

NINTH SUPPLEMENTAL TRUST INDENTURE

Made as of December 16, 2020

Between

INTACT FINANCIAL CORPORATION

as issuer

and

COMPUTERSHARE TRUST COMPANY OF CANADA

as trustee

Supplementing the Trust Indenture

made as of May 21, 2009

and

providing for the issue of

Series 9 1.928% Unsecured Medium Term Notes due December 16, 2030

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NINTH SUPPLEMENTAL TRUST INDENTURE

This Ninth Supplemental Trust Indenture made as of December 16, 2020, between

INTACT FINANCIAL CORPORATION

a corporation existing under the laws of Canada
(the “**Corporation**”),

and

COMPUTERSHARE TRUST COMPANY OF CANADA

a trust company existing under the laws of Canada
(the “**Trustee**”)

RECITALS

- A. The Corporation has entered into a trust indenture (the “**Trust Indenture**”) made as of May 21, 2009 between the Corporation and the Trustee, which provides for the issuance of one or more series of unsecured debt securities of the Corporation by way of supplemental indentures.
- B. This Ninth Supplemental Trust Indenture is entered into in accordance with the terms of the Trust Indenture and for the purpose of providing for the issue of an unlimited principal amount of Series 9 1.928% Unsecured Medium Term Notes due December 16, 2030 (the “**Notes**”) of the Corporation pursuant to the Trust Indenture and establishing the terms, provisions and conditions of the Notes.

NOW THEREFORE THIS NINTH SUPPLEMENTAL TRUST INDENTURE WITNESSES and it is hereby covenanted and agreed as follows.

ARTICLE 1 INTERPRETATION

1.1 Supplemental Trust Indenture

This Ninth Supplemental Trust Indenture is a Supplemental Indenture within the meaning of the Trust Indenture. With respect to the Notes, the Trust Indenture and this Ninth Supplemental Trust Indenture will be read together and have effect so far as practicable as though all of the provisions of both indentures were contained in one instrument.

In the event of any inconsistency between the terms and conditions in the Trust Indenture and this Ninth Supplemental Trust Indenture, the terms and conditions in this Ninth Supplemental Trust Indenture prevail.

1.2 Ninth Supplemental Trust Indenture

The terms “**this Ninth Supplemental Trust Indenture**”, “**this indenture**”, “**herein**”, “**hereof**”, “**hereby**”, “**hereunder**”, and similar expressions, unless the context otherwise specifies or requires, refer to the Trust Indenture as supplemented by this Ninth Supplemental Trust Indenture and not to any particular Article, section or other portion, and include every instrument supplemental or ancillary to this Ninth Supplemental Trust Indenture.

1.3 Definitions

All terms used but not defined in this Ninth Supplemental Trust Indenture have the meanings attributed to them in the Trust Indenture, as such meanings may be amended by this Ninth Supplemental Trust Indenture.

Subject to the foregoing, in this Ninth Supplemental Trust Indenture and in the Notes, the following terms have the following meanings:

“**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 Corporation’s announcement in the United Kingdom on November 18, 2020 under Rule 2.7 of the Takeover Code, such Acquisition to be implemented by way of the scheme of arrangement of RSA under Part 26 of the UK Companies Act of 2006 or, alternatively, by means of a Takeover Offer;

“**Canada Yield Price**” means a price which, if the Notes were to be issued at such price on the Redemption Date, would provide a yield thereon from the Redemption Date to the Par Call Date equal to the Government of Canada Yield, plus 30 basis points (0.30%), compounded semi-annually and calculated on the day that is three Business Days prior to the Redemption Date;

“**CIBC WM**” means CIBC World Markets Inc., as lead agent and joint bookrunner for the offering of the Notes;

“**Dealer Agreement**” means the dealer agreement dated December 11, 2020 among the Corporation and the Dealers;

“**Dealers**” means CIBC WM, TD Securities Inc., National Bank Financial Inc., BMO Nesbitt Burns Inc., Barclays Capital Canada Inc., RBC Dominion Securities Inc., Scotia Capital Inc. and Casgrain & Company Limited, as the agents for the offering of the Notes;

“**Global Note**” means one or more fully registered global Notes as described in section 2.5(3);

“**Government of Canada Yield**” on any date shall mean the average of the midmarket yields to maturity on such date provided by two independent investment dealers selected by the Trustee from a list of investment dealers provided by the Corporation, assuming semi-annual compounding, which an issue of non-callable Government of Canada bonds would produce if issued at par on such date, in Canadian dollars in Canada, with a term to maturity equal to the remaining term to the Par Call Date;

“**Interest Payment Date**” means a date on which interest on the Notes is payable by the Corporation pursuant to section 2.4;

“**Interest Period**” means the period commencing on the later of (i) December 16, 2020 (being the original issue date of the Notes) and (ii) the immediately preceding Interest Payment Date on which interest has been paid, and ending on the date immediately preceding the Interest Payment Date in respect of which interest is payable;

“**Maturity Date**” has the meaning attributed to such term in section 2.3;

“**Noteholders**” means the Persons for the time being entered in the registers of the Corporation as holders of the Notes;

“**Par Call Date**” means September 16, 2030;

“**Partial Interest Period**” means any interest period that is less than a full Interest Period;

“**Principal Amount**” means the aggregate principal amount of Notes which may be issued under this Ninth Supplemental Trust Indenture as set out in section 2.2;

“**Regular Record Date**” means the date specified for determining holders entitled to receive interest on the Notes on any Interest Payment Date;

“**RSA**” means RSA Insurance Group PLC;

“**SMR Notice Date**” has the meaning attributed to such term in section 2.8(1);

“**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; and

“**Triggering Event**” has the meaning attributed to such term in section 2.8(1).

ARTICLE 2 THE NOTES

2.1 Creation and Designation

In accordance with the Trust Indenture, the Corporation is authorized to issue under this Ninth Supplemental Trust Indenture a series of Notes designated as Series 9 1.928% Unsecured Medium Term Notes due December 16, 2030 from time to time in one or more issues, which will have the terms set out in Article 2 of this Ninth Supplemental Trust Indenture, in addition to the terms and conditions of the Trust Indenture.

2.2 Principal Amount

Subject to section 2.1 of the Trust Indenture, the Principal Amount of Notes which may be issued under this Ninth Supplemental Trust Indenture is unlimited. The Notes will be issued in \$1,000 denominations or integral multiples thereof. The Corporation may, without the consent of the holders of the Notes, issue additional Notes under this Ninth Supplemental Trust Indenture by way of Written Request in accordance with the terms of the Trust Indenture.

2.3 Date of Issue and Maturity

The Notes will be dated December 16, 2020 (regardless of their actual date of issue) and will become due and payable, together with all accrued and unpaid interest thereon, on December 16, 2030 (the “**Maturity Date**”).

2.4 Rate of Interest

The Notes will bear interest on the unpaid Principal Amount thereof at the rate of 1.928% per annum, from and including December 16, 2020 (being the original issue date of the Notes) or, from and

including the last Interest Payment Date to which interest has been paid or made available for payment, whichever is later, payable in arrears in equal semi-annual installments of \$9.64 per \$1,000 Principal Amount of Notes on June 16 and December 16 in each year until the Maturity Date. Where an Interest Payment Date falls on a day that is not a Business Day, the Interest Payment Date will be postponed to the next Business Day, and no further interest will accrue in respect of such postponement.

2.5 Interest Calculation and Payments

- (1) For any Partial Interest Period, the aggregate interest payable in respect of the Partial Interest Period is equal to the amount calculated by multiplying the annual rate of interest by a fraction of which the numerator is the number of days in the Partial Interest Period (including the day at the beginning of the Partial Interest Period and excluding the day at the end of the Partial Interest Period) and the denominator is 365, or 366 days if the year in which the Partial Interest Period occurs includes February 29, as applicable.
- (2) Interest will be payable in respect of each Interest Period (after as well as before maturity, default and judgment, with overdue interest at the same rate) on each Interest Payment Date in accordance with sections 2.8 and 2.9 of the Trust Indenture.
- (3) Where the Notes are represented by a global Note (the “**Global Note**”), the Regular Record Date will be the close of business five Business Days preceding the relevant Interest Payment Date. If the Notes cease to be represented by a Global Note, the Corporation may select a Regular Record Date which will be a date that is at least 10 Business Days preceding an Interest Payment Date.

2.6 Principal Payments

All payments of principal amounts required to be paid to the Noteholders will be paid in accordance with section 2.8 of the Trust Indenture.

2.7 Redemption of Notes at the Option of the Corporation

- (1) The Corporation, at its option, may redeem the Notes in accordance with the provisions of Article 3 of the Trust Indenture, as modified herein, in whole at any time or in part from time to time (a) prior to the Par Call Date, at a redemption price which is equal to the greater of (i) the Canada Yield Price and (ii) par, together in each case, with accrued and unpaid interest to, but excluding, the Redemption Date; and (b) on or after the Par Call Date, at par, together with accrued and unpaid interest to, but excluding, the Redemption Date.
- (2) Notice of intention to redeem the Notes pursuant to this section 2.7 will be given by the Corporation (i) to the Trustee at least 15 days prior to the notice of intention to redeem is sent to the holders of the Notes which are to be redeemed (unless a shorter notice is satisfactory to the Trustee), and (ii) to the holders of the Notes which are to be redeemed, not more than 60 days and not less than 10 days prior to the date fixed for redemption, in the manner provided in Article 14 of the Trust Indenture. For greater certainty, the notice periods specified in section 3.3 of the Trust Indenture shall not apply to redemption of Notes pursuant to this section 2.7.

2.8 Special Mandatory Redemption

- (1) If either (i) closing of the Acquisition has not occurred prior to 11:59 p.m. (London UK local time) on December 31, 2021, 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 the Corporation delivers to CIBC WM 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 the Corporation delivers to CIBC WM 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 “**Triggering Event**” and, the first date on which any such Triggering Event occurs, the “**SMR Notice Date**”), the Corporation will be required to redeem the Notes in accordance with the provisions of Article 3 of the Trust Indenture, as modified herein, at a redemption price equal to 100% of the principal amount of the Notes, plus accrued and unpaid interest, if any, up to, but excluding, the Redemption Date.

(2) On or promptly following the SMR Notice Date, or if such day is not a Business Day, the first Business Day thereafter, the Corporation will give notice of the special mandatory redemption to the Trustee and CIBC WM, on behalf of the Dealers, stating, among other matters prescribed in the Trust Indenture, that a Triggering Event has occurred and that all of the Notes will be redeemed on the date of redemption set forth in such notice (which will be no earlier than three Business Days and no later than 15 Business Days from the date such notice is given). Upon receipt of the notice contemplated by this section 2.8, the Trustee will provide a copy of such notice to the Noteholders. For greater certainty, the notice periods specified in section 3.3 of the Trust Indenture shall not apply to redemption of Notes pursuant to this section 2.8.

(3) For the purpose of delivering any notice pursuant to this section 2.8 to CIBC WM, the Corporation will comply with the notice provisions of the Dealer Agreement.

2.9 Rank

The Notes will be direct unsecured obligations of the Corporation and will rank equally with all other unsecured and unsubordinated indebtedness of the Corporation from time to time issued and outstanding (except as to sinking funds and except in relation to other unsecured and unsubordinated indebtedness preferred by mandatory provisions of law).

2.10 Events of Default

The following Events of Default are in addition to the Events of Default in section 6.1 of the Trust Indenture and, in respect of the Notes, will be considered Events of Default under section 6.1(c) for all purposes of the Trust Indenture:

- (a) the Corporation defaults in the payment of the principal of any Note when due; or
- (b) the Corporation defaults in the payment of any interest when due on the Notes where such default continues for a period of 30 days after the relevant Interest Payment Date.

2.11 Form of Notes

The Notes will be issuable as fully registered Notes, initially as one Global Note held by, or on behalf of, CDS, as depository, for its Participants and registered in the name of CDS or its nominee. The Notes will be substantially in the form set out in Schedule “A” to this Ninth Supplemental Trust Indenture with changes as may be reasonably required by the Trustee and which are not prejudicial to the Noteholders, and any other changes as may be approved or permitted by the Corporation and the Trustee, with such approval in each case to be conclusively deemed to have been given by the officers of the Corporation executing the same in accordance with Article 2 of the Trust Indenture.

2.12 Book-Entry System

Registrations of ownership and transfers of the Notes will be made only through the Book-Entry System in accordance with the Trust Indenture. For greater certainty, the rights of holders of any beneficial interest in the Notes, including rights to payments, distributions and notices, under the Book-Entry System will be governed by sections 2.8(5) and 2.16 of the Trust Indenture.

ARTICLE 3 MISCELLANEOUS

3.1 Trustee Accepts Trusts

The Trustee accepts the trusts declared in this Ninth Supplemental Trust Indenture and agrees to perform the same upon the terms and conditions set out in this Ninth Supplemental Trust Indenture and in accordance with the Trust Indenture.

3.2 Duty of Care

The Trustee, in exercising its powers and discharging its duties under this Ninth Supplemental Trust Indenture, shall act honestly and in good faith with a view to the best interests of the holders of Notes and will exercise the care, diligence and skill of a reasonably prudent trustee.

3.3 No Conflict of Interest

The Trustee represents to the Corporation that, at the date of the execution and delivery of this Ninth Supplemental Trust Indenture, there exists no material conflict of interest between the role of the Trustee as a fiduciary hereunder and the Trustee's role in any other capacity.

3.4 Benefits of Ninth Supplemental Trust Indenture

Nothing in this Ninth Supplemental Trust Indenture will give to any Person, other than the parties to this Ninth Supplemental Trust Indenture, any authenticating agent, any Paying Agent, any registrar of the Notes and their respective successors, any benefit or any legal or equitable right, remedy or claim under this Ninth Supplemental Trust Indenture.

3.5 Counterparts

This Ninth Supplemental Trust Indenture may be executed in several counterparts, each of which so executed will be deemed to be an original and such counterparts together will constitute one and the same instrument.

3.6 Currency of Payment

The principal of and interest on the Notes will be payable in Canadian dollars.

3.7 Governing Law

This Ninth Supplemental Trust Indenture will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in Ontario.

3.8 Additional Amounts

The Corporation will not be required to pay an additional amount on the Notes in respect of any tax, assessment or government charge withheld or deducted.

3.9 Trustee, etc.

The Trustee will be the trustee, authenticating agent, transfer agent and registrar, and Paying Agent for the Notes.

[Signature page follows]

IN WITNESS WHEREOF this Ninth Supplemental Trust Indenture has been duly executed by the parties hereto as of this 16th day of December, 2020.

INTACT FINANCIAL CORPORATION

By: (signed) “Louis Marcotte”
Name: Louis Marcotte
Title: Senior Vice President and
Chief Financial Officer

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

**COMPUTERSHARE TRUST COMPANY
OF CANADA, as Trustee**

By: (signed) “Lisa M. Kudo”
Name: Lisa M. Kudo
Title: Corporate Trust Officer

By: (signed) “Raji Sivalingam”
Name: Raji Sivalingam
Title: Associate Trust Officer

Schedule “A”

(FORM OF NOTE)

UNLESS PERMITTED UNDER CANADIAN SECURITIES LEGISLATION, THE HOLDER OF THIS SECURITY MUST NOT TRADE THE SECURITY BEFORE APRIL 17, 2021.

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF CDS CLEARING AND DEPOSITORY SERVICES INC. (“CDS”) TO INTACT FINANCIAL CORPORATION OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IN RESPECT THEREOF IS REGISTERED IN THE NAME OF CDS & CO., OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS (AND ANY PAYMENT IS MADE TO CDS & CO. OR TO SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF CDS), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED HOLDER HEREOF, CDS & CO., HAS A PROPERTY INTEREST IN THE SECURITIES REPRESENTED BY THIS CERTIFICATE HEREIN AND IT IS A VIOLATION OF ITS RIGHTS FOR ANOTHER PERSON TO HOLD, TRANSFER OR DEAL WITH THIS CERTIFICATE.

No. S9-0

ISIN: CA45823TAB22
CUSIP: 45823TAB2

INTACT FINANCIAL CORPORATION
(A corporation existing under the laws of Canada)

SERIES 9 1.928% UNSECURED MEDIUM TERM NOTES DUE DECEMBER 16, 2030

INTACT FINANCIAL CORPORATION (the “**Issuer**”) for value received hereby acknowledges itself indebted and, subject to the provisions of a trust indenture made as of May 21, 2009 between the Issuer and Computershare Trust Company of Canada, as trustee (the “**Trustee**”), as supplemented by a ninth supplemental trust indenture made as of December 16, 2020 (together, the “**Indenture**”), promises to pay to the registered holder hereof on the maturity date or on such earlier date as the Principal Amount hereof (as indicated on the registration panel attached to this Note) may become due in accordance with the provisions of the Indenture, the Principal Amount in lawful money of Canada on presentation and surrender of this Note at the head office of the Trustee in Toronto, Ontario, and to pay interest on the principal amount hereof from and including the date of this Note, or from and including the last Interest Payment Date to which interest has been paid or made available for payment on the outstanding Notes, whichever is later, at the rate of 1.928% per annum, in arrears, in equal semi-annual installments on June 16 and December 16 in each year of \$9.64 per \$1,000 Principal Amount of Notes. The last payment of interest will be due on December 16, 2030.

This Note is one of the Series 9 1.928% Unsecured Medium Term Notes due December 16, 2030 (the “**Notes**”) of the Issuer issued under the Indenture. Reference is expressly made to the Indenture for a description of the terms and conditions upon which the Notes are issued and held and the rights and remedies of the holders of the Notes and of the Issuer and of the Trustee, all to the same effect as if the provisions of the Indenture were set out in this Note, and all of which provisions the holder of this Note by acceptance of this Note agrees to. Capitalized terms used but not defined in this Note have the meanings attributed to them in the Indenture.

The Notes, now or hereafter certified and delivered under the Indenture, are direct unsecured and unsubordinated obligations of the Issuer.

At least three Business Days before each Interest Payment Date (except in the case of payment at maturity, at which time payment of interest may be made upon surrender of this Note), the Issuer will forward or cause to be forwarded by first class mail, postage prepaid, to the registered holder hereof, or in the case of joint holders, to the joint holder whose name first appears on the register, subject to the provisions of, and in the manner provided in, the Indenture, a cheque for such interest, less any tax required by law to be deducted. Subject to the provisions of the Indenture, the mailing of such cheque will satisfy and discharge all liability for interest on this Note to the extent of the sum represented by such cheque (plus the amount of any tax deducted or withheld) unless such cheque is not paid upon presentation. Upon a written request by the registered holder of this Note, the Issuer may cause the amount payable in respect of interest to be paid to such registered holder by wire transfer to an account maintained by such registered holder or any other method acceptable to the Issuer.

The Notes are initially issuable only as fully registered Notes in denominations of \$1,000 and integral multiples thereof. Upon compliance with the provisions of the Indenture, Notes of any denomination may be exchanged for an equal aggregate principal amount of Notes in any other authorized denomination or denominations.

This Note may be mandatorily redeemed or redeemed at the option of the Issuer on the terms and conditions set out in the Indenture at the applicable redemption price set out in the Indenture.

The Issuer has the right to purchase Notes for cancellation in accordance with the provisions of the Indenture.

The principal of this Note may become or be declared due and payable before the stated maturity in the events, in the manner, with the effect and at the times provided in the Indenture.

The Indenture contains provisions making binding upon all holders of Notes outstanding under the Indenture resolutions passed at meetings of such holders held in accordance with such provisions and instruments signed by the holders of a specified majority of Notes outstanding, which resolutions or instruments may have the effect of amending the terms of this Note or the Indenture.

This Note may only be transferred by the registered holder of this Note or its executors or administrators or other legal representatives, or its or their attorney duly appointed by an instrument in form and substance satisfactory to the Trustee or other registrar (i) upon compliance with the conditions prescribed in the Indenture, (ii) in one of the registers to be kept at the principal office of the Trustee in Toronto, Ontario and in such other place or places and/or by such other registrars (if any) as the Issuer with the approval of the Trustee may designate, and (iii) upon compliance with such reasonable requirements as the Trustee and/or other registrar may prescribe.

The Indenture and this Note will be governed by, and construed in accordance with, the laws of the Province of Ontario and the laws of Canada applicable therein.

This Note will not become obligatory for any purpose until it has been certified by the Trustee under the Indenture.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, INTACT FINANCIAL CORPORATION has caused this Note to be signed by its duly appointed officers as of December _____, 2020.

INTACT FINANCIAL CORPORATION

By: _____
Name:
Title:

By: _____
Name:
Title:

TRUSTEE'S CERTIFICATE

This Note is one of the Series 9 1.928% Unsecured Medium Term Notes due December 16, 2030 designated and issued under the Indenture as described in this Note.

Dated: December _____, 2020.

**COMPUTERSHARE TRUST COMPANY OF
CANADA, as Trustee**

By: _____
Authorized Signatory

