Information has been incorporated by reference in this prospectus from documents filed with the securities commissions or similar authorities in Canada. *Copies of the documents incorporated herein by reference may be obtained on request without charge from the Secretary's Office of Intact Financial Corporation, 700 University Avenue, Suite 1500-A (Legal), Toronto, Ontario, M5G 0A1, (416) 341-1464, ext. 45149 or 2020 Robert-Bourassa Boulevard, 6th Floor, Montréal, Québec, H3A 2A5, (514) 985-7111 ext. 66365 and are also available electronically at www.sedar.com.*

The securities to be issued hereunder have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws and, except as described under "Plan of Distribution", may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act).

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue and/or Secondary Offering December 5, 2019

INTACT FINANCIAL CORPORATION

$10,000,000,000

Debt Securities
Class A Shares
Common Shares
Subscription Receipts
Warrants
Share Purchase Contracts
Units

Intact Financial Corporation ("IFC") may from time to time offer and issue the following securities: (i) senior or subordinated unsecured debt securities (collectively, the "Debt Securities"); (ii) class A shares ("Class A Shares"); (iii) common shares ("Common Shares"); (iv) subscription receipts ("Subscription Receipts"); (v) warrants ("Warrants"); (vi) share purchase contracts ("Share Purchase Contracts"); and (vii) units ("Units") comprised of one or more of the other securities described in this prospectus (the "Prospectus"). The Debt Securities, Class A Shares, Common Shares, Subscription Receipts, Warrants, Share Purchase Contracts and Units (collectively, the "Securities") offered hereby may be offered separately or together, in separate series, in amounts, at prices and on terms to be set forth in one or more accompanying shelf prospectus supplements (each, a "Prospectus Supplement") to this Prospectus.

(cover continued on following page)

IFC may sell up to $10,000,000,000 in aggregate initial offering amount of Securities (or the equivalent at the time of issue if Securities are issued in currencies other than Canadian dollars) at any time and from time to time during the 25 month period that this Prospectus, including any amendments hereto, remains valid.

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which such securities may be purchased, maturity, interest provisions, authorized denominations, offering price, any terms for redemption at the option of IFC or the holder, any exchange or conversion terms and any other specific terms; (ii) in the case of Class A Shares, the designation of the particular series, the number of shares offered, the issue price, the dividend rate, the dividend payment dates, any terms for redemption at the option of IFC or the holder, any exchange or conversion terms and any other specific terms; (iii) in the case of Common Shares, the number of shares and the offering price; (iv) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, the procedures for exchange of the Subscription Receipts for Debt Securities, Class A Shares or Common Shares, as the case may be, and any other specific terms; (v) in the case of Warrants, the designation, number and terms of the Debt Securities, Class A Shares or Common Shares purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of those numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (vi) in the case of Share Purchase Contracts, whether the Share Purchase Contracts obligate the holder thereof to purchase or sell Common Shares or Class A Shares, as the case may be, and the nature and amount of each of those securities and any other specific terms; and (vii) in the case of Units, the designation and terms of the Units and of the Securities comprising the Units and any other specific terms.

This Prospectus does not qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests, including, for example, an equity or debt security, a statistical measure of economic or financial performance (including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items). For greater certainty, this Prospectus may qualify for issuance Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers' acceptance rate, or to recognized market benchmark interest rates such as LIBOR, EURIBOR or a United States Federal funds rate.

All information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be deemed to be incorporated by reference in this Prospectus as of the date of such Prospectus Supplement but only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains.

The registered and head office of IFC is located at 700 University Avenue, Suite 1500, Toronto, Ontario, Canada, M5G 0A1.

The Common Shares are listed for trading on the Toronto Stock Exchange ("TSX") under the symbol "IFC", the Series 1 Preferred Shares (being a series of Class A Shares) are listed for trading on the TSX under the symbol "IFC.PR.A", the Series 3 Preferred Shares (being a series of Class A Shares) are listed for trading on the TSX under the symbol "IFC.PR.C", the Series 4 Preferred Shares (being a series of Class A Shares) are listed for trading on the TSX under the symbol "IFC.PR.D", the Series 5 Preferred Shares (being a series of Class A Shares) are listed for trading on the TSX under the symbol "IFC.PR.E", the Series 6 Preferred Shares (being a series of Class A Shares) are listed for trading on the TSX under the symbol "IFC.PR.F" and the Series 7 Preferred Shares (being a series of Class A Shares) are listed on the TSX under the symbol "IFC.PR.G". On December 4, 2019, the closing sale price of a Common Share on the TSX was $135.05, the closing sale price of a Series 1 Preferred Share on the TSX was $14.28, the closing sale price of a Series 3 Preferred Share on the TSX was $17.33, the closing sale price of a Series 4 Preferred Share on the TSX was $17.05, the closing sale price of a Series 5 Preferred Share on the TSX was $24.45, the closing sale price of a Series 6 Preferred Share on the TSX was $24.60 and the closing sale price of a Series 7 Preferred Share on the TSX was $18.21.

The Securities may be sold through underwriters or dealers purchasing as principals, through agents designated by IFC (such underwriters, dealers and agents are collectively referred to in this Prospectus as "Investment Dealers" and individually as an "Investment Dealer") or by IFC directly, from time to time. See "Plan of Distribution". Each Prospectus Supplement will identify each Investment Dealer engaged in connection with the offering and sale of those Securities to which the Prospectus Supplement relates, and will also set forth the terms of the offering of such Securities including the net proceeds to IFC and, to the extent applicable, any fees payable to the Investment Dealers. Unless otherwise specified in the applicable Prospectus Supplement, any Debt Securities offered hereby will not be listed on any stock exchange.

This Prospectus also qualifies the distribution of Securities by certain IFC securityholders, including one or more of IFC's wholly owned subsidiaries (each a "Selling Securityholder"). One or more Selling Securityholders may sell Securities to or through Investment Dealers purchasing as principals and may also sell the Securities to one or more purchasers directly, or through agents designated from time to time. See "Plan of Distribution" and "Selling Securityholders".

In connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), the Investment Dealers may over-allot or effect transactions which stabilize or maintain the market price of IFC's securities at a higher level than that which might exist in the open market. These transactions may be commenced, interrupted or discontinued at any time. See "Plan of Distribution".

In this Prospectus, references to "IFC", "we", "us" and "our" refer to IFC and its subsidiaries unless the subject matter or context is inconsistent therewith. Unless otherwise specified, all references to currency amounts in this Prospectus are to Canadian dollars. This Prospectus contains terms that are specific to the insurance industry and that are technical in nature. Certain of these terms are described in "Glossary of Selected Insurance and Other Terms" in this Prospectus.

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DOCUMENTS INCORPORATED BY REFERENCE

The following documents of IFC filed with the various securities commissions or similar authorities in Canada are incorporated by reference in this Prospectus:

(a) the annual information form of IFC for the year ended December 31, 2018 dated March 29, 2019;

(b) the audited consolidated financial statements of IFC, together with the auditors' report thereon and the notes thereto, as at and for the year ended December 31, 2018;

(c) management's discussion and analysis of financial condition and results of operations of IFC for the year ended December 31, 2018 (the "Annual MD&A");

(d) the unaudited interim consolidated financial statements of IFC, together with the notes thereto, as at and for the three- and nine-month periods ended September 30, 2019;

(e) management's discussion and analysis of financial condition and results of operations of IFC for the three- and nine-month periods ended September 30, 2019 (the "Interim MD&A");

(f) the management proxy circular of IFC dated March 29, 2019 in respect of IFC's annual meeting of shareholders held on May 8, 2019; and

(g) the material change report of IFC dated August 19, 2019 with respect to the proposed indirect acquisition of The Guarantee Company of North America and Frank Cowan Company Limited by IFC and the related public offering of Subscription Receipts by IFC.

Any document of the type referred to in section 11.1 of Form 44-101F1 of National Instrument 44-101 - *Prospectus Distributions* (excluding confidential material change reports), if filed by IFC with the securities commissions or similar authorities in Canada after the date of this Prospectus and all Prospectus Supplements (only in respect of the offering of Securities to which that particular Prospectus Supplement relates) disclosing additional or updated information including the documents incorporated by reference therein, filed pursuant to the requirements of applicable securities legislation in Canada and during the period that this Prospectus is effective, shall be deemed to be incorporated by reference in this Prospectus. The documents incorporated or deemed to be incorporated herein by reference contain meaningful and material information relating to IFC and the readers should review all information contained in this Prospectus, the applicable Prospectus Supplement and the documents incorporated or deemed to be incorporated by reference herein and therein.

Upon a new annual information form and new audited consolidated annual financial statements being filed by IFC with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this Prospectus is effective, the previous annual information form, the previous annual consolidated financial statements and all interim consolidated financial statements (and in each case the accompanying management's discussion and analysis of financial condition and results of operations), and material change reports filed prior to the commencement of the financial year of IFC in which the new annual information form is filed shall be deemed to no longer be incorporated into this Prospectus for purpose of future offers and sales of Securities under this Prospectus. Upon new unaudited interim consolidated financial statements being filed by IFC with the applicable Canadian securities commissions or similar regulatory authorities in Canada during the period that this Prospectus is effective, the unaudited interim consolidated financial statements for a prior period (and the accompanying management's discussion and analysis of financial condition and results of operations) shall be deemed to no longer be incorporated into this Prospectus for purpose of future offers and sales of Securities under this Prospectus. In addition, upon a new management information circular for an annual meeting of shareholders being filed by IFC with the applicable Canadian securities commissions or similar regulatory authorities during the period that this Prospectus is effective, the previous management information circular filed in respect of the prior annual meeting of shareholders shall no longer be deemed to be incorporated into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

A Prospectus Supplement containing the specific terms for an offering of Securities will be delivered to purchasers of such Securities together with this Prospectus and will be deemed to be incorporated by reference in this Prospectus as of the date of the Prospectus Supplement solely for the purposes of the Securities covered by that Prospectus Supplement unless otherwise provided therein.

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

FORWARD-LOOKING STATEMENTS

Certain of the statements included or incorporated by reference in this Prospectus about IFC's current and future plans, expectations and intentions, results, levels of activity, performance, goals or achievements or any other future events or developments constitute forward-looking statements. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely", "potential" or the negative or other variations of these words or other similar or comparable words or phrases, are intended to identify forward-looking statements. Forward-looking statements include, but are not limited to, expectations regarding completion of the Acquisition and the timing of the closing of the Acquisition; IFC's business objectives and expected growth (including magnitude of growth); credit ratings; the expected impact of the Acquisition on IFC, including anticipated benefits and costs; the anticipated effect of the Acquisition on IFC's strategy, operations and financial performance, including its book value per share, debt to capital ratio, IRR, NOIPS, MCT, DPW, and excess capital; financial leverage; 2019 management objectives; products, services, expertise and capabilities; earnings contributions, cost savings and transition and integration costs; and revenue synergies.

Forward-looking statements are based on estimates and assumptions made by IFC in light of IFC's experience and perception of historical trends, current conditions and expected future developments, as well as other factors that IFC believes are appropriate in the circumstances. Many factors could cause IFC's actual results, performance or achievements or future events or developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, the following factors: expected competition and regulatory processes and outcomes in connection with the Acquisition; IFC's ability to implement its strategy or operate its business as IFC currently expects; IFC's ability to accurately assess the risks associated with the insurance policies that IFC writes; unfavourable capital market developments or other factors which may affect its investments, IFC's floating rate securities and its funding obligations under its pension plans; the cyclical nature of the property and casualty insurance industry; IFC's ability to accurately predict claims inflation and future claims frequency and severity, including in the Ontario personal auto line of business, catastrophe losses caused by severe weather and other weather-related losses; government regulations designed to protect policyholders and creditors rather than investors; litigation and regulatory actions; periodic negative publicity regarding the insurance industry; intense competition; IFC's reliance on brokers and third parties to sell its products to clients and provide services to IFC; IFC's ability to successfully pursue its acquisition strategy; IFC's ability to execute its business strategy; IFC's ability to achieve synergies arising from successful integration plans relating to acquisitions; the terms and conditions of the Acquisition; IFC's expectations in relation to synergies, future economic and business conditions and other factors in relation to the Acquisition and resulting impact on growth and accretion in various financial metrics; IFC's financing plans for the Acquisition, including the availability of equity and debt financing in the future; various other actions to be taken or requirements to be met in connection with the Acquisition and integration post closing of the Acquisition; IFC's participation in the Facility Association (a mandatory pooling arrangement among all industry participants) and similar mandated risk-sharing pools; terrorist attacks and ensuing events; the occurrence and frequency of catastrophe events, including a major earthquake; catastrophe losses caused by severe weather and other weather-related losses, as well as the impact of climate change; IFC's ability to maintain its financial strength and issuer credit ratings; IFC's access to debt and equity financing and its ability to compete for large commercial business; IFC's ability to alleviate risk through reinsurance; IFC's ability to successfully manage credit risk (including credit risk related to the financial health of reinsurers); IFC's ability to contain fraud and/or abuse; IFC's reliance on information technology and telecommunications systems and potential failure of or disruption to those systems, including in the context of evolving cybersecurity risk; the impact of developments in technology and use of data on IFC's products and distribution; IFC's dependence on and ability to retain key employees; changes in laws or regulations; general economic, financial and political conditions; IFC's dependence on the results of operations of its subsidiaries and the ability of its subsidiaries to pay dividends; the volatility of the stock market and other factors affecting the trading prices of IFC's securities; IFC's ability to hedge exposures to fluctuations in foreign exchange rates; future sales of a substantial number of Common Shares; and changes in applicable tax laws, tax treaties or tax regulations or the interpretation or enforcement thereof.

Certain material factors or assumptions are applied in making these forward-looking statements, including that the anticipated benefits of the Acquisition to IFC will be realized, including the impact on growth and accretion in various financial metrics; that reserves will be strengthened following closing of the Acquisition; that the protection IFC has purchased against adverse reserve developments will be sufficient; the accuracy of certain cost assumptions, including with respect to employee retention matters; and the amounts that will be recovered from certain obligations and litigation matters.

All of the forward-looking statements included or incorporated in this Prospectus are qualified by these cautionary statements, those made in the "Risk Management" sections of the Annual MD&A and Interim MD&A and the risk factors incorporated by reference from IFC's other filings with the securities commissions or similar authorities in Canada that are incorporated by reference in this Prospectus. These factors are not intended to represent a complete list of the factors that could affect IFC. These factors should, however, be considered carefully. Although the forward-looking statements are based upon what IFC believes to be reasonable assumptions, IFC cannot assure investors that actual results will be consistent with these forward-looking statements. When relying on forward-looking statements to make decisions, investors should ensure the preceding information is carefully considered. Undue reliance should not be placed on forward-looking statements made in this Prospectus or in the documents incorporated by reference. IFC has no intention and undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

EXCHANGE RATE DATA

The following table sets forth, for the periods indicated, the high, low, average and period-end closing rates of exchange of one U.S. dollar, expressed in Canadian dollars, published by the Bank of Canada.[1]

	Nine months ended September 30	**Year ended December 31**		
	2019	**2018**	**2017**	**2016**
	($)	**($)**	**($)**	**($)**
Highest rate during the period	1.3600	1.3642	1.3743	1.4559
Lowest rate during the period	1.3038	1.2288	1.2128	1.2536
Average rate for the period	1.3292	1.2957	1.2986	1.3245
Rate at the end of the period	1.3243	1.3642	1.2545	1.3427

On December 4, 2019, the daily average exchange rate posted by the Bank of Canada for conversion of U.S. dollars into Canadian dollars was US$1.00 equals $1.3223. No representation is made that Canadian dollars could be converted into U.S. dollars at that rate or any other rate.

[1] As of May 1, 2017, the Bank of Canada only publishes a single daily average rate and ceased to publish a noon or closing exchange rate as of April 28, 2017. Rates prior to May 1, 2017 were calculated using closing exchange rates. Rates on and after May 1, 2017 were calculated using the daily average rate.

RECENT DEVELOPMENTS

On November 26, 2019, IFC entered into an Amended and Restated Credit Agreement with a major financial institution as administrative agent and a syndicate of lenders to (i) provide a revolving credit facility in the amount of $750,000,000 which may be increased up to $1,250,000,000 as provided therein; (ii) include OneBeacon U.S. Financial Services, Inc. and OneBeacon Services, LLC, as additional U.S. borrowers; (iii) include Canada Brokerlink Inc. and Canada Brokerlink (Ontario) Inc. as additional swingline borrowers; and extend the term of such agreement to November 26, 2024. In addition, OneBeacon U.S. Financial Services, Inc. entered into a Term Loan Agreement with a major financial institution as agent, IFC as guarantor, and a syndicate of lenders to provide a term loan in the amount of US$200,000,000 maturing on May 26, 2021.

On December 2, 2019, IFC completed its indirect acquisition of The Guarantee Company of North America and Frank Cowan Company Limited (the "Acquisition") for a purchase price of approximately $1.0 billion. Upon closing of the Acquisition, the 3,829,500 subscription receipts issued by IFC pursuant to its August 2019 bought deal offering were exchanged in accordance with their terms on a one-for-one basis for Common Shares.

INTACT FINANCIAL CORPORATION

Intact Financial Corporation is a holding company incorporated under the *Canada Business Corporations Act* which, through its operating subsidiaries, provides property and casualty insurance in Canada and the United States.

CONSOLIDATED CAPITALIZATION

With the exception of the exchange of 3,829,500 subscription receipts on a one-for-one basis for Common Shares of IFC, there have been no material changes to IFC's share capital and outstanding indebtedness on a consolidated basis since September 30, 2019.

DESCRIPTION OF DEBT SECURITIES

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of the Debt Securities offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement. Since the terms of a series of Debt Securities may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

The Debt Securities will be direct unsecured obligations of IFC. The Debt Securities will be senior or subordinated indebtedness of IFC as described in the relevant Prospectus Supplement. The senior Debt Securities will rank equal in right of payment to all other unsecured and unsubordinated indebtedness of IFC (except for unsecured and unsubordinated indebtedness preferred by mandatory provisions of law). The subordinated Debt Securities will be subordinated in right of payment to the prior payment in full of the senior Debt Securities and all other senior indebtedness of IFC.

The Debt Securities will be issued under one or more indentures (each, a "Trust Indenture"), in each case between IFC and a financial institution to which the *Trust and Loan Companies Act* (Canada) applies or a financial institution organized under the laws of any province of Canada and authorized to carry on business as a trustee (each, a "Trustee"). The statements made hereunder relating to any Trust Indenture and any instalment receipt and pledge agreement (see below) and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Trust Indenture and, if applicable, any instalment receipt and pledge agreement and collateral arrangements and depositary arrangements relating to such Debt Securities.

Each Trust Indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by IFC. Any Prospectus Supplement for Debt Securities supplementing this Prospectus will contain the terms and other information with respect to the Debt Securities being offered thereby, including: (i) the designation, aggregate principal amount and authorized denominations of such Debt Securities; (ii) the currency or currency units for which the Debt Securities may be purchased and the currency or currency units in which the principal and any interest or other amounts is payable (in either case, if other than Canadian dollars); (iii) the percentage of the principal amount at which such Debt Securities will be issued; (iv) the date or dates on which such Debt Securities will mature; (v) the rate or rates per annum at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any); (vi) the dates on which any such interest will be payable and the record dates for such payments; (vii) the Trustee under the Trust Indenture pursuant to which the Debt Securities are to be issued; (viii) any redemption term or terms under which such Debt Securities may be defeased; (ix) whether such Debt Securities are to be issued in registered form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof; (x) any exchange or conversion terms; and (xi) any other specific terms. A copy of any such Trust Indenture will be filed by IFC with securities regulatory authorities after it has been entered into and will be available on IFC's SEDAR profile at www.sedar.com.

Debt Securities may, at the option of IFC, be issued in fully registered form, in "book-entry only" form (the implications of which are discussed below under "Book-Entry Only System") or may be uncertificated.

Debt Securities of a single series may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

The Debt Securities offered pursuant to this Prospectus and any Prospectus Supplement may be represented by instalment receipts, the particular terms and provisions of which will be described in the applicable Prospectus Supplement and set out in an instalment receipt and pledge agreement. Any such instalment receipt will evidence, among other things, (a) the fact that a first instalment payment has been made in respect of the Debt Securities represented thereby and (b) the beneficial ownership of the Debt Securities represented by the instalment receipt, subject to a pledge of such Debt Securities securing the obligation to pay the balance outstanding under such Debt Securities on or prior to a certain date. A copy of any such instalment receipt and pledge agreement will be filed by IFC with securities regulatory authorities after it has been entered into and will be available on IFC's SEDAR profile at www.sedar.com.

DESCRIPTION OF COMMON SHARES AND CLASS A SHARES

The authorized share capital of IFC consists of an unlimited number of Common Shares 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 IFC. As at December 5, 2019, 143,018,134 Common Shares, 10,000,000 Series 1 Preferred Shares, 8,405,004 Series 3 Preferred Shares, 1,594,996 Series 4 Preferred Shares, 6,000,000 Series 5 Preferred Shares, 6,000,000 Series 6 Preferred Shares and 10,000,000 Series 7 Preferred Shares were issued and outstanding.

IFC has authorized but not issued Series 2 Preferred Shares and Series 8 Preferred Shares.

Common Shares

Holders of Common Shares are entitled to receive dividends as and when declared by the board of directors of IFC and, unless otherwise provided by legislation, are entitled to one vote per Common Share on all matters to be voted on at all meetings of shareholders. Upon voluntary or involuntary liquidation, dissolution or winding-up of IFC, the holders of Common Shares are entitled to share rateably in the remaining assets available for distribution, after payment of liabilities and subject to the rights of any shares ranking senior to the Common Shares.

Class A Shares

The Class A Shares will be issuable from time to time in one or more series. The board of directors of IFC will be authorized to fix before issue the number of, the consideration per share of, the designation of, and the provisions attaching to, the Class A Shares of each series, which may include voting rights. The Class A Shares of each series will rank equally with the Class A Shares of every other series and will rank in priority to the Common Shares with respect to dividends and return of capital in the event of liquidation, dissolution or winding up of IFC.

The articles of IFC, which include the terms of the Series 1 Preferred Shares, the Series 2 Preferred Shares, the Series 3 Preferred Shares, the Series 4 Preferred Shares, the Series 5 Preferred Shares, the Series 6 Preferred Shares, the Series 7 Preferred Shares and the Series 8 Preferred Shares, are available on our SEDAR profile at www.sedar.com.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The following sets forth certain general terms and provisions of the Subscription Receipts. IFC may issue Subscription Receipts that may be exchanged by the holders thereof for Debt Securities, Class A Shares or Common Shares upon the satisfaction of certain conditions. The particular terms and provisions of the Subscription Receipts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms described below apply to those Subscription Receipts, will be described in such Prospectus Supplement. Since the terms of a series of Subscription Receipts may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

Subscription Receipts may be offered separately or together with Debt Securities, Class A Shares or Common Shares, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement with one or more subscription receipt agents that IFC will name in the applicable Prospectus Supplement.

Selected provisions of the Subscription Receipts and the subscription receipt agreements are summarized below. This summary is not complete. The statements made in this Prospectus relating to any subscription receipt agreement and Subscription Receipts to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable subscription receipt agreement and, if applicable, collateral arrangements and depositary arrangements relating to such Subscription Receipts.

Any Prospectus Supplement for Subscription Receipts supplementing this Prospectus will contain the terms and conditions and other information with respect to the Subscription Receipts being offered thereby, including:

(a) the number of Subscription Receipts;

(b) the price at which the Subscription Receipts will be offered and whether the price is payable in instalments;

(c) the conditions to the exchange of Subscription Receipts into Debt Securities, Class A Shares or Common Shares, as the case may be, and the consequences of such conditions not being satisfied;

(d) the procedures for the exchange of the Subscription Receipts into Debt Securities, Class A Shares or Common Shares, as the case may be;

(e) the number of Debt Securities, Class A Shares or Common Shares, as the case may be, into which each Subscription Receipt may be exchanged;

(f) the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;

(g) the dates or periods during which the Subscription Receipts may be exchanged into Debt Securities, Class A Shares or Common Shares;

(h) whether such Subscription Receipts will be listed on any securities exchange;

(i) whether the Subscription Receipts will be issued in fully registered or “book-entry only” form;

(j) any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts; and

(k) other specific terms.

Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the Securities subject to the Subscription Receipts.

DESCRIPTION OF WARRANTS

The following sets forth certain general terms and provisions of the Warrants. The particular terms and provisions of the Warrants offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Warrants, will be described in such Prospectus Supplement. Since the terms of a series of Warrants may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

IFC may issue Warrants for the purchase of Debt Securities, Class A Shares, Common Shares or other securities. Warrants may be issued independently or together with Debt Securities, Class A Shares or Common Shares offered by any Prospectus Supplement and may be attached to, or separate from, any such offered Securities. Warrants will be issued under one or more warrant agreements between IFC and a warrant agent (the “Warrant Agent”) that IFC will name in the applicable Prospectus Supplement.

Selected provisions of the Warrants and the warrant agreements are summarized below. This summary is not complete. The statements made in this Prospectus relating to any warrant agreement and Warrants to be issued thereunder are summaries of certain anticipated provisions thereof and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant agreement and, if applicable, collateral arrangements and depositary arrangements relating to such Warrants.

Any Prospectus Supplement for Warrants supplementing this Prospectus will contain the terms and other information with respect to the Warrants being offered thereby, including:

(a) the designation of the Warrants;

(b) the aggregate number of Warrants offered and the offering price;

(c) the designation, number and terms of the Debt Securities, Class A Shares, Common Shares or other securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;

(d) the exercise price of the Warrants;

(e) the dates or periods during which the Warrants are exercisable;

(f) the designation and terms of any securities with which the Warrants are issued;

(g) if the Warrants are issued as a unit with another security, the date on and after which the warrants and the other security will be separately transferable;

(h) the currency or currency unit in which the exercise price is denominated;

(i) any minimum or maximum amount of Warrants that may be exercised at any one time;

(j) whether such Warrants will be listed on any securities exchange;

(k) any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;

(l) whether the Warrants will be issued in fully registered or "book-entry only" form;

(m) any rights, privileges, restrictions and conditions attaching to the Warrants; and

(n) any other specific terms.

Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the securities subject to the Warrants.

DESCRIPTION OF SHARE PURCHASE CONTRACTS

The following sets forth certain general terms and provisions of the Share Purchase Contracts. The particular terms and provisions of the Share Purchase Contracts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Share Purchase Contracts, will be described in such Prospectus Supplement. Since the terms of a series of Share Purchase Contracts may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

IFC may issue Share Purchase Contracts, representing contracts obligating holders to purchase from or sell to IFC, and obligating IFC to purchase from or sell to the holders, a specified number of Common Shares or Class A Shares, as applicable, at a future date or dates, and including by way of instalment. IFC has delivered an undertaking to the securities regulatory authority in each of the provinces and territories of Canada that IFC will not distribute Share Purchase Contracts to any member of the public in Canada unless the Prospectus Supplement containing the specific terms of the Share Purchase Contracts to be distributed separately is first approved for filing by the securities regulatory authority in each of the provinces and territories of Canada where the Share Purchase Contracts will be distributed.

The price per Common Share or Class A Share, as applicable, may be fixed at the time the Share Purchase Contracts are issued or may be determined by reference to a specific formula contained in the Share Purchase Contracts. IFC may issue Share Purchase Contracts in accordance with applicable laws and in such amounts and in as many distinct series as it may determine.

Any Prospectus Supplement for Share Purchase Contracts supplementing this Prospectus will contain the terms and other information with respect to the Share Purchase Contracts being offered thereby, including:

(a) whether the Share Purchase Contracts obligate the holder to purchase or sell, or both purchase and sell, Common Shares or Class A Shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts;

(b) whether the Share Purchase Contracts are to be prepaid or not or paid in instalments;

(c) any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied;

(d) whether the Share Purchase Contracts are to be settled by delivery, or by reference or linkage to the value or performance of Common Shares or Class A Shares;

(e) any acceleration, cancellation, termination or other provisions relating to the settlement of the Share Purchase Contracts;

(f) the date or dates on which the sale or purchase must be made, if any;

(g) whether such Share Purchase Contracts will be listed on any securities exchange;

(h) whether the Share Purchase Contracts will be issued in fully registered or global form;

(i) any rights, privileges, restrictions and conditions attaching to the Share Purchase Contracts; and

(j) any other specific terms.

The Prospectus Supplement will describe the terms of any Share Purchase Contracts. The preceding description and any description of Share Purchase Contracts in the applicable Prospectus Supplement does not purport to be complete and is subject to and is qualified in its entirety by reference to the Share Purchase Contract agreement and, if applicable, collateral arrangements and depository arrangements relating to such Share Purchase Contracts.

In the case of Share Purchase Contracts which obligate the holders to purchase securities from IFC, the holders will not have any of the rights of holders of the securities to be purchased pursuant to the Share Purchase Contracts until the completion of the purchase of those securities by the relevant holder in accordance with the terms of the Share Purchase Contract.

DESCRIPTION OF UNITS

The following sets forth certain general terms and provisions of the Units. The particular terms and provisions of the Units offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Units, will be described in such Prospectus Supplement. Since the terms of a series of Units may differ from the general information provided in this Prospectus, in all cases an investor should rely on the information in the applicable Prospectus Supplement where it differs from information in this Prospectus.

IFC has delivered an undertaking to the securities regulatory authority in each of the provinces and territories of Canada that IFC will not distribute Units comprised of Share Purchase Contracts separately to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless the Prospectus Supplement containing the specific terms of such Units to be distributed separately is first approved for filing by the securities regulatory authority in each of the provinces and territories of Canada where the Units will be distributed.

IFC may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each Security comprising such Unit. The unit agreement under which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

Any Prospectus Supplement for Units supplementing this Prospectus will contain the terms and other information with respect to the Units being offered thereby, including:

(a) the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;

(b) any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;

(c) whether the Units will be issued in fully registered or global form; and

(d) any other specific terms.

The Prospectus Supplement will describe the terms of any Units. The preceding description and any description of Units in the Prospectus Supplement does not purport to be complete and is subject to and is qualified in its entirety by reference to the unit agreement and, if applicable, collateral arrangements and depositary arrangements relating to such Units.

BOOK-ENTRY ONLY SYSTEM

Securities issued in “book-entry only” form must be purchased, transferred or redeemed through participants (“CDS Participants”) in the depository service of CDS Clearing and Depository Services Inc. or a successor or its nominee (collectively, “CDS”). Each of the Investment Dealers named in an accompanying Prospectus Supplement offering Securities in “book-entry only” form will be a CDS Participant. On the closing of a book-entry only offering, IFC will cause a global certificate or certificates representing the aggregate number of Securities subscribed for under such offering to be delivered to, and registered in the name of, CDS. Except as described below, no purchaser of Securities will be entitled to a certificate or other instrument from IFC or CDS evidencing that purchaser’s ownership thereof, and no purchaser will be shown on the records maintained by CDS except through a book-entry account of a CDS Participant acting on behalf of such purchaser. Each purchaser of Securities will receive a customer confirmation of purchase from the Investment Dealer from which the Securities are purchased in accordance with the practices and procedures of that Investment Dealer. The practices of Investment Dealers may vary, but generally customer confirmations are issued promptly after execution of a customer order. Reference in this Prospectus to a holder of Securities means, unless the context otherwise requires, the owner of the beneficial interest in the Securities.

CDS will be responsible for establishing and maintaining book-entry accounts for CDS Participants having interests in the Securities. If: (i) the book-entry only system ceases to exist; (ii) IFC determines that CDS is no longer willing or able to discharge properly its responsibilities as depository with respect to the Securities and IFC is unable to locate a qualified successor; or (iii) IFC at its option elects, or is required by applicable law or the rules of any securities exchange, to withdraw the Securities from the book-entry only system, then physical certificates representing the Securities will be issued to holders thereof or their nominees.

Transfer, Conversion and Redemption of Securities

Transfers of ownership, conversions or redemptions of Securities will be effected only through records maintained by CDS for such Securities with respect to interests of CDS Participants and on the records of CDS Participants with respect to interests of persons other than CDS Participants. Holders of Securities who are not CDS Participants, but who desire to purchase, sell or otherwise transfer ownership of or other interests in the Securities, may do so only through CDS Participants. Depending on the jurisdiction in which the holder is located, the ability of a holder to pledge Securities or otherwise take action with respect to such holder’s interest in Securities (other than through a CDS Participant) may be limited due to the lack of a physical certificate.

Payments and Deliveries

IFC will make, or cause to be made, payments of principal, redemption price, if any, dividends and interest, as applicable, on Securities to CDS as the registered holder of the Securities and IFC understands that the payment will be forwarded by CDS to CDS Participants in accordance with the customary practices and procedures of CDS. As long as CDS is the registered holder of the Securities, CDS will be considered the sole owner of the Securities for the purposes of receiving notices or payments on the Securities. As long as the Securities are held in the CDS book-entry only system, the responsibility and liability of IFC in respect of the Securities is limited to making payments of principal, redemption price, if any, dividends and interest, as applicable, on the Securities to CDS, as registered holder of the Securities. IFC expects that CDS, upon receipt of any payment in respect of Securities, will credit CDS Participants’ accounts in amounts proportionate to their respective interests in the principal amount of such Securities as shown on the records of CDS in accordance with the customary practices and procedures of CDS. IFC also expects that payments by CDS Participants to the owners of beneficial interests in Securities held through such CDS Participants will be governed by standing instructions and customary practices, and will be the responsibility of such CDS Participants.

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

None of IFC, the Investment Dealers or the Trustee will assume liability or responsibility for: (i) any aspect of the records relating to the beneficial ownership of the Securities held by CDS or the payments or deliveries relating thereto; (ii) maintaining, supervising or reviewing any records relating to the Securities; or (iii) any advice or representation made by or with respect to CDS relating to the rules governing CDS or any action to be taken by CDS or at the direction of CDS Participants.

PLAN OF DISTRIBUTION

IFC and any Selling Securityholder may sell Securities to or through underwriters or dealers purchasing as principal, and also may sell Securities to one or more purchasers directly or through agents designated by IFC. Securities may be sold from time to time in one or more transactions at a fixed price or prices which may be changed, at market prices prevailing at the time of sale, at prices related to such prevailing market prices or at prices to be negotiated with purchasers.

A Prospectus Supplement will set forth the terms of any offering of Securities, including the name or names of any Investment Dealers, the initial public offering price, the proceeds to IFC or the applicable Selling Securityholder, any underwriting discount or commission to be paid to any Investment Dealers and any discounts, concessions or commissions allowed or reallowed or paid by any Investment Dealers to other investment dealers.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the Securities offered by the Prospectus Supplement if any of such Securities are purchased.

The Securities may also be sold directly by IFC or any Selling Securityholder at such prices and upon such terms as agreed to by IFC or the Selling Securityholder, as applicable, and the purchaser or through agents designated by IFC or the Selling Securityholder, as applicable, from time to time. Unless otherwise indicated in the applicable Prospectus Supplement, any agent is acting on a best efforts basis for the period of its appointment.

Any public offering price and any discounts, concessions or commissions allowed or re-allowed or paid to Investment Dealers may be changed from time to time. IFC or the Selling Securityholder may agree to pay the Investment Dealers a commission for various services relating to the issue and sale of any Securities offered hereby. Investment Dealers who participate in the distribution of the Securities may be entitled under agreements to be entered into with IFC or the Selling Securityholder to indemnification by IFC or the Selling Securityholder, as applicable, against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such Investment Dealers may be required to make in respect thereof.

In connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), the Investment Dealers may over-allot or effect transactions which stabilize or maintain the market price of IFC's securities at a higher level than that which might exist in the open market. These transactions may be commenced, interrupted or discontinued at any time.

The Securities to be issued hereunder have not been, and will not be, registered under the U.S. Securities Act, or any state securities laws and, may not be offered, sold or delivered, directly or indirectly, in the United States or to, or for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act) except in certain transactions exempt from the requirements of the U.S. Securities Act and in compliance with any applicable state securities laws.

SELLING SECURITYHOLDERS

This Prospectus may also, from time to time, relate to the offering of Securities by way of a secondary offering by certain Selling Securityholders. The terms under which the Securities may be offered by Selling Securityholders will be described in the applicable Prospectus Supplement. The Prospectus Supplement for or including any offering of Securities by Selling Securityholders will include, without limitation, where applicable: (a) the names of the Selling Securityholders; (b) the number and type of Securities owned, controlled or directed by each of the Selling Securityholders; (c) the number of Securities being distributed for the account of each Selling Securityholder; (d) the number of Securities to be owned, controlled or directed by the Selling Securityholders after the distribution and the percentage that number or amount represents out of the total number of outstanding Securities of the relevant class; (e) whether the Securities are owned by the Selling Securityholders, both of record and beneficially, of record only or beneficially only; (f) if the Selling Securityholder purchased any of the Securities held by it in the 24 months preceding the date of the Prospectus Supplement, the date or dates on which the Selling Securityholders acquired the Securities; and (g) if the Selling Securityholder acquired the Securities held by it in the 12 months preceding the date of the Prospectus Supplement, the cost thereof to the Selling Securityholder in the aggregate and on a per security basis.

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the net proceeds from the sale of Securities will be added to the general funds of IFC and its affiliates and will be utilized for general corporate purposes.

RISK FACTORS

Before deciding whether to invest in any Securities, prospective investors should consider the categories of risks identified and discussed in the documents incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference) and, if applicable, those described in a Prospectus Supplement relating to a specific offering of Securities. Prospective investors should consider the categories of risks described in the "Risk Management" sections of the Annual MD&A and Interim MD&A and the risk factors incorporated by reference from IFC's filings with the securities commissions or similar authorities in Canada that are incorporated by reference in this Prospectus.

AGENT FOR SERVICE OF PROCESS

William L. Young, Robert G. Leary and Frederick Singer (the "Non-Resident Directors") are directors of IFC who reside outside of Canada. The Non-Resident Directors have appointed the following agent for service of process:

Name of the Person or Company	Name and Address of Agent
William L. Young Robert G. Leary Frederick Singer	Intact Financial Corporation 700 University Avenue, Suite 1500-A (Legal) Toronto, Ontario, Canada M5G 0A1

Purchasers are advised that it may not be possible for investors to enforce judgements obtained in Canada against any person who resides outside Canada, even if the party has appointed an agent for service of process in Canada.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement, certain legal matters relating to the Securities offered by a Prospectus Supplement will be passed upon, on behalf of IFC, by Blake, Cassels & Graydon LLP. As at December 5, 2019, partners and associates of Blake, Cassels & Graydon LLP, as a group, beneficially owned, directly or indirectly, less than 1% of the issued and outstanding securities of IFC or any associate or affiliate of IFC.

AUDITORS, TRANSFER AGENT AND REGISTRAR

IFC's auditors are Ernst & Young LLP, 900 De Maisonneuve Blvd. West, Suite 2300, Montreal, Quebec, H3A 0A8. The auditors have confirmed to IFC that they are independent within the meaning of the Code of Ethics of Chartered Professional Accountants of the Ordre des comptables professionnels agréés du Québec.

The transfer agent and registrar for the Common Shares and Class A Shares is Computershare Investor Services Inc. at its principal office in Toronto, Ontario.

PURCHASERS' STATUTORY AND CONTRACTUAL RIGHTS

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

Furthermore, original purchasers of Debt Securities, Subscription Receipts or Warrants (or Units comprised partly thereof) that are convertible into, or exchangeable or exercisable for, other securities of IFC will be granted a contractual right of action for rescission against IFC in respect of the conversion, exchange or exercise of such Debt Securities, Subscription Receipts or Warrants. The contractual right of rescission will entitle such original purchasers to receive the amount paid upon conversion, exchange or exercise (and any additional amount paid upon conversion, exchange or exercise), upon surrender of the underlying securities gained thereby, in the event that this Prospectus (as supplemented or amended) contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of the convertible, exchangeable or exercisable security under this Prospectus. Original purchasers are further advised that in certain provinces the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable security that was purchased under a prospectus, and therefore a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights, or consult with a legal advisor.

GLOSSARY OF SELECTED INSURANCE AND OTHER TERMS

We measure our performance using a number of key performance metrics, some of which are included in this Prospectus and the documents incorporated by reference herein. Certain of these key performance metrics, such as earnings per share, are financial measures prepared in accordance with International Financial Reporting Standards ("IFRS"). Additionally, like many insurance companies, we also analyze performance based on underwriting ratios such as combined, expense and loss ratios and other non-IFRS measures. In general, we present these metrics as we believe they allow us to more effectively measure our performance against our operating strategy as well as against the results of our peers and competitors. We likewise believe that these and other non-IFRS measures provide useful information to investors and assist investors in analyzing our performance. However, while IFC and many other insurance companies measure and evaluate the performance of their respective consolidated operations and business segments with reference to these and similar measures, non-IFRS measures do not have any standardized or prescribed meaning under IFRS or otherwise and are unlikely to be comparable to any similar measure presented by other companies. Investors should be cautioned that these measures should not be construed as an alternative to net income or other measures of financial performance as determined in accordance with IFRS. Our method of calculating these measures may differ from other companies, and accordingly, they may not be comparable to similar measures used by other companies. See also "Non-IFRS Financial Measures" in the Annual MD&A and Interim MD&A, which documents are incorporated by reference herein.

Important details in respect of these metrics, including how they are defined and calculated, are included in our management's discussion and analysis incorporated by reference in this Prospectus, and as follows:

- "adjusted earnings per share" or "AEPS" means net income from continuing operations for a specific period less preferred share dividends plus the after-tax impact of amortization of intangible assets recognized in business combinations, integration and restructuring costs and change in fair value of contingent consideration, divided by the weighted-average number of Common Shares outstanding during the same period;

- "adjusted return on equity" or "AROE" means net income from continuing operations for a 12-month period less preferred share dividends plus the after-tax impact of amortization of intangible assets recognized in business combinations, integration and restructuring costs and change in fair value of contingent consideration, divided by the average shareholders' equity (excluding preferred shares) over the same 12-month period;

- "cash flow available for investment activities" refers to net cash flows from cash and cash equivalents and the investment portfolio;

- "CAT loss ratio" means current accident year catastrophe losses, including net reinstatement premiums, expressed as a percentage of net earned premiums (MD&A basis) before reinstatement premiums;

- "claims ratio" means the claims and claims expenses incurred during a defined period, net of reinsurance, expressed as a percentage of net premiums earned for the same period;

- "combined ratio" means the sum of the claims ratio and the expense ratio (a combined ratio below 100% indicates a profitable underwriting result and, conversely, a combined ratio above 100% indicates an unprofitable underwriting result);

- "direct premiums written" or "DPW" means the total amount of premiums for new and renewal policies billed (written) during a specific reporting period from the primary insured;

- "distribution EBITDA" means operating results excluding interest and taxes from our consolidated brokers (including our wholly-owned broker, BrokerLink), as well as our share of operating results excluding interest and taxes from our broker associates for a specific period;

- "expense ratio" refers to underwriting expenses, including commissions, premium taxes and all general and administrative expenses, incurred in operating the underwriting business during a defined period and expressed as a percentage of net premiums earned for the same period;

- "market-based yield" refers to the yield calculated using the interest and dividend income for the period divided by the average fair value of invested assets calculated monthly including cash equivalents but excluding cash balances;

- "net distribution income" means operating income excluding interest and taxes from our consolidated brokers (including our wholly-owned broker, BrokerLink) and our share of operating income including interest and taxes from our broker associates for a specific period;

- "net earned premiums" refers to the portion of the premiums written that is recognized for accounting purposes as revenue for a period but excludes net earned premiums of U.S. Commercial exited lines;

- "net operating income" is defined as the sum of underwriting income, interest and dividend income and corporate and distribution income, after tax (this is a key profitability measure);

- “net operating income per share” or “NOIPS” is equal to net operating income for the period divided by the average outstanding number of shares for the same period;

- “non-operating results” refers to elements that are not representative of our operating performance because they relate to special items, bear significant volatility from one period to another, or because they are not part of our normal activities;

- “operating return on equity” or “OROE” means net operating income for the last 12 months divided by the average shareholders’ equity (excluding preferred shares and accumulated other comprehensive income) over the same 12 month period;

- “prior year claim development” or “PYD” is the net of the claim payments and of the reduction in total claims liabilities in a given period (a negative net amount is called a favourable prior year claims development and, conversely, a positive net amount is called an unfavourable prior year claims development);

- “PYD ratio” means PYD expressed as a percentage of net earned premiums (MD&A basis);

- “Underlying current year loss ratio” represents our current year claims ratio excluding catastrophe losses, reinstatement premiums, and PYD. Catastrophe events are not predictable, and as such, excluding them provides clearer insight into our analysis of current year performance; and

- “Underwriting Income” means net premiums earned less net claims incurred, commissions, premium taxes and general expenses (excluding MYA).

CERTIFICATE OF INTACT FINANCIAL CORPORATION

Dated: December 5, 2019

This short form prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

(Signed) CHARLES BRINDAMOUR Chief Executive Officer	(Signed) LOUIS MARCOTTE Chief Financial Officer

On behalf of the Board of Directors

(Signed) JANE KINNEY Director	(Signed) TIMOTHY H. PENNER Director