



## DEFINITY FINANCIAL CORPORATION LAUNCHES \$1.25 BILLION INITIAL PUBLIC OFFERING

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**WATERLOO, ON, November 8, 2021** – Definity Financial Corporation (“Definity”) announced today the launch of its initial public offering (the “Offering”) of common shares (“Common Shares”) pursuant to an amended and restated preliminary base PREP prospectus (the “Amended and Restated Preliminary Prospectus”) filed with the securities regulatory authorities in each of the provinces and territories in Canada. The gross proceeds of the Offering are expected to be approximately \$1.25 billion at an offering price between \$19.00 and \$22.00 per Common Share.

Definity expects to grant the Underwriters (as defined below) an option, exercisable in whole or in part at any time for a period of 30 days after the closing date of the Offering, to purchase up to such number of Common Shares as represents 15% of the Common Shares offered in the Offering to cover over-allotments, if any.

Definity has applied to have the Common Shares listed on the Toronto Stock Exchange (the “TSX”) under the symbol “DFY”. Listing is subject to the approval of the TSX in accordance with its original listing requirements. The TSX has not conditionally approved the listing of the Common Shares and there is no assurance that the TSX will approve the listing application. Closing of the Offering is conditional on, among other things, the Common Shares being approved for listing on the TSX.

The Offering is being made in connection with the conversion of Economical Mutual Insurance Company (“Economical Insurance”) from a mutual insurance company to a company with share capital pursuant to the Insurance Companies Act (Canada), a process known as “demutualization” (the “Demutualization”). Definity, a newly created entity incorporated under the Insurance Companies Act (Canada), will be the parent company of Economical Insurance following the completion of the Demutualization. As part of the Demutualization process, the Minister of Finance (Canada) has approved the Conversion Plan, and the Letters Patent of Conversion are expected to take effect immediately prior to the completion of the Offering.

The Offering is being made through a syndicate of underwriters led by BMO Capital Markets, RBC Capital Markets and Barclays, as global coordinators and joint bookrunners, Scotiabank and TD Securities Inc., as joint bookrunners, and CIBC Capital Markets, National Bank Financial Inc., UBS Securities Canada Inc., Desjardins Securities Inc., Raymond James Ltd., Canaccord Genuity Corp. and Cormark Securities Inc., as co-managers (collectively, the “Underwriters”).

The Amended and Restated Preliminary Prospectus contains important information relating to the Offering and has not yet become final for purposes of a distribution of securities to the public. No securities regulatory authority has either approved or disapproved the contents of this news release. This news release does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale or any acceptance of an offer to buy these securities in any province or territory of Canada prior to the time that a receipt for the final prospectus or other authorization is obtained from the securities regulatory authorities in each of the provinces and territories. The Amended and Restated Preliminary Prospectus is available under Definity’s profile on SEDAR at [www.sedar.com](http://www.sedar.com).

The securities under the Offering have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or the securities laws of any state of the United States and may not be offered, sold or delivered, directly or indirectly, in the United States, except

pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable state securities laws. This news release does not constitute an offer to sell or solicitation of an offer to buy any of these securities in any jurisdiction in which the offering or sale is not permitted.

### **About Economical Insurance**

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Economical Insurance is a property and casualty insurer in Canada which, together with its subsidiaries, has more than one million policies in force across the country. Economical Insurance and its subsidiaries offer both personal and commercial insurance products and distribute products on a primarily intermediated basis, through brokers, as well as directly to customers.

### **About Definity**

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Definity, a newly created entity incorporated under the Insurance Companies Act (Canada), will, following the completion of the Demutualization, be the parent company of Economical Insurance, Family Insurance Solutions Inc., Petline Insurance Company, and Sonnet Insurance Company.

### **Forward-Looking Statements**

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This news release may contain forward-looking information within the meaning of applicable securities laws, which reflects Definity's and Economical Insurance's current expectations regarding future events, including the aggregate gross proceeds of the Offering, the price per Common Share in the Offering, the grant to the Underwriters of the over-allotment option and receipt of TSX listing and other governmental approvals. Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond Definity's and Economical Insurance's control, respectively. Such risks and uncertainties include, but are not limited to, failure to complete the Demutualization and the Offering and the factors discussed under "Risk Factors" in the Amended and Restated Preliminary Prospectus. Actual results could differ materially from those projected herein. Neither Definity nor Economical Insurance undertakes any obligation to update such forward-looking information, whether as a result of new information, future events or otherwise, except as expressly required under applicable securities laws.

### **Contact**

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