

No securities regulatory authority has expressed an opinion about these securities and it is an offence to claim otherwise.

This prospectus supplement (this “Prospectus Supplement”), together with the short form base shelf prospectus dated July 11, 2024 to which it relates, as amended or supplemented (the “Prospectus”), and each document incorporated by reference in this Prospectus Supplement and in the Prospectus, constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities.

Information has been incorporated by reference in this Prospectus Supplement and the 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 Corporate Secretary of Definity Financial Corporation, 111 Westmount Road South, P.O. Box 2000, Waterloo, Ontario, N2J 4S4, (519) 570-8200 or 1-800-265-2180 and are also available electronically at www.sedarplus.ca.

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 the securities laws of any state of the United States and, except as described under “Plan of Distribution”, may not be offered, sold or delivered, directly or indirectly, in the United States. This Prospectus Supplement, together with the Prospectus, as amended or supplemented, and each document incorporated or deemed to be incorporated by reference in this Prospectus Supplement and the Prospectus does not constitute an offer to sell or solicitation of an offer to buy any of these securities in the United States. See “Plan of Distribution”.

**PROSPECTUS SUPPLEMENT
(to short form base shelf prospectus dated July 11, 2024)**

New Issue

July 11, 2024

The logo for Definity, featuring the word "definity." in a lowercase, blue, sans-serif font. The period is a solid blue dot.

DEFINITY FINANCIAL CORPORATION

**Medium Term Notes
(unsecured)**

Definity Financial Corporation (“**Definity**”) may from time to time offer and issue unsecured medium term notes (the “**Notes**”) in one or more series. The Notes will be offered pursuant to a medium term note program established by Definity in accordance with the terms of this Prospectus Supplement and National Instrument 44-102 – *Shelf Distributions* (“**NI 44-102**”) of the Canadian Securities Administrators.

The Notes will be issued under a trust indenture (as supplemented from time to time by supplemental indentures), will be direct unsecured obligations of Definity and will rank equally with all other unsecured and unsubordinated indebtedness of Definity (except as to sinking funds and except in relation to unsecured and unsubordinated indebtedness preferred by mandatory provisions of law). The Notes are expected to have a term to maturity of not less than one year and will be issuable in denominations of \$1,000 or more. The Notes may be issued in Canadian dollars or any foreign currency or currency unit determined at the time of issue.

The specific terms of an offering of Notes (including the aggregate principal amount of the Notes being offered, the currency or currencies or currency unit, the issue and delivery date, the form, the maturity date, the interest rate (fixed or floating and, if floating, the matter of calculation of such rate), the issue price, the interest payment date(s), any redemption or repayment provisions, any provisions entitling Definity to extend the maturity date of the Notes, the name(s) of the dealer(s) offering the Notes, the commission payable to such dealer(s), the method of distribution and the net proceeds to Definity) will be set forth in a pricing supplement (a “**Pricing Supplement**”) which will be delivered to purchasers in conjunction with the sale of the Notes. Definity reserves the right to set forth

in a Pricing Supplement specific terms of Notes which are not within the parameters set forth in this Prospectus Supplement.

Unless otherwise indicated in a Pricing Supplement, the Notes will not be listed on any securities exchange. **If the Notes are not listed on any securities exchange, there will be no market through which the Notes may be sold and purchasers may not be able to resell the Notes purchased hereunder. This may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes and the extent of issuer regulation. See “Risk Factors”.**

RATES ON APPLICATION

The Notes may be offered by one or more dealers as selected from time to time by Definity (collectively, the “**Investment Dealers**” and individually an “**Investment Dealer**”), in each case, acting as agent of Definity or purchasing as principal. Where the Notes are offered by the Investment Dealer(s) as agent(s), the commissions payable by Definity in connection with sales of such Notes shall be agreed from time to time between Definity and any such Investment Dealer(s). Where the Notes are purchased by the Investment Dealer(s) as principal, the Notes shall be purchased at such prices and with such commissions as may be agreed from time to time between Definity and any such Investment Dealer(s) for resale to the public at prices to be negotiated with each purchaser. Such resale prices may vary during the distribution period and as between purchasers. Each Investment Dealer’s compensation will increase or decrease by the amount by which the aggregate price paid for Notes by purchasers exceeds or is less than the price paid by the Investment Dealer, purchasing as principal, to Definity. The commissions payable in connection with sales of Notes will be set forth in a Pricing Supplement which will be delivered to purchasers in conjunction with the sale of Notes. Definity may also offer the Notes directly to potential purchasers at prices and upon terms negotiated between the purchaser and Definity. Definity and, if applicable, the Investment Dealer(s), may reject any offer to purchase the Notes in whole or in part. Definity also reserves the right to withdraw, cancel or modify the offering of the Notes hereunder without notice. The Investment Dealer(s) may over-allot or effect transactions which stabilize or maintain the market price of the Notes offered at a level above that which might otherwise prevail in the open market. See “Plan of Distribution”.

Unless otherwise specified, all references to currency amounts in this Prospectus Supplement are to Canadian dollars.

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DOCUMENTS INCORPORATED BY REFERENCE

This Prospectus Supplement is deemed to be incorporated by reference in the short form base shelf prospectus of Definity dated July 11, 2024 (the “Prospectus”) solely for the purpose of the offering of the Notes. The following documents of Definity filed with the various securities commissions or similar authorities in Canada are incorporated by reference in the Prospectus and this Prospectus Supplement:

- (a) the annual information form of Definity dated February 15, 2024 for the year ended December 31, 2023;
- (b) the audited consolidated financial statements of Definity, together with the auditor’s report thereon and the notes thereto, as at and for the year ended December 31, 2023 (the “**Annual Financial Statements**”);
- (c) management’s discussion and analysis of financial condition and results of operations of Definity for the year ended December 31, 2023 (the “**Annual MD&A**”);
- (d) the unaudited condensed interim consolidated financial statements of Definity, together with the notes thereto, as at and for the three months ended March 31, 2024 (the “**Q1 2024 Financial Statements**”);
- (e) management’s discussion and analysis of financial condition and results of operations of Definity in respect of the Q1 2024 Financial Statements;
- (f) the management proxy circular of Definity dated April 4, 2024 in respect of the annual meeting of shareholders of Definity held on May 17, 2024; and
- (g) the material change report of Definity dated January 2, 2024 in respect of Definity’s continuance under the *Canada Business Corporations Act*.

A Pricing Supplement containing the specific variable terms for an issue of Notes will be delivered to purchasers of such Notes together with the Prospectus and this Prospectus Supplement and will be deemed to be incorporated by reference in the Prospectus and this Prospectus Supplement as of the date of the Pricing Supplement, solely for the purpose of the Notes issued thereunder. Each Pricing Supplement will be filed with the applicable securities regulatory authorities in accordance with NI 44-102.

Any statement contained in this Prospectus Supplement, the Prospectus or in a document incorporated or deemed to be incorporated by reference herein or therein will be deemed to be modified or superseded, for purposes of this Prospectus Supplement or the Prospectus, as the case may be, to the extent that a statement contained herein or therein, or in any other subsequently filed document which also is or is deemed to be incorporated by reference herein or therein, 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 Supplement or the Prospectus, as the case may be.

FORWARD-LOOKING STATEMENTS

This Prospectus Supplement, including the documents incorporated by reference herein, and the Prospectus contain “forward-looking information” within the meaning of applicable securities laws in Canada. Forward-looking information may relate to our future business, financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding our

expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as “plans”, “targets”, “expects” or “does not expect”, “is expected”, “an opportunity exists”, “budget”, “scheduled”, “estimates”, “forecasts”, “projection”, “prospects”, “strategy”, “intends”, “anticipates”, “does not anticipate”, “believes”, or variations of such words and phrases or statements that certain actions, events or results “may”, “could”, “would”, “might”, “will”, “will be taken”, “occur” or “be achieved”. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management’s expectations, estimates and projections regarding possible future events or circumstances. These forward-looking statements include, among other things, statements relating to: Definity’s business plans and strategies; Definity’s ability to appropriately assess the risk relating to, and price, the insurance policies that it writes; Definity’s competitive position in its industry; Definity’s ability to continue to invest in technology and processes necessary to attract and retain customers; Definity’s ability to continue to attract and retain talent; Definity’s relationship with its brokers and direct customers; and the long-term impact of the COVID-19 pandemic on Definity’s business, financial position, results of operations and/or cash flows.

Forward-looking information in this Prospectus Supplement is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that we currently believe are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is necessarily based on a number of opinions, estimates and assumptions that we considered appropriate and reasonable as at the date such statements are made, and are subject to many factors that could cause our actual results, performance or achievements, or other future events or developments, to differ materially from those expressed or implied by the forward-looking statements, including, without limitation: credit, market, liquidity, operational, strategic, legal and regulatory risks, and the risks discussed in the Annual MD&A, including the impact of adverse financial exposures arising from various activities integral to the underwriting of insurance products; insufficient reserves to cover future insurance claims; claims arising from man-made or natural catastrophes; changes in interest rates affecting future cash flows or the fair values of assets and liabilities as they either mature or are contractually repriced; general economic conditions, stock market conditions, investor sentiment, that adversely impact the equity markets and, consequently, the value of equity investments Definity holds; changes in foreign exchange rates relative to the Canadian dollar; insufficient liquidity; any event impacting the ability to attract, develop, motivate, and retain an appropriate number of employees with the necessary skills, capabilities, and knowledge; business practices, or actions by external parties, Definity’s employees, or directors, that have outcomes that harm stakeholders or create reputational risk to the Company; internal or external abuse or fraud; adverse consequences arising from the design, development, implementation, and use of actuarial, analytical & AI models; loss or harm resulting from information security, cyber security, or information technology system failures; and internal or external events that impact, or have the potential to impact, Definity’s ability to conduct business as normal.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information. The opinions, estimates or assumptions referred to above and described in greater detail in “Section 12 – Risk Management and Corporate Governance” of the Annual MD&A and Notes 7 and 9 of the Annual Financial Statements, should be considered carefully by readers.

Although we have attempted to identify important factors that could cause actual results to differ materially from those contained in forward-looking information, the factors above are not intended to represent a complete list and there may be other factors not currently known to us or that we currently believe are not material that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such forward-looking information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. Accordingly, readers should not place undue reliance on forward-looking information, which speaks only as at the date made. The forward-looking information contained in this Prospectus Supplement represents our expectations as at the date of this Prospectus Supplement (or as the date they are otherwise stated to be made) and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws in Canada.

All of the forward-looking information contained in this Prospectus Supplement is expressly qualified by the foregoing cautionary statements.

EARNINGS COVERAGE RATIOS

Earnings coverage ratios will be provided as required in the applicable Pricing Supplement or as exhibits to Definity's unaudited interim and audited annual financial statements and will be deemed to be incorporated by reference in this Prospectus Supplement and the Prospectus.

USE OF PROCEEDS

Definity may offer and issue from time to time Notes in one or more series. The net proceeds to Definity derived from the sale of Notes will be the aggregate offering amount thereof less any commission and other issuance costs paid in connection therewith. The net proceeds cannot be estimated as the amount thereof will depend on the extent to which Notes are issued under this Prospectus Supplement. Unless otherwise specified in the applicable Pricing Supplement, the net proceeds will be added to the general funds of Definity and will be utilized for general corporate purposes.

DESCRIPTION OF NOTES

The Notes will be issued in one or more series under a trust indenture (the "**Base Indenture**"), as supplemented from time to time by supplemental indentures (together, the "**Indenture**"), between Definity 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 (the "**Trustee**"). The statements made hereunder relating to the Indenture and the Notes 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 Indenture. Definity reserves the right to set forth in a Pricing Supplement specific terms of Notes which are not within the parameters set forth in this Prospectus Supplement.

The Base Indenture is not expected to limit the aggregate principal amount of debt securities which may be issued thereunder, and debt securities may be issued thereunder from time to time in one or more series up to the aggregate principal amount from time to time authorized by Definity for each series. Definity may, from time to time, without the consent of the holders of the Notes, provide for the future issuance of notes or other debt securities under the Indenture. A copy of the Base Indenture will be made available electronically at www.sedarplus.ca.

The specific terms of an offering of Notes (including the aggregate principal amount of the Notes being offered, the currency or currencies or currency unit, the issue and delivery date, the form, the maturity date, the interest rate or the method of determination of such rate, the issue price, the interest payment date(s), any redemption or repayment provisions, any provisions entitling Definity to extend the maturity date of the Notes, the name(s) of the Investment Dealer(s) offering the Notes, the commission payable to such Investment Dealer(s), the method of distribution and the net proceeds to Definity) will be set forth in a Pricing Supplement which will be delivered to purchasers in conjunction with the sale of the Notes. Unless otherwise indicated in a Pricing Supplement, the Notes will not be listed on any securities exchange.

The following is a summary of certain general anticipated terms and provisions of Notes. A Pricing Supplement providing a summary of the specific variable terms and provisions for a particular series of Notes will be delivered to purchasers of such Notes together with the Prospectus and this Prospectus Supplement. Such specific terms and provisions may differ from the general terms and provisions described below. Therefore, for a summary of the specific terms and provisions of a particular series of Notes, investors should refer to the information in the applicable Pricing Supplement, together with the Prospectus and this Prospectus Supplement. However, the following summary, and any summary that will be provided in a Pricing Supplement, do not purport to be complete. For a complete description of a particular series of Notes, reference should be made to the Base Indenture, as supplemented by the applicable supplemental indenture.

Term, Denomination and Currency

The Notes will have a term to maturity of not less than one year and will be issuable in denominations of \$1,000 or more. The Notes may be issued in Canadian dollars or any foreign currency or currency unit determined at the time of issue.

Interest

The Notes will bear interest at fixed rates, floating rates or a combination thereof as set out in the applicable Pricing Supplement.

Rank

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

Redemption

If so specified in the applicable Pricing Supplement, a series of Notes may be redeemed, at Definity's option, in whole at any time or in part from time to time, prior to maturity. The applicable Pricing Supplement will specify the redemption price (or the manner of calculating the redemption price), if any, for the series of Notes.

If less than all Notes of any series of Notes are to be redeemed, the Notes to be redeemed will be selected by the Trustee on a *pro rata* basis or by lot or such other means as the Trustee may deem equitable and expedient.

Purchase for Cancellation

Definity may, at any time, purchase Notes for cancellation, in the open market, by tender or by private contract, at any price.

Defeasance

The Indenture is expected to require the Trustee to release Definity from its obligations in respect of a series of Notes issued pursuant to the Base Indenture if specified conditions are met, including the deposit by Definity of cash or certain cash-equivalent securities for the payment of all principal and interest and any other amounts on the Notes of such series and the payment of the expenses of the Trustee.

Form, Transfer and Payment Mechanics

Unless otherwise specified in a Pricing Supplement, Notes will be represented by fully registered global Notes (a "**Global Note**") held by, or on behalf of, CDS Clearing and Depository Services Inc. or its successor or its nominee (collectively, "**CDS**") as depository of the Global Notes (for its direct and indirect participants) and registered in the name of CDS. CDS will be responsible for establishing and maintaining book-entry accounts for its participants having interests in Global Notes. Participants, including the Investment Dealers and other dealers, will be responsible for establishing and maintaining book-entry accounts for persons, other than participants, having interests in the Global Notes. Except as described below, no purchaser of a Note will be entitled to a certificate or other instrument from Definity or CDS evidencing that purchaser's ownership thereof, and no owner of a Note (other than participants) will be shown on the records maintained by CDS. Each purchaser of a Note will receive a customer confirmation of purchase from the Investment Dealer or Investment Dealers from which the Note is purchased in accordance with the practices and procedures of the selling Investment Dealer or Investment Dealers. The practices of the Investment Dealers may vary but generally customer confirmations are issued promptly after execution of a customer order.

Notes will be issued in fully registered form to participants and owners of Notes only if (i) Definity determines that CDS is no longer willing or able to continue as depository and Definity does not appoint a qualified successor; (ii) Definity, at its option, elects to terminate the book-entry system through CDS; or (iii) in certain other circumstances at the option of Definity.

Transfers of Notes represented by Global Notes will be effected through records maintained by CDS for such Global Notes (with respect to interests of participants) and on the records of participants (with respect to interests of persons other than participants). Owners of Notes who are not participants in the depository service of CDS, but who desire to sell or otherwise transfer their Notes, may do so only through participants in the depository service of CDS. The ability of an owner of a Note to pledge the Note or otherwise take action with respect to such Note (other than through a participant) may be limited due to the lack of a physical certificate.

As long as CDS is the registered owner of a Global Note, CDS will be considered the sole owner of the Global Note for the purposes of receiving payments of interest and principal on each Global Note. Definity expects that CDS, upon receipt of any payment of principal or interest in respect of a Global Note, will credit participants' accounts, on the date principal or interest is payable, with payments in amounts proportionate to their respective interests in the principal amount of such Global Note as shown on the records of CDS at the close of business on the seventh business day prior to the applicable interest payment date, with respect to the payment of interest, and, at maturity, with respect to the payment of principal. Definity also expects that payments of principal and interest by participants to the owners of interests in such Global Note held through such participants will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name" and will be the responsibility of such participants. The responsibility and liability of Definity is limited to making payment of any principal and interest due on such Global Notes to CDS.

Any other rights of a holder of a Note (including voting rights) will need to be exercised through a participant in CDS in accordance with the rules and procedures of CDS.

Where CDS is not the registered owner of a Global Note, as interest becomes due and payable on a fully registered Note, Definity, either directly or through a trustee or paying agent, will send, prior to each interest payment date, by prepaid ordinary mail, a cheque for such interest (less any tax required to be withheld therefrom) payable to the order of the registered holder of such Note appearing on the register maintained by the Trustee at the close of business on the seventh business day prior to the applicable interest payment date, and addressed to such holder at such holder's last address appearing on the register. In the event of non-receipt of any cheque for interest by the person to whom it is sent, Definity will issue to such person a replacement cheque for a like amount upon being furnished with such evidence of non-receipt and indemnity as it shall reasonably require.

Repayment of Unclaimed Money

It is expected that the Indenture will provide that any amount paid by Definity to the Trustee or CDS that remains unclaimed at the end of six years after the amount is due to the holders of Notes, will, subject to applicable law, be repaid to Definity at its request. After that time, the holder of the Notes will be able to seek from Definity any payment (without interest) to which that holder may be entitled.

Governing Law

The Base Indenture and the Notes are expected to be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

PLAN OF DISTRIBUTION

The Notes may be offered by one or more Investment Dealers as selected from time to time by Definity, in each case, acting as agent of Definity or purchasing as principal. Where the Notes are offered by the Investment Dealer(s) as agent(s), the commissions payable by Definity in connection with sales of such Notes shall be agreed from time to time between Definity and any such Investment Dealer(s). Where the Notes are purchased by the Investment Dealer(s) as principal, the Notes shall be purchased at such prices and with such commissions as may be agreed from time to time between Definity and any such Investment Dealer(s) for resale to the public at prices to be negotiated with each purchaser. Such resale prices may vary during the distribution period and as between purchasers. Each Investment Dealer's compensation will increase or decrease by the amount by which the aggregate price paid for Notes by purchasers exceeds or is less than the price paid by the Investment Dealer, purchasing as principal, to Definity. The commissions payable in connection with sales of Notes will be set forth in a Pricing Supplement which will be delivered to purchasers in conjunction with the sale of the Notes. Definity may also offer the Notes directly to potential purchasers at prices and upon terms negotiated between the purchaser and Definity.

Definity may enter into one or more dealer agreements with the Investment Dealers relating to the sale of Notes. Under the terms of the dealer agreements, the Investment Dealers who participate in a distribution of Notes may be entitled to indemnification by Definity against certain liabilities, including liabilities under applicable securities legislation. A copy of the dealer agreement(s) will be filed with the securities regulatory authority in each of the provinces and territories of Canada following its execution.

Definity and, if applicable, the Investment Dealers, may reject any offer to purchase the Notes in whole or in part. Definity also reserves the right to withdraw, cancel or modify the offering of the Notes hereunder without notice.

In connection with any offering of Notes, the Investment Dealers may over-allot or effect transactions which stabilize or maintain the market price of the Notes offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. In addition, the Investment Dealers may from time to time purchase and sell the Notes in the secondary market but are not obliged to do so. There can be no assurance that there will be a secondary market for the Notes. The offering price and other terms for such sales in the secondary market may, from time to time, be varied by the Investment Dealers.

The Notes have not and will not be registered under the U.S. Securities Act, or any state securities laws, and may not be offered or sold within the United States or to U.S. persons unless registered under the U.S. Securities Act and applicable state securities laws or an exemption therefrom is available. Each of the Investment Dealers will agree not to buy or offer to buy, sell or offer to sell, or solicit any offer to buy any Notes in the United States, or to or for the account or benefit of U.S. persons, except to “qualified institutional buyers” in accordance with Rule 144A under the U.S. Securities Act. This Prospectus Supplement does not constitute an offer to sell or a solicitation of an offer to buy any of the Notes in the United States. In addition, until 40 days after the commencement of the offering of an issue of Notes, an offer or sale of that issue within the United States by any Investment Dealer (whether or not participating in the offering) may violate the registration requirements of the U.S. Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the U.S. Securities Act.

RISK FACTORS

In addition to the risks described in the documents incorporated by reference in the Prospectus and this Prospectus Supplement, prospective purchasers should consider the risks described below before purchasing Notes.

Risks Relating to Unsecured Nature of the Notes

The Notes will not be secured by any of the assets of Definity. Holders of secured indebtedness of Definity would have a claim on the assets securing such indebtedness that ranks prior to a holder of Notes’ claim on such assets. Holders of secured indebtedness of Definity also would have a claim that ranks *pari passu* with the claim of holders of Notes on such assets to the extent that such security did not satisfy such secured indebtedness in full.

Structural Subordination of the Notes

Definity is a holding company and substantially all of its business activities are carried on by its subsidiaries. Because Definity is a holding company, the Notes will be effectively subordinated to all existing and future liabilities, including trade payables and other indebtedness, of Definity’s subsidiaries. In addition, as a holding company, Definity’s ability to meet its financial obligations is dependent primarily upon the receipt of interest and principal, management fees, cash dividends and other payments from its subsidiaries, together with proceeds raised by Definity through the issuance of equity and debt securities. Definity’s subsidiaries are distinct legal entities and have no legal obligation, contingent or otherwise, to pay any amount due under the Notes or to make any amounts available therefor. In addition, the payment of dividends and the making of loans, advances and other payments to Definity by its subsidiaries may be limited by applicable corporate and insurance law restrictions or contractual restrictions, will depend on the earnings of the subsidiaries and will be subject to various business and other considerations.

The Payment of any Amount Owed on the Notes is Dependent upon the Creditworthiness of Definity

Because the obligation to make payments on the Notes to holders of Notes is incumbent upon Definity, the likelihood that such holders of Notes will receive any payment on the Notes, including the amount an investor will receive at maturity, will be dependent upon the creditworthiness of Definity. Definity’s earnings are significantly

affected by changes in general business and economic conditions in the regions in which it operates. These conditions include short and long-term interest rates, inflation, fluctuations in the debt and capital markets (including changes in credit spreads, credit migration and rates of default), equity or commodity prices, exchange rates, the strength of the economy, the stability of various financial markets, threats of terrorism and the level of business conducted in a specific region and/or any one sector within a region. Challenging market conditions and the health of the economy as a whole may have a material effect on Definity's business, financial condition, liquidity and results of operations.

Credit Ratings

There is no assurance that any credit rating assigned to the Notes issued hereunder will remain in effect for any given period of time or that any rating will not be lowered or withdrawn entirely by the relevant rating agency. A lowering or withdrawal of such credit rating may have an adverse effect on the market value of the Notes. In addition, real or anticipated changes in credit ratings can affect the cost at which Definity can access the capital markets.

Absence of Public Market for the Notes

The Notes will be newly issued securities for which there is expected to be no existing trading market. Definity does not intend to list the Notes on any Canadian, U.S. or other securities exchange. If the Notes are not listed on any securities exchange, this may affect the pricing of the Notes in the secondary market, the transparency and availability of trading prices, the liquidity of the Notes and the extent of issuer regulation. There can be no assurance that a secondary market will develop for the Notes or that any secondary market that does develop will continue. Accordingly, purchasers may not be able to sell the Notes. In addition, if a trading market develops for the Notes, the Notes could trade at prices that may be higher or lower than their initial offering prices, depending on many factors, including prevailing interest rates, Definity's results of operations and financial position, the ratings assigned to the Notes and Definity's other debt securities and the markets for similar debt securities.

Interest Rate Risks

Prevailing interest rates will affect the market price or value of the Notes, particularly during the period they carry a fixed interest rate. Assuming all other factors remain unchanged, the market price or value of the Notes during the period they carry a fixed interest rate, if applicable, will decline as prevailing interest rates for comparable debt instruments rise and increase as prevailing interest rates for comparable debt instruments decline. Fluctuations in interest rates may also impact borrowing costs of Definity which may adversely affect its creditworthiness.

Definity's floating interest rate obligations under the Notes, if applicable, expose Definity to changes in interest payments due to fluctuations in interest rates, which could have an adverse effect on Definity's financial condition.

Risks Associated with Floating Rate Notes

The Notes will bear interest at fixed or floating rates as set out in the applicable Pricing Supplement. Investments in floating rate Notes entail risks not associated with investments in fixed rate Notes. The resetting of the applicable rate on a floating rate Note may result in a lower interest rate as compared to a fixed rate Note issued at the same time. The applicable rate on a floating rate Note will fluctuate in accordance with fluctuations in the instrument or obligation or other measure on which the applicable rate is based, which in turn may fluctuate and be affected by a number of interrelated factors, including economic, financial and political events over which Definity has no control.

Foreign Currency Risks

An investment in Notes that are denominated or payable other than in Canadian dollars entails significant risks that are not associated with a similar investment in a security denominated in Canadian dollars. Such risks include, without limitation, the possibility of significant changes in rates of exchange between the Canadian dollar and the applicable foreign currency unit, the possibility of the imposition or modification of foreign exchange controls by either the Canadian or foreign governments and potential illiquidity in the secondary market. These risks will vary depending upon the currency or currencies or currency unit involved and, where appropriate, will be more fully described in a Pricing Supplement.

This Prospectus Supplement does not describe all the risks of an investment in Notes denominated or payable other than in Canadian dollars and prospective investors should consult their own financial and legal advisor as to the risk entailed with respect thereto. Notes denominated other than in Canadian dollars are not appropriate investments for investors who are unfamiliar with foreign currency transactions.

The Notes will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. A judgement by a Canadian court relating to any Note may be awarded only in Canadian currency and such judgement may be based on a rate of exchange in existence on a day other than the day of payment.

Redemption of Notes

If the Notes are redeemable at Definity's option, as provided in the applicable Pricing Supplement, Definity may choose to redeem the Notes from time to time, especially when prevailing interest rates are lower than those payable by Definity under the terms of the Notes. If prevailing rates are lower at the time of redemption, a purchaser would not be able to reinvest the redemption proceeds in a comparable security at an effective interest rate as high as the rate on the Notes being redeemed. Definity's redemption right may also adversely impact a purchaser's ability to sell the Notes as the optional redemption date or period approaches.

No Limitations on Debt

The Base Indenture does not contain any provision limiting Definity's ability to incur indebtedness generally. Except to the extent regulatory requirements affect Definity's decision to issue more Notes, the Base Indenture does not impose a limit on Definity's ability to incur additional debt. Definity's ability to incur additional indebtedness and use its funds for any purpose in Definity's discretion may increase the risk that Definity will be unable to service its debt, including paying its obligations under the Notes.

No Event Risk Protection

The Base Indenture does not contain any provision that would afford holders of Notes protection should Definity be involved in a highly leveraged or similar transaction.

Enforcement of Judgements Against Foreign Persons may not be Possible

Edouard Schmid is a director of Definity who resides outside of Canada. Mr. Schmid has appointed Definity at its head office address (being 111 Westmount Road South, Waterloo, Ontario, N2L 2L6) as his agent for service of process.

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 applicable Pricing Supplement, certain legal matters relating to an offering of Notes will be passed upon on behalf of Definity by Blake, Cassels & Graydon LLP. As at July 10, 2024, the 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 Definity or any associate or affiliate of Definity.