



Ontario
Securities
Commission

Commission des
valeurs mobilières
de l'Ontario

22nd Floor
20 Queen Street West
Toronto ON M5H 3S8

22e étage
20, rue queen ouest
Toronto ON M5H 3S8

IN THE MATTER OF
THE *SECURITIES ACT*, R.S.O. 1990, c.S.5, AS AMENDED

AND

IN THE MATTER OF
BROOKFIELD CORPORATION

ORDER

(Section 6.1 of National Instrument 62-104)

UPON the application (the “**Application**”) of Brookfield Corporation (the “**Issuer**”) to the Ontario Securities Commission (the “**Commission**”) for an order pursuant to section 6.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (“**NI 62-104**”) exempting the Issuer from the requirements applicable to issuer bids in Part 2 of NI 62-104 (the “**Issuer Bid Requirements**”) in respect of the proposed purchases, from time to time, by the Issuer of up to an aggregate of 4,000,000 BNRE Owned BN Shares (as defined below) from Brookfield Reinsurance Ltd. (“**BNRE**”) in exchange for Exchanged Shares (as defined below) on the basis of one Exchanged Share for each BNRE Owned BN Share, in connection with the Escrowed Stock Plan (as defined below) (such purchases, the “**BN Acquisitions**”, and such exemption, the “**Requested Relief**”);

AND UPON considering the Application and the recommendation of staff of the Commission;

AND UPON the Issuer having represented to the Commission that:

1. The Issuer is a corporation existing and in good standing under the *Business Corporations Act* (Ontario).
2. The Issuer’s registered and head office is located at Suite 100, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2T3.
3. The Issuer is a reporting issuer in all of the provinces and territories of Canada and is not in default of any requirement of securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists of:
- (a) an unlimited number of class A limited voting shares (the “**BN Class A Shares**”), of which there were 1,642,086,272 BN Class A Shares issued and outstanding as of April 18, 2024;
 - (b) 85,120 class B limited voting shares, of which there were 85,120 class B limited voting shares issued and outstanding as of April 18, 2024; and
 - (c) an unlimited number of preference shares designated as class A preference shares (issuable in series), of which the following were issued and outstanding as of March 4, 2024:
 - (i) 10,220,175 Class A Preference Shares, Series 2;
 - (ii) 3,983,910 Class A Preference Shares, Series 4;
 - (iii) 8,792,596 Class A Preference Shares, Series 13;
 - (iv) 7,840,204 Class A Preference Shares, Series 17;
 - (v) 7,681,088 Class A Preference Shares, Series 18;
 - (vi) 10,808,027 Class A Preference Shares, Series 24;
 - (vii) 9,770,928 Class A Preference Shares, Series 26;
 - (viii) 9,233,927 Class A Preference Shares, Series 28;
 - (ix) 9,787,090 Class A Preference Shares, Series 30;
 - (x) 11,750,299 Class A Preference Shares, Series 32;
 - (xi) 9,876,735 Class A Preference Shares, Series 34;
 - (xii) 7,842,909 Class A Preference Shares, Series 36;
 - (xiii) 7,830,091 Class A Preference Shares, Series 37;
 - (xiv) 7,906,132 Class A Preference Shares, Series 38;
 - (xv) 11,841,025 Class A Preference Shares, Series 40;
 - (xvi) 11,887,500 Class A Preference Shares, Series 42;
 - (xvii) 9,831,929 Class A Preference Shares, Series 44;
 - (xviii) 11,740,797 Class A Preference Shares, Series 46;
 - (xix) 11,885,972 Class A Preference Shares, Series 48;

- (xx) 3,320,486 Class A Preference Shares, Series 51; and
 - (xxi) 1,177,580 Class A Preference Shares, Series 52.
5. The BN Class A Shares are listed on the New York Stock Exchange (“NYSE”) and the Toronto Stock Exchange (“TSX”) under the symbol “BN”.
 6. BNRE is an exempted company limited by shares established, registered and in good standing under the laws of Bermuda.
 7. The registered and head office of BNRE is located at Ideation House, 1st Floor, 94 Pitts Bay Road, Pembroke HM08, Bermuda.
 8. BNRE is a reporting issuer in all of the provinces and territories of Canada and is an SEC foreign issuer within the meaning of section 1.1 of National Instrument 71-102 *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers* (“NI 71-102”) and satisfies its continuous disclosure obligations by complying with U.S. federal securities laws as is permitted under NI 71-102. BNRE is not in default of any requirement of securities legislation in the jurisdictions in which it is a reporting issuer.
 9. The authorized share capital of BNRE consists of:
 - (a) 1,000,000,000 class A exchangeable limited voting shares (the “**Class A Exchangeable Shares**”), of which there were 16,899,571 Class A Exchangeable Shares issued and outstanding as of June 14, 2024;
 - (b) 500,000,000 class A-1 exchangeable non-voting shares (the “**Class A-1 Exchangeable Shares**”, and together with Class A Exchangeable Shares, the “**Exchangeable Shares**”), of which there were 26,505,771 Class A-1 Exchangeable Shares issued and outstanding as of June 14, 2024;
 - (c) 500,000 class B limited voting shares, of which there were 24,000 class B limited voting shares issued and outstanding as of June 14, 2024;
 - (d) 1,000,000,000 class C non-voting shares, of which there were 128,643,406 class C non-voting shares issued and outstanding as of May 31, 2024;
 - (e) 1,000,000,000 class A junior preferred shares (issuable in series), of which there were 98,351,547 class A junior preferred shares, series 1, and 2,108,733 class A junior preferred shares, series 2 issued and outstanding, in each case, as of May 31, 2024;
 - (f) 1,000,000,000 class B junior preferred shares (issuable in series), of which there were no class B junior preferred shares issued and outstanding as of May 31, 2024;
 - (g) 100,000,000 class A senior preferred shares (issuable in series), of which there were no class A senior preferred shares issued and outstanding as of May 31, 2024; and
 - (h) 100,000,000 class B senior preferred shares (issuable in series), of which there were no class B senior preferred shares issued and outstanding as of May 31, 2024.

10. The Class A Exchangeable Shares and the Class A-1 Exchangeable Shares are listed on the NYSE and the TSX under the symbols “BNRE” and “BNRE.A”, respectively. The Exchangeable Shares are the only securities of BNRE that are listed for trading on any published market.
11. The class C non-voting shares are the only equity securities of BNRE (within the meaning of NI 62-104) and are all beneficially owned, directly or indirectly, by the Issuer.
12. Each Class A-1 Exchangeable Share is convertible into one Class A Exchangeable Share.
13. Each Exchangeable Share is the economic equivalent of a BN Class A Share, and each Exchangeable Share is exchangeable with the Issuer at the option of the holder of the Exchangeable Share for one newly issued BN Class A Share or its cash equivalent (the form of payment to be determined at the election of the Issuer). As of July 22, 2024, all exchanges of Exchangeable Shares have been satisfied through the delivery of BN Class A Shares (each such exchanged Exchangeable Share, an “**Exchanged Share**”).
14. It is not the intention of either the Issuer or BNRE that the Issuer hold Exchangeable Shares on an ongoing basis. Accordingly, following exchanges of Exchangeable Shares, the Issuer has sought to dispose of Exchanged Shares in a manner that is not disruptive to the share price, volume or liquidity of the Exchangeable Shares, which has resulted in the Issuer: (a) converting Exchanged Shares into BNRE’s class C non-voting shares, resulting in the cancellation of those Exchanged Shares; or (b) transferring the Exchanged Shares pursuant to private sales or to companies established for the purposes of the Issuer’s escrowed stock plan (“**BN ESPCos**”), an equity compensation arrangement for the Issuer’s executives.
15. The Issuer is not an “insider” of BNRE (as such term is defined in the *Securities Act* (Ontario)) or a “related party” of BNRE (within the meaning of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions*).
16. BNRE has determined to establish a new share compensation arrangement (the “**Escrowed Stock Plan**”) for certain designated executives or other persons designated by BNRE’s board of directors (such persons, the “**Participants**”).
17. Pursuant to the Escrowed Stock Plan:
 - (a) from time to time, BNRE will form one or more private companies (each an “**ESPCo**”) that is capitalized with common shares and preferred shares that are issued by the ESPCo to BNRE;
 - (b) the ESPCo will directly or indirectly acquire (i) Exchangeable Shares in the open market pursuant to a normal course issuer bid established by BNRE, or (ii) Exchanged Shares from the Issuer and related companies pursuant to BN Acquisitions;
 - (c) Participants will be awarded with non-voting shares of an ESPCo (the “**Escrowed Shares**”) or provided an election to contribute Exchangeable Shares or other Escrowed Shares as consideration for the Escrowed Shares;

- (d) Escrowed Shares are generally expected to vest as to 20% each year over five (5) years from the grant date, subject to the Participant’s continued employment with BNRE, the Issuer or its affiliates;
 - (e) following the vesting date of the Escrowed Shares, generally up to a maximum of 10 years following the initial grant date, Participants will be entitled to exchange their respective Escrowed Shares for Exchangeable Shares issued by BNRE from treasury. The value of the Exchangeable Shares to be issued by BNRE will be equal to the increase in value of the Exchangeable Shares held by the ESPCo since the grant date of the Escrowed Shares, based on the volume-weighted average price of the Exchangeable Shares on the NYSE on the date of the exchange; and
 - (f) following the exchange of Escrowed Shares for newly issued Exchangeable Shares, a corresponding number of Exchangeable Shares will be cancelled by BNRE, resulting in no net dilution to existing BNRE shareholders.
18. A maximum of 4,000,000 Exchangeable Shares may be issued under the Escrowed Stock Plan.
 19. BNRE holds 32,934,574 BN Class A Shares (the “**BNRE Owned BN Shares**”) as a result of an offer by BNRE to holders of BN Class A Shares to exchange up to 40,000,000 BN Class A Shares for Class A-1 Exchangeable Shares, on a one-for-one basis, pursuant to a short form prospectus dated November 1, 2023.
 20. BNRE wishes to use up to 4,000,000 BNRE Owned BN Shares as consideration for the purchase of up to 4,000,000 Exchanged Shares to establish the Escrowed Stock Plan.
 21. The Issuer and its related companies wish to sell up to 4,000,000 Exchanged Shares to BNRE to facilitate BNRE’s establishment of the Escrowed Stock Plan in exchange for BNRE Owned BN Shares on the basis of one Exchanged Share for each BNRE Owned BN Share.
 22. The BN Acquisitions are subject to approval by the board of directors of the Issuer (the “**Board**”).
 23. The BN Acquisitions constitute “issuer bids” by the Issuer for the purposes of NI 62-104 to which the Issuer Bid Requirements would apply.
 24. The 4,000,000 BNRE Owned BN Shares represent approximately 0.24% of the BN Class A Shares issued and outstanding as at April 18, 2024.
 25. BN Class A Shares acquired pursuant to the BN Acquisitions will either be cancelled or retained by a BN ESPCo, depending on whether the corresponding Exchanged Share was held by the Issuer or a BN ESPCo. None of the BN Class A Shares held by a BN ESPCo will be voted.
 26. The BN Acquisitions will not adversely affect the Issuer or its shareholders.

27. The Escrowed Stock Plan received the requisite shareholder approval at BNRE's annual general and special meeting of shareholders that was held on July 22, 2024.
28. Given the economic equivalence of the Exchangeable Shares to BN Class A Shares, and the fact that Exchangeable Shares are exchangeable on a one-for-one basis for BN Class A Shares, the adoption of the Escrowed Stock Plan is conditional on its approval by (i) the Board, and (ii) the Issuer's shareholders at a duly called meeting of shareholders. The Board approved the adoption of the Escrowed Stock Plan on March 25, 2024 and the Escrowed Stock Plan received the requisite shareholder approval at the Issuer's annual general and special meeting of shareholders that was held on June 7, 2024.
29. The Issuer and BNRE will not complete BN Acquisitions at any time that either of them is aware of any "material change" or "material fact" (each as defined in the *Securities Act* (Ontario)) in respect of the Issuer, BNRE, the Exchangeable Shares, or the BN Class A Shares that has not been generally disclosed.
30. Other than the Exchanged Shares, no fee or other consideration will be paid by the Issuer in connection with the purchase of BNRE Owned BN Shares.
31. A press release announcing receipt of the Requested Relief will be issued and filed prior to the completion of the first BN Acquisition.

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest;

IT IS ORDERED pursuant to section 6.1 of NI 62-104 that the Issuer be exempt from the Issuer Bid Requirements in connection with the BN Acquisitions, provided that:

- (a) at the time of the BN Acquisitions, neither the Issuer nor BNRE is aware of any "material change" or "material fact" (each as defined in the *Securities Act* (Ontario)) in respect of the Issuer, BNRE, the Exchangeable Shares, or the BN Class A Shares that has not been generally disclosed; and
- (b) other than the Exchanged Shares, no fee or other consideration will be paid by the Issuer in connection with the purchase of BNRE Owned BN Shares.

DATED at Toronto, Ontario this 22nd day of July, 2024.

"David Mendicino"

David Mendicino
Manager, Corporate Finance Division
Ontario Securities Commission