation to the Corporation with respect to the Offering except the obligations expressly set forth in this Agreement. The Corporation agrees that it will not claim that the Underwriters have rendered advisory services of any nature or respect, or owes an agency, fiduciary or similar duty to the Corporation, in connection with the offering and sale of the Subscription Receipts.

23. Underwriters' Activities

The Corporation acknowledges that the Underwriters and their affiliates carry on a range of businesses, including providing institutional and retail brokerage, investment advisory, research, investment management, securities lending and custodial services to clients and trading

in financial products as agent or principal. It is possible that the Underwriters and other entities in their respective groups that carry on those businesses may hold long or short positions in securities of companies or other entities, which are or may be involved in the transactions contemplated in this Agreement and effect transactions in those securities for their own account or for the account of their respective clients. The Corporation agrees that these divisions and entities may hold such positions and effect such transactions without regard to the Corporation's interest under this Agreement.

24. TMX Group Disclosure

CIBC and National Bank Financial Inc., or affiliates thereof, may own or control an equity interest in TMX Group Limited ("TMX Group") and may have a nominee director serving on TMX Group's board of Directors. As such, each such investment dealer may be considered to have an economic interest in the listing of securities on any exchange owned or operated by TMX Group, including the Stock Exchange, the TSX Venture Exchange and the Alpha Exchange. No person or company is required to obtain products or services from TMX Group or its affiliates as a condition of any such dealer supplying or continuing to supply a product or service.

25. Entire Agreement

This Agreement constitutes the entire agreement among the Underwriters and the Corporation relating to the subject matter of this Agreement and supersedes all prior agreements between those parties with respect to their respective rights and obligations in respect of the transactions contemplated under this Agreement.

26. Effective Date

The parties hereto acknowledge and agree that this Agreement shall be effective as of the date first mentioned above, notwithstanding its actual date of execution by any party. If the foregoing is in accordance with your understanding and is agreed to by you, please confirm your acceptance by signing the enclosed copies of this letter at the place indicated and returning the same to CIBC, on behalf of the Underwriters.

27. Acknowledgement of Bail-In

In the event that any Underwriter that is a Covered Entity (as defined below) becomes subject to a proceeding under a U.S. Special Resolution Regime (as defined below), the transfer from such Underwriter of this Agreement, and any interest and obligation in or under this Agreement, will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if this Agreement, and any such interest and obligation in or under this Agreement, were governed by the laws of the United States or a state of the United States.

In the event that any Underwriter that is a Covered Entity or a BHC Act Affiliate (as defined below) of such Underwriter becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights (as defined below) under this Agreement that may be exercised against such Underwriter are permitted to be exercised to no greater extent than such Default

Rights could be exercised under the U.S. Special Resolution Regime if this Agreement were governed by the laws of the United States or a state of the United States.

As used in this Section 27:

27.1.1 “**BHC Act Affiliate**” has the meaning assigned to the term “affiliate” in, and shall be interpreted in accordance with 12 U.S.C. § 1841(k).

27.1.2 “**Covered Entity**” means any of the following:

27.1.2.1 a “**covered entity**” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 252.82(b);

27.1.2.2 a “**covered bank**” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 47.3(b); or

27.1.2.3 a “**covered FSI**” as that term is defined in, and interpreted in accordance with, 12 C.F.R. § 382.2(b).

27.1.3 “**Default Rights**” has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§ 252.81, 47.2 or 382.1, as applicable.

27.1.4 “**U.S. Special Resolution Regime**” means each of (i) the U.S. *Federal Deposit Insurance Act* and the regulations promulgated thereunder and (ii) Title II of the U.S. *Dodd-Frank Wall Street Reform and Consumer Protection Act* and the regulations promulgated thereunder.

[Signature pages follow.]

Yours very truly,

CIBC WORLD MARKETS INC.

By: (signed) "Richard Finkelstein"

Name: Richard Finkelstein

Title: Managing Director

BARCLAYS CAPITAL CANADA INC.

By: (signed) "Erik Charbonneau"

Name: Erik Charbonneau

Title: Managing Director

BMO NESBITT BURNS INC.

By: (signed) "Timothy Tutsch"

Name: Timothy Tutsch

Title: Managing Director

NATIONAL BANK FINANCIAL INC.

By: (signed) "Maude Leblond"

Name: Maude Leblond

Title: Managing Director & Head,
Financial Institutions &
Securitization

TD SECURITIES INC.

By: (signed) "R. Geoff Bertram"

Name: R. Geoff Bertram

Title: Managing Director, Investment
Banking

RBC DOMINION SECURITIES INC.

By: (signed) “John Bylaard”
Name: John Bylaard
Title: Head, Canadian Financial Services
Group

SCOTIA CAPITAL INC.

By: (signed) “David Garg”
Name: David Garg
Title: Managing Director & Head, FIG
Corporate and Investment Banking

CORMARK SECURITIES INC.

By: (signed) “Alfred Avanessy”
Name: Alfred Avanessy
Title: Managing Director, Head of
Investment Banking

DESJARDINS SECURITIES INC.

By: (signed) “William Tebbutt”
Name: William Tebbutt
Title: Managing Director, Investment
Banking

HSBC SECURITIES (CANADA) INC.

By: (signed) “David Loh”
Name: David Loh
Title: Director, Global Banking – Debt
Capital Markets

**JP MORGAN SECURITIES CANADA
INC.**

By: (signed) "David Rawlings"
Name: David Rawlings
Title: Chief Executive Officer - Canada

RAYMOND JAMES LTD.

By: (signed) "Sean C. Martin"
Name: Sean C. Martin
Title: Managing Director

UBS SECURITIES CANADA INC.

By: (signed) "Ben Metzler"
Name: Ben Metzler
Title: Executive Director

By: (signed) "Josh Fritz"
Name: Josh Fritz
Title: Associate Director

Accepted and agreed to as of November 19,
2020.

INTACT FINANCIAL CORPORATION

By: (signed) “Frédéric Cotnoir”
Name: Frédéric Cotnoir
Title: Senior Vice President, Corporate
and Legal Services and Secretary

SCHEDULE "A"

UNITED STATES OFFERS AND SALES

As used in this Schedule "A", the following terms shall have the meanings indicated:

"1933 Act" means the United States Securities Act of 1933, as amended;

"Directed Selling Efforts" means directed selling efforts as that term is defined in Rule 902(c) of Regulation S. Without limiting the foregoing, but for greater clarity in this Schedule "A", it means, subject to the exclusions from the definition of directed selling efforts contained in Rule 902(c)(3) of Regulation S, any activity undertaken for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for the Subscription Receipts or the Underlying Common Shares and includes the placement of any advertisement in a publication with a general circulation in the United States that refers to the offering of the Subscription Receipts and the Underlying Common Shares;

"Foreign Issuer" shall have the meaning ascribed thereto in Rule 902(e) of Regulation S;

"General Solicitation" and **"General Advertising"** mean "general solicitation" and "general advertising", respectively, as used in Rule 502(c) under the 1933 Act, including advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or broadcast over radio, television or the internet, or any seminar or meeting whose attendees had been invited by general solicitation or general advertising;

"Qualified Institutional Buyer" means a "qualified institutional buyer" as that term is defined in Rule 144A;

"Regulation D" means Regulation D adopted by the SEC under the 1933 Act;

"Regulation S" means Regulation S adopted by the SEC under the 1933 Act;

"Rule 144A" means Rule 144A adopted by the SEC under the 1933 Act;

"Substantial U.S. Market Interest" means substantial U.S. market interest as that term is defined in Rule 902(j) of Regulation S;

"U.S. Affiliate" of any Underwriter means the U.S. registered broker-dealer affiliate of such Underwriter; and

"U.S. Exchange Act" means the United States Securities Exchange Act of 1934, as amended.

All other capitalized terms used but not otherwise defined in this Schedule "A" shall have the meanings assigned to them in the Underwriting Agreement to which this Schedule "A" is attached.

Representations, Warranties and Covenants of the Underwriters

Each Underwriter, severally and not jointly, acknowledges that the Subscription Receipts and the Underlying Common Shares have not been and will not be registered under the 1933 Act or any state securities laws and may not be offered or sold to any person within the United States except pursuant to an exemption from the registration requirements of the 1933 Act and applicable state securities laws. Accordingly, each of the Underwriters, severally but not jointly, represents, warrants and covenants to the Corporation, on behalf of itself and its U.S. Affiliate, as applicable, that:

1. The Underwriter has offered and sold, and will offer and sell Subscription Receipts only (a) in an offshore transaction in accordance with Rule 903 of Regulation S or (b) in the United States pursuant to an exemption from the registration requirements of the 1933 Act and all applicable state securities laws. Accordingly, neither the Underwriter, its U.S. Affiliate nor any persons acting on their behalf, has engaged or will engage in, has made or will make or has facilitated or will facilitate the making of (except as permitted in paragraphs 2 through 12 below) (i) any offer to sell or any solicitation of an offer to buy, any Subscription Receipts to any person in the United States; (ii) any sale of Subscription Receipts to any purchaser unless, at the time the buy order was or will have been originated, the purchaser was outside the United States, or such Underwriter, U.S. Affiliate or person acting on behalf of either reasonably believed that such purchaser was outside the United States; or (iii) any Directed Selling Efforts with respect to the Subscription Receipts or the Underlying Common Shares.
2. All offers and sales of the Subscription Receipts in the United States will be effected by or through the U.S. Affiliate of the Underwriter, duly registered under the U.S. Exchange Act and applicable state securities laws, and will be effected in accordance with all applicable U.S. broker dealer requirements. Each U.S. Affiliate is a Qualified Institutional Buyer and is a member of, and in good standing with, the Financial Industry Regulatory Authority, Inc.
3. Any offer, sale or solicitation of an offer to buy Subscription Receipts that has been made or will be made in the United States was or will be made only to persons it reasonably believes to be Qualified Institutional Buyers, in each case in transactions that are exempt from registration under the 1933 Act and applicable state securities laws and in accordance with this Schedule "A".
4. Immediately prior to soliciting such offerees, the Underwriter and its U.S. Affiliate had reasonable grounds to believe and did believe that each offeree was a Qualified Institutional Buyer, and at the time of completion of each sale to a purchaser in the United States, the Underwriter and its U.S. Affiliate will have reasonable grounds to believe and will believe that each such person is a Qualified Institutional Buyer.
5. It has not solicited offers for, or offered to sell, and will not solicit offers for, or offer to sell, either directly or through a U.S. Affiliate or any person acting on its or their behalf, the Subscription Receipts in the United States by means of any General Solicitation or General Advertising or in any manner involving a public offering within the meaning of

section 4(a)(2) of the 1933 Act.

6. Prior to any sale of Subscription Receipts in the United States, each purchaser thereof will be required to execute and deliver a U.S. Qualified Institutional Buyer Investment Letter in the form provided by the U.S. Affiliate to the purchaser.
7. At closing, it, together with its U.S. Affiliate selling Subscription Receipts in the United States, will provide a certificate, substantially in the form of Exhibit "1" to this Schedule "A" relating to the manner of the offer and sale of the Subscription Receipts in the United States, or will be deemed to have represented and warranted that neither it nor its U.S. Affiliate has offered or sold Subscription Receipts in the United States.
8. At least one Business Day prior to the Closing Date, the Underwriter shall cause its U.S. Affiliate to provide the transfer agent of the Corporation with a list of all purchasers of the Subscription Receipts in the United States.
9. The Underwriter shall inform (and shall cause its U.S. Affiliate to inform) any or all purchasers to whom its U.S. Affiliate sells Subscription Receipts in the United States that such securities have not been and will not be registered under the 1933 Act and are being sold to it in reliance on the exemption from registration under the 1933 Act.
10. The Underwriter shall cause its U.S. Affiliate to deliver a copy of the Disclosure Materials to each of its offerees in the United States prior to the time of purchase of Subscription Receipts, and no other written material will have been used in connection with the offer or sale of the Subscription Receipts in the United States, other than any other marketing materials approved in connection with Section 3.1.11 of the Underwriting Agreement.
11. None of the Underwriter, its U.S. Affiliate or any person acting on behalf of any of them will solicit the exchange of Subscription Receipts for the Underlying Common Shares or will pay or give any commission or other remuneration, directly or indirectly, for soliciting the exchange of Subscription Receipts for the Underlying Common Shares.
12. It has not entered and will not enter into any contractual arrangement with respect to the distribution of the Subscription Receipts, except with its U.S. Affiliate, and selling group members or with the prior written consent of the Corporation. The Underwriter shall cause each of its U.S. Affiliate and selling group members who may offer to sell Subscription Receipts to agree in writing, for the benefit of the Corporation, to comply with, and to use its best efforts to ensure that each selling group member and its U.S. Affiliate complies with, the same provisions as are contained in the foregoing paragraphs 1 through 11.

Representations, Warranties and Covenants of the Corporation

The Corporation represents, warrants, covenants and agrees that:

1. The Corporation is a Foreign Issuer and reasonably believes there is no Substantial U.S. Market Interest in the Subscription Receipts or the Underlying Common Shares.
2. None of the Corporation, its Subsidiaries or any Persons acting on its or their behalf (other

than the Underwriters and their agents as to which no representation is made) has engaged or will engage in any Directed Selling Efforts with respect to the Subscription Receipts or the Underlying Common Shares. The Corporation has complied and will comply with the requirements for an “offshore transaction” as such term is defined in Regulation S.

3. None of the Corporation, its Subsidiaries or any Persons acting on its or their behalf (other than the Underwriters and their agents as to which no representation is made) has solicited offers for, or offered to sell, and will not solicit offers for, or offer to sell, the Subscription Receipts or the Underlying Common Shares in the United States by means of any General Solicitation or General Advertising or in any manner involving a public offering within the meaning of section 4(a)(2) of the 1933 Act.
4. Neither the Subscription Receipts nor the Underlying Common Shares are, as of the Closing Time and neither the Subscription Receipts nor the Underlying Common Shares will be, and no securities of the same class as the Subscription Receipts or the Underlying Common Shares are or will be, (i) listed on a national securities exchange in the United States registered under Section 6 of the U.S. Exchange Act; (ii) quoted in a “U.S. automated inter dealer quotation system” (within the meaning of Rule 144A); or (iii) convertible or exchangeable at an effective conversion premium (calculated as specified in paragraph (a)(6) or paragraph (a)(7) of Rule 144A) of less than ten percent for securities so listed or quoted.
5. The Corporation will not pay or give any commission or other remuneration, directly or indirectly, for soliciting the exchange of the Subscription Receipts for the Underlying Common Shares.
6. The Corporation is not now and as a result of the sale of the Subscription Receipts contemplated hereby and the application of the proceeds thereof as described in the Disclosure Materials, will not be required to register as an “investment company” pursuant to the provisions of the United States Investment Company Act of 1940, as amended.

EXHIBIT “1” TO SCHEDULE “A”

UNDERWRITERS’ CERTIFICATE

In connection with the private placement in the United States of the Subscription Receipts (the “**Subscription Receipts**”) of Intact Financial Corporation (the “**Corporation**”) pursuant to the Underwriting Agreement dated November 19, 2020 between the Corporation and the Underwriters named therein (the “**Underwriting Agreement**”), each of the undersigned does hereby certify as follows:

1. [Name of U.S. Affiliate] is a duly registered broker or dealer with the United States Securities and Exchange Commission and in each state in which an offer or sale is made, is a member of and in good standing with the Financial Industry Regulatory Authority, Inc. and all offers and sales of the Subscription Receipts in the United States will be effected by [name of U.S. Affiliate] in accordance with all U.S. federal and state broker-dealer requirements;
2. each offeree, prior to the time of such offeree’s purchase of Subscription Receipts, was provided with a copy of (i) the term sheet dated November 12, 2020 entitled “Intact Financial Corporation Private Placement of Subscription Receipts”, (ii) the Corporation’s investor presentation dated November 18, 2020 entitled “Building a Leading P&C Insurer – Acquisition of RSA’s Canada and UK&I operations”, (iii) the Corporation’s release dated November 18, 2020 in accordance with Rule 2.7 of the Takeover Code entitled “Recommended Cash Offer for RSA Insurance Group PLC by Regent Bidco Limited (a wholly owned subsidiary of Intact Financial Corporation) and Associated Separation of RSA’s Scandinavian Business”, and (iv) the Corporation’s press release dated November 18, 2020 in respect of, amongst other things, the Acquisition (collectively, the “**Disclosure Materials**”) for the offering of the Subscription Receipts in the United States and such offeree has executed a U.S. Qualified Institutional Buyer’s Investment Letter in the form provided by [Name of U.S. Affiliate] to the undersigned, and no other written material was used in connection with the offer or sale of Subscription Receipts in the United States, other than any other marketing materials approved in connection with Section 3.1.11 in the Underwriting Agreement;
3. immediately prior to our transmitting such Disclosure Materials, we had reasonable grounds to believe and did believe that each offeree was, and continue to believe that each purchaser of Subscription Receipts in the United States and each purchaser of Subscription Receipts that was offered Subscription Receipts in the United States is a “qualified institutional buyer”, as defined in Rule 144A under the United States Securities Act of 1933, as amended;
4. no form of General Solicitation or General Advertising was used by us in connection with the offer or sale of the Subscription Receipts in the United States; and
5. the offering of the Subscription Receipts in the United States has been conducted by us and through [Name of U.S. Affiliate] in accordance with the terms of the Underwriting Agreement, including Schedule “A” thereto.

Terms used in this certificate have the meanings given to them in the Underwriting Agreement unless otherwise defined herein.

DATED this • day of •, 2020.

[UNDERWRITER]

By: _____
Name:
Title:

[U.S. AFFILIATE]

By: _____
Name:
Title:

SCHEDULE "B"

FORM OF SUBSCRIPTION AGREEMENT FOR CANADIAN AND INTERNATIONAL
SUBSTITUTED PURCHASERS

See attached.

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS
(Canada and International Purchasers)

TO: **INTACT FINANCIAL CORPORATION (the “Corporation”)**
AND TO: **CIBC WORLD MARKETS INC., BARCLAYS CAPITAL CANADA INC., BMO NESBITT BURNS INC., NATIONAL BANK FINANCIAL INC., TD SECURITIES INC., RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CORMARK SECURITIES INC., DESJARDINS SECURITIES INC., HSBC SECURITIES (CANADA) INC., JP MORGAN SECURITIES CANADA INC., RAYMOND JAMES LTD. AND UBS SECURITIES CANADA INC. (collectively, the “Underwriters”)**

The undersigned (hereinafter referred to as the “**Subscriber**”) hereby subscribes for and agrees to purchase from the Corporation the number of subscription receipts of the Corporation (the “**Subscription Receipts**”) set forth below for the aggregate subscription price set forth below, representing a subscription price of \$134.50 per Subscription Receipt (the “**Offering Price**”), upon and subject to the terms and conditions set forth in this cover page and the attached “Terms and Conditions of Subscription for Subscription Receipts of Intact Financial Corporation” (together with the applicable schedules and appendices attached hereto, the “**Subscription Agreement**”). Notice is provided to the Subscriber and the Subscriber acknowledges that unless permitted under securities legislation, the holder of the Subscription Receipts to be acquired hereunder must not trade the security before the date that is four months and a day after the distribution date, which date, if the Closing Date (as defined herein) is December 3, 2020, is April 4, 2021.

(Name of Subscriber – please print)	
By: _____ (Authorized Signature)	
(Official Capacity or Title – please print)	
(Please print name of individual whose signature appears above if different than the name of the Subscriber printed above.)	
(Subscriber's Address)	
(Subscriber's Address)	
(Telephone Number)	(E-Mail Address)
By executing this Subscription Agreement, the Subscriber is consenting to the collection, use and disclosure of personal information in the manner described in the privacy notices commencing on page 18 of this Subscription Agreement	
Number of Common Shares and securities convertible into Common Shares currently held by the Subscriber (excluding the Common Shares subscribed for hereunder): _____	
Register the Subscription Receipts as below: (Name) (Account reference, if applicable) (Address)	

Number of Subscription Receipts: _____
Aggregate Subscription Price: _____ (No. of Subscription Receipts x \$134.50 per Subscription Receipt)
If the Subscriber is signing as agent for a principal and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either: (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each case satisfying the criteria set forth in NI 45-106 or Section 73.3 of the <i>Securities Act</i> (Ontario), as applicable, complete the following and ensure that Schedule C is completed in respect of such principal (“Disclosed Principal”): (Name of Disclosed Principal) (Disclosed Principal’s Address) (Disclosed Principal’s E-Mail Address)
The Subscriber is <input type="checkbox"/> or is not <input type="checkbox"/> an employee, executive officer, director or consultant of the Corporation or a Related Entity (as defined herein) of the Corporation (Check the applicable box.) The Subscriber is <input type="checkbox"/> or is not <input type="checkbox"/> an “insider” of the Corporation, as defined in the <i>Securities Act</i> (Ontario). (Check the applicable box.)
Deliver the Subscription Receipts as below: (Name) (Account Reference, if applicable) (Contact Name) (Telephone) (Address)

ACCEPTANCE

The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Dated as of the _____ day of _____, 2020.

INTACT FINANCIAL CORPORATION

by: _____
Authorized Signing Officer

INTACT FINANCIAL CORPORATION

SUBSCRIPTION FOR SUBSCRIPTION RECEIPTS

INSTRUCTIONS

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A completed and signed copy of the cover page of this Subscription Agreement.
2. Payment by certified cheque, money order, bank draft or other acceptable means in the amount of the Aggregate Subscription Price payable to CIBC.
3. Unless you are an employee, executive officer, director or consultant of the Corporation or a Related Entity (as defined herein) of the Corporation, a completed and signed copy of the Accredited Investor Representation Letter attached hereto as Schedule C, including Appendix I thereto (as well as Appendix II thereto, if applicable).
4. If you are resident in or otherwise subject to the Securities Laws (as defined herein) of the United Kingdom, a completed and signed copy of the United Kingdom Permitted Recipients Representation Letter attached hereto as Schedule D.

PROCEDURE AND DELIVERY:

Subscription forms should be completed, signed and delivered by no later than 4:00 p.m. (Toronto time) on Monday, November 23, 2020 (or such other time, date or place as the Subscriber may be advised), to:

CIBC World Markets Inc.

**Attention: Elton Fernandes
Email: Elton.Fernandes@cibc.com**

TERMS AND CONDITIONS OF SUBSCRIPTION FOR SUBSCRIPTION RECEIPTS OF INTACT FINANCIAL CORPORATION

CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to the Corporation under its existing credit facility. CIBC World Markets Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to a subsidiary of the Corporation under its existing term loan. CIBC World Markets Inc. and Barclays Capital Canada Inc. are wholly-owned subsidiaries of banks that are expected to become lenders to the Corporation under a term loan credit facility and three separate bridge credit facilities to be entered into in connection with the Proposed Acquisition (as defined herein), and other Underwriters may be wholly-owned subsidiaries of banks that agree to become lenders to the Corporation under these facilities. An affiliate of Barclays is also acting as financial advisor to the Corporation in connection with the Proposed Acquisition. Accordingly, the Corporation may be considered a “connected issuer” of these Underwriters within the meaning of applicable securities legislation. See “Risk Factors and Other Disclosures” in Schedule A.

The Subscriber understands that the Underwriters have agreed to purchase 9,272,000 Subscription Receipts from the Corporation for aggregate gross proceeds of \$1,247,084,000 with the right to procure subscription agreements from eligible investors as substitute purchasers (the “Offering”).

1. Definitions. In this Subscription Agreement:

- (a) “\$” means Canadian dollars;
- (b) “**Accredited Investor Subscriber**” means a Subscriber purchasing Subscription Receipts in reliance of the prospectus exemption category under Securities Laws in Canada for “accredited investors” within the meaning of NI 45-106 (and in Ontario, as defined in Section 73.3 of the *Securities Act* (Ontario));
- (c) “**Aggregate Subscription Price**” means the aggregate dollar amount of the subscription under this Subscription Agreement as set out on the cover page hereof;
- (d) “**Barclays**” means Barclays Capital Canada Inc.;
- (e) “**business day**” means any day that is not a Saturday, a Sunday or a statutory or civic holiday or a day on which banking institutions are not generally authorized or obligated to open for business in Toronto, Ontario;
- (f) “**Canadian Securities Regulators**” means the applicable securities commission or regulatory authority in each of the provinces and territories of Canada and “**Canadian Securities Regulator**” means any one of them;
- (g) “**CDS**” has the meaning ascribed to such term in Section 4;
- (h) “**CIBC**” means CIBC World Markets Inc.;
- (i) “**Closing**” has the meaning ascribed to such term in Section 5;
- (j) “**Closing Date**” means December 3, 2020 or any earlier or later date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon in writing as the date on which the purchase and sale of the Subscription Receipts contemplated herein is completed;
- (k) “**Closing Time**” means 8:00 a.m., Toronto time, on the Closing Date, or such other time on the Closing Date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon;

- (l) “**control person**” means a person, company or combination of persons or companies described in the provisions of securities legislation listed in Appendix A to National Instrument 45-102 – *Resale of Securities*;
- (m) “**Corporation**” means Intact Financial Corporation, a corporation existing under the *Canada Business Corporations Act* and includes any successor corporation;
- (n) “**Disclosed Principal**” has the meaning ascribed to such term on the cover page of this Subscription Agreement;
- (o) “**Employee Subscriber**” means a Subscriber that is an employee, executive officer, director or consultant of the Corporation or a Related Entity of the Corporation;
- (p) “**International Jurisdiction**” has the meaning ascribed to such term in clause 9(n);
- (q) “**Lead Underwriters**” means, collectively, CIBC and Barclays;
- (r) “**NCI Uncertificated Entitlement**” has the meaning ascribed to such term in clause 4(i);
- (s) “**NI 45-106**” means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;
- (t) “**Offering**” has the meaning ascribed to it in the preamble to the “Terms and Conditions of Subscription”;
- (u) “**PCMLTFA**” has the meaning ascribed to such term in clause 9(y);
- (v) “**person**” means any individual, partnership, limited partnership, joint venture, sole proprietorship, company or corporation, trust, trustee, unincorporated organization, a government or an agency or political subdivision thereof;
- (w) “**Proposed Acquisition**” means the acquisition by the Corporation, directly or indirectly, of all of the issued and to be issued ordinary shares of RSA Insurance Group plc;
- (x) “**Qualifying Jurisdictions**” means, collectively, all of the provinces and territories of Canada, the United States, and such other jurisdictions where the Subscription Receipts may be lawfully sold on a private placement basis as provided in the Underwriting Agreement;
- (y) “**Regulation S**” means Regulation S under the U.S. Securities Act;
- (z) “**Related Entity**” means, in respect of the Corporation, a person that controls or is controlled by the Corporation or that is controlled by the same person that controls the Corporation;
- (aa) “**Securities Laws**” means, collectively, and, as the context may require, the applicable securities laws of each of the Qualifying Jurisdictions, and the respective regulations and rules made under those securities laws together with all applicable published: fee schedules, prescribed forms, policy statements, instruments, blanket orders and rulings of Canadian Securities Regulators and U.S. Securities Regulators and all discretionary orders or rulings, if any, of Canadian Securities Regulators and U.S. Securities Regulators, as applicable, made in connection with the transactions contemplated by this Subscription Agreement;
- (bb) “**Stock Exchange**” means the Toronto Stock Exchange;

- (cc) “**Subscriber**” means the subscriber for Subscription Receipts as set out on the cover page of this Subscription Agreement and includes, as applicable, the Disclosed Principal unless the context otherwise requires;
- (dd) “**Subscription Agreement**” means this subscription agreement (including any schedules hereto) and any instrument amending this Subscription Agreement; “**hereof**”, “**hereto**”, “**hereunder**”, “**herein**” and similar expressions mean and refer to this Subscription Agreement and not to a particular Section or clause; and the expression “**Section**” or “**clause**” followed by a number or letter means and refers to the specified Section or clause of this Subscription Agreement;
- (ee) “**Subscription Receipt Agreement**” means the subscription receipt agreement to be entered into by the Corporation, the Lead Underwriters and Computershare Trust Company of Canada on the Closing Date, governing the terms of the Subscription Receipts;
- (ff) “**Subscription Receipts**” means subscription receipts of the Corporation;
- (gg) “**Underlying Common Shares**” means the common shares of the Corporation issuable pursuant to the terms and conditions of the Subscription Receipts;
- (hh) “**Underwriters**” means, collectively, CIBC, Barclays, BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Cormark Securities Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., JP Morgan Securities Canada Inc., Raymond James Ltd. and UBS Securities Canada Inc;
- (ii) “**Underwriting Agreement**” means the underwriting agreement between the Underwriters and the Corporation in respect of the Offering;
- (jj) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (kk) “**U.S. Person**” means a “U.S. person” as defined in Rule 902(k) of Regulation S;
- (ll) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended; and
- (mm) “**U.S. Securities Regulators**” means the applicable securities commissions or other securities regulatory authorities of the United States or a state of the United States and “**U.S. Securities Regulator**” means any one of them.

For greater certainty, the parties hereby acknowledge and agree that, if the Subscriber is acting as agent or trustee on behalf of a Disclosed Principal, the words “Subscriber”, “it” and “its”, whenever used in relation to representations, warranties, acknowledgements or covenants (including in Sections 9 to 14) mean the Subscriber and, unless the context otherwise requires, the Disclosed Principal.

2. Subscription. The Subscriber hereby confirms its subscription for the Subscription Receipts from the Corporation, on and subject to the terms and conditions set out in this Subscription Agreement and in the Underwriting Agreement, for the Aggregate Subscription Price which is payable as described herein. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each Disclosed Principal) that upon acceptance by the Corporation of this Subscription Agreement, this Subscription Agreement will constitute a binding obligation of the Subscriber (including, if applicable, each Disclosed Principal) subject to the terms and conditions contained herein.

3. Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Subscription Receipts as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to direct the Underwriters to allot to the Subscriber less than the amount of Subscription Receipts subscribed for under this Subscription Agreement. The Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon, among other things, the sale

of the Subscription Receipts to the Subscriber being exempt from any prospectus and offering memorandum requirements of Securities Laws and, to the extent possible, the Subscriber agrees to furnish the Corporation with all information that is reasonably necessary to confirm same.

If this Subscription Agreement is rejected in whole, any certified cheque, money order, bank draft or other form of payment delivered by the Subscriber to CIBC on account of the Aggregate Subscription Price for the Subscription Receipts subscribed for will be promptly returned to the Subscriber without any interest paid or penalty on such amount. If this Subscription Agreement is accepted only in part, payment representing the amount by which the payment delivered by the Subscriber to CIBC exceeds the subscription price of the number of Subscription Receipts sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement will be promptly delivered to the Subscriber without any interest paid or penalty on such amount.

4. Settlement. Notwithstanding anything to the contrary herein, including the registration instructions on the cover page of this Subscription Agreement, the Subscription Receipts purchased hereunder may be represented by one or more global certificates and be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. (“CDS”) or its nominee pursuant to the book-based system administered by CDS, and accordingly:

- (i) the Subscriber will receive only a customer confirmation (an “**NCI Uncertificated Entitlement**”) from the registered dealer who is a CDS participant and from or through whom a beneficial interest in the Subscription Receipts was purchased, which will bear the legend set forth in clause 9(w). By executing this Subscription Agreement, the Subscriber agrees that it has received notice of such legend and that if the Subscriber transfers such Subscription Receipts during any applicable hold periods, the Subscriber will deliver such ownership statement to the subsequent transferee;
- (ii) registration of interests in and transfers of such securities may be made only through a direct registration or other electronic book-entry or book-based system, as the case may be; and
- (iii) the ability of the Subscriber to pledge the Subscription Receipts or otherwise take action with respect to the Subscriber's interest in such securities may be limited due to the lack of a physical certificate.

5. Closing. The closing of the purchase and sale of the Subscription Receipts pursuant to this Subscription Agreement (the “**Closing**”) will be completed electronically at the Closing Time on the Closing Date or at such other time and place as the Corporation, the Subscriber and the Underwriters may agree. If, prior to the Closing Time, the terms and conditions contained in this Subscription Agreement and the Underwriting Agreement have been complied with to the satisfaction of the Underwriters, acting reasonably, or waived by the Underwriters, the Underwriters shall deliver to the Corporation (i) all completed Subscription Agreements, including this Subscription Agreement, and such other documentation as may be required pursuant to this Subscription Agreement and the Underwriting Agreement and (ii) payment of the Aggregate Subscription Price for all of the Subscription Receipts sold pursuant to the Underwriting Agreement.

If, prior to the Closing Time, the terms and conditions contained in this Subscription Agreement (other than the issuance by the Corporation to the Subscribers of the Subscription Receipts) and the Underwriting Agreement have not been complied with to the satisfaction of the Underwriters or the Corporation, as applicable, or waived by the Underwriters or the Corporation, as applicable, the Underwriters, the Corporation and the Subscriber will have no further obligations under this Subscription Agreement.

6. Conditions of Closing. The obligations of the parties hereunder are subject to all conditions of closing described herein being met.

The Subscriber acknowledges and agrees that the Corporation is relying on the accuracy of the representations and warranties of the Subscriber contained in this Subscription Agreement as of the date of this Subscription Agreement, and as of the Closing Time as if made at and as of the Closing Time, and the fulfillment of the following additional conditions as soon as possible and in any event not later than the Closing Time:

- (a) the Corporation having accepted this Subscription Agreement;

- (b) payment by the Subscriber of the Aggregate Subscription Price by certified cheque, money order, bank draft or other acceptable means in Canadian dollars payable to CIBC;
- (c) the Subscriber having properly completed, signed and delivered this Subscription Agreement and all applicable schedules (with payment) to:

CIBC World Markets Inc.
Attention: Elton Fernandes
Email: Elton.Fernandes@cibc.com

- (d) unless the Subscriber is an Employee Subscriber, such Subscriber having properly completed, signed and delivered Schedule C;
- (e) the Corporation having duly and validly delivered the Subscription Receipts (including in the form of a global certificate as contemplated by Section 4) as directed by the Underwriters and in accordance with the terms of the Subscription Receipt Agreement against payment therefor to Computershare Trust Company of Canada, as escrow agent under the Subscription Receipt Agreement; and
- (f) the conditions of Closing contained in the Underwriting Agreement having been satisfied or waived by the relevant party.

7. Authorization of the Underwriters. The Subscriber authorizes CIBC, for and on behalf of the Underwriters:

- (a) to act as the Subscriber's representative at the Closing and to execute in the Subscriber's name and on behalf of the Subscriber all closing receipts and closing documents required;
- (b) to complete and correct any errors or omissions in any form or document provided by the Subscriber in connection with the subscription for the Subscription Receipts hereunder;
- (c) if the Offering is completed on a certificated basis, receive on behalf of the Subscriber certificates representing the Subscription Receipts, as applicable, purchased under this Subscription Agreement;
- (d) to approve any opinion, certificate or other document addressed to the Subscriber, and to exercise any rights of termination contained in the Underwriting Agreement;
- (e) to extend such time periods and to waive, in whole or in part, any representations, warranties, covenants or conditions for the benefit of the Subscriber contained in this Subscription Agreement and in the Underwriting Agreement (or any ancillary or related document) that, in the opinion of CIBC, acting reasonably, is not prejudicial to the interests of the Subscriber;
- (f) to terminate or not deliver this Subscription Agreement if any condition precedent is not satisfied, in such manner and on such terms and conditions as CIBC in its sole discretion, acting reasonably, may determine; and
- (g) without limiting the generality of the foregoing, to negotiate, settle, execute, deliver and amend, as the case may be, the Underwriting Agreement.

8. Representations, Warranties and Covenants of the Corporation. By execution of this Subscription Agreement, the Corporation hereby agrees with the Subscriber that the Subscriber shall have the benefit of the representations, warranties and covenants made by the Corporation to the Underwriters as set forth in the Underwriting Agreement, except as amended or waived by the Underwriters, as though the Subscriber were a party thereto. Such representations, warranties and covenants shall form an integral part of this Subscription Agreement and shall survive the closing of the purchase and sale of the Subscription Receipts and shall continue in full force and effect for the benefit of the Subscriber in accordance with the Underwriting Agreement.

9. Representations, Warranties, Covenants and Acknowledgements of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, including if applicable, on behalf of each Disclosed Principal) represents, warrants, covenants and acknowledges to and with the Corporation and the Underwriters (and acknowledges and agrees that the Corporation, the Underwriters, and their respective legal counsel are relying thereon) that:

Authorization and Effectiveness

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute, deliver and be bound by this Subscription Agreement, to perform all of its obligations hereunder and to undertake all actions required of the Subscriber hereunder;
- (b) if the Subscriber is not an individual, the Subscriber has the requisite power, authority, legal capacity and competence to execute, deliver and be bound by this Subscription Agreement, to perform all of its obligations hereunder and to undertake all actions required of the Subscriber hereunder, all necessary approvals of its directors, partners, shareholders, trustees or otherwise with respect to such matters have been given or obtained and the individual signing this Subscription Agreement has been duly authorized;
- (c) if the Subscriber is a body corporate, the Subscriber is incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (d) if the Subscriber is acting as principal, this Subscription Agreement has been duly and validly authorized, executed and delivered by the Subscriber and, when accepted by the Corporation, will constitute a legal, valid and binding obligation enforceable against the Subscriber in accordance with the terms hereof (subject to bankruptcy, insolvency and other laws limiting the enforceability of creditors' rights and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction);
- (e) if the Subscriber is acting as agent or trustee (including, for greater certainty, a portfolio manager or comparable adviser) for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, each of whom is subscribing as principal for its own account and not for the benefit of any other person, and this Subscription Agreement has been duly and validly authorized, executed and delivered by or on behalf of, and, when accepted by the Corporation, will constitute a legal, valid and binding obligation enforceable in accordance with the terms hereof (subject to bankruptcy, insolvency and other laws limiting the enforceability of creditors' rights and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction) against, such principal;
- (f) the execution and delivery of this Subscription Agreement, the performance and compliance with the terms hereof, the subscription for the Subscription Receipts and the completion of the transactions contemplated hereby will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, by-laws or resolutions of the Subscriber or a Disclosed Principal (if not an individual), Securities Laws or any other applicable law, any agreement to which the Subscriber or a Disclosed Principal is a party or any applicable regulation, judgment, decree, order or ruling;
- (g) the Subscriber is not a person created or used solely to purchase or hold securities in order to comply with or rely upon an exemption from the prospectus requirements of Securities Laws in Canada and except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;

Disclosure if Purchasing as Agent or Trustee

- (h) if the Subscriber is not subscribing as principal, the Subscriber acknowledges that the Corporation and/or the Underwriters may be required by law to disclose to applicable securities regulatory authorities or stock exchanges information concerning the identities of each beneficial purchaser for whom the Subscriber is acting hereunder;

Residence

- (i) the Subscriber and, if applicable, each Disclosed Principal are resident, or if not an individual, has a head office, in the jurisdiction indicated on the cover page of this Subscription Agreement as the "Subscriber's Address" and the "Disclosed Principal's Address", respectively, such address was not created and is not used solely for the purpose of acquiring Subscription Receipts. The Subscriber was resident in such jurisdiction when the purchase by and sale to the Subscriber of the Subscription Receipts, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase or sale (whether with or with respect to the Subscriber or any Disclosed Principal) occurred;

Canadian Securities Law Matters

- (j) if the Subscriber is resident in Canada, the Subscriber (or if applicable, the Disclosed Principal) is eligible to purchase the Subscription Receipts pursuant to an exemption from the prospectus requirements of the Securities Laws in Canada, and unless the Subscriber is an Employee Subscriber, the Subscriber has completed, executed and delivered to the Corporation either an Accredited Investor Representation Letter in the form attached hereto as Schedule C, including applicable Appendices, indicating that the Subscriber (or if applicable, the Disclosed Principal) fits within one of the prospectus exemption categories under Securities Laws in Canada as set forth therein, and confirms the truth and accuracy of all representations, warranties and covenants made in such Accredited Investor Representation Letter as of the date of this Subscription Agreement and as of the Closing Time;
- (k) the Subscriber (or if applicable, the Disclosed Principal) acknowledges that:
- (i) no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to, or reviewed or passed on, the merits of investing in the Subscription Receipts or the Underlying Common Shares;
 - (ii) there is no government or other insurance covering the Subscription Receipts or the Underlying Common Shares;
 - (iii) there are risks associated with the purchase of the Subscription Receipts and the Underlying Common Shares;
 - (iv) there are restrictions on the Subscriber's ability to resell the Subscription Receipts and the Underlying Common Shares and it is the responsibility of the Subscriber to determine what those restrictions are and to comply with them before selling the Subscription Receipts or the Underlying Common Shares; and
 - (v) the Corporation has advised the Subscriber that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person registered to sell securities under Securities Laws in Canada and, as a consequence of acquiring Subscription Receipts and the Underlying Common Shares pursuant to this exemption, certain protections, rights and remedies provided by the Securities Laws in Canada, including statutory rights of rescission or damages, will not be available to the Subscriber and the common law may not provide the Subscriber with an

adequate remedy in the event that it suffers investment losses in connection with the Subscription Receipts acquired pursuant to such exemption;

United States Securities Law Matters

- (l) the Subscriber represents and warrants that:
 - (i) the Subscription Receipts have not been offered to the Subscriber or any beneficial purchaser for whom it is acting while the Subscriber or such beneficial person, if applicable, was in the United States, and the Subscriber or such beneficial person was not in the United States when the individuals made the order to purchase the Subscription Receipts and when this Subscription Agreement was executed and delivered;
 - (ii) the Subscriber is not in the United States or a U.S. Person and is not purchasing the Subscription Receipts for the account or benefit of a person in the United States or a U.S. Person;
 - (iii) the Subscriber is not purchasing the Subscription Receipts as the result of any directed selling efforts (as defined in Rule 902(c) of Regulation S under the U.S. Securities Act and, including, but not limited to, any press releases made by the Corporation relating to the proposed Offering of the Subscription Receipts or any report, notification or summary of the same) made in the United States by the Corporation, a distributor, any of their respective affiliates, or any person acting on behalf of any of the foregoing;
 - (iv) the current structure of the Offering and all transactions and activities contemplated hereunder is not a scheme to avoid the registration requirements of the U.S. Securities Act; and
 - (v) the Subscriber or any beneficial purchaser for whom it is acting, if applicable, has no intention to distribute either directly or indirectly any of the Subscription Receipts in the United States, except in compliance with the U.S. Securities Act and any applicable state Securities Laws;
- (m) the Subscriber acknowledges that none of the Subscription Receipts nor the Underlying Common Shares have been or will be registered under the U.S. Securities Act, or under any securities or “blue sky” laws of any state of the United States, and, unless so registered, may not be offered or sold in the United States or, directly or indirectly, to any U.S. Person, except in accordance with the provisions of Regulation S, pursuant to an effective registration statement under the U.S. Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and in each case only in accordance with applicable state, provincial and foreign Securities Laws;

International Subscribers

- (n) if the Subscriber (or any Disclosed Principal) is resident in or otherwise subject to the securities laws of **any jurisdiction outside of Canada and the United States** (the “**International Jurisdiction**”), then:
 - (i) the Subscriber is not subject to any Securities Laws in Canada;
 - (ii) the Subscriber is knowledgeable of, or has been independently advised as to, the Securities Laws of the International Jurisdiction which would apply to this subscription, if there are any;

- (iii) the Corporation is offering and selling the Subscription Receipts and the Subscriber is purchasing the Subscription Receipts pursuant to exemptions from the prospectus and registration requirements under the Securities Laws of the International Jurisdiction or, if such is not applicable, the Corporation is permitted to offer and sell the Subscription Receipts and the Subscriber is permitted to purchase the Subscription Receipts under the Securities Laws of such International Jurisdiction without the need to rely on exemptions;
- (iv) the Securities Laws of the International Jurisdiction do not require the Corporation to prepare and/or file any documents or be subject to ongoing reporting requirements or seek any approvals of any kind whatsoever in respect of the offer and sale of the Subscription Receipts to the Subscriber from any regulatory authority of any kind whatsoever in the International Jurisdiction;
- (v) the Subscriber will, if requested by the Corporation, deliver to the Corporation a certificate or opinion of local counsel from the International Jurisdiction which will confirm the matters referred to in subparagraphs (iii) and (iv) above to the satisfaction of the Corporation, acting reasonably;
- (vi) unless the Subscriber is an Employee Subscriber, the Subscriber has concurrently executed and delivered an Accredited Investor Representation Letter in the form attached as Schedule C to this Subscription Agreement, including the applicable Appendices;
- (vii) if the Subscriber is resident in or otherwise subject to the Securities Laws of the United Kingdom it has concurrently executed and delivered a representation letter in the form attached as Schedule D to this Subscription Agreement and is a person of a kind described in Article 19(5) or paragraphs (2)(a) to (d) of Article 49 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 and is a "qualified investor" within the meaning of section 86(7) of the Financial Services and Markets Act 2000 (as amended) ("FSMA") acting as principal or in circumstances to which section 86(2) of FSMA applies, and, if required by the Corporation and/or the Underwriters, it will provide evidence of same, and it acknowledges that it may only enter into this Subscription Agreement on behalf of a third party in circumstances to which section 86(2) of FSMA applies; and
- (viii) if it is resident in or otherwise subject to the Securities Laws of a member state of the European Economic Area, other than the United Kingdom, it is a "qualified investor" within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC).

No Prospectus or Undisclosed Information

- (o) the Subscriber understands that the sale of the Subscription Receipts is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus or registration statement or to deliver an offering memorandum, and no prospectus or registration statement has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Subscription Receipts. As a result of acquiring the Subscription Receipts pursuant to such exemptions:
 - (i) the Subscriber may be restricted from using some of the protections, rights and remedies otherwise available under Securities Laws, including statutory rights of rescission or damages in the event of a misrepresentation;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under Securities Laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under Securities Laws;

- (p) the Subscriber has not received or been provided with a prospectus, registration statement or offering memorandum, within the meaning of Securities Laws, in connection with the Offering. The Subscriber's decision to subscribe for the Subscription Receipts was not based upon, and the Subscriber has not relied upon, any verbal or written representations as to fact made by or on behalf of the Corporation or the Underwriters and their respective directors, officers, employees, agents and representatives. The Subscriber's decision to subscribe for the Subscription Receipts was based solely upon this Subscription Agreement, including the term sheet attached hereto as Schedule B and information about the Corporation which is or will at the Closing Time be publicly available (any such information having been obtained by the Subscriber without independent investigation or verification by the Underwriters);
- (q) the Underwriters, their counsel, Torys LLP, and counsel to the Corporation, Blake, Cassels & Graydon LLP, and their respective directors, officers, employees, agents and representatives assume no responsibility or liability of any nature whatsoever for the accuracy or adequacy of any such publicly available information concerning the Corporation or as to whether all information concerning the Corporation that is required to be disclosed or filed by the Corporation under Securities Laws has been so disclosed or filed;
- (r) the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in Securities Laws in Canada) in the affairs of the Corporation that has not been generally disclosed;

Investment Suitability

- (s) the Subscriber confirms that the Subscriber and, if applicable, each Disclosed Principal:
 - (i) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Subscription Receipts and the Underlying Common Shares;
 - (ii) is capable of assessing the proposed investment in the Subscription Receipts and the Underlying Common Shares as a result of the Subscriber's own experience or as a result of advice received from a person registered under Securities Laws;
 - (iii) is aware of the characteristics of the Subscription Receipts and the Underlying Common Shares and is aware of the general risks relating to an investment therein; and
 - (iv) is able to bear the economic risk of loss of its investment in the Subscription Receipts and the Underlying Common Shares;

No Representations

- (t) the Subscriber confirms that neither the Corporation nor the Underwriters nor any of their respective directors, employees, officers, representatives, agents or affiliates have made any representations (written or oral) to the Subscriber:
 - (i) regarding the future price or value of the Subscription Receipts or the Underlying Common Shares;
 - (ii) that any person will resell or repurchase the Subscription Receipts or the Underlying Common Shares; or
 - (iii) that any person will refund the purchase price of the Subscription Receipts other than as provided in this Subscription Agreement or the Subscription Receipt Agreement;

No Stock Exchange Listing

- (u) the Subscriber and, if applicable, each Disclosed Principal, understands that on Closing, the Subscription Receipts will not be listed on any securities or stock exchange, and that there will be no market through which the Subscription Receipts may be sold and that Subscriber may not be able to resell Subscription Receipts purchased hereunder;

Limitations on Resale

- (v) the Subscriber and, if applicable, each Disclosed Principal, understands that it may not be able to resell the Subscription Receipts except in accordance with limited exemptions available under Securities Laws, and that the Subscriber is solely responsible for (and neither the Corporation nor the Underwriters are in any way responsible for) the Subscriber's and, if applicable, each Disclosed Principal's compliance with applicable resale restrictions. The Subscriber will comply with all Securities Laws concerning the subscription, purchase, holding and resale of the Subscription Receipts and will not resell any of the Subscription Receipts except in accordance with the provisions of Securities Laws;

Legends

- (w) any certificates or NCI Uncertificated Entitlements representing the Subscription Receipts may bear a legend substantially in the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE <insert date that is four (4) months and one (1) day after Closing Date>.”

and, if at any time such Subscriptions Receipts are listed on the Stock Exchange, any certificates or NCI Uncertificated Entitlements representing such Subscription Receipts may also bear a legend substantially in the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED ON THE TORONTO STOCK EXCHANGE; HOWEVER, THE SAID SECURITIES CAN NOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT 'GOOD DELIVERY' IN SETTLEMENT OF TRANSACTIONS ON THE TSX.”

- (x) if the Subscriber is an Employee Subscriber, the Subscriber acknowledges that the Subscription Receipts purchased by such Subscriber pursuant to this Subscription Agreement may bear the legends substantially in the form set forth in clause 9(w) notwithstanding that the Subscriber is not relying on the prospectus exemption category under Securities Laws in Canada for “accredited investors” within the meaning of NI 45-106 (and in Ontario, as defined in Section 73.3 of the *Securities Act* (Ontario)), and accordingly the Subscription Receipts represented by such certificates shall be subject to the Employee Subscriber’s agreement to abide by the resale restrictions and “hold periods” as provided herein;

Not Proceeds of Crime

- (y) the funds representing the Aggregate Subscription Price which will be advanced by the Subscriber hereunder will, to the Subscriber's knowledge, after due inquiry, not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), as it may be amended from time to time (the “**PCMLTFA**”), and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge: (i) none of the

subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber (including any Disclosed Principal) discovers that any of such representations cease to be true, and to provide the Corporation with appropriate information in connection therewith;

No Financial Assistance

- (z) the Subscriber has not received and does not expect to receive any financial assistance from the Corporation directly or indirectly, in respect of the Subscriber's purchase of the Subscription Receipts;

Future Financings

- (aa) the Subscriber acknowledges that the Corporation may complete additional financings in the future. There is no assurance that such financings will be available and if available, will be on reasonable terms. Any such future financings may have a dilutive effect on current or future shareholders, including the Subscriber;

No Advertising

- (bb) the Subscriber has not become aware of any advertisement in printed media of general and regular paid circulation or on radio, television or other form of telecommunication or any other form of advertisement (including electronic display or the Internet including but not limited to the Corporation's website) with respect to the distribution of the Subscription Receipts or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;

No Other Fees

- (cc) other than the Underwriters and any group of investment dealers managed by the Underwriters for the purpose of the Offering, the Subscriber confirms that to its knowledge there is no person acting or purporting to act on behalf of the Subscriber (including any Disclosed Principal) in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee;

Other Documents

- (dd) if required by Securities Laws or by any securities commission, stock exchange or other regulatory authority, the Subscriber and, if applicable, each Disclosed Principal will execute, deliver, file and otherwise assist the Corporation and/or the Underwriters as is reasonably necessary in filing such reports, undertakings and other documents with respect to the subscription for and issuance of the Subscription Receipts;

Subscriber's Responsibility for Legal and Financial Advice

- (ee) the Subscriber confirms that it and, if applicable, each Disclosed Principal is responsible for obtaining its own legal, tax, investment and other professional advice, if applicable, with respect to the execution, delivery and performance by it of this Subscription Agreement and the transactions contemplated hereunder including the suitability of the Subscription Receipts and the Underlying Common Shares as an investment for the Subscriber and, if applicable, each Disclosed Principal, the tax consequences of purchasing and dealing with the Subscription Receipts, and the resale restrictions and "hold periods" to which the Subscription Receipts are or may be subject under Securities Laws. The Subscriber has not relied upon any statements made by or purporting to have been made on behalf of the Corporation, the Underwriters or their respective counsel with respect to such matters;

- (ff) the Subscriber acknowledges that the offer of the Subscription Receipts does not constitute a recommendation to purchase the Subscription Receipts or financial product advice and the Subscriber acknowledges that none of the Underwriters nor the Corporation have had regard to the Subscriber's particular objectives, financial situation and needs;
- (gg) the Subscriber acknowledges that the Underwriters are acting solely as placement agents for the Corporation in connection with the subscription by the Subscriber pursuant hereto and not as financial advisors or investment advisors to the Subscriber or as an agent of the Subscriber;
- (hh) the Subscriber acknowledges that the Corporation's counsel is acting solely as counsel to the Corporation and the Underwriters' counsel is acting solely as counsel to the Underwriters and, in each case, not as counsel to the Subscriber or, if applicable, to any Disclosed Principal;

Rights of the Underwriters

- (ii) the Subscriber acknowledges that the Underwriters retain the right to exercise or not to exercise, as they determine in their sole discretion, the rights of termination in the Underwriting Agreement, and the Underwriters shall have no liability to the Subscriber whatsoever in connection with any such decision; and

Not an Insider or Control Person

- (jj) neither the Subscriber nor, if applicable, any Disclosed Principal will become an insider (as defined in the *Securities Act (Ontario)*) or control person of the Corporation by virtue of its subscription for Subscription Receipts hereunder or acquisition of Underlying Common Shares pursuant thereto and neither the Subscriber nor, if applicable, any Disclosed Principal intends to act in concert with any other person or persons to form a control group of the Corporation.

10. Reliance on Representations, Warranties, Covenants and Acknowledgements. The Subscriber acknowledges and agrees that the representations, warranties, covenants and acknowledgements made by the Subscriber in this Subscription Agreement, including the schedules hereto, are made with the intention that they may be relied upon by the Corporation, the Underwriters, and their respective counsel in determining the Subscriber's eligibility (and, if applicable, the eligibility of others for whom the Subscriber is contracting hereunder) to purchase the Subscription Receipts under Securities Laws. The Subscriber further agrees that by accepting the Subscription Receipts, the Subscriber shall be representing and warranting that such representations, warranties, acknowledgements and covenants are true as at the Closing Time with the same force and effect for the benefit of the Corporation and the Underwriters as if they had been made by the Subscriber at the Closing Time and that they shall survive the purchase by the Subscriber of the Subscription Receipts and shall continue in full force and effect for the benefit of the Corporation and the Underwriters for two years after Closing notwithstanding any subsequent disposition by the Subscriber of any of the Subscription Receipts or the Underlying Common Shares.

11. Employee Subscriber Transfer Restrictions. If the Subscriber is an Employee Subscriber, the Subscriber agrees that any resale of the Subscription Receipts or the Underlying Common Shares will be subject to a "hold period" or "restricted period" as if the Subscriber had purchased the Subscription Receipts under the "accredited investor exemption" as defined in NI 45-106 and as such the Subscriber agrees not to resell the Subscription Receipts or the Underlying Common Shares until expiration of the applicable "hold period" or "restricted period" applicable in respect of such exemption except in accordance with limited exemptions under Securities Laws that apply to resale of securities purchased under such exemption and in particular, the undersigned agrees and is hereby notified that:

UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE <insert date that is four (4) months and one (1) day after Closing Date>.

12. No Investigation by Underwriters. The Subscriber acknowledges and agrees that the Underwriters assume no responsibility or liability of any nature whatsoever for the accuracy or adequacy of any information regarding the

Corporation received, obtained or learned by the Subscriber, whether or not such information was obtained from or through an Underwriter or any of its affiliates. The Subscriber (or if applicable, the Disclosed Principal) further acknowledges that (i) it is not relying upon the Underwriters to conduct any due diligence investigation on behalf of the Subscriber regarding the Offering, the Subscription Receipts or the Underlying Common Shares or the Corporation's business, management, financial position, condition or prospects, and (ii) the Underwriters do not make any representation or warranty as to, or assume any responsibility or liability of any nature whatsoever for, the accuracy or adequacy of any of the information furnished to the Subscriber in connection with the Offering.

13. Reliance on Subscriber Information. The Subscriber acknowledges that the Corporation, the Underwriters, and their respective counsel are relying upon the representations, warranties, acknowledgements and covenants of the Subscriber set forth herein (including the schedules attached hereto) in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Subscription Receipts) to purchase Subscription Receipts under the Offering and the Subscriber hereby agrees to indemnify the Corporation and the Underwriters and their respective directors, officers, employees, advisers, affiliates, shareholders and agents, and their respective counsel against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur as a result of reliance thereon. The Subscriber undertakes to notify the Corporation and the Underwriters immediately of any change in any representation, warranty or other information relating to the Subscriber set forth in this Subscription Agreement, including the schedules hereto, which takes place prior to the Closing.

14. Underwriters not Fiduciaries. The Corporation acknowledges that the Underwriters are acting pursuant to a contractual relationship entered into on an arm's length basis, and in no event do the parties hereto intend that the Underwriters act or be responsible as a fiduciary to the Corporation, its management, shareholders or creditors or any other person in connection with any activity that the Underwriters may undertake or have undertaken in furtherance of the transactions contemplated herein, either before or after the date hereof. The Underwriters hereby expressly disclaim any fiduciary or similar obligations to the Corporation or the Subscriber, either in connection with the transactions contemplated herein or any matters leading up to such transactions. The Corporation and the Subscriber agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Corporation's securities, do not constitute advice or recommendations to the Corporation or the Subscriber.

15. Underwriters' Commissions. The Subscriber understands that in connection with the issue and sale of the Subscription Receipts pursuant to the Offering, the Underwriters will receive from the Corporation a commission equal to 3.75% of the gross proceeds received by the Corporation from the Offering (half of which is payable upon closing of the Offering and half of which is payable upon closing of the Proposed Acquisition). No other fee or commission is payable by the Corporation in connection with the completion of the Offering.

16. Subscriber's Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any counsel retained by the Subscriber) relating to the sale of the Subscription Receipts to the Subscriber shall be borne by the Subscriber.

17. Connected Issuer Disclosure.

The Subscriber acknowledges that:

- (a) CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to the Corporation under its existing unsecured revolving credit facility in the amount of \$750 million which matures on November 26, 2024. On November 12, 2020, no amounts were outstanding under the Corporation's existing revolving credit facility. The Corporation and its subsidiaries are presently in compliance with the terms of the existing revolving credit facility and none of the lenders has waived a breach of the agreement governing such revolving credit facility since its execution. The consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facility was incurred except as disclosed in the Corporation's consolidated financial statements for the year ended December 31,

2019 and the related management's discussion and analysis, and in the Corporation's Q3-20 consolidated financial statements and the related management's discussion and analysis. Accordingly, the Corporation may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities laws;

- (b) CIBC World Markets Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to a subsidiary of the Corporation under an existing unsecured term loan in the amount of US\$165 million which matures on May 26, 2021 and which is guaranteed by the Corporation. On November 12, 2020, US\$165 million was outstanding under this term loan. The Corporation and its subsidiary are presently in compliance with the terms of the existing credit facility and none of the lenders has waived a breach of the agreement governing such credit facility since its execution. The consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facility was incurred except as disclosed in the Corporation's consolidated financial statements for the year ended December 31, 2019 and the related management's discussion and analysis, and in the Corporation's Q3-20 consolidated financial statements and the related management's discussion and analysis. Accordingly, the Corporation may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities laws;
- (c) CIBC and Barclays are wholly-owned subsidiaries of banks that are expected to become lenders to the Corporation pursuant to a term loan credit facility and three separate bridge credit facilities expected to be entered into in connection with the Proposed Acquisition. The amount of such credit facilities has not yet been determined. The term loan facility is expected to mature two years after the date of the closing of the Proposed Acquisition and the bridge facilities are each expected to mature 364 days after the date of the closing of the Proposed Acquisition. The credit facilities will be unsecured. As the Corporation has not yet entered into such credit facilities, the Corporation is unable to disclose (i) whether the Corporation or its subsidiaries are presently in compliance with the terms of the credit facilities, (ii) that none of the lenders have waived a breach of the agreement governing such credit facilities since its execution, (iii) that the consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facilities was incurred and (iv) whether other Underwriters may be wholly-owned subsidiaries of banks that agree to become lenders to the Corporation pursuant to these credit facilities. In connection with the credit facilities, the Corporation may be considered a "connected issuer" of these Underwriters within the meaning of applicable securities laws;
- (d) an affiliate of Barclays is acting as financial advisor to the Corporation in connection with the Proposed Acquisition and will receive fees from the Corporation for its services in that role; and
- (e) none of the Underwriters will receive any direct benefit from the Offering other than the Underwriters' Fee to be paid to the Underwriters in connection with the Offering as described in the section "Underwriters' Commission" above. The decision to distribute the Subscription Receipts and the determination of the terms of the Offering were made through negotiation between the Corporation and the Underwriters. No bank had any involvement in such decision or determination.

18. Risk Factors. There are risks associated with the proposed investment in the Subscription Receipts and the Underlying Common Shares. Please see Schedule A.

19. Notices. Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally or by courier or transmitted by email during the transmission of which no indication of failure of receipt is communicated to the sender, as follows:

- (a) in the case of the Corporation, to:

Intact Financial Corporation
700 University Avenue, Suite 1500
Toronto, Ontario
M5G 0A1

Attention: Louis Marcotte, Senior Vice President and Chief Financial Officer, and
Frédéric Cotnoir, Senior Vice President, Corporate and Legal Services and
Secretary
Email: [REDACTED] / [REDACTED]

with a copy to:

Blake, Cassels & Graydon LLP
Suite 4000, Commerce Court West
199 Bay Street
Toronto, ON M5L 1A9

Attention: Jeffrey R. Lloyd / Markus Viirland
Email: jeffrey.lloyd@blakes.com/ markus.viirland@blakes.com

- (b) in the case of the Subscriber, at the address and facsimile number specified on the cover page hereof,
with a copy to:

CIBC World Markets Inc.
Brookfield Place, Canada Trust Tower
161 Bay Street, 7th Floor
Toronto, Ontario
M5J 2S8

Attention: Richard Finkelstein
Email: Richard.Finkelstein@CIBC.ca

Barclays Capital Canada Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4910
Toronto, Ontario
M5H 2R2

Attention: Erik Charbonneau
Email: erik.charbonneau@barclays.com

or to such other address, email address or person that the party designates by notice given in accordance with the foregoing provisions. Any such notice: (i) if delivered personally or by courier, shall be deemed to have been given and received on the date of such delivery provided that if such day is not a business day then it shall be deemed to have been given and received on the first business day following such day; and (ii) if transmitted by email, shall be deemed to have been given on the date of transmission if sent before 5:00 p.m. on a business day or, if not before 5:00 p.m., on the first business day following the date of transmission.

20. Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. Words importing the singular number only shall include the plural and vice versa. In this Subscription Agreement, unless otherwise indicated, all references to money amounts are to Canadian dollars.

21. No Partnership. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

22. Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario.

23. Time of Essence. Time shall be of the essence of this Subscription Agreement.

24. Entire Agreement. This Subscription Agreement represents the entire agreement of the Subscriber and the Corporation relating to the subject matter hereof, and there are no representations, covenants or other agreements between the Subscriber and the Corporation relating to the subject matter hereof except as stated or referred to herein.

25. Electronic Copies. The Corporation shall be entitled to rely on delivery of a facsimile or portable document format (“pdf”) copy of executed subscriptions (including electronically executed subscriptions (by “docusign” or other means)), and acceptance by the Corporation of such facsimile or pdf subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof. The Subscriber acknowledges and agrees that if less than a complete copy of this Subscription Agreement is delivered to the Corporation at Closing, the Subscriber will be deemed to have agreed to all of the terms and conditions of the pages not delivered at Closing unaltered.

26. Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement. Delivery of counterparts may be effected by facsimile or pdf transmission thereof.

27. Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

28. Enurement. This Subscription Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors (including any successor by reason of the amalgamation or merger of any party) and permitted assigns.

29. Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

30. Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

31. Further Assurances. Each party hereto from time to time at the request of the other party hereto, whether before or after the Closing Time, shall do such further acts and execute and deliver such further instruments, deeds and documents as shall be reasonably required in order to fully perform and carry out the provisions of this Subscription Agreement. The parties hereto agree to act honestly and in good faith in the performance of their respective obligations hereunder.

32. Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Subscription Receipts be drawn up in the English language only. *Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des actions soient rédigés en anglais seulement.*

COLLECTION OF PERSONAL INFORMATION

This Subscription Agreement and the schedules hereto require the Subscriber to provide certain personal information (respecting the Subscriber and, if applicable, the Disclosed Principal for whom the Subscriber is contracting) to the Corporation and the Underwriters. (Personal information includes “personal information” as that term is defined under applicable privacy legislation, including without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar replacement or supplemental provincial or federal legislation or laws and the policies of the Stock Exchange in effect from time to time). Such information is being collected for the purposes of completing the Offering, which includes determining the eligibility of the Subscriber or,

if applicable, the beneficial purchaser for whom the Subscriber is contracting, to purchase the Subscription Receipts under Securities Laws, preparing and registering certificates representing the Subscription Receipts to be issued hereunder and completing filings required under Securities Laws or by any stock exchange, the Investment Industry Regulatory Organization of Canada and/or securities regulatory authorities.

Such personal information may be used by the Corporation to communicate with the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting (such as by providing annual or quarterly reports), to prepare tax filings and forms or to comply with its obligations under taxation, securities and other laws (such as maintaining a list of holders of securities).

In connection with the foregoing, the personal information of the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting, may be disclosed by the Corporation or the Underwriters to: (i) any stock exchanges, securities regulatory authorities or as required by law; (ii) the Corporation's registrar and transfer agent (if applicable) or the subscription receipt agent under the Subscription Receipt Agreement; and (iii) legal counsel of the Underwriters or legal counsel to or the auditors of the Corporation, and may be included in record books prepared in respect of the Offering.

By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Principal) hereby consents to the limited collection, use and disclosure of such personal information. The Subscriber (on its own behalf and, if applicable, on behalf of the beneficial purchaser for whom the Subscriber is contracting) also consents to the filing of copies or originals of any of the documents provided to the Corporation or the Underwriters by or on behalf of the Subscriber with any securities regulatory authority in relation to the transactions contemplated by this Subscription Agreement.

The Subscriber acknowledges that the Subscriber's personal information and the personal information of any Disclosed Principal may be delivered to the securities commissions in the provinces and territories of Canada and is thereby being collected indirectly by such securities commissions under the authority granted to each of them in securities legislation for the purposes of administration and enforcement of the securities legislation of such province or territory and authorizes such indirect collection. The public official who can answer questions about such securities regulatory authorities' indirect collection of personal information is listed below:

Alberta Securities Commission

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: 403-297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: 403-297-2082

Public official contact regarding indirect collection of information: **FOIP Coordinator**

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: 604-899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: 604-899-6581
Email: FOI-privacy@bcsc.bc.ca

Public official contact regarding indirect collection of information: **FOI Inquiries**

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2561
Toll free in Manitoba 1-800-655-5244
Facsimile: 204-945-0330

Public official contact regarding indirect collection of information: **Director**

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337 or 1-877-525-0337
Facsimile: 514-873-6155 (For filing purposes only)
Facsimile: 514-864-6381 (For privacy requests only)
Email: financementdessoctees@lautorite.qc.ca

Public official contact regarding indirect collection of information: **Secrétaire générale**

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: 416-593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: 416-593-8122
Email: exemptmarketfilings@osc.gov.on.ca

Public official contact regarding indirect collection of information: **Inquiries Officer**

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: 902-424-7768
Facsimile: 902-424-4625

Public official contact regarding indirect collection of information: **Executive Director**

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Government of the Northwest Territories, Office of the Superintendent of Securities

P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Telephone: 867-767-9305
Facsimile: 867-873-0243

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Government of Nunavut Department of Justice

Legal Registries Division, P.O. Box 1000, Station 570, 1st Floor,
Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca

Public official contact regarding indirect collection of information: **Chief Executive Officer and Privacy Officer**

Government of Newfoundland and Labrador Financial Services Regulation Division

P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: 709-729-4189
Facsimile: 709-729-6187

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601-1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5842
Facsimile: 306-787-5899

Public official contact regarding indirect collection of information: **Director**

Government of Yukon Department of Community Services, Office of the Superintendent of Securities

307 Black Street
Whitehorse, Yukon Y1A 2N1
Telephone: 867-667-5466
Facsimile: 867-393-6251

Public official contact regarding indirect collection of information: **Superintendent of Securities**

SCHEDULE A

RISK FACTORS AND OTHER DISCLOSURE

Capitalized terms used and not defined in this Schedule A shall have the meaning attributed to such terms in the term sheet attached hereto at Schedule B.

Risk Factors Related to the Offering

In addition to the risks described under the “Risk Management” sections of the Corporation’s MD&A for the year ended December 31, 2019 (“**Annual MD&A**”) and the Corporation’s MD&A for the quarter ended September 30, 2020 (“**Interim MD&A**”), as well as the risk factors set out in the Corporation’s presentation to its current shareholders dated November 9, 2020 entitled “Strengthening our Position as a World-Class P&C Insurer – Additional information on the potential offer for RSA’s Canada and UK&I operations” (the “**Investor Presentation**”), investors should consider carefully the risk factors set forth below.

The risks and uncertainties described below and in the Annual MD&A, the Interim MD&A and the Investor Presentation are not the only ones the Corporation may face. Additional risks and uncertainties of which the Corporation is unaware, or that the Corporation currently deems to be immaterial, may also become important factors that affect the Corporation. If any of these risks actually occur, the Corporation’s business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Corporation’s securities could decline and investors could lose all or part of their investment.

Subscription Receipt Structure

Provided that each of the Cornerstone Private Placements has closed, the Underlying Common Shares will automatically be issued concurrently with the closing of the Proposed Acquisition. The Corporation may, subject to obtaining the approval of the Panel on Takeovers and Mergers of the United Kingdom, agree to consummate the Proposed Acquisition on terms that may be different from those described herein, subject to the consent of the Lead Underwriters, on behalf of the Underwriters, in certain circumstances. As a result, the expected benefits of the Proposed Acquisition may not be fully realized. As a consequence, holders of Subscription Receipts will in certain respects essentially assume the same risk as though they had invested directly in Common Shares on the closing date of the Offering.

Market for Securities

There is no market through which the Subscription Receipts may be sold and purchasers of Subscription Receipts may not be able to resell the Subscription Receipts purchased under the Offering. The price of the Subscription Receipts and the number of Subscription Receipts to be issued have been determined by negotiations among the Corporation and the Lead Underwriters. The price paid for each Subscription Receipt may bear no relationship to the price at which the Subscription Receipts will trade in any market subsequent to this Offering. The Corporation cannot predict at what price the Subscription Receipts may trade and there can be no assurance that an active trading market will develop for the Subscription Receipts or, if developed, that such market will be sustained. The Corporation will be applying to the Toronto Stock Exchange to list the Subscription Receipts (after expiry of the statutory hold period) and the Underlying Common Shares. Listing will be subject to the Corporation fulfilling all the listing requirements of the Toronto Stock Exchange including minimum distribution requirements for the Subscription Receipts. There can be no assurance that the Subscription Receipts or the Underlying Common Shares will be accepted for listing on the Toronto Stock Exchange.

Market Price

The market price of the Subscription Receipts and the Underlying Common Shares may fluctuate due to a variety of factors relative to the Corporation’s business, including announcements of new developments, fluctuations in the Corporation’s operating results, sales of the Subscription Receipts or Common Shares in the marketplace, failure to meet analysts’ expectations, public announcements made in regard to this Offering, the impact of various tax laws or rates and general market conditions or the worldwide economy (including with respect to the global pandemic). In

recent years, stock markets have experienced significant price fluctuations, which have been unrelated to the operating performance of the affected companies. There can be no assurance that the market price of the Subscription Receipts and the Underlying Common Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to the Corporation's performance.

Restrictions on Resale

The Subscription Receipts are being offered pursuant to exemptions from the prospectus requirements of Securities Laws, which exemptions impose restrictions on the initial offering of, and subsequent resale of, the Subscription Receipts and the Underlying Common Shares.

Dividends

Dividends to be paid by the Corporation on the Underlying Common Shares, and accordingly, the Dividend Equivalent Payment that may be receivable in respect of the Subscription Receipts, may fluctuate. The payment of dividends is subject to the discretion of the Corporation's Board of Directors and depends on, among other things, the financial condition of the Corporation, general business conditions, restrictions regarding the payment of dividends to the Corporation by its subsidiaries and other factors that the Corporation's Board of Directors may in the future consider to be relevant. As a holding company with no direct operations, the Corporation relies on cash dividends and other permitted payments from its subsidiaries and its own cash balances to pay dividends to shareholders. The amount of dividends payable by subsidiaries of the Corporation may be limited by applicable corporate and insurance law restrictions. In addition, the Corporation's ability to pay dividends following the Proposed Acquisition could be adversely affected if the free cash flow resulting from the Proposed Acquisition does not materialize as expected when coupled with the potentially dilutive effect of the additional Underlying Common Shares.

Monies in Escrow

The Escrowed Proceeds and any Earned Interest will be held in escrow pending the earlier of (i) the delivery of an Escrow Release Notice or (ii) the occurrence of a Termination Event. There can be no assurance that an Escrow Release Notice will be delivered prior to the occurrence of a Termination Event.

Upon delivery of an Escrow Release Notice, the Escrowed Proceeds (together with any Earned Interest), less any amounts required to satisfy the payment of Dividend Equivalent Payments, the Excess Subscription Payment (if applicable) and the remainder of the Underwriters' Fee, may be released to or at the direction of the Corporation in accordance with the terms of the Subscription Receipt Agreement not more than five business days prior to the anticipated closing of the Proposed Acquisition. There is a possibility, however, that after such release the Proposed Acquisition will not close prior to the occurrence of a Termination Event and in such event the Corporation will be contractually required to return such Escrowed Proceeds (together with any Earned Interest) to the Subscription Receipt Agent.

If a Termination Event occurs, the Termination Payment will be paid from the Escrowed Proceeds, together with any Earned Interest, no later than the third business day following the Termination Date. Because 50% of the Underwriters' Fee will be paid by the Corporation to the Underwriters upon the issuance of the Subscription Receipts, such amount will not form part of the Escrowed Proceeds. Therefore, the aggregate amount that holders of the Subscription Receipts shall be entitled to receive in the event a Termination Event occurs will be greater than the aggregate amount of the Escrowed Proceeds immediately following the issuance of the Subscription Receipts. If the Escrowed Proceeds, together with any Earned Interest, is insufficient to cover the full amount of the Termination Payment, the Corporation will be required, under the Subscription Receipt Agreement, to pay to the Subscription Receipt Agent for payment to the holders of Subscription Receipts the difference, if any, between the Escrowed Proceeds, together with any Earned Interest, on the Termination Date and the Termination Payment due to the holders of Subscription Receipts.

In each case detailed in the two preceding paragraphs, holders of Subscription Receipts will be required to rely on the Corporation to repay funds to the Subscription Receipt Agent or the holders of the Subscription Receipts. Although the Corporation believes that if either of these scenarios were to occur, it would have sufficient funds to cover such payments, there is no guarantee that the Corporation would be in a financial position to cover such payments.

Issuance of Additional Common Shares

The Corporation's articles of incorporation and by-laws allow it to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the Corporation's Board of Directors, in many cases, without the approval of the Corporation's shareholders. As part of this Offering the Corporation is expected to issue 9,272,000 Subscription Receipts and as part of the Cornerstone Private Placements the Corporation is expected to issue 23,791,824 Cornerstone Investors' Subscription Receipts, each representing the right to receive one Common Share of the Corporation. In certain circumstances, the Corporation may issue additional Common Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Common Shares), on the reinvestment of dividends or pursuant to other securities exercisable for Common Shares. The Corporation may also issue Common Shares to finance future acquisitions. The Corporation cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Enforcement of Judgments Against Foreign Persons may not be Possible

Each of Robert G. Leary, Stuart J. Russell, Frederick Singer and William L. Young, directors of the Corporation, are resident outside of Canada and, as a result, it may not be possible for purchasers of securities of the Corporation to effect service of process within Canada upon these individuals. All or a substantial portion of the assets of these individuals are likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against such persons in Canada or to enforce a judgment obtained in Canadian courts against such individuals outside of Canada.

Other Disclosure

US Securities Law Matters

The issuance and sale of the securities described herein and the related documentation delivered to you have not been and will not be registered under the U.S. Securities Act, or the securities laws of any other jurisdiction. The securities are being offered and sold only (1) to persons that are reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in reliance on the exemption from the registration requirements under the U.S. Securities Act and (2) to certain non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. In the case of such securities offered or sold to or for the benefit of residents of Canada, such offers or sales are made on a private placement basis in reliance on certain exemptions available pursuant to the securities laws of the provinces and territories of Canada.

SCHEDULE B

TERM SHEET – INTACT FINANCIAL CORPORATION

See attached.

NOVEMBER 12, 2020

Intact Financial Corporation
PRIVATE PLACEMENT OF SUBSCRIPTION RECEIPTS
TERM SHEET

This term sheet is not, and under no circumstances is it to be construed as, a prospectus, offering memorandum or advertisement or public offering of the Subscription Receipts (as defined below). The Subscription Receipts have not been and will not be qualified for sale to the public under applicable securities laws in Canada and, accordingly, any offer and sale of the Subscription Receipts in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws.

The issuance and sale of the Subscription Receipts and the Common Shares (as defined below) described herein and in related documentation delivered to you have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States or any other jurisdiction. The securities are being offered and sold only (1) to persons that are reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in reliance on an exemption from the registration requirements under the U.S. Securities Act and (2) to certain non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. In the case of such securities offered or sold to or for the benefit of residents of Canada, such offers or sales are made on a private placement basis in reliance on certain exemptions available pursuant to the securities laws of the provinces and territories of Canada. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

No investor, and no beneficial purchaser for whom it is acting, should rely upon agents of Intact (as defined below) to conduct any due diligence investigation on behalf of the investor regarding the Acquisition (as defined below), Intact's offered securities or Intact's business, management, financial position, condition or prospects. Intact's agents do not make any representation or warranty as to, or assume any responsibility or liability of any nature whatsoever for, the accuracy or adequacy of any of the information furnished to the investors in connection with any offering of securities by Intact.

The following is a summary of certain of the material attributes and characteristics of the Subscription Receipts but does not purport to be complete and is subject to, and qualified in its entirety by, reference to the terms of the Subscription Receipt Agreement (as defined below), a copy of which will be filed on Intact Financial Corporation's SEDAR profile at www.sedar.com.

Issuer:	Intact Financial Corporation ("Intact").
Issue:	"Bought deal" private placement (the "Offering") of 9,272,000 subscription receipts of Intact ("Subscription Receipts"), with each Subscription Receipt entitling the holder thereof, to receive automatically upon closing of the Acquisition (as defined herein), without any action on the part of the holder thereof and without payment of additional consideration, one common share of Intact (each, a "Common Share").
Amount:	\$1,247,084,000.
Issue Price:	\$134.50 per Subscription Receipt (the "Issue Price").
Cornerstone Private Placements:	Intact will issue an aggregate of 23.8 million subscription receipts (the "Cornerstone Investors' Subscription Receipts") at a price of \$134.50 per Cornerstone Investors' Subscription Receipt (the "Cornerstone Issue Price") to CDPQ Marchés boursiers inc. ("CDPQ"), a wholly-owned subsidiary of Caisse de dépôt et placement du Québec, CPP Investment Board PMI-2 Inc. ("CPPIB"), a wholly-owned subsidiary of Canada Pension Plan Investment Board and 2380162 Ontario Limited ("OTPP", together with CDPQ and CPPIB, the "Cornerstone Investors"), a wholly-owned subsidiary of Ontario Teachers' Pension Plan, representing aggregate gross proceeds of \$3.2 billion on a private placement basis (the "Cornerstone Private Placements"). If the Acquisition closes, Intact shall pay a fee to each Cornerstone Investor at the time that Common Shares are issued pursuant to such Cornerstone Investors' Subscription Receipts, in cash or such other form or forms of payment as Intact and such Cornerstone Investor may mutually agree, equal to 4.0% of the aggregate Cornerstone Issue Price for such Cornerstone Investors' Subscription Receipts in relation to which Common Shares are issued on closing of the Acquisition.

The closing of each Cornerstone Private Placement is scheduled to occur seven calendar days after publication of the Rule 2.7 Announcement or such other date as the Cornerstone Investor and Intact may agree.

The Cornerstone Investors have agreed not to, and have agreed to procure certain of their affiliates not to, from the closing of the Cornerstone Private Placements until the earlier of (i) the date that is one (1) month following the issuance of Common Shares pursuant to the Cornerstone Investors' Subscription Receipts and (ii) the date that is twelve (12) months following the closing of the Cornerstone Private Placements, sell or otherwise dispose of any of the Cornerstone Investors' Subscription Receipts and, following the issuance of Common Shares pursuant to the Cornerstone Investors' Subscription Receipts, that number of Common Shares equal to the number of Common Shares acquired pursuant to the Cornerstone Investors' Subscription Receipts, subject to the matters relating to CDPQ described under the heading "Subscription Receipts" below.

Use of Proceeds:

In connection with the closing of the Acquisition, the Escrowed Proceeds (as defined herein) and any Earned Interest (as defined herein) (after payment of any Dividend Equivalent Payments, the Excess Subscription Payment (as defined herein) (if applicable) and the remainder of the Underwriters' Fee (as defined herein)) will be used to partially fund a portion of the purchase price for the acquisition (the "Acquisition") by Intact or a wholly-owned subsidiary of Intact of the ordinary shares of RSA Insurance Group PLC ("RSA") pursuant to a Rule 2.7 Announcement to be made by Intact under the UK City Code on Takeovers and Mergers in the form attached to the Underwriting Agreement (the "Rule 2.7 Announcement"). Should a firm offer be made for RSA, which is subject to, amongst other things, due diligence and reaching definitive agreements with various stakeholders, Intact estimates the proposed Transaction to complete during the second quarter of 2021. Additional information in respect of the terms and conditions of the Acquisition will be provided in the Rule 2.7 Announcement, if and when made. Immediately following the closing of the Acquisition, RSA's Scandinavian business will be divided pursuant to an agreement (the "Separation Agreement") between (among others) Intact and Tryg A/S ("Tryg").

**Rule 2.7
Announcement:**

The closing of the Offering is conditional on the Rule 2.7 Announcement being made. There can be no certainty that a Rule 2.7 Announcement will be made.

Subscription Receipts:

Each Subscription Receipt will entitle the holder thereof to receive automatically upon closing of the Acquisition, without any action on the part of the holder and without payment of additional consideration, one Common Share. The terms of the Subscription Receipts will be governed by a subscription receipt agreement (the "Subscription Receipt Agreement") to be entered into among Intact, the Joint Bookrunners and Computershare Trust Company of Canada, as escrow agent (the "Subscription Receipt Agent"), on the Offering Closing Date.

Each beneficial holder of Subscription Receipts, by acquiring or holding a beneficial interest in Subscription Receipts (including beneficially through CDS and its participants), will (i) represent and warrant to Intact that the number of Common Shares issuable pursuant to an investor's beneficial holdings of Subscription Receipts will not cause it, together with its

affiliates, to have beneficial ownership of, or control or direction over (or both), 10% or more of the Common Shares issued and outstanding immediately following closing of the Acquisition, and (ii) agree not to take any action prior to the earlier of (x) issuance of Common Shares pursuant to the terms of the Subscription Receipts, and (y) a Termination Event (as defined herein), that would cause subparagraph (i) above to be incorrect.

Notwithstanding anything to the contrary herein, if a holder of Subscription Receipts (alone or together with its affiliates) would be expected to own or exercise control or direction (or both) over 10% or more of the then outstanding Common Shares upon issuance of the Common Shares pursuant to the Subscription Receipts held by such holder, the receipt of such excess Common Shares that would result in a holding of 10% or more will be subject to obtaining all necessary regulatory approvals relating thereto prior to the date that is five business days prior to the scheduled Acquisition closing date (the "Excess Subscription Receipt Approval Date"). If any such approval has not by then been obtained, or as applicable, waived by Intact, the Subscription Receipts that would otherwise entitle the holder thereof to receive such excess Common Shares ("Excess Subscription Receipts") shall be cancelled immediately prior to closing of the Acquisition and the holder thereof shall be entitled to receive an amount equal to (x) the aggregate Issue Price for such Excess Subscription Receipts, plus (y) the pro rata portion of the Earned Interest attributable to such aggregate Issue Price (the "Excess Subscription Payment").

If a Termination Event has not occurred and the Escrow Release Conditions have been or are expected to be satisfied, Intact will deliver a notice (the "Escrow Release Notice") to the Subscription Receipt Agent and the Joint Bookrunners, on behalf of the underwriters, provided that Intact may deliver the Escrow Release Notice to the Subscription Receipt Agent and the Joint Bookrunners, on behalf of the underwriters, not more than five business days prior to the anticipated Acquisition closing as described below under "Escrow Proceeds". The Escrow Release Notice will certify that the Escrow Release Conditions have been or are expected to be satisfied and that Intact has no reason to believe that they will not be satisfied, and the remaining Escrowed Proceeds and any remaining Earned Interest, less the amounts required to satisfy payment of Dividend Equivalent Payments (to the extent they are paid out of the Escrowed Proceeds), the Excess Subscription Payment (if applicable) and the remainder of the Underwriters' Fee, will be released by the Subscription Receipt Agent to or as directed by Intact.

If (i) closing of the Acquisition has not occurred prior to 11:59 p.m. (London UK local time) on December 31, 2021 (the "Outside Date"), or (ii) (a) the scheme of arrangement for the Acquisition lapses or is withdrawn with the consent of the Panel on Takeovers and Mergers of the United Kingdom or by order of the High Court of Justice in England and Wales and Intact delivers to the Joint Bookrunners notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a takeover offer or otherwise; or (b) if the Acquisition is implemented by way of a takeover offer, such takeover offer lapses, terminates or is withdrawn (with the consent of the Panel on Takeovers and Mergers of the United Kingdom, where required) and Intact delivers to the Joint Bookrunners notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a scheme or arrangement or otherwise (each, a

“Termination Event” and, the first date on which any such Termination Event occurs, the “Termination Date”), the Subscription Receipt Agent will deliver to each holder of Subscription Receipts, commencing no later than the third business day following the Termination Date, an amount equal to (x) the aggregate Issue Price for such holder’s Subscription Receipts, plus (y) the pro rata portion of the Earned Interest attributable to such aggregate Issue Price (collectively, the “Termination Payment”), paid from the balance of the Escrowed Proceeds, together with any remaining Earned Interest, on the Termination Date. If the balance of the Escrowed Proceeds, together with any remaining Earned Interest, is insufficient to cover the full amount of the Termination Payment, Intact will be required, under the Subscription Receipt Agreement, to pay to the holders of Subscription Receipts the difference if any, between the amount of Escrowed Proceeds, together with any remaining Earned Interest, on the Termination Date and the Termination Payment due to the holders of Subscription Receipts.

**Joint Bookrunners’
Consent to Waivers and
Amendments:**

In the underwriting agreement, Intact will covenant that it shall not, and shall cause its subsidiaries not to, without the prior approval of the Joint Bookrunners (as defined herein), on behalf of the underwriters, (i) if, at the time of entering into the Underwriting Agreement the Rule 2.7 Announcement has not been made, enter into the co-operation agreement among Intact, Tryg and RSA, the collaboration agreement among Intact and Tryg, the Separation Agreement, the Acquisition, the agreement for the acquisition of shares in companies that will own or co-own RSA’s Scandinavian businesses to be entered into between Regent Bidco Limited and Tryg, or any financing in connection therewith, in each case on terms or conditions other than as set forth in the Rule 2.7 Announcement, (ii) once the Rule 2.7 Announcement is made, amend any terms or conditions of the co-operation agreement among Intact, Tryg and RSA, or the collaboration agreement among Intact and Tryg, or the Acquisition as set out in the Rule 2.7 Announcement, waive any provision thereof, in whole or in part, where such amendment or waiver would be materially adverse to the interest of the holders of Subscription Receipts, provided that any amendment or waiver (including the treatment of a condition as having been satisfied) that is (A) required pursuant to the UK City Code on Takeovers and Mergers or by a court of competent jurisdiction or the Panel on Takeovers and Mergers of the United Kingdom (including any refusal by the Panel on Takeovers and Mergers of the United Kingdom to allow the invocation of a condition) or (B) in the event the Acquisition is implemented by way of a takeover offer, reducing the acceptance condition to not less than 75% of the then issued ordinary share capital of RSA shall not be regarded as being materially adverse to the interest of the holders of Subscription Receipts; or (iii) waive any provision or amend any provision of the Separation Agreement, any Cornerstone Investor subscription agreement, the agreement for the acquisition of shares in companies that will own or co-own RSA’s Scandinavian businesses to be entered into between Regent Bidco Limited and Tryg, where such amendment or waiver would be materially adverse to the interest of the holders of Subscription Receipts.

**Escrow Release
Conditions:**

Escrow Release Conditions means, (i) where the Acquisition is implemented by way of a scheme of arrangement under Part 26 of the UK Companies Act of 2006, the scheme becoming effective in accordance with its terms, and where the Acquisition is implemented by way of a takeover offer under section 974 of the UK Companies Act of 2006, the takeover

offer becoming or being declared unconditional in all respects and (ii) the Cornerstone Private Placements have closed.

Dividend Equivalent Payments on Subscription Receipts:

If the Acquisition closes, subject to the terms of the Subscription Receipt Agreement, the Subscription Receipt Agent will make a cash payment (a “Dividend Equivalent Payment”) to each holder of a Subscription Receipt in respect of such Subscription Receipt equal to the amount of each dividend declared by Intact on a Common Share during the period commencing on the Offering Closing Date to (but excluding) the last day the Subscription Receipts are outstanding and for which the record date for such dividend falls within such period, and the payment in respect of each such dividend will be made on the later of the date the Acquisition closes and the date the dividend is paid to shareholders.

The payment of dividends on the Common Shares is subject to the discretion of Intact’s Board of Directors and depends on, among other things, the financial condition of Intact, general business conditions, restrictions regarding the payment of dividends to Intact by its subsidiaries and other factors that Intact’s Board of Directors may in the future consider to be relevant.

For greater certainty, no Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs.

Escrowed Proceeds:

The proceeds from the sale of the Subscription Receipts issued pursuant to the Offering, net of the Initial Underwriters’ Fee (as defined herein) and the proceeds of the sale of the Cornerstone Investors’ Subscription Receipts (collectively, the “Escrowed Proceeds”) will be delivered to and held by the Subscription Receipt Agent, as escrow agent and bailee on behalf of the holders of Subscription Receipts, including Cornerstone Investors’ Subscription Receipts, and, together with any Earned Interest, will be invested in interest-bearing or discount debt obligations issued or guaranteed by the Government of Canada or a province of Canada or a Canadian chartered bank (which may include an affiliate or related party of the Subscription Receipt Agent) provided that such obligation is rated at least R1 (middle), in respect of short-term obligations, or A, in respect of long-term obligations, by DBRS Inc. or a similar rating service, until the earlier of (x) the delivery of an Escrow Release Notice and (y) the occurrence of a Termination Event. “Earned Interest” refers to any interest or other income actually earned on the investment or reinvestment of the Escrowed Proceeds from and including the date on which the Subscription Receipts are issued to, but excluding, the earlier to occur of the delivery of an Escrow Release Notice and the Termination Date.

If the Acquisition closes, the Escrowed Proceeds (and the Earned Interest) may be used to fund the Dividend Equivalent Payment, the Excess Subscription Payment (if applicable) and the remaining amount of the Underwriters’ Fee.

The remaining Escrowed Proceeds (together with any remaining Earned Interest thereon), less any amounts paid therefrom to satisfy payment of Dividend Equivalent Payments, the Excess Subscription Payment (if applicable) and the remaining amount of the Underwriters’ Fee, may, at the election of Intact and subject to the Escrow Release Conditions having been or being expected to be satisfied, be released up to five business days prior to the anticipated closing of the Acquisition. In the event that such Escrowed Proceeds (together with any remaining Earned Interest) are

released pursuant to an Escrow Release Notice and the closing of the Acquisition does not occur within five business days of such release, Intact will cause such Escrowed Proceeds (together with any remaining Earned Interest) to be returned to the Subscription Receipt Agent pursuant to the terms of the Subscription Receipt Agreement.

Listing:

Application will be made to list the Common Shares issuable pursuant to the Subscription Receipts on the Toronto Stock Exchange (“TSX”). The existing Common Shares of Intact are listed on the TSX under the symbol “IFC”.

Application will be made to list the Subscription Receipts on the TSX effective as of the expiry of the statutory hold period of four months plus one day.

Form of Offering:

Private placement of Subscription Receipts in all provinces and territories of Canada to investors who qualify as “accredited investors” under Canadian securities legislation or who are otherwise exempt from prospectus delivery requirements.

Private placement of Subscription Receipts in the United States to “qualified institutional buyers” pursuant to an exemption from registration under the United States Securities Act of 1933, as amended, and in such other jurisdictions outside of Canada in accordance with applicable law.

The Subscription Receipts issued to “accredited investors” in Canada, including the Cornerstone Investors’ Subscription Receipts, or otherwise on a prospectus exempt basis, as well as any Common Shares issued pursuant to the Subscription Receipts during the four month period following the date the Subscription Receipts are issued, will be subject to a hold period of four months plus one day from the date of issuance of the Subscription Receipts.

Form of Underwriting:

“Bought deal” private placement, subject to an underwriting agreement containing “disaster out”, “regulatory out” and “material adverse change out” clauses running to the Offering Closing Date.

Eligibility for Investment:

The Subscription Receipts and the Common Shares received pursuant to the terms of the Subscription Receipts will be qualified investments under the Income Tax Act (Canada) and the regulations thereunder for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, tax-free savings account, registered disability savings plan or deferred profit sharing plan (each a “Plan”), provided that, at the time of their acquisition by such Plan, (a) in the case of the Common Shares, the Common Shares are listed on a designated stock exchange (which currently includes the TSX); and (b) in the case of the Subscription Receipts, the Subscription Receipts are (i) listed on a designated stock exchange (which currently includes the TSX) or (ii) the Common Shares are qualified investments (as described in (a)) and neither Intact nor any person with whom Intact does not deal at arm’s length is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Plan.

Underwriting Fee:

3.75% of the gross proceeds from the sale of Subscription Receipts pursuant to the Offering (the “Underwriters’ Fee”). Half of the Underwriters’ Fee will be payable upon the Offering Closing Date (the “Initial Underwriters’ Fee”), and half will be payable upon the closing of

the Acquisition. If a Termination Event occurs, only the Initial Underwriters' Fee will be payable to the underwriters.

Sales outside of Canada may be made through the affiliates of the underwriters.

Bookrunners: CIBC Capital Markets and Barclays Capital Canada Inc. (the "Joint Bookrunners").

Closing: On or about December 3, 2020 (the "Offering Closing Date").

SCHEDULE C
ACCREDITED INVESTOR REPRESENTATION LETTER

TO: **INTACT FINANCIAL CORPORATION (the “Corporation”)**
AND TO: **CIBC WORLD MARKETS INC., BARCLAYS CAPITAL CANADA INC., BMO NESBITT BURNS INC., NATIONAL BANK FINANCIAL INC., TD SECURITIES INC., RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CORMARK SECURITIES INC., DESJARDINS SECURITIES INC., HSBC SECURITIES (CANADA) INC., JP MORGAN SECURITIES CANADA INC., RAYMOND JAMES LTD. AND UBS SECURITIES CANADA INC. (collectively, the “Underwriters”)**

Reference is made to the subscription agreement between the Corporation and the undersigned (referred to herein as the “**Subscriber**”) dated as of the date hereof (the “**Subscription Agreement**”). Upon execution of this Representation Letter by the Subscriber, this Representation Letter shall be incorporated into and form a part of the Subscription Agreement.

Terms not otherwise defined herein have the meanings attributed to them in the Subscription Agreement and in National Instrument 45-106 – Prospectus Exemptions (“NI 45-106”) promulgated under Securities Laws in Canada. All monetary references are in Canadian dollars.

In connection with the purchase of subscription receipts of the Corporation (“**Subscription Receipts**”) by the Subscriber, the Subscriber represents, warrants and covenants (on its own behalf and, if applicable, on behalf of those for whom the Subscriber is contracting under the Subscription Agreement) and certifies to the Corporation and acknowledges that the Corporation is relying thereon that:

1. The Subscriber is either purchasing the Subscription Receipts as principal for the Subscriber's own account or is deemed under NI 45-106 to be purchasing the Subscription Receipts as principal.
2. The Subscriber is an “accredited investor” within the meaning of NI 45-106, and in Ontario, as defined in Section 73.3 of the *Securities Act* (Ontario) as supplemented by the definition in NI 45-106, by virtue of satisfying the indicated criterion as set out in Appendix I to this Representation Letter (YOU MUST ALSO INITIAL THE APPROPRIATE LINE IN APPENDIX I TO THIS REPRESENTATION LETTER AND, IF APPLICABLE, COMPLETE EACH QUESTION WHICH FOLLOWS THAT PARTICULAR PORTION OF THE DEFINITION). If the Subscriber is an individual relying on paragraph (j), (k) or (l) of the “accredited investor” definition in Appendix I to this Representation Letter, please duly complete and sign two copies of Form 45-106F9 – “Form for Individual Accredited Investors” in the form attached hereto as Appendix II to this Representation Letter.
3. The above representations, warranties and covenants will be true and correct both as of the execution of this Representation Letter and as of the issue date and will survive the completion of the issue of the Subscription Receipts.
4. The undersigned acknowledges that the foregoing representations, warranties and covenants are made by the undersigned with the intent that they be relied upon in determining the suitability of the Subscriber as a purchaser of the Subscription Receipts and that this Representation Letter is incorporated into and forms part of the Subscription Agreement and the undersigned undertakes to immediately notify the Corporation of any change in any statement or other information relating to the Subscriber set forth herein which takes place prior to the closing time of the purchase and sale of the Subscription Receipts.

[Signature page follows]

Dated: _____, 2020.

Print name of Subscriber

By: _____
Signature

Title

(please print name of individual whose signature appears above, if different from the name of the Subscriber printed above)

**Appendix I to Schedule C
to the Subscription Agreement of
Intact Financial Corporation**

CERTIFICATE OF ACCREDITED INVESTOR

NOTE: THE SUBSCRIBER MUST INITIAL BESIDE THE APPLICABLE PORTION OF THE DEFINITION BELOW AND COMPLETE EACH QUESTION WHICH FOLLOWS THE APPLICABLE PORTION OF THE DEFINITION.

Accredited Investor – (as defined in National Instrument 45-106, and in Ontario, as defined in Section 73.3 of the *Securities Act* (Ontario) as supplemented by the definition in National Instrument 45-106) includes:

	(a) except in Ontario, a Canadian financial institution, or a Schedule III bank, (a.1) in Ontario, a financial institution described in paragraph 1, 2 or 3 of subsection 73.1 (1) of the <i>Securities Act</i> (Ontario),
	(b) except in Ontario, the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada), (b.1) in Ontario, the Business Development Bank of Canada,
	(c) except in Ontario, a subsidiary of any person referred to in paragraphs (a) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary, (c.1) in Ontario, a subsidiary of any person or company referred to in clause (a.1) or (b.1), if the person or company owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary,
	(d) except in Ontario, a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer, (d.1) in Ontario, a person or company registered under the securities legislation of a province or territory of Canada as an adviser or dealer, except as otherwise prescribed by the regulations, Jurisdiction(s) registered: _____ Categories of registration: _____
	(e) an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d), (e.1) an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador), Name of person with whom Subscriber is or was registered: _____ Jurisdiction(s) registered: _____ Categories of registration: _____

	<p>(f) except in Ontario, the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada,</p> <p>(f.1) in Ontario, the Government of Canada, the government of a province or territory of Canada, or any Crown corporation, agency or wholly owned entity of the Government of Canada or of the government of a province or territory of Canada,</p>
	<p>(g) a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l'île de Montréal or an intermunicipal management board in Québec,</p>
	<p>(h) any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government,</p>
	<p>(i) except in Ontario, a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada,</p> <p>(i.1) in Ontario, a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a province or territory of Canada,</p>
	<p>Jurisdiction(s) registered: _____ Registration number(s): _____</p>
	<p>(j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that before taxes, but net of any related liabilities, exceeds \$1,000,000,</p> <p>[Note: Financial assets include cash and securities, but do not include a personal residence – see the definition of “financial assets” below. Financial assets are generally liquid or relatively easy to liquidate. You must subtract any liabilities related to your financial assets to calculate your net financial assets—see the definition of “related liabilities” below. In the case where financial assets are held in a trust or in another type of investment vehicle for the benefit of an individual there may be questions as to whether the individual beneficially owns the financial assets. The following factors are indicative of beneficial ownership of financial assets: (i) physical or constructive possession of evidence of ownership of the financial asset; (ii) entitlement to receipt of any income generated by the financial asset; (iii) risk of loss of the value of the financial asset; and (iv) the ability to dispose of the financial asset or otherwise deal with it as you see fit. For example, securities held in a self-directed RRSP, for your sole benefit, are beneficially owned by you. In general, financial assets in a spousal RRSP would also be included for the purposes of the financial assets test in this paragraph (j); however, financial assets held in a group RRSP under which you do not have the ability to acquire the financial assets and deal with them directly are not considered to be beneficially owned by you. If you meet the higher financial asset threshold set out in paragraph (j.1) as an individual exclusive of your spouse, then initial paragraph (j.1) instead of this paragraph (j). If this is your applicable category, you must also complete Form 45-106F9 attached as Appendix II to this Schedule C]</p> <p>Aggregate realizable value of <u>financial assets</u> before taxes \$ - _____</p> <p><u>Related liabilities</u> \$ - _____</p>
	<p>(j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000,</p>

	<p>[Note: See the definition of “financial assets” below and the guidance in paragraph (j) above. The financial assets of your spouse (including financial assets in a spousal RRSP) cannot be included in the calculation of net financial assets under this paragraph (j.1).]</p> <p>Aggregate realizable value of <u>financial assets</u> before taxes \$ - _____</p> <p><u>Related liabilities</u> \$ - _____</p>																																																									
_____	<p>(k) an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300 000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year, [If this is your applicable category, you must also complete Form 45-106F9 attached as Appendix II to this Schedule C]</p> <table> <tr> <td>Net income before taxes</td> <td>Last year</td> <td>Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____</td> </tr> <tr> <td></td> <td></td> <td>Range - \$100,000-200,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - \$201,000-300,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - \$301,000-400,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - \$401,000-500,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - Greater than \$501,000 + <input type="checkbox"/></td> </tr> </table> <table> <tr> <td>Year prior to last year</td> <td>Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____</td> </tr> <tr> <td></td> <td>Range - \$100,000-200,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - \$201,000-300,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - \$301,000-400,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - \$401,000-500,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - Greater than \$501,000 + <input type="checkbox"/></td> </tr> </table> <table> <tr> <td>If applicable, net income before taxes of your spouse</td> <td>Last year</td> <td>Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____</td> </tr> <tr> <td></td> <td></td> <td>Range - \$100,000-300,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - \$301,000-400,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - \$401,000-500,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td></td> <td>Range - Greater than \$501,000 + <input type="checkbox"/></td> </tr> </table> <table> <tr> <td>Year prior to last year</td> <td>Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____</td> </tr> <tr> <td></td> <td>Range - \$100,000-300,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - \$301,000-400,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - \$401,000-500,000 <input type="checkbox"/></td> </tr> <tr> <td></td> <td>Range - Greater than \$501,000 + <input type="checkbox"/></td> </tr> </table>			Net income before taxes	Last year	Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____			Range - \$100,000-200,000 <input type="checkbox"/>			Range - \$201,000-300,000 <input type="checkbox"/>			Range - \$301,000-400,000 <input type="checkbox"/>			Range - \$401,000-500,000 <input type="checkbox"/>			Range - Greater than \$501,000 + <input type="checkbox"/>	Year prior to last year	Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____		Range - \$100,000-200,000 <input type="checkbox"/>		Range - \$201,000-300,000 <input type="checkbox"/>		Range - \$301,000-400,000 <input type="checkbox"/>		Range - \$401,000-500,000 <input type="checkbox"/>		Range - Greater than \$501,000 + <input type="checkbox"/>	If applicable, net income before taxes of your spouse	Last year	Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____			Range - \$100,000-300,000 <input type="checkbox"/>			Range - \$301,000-400,000 <input type="checkbox"/>			Range - \$401,000-500,000 <input type="checkbox"/>			Range - Greater than \$501,000 + <input type="checkbox"/>	Year prior to last year	Range - > \$100,000 <input type="checkbox"/> State Amount: \$ _____		Range - \$100,000-300,000 <input type="checkbox"/>		Range - \$301,000-400,000 <input type="checkbox"/>		Range - \$401,000-500,000 <input type="checkbox"/>		Range - Greater than \$501,000 + <input type="checkbox"/>
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_____	<p>(l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000,</p> <p>[Note: To calculate net assets, take the value of your total assets (which may include a personal residence) and subtract your total liabilities (which may include a mortgage). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of these securities. If this is</p>																																																									

	<p>your applicable category, you must also complete <u>Form 45-106F9 attached as Appendix II to this Schedule C</u></p> <p>Total Assets \$ - _____</p> <p>Minus - Total Liabilities (including outstanding taxes) \$ - _____</p> <p>Equals = Net Assets \$ - _____</p> <p>[Note: If individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under either sections (t) or (w) below, which must be initialed and the applicable information indicated completed.]</p>
_____	<p>(m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements,</p> <p>Type of entity: _____ Jurisdiction and date of formation: _____</p>
_____	<p>(n) an investment fund that distributes or has distributed its securities only to:</p> <ul style="list-style-type: none"> (i) a person that is or was an accredited investor at the time of the distribution, (ii) a person that acquires or acquired securities in the circumstances referred to in sections 2.10 [<i>Minimum amount investment</i>], or 2.19 [<i>Additional investment in investment funds</i>], or (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under section 2.18 [<i>Investment fund reinvestment</i>],
_____	<p>(o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator or, in Québec, the securities regulatory authority, has issued a receipt,</p>
_____	<p>(p) a trust company or trust corporation registered or authorized to carry on business under the <i>Trust and Loan Companies Act</i> (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be,</p> <p>Jurisdiction(s) registered: _____ Registration number(s): _____</p>
_____	<p>(q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction,</p> <p>Jurisdiction(s) registered or authorized: _____</p> <p>Categories of registration: _____</p>
_____	<p>(r) a registered charity under the <i>Income Tax Act</i> (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded,</p>

	Registration number(s)	assigned to subscriber:
	Name of eligibility advisor or registered advisor: _____	
	Jurisdiction(s) registered: _____ Categories of registration: _____	
_____	(s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) [and in Ontario, paragraphs (a.1) to (d.1) or paragraph (i.1)] in form and function,	
	Jurisdiction organized: _____ Type of entity: _____	
_____	(t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors [If this is your applicable category, each owner of an interest must individually complete and submit to the Corporation its own copy of this Certificate of Accredited Investor],	
	Name(s) of owners of interest: _____	
	Type of entity (if applicable): _____	
	Categories of accredited investor: _____	
_____	(u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser,	
	Name of advisor: _____ Jurisdiction(s) registered: _____	
	Categories of registration: _____ Basis of exemption: _____	
_____	(v) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor,	
_____	(v.1) in Ontario, a person or company that is recognized or designated by the Commission as an accredited investor,	
	Jurisdiction(s) recognized or designated: _____	
_____	(w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the trustees are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.	
	Name(s) of settlor: _____	
	Name(s) of trustees: _____	
	Categories of accredited investor: _____	
	Categories of beneficiaries: _____	

DATED: _____

Print name of Subscriber

Signature

Print name of Signatory (if different from Subscriber)

Title

For the purposes hereof:

(a) **“Canadian financial institution”** means:

- (i) an association governed by the *Cooperative Credit Associations Act* (Canada) or a central cooperative credit society for which an order has been made under section 473(1) of the *Cooperative Credit Associations Act* (Canada); or
- (ii) a bank, loan corporation, trust company, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative, or league that, in each case, is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;

(b) **“control person”** has the meaning ascribed to that term in securities legislation except in Manitoba, Ontario, Quebec, Nova Scotia, Newfoundland and Labrador, Prince Edward Island, the Northwest Territories and Nunavut where “control person” means any person that holds or is one of a combination of persons that hold:

- (i) a sufficient number of any of the securities of an issuer so as to affect materially the control of the issuer; or
- (ii) more than 20% of the outstanding voting securities of an issuer except where there is evidence showing that the holding of those securities does not affect materially the control of that issuer;

(c) **“director”** means:

- (i) a member of the board of directors of a company or an individual who performs similar functions for a company; and
- (ii) with respect to a person that is not a company, an individual who performs functions similar to those of a director of a company;

(d) **“eligibility adviser”** means:

- (i) a person that is registered as an investment dealer or in an equivalent category of registration under the securities legislation of the jurisdiction of a Subscriber and authorized to give advice with respect to the type of security being distributed; and
- (ii) in Saskatchewan or Manitoba, also means a lawyer who is a practicing member in good standing with a law society of a jurisdiction of Canada or a public accountant who is a member in good

standing of an institute or association of chartered accountants, certified general accountants or certified management accountants in a jurisdiction of Canada provided that the lawyer or public accountant must not:

- (A) have a professional, business or personal relationship with the issuer, or any of its directors, executive officers, founders or control persons; and
- (B) have acted for or been retained personally or otherwise as an employee, executive officer, director, associate or partner of a person that has acted for or been retained by the issuer or any of its directors, executive officers, founders or control persons within the previous 12 months;

- (e) **“executive officer”** means, for an issuer, an individual who is:
 - (i) a chair, vice-chair or president;
 - (ii) a vice-president in charge of a principal business unit, division or function including sales, finance or production;
 - (iii) an officer of the issuer or any of its subsidiaries and who performs a policy-making function in respect of the issuer; or
 - (iv) performing a policy-making function in respect of the issuer;
- (f) **“financial assets”** means (i) cash, (ii) securities or (iii) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation. These financial assets are generally liquid or relatively easy to liquidate. The value of a purchaser's personal residence would not be included in a calculation of financial assets;
- (g) **“financial statements”** for the purposes of paragraph (m) of the “accredited investor” definition must be prepared in accordance with generally accepted accounting principles;
- (h) **“founder”** means, in respect of an issuer, a person who:
 - (i) acting alone, in conjunction or in concert with one or more persons, directly or indirectly, takes the initiative in founding, organizing or substantially reorganizing the business of the issuer; and
 - (ii) at the time of the trade is actively involved in the business of the issuer;
- (i) **“fully managed account”** means an account of a client for which a person makes the investment decisions if that person has full discretion to trade in securities for the account without requiring the client's express consent to a transaction;
- (j) **“investment fund”** has the meaning ascribed thereto in National Instrument 81-106 - *Investment Fund Continuous Disclosure*;
- (k) **“person”** includes:
 - (i) an individual;
 - (ii) a corporation;
 - (iii) a partnership, trust, fund and association, syndicate, organization or other organized group of persons, whether incorporated or not; and
 - (iv) an individual or other person in that person's capacity as a trustee, executor, administrator or personal or other legal representative;
- (l) **“person”** in Ontario means an individual, partnership, unincorporated association, unincorporated syndicate, unincorporated organization, trust, trustee, executor, administrator or other legal representative;
- (m) **“net assets”** means all of the purchaser's total assets minus all of the purchaser's total liabilities. Accordingly, for the purposes of the net asset test, the calculation of total assets would include the value of a purchaser's personal residence and the calculation of total liabilities would include the amount of any liability (such as a mortgage) in respect of the purchaser's personal residence. To calculate a purchaser's

net assets under the “accredited investor” definition, subtract the purchaser's total liabilities from the purchaser's total assets (including real estate). The value attributed to assets should reasonably reflect their estimated fair value. Income tax should be considered a liability if the obligation to pay it is outstanding at the time of the distribution of the security;

- (n) **“related liabilities”** means:
 - (i) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets; or
 - (ii) liabilities that are secured by financial assets;
- (o) **“Schedule III bank”** means an authorized foreign bank named in Schedule III of the *Bank Act* (Canada);
- (p) **“spouse”** means an individual who:
 - (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual;
 - (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or
 - (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) immediately above or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta); and
- (q) **“subsidiary”** means an issuer that is controlled directly or indirectly by another issuer and includes a subsidiary of that subsidiary.

All monetary references are in Canadian Dollars

**Appendix II to Schedule C
to the Subscription Agreement of
Intact Financial Corporation**

FORM 45-106F9 - FORM FOR INDIVIDUAL ACCREDITED INVESTORS

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY ISSUER OR SELLING SECURITY HOLDER	
1. About your investment	
Type of securities: Subscription Receipts	Issuer: Intact Financial Corporation
Purchased from: Intact Financial Corporation	
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER	
2. Risk acknowledgement	
This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$_____.	
Liquidity risk – You may not be able to sell your investment quickly – or at all.	
Lack of information – You may receive little or no information about your investment.	
Lack of advice – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .	
3. Accredited investor status	
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your initials
<ul style="list-style-type: none">• Your net income before taxes was more than \$200,000 in each for the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)	
<ul style="list-style-type: none">• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.	

<ul style="list-style-type: none"> • Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities. 	
<ul style="list-style-type: none"> • Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.) 	
4. Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name (please print):	
Signature:	Date:
SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
<p><i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i></p>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
6. For more information about this investment	
<p>Intact Financial Corporation 700 University Avenue, Suite 1500 Toronto, Ontario M5G 0A1</p> <p>Danistan Saverimuthu Directeur, Affaires juridiques/Manager, Legal Affairs (514) 985-7111 #66367 danistan.saverimuthu@intact.net www.intactfc.com</p>	
<p>For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca</p>	

SCHEDULE D

UNITED KINGDOM PERMITTED RECIPIENTS REPRESENTATION LETTER

TO: **INTACT FINANCIAL CORPORATION (the "Corporation")**
AND TO: **CIBC WORLD MARKETS INC., BARCLAYS CAPITAL CANADA INC., BMO NESBITT BURNS INC., NATIONAL BANK FINANCIAL INC., TD SECURITIES INC., RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CORMARK SECURITIES INC., DESJARDINS SECURITIES INC., HSBC SECURITIES (CANADA) INC., JP MORGAN SECURITIES CANADA INC., RAYMOND JAMES LTD. AND UBS SECURITIES CANADA INC. (collectively, the "Underwriters")**

I/We hereby declare, represent and warrant that I am/we are:

1. an "investment professional" within the meaning of Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended) (the "**Financial Promotion Order**") and also a "qualified investor" within the meaning of section 86(7) of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") acting as principal or in circumstances to which section 86(2) of FSMA applies; or
2. a person (high net worth companies, unincorporated associations etc.) to whom one of paragraphs (2) (a) to (d) of Article 49 of the Financial Promotion Order applies and also a "qualified investor" within the meaning of section 86(7) of FSMA acting as principal or in circumstances to which section 86(2) of FSMA applies; and
3. I/We agree to provide such evidence as may be required by any of you as regards my/our status.

Dated: _____ Signed: _____

Witness (If Subscriber is an Individual) Print the name of Subscriber

Print Name of Witness If Subscriber is not an Individual,
print name and title of Authorized Signing Officer

IMPORTANT NOTICE TO PROPOSED UNITED KINGDOM INVESTORS

The recipient of this Subscription Agreement is advised to seek independent legal advice in relation to any specific investment.

In the United Kingdom, this Subscription Agreement constitutes a Financial Promotion and its communication is restricted pursuant to Section 21 (restrictions on financial promotions) of the FSMA. In the United Kingdom, securities will only be issued pursuant to this Subscription Agreement, to persons who meet the following criteria ("**UK Permitted Recipients**"), namely, that they are:

- (a) "investment professionals" (being persons having professional experience in matters relating to investments) within the meaning of Article 19(5) of the Financial Promotion Order; or
- (b) persons to whom one of paragraphs (2)(a) to (d) of Article 49 (high net worth companies, unincorporated associations etc.) of the Financial Promotion Order applies,

and, in the case of either (a) or (b), a "qualified investor" within the meaning of section 86(7) of FSMA acting as principal or in circumstances to which section 86(2) of FSMA applies.

UK Permitted Recipients will be required by the Corporation to represent and warrant that they meet the above criteria and provide any further evidence requested as regards their status. In the United Kingdom, persons who are not UK Permitted Recipients should not act or rely on this document or any of its contents.

SCHEDULE "C"

FORM OF SUBSCRIPTION AGREEMENT FOR UNITED STATES SUBSTITUTED
PURCHASERS

See attached.

SUBSCRIPTION AGREEMENT FOR SUBSCRIPTION RECEIPTS
(U.S. Purchasers)

TO: **INTACT FINANCIAL CORPORATION (the “Corporation”)**

AND TO: **CIBC WORLD MARKETS INC., BARCLAYS CAPITAL CANADA INC., BMO NESBITT BURNS INC., NATIONAL BANK FINANCIAL INC., TD SECURITIES INC., RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CORMARK SECURITIES INC., DESJARDINS SECURITIES INC., HSBC SECURITIES (CANADA) INC., JP MORGAN SECURITIES CANADA INC., RAYMOND JAMES LTD. AND UBS SECURITIES CANADA INC.** (collectively, the “Underwriters”)

AND TO: **THE U.S. REGISTERED BROKER-DEALER AFFILIATES OF THE UNDERWRITERS (the “U.S. Affiliates”)**

The undersigned (hereinafter referred to as the “Subscriber”) hereby subscribes for and agrees to purchase from the Corporation the number of subscription receipts of the Corporation (the “Subscription Receipts”) set forth below for the aggregate subscription price set forth below, representing a subscription price of \$134.50 per Subscription Receipt (the “Offering Price”), upon and subject to the terms and conditions set forth in this cover page and the attached “Terms and Conditions of Subscription for Subscription Receipts of Intact Financial Corporation” (together with the applicable schedules and appendices attached hereto, the “Subscription Agreement”). **Notice is provided to the Subscriber and the Subscriber acknowledges that unless permitted under Canadian securities legislation, the holder of the Subscription Receipts to be acquired hereunder must not trade the security before the date that is four months and a day after the distribution date, which date, if the Closing Date (as defined herein) is December 3, 2020, is April 4, 2021.**

<p>(Name of Subscriber – please print)</p> <p>By: _____ (Authorized Signature)</p> <p>(Official Capacity or Title – please print)</p> <p>(Please print name of individual whose signature appears above if different than the name of the Subscriber printed above.)</p> <p>(Subscriber's Address)</p> <p>(Subscriber's Address)</p> <p>(Telephone Number) (E-Mail Address)</p> <p>By executing this Subscription Agreement, the Subscriber is consenting to the collection, use and disclosure of personal information in the manner described in the privacy notices commencing on page 18 of this Subscription Agreement</p> <p>Number of Common Shares and securities convertible into Common Shares currently held by the Subscriber (excluding the Common Shares subscribed for hereunder):</p> <p>_____</p> <p>Register the Subscription Receipts as below:</p> <p>(Name)</p> <p>(Account reference, if applicable)</p> <p>(Address)</p>	<p>Number of Subscription Receipts: _____</p> <p>Aggregate Subscription Price: _____ (No. of Subscription Receipts x \$134.50 per Subscription Receipt)</p> <p>If the Subscriber is signing as agent for a principal and is not deemed to be purchasing as principal pursuant to NI 45-106 (as defined herein) by virtue of being either: (i) a trust company or trust corporation acting on behalf of a fully managed account managed by the trust company or trust corporation; or (ii) a person acting on behalf of a fully managed account managed by it, and in each case satisfying the criteria set forth in NI 45-106 or Section 73.3 of the Securities Act (Ontario), as applicable, complete the following and ensure that Schedule C is completed in respect of such principal (“Disclosed Principal”):</p> <p>(Name of Disclosed Principal)</p> <p>(Disclosed Principal's Address)</p> <p>(Disclosed Principal's E-Mail Address)</p> <p>The Subscriber is <input type="checkbox"/> or is not <input type="checkbox"/> an “insider” of the Corporation, as defined in the <i>Securities Act</i> (Ontario). (Check the applicable box.)</p> <p>Deliver the Subscription Receipts as below:</p> <p>(Name)</p> <p>(Account Reference, if applicable)</p> <p>(Contact Name) (Telephone)</p> <p>(Address)</p>
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ACCEPTANCE

The Corporation hereby accepts the subscription as set forth above on the terms and conditions contained in this Subscription Agreement.

Dated as of the _____ day of _____, 2020.

INTACT FINANCIAL CORPORATION

by: _____
Authorized Signing Officer

INTACT FINANCIAL CORPORATION

SUBSCRIPTION FOR SUBSCRIPTION RECEIPTS

INSTRUCTIONS

PLEASE MAKE SURE THAT YOUR SUBSCRIPTION INCLUDES:

1. A completed and signed copy of the cover page of this Subscription Agreement.
2. Payment by certified cheque, money order, bank draft or other acceptable means in the amount of the Aggregate Subscription Price payable to CIBC's U.S. Affiliate.
3. A completed and signed copy of the Qualified Institutional Buyer Letter attached hereto as Schedule C.

PROCEDURE AND DELIVERY:

Subscription forms should be completed, signed and delivered by no later than 4:00 p.m. (Toronto time) on Monday, November 23, 2020 (or such other time, date or place as the Subscriber may be advised), to:

CIBC World Markets Corp.
Attention: Elton Fernandes
Email: Elton.Fernandes@cibc.com

TERMS AND CONDITIONS OF SUBSCRIPTION FOR SUBSCRIPTION RECEIPTS OF INTACT FINANCIAL CORPORATION

CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to the Corporation under its existing credit facility. CIBC World Markets Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to a subsidiary of the Corporation under its existing term loan. CIBC World Markets Inc. and Barclays Capital Canada Inc. are wholly-owned subsidiaries of banks that are expected to become lenders to the Corporation under a term loan credit facility and three separate bridge credit facilities to be entered into in connection with the Proposed Acquisition (as defined herein), and other Underwriters may be wholly-owned subsidiaries of banks that agree to become lenders to the Corporation under these facilities. An affiliate of Barclays is also acting as financial advisor to the Corporation in connection with the Proposed Acquisition. Accordingly, the Corporation may be considered a “connected issuer” of these Underwriters within the meaning of applicable securities legislation. See “Risk Factors and Other Disclosures” in Schedule A.

The Subscriber understands that the Underwriters have agreed to purchase 9,272,000 Subscription Receipts from the Corporation for aggregate gross proceeds of \$1,247,084,000 with the right to procure subscription agreements from eligible investors as substitute purchasers (the “Offering”).

1. Definitions. In this Subscription Agreement:

- (a) “\$” means Canadian dollars;
- (b) “**Aggregate Subscription Price**” means the aggregate dollar amount of the subscription under this Subscription Agreement as set out on the cover page hereof;
- (c) “**Barclays**” means Barclays Capital Canada Inc.;
- (d) “**business day**” means any day that is not a Saturday, a Sunday or a statutory or civic holiday or a day on which banking institutions are not generally authorized or obligated to open for business in Toronto, Ontario;
- (e) “**Canadian Securities Regulators**” means the applicable securities commission or regulatory authority in each of the provinces and territories of Canada and “**Canadian Securities Regulator**” means any one of them;
- (f) “**CDS**” has the meaning ascribed to such term in Section 4;
- (g) “**CIBC**” means CIBC World Markets Inc.;
- (h) “**Closing**” has the meaning ascribed to such term in Section 5;
- (i) “**Closing Date**” means December 3, 2020 or any earlier or later date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon in writing as the date on which the purchase and sale of the Subscription Receipts contemplated herein is completed;
- (j) “**Closing Time**” means 8:00 a.m., Toronto time, on the Closing Date, or such other time on the Closing Date as the Corporation and the Lead Underwriters, on behalf of the Underwriters, may mutually agree upon;
- (k) “**control person**” means a person, company or combination of persons or companies described in the provisions of securities legislation listed in Appendix A to National Instrument 45-102 – *Resale of Securities*;

- (l) **“Corporation”** means Intact Financial Corporation, a corporation existing under the *Canada Business Corporations Act* and includes any successor corporation;
- (m) **“Disclosed Principal”** has the meaning ascribed to such term on the cover page of this Subscription Agreement;
- (n) **“Lead Underwriters”** means, collectively, CIBC and Barclays;
- (o) **“NCI Uncertificated Entitlement”** has the meaning ascribed to such term in clause 4(i);
- (p) **“NI 45-106”** means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;
- (q) **“Offering”** has the meaning ascribed to it in the preamble to the “Terms and Conditions of Subscription”;
- (r) **“PCMLTFA”** has the meaning ascribed to such term in clause 9(u);
- (s) **“person”** means any individual, partnership, limited partnership, joint venture, sole proprietorship, company or corporation, trust, trustee, unincorporated organization, a government or an agency or political subdivision thereof;
- (t) **“PFIC”** has the meaning ascribed to such term in clause 9(k)(iv);
- (u) **“Proposed Acquisition”** means the acquisition by the Corporation, directly or indirectly, of all of the issued and to be issued ordinary shares of RSA Insurance Group plc;
- (v) **“Qualified Institutional Buyer”** means a “qualified institutional buyer” as defined in Rule 144A under the U.S. Securities Act;
- (w) **“Qualifying Jurisdictions”** means, collectively, all of the provinces and territories of Canada, the United States, and such other jurisdictions where the Subscription Receipts may be lawfully sold on a private placement basis as provided in the Underwriting Agreement;
- (x) **“Regulation D”** means Regulation D under the U.S. Securities Act;
- (y) **“Regulation S”** means Regulation S under the U.S. Securities Act;
- (z) **“Rule 144”** has the meaning ascribed to such term in clause 9(k)(i);
- (aa) **“Securities Laws”** means, collectively, and, as the context may require, the applicable securities laws of each of the Qualifying Jurisdictions, and the respective regulations and rules made under those securities laws together with all applicable published: fee schedules, prescribed forms, policy statements, instruments, blanket orders and rulings of Canadian Securities Regulators and U.S. Securities Regulators and all discretionary orders or rulings, if any, of Canadian Securities Regulators and U.S. Securities Regulators, as applicable, made in connection with the transactions contemplated by this Subscription Agreement;
- (bb) **“Stock Exchange”** means the Toronto Stock Exchange;
- (cc) **“Subscriber”** means the subscriber for Subscription Receipts as set out on the cover page of this Subscription Agreement and includes, as applicable, the Disclosed Principal unless the context otherwise requires;

- (dd) “**Subscription Agreement**” means this subscription agreement (including any schedules hereto) and any instrument amending this Subscription Agreement; “**hereof**”, “**hereto**”, “**hereunder**”, “**herein**” and similar expressions mean and refer to this Subscription Agreement and not to a particular Section or clause; and the expression “**Section**” or “**clause**” followed by a number or letter means and refers to the specified Section or clause of this Subscription Agreement;
- (ee) “**Subscription Receipt Agreement**” means the subscription receipt agreement to be entered into by the Corporation, the Lead Underwriters and Computershare Trust Company of Canada on the Closing Date, governing the terms of the Subscription Receipts;
- (ff) “**Subscription Receipts**” means subscription receipts of the Corporation;
- (gg) “**Underlying Common Shares**” means the common shares of the Corporation issuable pursuant to the terms and conditions of the Subscription Receipts;
- (hh) “**Underwriters**” means, collectively, CIBC, Barclays, BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc., Scotia Capital Inc., Cormark Securities Inc., Desjardins Securities Inc., HSBC Securities (Canada) Inc., JP Morgan Securities Canada Inc., Raymond James Ltd. and UBS Securities Canada Inc.;
- (ii) “**Underwriting Agreement**” means the underwriting agreement between the Underwriters and the Corporation in respect of the Offering;
- (jj) “**United States**” means the United States of America, its territories and possessions, any State of the United States and the District of Columbia;
- (kk) “**U.S. Purchaser**” means (i) any person purchasing Subscription Receipts on behalf of, or for the account or benefit of, any person in the United States, (ii) any person who receives or received an offer for the Subscription Receipts while in the United States, or (iii) any person who is or was in the United States at the time such person’s buy order was made or this Subscription Agreement was executed or delivered;
- (ll) “**U.S. Securities Act**” means the United States *Securities Act of 1933*, as amended; and
- (mm) “**U.S. Securities Regulators**” means the applicable securities commissions or other securities regulatory authorities of the United States or a state of the United States and “**U.S. Securities Regulator**” means any one of them.

For greater certainty, the parties hereby acknowledge and agree that, if the Subscriber is acting as agent or trustee on behalf of a Disclosed Principal, the words “Subscriber”, “it” and “its”, whenever used in relation to representations, warranties, acknowledgements or covenants (including in Sections 9 to 13) mean the Subscriber and, unless the context otherwise requires, the Disclosed Principal.

2. Subscription. The Subscriber hereby confirms its subscription for the Subscription Receipts from the Corporation, on and subject to the terms and conditions set out in this Subscription Agreement and in the Underwriting Agreement, for the Aggregate Subscription Price which is payable as described herein. The Subscriber acknowledges (on its own behalf and, if applicable, on behalf of each Disclosed Principal) that upon acceptance by the Corporation of this Subscription Agreement, this Subscription Agreement will constitute a binding obligation of the Subscriber (including, if applicable, each Disclosed Principal) subject to the terms and conditions contained herein.

3. Partial Acceptance or Rejection of Subscription. The Corporation may, in its absolute discretion, accept or reject the Subscriber's subscription for Subscription Receipts as set forth in this Subscription Agreement, in whole or in part, and the Corporation reserves the right to direct the Underwriters and/or their U.S. Affiliates to allot to the Subscriber less than the amount of Subscription Receipts subscribed for under this Subscription Agreement. The Subscriber acknowledges and agrees that the acceptance of this Subscription Agreement will be conditional upon, among other things, the sale of the Subscription Receipts to the Subscriber being exempt from any prospectus and

offering memorandum requirements of Securities Laws and, to the extent possible, the Subscriber agrees to furnish the Corporation with all information that is reasonably necessary to confirm same.

If this Subscription Agreement is rejected in whole, any certified cheque, money order, bank draft or other form of payment delivered by the Subscriber to CIBC's U.S. Affiliate on account of the Aggregate Subscription Price for the Subscription Receipts subscribed for will be promptly returned to the Subscriber without any interest paid or penalty on such amount. If this Subscription Agreement is accepted only in part, payment representing the amount by which the payment delivered by the Subscriber to CIBC's U.S. Affiliate exceeds the subscription price of the number of Subscription Receipts sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement will be promptly delivered to the Subscriber without any interest paid or penalty on such amount.

4. Settlement. Notwithstanding anything to the contrary herein, including the registration instructions on the cover page of this Subscription Agreement, the Subscription Receipts purchased hereunder may be represented by one or more global certificates and be issued and deposited in electronic form with CDS Clearing and Depository Services Inc. ("CDS") or its nominee pursuant to the book-based system administered by CDS, and accordingly:

- (i) the Subscriber will receive only a customer confirmation (an "NCI Uncertificated Entitlement") from the registered dealer who is a CDS participant and from or through whom a beneficial interest in the Subscription Receipts was purchased, which will bear the legend set forth in clause 9(v). By executing this Subscription Agreement, the Subscriber agrees that it has received notice of such legend and that if the Subscriber transfers such Subscription Receipts during any applicable hold periods, the Subscriber will deliver such ownership statement to the subsequent transferee;
- (ii) registration of interests in and transfers of such securities may be made only through a direct registration or other electronic book-entry or book-based system, as the case may be; and
- (iii) the ability of the Subscriber to pledge the Subscription Receipts or otherwise take action with respect to the Subscriber's interest in such securities may be limited due to the lack of a physical certificate.

5. Closing. The closing of the purchase and sale of the Subscription Receipts pursuant to this Subscription Agreement (the "Closing") will be completed electronically at the Closing Time on the Closing Date or at such other time and place as the Corporation, the Subscriber and the Underwriters may agree. If, prior to the Closing Time, the terms and conditions contained in this Subscription Agreement and the Underwriting Agreement have been complied with to the satisfaction of the Underwriters, acting reasonably, or waived by the Underwriters, the Underwriters shall deliver to the Corporation (i) all completed Subscription Agreements, including this Subscription Agreement, and such other documentation as may be required pursuant to this Subscription Agreement and the Underwriting Agreement and (ii) payment of the Aggregate Subscription Price for all of the Subscription Receipts sold pursuant to the Underwriting Agreement.

If, prior to the Closing Time, the terms and conditions contained in this Subscription Agreement (other than the issuance by the Corporation to the Subscribers of the Subscription Receipts) and the Underwriting Agreement have not been complied with to the satisfaction of the Underwriters or the Corporation, as applicable, or waived by the Underwriters or the Corporation, as applicable, the Underwriters, the Corporation and the Subscriber will have no further obligations under this Subscription Agreement.

6. Conditions of Closing. The obligations of the parties hereunder are subject to all conditions of closing described herein being met.

The Subscriber acknowledges and agrees that the Corporation is relying on the accuracy of the representations and warranties of the Subscriber contained in this Subscription Agreement as of the date of this Subscription Agreement, and as of the Closing Time as if made at and as of the Closing Time, and the fulfillment of the following additional conditions as soon as possible and in any event not later than the Closing Time:

- (a) the Corporation having accepted this Subscription Agreement;

- (b) payment by the Subscriber of the Aggregate Subscription Price by certified cheque, money order, bank draft or other acceptable means in Canadian dollars payable to CIBC's U.S. Affiliate;
- (c) the Subscriber having properly completed, signed and delivered this Subscription Agreement and all applicable schedules (with payment) to:

CIBC World Markets Corp.
Attention: Elton Fernandes
Email: Elton.Fernandes@cibc.com

- (d) the Subscriber having properly completed, signed and delivered Schedule C;
- (e) the Corporation having duly and validly delivered the Subscription Receipts (including in the form of a global certificate as contemplated by Section 4) as directed by the Underwriters or their U.S. Affiliates and in accordance with the terms of the Subscription Receipt Agreement against payment therefor to Computershare Trust Company of Canada, as escrow agent under the Subscription Receipt Agreement; and
- (f) the conditions of Closing contained in the Underwriting Agreement having been satisfied or waived by the relevant party.

7. Authorization of the Underwriters. The Subscriber authorizes CIBC, acting through its U.S. Affiliate, for and on behalf of the Underwriters:

- (a) to act as the Subscriber's representative at the Closing and to execute in the Subscriber's name and on behalf of the Subscriber all closing receipts and closing documents required;
- (b) to complete and correct any errors or omissions in any form or document provided by the Subscriber in connection with the subscription for the Subscription Receipts hereunder;
- (c) if the Offering is completed on a certificated basis, receive on behalf of the Subscriber certificates representing the Subscription Receipts, as applicable, purchased under this Subscription Agreement;
- (d) to approve any opinion, certificate or other document addressed to the Subscriber, and to exercise any rights of termination contained in the Underwriting Agreement;
- (e) to extend such time periods and to waive, in whole or in part, any representations, warranties, covenants or conditions for the benefit of the Subscriber contained in this Subscription Agreement and in the Underwriting Agreement (or any ancillary or related document) that, in the opinion of CIBC, acting reasonably, is not prejudicial to the interests of the Subscriber;
- (f) to terminate or not deliver this Subscription Agreement if any condition precedent is not satisfied, in such manner and on such terms and conditions as CIBC in its sole discretion, acting reasonably, may determine; and
- (g) without limiting the generality of the foregoing, to negotiate, settle, execute, deliver and amend, as the case may be, the Underwriting Agreement.

8. Representations, Warranties and Covenants of the Corporation. By execution of this Subscription Agreement, the Corporation hereby agrees with the Subscriber that the Subscriber shall have the benefit of the representations, warranties and covenants made by the Corporation to the Underwriters as set forth in the Underwriting Agreement, except as amended or waived by the Underwriters, as though the Subscriber were a party thereto. Such representations, warranties and covenants shall form an integral part of this Subscription Agreement and shall survive the closing of the purchase and sale of the Subscription Receipts and shall continue in full force and effect for the benefit of the Subscriber in accordance with the Underwriting Agreement.

9. Representations, Warranties, Covenants and Acknowledgements of the Subscriber. By executing this Subscription Agreement, the Subscriber (on its own behalf and, including if applicable, on behalf of each Disclosed Principal) represents, warrants, covenants and acknowledges to and with the Corporation and the Underwriters, including the U.S. Affiliates (and acknowledges and agrees that the Corporation, the Underwriters, including the U.S. Affiliates, and their respective legal counsel are relying thereon) that:

Authorization and Effectiveness

- (a) the Subscriber has the requisite power, authority, legal capacity and competence to execute, deliver and be bound by this Subscription Agreement, to perform all of its obligations hereunder and to undertake all actions required of the Subscriber hereunder, all necessary approvals of its directors, partners, shareholders, trustees or otherwise with respect to such matters have been given or obtained and the individual signing this Subscription Agreement has been duly authorized;
- (b) if the Subscriber is a body corporate, the Subscriber is incorporated and validly subsisting under the laws of its jurisdiction of incorporation;
- (c) if the Subscriber is acting as principal, this Subscription Agreement has been duly and validly authorized, executed and delivered by the Subscriber and, when accepted by the Corporation, will constitute a legal, valid and binding obligation enforceable against the Subscriber in accordance with the terms hereof (subject to bankruptcy, insolvency and other laws limiting the enforceability of creditors' rights and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction);
- (d) if the Subscriber is acting as agent or trustee (including, for greater certainty, a portfolio manager or comparable adviser) for a principal, the Subscriber is duly authorized to execute and deliver this Subscription Agreement and all other necessary documents in connection with such subscription on behalf of such principal, each of whom is subscribing as principal for its own account and not for the benefit of any other person, and this Subscription Agreement has been duly and validly authorized, executed and delivered by or on behalf of, and, when accepted by the Corporation, will constitute a legal, valid and binding obligation enforceable in accordance with the terms hereof (subject to bankruptcy, insolvency and other laws limiting the enforceability of creditors' rights and subject to the qualification that equitable remedies may only be granted in the discretion of a court of competent jurisdiction) against, such principal;
- (e) the execution and delivery of this Subscription Agreement, the performance and compliance with the terms hereof, the subscription for the Subscription Receipts and the completion of the transactions contemplated hereby will not result in any material breach of, or be in conflict with or constitute a material default under, or create a state of facts which, after notice or lapse of time, or both, would constitute a material default under any term or provision of the constating documents, by-laws or resolutions of the Subscriber or a Disclosed Principal, Securities Laws or any other applicable law, any agreement to which the Subscriber or a Disclosed Principal is a party or any applicable regulation, judgment, decree, order or ruling;
- (f) the Subscriber is not a person created or used solely to purchase or hold securities in order to comply with or rely upon an exemption from the prospectus requirements of Securities Laws and except as disclosed in writing to the Corporation, the Subscriber does not act jointly or in concert with any other person or company for the purposes of acquiring securities of the Corporation;

Disclosure if Purchasing as Agent or Trustee

- (g) if the Subscriber is not subscribing as principal, the Subscriber acknowledges that the Corporation and/or the Underwriters may be required by law to disclose to applicable securities regulatory authorities or stock exchanges information concerning the identities of each beneficial purchaser for whom the Subscriber is acting hereunder;

Residence

- (h) the Subscriber and, if applicable, each Disclosed Principal are resident, or has a head office, in the jurisdiction indicated on the cover page of this Subscription Agreement as the “Subscriber's Address” and the “Disclosed Principal's Address”, respectively, such address was not created and is not used solely for the purpose of acquiring Subscription Receipts. The Subscriber was resident in such jurisdiction when the purchase by and sale to the Subscriber of the Subscription Receipts, and any act, solicitation, conduct or negotiation directly or indirectly in furtherance of such purchase or sale (whether with or with respect to the Subscriber or any Disclosed Principal) occurred;

Securities Law Matters

- (i) the Subscriber (or if applicable, the Disclosed Principal) acknowledges that:
- (i) that no securities commission, stock exchange, governmental agency, regulatory body or similar authority has made any finding or determination or expressed any opinion with respect to, or reviewed or passed on, the merits of investing in the Subscription Receipts or the Underlying Common Shares;
 - (ii) there is no government or other insurance covering the Subscription Receipts or the Underlying Common Shares;
 - (iii) there are risks associated with the purchase of the Subscription Receipts and the Underlying Common Shares;
 - (iv) there are restrictions on the Subscriber's ability to resell the Subscription Receipts and the Underlying Common Shares and it is the responsibility of the Subscriber to determine what those restrictions are and to comply with them before selling the Subscription Receipts or the Underlying Common Shares; and
 - (v) the Corporation has advised the Subscriber that the Corporation is relying on an exemption from the requirements to provide the Subscriber with a prospectus and to sell securities through a person registered to sell securities under Securities Laws and, as a consequence of acquiring Subscription Receipts and the Underlying Common Shares pursuant to this exemption, certain protections, rights and remedies provided by the Securities Laws, including statutory rights of rescission or damages, may not be available to the Subscriber and the common law may not provide the Subscriber with an adequate remedy in the event that it suffers investment losses in connection with the Subscription Receipts acquired pursuant to such exemption;
- (j) the Subscriber acknowledges that none of the Subscription Receipts nor the Underlying Common Shares have been or will be registered under the U.S. Securities Act, or under any securities or “blue sky” laws of any state of the United States, and, unless so registered, may not be offered or sold in the United States or, directly or indirectly, to any person in the United States except in accordance with the provisions of Regulation S, pursuant to an effective registration statement under the U.S. Securities Act, or pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act, and in each case only in accordance with applicable state and foreign Securities Laws;
- (k) the Subscriber acknowledges that it is purchasing the Subscription Receipts directly from the Corporation pursuant to an exemption from registration under the U.S. Securities Act and:
- (i) it understands and acknowledges that that the sale of Subscription Receipts contemplated hereby is being made in reliance on a private placement exemption under the U.S. Securities Act and similar exemptions under applicable state Securities Laws. Accordingly, the Subscription Receipts and the Underlying Common Shares will be

“restricted securities” within the meaning of Rule 144 (“**Rule 144**”) under the U.S. Securities Act, and therefore may not be offered or sold by it without registration under the U.S. Securities Act and applicable state Securities Laws except pursuant to an exemption or exclusion from such registration requirements. If in the future it shall decide to offer, sell, pledge or otherwise transfer the Subscription Receipts or the Underlying Common Shares, the same may be offered, sold, pledged or otherwise transferred only (A) to the Corporation or (B) outside the United States in accordance with Rule 904 of Regulation S and in compliance with applicable local laws and regulations;

- (ii) it is a “qualified institutional buyer” within the meaning of such term in Rule 144A under the U.S. Securities Act;
- (iii) it has concurrently executed and delivered Schedule C hereto with this Subscription Agreement which Schedule is incorporated into and forms a part of this Subscription Agreement;
- (iv) it understands and agrees that there may be material tax consequences to the Subscriber of an acquisition or disposition of the Subscription Receipts or the Underlying Common Shares. The Corporation does not give any opinion and makes no representation with respect to the tax consequences to the Subscriber under United States, state, local or foreign tax law of the Subscriber’s acquisition or disposition of such Subscription Receipts or Underlying Common Shares. In particular, no determination has been made whether the Corporation will be a “passive foreign investment company” (“**PFIC**”) within the meaning of Section 1291 of the United States Internal Revenue Code of 1986, as amended, and the Subscriber understands and acknowledges that in the event that the Corporation is deemed to be a PFIC in respect of any year in which the Subscriber owns the Subscription Receipts or the Underlying Common Shares, the Subscriber may be subject to material adverse United States tax consequences that it may be unable to mitigate;
- (v) it understands and agrees that the financial statements of the Corporation have been prepared in accordance with Canadian generally accepted accounting principles, which differ in some respects from United States generally accepted accounting principles, and thus may not be comparable to financial statements of United States companies;
- (vi) it understands that neither the Subscription Receipts nor the Underlying Common Shares have been recommended by any federal or state securities commission or regulatory authority; furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of the information in this Subscription Agreement or any Schedule attached hereto, and any representation to the contrary is a criminal offense;
- (vii) it acknowledges that it has not purchased the Subscription Receipts as a result of any general solicitation or general advertising, as such terms are defined in Regulation D, including, without limitation, advertisements, articles, notices or other communications published in any newspaper, magazine or similar media or on the Internet or broadcast over radio or television, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
- (viii) it is aware that its ability to enforce civil liabilities under the United States federal securities laws may be affected adversely by, among other things, the fact that: (i) the Corporation is organized under the laws of Canada; (ii) some or all of the directors and officers of the Corporation may be residents of countries other than the United States; and (iii) all or a substantial portion of the assets of the Corporation and said persons may be located outside the United States; and
- (ix) if required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver

and file and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the issuance of the securities;

No Prospectus or Undisclosed Information

- (l) the Subscriber understands that the sale of the Subscription Receipts is conditional upon such sale being exempt from the requirements to file and obtain a receipt for a prospectus or registration statement or to deliver an offering memorandum, and no prospectus or registration statement has been filed by the Corporation with any securities commission or similar regulatory authority in any jurisdiction in connection with the issuance of the Subscription Receipts. As a result of acquiring the Subscription Receipts pursuant to such exemptions:
 - (i) the Subscriber may be restricted from using some of the protections, rights and remedies otherwise available under Securities Laws, including statutory rights of rescission or damages in the event of a misrepresentation;
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under Securities Laws; and
 - (iii) the Corporation is relieved from certain obligations that would otherwise apply under Securities Laws;
- (m) the Subscriber has not received or been provided with a prospectus, registration statement or offering memorandum, within the meaning of Securities Laws, in connection with the Offering. The Subscriber's decision to subscribe for the Subscription Receipts was not based upon, and the Subscriber has not relied upon, any verbal or written representations as to fact made by or on behalf of the Corporation, the Underwriters or their U.S. Affiliates, and their respective directors, officers, employees, agents and representatives. The Subscriber's decision to subscribe for the Subscription Receipts was based solely upon this Subscription Agreement, including the term sheet attached hereto as Schedule B and information about the Corporation which is or will at the Closing Time be publicly available (any such information having been obtained by the Subscriber without independent investigation or verification by the Underwriters or their U.S. Affiliates);
- (n) the Underwriters, their counsel, Torys LLP, and counsel to the Corporation, Blake, Cassels & Graydon LLP, and their respective directors, officers, employees, agents and representatives assume no responsibility or liability of any nature whatsoever for the accuracy or adequacy of any such publicly available information concerning the Corporation or as to whether all information concerning the Corporation that is required to be disclosed or filed by the Corporation under Securities Laws has been so disclosed or filed;
- (o) the Subscriber has no knowledge of a "material fact" or a "material change" (as those terms are defined in Securities Laws in Canada) in the affairs of the Corporation that has not been generally disclosed;

Investment Suitability

- (p) the Subscriber confirms that the Subscriber and, if applicable, each Disclosed Principal:
 - (i) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Subscription Receipts and the Underlying Common Shares;
 - (ii) is capable of assessing the proposed investment in the Subscription Receipts and the Underlying Common Shares as a result of the Subscriber's own experience or as a result of advice received from a person registered under Securities Laws;

- (iii) is aware of the characteristics of the Subscription Receipts and the Underlying Common Shares and is aware of the general risks relating to an investment therein; and
- (iv) is able to bear the economic risk of loss of its investment in the Subscription Receipts and the Underlying Common Shares;

No Representations

- (q) the Subscriber confirms that none of the Corporation, the Underwriters or the U.S. Affiliates, nor any of their respective directors, employees, officers, representatives, agents or affiliates have made any representations (written or oral) to the Subscriber:
 - (i) regarding the future price or value of the Subscription Receipts or the Underlying Common Shares;
 - (ii) that any person will resell or repurchase the Subscription Receipts or the Underlying Common Shares; or
 - (iii) that any person will refund the purchase price of the Subscription Receipts other than as provided in this Subscription Agreement or the Subscription Receipt Agreement;

No Stock Exchange Listing

- (r) the Subscriber and, if applicable, each Disclosed Principal, understands that on Closing, the Subscription Receipts will not be listed on any securities or stock exchange, and that there will be no market through which the Subscription Receipts may be sold and that Subscriber may not be able to resell Subscription Receipts purchased hereunder;

Limitations on Resale

- (s) the Subscriber and, if applicable, each Disclosed Principal, understands that it may not be able to resell the Subscription Receipts except in accordance with limited exemptions available under Securities Laws and as described in the U.S. Qualified Institutional Buyer Letter attached hereto as Schedule C, and that the Subscriber is solely responsible for (and neither the Corporation nor the Underwriters are in any way responsible for) the Subscriber's and, if applicable, each Disclosed Principal's compliance with applicable resale restrictions (including the restrictions described in the U.S. Qualified Institutional Buyer Letter attached hereto as Schedule C). The Subscriber will comply with all Securities Laws concerning the subscription, purchase, holding and resale of the Subscription Receipts and will not resell any of the Subscription Receipts except in accordance with the provisions of Securities Laws;

Legends

- (t) any certificates or NCI Uncertificated Entitlements representing the Subscription Receipts may bear a legend substantially in the following form:

“UNLESS PERMITTED UNDER SECURITIES LEGISLATION, THE
HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY
BEFORE <insert date that is four (4) months and one (1) day after Closing
Date>.”

and, if at any time such Subscriptions Receipts are listed on the Stock Exchange, any certificates or NCI Uncertificated Entitlements representing such Subscription Receipts may also bear a legend substantially in the following form:

“THE SECURITIES REPRESENTED BY THIS CERTIFICATE ARE LISTED
ON THE TORONTO STOCK EXCHANGE; HOWEVER, THE SAID

SECURITIES CAN NOT BE TRADED THROUGH THE FACILITIES OF THE TSX SINCE THEY ARE NOT FREELY TRANSFERABLE, AND CONSEQUENTLY ANY CERTIFICATE REPRESENTING SUCH SECURITIES IS NOT 'GOOD DELIVERY' IN SETTLEMENT OF TRANSACTIONS ON THE TSX."

Not Proceeds of Crime

- (u) the funds representing the Aggregate Subscription Price which will be advanced by the Subscriber hereunder will, to the Subscriber's knowledge, after due inquiry, not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada), as it may be amended from time to time (the "PCMLTFA"), and the Subscriber acknowledges that the Corporation may in the future be required by law to disclose the Subscriber's name and other information relating to this Subscription Agreement and the Subscriber's subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of its knowledge: (i) none of the subscription funds to be provided by the Subscriber: (A) have been or will be derived from or related to any activity that is deemed criminal under the law of Canada, the United States, or any other jurisdiction; or (B) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (ii) it shall promptly notify the Corporation if the Subscriber (including any Disclosed Principal) discovers that any of such representations cease to be true, and to provide the Corporation with appropriate information in connection therewith;

No Financial Assistance

- (v) the Subscriber has not received and does not expect to receive any financial assistance from the Corporation directly or indirectly, in respect of the Subscriber's purchase of the Subscription Receipts;

Future Financings

- (w) the Subscriber acknowledges that the Corporation may complete additional financings in the future. There is no assurance that such financings will be available and if available, will be on reasonable terms. Any such future financings may have a dilutive effect on current or future shareholders, including the Subscriber;

No Other Fees

- (x) other than the Underwriters and any group of investment dealers managed by the Underwriters for the purpose of the Offering, the Subscriber confirms that to its knowledge there is no person acting or purporting to act on behalf of the Subscriber (including any Disclosed Principal) in connection with the transactions contemplated herein who is entitled to any brokerage or finder's fee;

Other Documents

- (y) if required by Securities Laws or by any securities commission, stock exchange or other regulatory authority, the Subscriber and, if applicable, each Disclosed Principal will execute, deliver, file and otherwise assist the Corporation and/or the Underwriters as is reasonably necessary in filing such reports, undertakings and other documents with respect to the subscription for and issuance of the Subscription Receipts;

Subscriber's Responsibility for Legal and Financial Advice

- (z) the Subscriber confirms that it and, if applicable, each Disclosed Principal is responsible for obtaining its own legal, tax, investment and other professional advice, if applicable, with respect to the execution, delivery and performance by it of this Subscription Agreement and the transactions contemplated hereunder including the suitability of the Subscription Receipts and the Underlying Common Shares as an investment for the Subscriber and, if applicable, each Disclosed Principal,

the tax consequences of purchasing and dealing with the Subscription Receipts, and the resale restrictions and "hold periods" to which the Subscription Receipts are or may be subject under Securities Laws. The Subscriber has not relied upon any statements made by or purporting to have been made on behalf of the Corporation, the Underwriters, the U.S. Affiliates or their respective counsel with respect to such matters;

- (aa) the Subscriber acknowledges that the offer of the Subscription Receipts does not constitute a recommendation to purchase the Subscription Receipts or financial product advice and the Subscriber acknowledges that none of the Underwriters, their U.S. Affiliates nor the Corporation have had regard to the Subscriber's particular objectives, financial situation and needs;
- (bb) the Subscriber acknowledges that the Underwriters and their U.S. Affiliates are acting solely as placement agents for the Corporation in connection with the subscription by the Subscriber pursuant hereto and not as financial advisors or investment advisors to the Subscriber or as an agent of the Subscriber;
- (cc) the Subscriber acknowledges that the Corporation's counsel is acting solely as counsel to the Corporation and the Underwriters' counsel is acting solely as counsel to the Underwriters and, in each case, not as counsel to the Subscriber or, if applicable, to any Disclosed Principal;

Rights of the Underwriters

- (dd) the Subscriber acknowledges that the Underwriters retain the right to exercise or not to exercise, as they determine in their sole discretion, the rights of termination in the Underwriting Agreement, and neither the Underwriters nor their U.S. Affiliates shall have any liability to the Subscriber whatsoever in connection with any such decision; and

Not an Insider or Control Person

- (ee) neither the Subscriber nor, if applicable, any Disclosed Principal will become an insider (as defined in the *Securities Act* (Ontario)) or control person of the Corporation by virtue of its subscription for Subscription Receipts hereunder or acquisition of Underlying Common Shares pursuant thereto and neither the Subscriber nor, if applicable, any Disclosed Principal intends to act in concert with any other person or persons to form a control group of the Corporation.

10. Reliance on Representations, Warranties, Covenants and Acknowledgements. The Subscriber acknowledges and agrees that the representations, warranties, covenants and acknowledgements made by the Subscriber in this Subscription Agreement, including the schedules hereto, are made with the intention that they may be relied upon by the Corporation, the Underwriters (acting through their U.S. Affiliates), and their respective counsel in determining the Subscriber's eligibility (and, if applicable, the eligibility of others for whom the Subscriber is contracting hereunder) to purchase the Subscription Receipts under Securities Laws. The Subscriber further agrees that by accepting the Subscription Receipts, the Subscriber shall be representing and warranting that such representations, warranties, acknowledgements and covenants are true as at the Closing Time with the same force and effect for the benefit of the Corporation and the Underwriters (acting through their U.S. Affiliates) as if they had been made by the Subscriber at the Closing Time and that they shall survive the purchase by the Subscriber of the Subscription Receipts and shall continue in full force and effect for the benefit of the Corporation and the Underwriters for two years after Closing notwithstanding any subsequent disposition by the Subscriber of any of the Subscription Receipts or the Underlying Common Shares.

11. No Investigation by Underwriters. The Subscriber acknowledges and agrees that the Underwriters and their U.S. Affiliates assume no responsibility or liability of any nature whatsoever for the accuracy or adequacy of any information regarding the Corporation received, obtained or learned by the Subscriber, whether or not such information was obtained from or through an Underwriter or any of its affiliates (acting through their U.S. Affiliates). The Subscriber (or if applicable, the Disclosed Principal) further acknowledges that (i) it is not relying upon the Underwriters or their U.S. Affiliates to conduct any due diligence investigation on behalf of the Subscriber regarding the Offering, the Subscription Receipts or the Underlying Common Shares or the Corporation's business,

management, financial position, condition or prospects, and (ii) the Underwriters and their U.S. Affiliates do not make any representation or warranty as to, or assume any responsibility or liability of any nature whatsoever for, the accuracy or adequacy of any of the information furnished to the Subscriber in connection with the Offering.

12. Reliance on Subscriber Information. The Subscriber acknowledges that the Corporation, the Underwriters (acting through their U.S. Affiliates), and their respective counsel are relying upon the representations, warranties, acknowledgements and covenants of the Subscriber set forth herein (including the schedules attached hereto) in determining the eligibility (from a securities law perspective) of the Subscriber (or, if applicable, the eligibility of another on whose behalf the Subscriber is contracting hereunder to subscribe for Subscription Receipts) to purchase Subscription Receipts under the Offering and the Subscriber hereby agrees to indemnify the Corporation, the Underwriters and their U.S. Affiliates and their respective directors, officers, employees, advisers, affiliates, shareholders and agents, and their respective counsel against all losses, claims, costs, expenses and damages or liabilities which any of them may suffer or incur as a result of reliance thereon. The Subscriber undertakes to notify the Corporation and the Underwriters immediately of any change in any representation, warranty or other information relating to the Subscriber set forth in this Subscription Agreement, including the schedules hereto, which takes place prior to the Closing.

13. Underwriters and U.S. Affiliates not Fiduciaries. The Corporation acknowledges that the Underwriters and their U.S. Affiliates are acting pursuant to a contractual relationship entered into on an arm's length basis, and in no event do the parties hereto intend that the Underwriters or their U.S. Affiliates act or be responsible as a fiduciary to the Corporation, its management, shareholders or creditors or any other person in connection with any activity that the Underwriters or their U.S. Affiliates may undertake or have undertaken in furtherance of the transactions contemplated herein, either before or after the date hereof. The Underwriters and their U.S. Affiliates hereby expressly disclaim any fiduciary or similar obligations to the Corporation or the Subscriber, either in connection with the transactions contemplated herein or any matters leading up to such transactions. The Corporation and the Subscriber agree that they are each responsible for making their own independent judgments with respect to any such transactions and that any opinions or views expressed by the Underwriters or their U.S. Affiliates regarding such transactions, including, but not limited to, any opinions or views with respect to the price or market for the Corporation's securities, do not constitute advice or recommendations to the Corporation or the Subscriber.

14. Underwriters' Commissions. The Subscriber understands that in connection with the issue and sale of the Subscription Receipts pursuant to the Offering, the Underwriters will receive from the Corporation a commission equal to 3.75% of the gross proceeds received by the Corporation from the Offering (half of which is payable upon closing of the Offering and half of which is payable upon closing of the Proposed Acquisition). No other fee or commission is payable by the Corporation in connection with the completion of the Offering.

15. Subscriber's Costs. The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any counsel retained by the Subscriber) relating to the sale of the Subscription Receipts to the Subscriber shall be borne by the Subscriber.

16. Connected Issuer Disclosure.

The Subscriber acknowledges that:

- (a) CIBC World Markets Inc., BMO Nesbitt Burns Inc., National Bank Financial Inc., TD Securities Inc., RBC Dominion Securities Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to the Corporation under its existing unsecured revolving credit facility in the amount of \$750 million which matures on November 26, 2024. On November 12, 2020, no amounts were outstanding under the Corporation's existing revolving credit facility. The Corporation and its subsidiaries are presently in compliance with the terms of the existing revolving credit facility and none of the lenders has waived a breach of the agreement governing such revolving credit facility since its execution. The consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facility was incurred except as disclosed in the Corporation's consolidated financial statements for the year ended December 31, 2019 and the related management's discussion and analysis, and in the Corporation's Q3-20 consolidated financial statements and the related management's discussion and analysis.

Accordingly, the Corporation may be considered a “connected issuer” of these Underwriters within the meaning of applicable securities laws;

- (b) CIBC World Markets Inc. and Scotia Capital Inc. are wholly-owned subsidiaries of banks that are currently lenders to a subsidiary of the Corporation under an existing unsecured term loan in the amount of US\$165 million which matures on May 26, 2021 and which is guaranteed by the Corporation. On November 12, 2020, US\$165 million was outstanding under this term loan. The Corporation and its subsidiary are presently in compliance with the terms of the existing credit facility and none of the lenders has waived a breach of the agreement governing such credit facility since its execution. The consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facility was incurred except as disclosed in the Corporation’s consolidated financial statements for the year ended December 31, 2019 and the related management’s discussion and analysis, and in the Corporation’s Q3-20 consolidated financial statements and the related management’s discussion and analysis. Accordingly, the Corporation may be considered a “connected issuer” of these Underwriters within the meaning of applicable securities laws;
- (c) CIBC and Barclays are wholly-owned subsidiaries of banks that are expected to become lenders to the Corporation pursuant to a term loan credit facility and three separate bridge credit facilities expected to be entered into in connection with the Proposed Acquisition. The amount of such credit facilities has not yet been determined. The term loan facility is expected to mature two years after the date of the closing of the Proposed Acquisition and the bridge facilities are each expected to mature 364 days after the date of the closing of the Proposed Acquisition. The credit facilities will be unsecured. As the Corporation has not yet entered into such credit facilities, the Corporation is unable to disclose (i) whether the Corporation or its subsidiaries are presently in compliance with the terms of the credit facilities, (ii) that none of the lenders have waived a breach of the agreement governing such credit facilities since its execution, (iii) that the consolidated financial position of the Corporation has not changed materially since the indebtedness under such credit facilities was incurred and (iv) whether other Underwriters may be wholly-owned subsidiaries of banks that agree to become lenders to the Corporation pursuant to these credit facilities. In connection with the credit facilities, the Corporation may be considered a “connected issuer” of these Underwriters within the meaning of applicable securities laws;
- (d) an affiliate of Barclays is acting as financial advisor to the Corporation in connection with the Proposed Acquisition and will receive fees from the Corporation for its services in that role; and
- (e) none of the Underwriters will receive any direct benefit from the Offering other than the Underwriters’ Fee to be paid to the Underwriters in connection with the Offering as described in the section “Underwriters’ Commissions” above. The decision to distribute the Subscription Receipts and the determination of the terms of the Offering were made through negotiation between the Corporation and the Underwriters. No bank had any involvement in such decision or determination.

17. Risk Factors. There are risks associated with the proposed investment in the Subscription Receipts and the Underlying Common Shares. Please see Schedule A.

18. Notices. Any notice, direction or other instrument required or permitted to be given to any party hereto shall be in writing and shall be sufficiently given if delivered personally or by courier or transmitted by email during the transmission of which no indication of failure of receipt is communicated to the sender, as follows:

- (a) in the case of the Corporation, to:

Intact Financial Corporation
700 University Avenue, Suite 1500
Toronto, Ontario
M5G 0A1

Attention: Louis Marcotte, Senior Vice President and Chief Financial Officer, and
Frédéric Cotnoir, Senior Vice President, Corporate and Legal Services and
Secretary
Email: **[REDACTED] / [REDACTED]**

with a copy to:

Blake, Cassels & Graydon LLP
Suite 4000, Commerce Court West
199 Bay Street
Toronto, ON M5L 1A9

Attention: Jeffrey R. Lloyd / Markus Viirland
Email: jeffrey.lloyd@blakes.com / markus.viirland@blakes.com

and with a copy to:

Skadden, Arps, Slate, Meagher & Flom LLP
One Manhattan West
New York, NY 10001-8602

Attention: Dwight Yoo / John Hlafter
Email: dwight.yoo@skadden.com / jon.hlafter@skadden.com

- (b) in the case of the Subscriber, at the address and facsimile number specified on the cover page hereof,
with a copy to:

CIBC World Markets Inc.
Brookfield Place, Canada Trust Tower
161 Bay Street, 7th Floor
Toronto, Ontario
M5J 2S8

Attention: Richard Finkelstein
Email: Richard.Finkelstein@CIBC.ca

Barclays Capital Canada Inc.
Bay Adelaide Centre
333 Bay Street, Suite 4910
Toronto, Ontario
M5H 2R2

Attention: Erik Charbonneau
Email: erik.charbonneau@barclays.com

or to such other address, email address or person that the party designates by notice given in accordance with the foregoing provisions. Any such notice: (i) if delivered personally or by courier, shall be deemed to have been given and received on the date of such delivery provided that if such day is not a business day then it shall be deemed to have been given and received on the first business day following such day; and (ii) if transmitted by email, shall be deemed to have been given on the date of transmission if sent before 5:00 p.m. on a business day or, if not before 5:00 p.m., on the first business day following the date of transmission.

19. Interpretation. The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. Words importing the singular number only shall include the plural and vice versa. In this Subscription Agreement, unless otherwise indicated, all references to money amounts are to Canadian dollars.

20. No Partnership. Nothing herein shall constitute or be construed to constitute a partnership of any kind whatsoever between the Subscriber and the Corporation.

21. Governing Law. The contract arising out of acceptance of this Subscription Agreement by the Corporation shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. The parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario.

22. Time of Essence. Time shall be of the essence of this Subscription Agreement.

23. Entire Agreement. This Subscription Agreement represents the entire agreement of the Subscriber and the Corporation relating to the subject matter hereof, and there are no representations, covenants or other agreements between the Subscriber and the Corporation relating to the subject matter hereof except as stated or referred to herein.

24. Electronic Copies. The Corporation shall be entitled to rely on delivery of a facsimile or portable document format (“pdf”) copy of executed subscriptions (including electronically executed subscriptions (by “docusign” or other means)), and acceptance by the Corporation of such facsimile or pdf subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the Corporation in accordance with the terms hereof. The Subscriber acknowledges and agrees that if less than a complete copy of this Subscription Agreement is delivered to the Corporation at Closing, the Subscriber will be deemed to have agreed to all of the terms and conditions of the pages not delivered at Closing unaltered.

25. Counterpart. This Subscription Agreement may be executed in one or more counterparts each of which so executed shall constitute an original and all of which together shall constitute one and the same agreement. Delivery of counterparts may be effected by facsimile or pdf transmission thereof.

26. Severability. The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.

27. Enurement. This Subscription Agreement shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors (including any successor by reason of the amalgamation or merger of any party) and permitted assigns.

28. Assignment. Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.

29. Amendment. Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.

30. Further Assurances. Each party hereto from time to time at the request of the other party hereto, whether before or after the Closing Time, shall do such further acts and execute and deliver such further instruments, deeds and documents as shall be reasonably required in order to fully perform and carry out the provisions of this Subscription Agreement. The parties hereto agree to act honestly and in good faith in the performance of their respective obligations hereunder.

31. Language. The Subscriber acknowledges that it has consented to and requested that all documents evidencing or relating in any way to the sale of the Subscription Receipts be drawn up in the English language only. *Le souscripteur reconnaît par les présentes avoir consenti et exigé que tous les documents faisant foi ou se rapportant de quelque manière à la vente des actions soient rédigés en anglais seulement.*

This Subscription Agreement and the schedules hereto require the Subscriber to provide certain personal information (respecting the Subscriber and, if applicable, the Disclosed Principal for whom the Subscriber is contracting) to the Corporation and the Underwriters. (Personal information includes “personal information” as that term is defined under applicable privacy legislation, including without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) and any other applicable similar replacement or supplemental provincial or federal legislation or laws and the policies of the Stock Exchange in effect from time to time). Such information is being collected for the purposes of completing the Offering, which includes determining the eligibility of the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting, to purchase the Subscription Receipts under Securities Laws, preparing and registering certificates representing the Subscription Receipts to be issued hereunder and completing filings required under Securities Laws or by any stock exchange, the Investment Industry Regulatory Organization of Canada and/or securities regulatory authorities.

Such personal information may be used by the Corporation to communicate with the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting (such as by providing annual or quarterly reports), to prepare tax filings and forms or to comply with its obligations under taxation, securities and other laws (such as maintaining a list of holders of securities).

In connection with the foregoing, the personal information of the Subscriber or, if applicable, the beneficial purchaser for whom the Subscriber is contracting, may be disclosed by the Corporation or the Underwriters (including the U.S. Affiliates) to: (i) any stock exchanges, securities regulatory authorities or as required by law; (ii) the Corporation's registrar and transfer agent (if applicable) or the subscription receipt agent under the Subscription Receipt Agreement; and (iii) legal counsel of the Underwriters or legal counsel to or the auditors of the Corporation, and may be included in record books prepared in respect of the Offering.

By executing this Subscription Agreement, the Subscriber (on its own behalf and, if applicable, on behalf of any Disclosed Principal) hereby consents to the limited collection, use and disclosure of such personal information. The Subscriber (on its own behalf and, if applicable, on behalf of the beneficial purchaser for whom the Subscriber is contracting) also consents to the filing of copies or originals of any of the documents provided to the Corporation or the Underwriters (including the U.S. Affiliates) by or on behalf of the Subscriber with any securities regulatory authority in relation to the transactions contemplated by this Subscription Agreement.

The Subscriber acknowledges that the Subscriber's personal information and the personal information of any Disclosed Principal may be delivered to the securities commissions in the provinces and territories of Canada and is thereby being collected indirectly by such securities commissions under the authority granted to each of them in securities legislation for the purposes of administration and enforcement of the securities legislation of such province or territory and authorizes such indirect collection. The public official who can answer questions about such securities regulatory authorities' indirect collection of personal information is listed below:

Alberta Securities Commission

Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: 403-297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: 403-297-2082

Public official contact regarding indirect collection of information: **FOIP Coordinator**

British Columbia Securities Commission

P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: 604-899-6854
Toll free in Canada: 1-800-373-6393
Facsimile: 604-899-6581

Public official contact regarding indirect collection of information:
FOI Inquiries

The Manitoba Securities Commission

500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: 204-945-2561
Toll free in Manitoba 1-800-655-5244
Facsimile: 204-945-0330
Public official contact regarding indirect collection of information: **Director**

Ontario Securities Commission

20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: 416-593- 8314
Toll free in Canada: 1-877-785-1555
Facsimile: 416-593-8122
Email: exemptmarketfilings@osc.gov.on.ca

Public official contact regarding indirect collection of information: **Inquiries Officer**

Nova Scotia Securities Commission

Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: 902-424-7768
Facsimile: 902-424-4625

Public official contact regarding indirect collection of information: **Executive Director**

Prince Edward Island Securities Office

95 Rochford Street, 4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: 902-368-4569
Facsimile: 902-368-5283

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Government of the Northwest Territories, Office of the Superintendent of Securities

P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Telephone: 867-767-9305
Facsimile: 867-873-0243

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Government of Nunavut Department of Justice

Legal Registries Division, P.O. Box 1000, Station 570, 1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: 867-975-6590
Facsimile: 867-975-6594

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Autorité des marchés financiers

800, Square Victoria, 22e étage
C.P. 246, Tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: 514-395-0337 or 1-877-525-0337
Facsimile: 514-873-6155 (For filing purposes only)
Facsimile: 514-864-6381 (For privacy requests only)
Email: financementdesassocietes@lautorite.qc.ca
Public official contact regarding indirect collection of information: **Secrétaire générale**

Financial and Consumer Services Commission (New Brunswick)

85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: 506-658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca

Public official contact regarding indirect collection of information: **Chief Executive Officer and Privacy Officer**

Government of Newfoundland and Labrador Financial Services

Regulation Division
P.O. Box 8700
Confederation Building
2nd Floor, West Block
Prince Philip Drive
St. John's, Newfoundland and Labrador A1B 4J6
Attention: Director of Securities
Telephone: 709-729-4189
Facsimile: 709-729-6187

Public official contact regarding indirect collection of information: **Superintendent of Securities**

Financial and Consumer Affairs Authority of Saskatchewan

Suite 601-1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: 306-787-5842
Facsimile: 306-787-5899

Public official contact regarding indirect collection of information: **Director**

Government of Yukon Department of Community Services, Office of the Superintendent of Securities

307 Black Street
Whitehorse, Yukon Y1A 2N1
Telephone: 867-667-5466
Facsimile: 867-393-6251

Public official contact regarding indirect collection of information: **Superintendent of Securities**

SCHEDULE A

RISK FACTORS AND OTHER DISCLOSURE

Capitalized terms used and not defined in this Schedule A shall have the meaning attributed to such terms in the term sheet attached hereto at Schedule B.

Risk Factors Related to the Offering

In addition to the risks described under the “Risk Management” sections of the Corporation’s MD&A for the year ended December 31, 2019 (“**Annual MD&A**”) and the Corporation’s MD&A for the quarter ended September 30, 2020 (“**Interim MD&A**”), as well as the risk factors set out in the Corporation’s presentation to its current shareholders dated November 9, 2020 entitled “Strengthening our Position as a World-Class P&C Insurer – Additional information on the potential offer for RSA’s Canada and UK&I operations” (the “**Investor Presentation**”), investors should consider carefully the risk factors set forth below.

The risks and uncertainties described below and in the Annual MD&A, the Interim MD&A and the Investor Presentation are not the only ones the Corporation may face. Additional risks and uncertainties of which the Corporation is unaware, or that the Corporation currently deems to be immaterial, may also become important factors that affect the Corporation. If any of these risks actually occur, the Corporation’s business, financial condition or results of operations could be materially adversely affected, with the result that the trading price of the Corporation’s securities could decline and investors could lose all or part of their investment.

Subscription Receipt Structure

Provided that each of the Cornerstone Private Placements has closed, the Underlying Common Shares will automatically be issued concurrently with the closing of the Proposed Acquisition. The Corporation may, subject to obtaining the approval of the Panel on Takeovers and Mergers of the United Kingdom, agree to consummate the Proposed Acquisition on terms that may be different from those described herein, subject to the consent of the Lead Underwriters, on behalf of the Underwriters, in certain circumstances. As a result, the expected benefits of the Proposed Acquisition may not be fully realized. As a consequence, holders of Subscription Receipts will in certain respects essentially assume the same risk as though they had invested directly in Common Shares on the closing date of the Offering.

Market for Securities

There is no market through which the Subscription Receipts may be sold and purchasers of Subscription Receipts may not be able to resell the Subscription Receipts purchased under the Offering. The price of the Subscription Receipts and the number of Subscription Receipts to be issued have been determined by negotiations among the Corporation and the Lead Underwriters. The price paid for each Subscription Receipt may bear no relationship to the price at which the Subscription Receipts will trade in any market subsequent to this Offering. The Corporation cannot predict at what price the Subscription Receipts may trade and there can be no assurance that an active trading market will develop for the Subscription Receipts or, if developed, that such market will be sustained. The Corporation will be applying to the Toronto Stock Exchange to list the Subscription Receipts (after expiry of the statutory hold period) and the Underlying Common Shares. Listing will be subject to the Corporation fulfilling all the listing requirements of the Toronto Stock Exchange including minimum distribution requirements for the Subscription Receipts. There can be no assurance that the Subscription Receipts or the Underlying Common Shares will be accepted for listing on the Toronto Stock Exchange.

Market Price

The market price of the Subscription Receipts and the Underlying Common Shares may fluctuate due to a variety of factors relative to the Corporation’s business, including announcements of new developments, fluctuations in the Corporation’s operating results, sales of the Subscription Receipts or Common Shares in the marketplace, failure to meet analysts’ expectations, public announcements made in regard to this Offering, the impact of various tax laws or rates and general market conditions or the worldwide economy (including with respect to the global pandemic). In

recent years, stock markets have experienced significant price fluctuations, which have been unrelated to the operating performance of the affected companies. There can be no assurance that the market price of the Subscription Receipts and the Underlying Common Shares will not experience significant fluctuations in the future, including fluctuations that are unrelated to the Corporation's performance.

Restrictions on Resale

The Subscription Receipts are being offered pursuant to exemptions from the prospectus requirements of Securities Laws, which exemptions impose restrictions on the initial offering of, and subsequent resale of, the Subscription Receipts and the Underlying Common Shares.

Dividends

Dividends to be paid by the Corporation on the Underlying Common Shares, and accordingly, the Dividend Equivalent Payment that may be receivable in respect of the Subscription Receipts, may fluctuate. The payment of dividends is subject to the discretion of the Corporation's Board of Directors and depends on, among other things, the financial condition of the Corporation, general business conditions, restrictions regarding the payment of dividends to the Corporation by its subsidiaries and other factors that the Corporation's Board of Directors may in the future consider to be relevant. As a holding company with no direct operations, the Corporation relies on cash dividends and other permitted payments from its subsidiaries and its own cash balances to pay dividends to shareholders. The amount of dividends payable by subsidiaries of the Corporation may be limited by applicable corporate and insurance law restrictions. In addition, the Corporation's ability to pay dividends following the Proposed Acquisition could be adversely affected if the free cash flow resulting from the Proposed Acquisition does not materialize as expected when coupled with the potentially dilutive effect of the additional Underlying Common Shares.

Monies in Escrow

The Escrowed Proceeds and any Earned Interest will be held in escrow pending the earlier of (i) the delivery of an Escrow Release Notice or (ii) the occurrence of a Termination Event. There can be no assurance that an Escrow Release Notice will be delivered prior to the occurrence of a Termination Event.

Upon delivery of an Escrow Release Notice, the Escrowed Proceeds (together with any Earned Interest), less any amounts required to satisfy the payment of Dividend Equivalent Payments, the Excess Subscription Payment (if applicable) and the remainder of the Underwriters' Fee, may be released to or at the direction of the Corporation in accordance with the terms of the Subscription Receipt Agreement not more than five business days prior to the anticipated closing of the Proposed Acquisition. There is a possibility, however, that after such release the Proposed Acquisition will not close prior to the occurrence of a Termination Event and in such event the Corporation will be contractually required to return such Escrowed Proceeds (together with any Earned Interest) to the Subscription Receipt Agent.

If a Termination Event occurs, the Termination Payment will be paid from the Escrowed Proceeds, together with any Earned Interest, no later than the third business day following the Termination Date. Because 50% of the Underwriters' Fee will be paid by the Corporation to the Underwriters upon the issuance of the Subscription Receipts, such amount will not form part of the Escrowed Proceeds. Therefore, the aggregate amount that holders of the Subscription Receipts shall be entitled to receive in the event a Termination Event occurs will be greater than the aggregate amount of the Escrowed Proceeds immediately following the issuance of the Subscription Receipts. If the Escrowed Proceeds, together with any Earned Interest, is insufficient to cover the full amount of the Termination Payment, the Corporation will be required, under the Subscription Receipt Agreement, to pay to the Subscription Receipt Agent for payment to the holders of Subscription Receipts the difference, if any, between the Escrowed Proceeds, together with any Earned Interest, on the Termination Date and the Termination Payment due to the holders of Subscription Receipts.

In each case detailed in the two preceding paragraphs, holders of Subscription Receipts will be required to rely on the Corporation to repay funds to the Subscription Receipt Agent or the holders of the Subscription Receipts. Although the Corporation believes that if either of these scenarios were to occur, it would have sufficient funds to cover such payments, there is no guarantee that the Corporation would be in a financial position to cover such payments.

Issuance of Additional Common Shares

The Corporation's articles of incorporation and by-laws allow it to issue an unlimited number of Common Shares for such consideration and on such terms and conditions as shall be established by the Corporation's Board of Directors, in many cases, without the approval of the Corporation's shareholders. As part of this Offering the Corporation is expected to issue 9,272,000 Subscription Receipts and as part of the Cornerstone Private Placements the Corporation is expected to issue 23,791,824 Cornerstone Investors' Subscription Receipts, each representing the right to receive one Common Share of the Corporation. In certain circumstances, the Corporation may issue additional Common Shares in subsequent offerings (including through the sale of securities convertible into or exchangeable for Common Shares), on the reinvestment of dividends or pursuant to other securities exercisable for Common Shares. The Corporation may also issue Common Shares to finance future acquisitions. The Corporation cannot predict the size of future issuances of Common Shares or the effect that future issuances and sales of Common Shares will have on the market price of the Common Shares. Issuances of a substantial number of additional Common Shares, or the perception that such issuances could occur, may adversely affect prevailing market prices for the Common Shares. With any additional issuance of Common Shares, investors will suffer dilution to their voting power and the Corporation may experience dilution in its earnings per share.

Enforcement of Judgments Against Foreign Persons may not be Possible

Each of Robert G. Leary, Stuart J. Russell, Frederick Singer and William L. Young, directors of the Corporation, are resident outside of Canada and, as a result, it may not be possible for purchasers of securities of the Corporation to effect service of process within Canada upon these individuals. All or a substantial portion of the assets of these individuals are likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against such persons in Canada or to enforce a judgment obtained in Canadian courts against such individuals outside of Canada.

Other Disclosure

US Securities Law Matters

The issuance and sale of the securities described herein and the related documentation delivered to you have not been and will not be registered under the U.S. Securities Act, or the securities laws of any other jurisdiction. The securities are being offered and sold only (1) to persons that are reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in reliance on the exemption from the registration requirements under the U.S. Securities Act and (2) to certain non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. In the case of such securities offered or sold to or for the benefit of residents of Canada, such offers or sales are made on a private placement basis in reliance on certain exemptions available pursuant to the securities laws of the provinces and territories of Canada.

SCHEDULE B
TERM SHEET – INTACT FINANCIAL CORPORATION

See attached.

NOVEMBER 12, 2020

Intact Financial Corporation
PRIVATE PLACEMENT OF SUBSCRIPTION RECEIPTS
TERM SHEET

This term sheet is not, and under no circumstances is it to be construed as, a prospectus, offering memorandum or advertisement or public offering of the Subscription Receipts (as defined below). The Subscription Receipts have not been and will not be qualified for sale to the public under applicable securities laws in Canada and, accordingly, any offer and sale of the Subscription Receipts in Canada will be made on a basis which is exempt from the prospectus requirements of such securities laws.

The issuance and sale of the Subscription Receipts and the Common Shares (as defined below) described herein and in related documentation delivered to you have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or the securities laws of any state of the United States or any other jurisdiction. The securities are being offered and sold only (1) to persons that are reasonably believed to be qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act) in reliance on an exemption from the registration requirements under the U.S. Securities Act and (2) to certain non-U.S. persons outside the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act. In the case of such securities offered or sold to or for the benefit of residents of Canada, such offers or sales are made on a private placement basis in reliance on certain exemptions available pursuant to the securities laws of the provinces and territories of Canada. This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities in any jurisdiction to any person to whom it is unlawful to make such offer or solicitation in such jurisdiction.

No investor, and no beneficial purchaser for whom it is acting, should rely upon agents of Intact (as defined below) to conduct any due diligence investigation on behalf of the investor regarding the Acquisition (as defined below), Intact's offered securities or Intact's business, management, financial position, condition or prospects. Intact's agents do not make any representation or warranty as to, or assume any responsibility or liability of any nature whatsoever for, the accuracy or adequacy of any of the information furnished to the investors in connection with any offering of securities by Intact.

The following is a summary of certain of the material attributes and characteristics of the Subscription Receipts but does not purport to be complete and is subject to, and qualified in its entirety by, reference to the terms of the Subscription Receipt Agreement (as defined below), a copy of which will be filed on Intact Financial Corporation's SEDAR profile at www.sedar.com.

Issuer:	Intact Financial Corporation ("Intact").
Issue:	"Bought deal" private placement (the "Offering") of 9,272,000 subscription receipts of Intact ("Subscription Receipts"), with each Subscription Receipt entitling the holder thereof, to receive automatically upon closing of the Acquisition (as defined herein), without any action on the part of the holder thereof and without payment of additional consideration, one common share of Intact (each, a "Common Share").
Amount:	\$1,247,084,000.
Issue Price:	\$134.50 per Subscription Receipt (the "Issue Price").
Cornerstone Private Placements:	Intact will issue an aggregate of 23.8 million subscription receipts (the "Cornerstone Investors' Subscription Receipts") at a price of \$134.50 per Cornerstone Investors' Subscription Receipt (the "Cornerstone Issue Price") to CDPQ Marchés boursiers inc. ("CDPQ"), a wholly-owned subsidiary of Caisse de dépôt et placement du Québec, CPP Investment Board PMI-2 Inc. ("CPPIB"), a wholly-owned subsidiary of Canada Pension Plan Investment Board and 2380162 Ontario Limited ("OTPP", together with CDPQ and CPPIB, the "Cornerstone Investors"), a wholly-owned subsidiary of Ontario Teachers' Pension Plan, representing aggregate gross proceeds of \$3.2 billion on a private placement basis (the "Cornerstone Private Placements"). If the Acquisition closes, Intact shall pay a fee to each Cornerstone Investor at the time that Common Shares are issued pursuant to such Cornerstone Investors' Subscription Receipts, in cash or such other form or forms of payment as Intact and such Cornerstone Investor may mutually agree, equal to 4.0% of the aggregate Cornerstone Issue Price for such Cornerstone Investors' Subscription Receipts in relation to which Common Shares are issued on closing of the Acquisition.

The closing of each Cornerstone Private Placement is scheduled to occur seven calendar days after publication of the Rule 2.7 Announcement or such other date as the Cornerstone Investor and Intact may agree.

The Cornerstone Investors have agreed not to, and have agreed to procure certain of their affiliates not to, from the closing of the Cornerstone Private Placements until the earlier of (i) the date that is one (1) month following the issuance of Common Shares pursuant to the Cornerstone Investors' Subscription Receipts and (ii) the date that is twelve (12) months following the closing of the Cornerstone Private Placements, sell or otherwise dispose of any of the Cornerstone Investors' Subscription Receipts and, following the issuance of Common Shares pursuant to the Cornerstone Investors' Subscription Receipts, that number of Common Shares equal to the number of Common Shares acquired pursuant to the Cornerstone Investors' Subscription Receipts, subject to the matters relating to CDPQ described under the heading "Subscription Receipts" below.

Use of Proceeds:

In connection with the closing of the Acquisition, the Escrowed Proceeds (as defined herein) and any Earned Interest (as defined herein) (after payment of any Dividend Equivalent Payments, the Excess Subscription Payment (as defined herein) (if applicable) and the remainder of the Underwriters' Fee (as defined herein)) will be used to partially fund a portion of the purchase price for the acquisition (the "Acquisition") by Intact or a wholly-owned subsidiary of Intact of the ordinary shares of RSA Insurance Group PLC ("RSA") pursuant to a Rule 2.7 Announcement to be made by Intact under the UK City Code on Takeovers and Mergers in the form attached to the Underwriting Agreement (the "Rule 2.7 Announcement"). Should a firm offer be made for RSA, which is subject to, amongst other things, due diligence and reaching definitive agreements with various stakeholders, Intact estimates the proposed Transaction to complete during the second quarter of 2021. Additional information in respect of the terms and conditions of the Acquisition will be provided in the Rule 2.7 Announcement, if and when made. Immediately following the closing of the Acquisition, RSA's Scandinavian business will be divided pursuant to an agreement (the "Separation Agreement") between (among others) Intact and Tryg A/S ("Tryg").

**Rule 2.7
Announcement:**

The closing of the Offering is conditional on the Rule 2.7 Announcement being made. There can be no certainty that a Rule 2.7 Announcement will be made.

Subscription Receipts:

Each Subscription Receipt will entitle the holder thereof to receive automatically upon closing of the Acquisition, without any action on the part of the holder and without payment of additional consideration, one Common Share. The terms of the Subscription Receipts will be governed by a subscription receipt agreement (the "Subscription Receipt Agreement") to be entered into among Intact, the Joint Bookrunners and Computershare Trust Company of Canada, as escrow agent (the "Subscription Receipt Agent"), on the Offering Closing Date.

Each beneficial holder of Subscription Receipts, by acquiring or holding a beneficial interest in Subscription Receipts (including beneficially through CDS and its participants), will (i) represent and warrant to Intact that the number of Common Shares issuable pursuant to an investor's beneficial holdings of Subscription Receipts will not cause it, together with its

affiliates, to have beneficial ownership of, or control or direction over (or both), 10% or more of the Common Shares issued and outstanding immediately following closing of the Acquisition, and (ii) agree not to take any action prior to the earlier of (x) issuance of Common Shares pursuant to the terms of the Subscription Receipts, and (y) a Termination Event (as defined herein), that would cause subparagraph (i) above to be incorrect.

Notwithstanding anything to the contrary herein, if a holder of Subscription Receipts (alone or together with its affiliates) would be expected to own or exercise control or direction (or both) over 10% or more of the then outstanding Common Shares upon issuance of the Common Shares pursuant to the Subscription Receipts held by such holder, the receipt of such excess Common Shares that would result in a holding of 10% or more will be subject to obtaining all necessary regulatory approvals relating thereto prior to the date that is five business days prior to the scheduled Acquisition closing date (the "Excess Subscription Receipt Approval Date"). If any such approval has not by then been obtained, or as applicable, waived by Intact, the Subscription Receipts that would otherwise entitle the holder thereof to receive such excess Common Shares ("Excess Subscription Receipts") shall be cancelled immediately prior to closing of the Acquisition and the holder thereof shall be entitled to receive an amount equal to (x) the aggregate Issue Price for such Excess Subscription Receipts, plus (y) the pro rata portion of the Earned Interest attributable to such aggregate Issue Price (the "Excess Subscription Payment").

If a Termination Event has not occurred and the Escrow Release Conditions have been or are expected to be satisfied, Intact will deliver a notice (the "Escrow Release Notice") to the Subscription Receipt Agent and the Joint Bookrunners, on behalf of the underwriters, provided that Intact may deliver the Escrow Release Notice to the Subscription Receipt Agent and the Joint Bookrunners, on behalf of the underwriters, not more than five business days prior to the anticipated Acquisition closing as described below under "Escrow Proceeds". The Escrow Release Notice will certify that the Escrow Release Conditions have been or are expected to be satisfied and that Intact has no reason to believe that they will not be satisfied, and the remaining Escrowed Proceeds and any remaining Earned Interest, less the amounts required to satisfy payment of Dividend Equivalent Payments (to the extent they are paid out of the Escrowed Proceeds), the Excess Subscription Payment (if applicable) and the remainder of the Underwriters' Fee, will be released by the Subscription Receipt Agent to or as directed by Intact.

If (i) closing of the Acquisition has not occurred prior to 11:59 p.m. (London UK local time) on December 31, 2021 (the "Outside Date"), or (ii) (a) the scheme of arrangement for the Acquisition lapses or is withdrawn with the consent of the Panel on Takeovers and Mergers of the United Kingdom or by order of the High Court of Justice in England and Wales and Intact delivers to the Joint Bookrunners notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a takeover offer or otherwise; or (b) if the Acquisition is implemented by way of a takeover offer, such takeover offer lapses, terminates or is withdrawn (with the consent of the Panel on Takeovers and Mergers of the United Kingdom, where required) and Intact delivers to the Joint Bookrunners notice that, or publicly confirms that, it does not intend to proceed with the Acquisition or to implement the Acquisition by way of a scheme or arrangement or otherwise (each, a

“Termination Event” and, the first date on which any such Termination Event occurs, the “Termination Date”), the Subscription Receipt Agent will deliver to each holder of Subscription Receipts, commencing no later than the third business day following the Termination Date, an amount equal to (x) the aggregate Issue Price for such holder’s Subscription Receipts, plus (y) the pro rata portion of the Earned Interest attributable to such aggregate Issue Price (collectively, the “Termination Payment”), paid from the balance of the Escrowed Proceeds, together with any remaining Earned Interest, on the Termination Date. If the balance of the Escrowed Proceeds, together with any remaining Earned Interest, is insufficient to cover the full amount of the Termination Payment, Intact will be required, under the Subscription Receipt Agreement, to pay to the holders of Subscription Receipts the difference if any, between the amount of Escrowed Proceeds, together with any remaining Earned Interest, on the Termination Date and the Termination Payment due to the holders of Subscription Receipts.

**Joint Bookrunners’
Consent to Waivers and
Amendments:**

In the underwriting agreement, Intact will covenant that it shall not, and shall cause its subsidiaries not to, without the prior approval of the Joint Bookrunners (as defined herein), on behalf of the underwriters, (i) if, at the time of entering into the Underwriting Agreement the Rule 2.7 Announcement has not been made, enter into the co-operation agreement among Intact, Tryg and RSA, the collaboration agreement among Intact and Tryg, the Separation Agreement, the Acquisition, the agreement for the acquisition of shares in companies that will own or co-own RSA’s Scandinavian businesses to be entered into between Regent Bidco Limited and Tryg, or any financing in connection therewith, in each case on terms or conditions other than as set forth in the Rule 2.7 Announcement, (ii) once the Rule 2.7 Announcement is made, amend any terms or conditions of the co-operation agreement among Intact, Tryg and RSA, or the collaboration agreement among Intact and Tryg, or the Acquisition as set out in the Rule 2.7 Announcement, waive any provision thereof, in whole or in part, where such amendment or waiver would be materially adverse to the interest of the holders of Subscription Receipts, provided that any amendment or waiver (including the treatment of a condition as having been satisfied) that is (A) required pursuant to the UK City Code on Takeovers and Mergers or by a court of competent jurisdiction or the Panel on Takeovers and Mergers of the United Kingdom (including any refusal by the Panel on Takeovers and Mergers of the United Kingdom to allow the invocation of a condition) or (B) in the event the Acquisition is implemented by way of a takeover offer, reducing the acceptance condition to not less than 75% of the then issued ordinary share capital of RSA shall not be regarded as being materially adverse to the interest of the holders of Subscription Receipts; or (iii) waive any provision or amend any provision of the Separation Agreement, any Cornerstone Investor subscription agreement, the agreement for the acquisition of shares in companies that will own or co-own RSA’s Scandinavian businesses to be entered into between Regent Bidco Limited and Tryg, where such amendment or waiver would be materially adverse to the interest of the holders of Subscription Receipts.

**Escrow Release
Conditions:**

Escrow Release Conditions means, (i) where the Acquisition is implemented by way of a scheme of arrangement under Part 26 of the UK Companies Act of 2006, the scheme becoming effective in accordance with its terms, and where the Acquisition is implemented by way of a takeover offer under section 974 of the UK Companies Act of 2006, the takeover

offer becoming or being declared unconditional in all respects and (ii) the Cornerstone Private Placements have closed.

Dividend Equivalent Payments on Subscription Receipts:

If the Acquisition closes, subject to the terms of the Subscription Receipt Agreement, the Subscription Receipt Agent will make a cash payment (a “Dividend Equivalent Payment”) to each holder of a Subscription Receipt in respect of such Subscription Receipt equal to the amount of each dividend declared by Intact on a Common Share during the period commencing on the Offering Closing Date to (but excluding) the last day the Subscription Receipts are outstanding and for which the record date for such dividend falls within such period, and the payment in respect of each such dividend will be made on the later of the date the Acquisition closes and the date the dividend is paid to shareholders.

The payment of dividends on the Common Shares is subject to the discretion of Intact’s Board of Directors and depends on, among other things, the financial condition of Intact, general business conditions, restrictions regarding the payment of dividends to Intact by its subsidiaries and other factors that Intact’s Board of Directors may in the future consider to be relevant.

For greater certainty, no Dividend Equivalent Payment will be made to holders of Subscription Receipts if a Termination Event occurs.

Escrowed Proceeds:

The proceeds from the sale of the Subscription Receipts issued pursuant to the Offering, net of the Initial Underwriters’ Fee (as defined herein) and the proceeds of the sale of the Cornerstone Investors’ Subscription Receipts (collectively, the “Escrowed Proceeds”) will be delivered to and held by the Subscription Receipt Agent, as escrow agent and bailee on behalf of the holders of Subscription Receipts, including Cornerstone Investors’ Subscription Receipts, and, together with any Earned Interest, will be invested in interest-bearing or discount debt obligations issued or guaranteed by the Government of Canada or a province of Canada or a Canadian chartered bank (which may include an affiliate or related party of the Subscription Receipt Agent) provided that such obligation is rated at least R1 (middle), in respect of short-term obligations, or A, in respect of long-term obligations, by DBRS Inc. or a similar rating service, until the earlier of (x) the delivery of an Escrow Release Notice and (y) the occurrence of a Termination Event. “Earned Interest” refers to any interest or other income actually earned on the investment or reinvestment of the Escrowed Proceeds from and including the date on which the Subscription Receipts are issued to, but excluding, the earlier to occur of the delivery of an Escrow Release Notice and the Termination Date.

If the Acquisition closes, the Escrowed Proceeds (and the Earned Interest) may be used to fund the Dividend Equivalent Payment, the Excess Subscription Payment (if applicable) and the remaining amount of the Underwriters’ Fee.

The remaining Escrowed Proceeds (together with any remaining Earned Interest thereon), less any amounts paid therefrom to satisfy payment of Dividend Equivalent Payments, the Excess Subscription Payment (if applicable) and the remaining amount of the Underwriters’ Fee, may, at the election of Intact and subject to the Escrow Release Conditions having been or being expected to be satisfied, be released up to five business days prior to the anticipated closing of the Acquisition. In the event that such Escrowed Proceeds (together with any remaining Earned Interest) are

released pursuant to an Escrow Release Notice and the closing of the Acquisition does not occur within five business days of such release, Intact will cause such Escrowed Proceeds (together with any remaining Earned Interest) to be returned to the Subscription Receipt Agent pursuant to the terms of the Subscription Receipt Agreement.

Listing:

Application will be made to list the Common Shares issuable pursuant to the Subscription Receipts on the Toronto Stock Exchange (“TSX”). The existing Common Shares of Intact are listed on the TSX under the symbol “IFC”.

Application will be made to list the Subscription Receipts on the TSX effective as of the expiry of the statutory hold period of four months plus one day.

Form of Offering:

Private placement of Subscription Receipts in all provinces and territories of Canada to investors who qualify as “accredited investors” under Canadian securities legislation or who are otherwise exempt from prospectus delivery requirements.

Private placement of Subscription Receipts in the United States to “qualified institutional buyers” pursuant to an exemption from registration under the United States Securities Act of 1933, as amended, and in such other jurisdictions outside of Canada in accordance with applicable law.

The Subscription Receipts issued to “accredited investors” in Canada, including the Cornerstone Investors’ Subscription Receipts, or otherwise on a prospectus exempt basis, as well as any Common Shares issued pursuant to the Subscription Receipts during the four month period following the date the Subscription Receipts are issued, will be subject to a hold period of four months plus one day from the date of issuance of the Subscription Receipts.

Form of Underwriting:

“Bought deal” private placement, subject to an underwriting agreement containing “disaster out”, “regulatory out” and “material adverse change out” clauses running to the Offering Closing Date.

Eligibility for Investment:

The Subscription Receipts and the Common Shares received pursuant to the terms of the Subscription Receipts will be qualified investments under the Income Tax Act (Canada) and the regulations thereunder for a trust governed by a registered retirement savings plan, registered retirement income fund, registered education savings plan, tax-free savings account, registered disability savings plan or deferred profit sharing plan (each a “Plan”), provided that, at the time of their acquisition by such Plan, (a) in the case of the Common Shares, the Common Shares are listed on a designated stock exchange (which currently includes the TSX); and (b) in the case of the Subscription Receipts, the Subscription Receipts are (i) listed on a designated stock exchange (which currently includes the TSX) or (ii) the Common Shares are qualified investments (as described in (a)) and neither Intact nor any person with whom Intact does not deal at arm’s length is an annuitant, a beneficiary, an employer or a subscriber under, or a holder of, such Plan.

Underwriting Fee:

3.75% of the gross proceeds from the sale of Subscription Receipts pursuant to the Offering (the “Underwriters’ Fee”). Half of the Underwriters’ Fee will be payable upon the Offering Closing Date (the “Initial Underwriters’ Fee”), and half will be payable upon the closing of

the Acquisition. If a Termination Event occurs, only the Initial Underwriters' Fee will be payable to the underwriters.

Sales outside of Canada may be made through the affiliates of the underwriters.

Bookrunners: CIBC Capital Markets and Barclays Capital Canada Inc. (the "Joint Bookrunners").

Closing: On or about December 3, 2020 (the "Offering Closing Date").

SCHEDULE C

U.S. QUALIFIED INSTITUTIONAL BUYER LETTER

TO: **INTACT FINANCIAL CORPORATION (the “Corporation”)**

AND TO: **CIBC WORLD MARKETS INC., BARCLAYS CAPITAL CANADA INC., BMO NESBITT BURNS INC., NATIONAL BANK FINANCIAL INC., TD SECURITIES INC., RBC DOMINION SECURITIES INC., SCOTIA CAPITAL INC., CORMARK SECURITIES INC., DESJARDINS SECURITIES INC., HSBC SECURITIES (CANADA) INC., JP MORGAN SECURITIES CANADA INC., RAYMOND JAMES LTD. AND UBS SECURITIES CANADA INC. (collectively, the “Underwriters”)**

AND TO: **THE U.S. REGISTERED BROKER-DEALER AFFILIATES OF THE UNDERWRITERS (the “U.S. Affiliates”)**

Ladies and Gentlemen:

The undersigned U.S. Purchaser, in connection with its agreement to purchase certain subscription receipts of the Corporation (“**Subscription Receipts**”), on its own behalf and on behalf of each person for whom it is acting, acknowledges, represents to, warrants and agrees with the Corporation and the Underwriters (including the U.S. Affiliates), that:

1. it is authorized to consummate the purchase of the Subscription Receipts;
2. it understands and acknowledges that the Subscription Receipts and the common shares of the Corporation issuable pursuant to the terms and conditions of the Subscription Receipts (the “**Underlying Common Shares**”) have not been and will not be registered under the United States Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States, and that the offer and sale of the Subscription Receipts to it are being made through the U.S. Affiliates in reliance upon an exemption from registration under the U.S. Securities Act;
3. it is a “qualified institutional buyer” (as defined in Rule 144A under the U.S. Securities Act) (a “**Qualified Institutional Buyer**”) and is acquiring the Subscription Receipts
 - a. for its own account and not on behalf of any other person, or
 - b. for the account of a Qualified Institutional Buyer with respect to which it exercises sole investment discretion,

for investment purposes, and not with a view to any resale, distribution or other disposition of the Subscription Receipts or the Underlying Common Shares in violation of United States federal or state Securities Laws;

4. it acknowledges that it has not purchased the Subscription Receipts as a result of any “directed selling efforts” (as defined in Regulation S under the U.S. Securities Act) or any “general solicitation” or “general advertising” (as such terms are defined in Regulation D under the U.S. Securities Act), including advertisements, articles, notices or other communications published in any newspaper, magazine, similar media, or on the Internet, or broadcast over radio, television or the Internet, or any seminar or meeting whose attendees have been invited by general solicitation or general advertising;
5. it is not an “affiliate” (as defined in Rule 144 under the U.S. Securities Act) of the Corporation and is not acting on behalf of an affiliate of the Corporation;
6. it understands and acknowledges that the Subscription Receipts and the Underlying Common Shares acquired by it in the United States will be considered “restricted securities” within the meaning of Rule 144(a)(3)

under the U.S. Securities Act (“**Restricted Securities**”). To induce the Corporation to issue the Subscription Receipts and the Underlying Common Shares to the undersigned U.S. Purchaser without a U.S. restricted CUSIP number and without a U.S. Securities Act restrictive legend, the undersigned U.S. Purchaser represents, warrants and covenants to the Corporation as follows (collectively, the “**Restricted Security Agreements**”):

- a. if in the future it decides to offer, sell, pledge, or otherwise transfer, directly or indirectly, any of the Subscription Receipts or the Underlying Common Shares, it will do so only:
 - i. to the Corporation (although the Corporation is under no obligation to purchase any such securities),
 - ii. outside the United States in accordance with Rule 904 of Regulation S under the U.S. Securities Act and in compliance with applicable local laws or regulations, or
 - iii. pursuant to an effective registration statement under the U.S. Securities Act,
and in each case in compliance with applicable state or foreign laws;
 - b. neither the Subscription Receipts nor the Underlying Common Shares can be offered, sold, pledged or otherwise transferred, directly or indirectly, in the United States or to, or for the account or benefit of, a person in the United States;
 - c. it will cause any CDS participant holding the Subscription Receipts or the Underlying Common Shares on its behalf, and the beneficial purchaser of the Subscription Receipts or the Underlying Common Shares, if any, to comply with the Restricted Security Agreements; and
 - d. for so long as the Subscription Receipts and the Underlying Common Shares constitute Restricted Securities, it will not deposit any of the Subscription Receipts or the Underlying Common Shares into the facilities of The Depository Trust Company, or a successor depository within the United States, or arrange for the registration of any the Subscription Receipts with Cede & Co. or any successor thereto;
7. it understands and acknowledges that neither the Subscription Receipts nor the Underlying Common Shares will be represented by certificates that bear a U.S. restrictive legend or identified by a restricted CUSIP number in reliance on the acknowledgments, representations and agreements contained herein, including the Restricted Security Agreements set forth above;
 8. it has implemented appropriate internal controls and procedures to ensure that the Subscription Receipts and the Underlying Common Shares
 - a. shall be properly identified in its records as Restricted Securities that are subject to the resale and transfer restrictions set forth above, notwithstanding the absence of a U.S. restrictive legend, and
 - b. will only be reoffered, resold, pledged or otherwise transferred outside the United States in an “offshore transaction” complying with the provisions of Rule 904 of Regulation S to a person outside the United States and not known by the transferor to be a “U.S. Person” (in each case, as defined in Regulation S), or acting for the account or benefit of a U.S. Person, by pre-arrangement or otherwise;
 9. it consents to the Corporation making a notation on its records or giving instructions to any transfer agent for the Subscription Receipts or the Underlying Common Shares in order to implement the restrictions on transfer set forth and described herein;
 10. if required by applicable securities legislation, regulatory policy or order or by any securities commission, stock exchange or other regulatory authority, it will execute, deliver, file and otherwise assist the Corporation in filing reports, questionnaires, undertakings and other documents with respect to the ownership of the Subscription Receipts or the Underlying Common Shares;

11. it understands and acknowledges that the Corporation is not obligated to file, and the Corporation has no present intention to file, any registration statement in respect of re-sales of the Subscription Receipts or the Underlying Common Shares in the United States, either with the United States Securities and Exchange Commission or with any state securities administrator;
12. it has had access to such financial and other information concerning the Corporation as it has deemed necessary in connection with its decision to purchase the Subscription Receipts, including an opportunity to ask questions of, and request information from, the Corporation, the Underwriters and the U.S. Affiliates;
13. it understands that the investment in or holding, acquisition or disposition of, the Subscription Receipts and the Underlying Common Shares may have tax consequences under the laws of the United States and Canada, and that it is the sole responsibility of the undersigned U.S. Purchaser to determine and assess such tax consequences as may apply to its particular circumstances;
14. it acknowledges that it has obtained independent legal, income tax and investment advice with respect to its investment in the Subscription Receipts, and accordingly, has had an opportunity to acquire an understanding of the meanings of all terms contained herein relevant to the undersigned U.S. Purchaser for the purpose of giving the representations, warranties and covenants contained herein;
15. it understands and acknowledges that it is making the representations, warranties and agreements contained herein with the intent that they may be relied upon by the Corporation, the Underwriters and the U.S. Affiliates in determining its eligibility to purchase Subscription Receipts and the determination to issue the Subscription Receipts and the Underlying Common Shares to the undersigned without a U.S. restrictive legend. By this letter, the undersigned represents and warrants that the foregoing representations and warranties are true and that they shall survive the purchase by it of the Subscription Receipts and shall continue in full force and effect notwithstanding any subsequent disposition by the undersigned of the Subscription Receipts or the Underlying Common Shares; and
16. the Corporation and the Underwriters (including the U.S. Affiliates) shall be entitled to rely on delivery of a facsimile copy of this letter, and acceptance by the Corporation of a facsimile copy of this letter shall create a legal, valid and binding agreement among the undersigned, the Corporation, the Underwriters and the U.S. Affiliates in accordance with the terms hereof.

The undersigned U.S. Purchaser undertakes to notify the Corporation immediately of any change in any representation, warranty or other information relating to the undersigned U.S. Purchaser set forth herein which takes place prior to the Closing Date. Capitalized terms not defined herein are used as defined in the Subscription Agreement to which this letter is attached.

SIGNATURE OF U.S. PURCHASER

Signature of U.S. Purchaser (on its own behalf and, if applicable, on behalf of each principal for whom it is contracting hereunder):

(Full Name of Purchaser - please print)

(Authorized Signature)

(Name and Official Capacity - please print)