

## **Certificate of Amendment**

### **Business Corporations Act (CQLR, chapter S-31.1)**

I attest that the business corporation

Industrial Alliance Insurance and Financial Services Inc.

has amended its articles pursuant to the Business Corporations Act to integrate therein the amendments referred to in the appended articles of amendment.

March 1, 2018

Filed with the Register on March 1, 2018 under the Québec enterprise number 1168366202.

(signed)  
Enterprise Registrar

[Official stamp] Registraire des entreprises Québec

Registraire des entreprises  
Québec (logo)

## ARTICLES OF AMENDMENT

Québec enterprise number	
NEQ	1 1 6 8 3 6 6 2 0 2

This form must be completed by any business corporation that wishes to amend its articles of incorporation. For more information, refer to the *Guide to Articles of Amendment* (RE-500.G-T).

### 1 Information about the business corporation

Name of business corporation

**Industrielle Alliance, Assurance et services financiers inc.**

Versions of the name of the corporation in a language other than French, if applicable

**Industrial Alliance Insurance and Financial Services Inc.**

### 2 Amendment of articles

#### 2.1 Amendment to the name

New name of business corporation

New versions of the name of the corporation in a language other than French, if applicable

Designating number in lieu of a name

#### 2.2 Other amendments

Schedules 1 and 2, appended hereto, are an integral part of this form.

#### 2.3 Date and time of certificate, if applicable

Date (Y M D) Time (hour minutes)

### 3 Correction of articles

#### 3.1 Articles and certificate concerned by the correction

The articles of \_\_\_\_\_ (Type of articles) filed in the enterprise register on (Y M D) contain illegal provisions, errors or irregularities. A certificate relating to these articles was issued by the Registraire des entreprises on (Y M D) and at (hour minutes), if applicable.

#### 3.2 Corrections requested

#### 3.3 Rights of shareholders and creditors

Check the appropriate box(es).

- The corrections will not be prejudicial to the rights of shareholders.
- The corrections will not be prejudicial to the rights of creditors.
- The corrections could be prejudicial to the rights of shareholders.
- The corrections could be prejudicial to the rights of creditors.

### 4 Signature

<u>Dibblee Jennifer</u>	<u>(signed)</u>
Last name and first name of authorized director or officer	Signature of authorized director or officer

**Sign and return this form along with the required documents and payment. Do not fax the form.**

For office use
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## **SCHEDULE 1**

### **TO ARTICLES OF AMENDMENT OF**

#### **INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC. / INDUSTRIELLE ALLIANCE, ASSURANCE ET SERVICES FINANCIERS INC.**

The share capital of the Company is amended by the creation of a new series consisting of an unlimited number of Non-Cumulative 5-Year Rate Reset Class A Preferred Shares, designated as “Non-Cumulative 5-Year Rate Reset Class A Preferred Shares Series I” and in the French version as “actions privilégiées à taux rajusté tous les cinq ans et à dividende non cumulatif de catégorie A, série I”, the rights, privileges, restrictions and conditions attaching to which Non-Cumulative 5 Year Reset Class A Preferred Shares Series I are set out in Annex 1-12 to Schedule 2 incorporated into this form, and a new series consisting of an unlimited number of Non-Cumulative Floating Rate Class A Preferred Shares, designated as “Non-Cumulative Floating Rate Class A Preferred Shares Series J” and in the French version as “actions privilégiées à taux variable et à dividende non cumulatif de catégorie A, série J”, the rights, privileges, restrictions and conditions attaching to which Non-Cumulative Floating Rate Class A Preferred Shares Series J are set out in Annex 1-13 to Schedule 2 incorporated into this form.

## SCHEDULE 2 TO THE ARTICLES OF AMENDMENT

INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.  
INDUSTRIELLE ALLIANCE, ASSURANCE ET SERVICES FINANCIERS INC.

### ANNEX 1-12

#### Non-Cumulative 5-Year Rate Reset Class A Preferred Shares Series I

The following are the rights, privileges, restrictions and conditions (the “**Class A Preferred Shares Series I Provisions**”), in addition to the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares as a class, attaching to the Non-Cumulative 5-Year Rate Reset Class A Preferred Shares Series I (the “**Class A Preferred Shares Series I**”) of the Company.

#### 1. Interpretation

(a) **Defined Terms.** In the Class A Preferred Shares Series I Provisions,

“**AMF**” means the Autorité des marchés financiers, established pursuant to *An Act respecting the Autorité des marchés financiers* (Québec) or any successor regulator.

“**Annual Fixed Dividend Rate**” means, for any Subsequent Fixed Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the Government of Canada Yield on the applicable Fixed Rate Calculation Date plus 2.75%.

“**Bloomberg Screen GCAN5YR Page**” means the display designated as page “GCAN5YR <INDEX>” on the Bloomberg Financial L.P. service (or such other page as may replace the GCAN5YR page on that service) for purposes of displaying Government of Canada Bond yields.

“**Board of Directors**” means the board of directors of the Company.

“**Book-Entry System**” means the record entry securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures of its securities settlement service for book-entry only securities in force from time to time or any successor system thereof.

“**Business Day**” means a day other than a Saturday, a Sunday or any other day which is a statutory or civic holiday in Montreal, Québec.

“**CARLI**” means the *Guideline on Capital Adequacy Requirements* in Insurance of Persons that applies to insurers licensed to transact insurance of persons in Quebec.

“**Cash Redemption Price**” means the cash redemption price as defined in Section 3(b).

“**Class A Preferred Shares**” means the class A preferred shares of the Company.

“**Class A Preferred Shares Series I**” means the class A preferred shares series I as defined in the introductory paragraph to these class A preferred shares series I provisions.

“**Class A Preferred Shares Series I Provisions**” means the class A preferred shares series I provisions as defined in the introductory paragraph to the rights attaching to the Class A Preferred Shares Series I.

**“Class A Preferred Shares Series J”** means the Class A Preferred Shares Series J as defined in Section 4(a).

**“Common Shares”** means the common shares of the Company.

**“Company”** means Industrielle Alliance, Assurance et services financiers inc. — Industrial Alliance Insurance and Financial Services Inc.

**“Conversion Right”** means the conversion option as described in Section 4(a).

**“Depository”** means CDS Clearing and Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Company pursuant to Section 11(a).

**“Dividend”** and **“Dividends”** means dividend and dividends as respectively defined in Section 2(i).

**“Dividend Payment Date”** means the last day of the months of March, June, September and December in each year.

**“Dividend Period”** means the three-month period commencing on and including a Dividend Payment Date and ending on the day immediately preceding the next Dividend Payment Date.

**“Fixed Rate Calculation Date”** means, for any Subsequent Fixed Rate Period, the 30<sup>th</sup> day prior to the first day of such Subsequent Fixed Rate Period.

**“Global Certificate”** means the Global Certificate as defined in Section 11(a).

**“Government of Canada Yield”** on any date means the yield to maturity on such date (assuming semi-annual compounding) of a Canadian dollar denominated non-callable Government of Canada bond with a term to maturity of five years as quoted as of 10:00 a.m. (Toronto time) on such date and which appears on the Bloomberg Screen GCAN5YR Page on such date; provided that, if such rate does not appear on the Bloomberg Screen GCAN5YR Page on such date, the Government of Canada Yield will mean the average of the yields determined by two registered Canadian investment dealers, other than Industrial Alliance Securities Inc., selected by the Company, as being the yield to maturity on such date (assuming semi-annual compounding) which a Canadian dollar denominated non-callable Government of Canada bond would carry if issued in Canadian dollars at 100% of its principal amount on such date with a term to maturity of five years.

**“Initial Fixed Rate Period”** means the period from and including the Issue Date to but excluding March 31, 2023.

**“Insurance Act”** means *An Act respecting Insurance* (Québec) and the regulations thereunder.

**“Issue Date”** means the date any of the Class A Preferred Shares Series I are first issued by the Company.

**“Issue Price”** means the sum of \$25.00, being the issue price for each Class A Preferred Share Series I.

**“Participant”** means a broker, dealer, bank or other financial institution or other Person who is a participant in the Book-Entry System and on whose behalf the Depository or its nominee holds Class A Preferred Shares Series I.

“**Person**” includes an individual, a corporation, a limited liability company, an unlimited liability company, a limited or general partnership, a trust, an unincorporated organization, a joint venture and any other organization, whether or not a legal entity, a government of a country or any political subdivision of a country or any agency or department of any such government and the executors, administrators or other legal representatives of an individual in such capacity.

“**Preferred Shares**” means the 10,000,000 preferred shares of the Company with a nominal or par value of \$25.00 per share, issuable in series.

“**Redemption Date**” means the redemption date as defined in Section 3(d).

“**Redemption Notice**” means the redemption notice as defined in Section 3(d).

“**Series I Conversion Date**” means the series I conversion date as defined in Section 4(a).

“**Subsequent Fixed Rate Period**” means for the initial Subsequent Fixed Rate Period, the period from and including March 31, 2023 to but excluding March 31, 2028 and for each succeeding Subsequent Fixed Rate Period, the period commencing on the day immediately following the end of the immediately preceding Subsequent Fixed Rate Period to but excluding March 31 in the fifth year thereafter.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Transfer Agent**” means Computershare Investor Services Inc., or such other Person as from time to time may be the registrar and transfer agent for the Class A Preferred Shares Series I.

“**Voting Rights**” means the voting rights as defined in Section 8.

(b) **Ranking of Shares.** The expressions “in priority to”, “on a parity with”, “ranking equally with”, “ranking junior to” and “ranking senior to” and similar expressions refer to the order of priority only in payment of dividends or in the distribution of assets in the event of any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company for the purpose of winding up its affairs.

(c) **Holder.** References to a “holder” in relation to Class A Preferred Shares Series I means a registered holder of those shares.

(d) **References to Statutes.** References to any statute is to that statute as in force from time to time, including any regulations, rules, policy statements, instruments or guidelines made under that statute, and includes any statute which may be enacted in substitution of that statute.

(e) **Other Payment Matters**

(i) If any date on which any Dividend on the Class A Preferred Shares Series I is payable or on or by which any other action is required to be taken by the Company under the Class A Preferred Shares Series I Provisions is not a Business Day, then the Dividend will be payable, or such other action will be required to be taken, on or by the next day that is a Business Day, without any additional amount, interest or any other compensation.

(ii) In the event of the non-receipt of a cheque by a holder of Class A Preferred Shares Series I entitled to the cheque, or the loss or destruction of the cheque, the Company, on being furnished with reasonable evidence of non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Company, will issue to the holder a replacement cheque for the amount of the original cheque.

- (iii) The Company will be entitled to deduct or withhold from any amount payable to a holder of Class A Preferred Shares Series I under the Class A Preferred Shares Series I Provisions any amount required by law to be deducted or withheld from that payment.

(f) **Currency Conversion.** If it is necessary to convert any amount payable to holders into Canadian dollars, the Board of Directors will select an appropriate method and rate of exchange to convert any non-Canadian currency into Canadian dollars.

## 2. Dividends

### (a) *Payment of Dividends*

- (i) The holders of Class A Preferred Shares Series I will be entitled to receive and the Company shall pay thereon, if as and when declared by the Board of Directors of the Company, subject to the provisions of the Insurance Act, fixed, non-cumulative, preferential cash dividends payable quarterly on March 31, June 30, September 30 and December 31 in each year, at an annual rate equal to \$1.20 (\$0.30 on a quarterly basis) per Class A Preferred Share Series I, for the Initial Fixed Rate Period; provided that, on the first Dividend Payment Date on June 30, 2018, the Dividend payable on the Class A Preferred Shares Series I for the first Dividend Period and the period from the Issue Date to but excluding March 31, 2018, if declared by the Board of Directors, will be the sum of the amount of the quarterly Dividend (\$0.30 per Class A Preferred Share Series I) and an amount equal to the quarterly Dividend (\$0.30 per Class A Preferred Share Series I) multiplied by a fraction, the numerator of which is the number of calendar days from and including the Issue Date to but excluding the last day of the quarter during which the Issue Date occurs, and the denominator of which is the number of calendar days in the quarter during which the Issue Date occurs.
- (ii) During each Subsequent Fixed Rate Period after the Initial Fixed Rate Period, the holders of Class A Preferred Shares Series I will be entitled to receive fixed non-cumulative preferential cash dividends, as and when declared by the Board of Directors, and subject to the provisions of the Insurance Act, payable quarterly on March 31, June 30, September 30 and December 31 in each year, in the amount per Class A Preferred Share Series I per annum determined by multiplying the Annual Fixed Dividend Rate applicable to such Subsequent Fixed Rate Period by \$25.00.
- (iii) The Annual Fixed Dividend Rate applicable to a Subsequent Fixed Rate Period will be determined by the Company on the Fixed Rate Calculation Date. Such determination will, in the absence of manifest error, be final and binding upon the Company and upon all holders of Class A Preferred Shares Series I. The Company will, on the Fixed Rate Calculation Date, give written notice of the Annual Fixed Dividend Rate for the ensuing Subsequent Fixed Rate Period to the registered holders of the then outstanding Class A Preferred Shares Series I.
- (iv) If the Board of Directors of the Company does not declare any Dividend, or any part thereof, on the Class A Preferred Shares Series I on or before the Dividend Payment Date for a particular Dividend Period, the entitlement of the holders of the Class A Preferred Shares Series I to the Dividends, or to any part thereof, for such Dividend Period will be forever extinguished.

(b) **Method of Payment.** Dividends on the Class A Preferred Shares Series I will be paid by cheque of the Company or of the Transfer Agent, in lawful money of Canada, payable at par at any branch in Canada of a bank or trust company, in the amount of the applicable Dividend, rounded to the nearest whole cent (\$0.01), less any tax required to be deducted and withheld by the Company. The mailing by ordinary unregistered first class prepaid mail of such a cheque to a holder of Class A Preferred Shares Series I to the address of the holder as it appears on the register of holders, or if the address of any such



holder does not so appear, then to the last known address of such holder, on or before the third Business Day before the Dividend Payment Date, will be deemed to be payment and will satisfy and discharge all liabilities for Dividends payable on that Dividend Payment Date to the extent of the amount represented by the cheque (plus any tax required to be deducted and withheld from the payment), unless such cheque is not paid on due presentation. Dividends represented by a cheque which has not been duly presented for payment within three years after it was issued or that otherwise remain unclaimed for a period of three years from the date on which they were declared to be payable and set apart for payment will be forfeited to the Company. The Company may pay Dividends in any other manner as it may agree with any particular holder.

### 3. Redemption

(a) **No Redemption prior to March 31, 2023.** The Company will not redeem any of the Class A Preferred Shares Series I prior to March 31, 2023.

(b) **Redemption on and after March 31, 2023.** Subject to Section 7 and to the provisions of the Insurance Act, including the requirement for prior approval of the AMF, the Company may redeem on March 31, 2023 and on March 31 every five years thereafter all or any part of the Class A Preferred Shares Series I then outstanding without the consent of the holders. The Company will effect the redemption, to be stipulated in the Redemption Notice, by the payment of an amount in cash for each Class A Preferred Share Series I redeemed of \$25.00 together with an amount equal to the sum of all declared and unpaid Dividends to, but excluding, the Redemption Date (or date of purchase for cancellation, as applicable) (the “**Cash Redemption Price**”). Should any such March 31 not be a Business Day, the Redemption Date will be the next succeeding Business Day.

(c) **Partial Redemptions.** In the case of partial redemptions, Class A Preferred Shares Series I are to be redeemed on a *pro rata* basis, disregarding fractions, or in any other equitable manner as determined by the Board of Directors, subject to obtaining any required regulatory approval.

(d) **Notice of Redemption.** The Company will give to each holder of Class A Preferred Shares Series I to be redeemed notice in writing of the intention of the Company to redeem such shares (the “**Redemption Notice**”). The Redemption Notice must be given at least 30 days but not more than 60 days before the date on which the redemption is to occur (the “**Redemption Date**”). The Redemption Notice must set out the number of Class A Preferred Shares Series I held by the Person to whom it is addressed which are to be redeemed, the manner in which the Company intends to redeem the Class A Preferred Shares Series I, the Cash Redemption Price and the place at which it is to be paid and the Redemption Date.

(e) **Method of Payment.** The Company will pay to the holders of the Class A Preferred Shares Series I to be redeemed the Cash Redemption Price on presentation and surrender at any principal office of the Transfer Agent, or at any other place or places within Canada designated in the Redemption Notice, of the certificate or certificates for the Class A Preferred Shares Series I so called for redemption, together with such other documents as may be reasonably required to effect the transfer and the redemption of Class A Preferred Shares Series I. Such payment will be made by cheque payable at par at any branch in Canada of a bank or trust company. If a part only of the Class A Preferred Shares Series I represented by any certificate are redeemed, a new certificate for the balance will be issued at the expense of the Company. Subject to Section 3(f), from and after the Redemption Date specified in any Redemption Notice, the Class A Preferred Shares Series I called for redemption will be deemed to be redeemed and the holders of those Class A Preferred Shares Series I will cease to be entitled to Dividends and will not be entitled to exercise any of the rights of shareholders in respect of those Class A Preferred Shares Series I, unless payment of the Cash Redemption Price is not duly made by the Company on presentation and surrender of the certificate or certificates representing the Class A Preferred Shares Series I.

(f) **Deposit of Redemption Price.** At any time after the Redemption Notice is given, the Company will have the right to deposit the Cash Redemption Price of any or all Class A Preferred Shares Series I called for redemption with the Company or with any bank or trust company in Canada named in the

Redemption Notice, including the Transfer Agent, to the credit of a special account or accounts in trust for the respective holders of those Class A Preferred Shares Series I, to be paid on surrender to the Company or that bank or trust company of the certificate or certificates representing the Class A Preferred Shares Series I. Any such deposit will constitute payment and satisfaction of the Cash Redemption Price of the Class A Preferred Shares Series I for which the deposit is made and the rights of the holders of those shares will be limited to receiving the proportion (less any tax required to be deducted or withheld) of the Cash Redemption Price as deposited applicable to those Class A Preferred Shares Series I, without interest, on presentation and surrender of the certificate or certificates representing the Class A Preferred Shares Series I being redeemed. The Company will be entitled to any interest on such deposit.

#### 4. Conversion Right

(a) **Conversion Right at the Option of the Holder.** Subject to the right of the Company to redeem the Class A Preferred Shares Series I, as described in Section 3, and subject to the requirement for prior approval of the AMF, holders of Class A Preferred Shares Series I will have the right, at their option, on March 31, 2023 and on March 31 every five years thereafter (a **"Series I Conversion Date"**), to convert (subject to the restrictions on conversion described in Section 4(d) and the payment or delivery to the Company of evidence of payment of the tax (if any) payable) any or all of their Class A Preferred Shares Series I registered in their name into Non-Cumulative Floating Rate Class A Preferred Shares Series J (the **"Class A Preferred Shares Series J"**) on the basis of one Class A Preferred Share Series J for each Class A Preferred Share Series I (the **"Conversion Right"**). Should any such March 31 not be a Business Day, the Series I Conversion Date will be the next succeeding Business Day.

(b) **Conversion Notice.** Holders of Class A Preferred Shares Series I who elect to convert their Class A Preferred Shares Series I into Class A Preferred Shares Series J on the Series I Conversion Date are required to provide the Company with a written notice (a **"Conversion Notice"**) on a date not earlier than the 30<sup>th</sup> day and not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding the applicable Series I Conversion Date. Once received by the Company, a Conversion Notice is irrevocable.

(c) **Notice of Series I Conversion Date and next Annual Fixed Dividend Rate.** Notice of a Series I Conversion Date and a form of Conversion Notice will be given by the Company to the then registered holders of Class A Preferred Shares Series I at least 30 days and not more than 60 days prior to the Series I Conversion Date. Written notice of the Annual Fixed Dividend Rate for the next succeeding Subsequent Fixed Rate Period will be provided by the Company to the then registered holders of the Class A Preferred Shares Series I on the 30<sup>th</sup> day prior to each Series I Conversion Date.

(d) **Automatic Conversion.** Holders of Class A Preferred Shares Series I will not be entitled to convert their shares into Class A Preferred Shares Series J if the Company determines that there would remain outstanding on a Series I Conversion Date less than 1,000,000 Class A Preferred Shares Series J, after having taken into account all Class A Preferred Shares Series I tendered for conversion into Class A Preferred Shares Series J and all Class A Preferred Shares Series J tendered for conversion into Class A Preferred Shares Series I. The Company will give notice in writing thereof to all registered holders of Class A Preferred Shares Series I at least seven days prior to the applicable Series I Conversion Date. Furthermore, if the Company determines that there would remain outstanding on a Series I Conversion Date less than 1,000,000 Class A Preferred Shares Series I, after having taken into account all Class A Preferred Shares Series I tendered for conversion into Class A Preferred Shares Series J and all Class A Preferred Shares Series J tendered for conversion into Class A Preferred Shares Series I, then, subject to the requirement for prior approval of the AMF, all, but not part, of the remaining outstanding Class A Preferred Shares Series I will automatically be converted into Class A Preferred Shares Series J on the basis of one Class A Preferred Share Series J for each Class A Preferred Share Series I on the applicable Series I Conversion Date and the Company will give notice in writing thereof to the then registered holders of such remaining Class A Preferred Shares Series I at least seven days prior to the Series I Conversion Date.

(e) **Not electing to convert and continuing to hold Class A Preferred Shares Series I.** If the Company does not receive a Conversion Notice from a holder of Class A Preferred Shares Series I during

the time fixed therefor, then the Class A Preferred Shares Series I shall be deemed not to have been converted (except in the case of an automatic conversion as described in Section 4(d)).

(f) **Effect of Notice of Redemption.** If the Company gives notice to the registered holders of the Class A Preferred Shares Series I of the redemption of all the Class A Preferred Shares Series I, the Company will not be required to give notice as provided hereunder to the registered holders of the Class A Preferred Shares Series I of an Annual Fixed Dividend Rate or of the Conversion Right of holders of Class A Preferred Shares Series I and the right of any holder of Class A Preferred Shares Series I to convert such Class A Preferred Shares Series I will cease and terminate in that event.

## **5. Purchase for Cancellation**

Subject to Section 7, the provisions of the Insurance Act and the requirement for prior approval of the AMF, the Company may at any time purchase for cancellation all or, from time to time, any of the Class A Preferred Shares Series I outstanding in the open market or by private contract or tender, at any price.

## **6. Rights on Liquidation**

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of assets of the Company for the purpose of winding-up its affairs, subject to the prior satisfaction of the claims of all creditors of the Company and of holders of shares of the Company ranking prior to the Class A Preferred Shares Series I, the holders of the Class A Preferred Shares Series I will be entitled to receive the Issue Price for each Class A Preferred Share Series I held by them, together with Dividends declared and unpaid to the date of payment, before any amounts are paid or any assets of the Company are distributed to the holders of any shares ranking junior to the Class A Preferred Shares Series I. After payment of those amounts, the holders of Class A Preferred Shares Series I will not be entitled to share in any further distribution of the property or assets of the Company.

## **7. Restrictions on Dividends and Retirement of Shares**

As long as any Class A Preferred Shares Series I are outstanding, the Company will not, without the approval of the holders of the Class A Preferred Shares Series I given as provided in Section 10:

- (i) declare or pay any dividend on its Common Shares or any other shares ranking junior to the Class A Preferred Shares Series I (other than stock dividends in any shares ranking junior to the Class A Preferred Shares Series I);
- (ii) redeem, purchase or otherwise retire any of its Common Shares or any other shares ranking junior to the Class A Preferred Shares Series I (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Class A Preferred Shares Series I);
- (iii) redeem, purchase or otherwise retire or make any return of capital in respect of less than all the Class A Preferred Shares Series I;
- (iv) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provision attaching to any series of Class A Preferred Shares or other Preferred Shares of the Company, redeem, purchase or otherwise retire any other shares ranking on a parity with the Class A Preferred Shares Series I;

unless, in each case, all Dividends on the Class A Preferred Shares Series I up to and including those payable on the Dividend Payment Date for the last completed period for which Dividends are payable and in respect of which the rights of holders to such dividends have not been extinguished, and all dividends then accrued on all other shares ranking senior to or on a parity with the Class A Preferred Shares Series I up to the immediately preceding respective date or dates for payment and in respect of which the rights

of holders of those shares have not been extinguished, have been declared and paid or set apart for payment.

## **8. Voting Rights**

Subject to applicable law, the holders of Class A Preferred Shares Series I will not be entitled as such to receive notice of, or to attend or to vote at, any meeting of shareholders or participating policyholders of the Company, unless and until the first time at which the Board of Directors has not declared the Dividend in full on the Class A Preferred Shares Series I in any Dividend Period. In that event, the holders of Class A Preferred Shares Series I will be entitled to receive notice of, and to attend, only meetings of shareholders at which directors are to be elected and will be entitled to one vote for each Class A Preferred Share Series I held (the “**Voting Rights**”) in the election of directors only but not in respect of any other business. The Voting Rights of the holders of the Class A Preferred Shares Series I will forthwith cease on payment by the Company of the first Dividend on the Class A Preferred Shares Series I to which the holders are entitled under the Class A Preferred Shares Series I Provisions after the time the Voting Rights first arose until such time as the Company may again fail to declare the Dividend in full on the Class A Preferred Shares Series I in any Dividend Period, in which event the Voting Rights will become effective again and so on from time to time.

## **9. Issue of Additional Shares and Amendments to Class A Preferred Shares Series I**

(a) **Issue of Additional Shares.** The Company may issue shares of any other series of Class A Preferred Shares or shares of any other class or series of the share capital of the Company ranking on parity with or junior to the Class A Preferred Shares without approval of the holders of the Class A Preferred Shares Series I. For greater certainty, nothing in the Class A Preferred Shares Series I Provisions will affect or restrict the right of the Company to increase the number of the Common Shares or to issue additional Common Shares from time to time.

### **(b) Amendments to Class A Preferred Shares Series I**

- (i) Except for amendments of a “housekeeping” or clerical nature, on and after the Issue Date, the Company will not without, but may from time to time with, the approval of the holders of Class A Preferred Shares Series I given as specified in Section 10 and any other necessary approval, delete, add to or vary any of the Class A Preferred Shares Series I Provisions.
- (ii) In addition to the approvals referred to in Section 9(b)(i), the Company will not without, but may from time to time with, the necessary consent of the AMF, make any such deletion, addition or variation which might affect the classification afforded the Class A Preferred Shares Series I from time to time for capital adequacy requirements pursuant to the Insurance Act or the CARLI.

## **10. Approval of Holders or Class A Preferred Shares Series I**

The approval of holders of the Class A Preferred Shares Series I to change or remove any right, privilege, restriction or condition attaching to the Class A Preferred Shares Series I as a series or in respect of any other matter requiring the consent of the holders of the Class A Preferred Shares Series I may be given in such manner as may then be required by law, subject to the requirement that such approval be given by resolution passed by the affirmative vote of at least two-thirds ( $\frac{2}{3}$ ) of the votes cast at a meeting of the holders of the Class A Preferred Shares Series I duly called for that purpose at which the holders of at least one-fourth ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares Series I are present in person or represented by proxy. If at any such meeting, the holders of at least one-fourth ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares Series I are not present in person or represented by proxy within 30 minutes after the time appointed for the meeting, then the meeting will be adjourned to such date not less than 15 days thereafter and to such time and place as may be appointed by the chairman of the meeting. A notice of not less than seven days will be given of the adjourned meeting. At such adjourned meeting,

the holders of the Class A Preferred Shares Series I present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by not less than two-thirds (⅔) of the votes cast constitutes the approval of the holders of the Class A Preferred Shares Series I referred to above.

The formalities to be observed with respect to the giving of notice of any such meeting or any adjourned meeting and the conduct thereof are those from time to time prescribed by the by-laws of the Company or the resolutions passed by the Board of Directors with respect to meetings of shareholders or as required by law. On every poll taken at every meeting of the holders of the Class A Preferred Shares Series I as a series, or at any joint meeting of the holders of two or more series of Class A Preferred Shares, each holder of Class A Preferred Shares Series I entitled to vote thereat has one vote in respect of each Class A Preferred Share Series I held.

**11. Registration of Class A Preferred Shares Series I and Transfer, Redemption, Purchase and Conversion Through Book-Entry System**

(a) **Global Certificate.** Subject to Sections 11(b) and 11(c) and notwithstanding any other provision of the Class A Preferred Shares Series I Provisions, the Class A Preferred Shares Series I will be represented in the form of a single fully-registered global certificate in the aggregate number of Class A Preferred Shares Series I issued by the Company and outstanding from time to time (the "Global Certificate") held by, or on behalf of, the Depository as custodian of the Global Certificate for the Participants, and will be registered in the name of "CDS & Co." (or such other name as the Depository may use from time to time as its nominee name for purposes of the Book-Entry System) and registrations of ownership, transfers, redemptions, purchases, surrenders and conversions of Class A Preferred Shares Series I will be made only through the Book-Entry System to another nominee of the Depository for the Class A Preferred Shares Series I or to a successor Depository for the Class A Preferred Shares Series I approved by the Company or to a nominee of such successor Depository. Transfers, redemptions, purchases, surrenders and conversion of Class A Preferred Shares Series I will be effected only (i) with respect to the interests of Participants, through records maintained by the Depository or its nominee, and (ii) with respect to the interests of Persons other than Participants, through records maintained by the Participants. Accordingly, subject to Section 11(c), the beneficial owners of Class A Preferred Shares Series I will not receive a certificate or any other instrument from the Company or the Depository evidencing their ownership of Class A Preferred Shares Series I, and beneficial owners will not be shown on the records maintained by the Depository, except through a book-entry account of a Participant acting on behalf of a beneficial owner. Persons, other than Participants, having an interest in Class A Preferred Shares Series I who wish to purchase, sell or otherwise transfer ownership of or other interests in Class A Preferred Shares Series I or to exercise Conversion Rights with respect to Class A Preferred Shares Series I may do so only through a Participant.

(b) **Depository is Owner of Class A Preferred Shares Series I.** For purposes of the Class A Preferred Shares Series I Provisions, so long as the Depository, or its nominee, is the registered holder of the Class A Preferred Shares Series I:

- (i) the Depository, or its nominee, as the case may be, will be considered the sole owner of the Class A Preferred Shares Series I for the purpose of receiving notices or payments on or in respect of the Class A Preferred Shares Series I, including payments of Dividends and the Cash Redemption Price;
- (ii) the Company, pursuant to the exercise by the Company of its right to redeem Class A Preferred Shares Series I, will deliver to the Depository, or its nominee, for the benefit of the beneficial owners of the Class A Preferred Shares Series I, the Cash Redemption Price, and certificates for Class A Preferred Shares Series J issued pursuant to Section 4, as the case may be, against delivery, if applicable, to the Company's account with the Depository, or its nominee, of such holder's Class A Preferred Shares Series I; and

- (iii) the rights of Persons, other than Participants, having an interest in Class A Preferred Shares Series I will be limited to those established by applicable law and by agreements between the Depository and the Participants and between Participants and such Persons, and must be exercised through a Participant in accordance with the rules and procedures of the Depository and the Book-Entry System.

(c) **Termination of Book-Entry System.** If at any time the Book-Entry System ceases to exist, the Company determines or the Depository notifies the Company in writing that the Depository is no longer willing or able to discharge properly its responsibility as depository and, in either case, the Company is unable to determine a qualified successor, or the Company, at its option elects, or is required by law or the rules of any securities exchange, to withdraw the Class A Preferred Shares Series I from the Book-Entry System, Sections 11(a), 11(b) and 11(d) will cease to apply to the Class A Preferred Shares Series I. In that event, the Company will execute and deliver certificates for the Class A Preferred Shares Series I in definitive registered form equal to the aggregate number of Class A Preferred Shares Series I represented by the Global Certificate in the Book-Entry System. On such exchange, the Transfer Agent will cancel the Global Certificate. Certificates for Class A Preferred Shares Series I in definitive registered form issued in exchange for the Global Certificate will be registered in such names and in such number of Class A Preferred Shares Series I as instructed in writing by the Depository to the Transfer Agent. The Transfer Agent will deliver such definitive certificates to the Persons in whose names the Depository has so instructed.

(d) **Payments, etc.** Participants must look solely to the Depository, in accordance with the rules and procedures of the Depository and the Book-Entry System, and Persons, other than Participants, having an interest in Class A Preferred Shares Series I must look solely to Participants, for their share of payments of Dividends and other amounts and the issuance and delivery of Class A Preferred Shares Series J in respect of Class A Preferred Shares Series I. No Person, including any Participant, will have any claim against the Company in respect of payments due on Class A Preferred Shares Series I or the issuance and delivery of Class A Preferred Shares Series J and the obligations of the Company will be discharged by payment or issuance and delivery to the Depository or its nominee, as registered holder of Class A Preferred Shares Series I, in respect of each amount so paid or Class A Preferred Share Series J so issued and delivered.

(e) **Inconsistent Provisions.** The provisions of Section 4 and the exercise of the Conversion Right are subject to the provisions of this Section 11, and in the event of any inconsistency between those provisions and the provisions of Section 11, the provisions of Section 11 will prevail to the extent of the inconsistency.

## 12. Notices

(a) **Notice to the Company.** Subject to applicable law, any notice, request or other communication to be given to the Company by a holder of Class A Preferred Shares Series I must be in writing and will be valid and effective if given by mail (postage prepaid) or by electronic communication or by delivery to the registered office of the Company and addressed the attention of the Secretary of the Company. Any such notice, request or other communication, if given by mail, electronic communication or delivery, will be deemed to have been given and received only on actual receipt by the Company.

(b) **Presentation and Surrender of Certificates.** Any presentation and surrender by a holder of Class A Preferred Shares Series I to the Company or the Transfer Agent of certificates representing Class A Preferred Shares Series I in connection with the redemption of Class A Preferred Shares Series I must be made by registered mail (postage prepaid) or by delivery to the head office of the Company or to such office of the Transfer Agent as may be specified by the Company, in each case addressed to the attention of the Secretary of the Company. Any such presentation and surrender of certificates will be deemed to have been made and to be effective only on actual receipt by the Company or the Transfer Agent, as the case may be. Any such presentation and surrender of certificates made by registered mail will be at the sole risk of the holder mailing the certificates.

(c) **Notice to Holders of Class A Preferred Shares Series I.** Subject to applicable law, any notice, request or other communication to be given to a holder of Class A Preferred Shares Series I by or on behalf of the Company must be in writing and will be valid and effective if given by ordinary unregistered first class mail (postage prepaid) or by electronic communication or by delivery to the address of the holder recorded in the securities register of the Company or, in the event of the address of any such holder not being so recorded, then at the last known address of such holder. Any such notice, request or other communication, if given by mail, will be deemed to have been given and received on the fifth Business Day following the date of mailing and, if given by electronic communication or by delivery, will be deemed to have been given and received on the date of electronic communication or delivery. Accidental failure or omission to give any notice, request or other communication to one or more holders of Class A Preferred Shares Series I, or any defect in such notice, will not invalidate or otherwise alter or affect any action or proceeding to be taken by the Company pursuant to that notice, request or other communication.

### **13. Tax Election**

The Company will elect, in the manner and within the time provided under Part VI.1 of the Tax Act or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay tax under Part VI.1 of the Tax Act at a rate such that holders of the Class A Preferred Shares Series I will not be required to pay tax on Dividends received (or deemed to be received) on the Class A Preferred Shares Series I under Part IV.1 of the Tax Act.

### **14. Return of Unclaimed Funds to the Company**

The Company will have the right, with respect to any funds deposited by the Company to any bank or trust company in respect of amounts due to holders of Class A Preferred Shares Series I, on or after the first anniversary date of the deposit of such funds to any bank or trust company, to require that such bank or trust company return to the Company any funds which remain unclaimed by holders of the Class A Preferred Shares Series I. If at any time following the return of the unclaimed funds to the Company, either the Company or the bank or trust company receives a request from a holder of Class A Preferred Shares Series I for the holder's unclaimed entitlement to any amount due to the holder in respect of the holder's Class A Preferred Shares Series I, the Company will promptly arrange for the payment of such amount to the holder, subject to the provisions of Section 2(b).

### **15. Non-Residents**

On the conversion of Class A Preferred Shares Series I, the Company reserves the right not to issue Class A Preferred Shares Series J to any Person whose address is in, or whom the Company or the Transfer Agent has reason to believe is a resident of, any jurisdiction outside Canada where such issuance would require compliance by the Company with the securities, insurance or analogous laws of such jurisdiction, including registration, prospectus, filing or other similar requirements under the applicable laws of such jurisdiction. In addition, the Company may require from any such Person, as a condition to the issuance to it of Class A Preferred Shares Series J, a written declaration as to its residence and share ownership status and any other matter requested by the Company in order to determine the entitlement of such Person to Class A Preferred Shares Series J, including under the Insurance Act.

### **16. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Class A Preferred Shares Series I, the Company may, at its option, make any payment due to a holder of Class A Preferred Shares Series I by way of a wire or electronic transfer of funds to each holder of Class A Preferred Shares Series I. In the event that a payment is made by way of a wire or electronic transfer of funds, the Company will be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Company that a payment is to be made by way of a wire or electronic transfer of funds, the Company will notify each holder of Class A Preferred Shares Series I at the address of such holder as it appears in the securities register of the Company.

Such notice by the Company will request that each holder of Class A Preferred Shares Series I provide the particulars of an account of such holder with a bank in Canada to which the wire or electronic transfer of funds will be directed. In the event that the Company does not receive account particulars from a holder of Class A Preferred Shares Series I prior to the date such payment is to be made, the Company will deposit the funds otherwise payable to such holder in a special account or accounts in trust for each respective holder. The making of a payment by way of a wire or electronic transfer of funds or, in the case where a holder of the Class A Preferred Shares Series I has not provided the Company with account particulars for a wire or electronic transfer of funds, the deposit by the Company of the funds otherwise payable to such holder in a special account or accounts in trust for such holder, will be deemed to constitute payment by the Company on the date thereof and will satisfy and discharge all liabilities of the Company for such payment to the extent of the amount represented by such transfer or deposit.



## ANNEX 1-13

### Non-Cumulative Floating Rate Class A Preferred Shares Series J

The following are the rights, privileges, restrictions and conditions (the “**Class A Preferred Shares Series J Provisions**”), in addition to the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares as a class, attaching to the Non-Cumulative Floating Rate Class A Preferred Shares Series J (the “**Class A Preferred Shares Series J**”) of the Company.

#### 1. Interpretation

(a) **Defined Terms.** In the Class A Preferred Shares Series J Provisions,

“**AMF**” means the Autorité des marchés financiers, established pursuant to *An Act respecting the Autorité des marchés financiers* (Québec) or any successor regulator.

“**Board of Directors**” means the board of directors of the Company.

“**Book-Entry System**” means the record entry securities transfer and pledge system administered by the Depository in accordance with its operating rules and procedures of its securities settlement service for book-entry only securities in force from time to time or any successor system thereof.

“**Business Day**” means a day other than a Saturday, a Sunday or any other day which is a statutory or civic holiday in Montreal, Québec.

“**Cash Redemption Price**” means the cash redemption price as defined in Section 3(a).

“**Class A Preferred Shares**” means the class A preferred shares of the Company.

“**Class A Preferred Shares Series I**” means the class A preferred shares series I as defined in Section 4(a).

“**Class A Preferred Shares Series J**” means the class A preferred shares series J as defined in the introductory paragraph to these Class A Preferred Shares Series J Provisions.

“**Class A Preferred Shares Series J Provisions**” means the class A preferred shares series J provisions as defined in the introductory paragraph to the rights attaching to the Class A Preferred Shares Series J.

“**Common Shares**” means the common shares of the Company.

“**Company**” means Industrielle Alliance, Assurance et services financiers inc. — Industrial Alliance Insurance and Financial Services Inc.

“**Conversion Right**” means the conversion option as described in Section 4(a).

“**Depository**” means CDS Clearing and the Depository Services Inc. and its nominees or any successor carrying on the business as a depository, which is approved by the Company pursuant to Section 11(a).

“**Dividend**” and “**Dividends**” means dividend and dividends as respectively defined in Section 2(i).

“**Dividend Payment Date**” means the last day of the months of March, June, September and December in each year.

**“Dividend Period”** means the three-month period commencing on and including a Dividend Payment Date and ending on the day immediately preceding the next Dividend Payment Date.

**“CARLI”** means the *Guideline on Capital Adequacy Requirements* in Insurance of Persons that applies to insurers licensed to transact insurance of persons in Quebec.

**“Floating Quarterly Dividend Rate”** means, for any Quarterly Floating Rate Period, the rate (expressed as a percentage rate rounded down to the nearest one hundred thousandth of one percent (with 0.000005% being rounded up)) equal to the sum of the T-Bill Rate on the applicable Floating Rate Calculation Date plus 2.75% (calculated on the basis of the actual number of days elapsed in such Quarterly Floating Rate Period divided by 365).

**“Floating Rate Calculation Date”** means, for any Quarterly Floating Rate Period, the 30<sup>th</sup> day prior to the first day of such Quarterly Floating Rate Period.

**“Global Certificate”** means the Global Certificate as defined in Section 11(a).

**“Insurance Act”** means *An Act respecting Insurance* (Québec) and the regulations thereunder.

**“Issue Date”** means the date any of the Class A Preferred Shares Series J are first issued by the Company.

**“Issue Price”** means the sum of \$25.00, being the issue price for each Class A Preferred Share Series J.

**“Participant”** means a broker, dealer, bank or other financial institution or other Person who is a participant in the Book-Entry System and on whose behalf the Depository or its nominee holds Class A Preferred Shares Series J.

**“Person”** includes an individual, a corporation, a limited liability company, an unlimited liability company, a limited or general partnership, a trust, an unincorporated organization, a joint venture and any other organization, whether or not a legal entity, a government of a country or any political subdivision of a country or any agency or department of any such government and the executors, administrators or other legal representatives of an individual in such capacity.

**“Preferred Shares”** means the 10,000,000 preferred shares of the Company with a nominal or par value of \$25.00 per share, issuable in series.

**“Quarterly Commencement Date”** means March 31, June 30, September 30 and December 31 in each year.

**“Quarterly Floating Rate Period”** means, for the initial Quarterly Floating Rate Period, the period from and including March 31, 2023 to but excluding June 30, 2023, and thereafter the period from and including the day immediately following the end of the immediately preceding Quarterly Floating Rate Period to but excluding the next succeeding Quarterly Commencement Date.

**“Redemption Date”** means the redemption date as defined in Section 3(d).

**“Redemption Notice”** means the redemption notice as defined in Section 3(d).

**“Series J Conversion Date”** has the meaning attributed in Section 4(a).

**“T-Bill Rate”** means, for any Quarterly Floating Rate Period, the average yield expressed as a percentage per annum on three month Government of Canada Treasury Bills, as reported by the Bank of Canada, for the most recent treasury bills auction preceding the applicable Floating Rate

Calculation Date and which appears on the Bloomberg Financial L.P. page “CA3MAY <INDEX>” (or such other page as may replace the CA3MAY page on that service for purposes of displaying Government of Canada Treasury Bill yields) for such date.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Transfer Agent**” means Computershare Investor Services Inc., or such other Person as from time to time may be the registrar and transfer agent for the Class A Preferred Shares Series J.

“**Voting Rights**” means the voting rights as defined in Section 8.

(b) **Ranking of Shares.** The expressions “in priority to”, “on a parity with”, “ranking equally with”, “ranking junior to” and “ranking senior to” and similar expressions refer to the order of priority only in payment of dividends or in the distribution of assets in the event of any liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of the assets of the Company for the purpose of winding-up its affairs.

(c) **Holder.** References to a “holder” in relation to Class A Preferred Shares Series J means a registered holder of those shares.

(d) **References to Statutes.** References to any statute is to that statute as in force from time to time, including any regulations, rules, policy statements, instruments or guidelines made under that statute, and includes any statute which may be enacted in substitution of that statute.

(e) **Other Payment Matters**

(i) If any date on which any Dividend on the Class A Preferred Shares Series J is payable or on or by which any other action is required to be taken by the Company under the Class A Preferred Shares Series J Provisions is not a Business Day, then the Dividend will be payable, or such other action will be required to be taken, on or by the next day that is a Business Day, without any additional amount, interest or any other compensation.

(ii) In the event of the non-receipt of a cheque by a holder of Class A Preferred Shares Series J entitled to the cheque, or the loss or destruction of the cheque, the Company, on being furnished with reasonable evidence of non-receipt, loss or destruction, and an indemnity reasonably satisfactory to the Company, will issue to the holder a replacement cheque for the amount of the original cheque.

(iii) The Company will be entitled to deduct or withhold from any amount payable to a holder of Class A Preferred Shares Series J under the Class A Preferred Shares Series J Provisions any amount required by law to be deducted or withheld from that payment.

(f) **Currency Conversion.** If it is necessary to convert any amount payable to holders into Canadian dollars, the Board of Directors will select an appropriate method and rate of exchange to convert any non-Canadian currency into Canadian dollars.

## 2. Dividends

(a) **Payment of Dividends**

(i) The holders of Class A Preferred Shares Series J will be entitled to receive and the Company shall pay thereon, if as and when declared by the Board of Directors of the Company, subject to the provisions of the Insurance Act, non-cumulative, preferential cash dividends payable quarterly on March 31, June 30, September 30, and December 31 in each year (the “**Quarterly Dividend Payment Date**”) in an amount per Class A

Preferred Share Series J determined by multiplying the applicable Floating Quarterly Dividend Rate by the Issue Price.

- (ii) The Floating Quarterly Dividend Rate for each Quarterly Floating Rate Period will be determined by the Company on the 30<sup>th</sup> day prior to the first day of each Quarterly Floating Rate Period. Such determination will, in the absence of manifest error, be final and binding upon the Company and upon all holders of Class A Preferred Shares Series J. The Company will, on the Floating Rate Calculation Date, give written notice of the Floating Quarterly Dividend Rate for the ensuing Quarterly Floating Rate Period to all registered holders of the then outstanding Class A Preferred Shares Series J.
- (iii) If the Board of Directors of the Company does not declare any Dividend, or any part thereof, on the Class A Preferred Shares Series J on or before the Dividend Payment Date for a particular Quarterly Floating Rate Period, the entitlement of the holders of the Class A Preferred Shares Series J to receive such Dividend, or to any part thereof, for such Quarterly Floating Rate Period will be forever extinguished.

(b) **Method of Payment.** Dividends on the Class A Preferred Shares Series J will be paid by cheque of the Company or of the Transfer Agent, in lawful money of Canada, payable at par at any branch in Canada of a bank or trust company, in the amount of the applicable Dividend, rounded to the nearest whole cent (\$0.01), less any tax required to be deducted and withheld by the Company. The mailing by ordinary unregistered first class prepaid mail of such a cheque to a holder of Class A Preferred Shares Series J to the address of the holder as it appears on the register of holders, or if the address of any such holder does not so appear, then to the last known address of such holder, on or before the third Business Day before the Quarterly Dividend Payment Date, will be deemed to be payment and will satisfy and discharge all liabilities for Dividends payable on that Quarterly Dividend Payment Date to the extent of the amount represented by the cheque (plus any tax required to be deducted and withheld from the payment), unless such cheque is not paid on due presentation. Dividends represented by a cheque which has not been duly presented for payment within three years after it was issued or that otherwise remain unclaimed for a period of three years from the date on which they were declared to be payable and set apart for payment will be forfeited to the Company. The Company may pay Dividends in any other manner as it may agree with any particular holder.

### 3. Redemption

(a) **Redemption on March 31, 2028 and Every Five Years Thereafter.** Subject to Section 7 and to the provisions of the Insurance Act, including the prior approval of the AMF, the Company may redeem, on March 31, 2028 and on March 31 every five years thereafter, all or any part of the Class A Preferred Shares Series J then outstanding without the consent of the holders, by the payment of an amount in cash for each Class A Preferred Share Series J redeemed of \$25.00 together with an amount equal to the sum of all declared and unpaid Dividends to, but excluding, the Redemption Date (the "**Cash Redemption Price**"). Should any such March 31 not be a Business Day, the Redemption Date will be the next succeeding Business Day.

(b) **Redemption after March 31, 2028.** Subject to Section 7 and to the provisions of the Insurance Act, including the prior approval of the AMF, the Company may redeem on any date after March 31, 2028 which is not a Series J Conversion Date, all or any part of the Class A Preferred Shares Series J then outstanding without the consent of the holders, by the payment for each Class A Preferred Share Series J redeemed of the sum of the Cash Redemption Price plus an amount of \$0.50 per Class A Preferred Share Series J redeemed (the "**Additional Amount**"). Should any such Redemption Date not be a Business Day, the Redemption Date will be the next succeeding Business Day.

(c) **Partial Redemptions.** In the case of partial redemptions, Class A Preferred Shares Series J are to be redeemed on a *pro rata* basis, disregarding fractions, or in any other equitable manner as determined by the Board of Directors, subject to obtaining any required regulatory approval.

(d) **Notice of Redemption.** The Company will give to each holder of Class A Preferred Shares Series J to be redeemed notice in writing of the intention of the Company to redeem such shares (the “**Redemption Notice**”). The Redemption Notice must be given at least 30 days but not more than 60 days before the date on which the redemption is to occur (the “**Redemption Date**”). The Redemption Notice must set out the number of Class A Preferred Shares Series J held by the Person to whom it is addressed which are to be redeemed, the manner in which the Company intends to redeem the Class A Preferred Shares Series J, the Cash Redemption Price, the Additional Amount, if any, and the place at which such Cash Redemption Price and the Additional Amount, if any, are to be paid and the Redemption Date.

(e) **Method of Payment.** The Company will pay to the holders of the Class A Preferred Shares Series J to be redeemed the Cash Redemption Price and the Additional Amount, if any, on presentation and surrender at any principal office of the Transfer Agent, or at any other place or places within Canada designated in the Redemption Notice, of the certificate or certificates for the Class A Preferred Shares Series J so called for redemption, together with such other documents as may be reasonably required to effect the transfer and the redemption of Class A Preferred Shares Series J. Such payment will be made by cheque payable at par at any branch in Canada of a bank or trust company. If a part only of the Class A Preferred Shares Series J represented by any certificate are redeemed, a new certificate for the balance will be issued at the expense of the Company. Subject to Section 3(f), from and after the Redemption Date specified in any Redemption Notice, the Class A Preferred Shares Series J called for redemption will be deemed to be redeemed and the holders of those Class A Preferred Shares Series J will cease to be entitled to Dividends and will not be entitled to exercise any of the rights of shareholders in respect of those Class A Preferred Shares Series J, unless payment of the Cash Redemption Price and the Additional Amount, if any, are not duly made by the Company on presentation and surrender of the certificate or certificates representing the Class A Preferred Shares Series J.

(f) **Deposit of Redemption Price.** At any time after the Redemption Notice is given, the Company will have the right to deposit the Cash Redemption Price and the Additional Amount, if any, of any or all Class A Preferred Shares Series J called for redemption with the Company or with any bank or trust company in Canada named in the Redemption Notice, including the Transfer Agent, to the credit of a special account or accounts in trust for the respective holders of those Class A Preferred Shares Series J, to be paid on surrender to the Company or that bank or trust company of the certificate or certificates representing the Class A Preferred Shares Series J. Any such deposit will constitute payment and satisfaction of the Cash Redemption Price and the Additional Amount, if any, of the Class A Preferred Shares Series J for which the deposit is made and the rights of the holders of those shares will be limited to receiving the proportion (less any tax required to be deducted or withheld) of the Cash Redemption Price and the Additional Amount, if any, as deposited applicable to those Class A Preferred Shares Series J, without interest, on presentation and surrender of the certificate or certificates representing the Class A Preferred Shares Series J being redeemed. The Company will be entitled to any interest on such deposit.

#### 4. Conversion Right

(a) **Conversion Right at the Option of the Holder.** Subject to the right of the Company to redeem the Class A Preferred Shares Series J described in Section 3, and subject to the requirement for prior approval of the AMF, holders of Class A Preferred Shares Series J will have the right, at their option, on March 31, 2028 and on March 31 of every five years thereafter (a “**Series J Conversion Date**”), to convert (subject to the restrictions on conversion described in Section 4(d) and the payment or delivery to the Company of evidence of payment of the tax (if any) payable any or all of their Class A Preferred Shares Series J into Non-Cumulative 5-year Rate Reset Class A Preferred Shares Series I (the “**Class A Preferred Shares Series I**”) on the basis of one Class A Preferred Share Series I for each Class A Preferred Share Series J (the “**Conversion Right**”). Should any such March 31 not be a Business Day, the Series J Conversion Date will be the next succeeding Business Day.

(b) **Conversion Notice.** Holders of Class A Preferred Shares Series J who elect to convert their Class A Preferred Shares Series J into Class A Preferred Shares Series I on the Series J Conversion Date are required to provide the Company with written notice (a “**Conversion Notice**”) on a date not

earlier than the 30<sup>th</sup> day and not later than 5:00 p.m. (Toronto time) on the 15<sup>th</sup> day preceding the applicable Series J Conversion Date. Once received by the Company, a Conversion Notice is irrevocable.

(c) **Notice of Series J Conversion Date and next Annual Fixed Dividend Rate.** Notice of a Series J Conversion Date and a form of Conversion Notice will be given by the Company to the then registered holders of Class A Preferred Shares Series J at least 30 days and not more than 60 days prior to the Series J Conversion Date. Written notice of the Annual Fixed Dividend Rate on the Class A Preferred Shares Series I (the “**Annual Fixed Dividend Rate**”) for the next succeeding five-year period, after the initial period ending on March 30, 2023 will be provided by the Company to the then registered holders of the Class A Preferred Shares Series J on the 30<sup>th</sup> day prior to each Series J Conversion Date.

(d) **Automatic Conversion.** Holders of Class A Preferred Shares Series J will not be entitled to convert their shares into Class A Preferred Shares Series I if the Company determines that there would remain outstanding on a Series J Conversion Date less than 1,000,000 Class A Preferred Shares Series I, after having taken into account all Class A Preferred Shares Series J tendered for conversion into Class A Preferred Shares Series I and all Class A Preferred Shares Series I tendered for conversion into Class A Preferred Shares Series J. The Company will give notice in writing thereof to all registered holders of the Class A Preferred Shares Series J at least seven days prior to the applicable Series J Conversion Date. Furthermore, if the Company determines that there would remain outstanding on a Series J Conversion Date less than 1,000,000 Class A Preferred Shares Series J, after having taken into account all Class A Preferred Shares Series J tendered for conversion into Class A Preferred Shares Series I and all Class A Preferred Shares Series I tendered for conversion into Class A Preferred Shares Series J, then, subject to the requirement for prior approval of the AMF, all, but not part, of the remaining outstanding Class A Preferred Shares Series J will automatically be converted into Class A Preferred Shares Series I on the basis of one Class A Preferred Share Series I for each Class A Preferred Share Series J on the applicable Series J Conversion Date and the Company will give notice in writing thereof to the then registered holders of such remaining Class A Preferred Shares Series J at least seven days prior to the Series J Conversion Date.

(e) **Not electing to convert and continuing to hold Class A Preferred Shares Series J.** If the Company does not receive a Conversion Notice from a holder of Class A Preferred Shares Series J during the time fixed therefor, then the Class A Preferred Shares Series J shall be deemed not to have been converted (except in the case of an automatic conversion as described in Section 4(d)).

(f) **Effect of Notice of Redemption.** If the Company gives notice to the registered holders of the Class A Preferred Shares Series J of the redemption of all the Class A Preferred Shares Series J, the Company will not be required to give notice as provided hereunder to the registered holders of the Class A Preferred Shares Series J of an Annual Fixed Dividend Rate or of the Conversion Right of holders of Class A Preferred Shares Series J and the right of any holder of Class A Preferred Shares Series J to convert such Class A Preferred Shares Series J will cease and terminate in that event.

## **5. Purchase for Cancellation**

Subject to Section 7, the provisions of the Insurance Act and the requirement for prior approval of the AMF, the Company may at any time purchase for cancellation all or, from time to time, any Class A Preferred Shares Series J outstanding in the open market or by private contract or tender, at any price.

## **6. Rights on Liquidation**

In the event of the liquidation, dissolution or winding-up of the Company, whether voluntary or involuntary, or any other distribution of assets of the Company for the purpose of winding up its affairs, subject to the prior satisfaction of the claims of all creditors of the Company and of holders of shares of the Company ranking prior to the Class A Preferred Shares Series J, the holders of the Class A Preferred Shares Series J will be entitled to receive the Issue Price for each Class A Preferred Share Series J held by them, plus any Dividends declared and unpaid to the date of payment, before any amounts are paid or any assets of the Company are distributed to the holders of any shares ranking junior to the Class A

Preferred Shares Series J. After payment of those amounts, the holders of Class A Preferred Shares Series J will not be entitled to share in any further distribution of the property or assets of the Company.

## **7. Restrictions on Dividends and Retirement of Shares**

As long as any Class A Preferred Shares Series J are outstanding, the Company will not, without the approval of the holders of the Class A Preferred Shares Series J given as provided in Section 10:

- (i) declare or pay any dividend on its Common Shares or any other shares ranking junior to the Class A Preferred Shares Series J (other than stock dividends in any shares ranking junior to the Class A Preferred Shares Series J);
- (ii) redeem, purchase or otherwise retire any of its Common Shares or any other shares ranking junior to the Class A Preferred Shares Series J (except out of the net cash proceeds of a substantially concurrent issue of shares ranking junior to the Class A Preferred Shares Series J);
- (iii) redeem, purchase or otherwise retire or make any return of capital in respect of less than all the Class A Preferred Shares Series J; or
- (iv) except pursuant to any purchase obligation, sinking fund, retraction privilege or mandatory redemption provision attaching to any series of Class A Preferred Shares or other Preferred Shares of the Company, redeem, purchase or otherwise retire any other shares ranking on a parity with the Class A Preferred Shares Series J;

unless, in each case, all Dividends on the Class A Preferred Shares Series J up to and including those payable on the Dividend Payment Date for the last completed period for which Dividends are payable and in respect of which the rights of holders to such dividends have not been extinguished, and all dividends then accrued on all other shares ranking senior to or on a parity with the Class A Preferred Shares Series J up to the immediately preceding respective date or dates for payment and in respect of which the rights of holders of those shares have not been extinguished, have been declared and paid or set apart for payment.

## **8. Voting Rights**

Subject to applicable law, the holders of Class A Preferred Shares Series J will not be entitled as such to receive notice of, or to attend or to vote at, any meeting of shareholders or participating policyholders of the Company, unless and until the first time at which the Board of Directors has not declared the Dividend in full on the Class A Preferred Shares Series J in any Dividend Period. In that event, the holders of Class A Preferred Shares Series J will be entitled to receive notice of, and to attend, only meetings of shareholders at which directors are to be elected and will be entitled to one vote for each Class A Preferred Share Series J held (the "**Voting Rights**") in the election of directors only but not in respect of any other business. The Voting Rights of the holders of the Class A Preferred Shares Series J will forthwith cease on payment by the Company of the first Dividend on the Class A Preferred Shares Series J to which the holders are entitled under the Class A Preferred Shares Series J Provisions after the time the Voting Rights first arose until such time as the Company may again fail to declare the Dividend in full on the Class A Preferred Shares Series J in any Dividend Period, in which event the Voting Rights will become effective again and so on from time to time.

## **9. Issue of Additional Shares and Amendments to Class A Preferred Shares Series J**

- (a) **Issue of Additional Shares.** The Company may issue shares of any other series of Class A Preferred Shares or shares of any other class or series of the share capital of the Company ranking on a parity with or junior to the Class A Preferred Share without approval of the holders of the Class A Preferred Shares Series J. For greater certainty, nothing in the Class A Preferred Shares Series J

Provisions will affect or restrict the right of the Company to increase the number of the Common Shares or to issue additional Common Shares from time to time.

(b) **Amendments to Class A Preferred Shares Series J**

- (i) Except for amendments of a “housekeeping” or clerical nature, on and after the Issue Date, the Company will not without, but may from time to time with, the approval of the holders of Class A Preferred Shares Series J given as specified in Section 10 and any other necessary approval (including without limitation the Toronto Stock Exchange), delete, add to or vary any of the Class A Preferred Shares Series J Provisions.
- (ii) In addition to the approvals referred to in Section 9(b)(i), the Company will not without, but may from time to time with, the necessary consent of the AMF, make any such deletion, addition or variation which might affect the classification afforded the Class A Preferred Shares Series J from time to time for capital adequacy requirements pursuant to the Insurance Act or the CARLI.

**10. Approval of Holders of Class A Preferred Shares Series J**

The approval of holders of the Class A Preferred Shares Series J to change or remove any right, privilege, restriction or condition attaching to the Class A Preferred Shares Series J as a series or in respect of any other matter requiring the consent of the holders of the Class A Preferred Shares Series J may be given in such manner as may then be required by law, subject to the requirement that such approval be given by resolution passed by the affirmative vote of at least two-thirds ( $\frac{2}{3}$ ) of the votes cast at a meeting of the holders of the Class A Preferred Shares Series J duly called for that purpose at which the holders of at least one-fourth ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares Series J are present in person or represented by proxy. If at any such meeting, the holders of at least one-fourth ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares Series J are not present in person or represented by proxy within 30 minutes after the time appointed for the meeting, then the meeting will be adjourned to such date not less than 15 days thereafter and to such time and place as may be appointed by the chairman of the meeting. A notice of not less than seven days will be given of the adjourned meeting. At such adjourned meeting, the holders of the Class A Preferred Shares Series J present or represented by proxy may transact the business for which the meeting was originally called and a resolution passed thereat by not less than two-thirds ( $\frac{2}{3}$ ) of the votes cast constitutes the approval of the holders of the Class A Preferred Shares Series J referred to above.

The formalities to be observed with respect to the giving of notice of any such meeting or any adjourned meeting and the conduct thereof are those from time to time prescribed by the by-laws of the Company or the resolutions passed by the Board of Directors with respect to meetings of shareholders or as required by law. On every poll taken at every meeting of the holders of the Class A Preferred Shares Series J as a series, or at any joint meeting of the holders of two or more series of Class A Preferred Shares, each holder of Class A Preferred Shares Series J entitled to vote thereat has one vote in respect of each Class A Preferred Share Series J held.

**11. Registration of Class A Preferred Shares Series J and Transfer, Redemption, Purchase and Conversion Through Book-Entry System**

- (a) **Global Certificate.** Subject to Sections 11(b) and 11(c) and notwithstanding any other provision of the Class A Preferred Shares Series J Provisions, the Class A Preferred Shares Series J will be represented in the form of a single fully-registered global certificate in the aggregate number of Class A Preferred Shares Series J issued by the Company and outstanding from time to time (the “Global Certificate”) held by, or on behalf of, the Depository as custodian of the Global Certificate for the Participants, and will be registered in the name of “CDS & Co.” (or such other name as the Depository may use from time to time as its nominee name for purposes of the Book-Entry System) and registrations of ownership, transfers, redemptions, purchases, surrenders and conversions of Class A Preferred Shares Series J will be made only through the Book-Entry System to another nominee of the Depository for the



Class A Preferred Shares Series J or to a successor Depository for the Class A Preferred Shares Series J approved by the Company or to a nominee of such successor Depository. Transfers, redemptions, purchases, surrenders and conversion of Class A Preferred Shares Series J will be effected only (i) with respect to the interests of Participants, through records maintained by the Depository or its nominee, and (ii) with respect to the interests of Persons other than Participants, through records maintained by the Participants. Accordingly, subject to Section 11(c), the beneficial owners of Class A Preferred Shares Series J will not receive a certificate or any other instrument from the Company or the Depository evidencing their ownership of Class A Preferred Shares Series J, and beneficial owners will not be shown on the records maintained by the Depository, except through a book-entry account of a Participant acting on behalf of a beneficial owner. Persons, other than Participants, having an interest in Class A Preferred Shares Series J who wish to purchase, sell or otherwise transfer ownership of or other interests in Class A Preferred Shares Series J or to exercise Conversion Rights with respect to Class A Preferred Shares Series J may do so only through a Participant.

(b) **Depository is Owner of Class A Preferred Shares Series J.** For purposes of the Class A Preferred Shares Series J Provisions, so long as the Depository, or its nominee, is the registered holder of the Class A Preferred Shares Series J:

- (i) the Depository, or its nominee, as the case may be, will be considered the sole owner of the Class A Preferred Shares Series J for the purpose of receiving notices or payments on or in respect of the Class A Preferred Shares Series J, including payments of Dividends and the Cash Redemption Price and the Additional Amount, if any;
- (ii) the Company, pursuant to the exercise by the Company of its right to redeem Class A Preferred Shares Series J, will deliver to the Depository, or its nominee, for the benefit of the beneficial owners of the Class A Preferred Shares Series J, the Cash Redemption Price and the Additional Amount, if any, and certificates for the Class A Preferred Shares Series I issued pursuant to Section 4, as the case may be, against delivery, if applicable, to the Company's account with the Depository, or its nominee, of such holder's Class A Preferred Shares Series J; and
- (iii) the rights of Persons, other than Participants, having an interest in Class A Preferred Shares Series J will be limited to those established by applicable law and by agreements between the Depository and the Participants and between Participants and such Persons, and must be exercised through a Participant in accordance with the rules and procedures of the Depository and the Book-Entry System.

(c) **Termination of Book-Entry System.** If at any time the Book-Entry System ceases to exist, the Company determines or the Depository notifies the Company in writing that the Depository is no longer willing or able to discharge properly its responsibility as depository and, in either case, the Company is unable to determine a qualified successor, or the Company, at its option elects, or is required by law or the rules of any securities exchange, to withdraw the Class A Preferred Shares Series J from the Book-Entry System, Sections 11(a), 11(b) and 11(d) will cease to apply to the Class A Preferred Shares Series J. In that event, the Company will execute and deliver certificates for the Class A Preferred Shares Series J in definitive registered form equal to the aggregate number of Class A Preferred Shares Series J represented by the Global Certificate in the Book-Entry System. On such exchange, the Transfer Agent will cancel the Global Certificate. Certificates for Class A Preferred Shares Series J in definitive registered form issued in exchange for the Global Certificate will be registered in such names and in such number of Class A Preferred Shares Series J as instructed in writing by the Depository to the Transfer Agent. The Transfer Agent will deliver such definitive certificates to the Persons in whose names the Depository has so instructed.

(d) **Payments, etc.** Participants must look solely to the Depository, in accordance with the rules and procedures of the Depository and the Book-Entry System, and Persons, other than Participants, having an interest in Class A Preferred Shares Series J must look solely to Participants, for their share of payments of Dividends and other amounts and the issuance and delivery of Class A Preferred Shares Series I in

respect of Class A Preferred Shares Series J. No Person, including any Participant, will have any claim against the Company in respect of payments due on Class A Preferred Shares Series J or the issuance and delivery of Class A Preferred Shares Series I and the obligations of the Company will be discharged by payment or issuance and delivery to the Depository or its nominee, as registered holder of Class A Preferred Shares Series J, in respect of each amount so paid or Class A Preferred Share Series I so issued and delivered.

(e) ***Inconsistent Provisions.*** The provisions of Section 4 and the exercise of the Conversion Right are subject to the provisions of this Section 11, and in the event of any inconsistency between those provisions and the provisions of Section 11, the provisions of Section 11 will prevail to the extent of the inconsistency.

## **12. Notices**

(a) ***Notice to the Company.*** Subject to applicable law, any notice, request or other communication to be given to the Company by a holder of Class A Preferred Shares Series J must be in writing and will be valid and effective if given by mail (postage prepaid) or by electronic communication or by delivery to the registered office of the Company and addressed the attention of the Secretary of the Company. Any such notice, request or other communication, if given by mail, electronic communication or delivery, will be deemed to have been given and received only on actual receipt by the Company.

(b) ***Presentation and Surrender of Certificates.*** Any presentation and surrender by a holder of Class A Preferred Shares Series J to the Company or the Transfer Agent of certificates representing Class A Preferred Shares Series J in connection with the redemption of Class A Preferred Shares Series J must be made by registered mail (postage prepaid) or by delivery to the head office of the Company or to such office of the Transfer Agent as may be specified by the Company, in each case addressed to the attention of the Secretary of the Company. Any such presentation and surrender of certificates will be deemed to have been made and to be effective only on actual receipt by the Company or the Transfer Agent, as the case may be. Any such presentation and surrender of certificates made by registered mail will be at the sole risk of the holder mailing the certificates.

(c) ***Notice to Holders of Class A Preferred Shares Series J.*** Subject to applicable law, any notice, request or other communication to be given to a holder of Class A Preferred Shares Series J by or on behalf of the Company must be in writing and will be valid and effective if given by ordinary unregistered first class mail (postage prepaid) or by electronic communication or by delivery to the address of the holder recorded in the securities register of the Company or, in the event of the address of any such holder not being so recorded, then at the last known address of such holder. Any such notice, request or other communication, if given by mail, will be deemed to have been given and received on the fifth Business Day following the date of mailing and, if given by electronic communication or by delivery, will be deemed to have been given and received on the date of electronic communication or delivery. Accidental failure or omission to give any notice, request or other communication to one or more holders of Class A Preferred Shares Series J, or any defect in such notice, will not invalidate or otherwise alter or affect any action or proceeding to be taken by the Company pursuant to that notice, request or other communication.

## **13. Tax Election**

The Company will elect, in the manner and within the time provided under Part VI.1 of the Tax Act or any successor or replacement provision of similar effect, and take all other necessary action under the Tax Act, to pay tax under Part VI.1 of the Tax Act at a rate such that holders of the Class A Preferred Shares Series J will not be required to pay tax on Dividends received (or deemed to be received) on the Class A Preferred Shares Series J under Part IV.1 of the Tax Act.

#### **14. Return of Unclaimed Funds to the Company**

The Company will have the right, with respect to any funds deposited by the Company to any bank or trust company in respect of amounts due to holders of Class A Preferred Shares Series J, on or after the first anniversary date of the deposit of such funds to any bank or trust company, to require that such bank or trust company return to the Company any funds which remain unclaimed by holders of the Class A Preferred Shares Series J. If at any time following the return of the unclaimed funds to the Company, either the Company or the bank or trust company receives a request from a holder of Class A Preferred Shares Series J for the holder's unclaimed entitlement to any amount due to the holder in respect of the holder's Class A Preferred Shares Series J, the Company will promptly arrange for the payment of such amount to the holder, subject to the provisions of Section 2(b).

#### **15. Non-Residents**

On the conversion of Class A Preferred Shares Series J, the Company reserves the right not to issue Class A Preferred Shares Series I to any Person whose address is in, or whom the Company or the Transfer Agent has reason to believe is a resident of, any jurisdiction outside Canada where such issuance would require compliance by the Company with the securities, insurance or analogous laws of such jurisdiction, including registration, prospectus, filing or other similar requirements under the applicable laws of such jurisdiction. In addition, the Company may require from any such Person, as a condition to the issuance to it of Class A Preferred Shares Series I, a written declaration as to its residence and share ownership status and any other matter requested by the Company in order to determine the entitlement of such Person to Class A Preferred Shares Series I, including under the Insurance Act.

#### **16. Wire or Electronic Transfer of Funds**

Notwithstanding any other right, privilege, restriction or condition attaching to the Class A Preferred Shares Series J, the Company may, at its option, make any payment due to a holder of Class A Preferred Shares Series J by way of a wire or electronic transfer of funds to each holder of Class A Preferred Shares Series J. In the event that a payment is made by way of a wire or electronic transfer of funds, the Company will be responsible for any applicable charges or fees relating to the making of such transfer. As soon as practicable following the determination by the Company that a payment is to be made by way of a wire or electronic transfer of funds, the Company will notify each holder of Class A Preferred Shares Series J at the address of such holder as it appears in the securities register of the Company. Such notice by the Company will request that each holder of Class A Preferred Shares Series J provide the particulars of an account of such holder with a bank in Canada to which the wire or electronic transfer of funds will be directed. In the event that the Company does not receive account particulars from a holder of Class A Preferred Shares Series J prior to the date such payment is to be made, the Company will deposit the funds otherwise payable to such holder in a special account or accounts in trust for each respective holder. The making of a payment by way of a wire or electronic transfer of funds or, in the case where a holder of the Class A Preferred Shares Series J has not provided the Company with account particulars for a wire or electronic transfer of funds, the deposit by the Company of the funds otherwise payable to such holder in a special account or accounts in trust for such holder, will be deemed to constitute payment by the Company on the date thereof and will satisfy and discharge all liabilities of the Company for such payment to the extent of the amount represented by such transfer or deposit.