

**SCOTIABANK TRINIDAD AND TOBAGO LIMITED
SAGICOR FINANCIAL CORPORATION LIMITED
- and -
ALIGNVEST ACQUISITION II CORPORATION**

SHARE PURCHASE AGREEMENT

DATED NOVEMBER 27, 2018

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SHARE PURCHASE AGREEMENT

This Share Purchase Agreement dated November 27, 2018 is made

B E T W E E N

SCOTIABANK TRINIDAD AND TOBAGO LIMITED (the “Vendor”)

SAGICOR FINANCIAL CORPORATION LIMITED (the “Purchaser” or “Sagicor”)

- and -

ALIGNVEST ACQUISITION II CORPORATION (“Alignvest”)

RECITALS

WHEREAS, the Vendor is the registered and beneficial owner of the Shares; and

WHEREAS, the Purchaser is willing to purchase, and the Vendor is willing to sell, the Shares on and subject to the terms and conditions contained in this Agreement.

For good and valuable consideration, the receipt and adequacy of which are hereby acknowledged by each Party, the Parties agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions. In this Agreement:

“**2016 Tax Refund**” means the sum of thirty-six million five hundred and eighty-eight thousand one hundred and fourteen (36,588,114) Trinidad and Tobago Dollars representing the tax refund due the Corporation on account of an overpayment of tax on a special dividend paid by the Corporation to the Vendor from its long term insurance business during its year of income 2016.

“**2016 Tax Refund Contest**” has the meaning set out in Section 7.10(6).

“**Acquisition Proposal**” means any offer, proposal or indication of interest (other than an offer, proposal or indication of interest by the Purchaser, Alignvest or their respective Affiliates) contemplating or otherwise relating to any transaction or series of related transactions involving any: (a) merger, consolidation, share exchange, business combination, issuance of securities, direct or indirect acquisition of securities, recapitalization, tender offer, exchange offer or other similar transaction in which: (i) a Person or group of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 25% of the outstanding shares of any class of voting securities of the Corporation; or (ii) the Corporation issues securities representing more than 25% of the outstanding shares of any class of voting securities of the Corporation;

(b) sale, lease, license, exchange, transfer, acquisition or disposition of any assets that constitute or account for: (i) 25% or more of the consolidated net revenues of the Corporation, consolidated net income of the Corporation or consolidated book value of the Corporation; or (ii) 25% or more of the fair market value of the assets of the Corporation; or (c) liquidation or dissolution of the Corporation; provided, however, that any actions, proposals or similar procedural steps taken by the Corporation or which the Corporation is subject to in order to reduce the Corporation's available capital to an amount equal to Closing Date Target Capital shall not constitute an "Acquisition Proposal".

"Adjustment Date" means the fifth Business Day after the Closing Date Excess Capital is finally determined in accordance with Sections 2.4 or 2.5, as the case may be.

"Affiliate" means, with respect to any Person, any other Person who directly or indirectly controls, is controlled by, or is under direct or indirect common control with, such Person, and includes any Person in like relation to an Affiliate. A Person shall be deemed to **"control"** another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract or otherwise; and the term **"controlled"** shall have a similar meaning.

"Agreement" means this Share Purchase Agreement and all the Exhibits and the Schedules attached hereto.

"Alignvest" has the meaning set out in the preamble hereto.

"Alignvest Class A Shares" means the class A restricted voting shares in the capital of Alignvest.

"Alignvest Class B Shares" means the class B shares in the capital of Alignvest.

"Alignvest Common Shares" means the common shares in the capital of Alignvest, and include where applicable common shares in the capital of Alignvest following the Alignvest continuance under the laws of Bermuda.

"Alignvest Confidentiality Agreement" means that certain Non-Disclosure Agreement effective as of April 11, 2018 by and between Alignvest Management Corporation and The Bank of Nova Scotia.

"Alignvest Securities Authorities" means, collectively, the Alberta Securities Commission, British Columbia Securities Commission, Manitoba Securities Commission, Financial and Consumer Services Commission of New Brunswick, Office of the Superintendent of Securities Service Newfoundland and Labrador, Office of the Superintendent of Securities of Northwest Territories, Nova Scotia Securities Commission, Nunavut Securities Office, Ontario Securities Commission, Office of the Superintendent of Securities of Prince Edward Island, Financial and Consumer Affairs Authority of Saskatchewan and the Office of the Yukon Superintendent of Securities.

"Alignvest Shareholders" means (a) prior to the Sagicor Acquisition Closing, the registered or beneficial holders of the Alignvest Shares; and (b) at and after the Sagicor Acquisition Closing, the registered and/or beneficial holders of the Alignvest Common Shares.

“Alignvest Shares” means the Alignvest Class A Shares and the Alignvest Class B Shares.

“Anti-Money Laundering Laws” has the meaning set out in Section 3.1(25).

“Applicable Law” means any federal, state, local, municipal, provincial, foreign or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, consent order, consent decree, decree, Order, judgment, rule, regulation, ruling, directive, regulatory guidance, agreement or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or with or under the authority of any Governmental Authority.

“Applicable Regulator” means any Governmental Authority charged with the supervision or regulation of insurance or insurance holding companies.

“Associate” has the meaning set forth in the *Securities Act* (Ontario).

“Audited Financial Statements” means the annual audited financial statements of the Corporation for the fiscal years ended October 31, 2017, October 31, 2016 and October 31, 2015, which are attached as Schedule 3.1(6).

“Available Capital” means the “Available Capital” as defined in and calculated in accordance with the MCCSR.

“Balance Sheet Date” means October 31, 2018.

“Bankruptcy and Equity Exception” has the meaning set out in Section 3.1(4)(b).

“Base Required Capital” means the “Base Required Capital” as defined and calculated in accordance with the MCCSR.

“Books and Records” means, whether in paper or electronic form, all books, records, files and papers of the Corporation, including financial records, employment records, and the minute and share certificate books of the Corporation, to the extent maintained by the Corporation, but excluding for greater certainty the Excluded Books and Records.

“Budgets” means the capital budgets attached as Schedule 1.1(a).

“Business” means the provision of life, accident, health, unit-linked insurance, insurance annuities, creditor life protection, and pension savings plans, as currently carried on by the Corporation.

“Business Day” means any day except Saturday, Sunday or any day on which banks are generally not open for business in either the Toronto, Ontario or Port of Spain, Trinidad and Tobago.

“Business Practices” means the business practices in connection with the selling, marketing and distribution of Insurance Contracts.

“Central Bank” means the central bank of the jurisdiction where the Corporation carries on business, being The Central Bank of Trinidad and Tobago.

“Claim” has the meaning set out in Section 10.17.

“Claim Notice” has the meaning set out in Section 6.4.

“Closing” means the completion of the purchase and sale of the Shares in accordance with the provisions of this Agreement.

“Closing Date” means the date agreed to by the Vendor and the Purchaser that is as soon as practicable after the Sagicor Acquisition Closing but is no earlier than 30 days after the Sagicor Acquisition Closing, assuming the satisfaction or waiver of the last of the conditions set forth in Article 5 to be satisfied or waived (other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of such conditions), unless the Vendor and the Purchaser otherwise agree in writing.

“Closing Date Balance Sheet” means the balance sheet of the Corporation as at 12:01 a.m. on the Closing Date, prepared in accordance with IFRS, consistently applied with those principles used in the preparation of the Financial Statements, as finally determined in accordance with the provisions of Section 2.4 or 2.5, as the case may be.

“Closing Date Base Required Capital” means the Base Required Capital of the Corporation on the Closing Date as calculated in accordance with the MCCSR, as may finally be determined in accordance with the provisions of Sections 2.4 or 2.5, as the case may be.

“Closing Date Excess Capital” means the amount, calculated on the basis set out in the sample calculation set forth on Schedule 2.4, whether positive or negative, equal to (a) the Closing Date Total Capital Available, minus (b) the Closing Date Target Capital.

“Closing Date Shareholder Equity” means the amount of total assets minus the total liabilities of the Corporation as shown on the Closing Date Balance Sheet.

“Closing Date Target Capital” means an amount equal to 150% of the Closing Date Base Required Capital.

“Closing Date Total Capital Available” means the amount of Available Capital of the Corporation on the Closing Date as calculated in accordance with the MCCSR, as finally determined in accordance with the provisions of Section 2.4 or 2.5, as the case may be.

“Closing Time” means the time of Closing on the Closing Date provided for in Section 4.1.

“Confidentiality Agreements” means the Alignvest Confidentiality Agreement and the Sagicor Confidentiality Agreement.

“Consent” means any consent or approval from any Person that is required in respect of or pursuant to the terms of any Contract in connection with the sale of the Shares to the Purchaser on the terms contemplated in this Agreement, but does not include the Regulatory Approvals.

“Constitutive Documents” means memorandum of association, memorandum of continuance or articles of incorporation, amalgamation, or continuation, by-laws,

constitution, limited liability company agreement or certificate of formation, as applicable, and all amendments to such memorandum of association, memorandum of continuance or articles, bye-laws, limited liability company agreement or certificate.

“Contracts” means any contract, agreement, lease (including, each Lease), understanding or arrangement to which the Corporation is a party.

“Corporation” means ScotiaLife Trinidad and Tobago Limited, a corporation incorporated under the laws of the Republic of Trinidad and Tobago.

“Corporation Securities” has the meaning set out in Section 3.1(3)(c).

“Damages” means any loss, damage, claim, settlement, award, fine, penalty, fee (including reasonable legal fees), charge, cost or expense actually incurred by an Indemnified Party; provided, however, that Damages shall not include (a) lost profits, opportunity costs, diminution in value, damages based upon a multiple of earnings or similar financial measure, or consequential, incidental, special, or indirect damages, unless in each case any of the foregoing are reasonably foreseeable, and (b) aggravated, exemplary or punitive damages, unless they are actually awarded against the Corporation.

“Data Room” means the electronic documentation site established by Intralinks on behalf of the Vendor in respect of the Corporation and the Business, as at noon (Eastern Time) on the date immediately prior to the date of this Agreement.

“Direct Claim” has the meaning set out in Section 6.4.

“Distribution Agreement” has the meaning set out in Section 4.2(h).

“Distribution Agreement Term Sheet” has the meaning set out in Section 4.2(h).

“Effect” means any change, effect, event, fact, development, occurrence or circumstance.

“Employee” means an individual who is employed by the Vendor and provides services to the Corporation, whether on a full-time or part-time basis, pursuant to a secondment arrangement between the Vendor and the Corporation.

“Employee Liabilities” means any and all liability for benefits, salary, wages, bonuses, commissions, vacation pay and other compensation relating to the employment of employees and other liabilities in respect of the employment of employees or the cessation of such employment.

“Employee Plans” has the meaning set out in Section 3.1(20)(b).

“Environmental Law” means any Applicable Law relating to pollution or protection of the environment or natural resources or human exposure to Hazardous Materials.

“Escrow Account” means the escrow account of Alignvest established and maintained by the Escrow Agent, which holds in escrow the gross proceeds of the initial public offering of the Alignvest Class A restricted voting units, including the gross proceeds of the over-allotment option.

“Escrow Agent” means TSX Trust Company, and its successors and permitted assigns.

“Estimated Purchase Price” has the meaning set out in Section 2.3.

“Excluded Books and Records” means all the books and records of the Vendor and those books and records of the Corporation that are not exclusively or primarily related to the Business, including: (a) all books and records relating to the preparation for and negotiation of the transactions contemplated herein and in the Transaction Agreements, other than resolutions and minutes of meetings of the directors of the Corporation, (b) all internal correspondence and memoranda, valuations, regulatory filings and returns, investment banking presentations and offers received from Persons other than the Purchaser in connection with the transactions contemplated by this Agreement, and (c) records that, by their nature, contain content that is co-mingled with content pertaining to Affiliates of the Vendor or to head office operations.

“Excluded Intellectual Property” means the Vendor Marks and the Intellectual Property described in Schedule 1.1(b).

“Excluded Services” means the following head office services currently provided to the Business by the Bank of Nova Scotia or its Affiliates: legal services, tax services, finance services, audit services, human resource services, marketing services, compliance services and accounting services.

“Financial Statements” means, collectively, the Audited Financial Statements and the Unaudited Financial Statements.

“Governmental Authority” means any: (a) country, nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, provincial, local, municipal, foreign or other government; (c) governmental authority of any nature (including any governmental division, department, agency, commission, instrumentality, organization, body or entity and any court or other tribunal), including, for greater certainty, a Securities Authority; (d) any quasi-governmental or private body exercising any regulatory, expropriation or taxing authority under or for the account of any of the foregoing; (e) applicable stock exchanges; (f) applicable Central Bank; or (g) applicable self-regulatory organizations, including, if applicable, the Investment Industry Regulatory Organization of Canada and the Financial Industry Regulatory Authority.

“Governmental Authorization” means any consent, approval, permit, license, certificate, franchise, permission, variance, waiver, clearance, registration, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Authority or pursuant to any Law.

“Hazardous Materials” means any materials or wastes that are listed or defined in relevant form, quantity, concentration or condition as hazardous substances, hazardous wastes, hazardous materials, extremely hazardous substances, toxic substances, pollutants, contaminants or terms of similar import under any applicable Environmental Law.

“IFRS” means International Financial Reporting Standards (IFRS) promulgated by the International Accounting Standards Board (IASB), together with its pronouncements thereon from time to time, and applied on a consistent basis.

“Indemnified Party” means a Person whom the Vendor or the Purchaser, as the case may be, is required to indemnify under Article 6.

“Indemnifying Party” means, in relation to an Indemnified Party, the Party that is required to indemnify such Indemnified Party under Article 6.

“Independent Accountant” has the meaning set out in Section 2.5.

“Insurance Contract” means any insurance policy or contract, or any annuity contract or certificate, in each case, together with all policies, binders, slips, certificates, participation agreements, applications, supplements, endorsements, riders and ancillary agreements in connection therewith, issued, written or assumed by the Corporation.

“Insurance Laws” has the meaning set out in Section 3.1(13)(a).

“Intellectual Property” has the meaning set out in Section 3.1(11).

“Interim Period” means the period from the date of this Agreement to the Closing Time.

“Investment Assets” has the meaning set out in Section 3.1(16)(a).

“IPO Underwriters” means Scotia Capital Inc., Citigroup Global Markets Canada Inc., BMO Nesbitt Burns Inc., TD Securities Inc., and UBS Securities Canada.

“Knowledge of the Vendor” or **“Vendor’s Knowledge”** or any other similar knowledge qualification relating to the Vendor’s awareness, means the actual knowledge of the following individuals: the President of the Corporation, and the Chief Financial Officer and Chief Administrative Officer of the Vendor, in each case after reasonable inquiry of such officers and members of senior management reasonably expected to have knowledge of the relevant subject matter.

“Law” has the meaning set out in the definition of **“Applicable Law”**.

“Lease” means any lease, sublease, sub-sublease, license and other agreement under which the Corporation leases, subleases, licenses, uses or occupies (in each case whether as landlord, tenant, sublandlord, subtenant or by other occupancy arrangement), or has the right to use or occupy, now or in the future, any real property.

“Licence” means any licence, permit, authorization or approval issued or granted to, conferred upon, or otherwise created for, the Corporation by any Governmental Authority.

“Lien” means any lien, mortgage, hypothec, or other security interest, or encumbrance, which affects, by way of a conflicting ownership interest, the right, title or interest in or to any particular property.

“Market Conduct Claims” means any written notice of material non-compliance with Applicable Law received from a Governmental Authority, any written notice of material

non-compliance with Applicable Law received from a customer, any Proceeding, or any other complaint to which, in each case, meaningful consideration has been given by the general counsel or head of compliance of the Corporation, or any Proceeding in progress or, to the Knowledge of the Vendor, threatened against or relating to the Corporation that, with respect to any of the foregoing, relates in material part to: (a) the misrepresentation or failure of the Corporation to accurately describe the nature, provisions, financial elements or benefits of an Insurance Contract; or (b) the violation of Applicable Law relating to the sale, marketing or servicing of an Insurance Contract.

“Material Adverse Effect” means any Effect that, individually or in the aggregate with all other Effects, has had or would reasonably be expected to have a material adverse effect on the business, financial condition or results of operations of the Corporation; provided, however, that no Effect relating to, arising out of or in connection with or resulting from any of the following shall be deemed to constitute or contribute to a Material Adverse Effect: any Effect arising out of or resulting from (a) general economic, credit, capital or financial markets or political conditions in any part of the world, including with respect to interest rates or currency exchange rates, or general business, labor, tax or regulatory conditions, or any outbreak or escalation of hostilities, acts of war (whether or not declared), military actions or any act of sabotage or terrorism; (b) general changes or developments in the industries in which the Corporation operates; (c) any hurricane, tornado, earthquake, changes in weather, health crisis, flood, natural disaster, act of God or other comparable events; (d) any change or proposed change in Applicable Law or IFRS or interpretations or enforcement thereof or changes in the regulatory accounting requirements applicable to the industries in which the Corporation operates and which is announced, proposed, approved, implemented or enacted on or after the date hereof; (e) any failure by the Corporation to meet internal, published or other budgets, projections, estimates, predictions or forecasts for any period (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred); (f) any action taken or omission by the Corporation at the Purchaser’s or its Affiliates’ or their respective Representatives’ written request or any action expressly required by the terms of this Agreement, or the failure to take any action expressly prohibited by, the terms of this Agreement if not consented to by the Purchaser in writing after being requested; (g) the execution and delivery of this Agreement or the consummation of the transactions contemplated hereby or by the Transaction Agreements, or the public announcement or pendency thereof, including, in each case, the identity of the Purchaser, any circumstances related to the Purchaser or its Affiliates or their respective Representatives or any breach by the Purchaser of any of the terms hereof; or (h) the expiration or termination of any Contract in the Ordinary Course of Business at the expiration or termination thereof in accordance with its terms; provided that in the cases of clauses (a), (b) or (d), such Effect may be taken into account if and to the extent that it materially and disproportionately affects the Corporation as compared with other participants in the industries in which the Corporation operates (in which case the incremental materially disproportionate impact or impacts may be taken into account in determining whether there has been, or is reasonably expected to be, a Material Adverse Effect).

“Material Contract” has the meaning set out in Section 3.1(12).

“MCCSR” means the Guideline A -- Minimum Continuing Capital and Surplus requirements, as most recently promulgated by the Office of the Superintendent of Financial Institutions (Canada) on or prior to December 31, 2017, subject to any variations

required by Applicable Law (other than Canadian Laws adopted in respect of the period after Jan. 1, 2018), and utilized by the Corporation in the Ordinary Course of Business and, to the extent applicable, in accordance with Applicable Law (other than Canadian Laws adopted in respect of the period after Jan. 1, 2018) to measure the adequacy of its capital.

“Notional Interest Adjustment” means an amount equal to the interest that would be payable on a notional principal amount equal to the amount, if any, by which the Purchase Price exceeds the Estimated Purchase Price or the amount, if any, by which the Estimated Purchase Price exceeds the Purchase Price, as applicable, based on a notional annual interest rate equal to the Prime Rate from the Closing Date to the Adjustment Date.

“Offered Employees” has the meaning set out in Section 7.6(1).

“Order” means any order, writ, assessment, decision, injunction, decree, judgment, ruling, award, settlement or stipulation issued, promulgated or entered into by or with any Governmental Authority.

“Ordinary Course of Business” means, with respect to an action taken by a Party, that such action (a) is consistent with the past practices of such Party; and (b) is taken in the ordinary course of the operations of the business of such Party (in the case of the Corporation, it being understood that the Corporation is engaged in the Business in the ordinary course).

“Outside Date” means June 30, 2020, or such other date as the Parties mutually agree to in writing.

“Party” means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **“Parties”** means every Party.

“Permitted Liens” means:

- (a) Liens for Taxes and utilities that in each case are not yet due or are not in arrears or, so long as such amounts are expressly reserved for and reflected in the Financial Statements, being contested in good faith by appropriate proceedings;
- (b) construction, mechanics’, carriers’, workers’, repairers’, storers’ or other similar Liens (inchoate or otherwise) if in the aggregate they are not material to the Business;
- (c) minor title defects or irregularities, minor unregistered easements or rights of way, restrictions in the original grant from the state and other minor unregistered restrictions affecting the use of Real Property if such restrictions have been complied with and are not, in the aggregate, material;
- (d) easements, covenants, rights of way and other restrictions if registered, provided that they have been complied with and are not, in the aggregate, material;
- (e) registered agreements with municipalities or public utilities if they: (i) have been complied with or adequate security has been furnished to secure compliance; and (ii) are not, in the aggregate, material; and

(f) the Liens listed in Schedule 1.1(c).

“Person” is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, a Governmental Authority, and the executors, administrators or other legal representatives of an individual in such capacity.

“Personal Information” means any information about an identifiable natural person.

“Pre-Closing Tax Period” means a taxation year or other fiscal period that ends on or before the Closing Time.

“Pre-Closing Taxes” means all liabilities for Taxes of the Corporation for (a) Pre-Closing Tax Periods, (b) the portion of any Straddle Period that ends immediately prior to the Closing Date.

“Pre-Closing Transfer” has the meaning set out in Section 7.6(5).

“Prime Rate” means the prime rate of interest per annum quoted by The Bank of Nova Scotia from time to time as its reference rate of interest for Canadian Dollar demand loans made to its commercial customers in Canada and which The Bank of Nova Scotia refers to as its “prime rate”, as such rate may be changed from time to time.

“Privacy Law” means any Applicable Law applicable to the Corporation or its Business that regulates the collection, use, disclosure or protection of Personal Information.

“Proceeding” means any action, suit, claim (or counterclaim), cause of action, charge, complaint, litigation, arbitration, mediation, grievance, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, examination or investigation commenced, brought, conducted or heard by or before any court or other Governmental Authority or any arbitrator or arbitration or mediation panel, or any administrative or supervisory action taken by a Governmental Authority.

“Producer” means the agents, sub-agents, brokers, wholesale brokers, independent contractors, consultants, producers or other Persons who sell the Insurance Contracts.

“Prospectus” means the non-offering preliminary prospectus and/or final prospectus of Alignvest, and any amendment thereto, as the context requires, containing disclosure regarding the completion of the Sagicor Arrangement Agreement, the Corporation or the Vendor (including historical financial statements of the Corporation) and related matters, as Alignvest’s “Qualifying Acquisition” (as such term is defined in the Sagicor Arrangement Agreement).

“Purchase Price” has the meaning set out in Section 2.2.

“Purchaser” has the meaning set out in the preamble hereto.

“Purchaser Fundamental Representations” means Sections 3.2(1), 3.2(2), 3.2(3), 3.2(4), 3.3(1), 3.3(2), and 3.3(3).

“Purchaser Indemnified Parties” means the Purchaser, the Affiliates of the Purchaser and after Closing, the Corporation, and their respective directors and officers.

“Purchaser Material Adverse Effect” has the meaning set out in Section 3.2(3)(a).

“Real Property” means the properties to which the Leases pertain.

“Regulatory Approval” means any approval, consent, Order, authorization, notice, permit, licence, waiver or acknowledgement that is required from any Governmental Authority pursuant to Applicable Law in connection with the transactions contemplated by this Agreement or any Transaction Agreement, or which is otherwise necessary to permit the Parties to perform their obligations under this Agreement or any Transaction Agreement.

“Reinsurance Contracts” has the meaning set out in Section 3.1(15).

“Release” means any release, spill, emission, leaking, pumping, emitting, discharging, injecting, escaping, leaching, dumping, disposing or migrating into or through the environment.

“Releasees” has the meaning set out in Section 7.15(1).

“Releasing Parties” has the meaning set out in Section 7.15(1).

“Reports of the Appointed Actuary” means the report of any appointed actuary for the Corporation for each of the fiscal years ended October 31, 2017, October 31, 2016, and October 31, 2015.

“Representative” when used with respect to a Person means each director, officer, employee, consultant, financial adviser, legal counsel, accountant and other agent, adviser or representative of that Person.

“Required Regulatory Approvals” has the meaning set out in Section 5.1(7).

“Required Statements” has the meaning set out in Section 3.1(13)(a).

“Reserves” means all reserves and other liabilities for claims, benefits, losses (including incurred but not reported losses and losses in the course of settlement), expenses and unearned premiums arising under or in connection with an Insurance Contract.

“Restricted Business” has the meaning set out in Section 9.1.

“Restricted Period” means the period commencing on the Closing Date and ending on the date that is the third anniversary of the Closing Date.

“Sagikor” has the meaning set out in the preamble hereto.

“Sagikor Acquisition Closing” means the occurrence of the “Effective Time”, as such term is defined in the Sagikor Arrangement Agreement.

“Sagikor Arrangement Agreement” means that certain Arrangement Agreement, dated as of the date hereof, by and between Alignvest and Sagikor.

“Sagikor Confidentiality Agreement” means that certain Non-Disclosure Agreement effective on or around April 12, 2018 by and between Sagikor and The Bank of Nova Scotia.

“Sanctioned Country” has the meaning set out in Section 3.1(26).

“Sanctions” has the meaning set out in Section 3.1(26).

“Schedules” means the Disclosure Schedules that have been delivered by the Vendor to the Purchaser and the Purchaser to the Vendor simultaneously with the execution of this Agreement.

“Scotia Information” shall mean, at a given moment in time, such information that has been designated as “Scotia Information” in a certificate of a duly authorized officer of the Vendor that has been delivered to the Purchaser, for inclusion in the Prospectus.

“Seconded Employees” means an individual who is or was at any time employed by the Vendor and provides or provided at any time services to the Corporation pursuant to a secondment arrangement between the Vendor and the Corporation.

“Securities Authority” means the Governmental Authority having jurisdiction to enforce Alignvest Securities Laws or Vendor Securities Laws, as applicable.

“Shareholder Equity Adjustment” means the amount, calculated on the basis set out in the sample calculation set forth on Schedule 2.4, whether positive or negative, equal to 0.35 multiplied by ((a) the Closing Date Shareholder Equity, minus (b) the Closing Date Excess Capital, minus (c) the Target Shareholder Equity).

“Shares” has the meaning set out in Section 3.1(3)(b).

“Signing Date Sagikor Arrangement Agreement” means the Sagikor Arrangement Agreement as in effect on the date hereof, without regard to any subsequent amendments or supplements thereto.

“Straddle Period” means a taxation year or fiscal period that includes, but does not begin or end on, the Closing Date.

“Stub Period Returns” has the meaning set out in Section 7.10.

“Target Shareholder Equity” means an amount equal to \$21,900,000.

“Tax Returns” means all returns, reports, declarations, elections, notices, filings, information returns, and statements in respect of Taxes that are filed or required to be filed with any applicable Governmental Authority, including all amendments, schedules, attachments or supplements thereto.

“Taxes” means, with respect to any Person, all supranational, national, federal, provincial, state, local or other taxes, including income taxes, branch taxes, profits taxes, capital gains taxes, gross receipts taxes, windfall profits taxes, value added taxes, general consumption taxes, severance taxes, ad valorem taxes, property taxes, capital taxes, asset taxes, net worth taxes, production taxes, sales taxes, use taxes, licence taxes,

excise taxes, franchise taxes, environmental taxes, transfer taxes, withholding or similar taxes, payroll taxes, employment taxes, employer health taxes, employee health surcharge taxes, government pension plan premiums and contributions, social security premiums, workers' compensation premiums, employment/unemployment insurance or compensation premiums and contributions, stamp duty or stamp taxes, occupation taxes, premium taxes, alternative or add-on minimum taxes, customs duties or other taxes of any kind whatsoever imposed or charged by any Governmental Authority and any instalments in respect thereof, interest, penalties, or additions with respect thereto and any interest in respect of such additions or penalties, and whether disputed or not with any Governmental Authority, and **"Tax"** means any one of such Taxes.

"Termination and Release Agreements" has the meaning set out in Section 4.2(j).

"Termination Fee" means \$2,880,000.

"Termination Fee Event" means either: (a) the occurrence of an "Expense Reimbursement Event" or "Termination Fee Event" pursuant to the Signing Date Sagicor Arrangement Agreement where a termination fee or expense reimbursement amount becomes payable by or is payable to Sagicor pursuant to the Signing Date Sagicor Arrangement Agreement; or (b) either Alignvest or Sagicor waiving their right to a "Termination Fee" or "Expense Reimbursement" under the Signing Date Sagicor Arrangement Agreement pursuant to the occurrence of a "Termination Fee Event" or "Expense Reimbursement Event" having occurred pursuant to the Sagicor Arrangement Agreement.

"Third Party Claim" has the meaning set out in Section 6.4.

"Trademarks" means trademarks, service marks, trade dress, logos, brand names, trade names, domain names, corporate names, any other indicia of source or origin, and all registrations and applications for registration, together with the goodwill symbolized by any of the foregoing.

"Transaction Agreements" means the Distribution Agreement, the Transition Services Agreement and the Termination and Release Agreement.

"Transaction Personal Information" means any Personal Information in the possession, custody or control of the Corporation or the Vendor at or before the Closing Time, including Personal Information about Employees, independent contractors, suppliers, customers, directors, officers or shareholders of the Corporation that is disclosed to the Purchaser or any Representative of the Purchaser.

"Transition Services Agreement" has the meaning set out in Section 4.2(i).

"Trinidad and Tobago Dollars" means the lawful currency of the Republic of Trinidad and Tobago.

"TSA Term Sheet" has the meaning set out in Section 4.2(i).


"Unaudited Financial Statements" means the unaudited financial statements of the Corporation for the 12 months ended October 31, 2018.

“United States Dollars” means the lawful currency of the United States of America.

“Vendor” has the meaning set out in the preamble hereto.

“Vendor Fundamental Representations” means the representations and warranties of the Vendor in Sections 3.1(1)(a), 3.1(1)(b), 3.1(3), 3.1(4), and 3.1(27).

“Vendor Indemnified Parties” means the Vendor, the Affiliates of the Vendor (other than, after Closing, the Corporation) and their respective directors and officers.

“Vendor Marks” means (a) “Scotiabank”, the flying S “”, “BNS”, “Scotia”, and “Bank of Nova Scotia”, (b) any other Trademarks owned by Vendor or any of its Affiliates (other than the Corporation), and/or (c) any name, mark or design incorporating, referencing, combining or that is similar to any of the foregoing terms or designs.

“Vendor Securities Laws” means all the securities laws of Trinidad and Tobago, and the rules, regulations and policies of the Trinidad and Tobago Securities Exchange Commission.

1.2 Accounting Principles. Whenever in this Agreement reference is made to generally accepted accounting principles, such reference shall be deemed to be to IFRS, applicable as at the date on which such principles are to be applied or on which any calculation or determination is required to be made in accordance with generally accepted accounting principles.

1.3 Actions on Non-Business Days. If any payment is required to be made or other action (including the giving of notice) is required to be taken pursuant to this Agreement on a day which is not a Business Day, then such payment or action shall be considered to have been made or taken in compliance with this Agreement if made or taken on the next succeeding Business Day.

1.4 Currency and Payment Obligations. Except as otherwise expressly provided in this Agreement:

- (1) all dollar amounts referred to in this Agreement are stated in United States Dollars;
- (2) any payment contemplated by this Agreement shall be made by wire transfer of immediately available funds to an account specified by the payee, or, if authorized by the payee, by certified cheque or by any other method that provides immediately available funds;
- (3) except in the case of any payment due on the Closing Date, any payment due on a particular day must be received by and be available to the payee not later than 2:00 p.m. on the due date at the payee’s address for notice under Section 10.4 or such other place as the payee may have specified in writing to the payor in respect of a particular payment, and any payment made after that time shall be deemed to have been made and received on the next Business Day; and
- (4) References to time hereunder shall refer to Eastern Time.

1.5 Calculation of Interest. In calculating interest payable under this Agreement for any period of time, the first day of such period shall be included and the last day of such period shall be excluded.

1.6 Calculation of Time. In this Agreement, a period of days shall be deemed to begin on the first day after the event which began the period and to end at 5:00 p.m. Toronto time on the last day of the period. If any period of time is to expire hereunder on any day that is not a Business Day, the period shall be deemed to expire at 5:00 p.m. Toronto time on the next succeeding Business Day.

1.7 Additional Rules of Interpretation.

(1) *Gender and Number.* In this Agreement, unless the context requires otherwise, words in one gender include all genders and words in the singular include the plural and vice versa.

(2) *Headings and Table of Contents.* The inclusion in this Agreement of headings of Articles and Sections and the provision of a table of contents are for convenience of reference only and are not intended to be full or precise descriptions of the text to which they refer.

(3) *Section References.* Unless the context requires otherwise, references in this Agreement to Articles, Sections, Schedules or Exhibits are to Articles or Sections of this Agreement, and Schedules or Exhibits to this Agreement.

(4) *Words of Inclusion.* Wherever the words “include”, “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation” and the words following “include”, “includes” or “including” shall not be considered to set forth an exhaustive list.

(5) *References to this Agreement.* The words “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions shall be construed as referring to this Agreement in its entirety and not to any particular Section or portion of it.

(6) *Statute References.* Unless otherwise indicated, all references in this Agreement to any statute include the regulations thereunder, in each case as amended, re-enacted, consolidated or replaced from time to time and in the case of any such amendment, re-enactment, consolidation or replacement, reference herein to a particular provision shall be read as referring to such amended, re-enacted, consolidated or replaced provision.

(7) *Document References.* All references herein to any agreement (including this Agreement), document or instrument mean such agreement, document or instrument as amended, supplemented, modified, varied, restated or replaced from time to time in accordance with the terms thereof and, unless otherwise specified therein, includes all schedules and exhibits attached thereto.

(8) *Absence of Presumption.* The Parties acknowledge that each Party and its counsel have reviewed and revised this Agreement and that no rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall be employed in the interpretation of this Agreement or any amendments hereto.

1.8 Schedules and Exhibits. The Schedules, and the Exhibits attached hereto, are incorporated in this Agreement by reference and deemed to be a part hereof. Unless the context otherwise requires, words and expressions defined in this Agreement will have the same meanings in the Schedules and the interpretation provisions set out in this Agreement apply to the Schedules. Unless the context otherwise requires, or a contrary intention appears, references

in the Schedules to a designated Article, Section, or other subdivision refer to the Article, Section, or other subdivision, respectively, of this Agreement. The numbering of the Schedules corresponds with the numbering of Sections of this Agreement. Any matter disclosed in any Schedule shall be considered disclosed also for other Schedules for which it is reasonably apparent that such matter is pertinent to the other Schedules. The Schedules and all information contained in them is confidential and may not be disclosed to any other Person except as permitted pursuant to this Agreement.

ARTICLE 2 PURCHASE OF SHARES

2.1 Purchase and Sale. At the Closing Time, on and subject to the terms and conditions of this Agreement, the Vendor shall sell to the Purchaser, and the Purchaser shall purchase from the Vendor, the Shares.

2.2 Amount of Purchase Price. The aggregate price payable by the Purchaser to the Vendor for the Shares (the "**Purchase Price**") is: \$96,000,000 plus the Closing Date Excess Capital, if the Closing Date Excess Capital is positive, or minus the absolute value of the Closing Date Excess Capital, if the Closing Date Excess Capital is negative, payable as provided in Sections 2.6 and 2.7.

2.3 Estimated Purchase Price. No less than five Business Days prior to the Closing Date, the Vendor shall provide to the Purchaser a written estimate of the Closing Date Excess Capital (including an estimate of Closing Date Total Capital Available and Closing Date Target Capital), such estimates to be based on an internally prepared balance sheet of the Corporation. The estimate of Closing Date Excess Capital shall be added to (to the extent it is positive), or the absolute value thereof subtracted from (to the extent the Closing Date Excess Capital is negative), as applicable, the amount of \$96,000,000 and the result shall be the "**Estimated Purchase Price**".

2.4 Preparation of Closing Date Balance Sheet.

(1) *Draft Closing Date Balance Sheet.* Promptly after the Closing Date, the Vendor shall prepare a draft of the Closing Date Balance Sheet and a draft calculation of Closing Date Excess Capital, which shall be delivered to the Purchaser no later than the 90th day following the Closing Date.

(2) *Access to Records, etc.* During the period from the Closing Date until the Adjustment Date, the Purchaser shall give the Vendor and its Representatives such assistance and access to the Books and Records as the Vendor and its Representatives may request in order to enable them to undertake and complete the preparation of the draft Closing Date Balance Sheet and any further diligence in respect of the Closing Date Excess Capital and the Shareholder Equity Adjustment.

(3) *Deemed Acceptance.* If the Purchaser does not give a notice of objection in accordance with Section 2.5, the Purchaser shall be deemed to have accepted the draft Closing Date Balance Sheet and draft calculation of the Closing Date Excess Capital prepared by the Vendor which shall be final and binding on the Parties and the draft calculation of Closing Date Excess Capital shall constitute the Closing Date Excess Capital for purposes of this Agreement immediately following the expiry date for the giving of such notice of objection.

2.5 Dispute Settlement. The Purchaser may object to all or part of the draft Closing Date Balance Sheet or the draft calculation of Closing Date Excess Capital prepared pursuant to Section 2.4, but only to the extent the draft Closing Date Balance Sheet or the draft calculation of Closing Date Excess Capital are not complete and correct or were not prepared in accordance with this Article 2. In the event of such an objection, the Purchaser shall give notice, which must be received by the Vendor no later than 30 days after delivery of the draft Closing Date Balance Sheet. Any such notice given by the Purchaser shall set forth in detail the particulars of such objection. The Parties shall then use reasonable efforts to resolve such objection for a period of 30 days following the receipt by the Vendor of such notice. If the matter is not resolved by the end of such 30 day period, then the dispute with respect to such objection shall be submitted by the Parties to the Toronto office of the accounting firm of Deloitte LLP (the “**Independent Accountant**”). The Independent Accountant shall, as promptly as practicable (but in any event within 45 days following the submission to it of the dispute), make a determination of the Closing Date Excess Capital, based solely on written submissions of the Parties given by them to the Independent Accountant and any other information that is reasonably requested from such Parties by the Independent Accountant. The submissions of each Party to the Independent Accountant shall be disclosed to the other Party and each other Party shall be afforded a reasonable opportunity to respond thereto. The decision of the Independent Accountant as to the Closing Date Excess Capital shall be final and binding upon the Parties and shall constitute the Closing Date Excess Capital for purposes of this Agreement. Except in the case of fraud or manifest error, the Parties each acknowledge and agree that it does not have a right to appeal a decision of the Independent Accountant made pursuant to this Section 2.5. The Purchaser and the Vendor shall each pay one-half of the fees and expenses of the Independent Accountant with respect to the resolution of the dispute.

2.6 Payment of Estimated Purchase Price. The Purchaser shall pay the Estimated Purchase Price to the Vendor (or as directed by the Vendor) at the Closing Time by wire transfer of immediately available funds.

2.7 Payment of Adjustments. On the Adjustment Date (a) the Purchaser shall pay to the Vendor the amount, if any, by which the Purchase Price exceeds the Estimated Purchase Price plus the Notional Interest Adjustment or (b) the Vendor shall pay to the Purchaser the amount, if any, by which the Estimated Purchase Price exceeds the Purchase Price plus the Notional Interest Adjustment.

2.8 Shareholder Equity. Within 90 days following the Closing, the Vendor shall prepare a draft calculation for the Shareholder Equity Adjustment. The Purchaser shall be given an opportunity to review and dispute the draft Shareholder Equity Adjustment, and the provisions of Section 2.4 and Section 2.5 shall apply to the review and dispute of the Shareholder Equity Adjustment mutatis mutandis, except, in the case of the draft calculation for the Shareholder Equity Adjustment, the Purchaser shall have 60 days to review such draft calculation for the Shareholder Equity Adjustment. Once the Shareholder Equity Adjustment is finally determined (and no longer in dispute) in accordance with the terms of this Agreement: (a) the Purchaser shall pay to the Vendor the amount, if any, by which the Shareholder Equity Adjustment exceeds the Target Shareholder Equity; or (b) the Vendor shall pay to the Purchaser the amount, if any, by which the Target Shareholder Equity exceeds the Shareholder Equity Adjustment. Such payment shall be made five (5) Business Days after the date on which the Shareholder Equity Adjustment is finally determined (and no longer in dispute). In respect of any payments to be made pursuant to this Section 2.8, an additional amount in respect of interest shall be added to such payments calculated using an annual interest rate equal to the Prime Rate from the Closing Date to the date the Shareholder Equity Adjustment is paid.

2.9 Excluded Assets. The Purchaser acknowledges and agrees that, except as specifically provided for in this Agreement or any Transaction Agreement, the Purchaser is not acquiring, and following the Closing the Corporation shall not have, any rights in any Excluded Books and Records or Excluded Intellectual Property.

2.10 Withholding. All payments made by the Purchaser to the Vendor pursuant to this Agreement shall be made free and clear of any withholding or deduction on account of Taxes, except to the extent the Purchaser is required to make such deduction or withholding pursuant to Applicable Law. To the extent that any amount is required to be withheld or deducted by the Purchaser in respect of any payment to the Vendor hereunder pursuant to Applicable Law, then the Purchaser shall (i) notify the Vendor in writing at least five (5) Business Days prior to the date such amounts are required to be withheld or deducted of its intent to deduct or withhold such amounts and the legal basis for such deduction or withholding, and (ii) reasonably cooperate with the Vendor and its Affiliates to, and provide a reasonable opportunity for the recipient of the payment to provide forms or other evidence that would, mitigate, reduce or eliminate such deduction or withholding. To the extent that any such amounts are so deducted, withheld and timely remitted, such amounts will be treated for all purposes of this Agreement as having been paid to the Vendor. The Parties acknowledge and agree that no amount is required to be deducted or withheld by the Purchaser on account of Taxes under Applicable Law in effect as of the date hereof respect of the payments to be made pursuant to this Article 2.

ARTICLE 3 REPRESENTATIONS AND WARRANTIES

3.1 Representations and Warranties of the Vendor. As a material inducement to the Purchaser's entering into of this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Vendor set out in this Section 3.1, the Vendor represents and warrants to the Purchaser as follows:

- (1) *Due Organization and Qualification.*
 - (a) The Vendor is a company incorporated, organized and subsisting under the Applicable Laws of the jurisdiction of its incorporation. No Proceeding has been taken or authorized by the Vendor or, to the Knowledge of the Vendor, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding up of the Vendor.
 - (b) The Corporation is duly incorporated, organized and existing under the Applicable Laws of Trinidad and Tobago. The Corporation has all requisite corporate power and authority to conduct the Business in the manner in which the Business is currently being conducted.
 - (c) The Corporation is duly qualified or licensed to do business and is in good standing (where such concept is recognized under Applicable Law) in each jurisdiction where the nature of the Business requires such qualification or license, including all necessary insurance licenses (and it is "fit and proper" under such licenses), except where the failure to be so qualified or licensed or to be in good standing (where such concept is recognized under Applicable Law), would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(d) The Corporation does not have a direct or indirect equity interest in any other Person (other than with respect to ownership of Investment Assets that individually are not controlled by the Corporation).

(2) *Constitutive Documents.* The Vendor has made available to the Purchaser accurate and complete copies of the Constitutive Documents of the Corporation. Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, the Corporation is not in violation of its applicable Constitutive Documents.

(3) *Capital Structure.*

(a) The authorized share capital of the Corporation consists of an unlimited number of ordinary shares.

(b) (i) 60 million ordinary shares of the Corporation are issued and outstanding (the “**Shares**”); (ii) zero ordinary shares in the capital stock of the Corporation are held as treasury shares; and (iii) there are no instruments convertible into ordinary shares that are issued and outstanding. All of the Shares have been duly authorized, validly issued and fully paid and not subject to, or issued in violation of, any preemptive right or Applicable Law. Except as set forth on Schedule 3.1(3)(b), there is no Contract relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares (including the Shares) of capital stock of the Corporation. The Vendor is not under any obligation or bound by any Contract pursuant to which it may become obligated to repurchase, redeem or otherwise acquire any issued and outstanding shares in the capital stock of the Corporation.

(c) Other than as set forth in Schedule 3.1(3)(c), there are: (i) no issued and outstanding shares in the capital stock of the Corporation or other equity or voting interests in the Corporation; (ii) no issued and outstanding securities of the Corporation convertible into or exchangeable for shares of, or other equity or voting interest in, the Corporation; (iii) no outstanding options, warrants, restricted share units, rights or other commitments or agreements to acquire from the Corporation, or that obligate the Corporation to issue, any shares of, or other equity or voting interest in, or any securities convertible into or exchangeable for shares in the capital stock of the Corporation, or other equity or voting interest in the Corporation; (iv) no obligations of the Corporation to grant, extend or enter into any subscription, warrant, right, convertible or exchangeable security, or other similar agreement or commitment relating to any shares in the capital stock of the Corporation or other equity or voting interest in the Corporation (the items referred to in clauses (i), (ii), (iii) and (iv), being referred to collectively as “**Corporation Securities**”); and (v) no other obligations by the Vendor to make any payments based on the price or value of the Corporation Securities.

(d) All of the Shares are owned beneficially and of record by the Vendor, free and clear of any Liens.

(4) *Authority; Binding Nature of Agreement.*

- (a) The Vendor has all requisite corporate power and authority to enter into this Agreement and the Transaction Agreements and to perform its obligations hereunder and thereunder. The execution, delivery and performance by the Vendor of this Agreement and the consummation of the transactions contemplated hereby, including pursuant to the Transaction Documents, have been duly authorized by any necessary action on the part of board of directors of the Vendor.
 - (b) Other than obtaining the approval of its board of directors (which has been obtained), no other corporate proceedings on the part of the Vendor are necessary to authorize, adopt or approve, as applicable, this Agreement or to consummate the transactions contemplated hereby. Assuming this Agreement constitutes the valid and binding obligation of the Purchaser, this Agreement constitutes the valid and binding obligation of the Vendor, enforceable against the Vendor in accordance with its terms, subject to: (i) bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and other similar Laws of general application relating to or affecting creditors' rights; and (ii) general equitable principles, including specific performance and injunctive and other forms of equity relief (clauses (i) and (ii), collectively, the "**Bankruptcy and Equity Exception**").
- (5) *Non-Contravention; Consents.*
- (a) Except as set forth on Schedule 3.1(5)(a), the execution and delivery of this Agreement by the Vendor does not, and the consummation of the transactions contemplated by this Agreement and compliance with the provisions of this Agreement will not, in the case of each of the following clauses (i), (ii) and (iii), assuming compliance, approval, satisfaction, completion and acceptance (as applicable) with respect to all of the matters and requirements referred to in Section 3.1(5)(b): (i) violate or conflict with Vendor's Constitutive Documents; (ii) violate or conflict with any Applicable Law applicable to the Corporation or any of its properties or assets; or (iii) violate, conflict with or result in a breach of, constitute a default (or an event that, with notice or lapse of time or both, would constitute a default) under, result in the termination of, accelerate the performance required by the Corporation under, result in the creation of any Lien upon any of the properties or assets of the Corporation under, or give rise to any obligation to obtain any Regulatory Approval or third-party Consent under any of the terms, conditions or provisions of any Governmental Authority or Material Contract to which the Corporation is a party except, with respect to clause (iii), such failures to comply, conflicts, violations, triggering of payments, terminations, accelerations, Liens, encumbrances, notices, authorizations, Consents, approvals, breaches or defaults that would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.
 - (b) No declaration, filing or registration with, or notice to, or authorization, permit, Consent or approval of, any Governmental Authority is required to be obtained or made by or with respect to the Vendor or the Corporation in connection with the execution and delivery of this Agreement by the Vendor or the consummation by the Vendor of the transactions contemplated hereby except for (i) the Regulatory Approvals set forth on Schedule 3.1(5)(b); (ii) such Consents or approvals as are required to be obtained by the Purchaser or its Affiliates or as a result of the identity of the Purchaser or its Affiliates; or (iii) where the failure to make such declaration, filing, delivery or registration or notifications to obtain such authorization, permits,

Consents or approvals would not, individually or in the aggregate, reasonably be expected to, individually or in the aggregate, have a Material Adverse Effect.

(6) *Financial Statements; Undisclosed Liabilities.*

- (a) The Financial Statements: (i) were prepared in all material respects in accordance with IFRS applied on a consistent basis throughout the periods covered (except (x) as may be indicated in the notes to such financial statements, or (y) for the fact that the unaudited financial statements may not contain footnotes and other presentation items and are subject to normal year-end adjustments); and (ii) fairly present in all material respects the financial position of the Corporation as of the respective dates thereof and the results of operations and cash flow of the Corporation for the periods covered thereby. Since the Balance Sheet Date, there has been no material change in the Corporation's financial accounting policies, methods or practices. True and complete copies of the Financial Statements are attached as Schedule 3.1(6).
- (b) The Corporation does not intend to correct or restate, nor to the Knowledge of the Vendor, is there any basis for any correction or restatement of, any aspect of the Financial Statements.
- (c) There are no material off-balance sheet transactions, arrangements, obligations (including contingent obligations) or other relationships of the Corporation with other Persons.
- (d) The Corporation does not have any liabilities or obligations of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise of the Corporation required to be recorded or reflected on or reserved for or disclosed in a balance sheet of the Corporation, including the notes thereto, under IFRS, other than liabilities or obligations that: (i) are reflected or recorded on the balance sheet of the Corporation (including in the notes thereto) as of the Balance Sheet Date; (ii) were incurred since the Balance Sheet Date in the Ordinary Course of Business and would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect; (iii) are incurred in connection with the transactions contemplated by this Agreement; (iv) have been discharged or paid in full prior to the execution of this Agreement; or (v) are permitted by this Agreement or disclosed on Schedule 3.1(6)(d).

(7) *Accounting Controls.* Except as set forth in Schedule 3.1(7), the Corporation makes and keeps records and books of account in reasonable detail that fairly present, in all material respects, all business transactions, maintains systems of internal accounting controls sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS, including internal accounting controls sufficient to provide reasonable assurance that (a) transactions are executed in accordance with management's general or specific authorizations; (b) transactions are recorded as necessary to permit preparation of financial statements in conformity with IFRS and to maintain asset accountability; (c) access to assets is permitted only in accordance with management's general or specific authorization; and (d) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

(8) *Absence of Certain Changes or Events.* From the Balance Sheet Date to the date of this Agreement, except for actions taken in connection with the execution and delivery of this Agreement and the transactions contemplated hereby, the Business has been conducted in all material respects in the Ordinary Course of Business. Since the Balance Sheet Date, there has not been any Material Adverse Effect.

(9) *Litigation; Order.* Except as set forth on Schedule 3.1(9), there are no Proceedings pending or, to the Vendor's Knowledge (it being understood that, with respect to any Proceeding that is an audit, examination or investigation, any representation herein shall be deemed to be to Vendor's Knowledge), threatened in writing against the Corporation or any of its properties or assets (including any Proceeding including the Corporation and/or the Vendor in relation to the Seconded Employees) that resulted in, or would reasonably be expected to result in, individually or in the aggregate, a Material Adverse Effect. The Corporation (and/or the Vendor, in respect of Seconded Employees) is not subject to any Order, whether temporary, preliminary or permanent, which would reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect.

(10) *Sufficiency of Assets.* Except (a) for the Excluded Services, (b) for the Excluded Intellectual Property, (c) for the assets identified on Schedule 3.1(10), and (d) as contemplated as a result of the actions taken in connection with and activities pursued pursuant to the Transaction Agreements, the assets owned or leased by the Corporation (including Investment Assets) and any rights provided for in the Transition Services Agreement include all rights and property necessary to enable the Corporation to conduct the Business after the Closing: (i) as reflected and disclosed in the Financial Statements; and (ii) substantially in the same manner as it was conducted prior to the Closing.

(11) *Intellectual Property.* To the Knowledge of the Vendor (a) the Corporation owns or has the right to use all intellectual property rights (including patents, Trademark rights (including rights in Trademarks, service marks, Trademark registrations, service mark registrations, and other protectable source indicators), copyrights, trade secrets, and similar rights in proprietary or confidential information) (collectively, but excluding the Excluded Intellectual Property, "**Intellectual Property**") that are used in and material to the conduct of the Business as currently conducted; (b) the Corporation's conduct of the Business does not infringe, misappropriate or otherwise violate any Intellectual Property of any Person and the Corporation has not received any written notice of any claim that the Corporation has infringed upon, misappropriated or otherwise violated any Intellectual Property of any Person, except, in each of the foregoing, as, if determined adversely to such Person, would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect; and (c) the Intellectual Property owned by and material to the conduct of the business of the Corporation is not being infringed, misappropriated or otherwise violated by any Person.

(12) *Contracts.*

(a) Schedule 3.1(12)(a) contains a list as of the date of this Agreement of each Reinsurance Contract and each other Contract (other than Insurance Contracts and any Contracts that relate to the acquisition, disposition or custody of Investment Assets), in each case, pursuant to which the Corporation (or the Vendor in respect of Employees) has any executory rights or obligations that (collectively, the "**Material Contracts**");

- (i) (A) requires aggregate payment of \$500,000 or more to or from Corporation after the date hereof and (B) cannot be terminated by the Corporation without penalty with less than 181 days' notice;
 - (ii) creates a partnership or joint venture, in each case except for Investment Assets;
 - (iii) is an agreement with any officer, director, Employee or independent contractor or Producer in each case with a base salary of \$100,000 (or the equivalent in another currency as of the Agreement Date) or greater, other than (A) any employment letter that sets forth the terms of an "at will" employment arrangement; or (B) an Employee Plan;
 - (iv) restricts the Corporation from engaging, soliciting, or competing with any Person in, or provides a third party with exclusivity rights in respect of, any line of business or in any geographic area;
 - (v) is with an Affiliate (including The Bank of Nova Scotia) of the Corporation;
 - (vi) is an agreement of guarantee, support, assumption or endorsement of the payment obligations or indebtedness for borrowed money of any other Person;
 - (vii) is a note, debenture, bond, letter of credit, loans or other Contract for or evidencing indebtedness for borrowed money incurred by the Corporation;
 - (viii) is a Contract for capital expenditures in excess of the aggregate amount of capital expenditures in the Budgets;
 - (ix) is an investment management agreement with any third party in respect of the Investment Assets;
 - (x) requires the Corporation to maintain a minimum rating issued by a credit rating agency that would give rise to any violation, breach or default by the Corporation thereunder, or that would permit any modification, acceleration or termination thereof, in the event of any ratings downgrade of, the Corporation; or
 - (xi) is a collective bargaining agreement (or similar labour Contract).
- (b) The Vendor has made available to the Purchaser complete and accurate copies of each Material Contract.
- (c) Each Material Contract is valid and binding on the Corporation and, to the Vendor's Knowledge, each other party thereto and is enforceable against the Corporation in accordance with its terms, except where: (i) such enforceability may be limited by bankruptcy, insolvency, reorganization, preference, fraudulent transfer, moratorium or other similar Laws relating to or affecting the rights and remedies of creditors and by general principles of equity regardless of whether enforcement is considered in a Proceeding in equity or Law; or (ii) the failure to be valid, binding

or enforceable would not reasonably be expected to have a Material Adverse Effect.

(d) The Corporation, and to Vendor's Knowledge, any other party thereto, is not in breach of or default under any Material Contract.

(13) *Insurance Reports.*

(a) During the last three years, the Corporation has filed all annual and quarterly or other statements, reports, submissions and other filings, together with all exhibits, interrogatories, notes, schedules and any actuarial opinions, affirmations or certifications or other supporting documents in connection therewith, required to be filed with or submitted to the appropriate insurance regulatory Governmental Authorities of the jurisdiction in which it is domiciled or carries on business on forms prescribed or permitted by such Governmental Authority (collectively, the "**Required Statements**"), except for such failures to file which would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect. Except as indicated therein, all assets that are reflected as assets on the Required Statements comply with all Laws regulating the business and products of insurance enterprises and all applicable Orders and directives of insurance regulatory Governmental Authorities (collectively, the "**Insurance Laws**") with respect to such assets, as applicable, except for such failures to comply that would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect. All such Required Statements were in compliance in all respects with Applicable Law when filed or as amended or supplemented, and all deficiencies or violations contained therein or that have otherwise been asserted in writing against the Corporation by any insurance regulatory Governmental Authority have been resolved in all respects, except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.

(b) The Reserves reported in the Required Statements (i) were determined in accordance with Insurance Laws and generally accepted actuarial standards, including selection of appropriate assumptions and methods, consistently applied throughout the specified period; (ii) are fairly stated in accordance with sound actuarial principles, except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect; (iii) reflect each Insurance Contract and claim in the books and records of the Corporation that should, in accordance with accepted actuarial practice, including selection of appropriate assumptions and methods, have an actuarial liability or other liability reflected in such Required Statements; and (iv) are in compliance in all material aspects with Applicable Law. The Corporation does not make any representation or warranty in this Section 3.1(13)(b) or in any other provision of this Agreement to the effect that such Reserves will be sufficient or adequate for the purposes for which they were established or that such Reserves may not develop adversely or, subject to Section 3.1(15), that the reinsurance recoverables taken into account in determining the amount of the Reserves will be collectible. In the last three years, no Governmental Authority has notified the Corporation that it is or will be disputing the methods employed by it in establishing and valuing current Reserves in the Required Statements or books and records of the Corporation or requesting or requiring that capital, in addition to the current amount thereof, be invested in the Corporation. In the last three years, there have been no changes in actuarial

assumptions or methods used in the determination of such Reserves other than changes in the Ordinary Course of Business that are consistent with accepted actuarial practice. To the Knowledge of the Vendor, no circumstances have arisen during the last three years which are adversely inconsistent with such actuarial assumptions and methods and changes, and which would, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.

- (c) Complete and correct copies of the Reports of the Appointed Actuary have been provided to the Purchaser. Except as qualified in the Reports of the Appointed Actuary, the information and data furnished by the Corporation to its actuaries (independent or otherwise) in connection with the preparation of the Reports of the Appointed Actuary were (a) accurate in all respects, except for inaccuracies that would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect; (b) derived from the books and records of the Corporation; and (c) generated from the same underlying sources and systems that were utilized by the Corporation to prepare Required Statements. Each Report of the Appointed Actuary was based upon an inventory of Insurance Contracts in force for the Corporation that was accurate at the relevant time of preparation, except for inaccuracies that would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect. The Reports of the Appointed Actuary were prepared in accordance with the accepted actuarial practice in the applicable jurisdiction including selection of appropriate assumptions and methods. There have been no changes in actuarial assumptions or methods during the last three years other than changes in the Ordinary Course of Business that are consistent with accepted actuarial practice. To the Knowledge of the Vendor, no circumstances have arisen during the last three years which are adversely inconsistent with such actuarial assumptions and methods and changes, and which would, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.

(14) *Insurance Business.*

- (a) All Insurance Contracts, and any and all related marketing materials, are and were, to the extent required under applicable Insurance Laws, on forms and at rates approved by the insurance regulatory Governmental Authorities of the jurisdiction where issued or, to the extent required by Applicable Laws, have been filed with and not objected to by such Governmental Authority within the period provided for objection, except that would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.
- (b) Except to the extent prohibited by Applicable Law, the Vendor has made available to the Purchaser true and complete copies of (i) any material reports on financial examination by any insurance regulatory Governmental Authority; (ii) any material reports on market conduct examination by any insurance regulatory Governmental Authority; and (iii) all other material correspondence with insurance regulatory Governmental Authorities, in each case in respect of the Corporation during the last three years. Except as set forth in Schedule 3.1(14)(b), all material deficiencies or violations noted in such reports or correspondence have been resolved to the reasonable satisfaction of the applicable insurance regulatory Governmental Authority.

- (c) Except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect, during the last three years, to the Knowledge of the Vendor, (i) each Producer, at the time such Producer sold or produced any Insurance Contract, was duly and appropriately appointed by the Corporation, in compliance with Applicable Law, to act as a Producer for the Corporation and was duly and appropriately licensed as a Producer (for the type of business sold or produced by such Producer on behalf of the Corporation), in each jurisdiction in which such Producer was required to be so licensed and no such Producer violated any term or provision of Applicable Law relating to the sale or production of any Insurance Contract; (ii) no Producer has breached the terms of any agency or broker contract with the Corporation or violated any Applicable Law or policy of the Corporation in the solicitation, negotiation, writing, sale or production of business for the Corporation; and (iii) no Producer has been enjoined, indicted, convicted or made the subject of any consent decree or judgment on account of any violation of Applicable Law in connection with such Producer's actions in his, her or its capacity as a Producer for the Corporation or any enforcement or disciplinary Proceeding alleging any such violation. The Corporation has and has had procedures in place to ascertain whether the conduct of each of its Producers is and was in compliance with Applicable Law relating to any aspect of the Business of the Corporation.
- (d) The Market Conduct Claims disclosed in Schedule 3.1(14)(d) constitute the only Market Conduct Claims during the last three years.
- (e) Except as set forth in Schedule 3.1(14)(e), all Insurance Contracts, Insurance Contract forms, Insurance Contract wording and Business Practices are in compliance with Applicable Law, the Corporation has not received a written objection from any Governmental Authority to the use of such Insurance Contracts, Insurance Contract forms, Insurance Contract wording or Business Practices and the Insurance Contracts have been issued, maintained and serviced in accordance with their terms, except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.
- (f) The Corporation has, in respect of the Insurance Contracts issued by the Corporation, complied in all material respects with the Corporation's underwriting guidelines applicable to the Corporation at the time of issuance.
- (g) In the last three years, all benefits due and payable under the Insurance Contracts issued by the Corporation, or issued or assumed by a third party and subsequently assumed by the Corporation, have, except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect, been paid in accordance with the terms of the Insurance Contracts under which they arose, except for such benefits for which the Corporation believes there is a reasonable basis to contest payment.
- (h) In the last three years, any written representation, illustration or projection or material written communication provided by the Corporation to any holder of any Insurance Contract respecting such Insurance Contract (including any premium, policy loan or other benefit or amount in respect thereof) or its acquisition, disposition or transfer was, at the time of sale of such Insurance Contract accurate in all respects under Applicable Law at the time provided, except as would not,

individually or in the aggregate, reasonably be likely to have a Material Adverse Effect.

(15) *Reinsurance.* Except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect, (a) the Corporation has appropriately taken credit in the Required Statements pursuant to Insurance Laws for all reinsurance, coinsurance or excess insurance ceded pursuant to any reinsurance, coinsurance, excess insurance, ceding of insurance, assumption of insurance or indemnification with respect to insurance or similar arrangements (the “**Reinsurance Contracts**”) to which it is a party; (b) none of the Corporation or, to the Knowledge of the Vendor, any counterparty to any Reinsurance Contract is (with or without notice or lapse of time or both) in default or breach under the terms of such Reinsurance Contract; (c) none of the Corporation or, to the Knowledge of the Vendor, any reinsurer under any Reinsurance Contract, is insolvent or the subject of a rehabilitation, liquidation, conservatorship, receivership, bankruptcy or similar Proceeding and the financial condition of any such reinsurer is not impaired to the extent that a default thereunder is reasonably anticipated; and (d) no written notice of intended cancellation has been received by the Corporation from any such reinsurer, and there are no disputes under any Reinsurance Contract. Each Reinsurance Contract is evidenced by a signed agreement or treaty. The Corporation is in compliance, in all material respects, with all Applicable Law relating to reinsurance. The Corporation has performed in all material respects all of the obligations required to be performed by it and is entitled to all material benefits under the Reinsurance Contracts to which it is a party. The Corporation is entitled to take the amount of credit claimed in the Required Statements pursuant to Applicable Laws for all reinsurance and coinsurance ceded by it pursuant to any Reinsurance Contract. All of the Reinsurance Contracts will be given effect to as bona fide reinsurance treaties, with real transfer of risk for all accounting, Tax, regulatory and actuarial purposes. No side agreements or letters exist that alter any terms of any Reinsurance Contracts in any material respect. In the last three years, there has been no material change, including cancellation, commutation, recapture or repricing, to any Reinsurance Contract. Except as disclosed in Schedule 3.1(15), to the Knowledge of the Vendor, there are no circumstances or events which are likely to lead to the cancellation or suspension of any Reinsurance Contract or to the termination of any such Reinsurance Contract at a date earlier than the date otherwise provided under such Reinsurance Contract.

(16) *Investment Assets.*

(a) Except as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect, (i) each of the investment assets owned by the Corporation (the “**Investment Assets**”) complied in all respects with the investment policies and guidelines and Applicable Laws in effect at the time such Investment Asset was acquired by the Corporation and has so complied in respect of such policies and guidelines and Applicable Laws in effect since such time and (ii) the Corporation has good and marketable title in and to all of the Investment Assets it purports to own, free and clear of all Liens, other than Permitted Liens. Schedule 3.1(16)(a) sets forth a list of all Investment Assets as of the Balance Sheet Date, with information included therein as to the book value of each such Investment Asset, the face amount, interest rate, term and amortization period thereof, in each case, as of the Balance Sheet Date. Schedule 3.1(16)(a) is true and complete in all material respects. None of the Investment Assets is in material default in the payment of principal or interest or dividends or, to the Knowledge of the Vendor, permanently impaired to any extent, except as would not, individually or in the aggregate, have a Material Adverse Effect.

- (b) Except as set forth in Schedule 3.1(16)(b) or as would not, individually or in the aggregate, reasonably be likely to have a Material Adverse Effect, (i) the Corporation does not have any material funding obligations of any kind, or material obligation to make any additional advances or investments (including any obligation relating to any currency or interest rate swap, hedge or similar arrangement) in respect of, any of the Investment Assets; and (ii) there are no material outstanding commitments, options, put agreements or other arrangements relating to the Investment Assets to which the Corporation may be subject upon or after the Closing Time.

(17) *Agreements and Filings with Applicable Regulators.* Except as set forth in Schedule 3.1(17), the Corporation is not a party to any written agreement or memorandum of understanding with, or a party to any commitment letter or similar undertaking to, or is a recipient of any extraordinary supervisory letter from, or has adopted any board resolutions at the request of, any Applicable Regulator which restrict materially the conduct by the Corporation, or in any manner relates to its capital adequacy, credit policies or management, nor has the Corporation been advised by any Applicable Regulator that it is contemplating issuing or requesting any such agreement, memorandum of understanding, extraordinary supervisory letter, commitment letter or similar undertaking, or any such board resolutions. Except as disclosed in Schedule 3.1(17), the Corporation has filed all reports required by any Applicable Regulator as of the date of filing of such reports in all material respects.

(18) *Real Property.* Except as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect, (a) the Corporation has a good and valid leasehold interest in each Lease, free and clear of all Liens (other than Permitted Liens), and (b) the Corporation does not own any real property.

(19) *Compliance with Laws; Governmental Authorizations.*

(a) Except as set forth in Schedule 3.1(19) or where the effect of any such noncompliance would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation (and/or the Vendor, in respect of Seconded Employees) is in compliance with all Applicable Laws (including Environmental Law); and (ii) during the last three years, the Corporation (and/or the Vendor, in respect of Seconded Employees) has not, (A) received any written notice from any Governmental Authority regarding any actual or possible violation of, or failure to comply with, any Applicable Law (including Environmental Law), or (B) provided any written notice to any Governmental Authority regarding any violation by Corporation (and/or the Vendor, in respect of Seconded Employees) of any Applicable Law in any material respect (including Environmental Law).

(b) Except as set forth in Schedule 3.1(19)(b) or as would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect: (i) the Corporation holds all Governmental Authorizations (including the Governmental Authorizations listed in Schedule 3.1(19)(b)) necessary to enable the Corporation to conduct the Business in the manner in which the Business is currently being conducted; (ii) all such Governmental Authorizations are valid and in full force and effect; and (iii) the Corporation is, and has been, in compliance with the terms and requirements of such Governmental Authorizations. To the Knowledge of the Vendor, no Governmental Authority has threatened to revoke, amend or impose

any condition in respect of, or commenced Proceedings to revoke, amend or impose conditions in respect of, any such Governmental Authorizations. There are no outstanding Orders or material notices, deficiency letters, similar communications or requests relating to the Corporation (and/or the Vendor, in respect of Secoded Employees) issued by any Governmental Authority, which have been received by the Corporation (and/or the Vendor, in respect of Secoded Employees) and to, the Knowledge of the Vendor, there are no matters under discussion with any such Governmental Authority, which could reasonably be expected to result in such an Order. The Corporation has not adopted, in the last three years, any policies, procedures or board resolutions at the written request of any Governmental Authority that restricts the conduct of the Corporation (including with respect to its capital adequacy, credit or risk management policies or management), nor has the Corporation been advised by any Governmental Authority that such Governmental Authority is contemplating making any such requests, except as would not, individually or in the aggregate, have a Material Adverse Effect.

(20) *Labour and Employee Benefit Matters.*

- (a) Except as set forth in Schedule 3.1(20), the Corporation (or the Vendor in respect of the Employees) does not have any labour union or any other collective bargaining unit, and, to the Vendor's Knowledge, there are no threatened in writing attempts to organize a labour union or for collective bargaining purposes by any group of Employees. Except as set forth in Schedule 3.1(20), there is no collective bargaining agreement or any other contract with a union or other labour organization that covers any Employees and no such Contract is currently being negotiated. There is no pending or, to the Vendor's Knowledge, threatened in writing strike, work stoppage, slowdown or lockout against the Corporation (or the Vendor in respect of the Employees).
- (b) With respect to each material benefit (including pension, severance, bonus, profit-sharing, incentive, stock purchase, stock option, welfare, retirement, defined benefit, salary reduction, deferred compensation, savings, insurance, worker's compensation, disability benefits, vacation and holiday but excluding arrangements maintained by a Governmental Authority or mandated by Applicable Law) plan that (i) is maintained, administered or contributed to by the Corporation or the Vendor in respect of Employees and (ii) covers any current or former Employee (each an "**Employee Plan**"), such Employee Plan is maintained in all material respects in compliance with its terms and with the requirements prescribed by all Applicable Laws, except as would not reasonably be expected to have a Material Adverse Effect. Except as would not reasonably be expected to have a Material Adverse Effect or as required by Applicable Law, the Corporation has no current projected liability with respect to post-employment or post-retirement health or medical or life insurance benefits for retired or former Employees.
- (c) Except as set forth in Schedule 3.1(20), each Employee Plan that is a funded plan or that is a defined benefit pension plan is fully funded on both a going concern and solvency basis pursuant to the actuarial assumptions and methodology utilized in the most recent actuarial valuation for that Employee Plan.

(d) Apart from the Employees, there are no other employees that are employed by the Corporation.

(21) *Taxes.*

In each case, except as set forth in Schedule 3.1(21) and except as would not reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect:

(a) The Corporation has filed all Tax Returns required to be filed by it and all such Tax Returns are true and accurate in all material respects and in compliance with all Applicable Laws. All Taxes shown as due on such Tax Returns have been paid, other than any Taxes for which adequate reserves have been established in accordance with IFRS.

(b) All Taxes required by Applicable Law to be withheld and paid by or on behalf of the Corporation have been withheld and paid to the appropriate authorities or set aside in an account for such purpose pursuant to Applicable Law.

(c) There are no pending audits, examinations or other Proceedings in respect of Taxes payable by the Corporation and the Corporation has received no written communication that any such audits, examinations or other Proceedings in respect of Taxes are threatened by any Governmental Authority responsible for the administration of Taxes.

(d) No written claim has been made by any Governmental Authority in a jurisdiction where the Corporation does not file a Tax Return that the Corporation is or may be subject to Tax by that jurisdiction.

(e) There are no Liens for Taxes on the assets of the Corporation other than Permitted Liens and other than those described in Schedule 3.1(21)(e).

(22) *Environmental Matters.* (a) The Corporation has not received written notice of any actual or potential liability under Environmental Law relating to a Release of Hazardous Materials, and, to the Knowledge of the Vendor, there is no event or condition that would reasonably be expected to result in any such notice in each case that individually or in the aggregate would reasonably be expected to have a Material Adverse Effect; and (b) there are no costs or liabilities associated with liabilities under, violations of, or compliance with Environmental Laws relating to the Corporation, except as would not, individually or in the aggregate, have a Material Adverse Effect.

(23) *No Unlawful Payments.* Neither the Corporation, nor any director, officer or Employee of the Corporation nor, to the Knowledge of the Vendor, any agent, Affiliate or other Person associated with or acting on behalf of the Corporation has at any time in the past five years (a) used any corporate funds for any unlawful contribution, gift, entertainment or other unlawful expense relating to political activity; (b) made or taken an act in furtherance of an offer, promise or authorization of any direct or indirect unlawful payment or benefit to any foreign or domestic government official or employee, including of any government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing or any political party or party official or candidate for political office; (c) violated or is in violation of any provision of the U.S. Foreign Corrupt Practices Act of 1977, as

amended, or any Applicable Law or regulation implementing the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions, or any other applicable anti-bribery or anti-corruption law; or (d) made, offered, agreed or requested or taken an act in furtherance of any unlawful bribe or other unlawful benefit, including any rebate, payoff, influence payment, kickback or other unlawful or improper payment or benefit. The Corporation has instituted, maintained and enforced, and will continue to maintain and enforce, policies and procedures designed to promote and ensure compliance with all applicable anti-bribery and anti-corruption laws.

(24) *Prospectus*. The Scotia Information will not, as of the date provided or re-certified by the Vendor pursuant to Section 7.1(5), contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements in the Scotia Information, in light of the circumstances in which they are made, not misleading.

(25) *Compliance with Money Laundering Laws*. Except as set forth in Schedule 3.1(25), the operations of the Corporation are and have been conducted at all times during the past five years in compliance with applicable financial recordkeeping and reporting requirements, money laundering, proceeds of crime, anti-terrorist financing and similar Laws, including the applicable money laundering proceeds of crime, anti-terrorist financing and similar statutes of all jurisdictions where the Corporation is located or conducts business (collectively, the “**Anti-Money Laundering Laws**”), no action, suit, Proceeding or investigation by or before any court or Governmental Authority or any arbitrator involving the Corporation with respect to the Anti-Money Laundering Laws is pending or, to the Knowledge of the Vendor, threatened, nor has the Corporation received written notice of non-compliance with any Anti-Money Laundering Laws, and the Corporation has implemented appropriate compliance policies and procedures designed to ensure compliance with Anti-Money Laundering Laws and Sanctions.

(26) *No Conflicts with Sanctions Laws*. Neither the Corporation, nor, to the Knowledge of the Vendor, any director, officer, Employee, agent, Affiliate or other Person associated with or acting on behalf of the Corporation is currently the subject or the target of any sanctions, including economic and trade sanctions, asset-freezing, export controls or similar restrictions administered or enforced by the U.S. government (including the Office of Foreign Assets Control of the U.S. Department of the Treasury or the U.S. Department of State and including the designation as a “specially designated national” or “blocked person”), the United Nations Security Council, the European Union, Her Majesty’s Treasury, or other relevant sanctions Governmental Authority (collectively, “**Sanctions**”), nor is the Corporation located, organized or resident in a country or territory that is the subject or target of Sanctions, including Crimea, Cuba, Iran, North Korea and Syria (each, a “**Sanctioned Country**”). For the past five years, the Corporation has not knowingly engaged in and is not knowingly engaged in any dealings or transactions with any Person that at the time of the dealing or transaction is or was the subject or the target of Sanctions or located in or resident in any Sanctioned Country or with any Sanctioned Country.

(27) *Brokers and Other Advisors*. Except as set forth in Schedule 3.1(27), no broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s or financial advisor’s fee or commission in connection with this Agreement and the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Corporation.

(28) *Non-Arm’s Length Transactions*. Except as set forth in Schedule 3.1(28), the Corporation is not indebted to any director, officer or Employee of the Corporation or any of their respective Affiliates (including The Bank of Nova Scotia) or Associates (except for amounts due in the Ordinary Course of Business as salaries, bonuses and directors’ fees or the reimbursement

of Ordinary Course of Business expenses). Except for employment or indemnity arrangements entered into in the Ordinary Course of Business or pursuant to the Corporation's Constitutive Documents, there are no Contracts (excluding enterprise agreements listed in Schedule 3.1(28)) with, or advances, loans, guarantees, liabilities or other obligations to, on behalf or for the benefit of, any officer or director of the Corporation, or any of their respective Affiliates (including The Bank of Nova Scotia) or Associates, on the one hand, and the Corporation, on the other hand.

3.2 Representations and Warranties of the Purchaser. As a material inducement to the Vendor's entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendor is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 3.2, the Purchaser represents and warrants to the Vendor as follows:

(1) *Formation, Power and Solvency.* The Purchaser is duly continued, validly existing and in good standing under the Laws of Bermuda. No Proceedings have been taken or authorized by the Purchaser or, to the knowledge of the Purchaser, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding-up of the Purchaser.

(2) *Authority; Binding Nature of Agreement.*

(a) The Purchaser has all requisite corporate power and authority to execute and deliver this Agreement and to perform its obligations hereunder and under the Transaction Agreements. The execution, delivery and performance by the Purchaser of this Agreement, the Transaction Agreements, and the consummation of the transactions completed hereby, have been duly authorized by any necessary corporate action on the part of the Purchaser. The board of directors of the Purchaser, at a meeting duly called and held on or prior to the date hereof, duly adopted resolutions by which such board unanimously determined that the transactions contemplated herein are in the best interests of the Purchaser and fair to the shareholders of the Purchaser and recommended that the shareholders of the Purchaser vote in favour of the transactions contemplated herein, and directed that this Agreement be submitted to the Purchaser's shareholders for their approval.

(b) Other as may be necessary to consummate the Sagicor Acquisition Closing, no other corporate Proceedings on the part of the Purchaser are necessary to authorize, adopt or approve, as applicable, this Agreement or to consummate the transactions contemplated hereunder or in the Transaction Agreements. Assuming this Agreement constitutes the valid and binding obligation of the Vendor, this Agreement constitutes the valid and binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms, subject to the Bankruptcy and Equity Exception.

(3) *Non-Contravention; Consents.*

(a) The execution and delivery of this Agreement by the Purchaser does not, and the consummation of the transactions contemplated herein and in the Transaction Agreements and compliance with the provisions of this Agreement will not, in the case of each of the following clauses (i), (ii) and (iii): (i) violate or conflict with the Constitutive Documents of the Purchaser; (ii) subject to obtaining the Regulatory Approvals, violate or conflict with any Applicable Law applicable to the Purchaser

or any of its properties or assets; or (iii) violate, conflict with or result in a breach of, constitute a default (or an event that, with notice or lapse of time or both, would constitute a default) under or give rise to any obligation to obtain any third-party Consent or provide any notice to any Person under, any of the terms, conditions or provisions of any Governmental Authorization or Contract to which the Purchaser is a party except, with respect to clause (iii), such violations, conflicts, breaches, defaults, Consents or notices that would not reasonably be expected to have, individually or in the aggregate, a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by this Agreement and the Transaction Agreements (“**Purchaser Material Adverse Effect**”).

- (b) No declaration, filing or registration with, or notice to, or authorization, permit, Consent or approval, of any Governmental Authority is required to be obtained or made by or with respect to the Purchaser in connection with the execution and delivery of this Agreement by the Purchaser or the consummation by Purchaser of the transactions contemplated by this Agreement or the Transaction Agreements, except for (i) the Regulatory Approvals set forth on Schedule 3.2(3)(b); (ii) such Consents or approvals as may be required to be obtained by the Vendor or its Affiliates; or (iii) where the failure to make such declaration, filing, delivery or registration or notifications to obtain such authorization, permits, Consents or approvals would not, individually or in the aggregate, reasonably be expected to, individually or in the aggregate, have a Purchaser Material Adverse Effect.

(4) **Brokers and Other Advisors.** Except as set forth in Schedule 3.2(4), no broker, investment banker, financial advisor or other Person is entitled to any broker’s, finder’s or financial advisor’s fee or commission in connection with this Agreement and the transactions contemplated by this Agreement based upon arrangements made by or on behalf of the Purchaser.

(5) **Signing Date Sagicor Arrangement Agreement.** The Purchaser has provided to the Vendor, on the date hereof, a true and complete copy of the Signing Date Sagicor Arrangement Agreement.

3.3 Representations and Warranties of Alignvest. As a material inducement to the Vendor’s entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Vendor is entering into this Agreement in reliance upon the representations and warranties of Alignvest set out in this Section 3.3, Alignvest represents and warrants to the Vendor as of the date hereof, as follows:

(1) *Incorporation, Power and Solvency.* Alignvest is a corporation incorporated, organized and subsisting under the laws of the jurisdiction of its incorporation. Alignvest has the corporate power, authority and capacity to execute and deliver this Agreement and the Transaction Agreements and to perform its obligations hereunder and thereunder. No proceedings have been taken or authorized by Alignvest or, to the knowledge of Alignvest, by any other Person, with respect to the bankruptcy, insolvency, liquidation, dissolution or winding-up of Alignvest.

(2) *Authorization by Alignvest.* The execution and delivery of this Agreement and the Transaction Agreements to be executed by it and the completion of the transactions contemplated hereby and thereby have been duly authorized by all necessary corporate action on the part of Alignvest.

(3) *Enforceability of Obligations.* This Agreement constitutes a valid and binding obligation of Alignvest enforceable against Alignvest in accordance with its terms, subject to the Bankruptcy and Equity Exception.

(4) *Absence of Conflicting Agreements.* The execution, delivery and performance by Alignvest of this Agreement and the Transaction Agreements to be executed by it do not result in or constitute:

- (a) a default, breach or violation or an event that, with notice or lapse of time or both, would be a default, breach or violation of any of the terms, conditions or provisions of the Organizational Documents of Alignvest or any agreement to which Alignvest is a party; or
- (b) provided the Required Regulatory Approvals and, if required by Applicable Laws or stock exchange rules, any approval of the Alignvest Shareholders are obtained, the violation of any Applicable Law applicable to Alignvest.

3.4 No Other Representations and Warranties.

Except for the representations and warranties expressly set forth in this Article 3 (as qualified by the Schedules), the Purchaser, Alignvest, the Corporation, their respective Affiliates and their respective Representatives make no express or implied representation or warranty (and there is and has been no reliance by any Party or any of their respective Representatives or Affiliates on any such representation or warranty) with respect to the Purchaser, Alignvest, the Corporation or its businesses or with respect to any other information provided, or made available, to any Party or any of their respective Representatives or Affiliates in connection with the transactions contemplated hereby, including the accuracy or completeness thereof. Without limiting the foregoing, no Party nor any other Person will have or be subject to any liability or other obligation to other Party or any of the other Party's Representatives or their Affiliates or any other Person resulting from any Party's or their Representatives' or their Affiliates' use of any information, documents, projections, forecasts or other material made available to them or any of their Representatives or their Affiliates, including information memorandums (or similar documents) relating to the Business, any management presentations (including any questions posed or answers given and any related discussions, whether formal or informal) and any other information made available in the Data Room, unless and to the extent any such information is expressly included in a representation or warranty contained in this Article 3 (as qualified by the Schedules).

ARTICLE 4 CLOSING ARRANGEMENTS

4.1 Closing. The Closing shall take place at 9 a.m. on the Closing Date at the offices of the Blake, Cassels & Graydon LLP in Toronto, Ontario, or at such other time on the Closing Date or such other place as may be agreed orally or in writing by the Vendor and the Purchaser.

4.2 Vendor's Closing Deliveries. At the Closing, the Vendor shall deliver or cause to be delivered to the Purchaser the following documents:

- (a) the certificate or certificates representing the Shares;
- (b) a transfer form with respect to the Shares, duly executed by the Vendor;

- (c) the minute books and share certificate books of the Corporation;
- (d) a bring-down certificate of a senior officer of the Vendor dated as of the Closing Date certifying as to the factual matters in Section 5.1(1) and Section 5.1(1);
- (e) the written resignation of each director and officer of the Corporation designated by the Purchaser or the Vendor and a mutual release of all claims between such directors and officers and the Corporation in the form of Exhibit B;
- (f) certificate of Good Standing issued by the Registrar of Companies of the Republic of Trinidad and Tobago in respect of the Corporation;
- (g) a resolution of the board of directors of the Corporation by which the board of directors of the Corporation resolves to approve and record the transfer of shares of the Corporation (subject only to stamp duty being paid on the share transfer forms);
- (h) a copy, in a form mutually satisfactory to the Vendor and Purchaser (each acting in a commercially reasonable manner), duly executed by the Vendor (or such of its Affiliates as may be appropriate having regard to the Distribution Agreement Term Sheet) and the Purchaser, of a Distribution Agreement reflective of the terms, conditions, and parameters set out in Exhibit A (such Exhibit, the “**Distribution Agreement Term Sheet**” and such agreement, the “**Distribution Agreement**”);
- (i) a copy, in a form mutually satisfactory to the Vendor and Purchaser (each acting in a commercially reasonable manner), duly executed by the Vendor or such of its Affiliates as may be appropriate having regard to the TSA Term Sheet, and the Purchaser, of a Transition Services Agreement reflective of the terms, conditions, and parameters set out in Exhibit C (such Exhibit, the “**TSA Term Sheet**”, and such agreement, the “**Transition Services Agreement**”);
- (j) a copy of termination and release agreements with respect to the enterprise agreements identified on Schedule 4.2(j), substantially in the form of Exhibit D (the “**Termination and Release Agreements**”); and
- (k) the items referenced in Schedule 4.2(k).

4.3 Purchaser’s Closing Deliveries. At the Closing, the Purchaser shall deliver or cause to be delivered to the Vendor the following documents and payments:

- (a) a bring-down certificate of a senior officer of the Purchaser dated as of the Closing Date certifying as to the factual matters in Section 5.3(1) and Section 5.3(2);
- (b) a bring-down certificate of a senior officer of Alignvest dated as of the Closing Date certifying that the representations and warranties of Alignvest in Section 3.3 were true and correct as of the date of this Agreement and are true and correct as of the Closing Date, with the same force and effect as if such representations and warranties had been made on and as of such date, except, in all cases, where the failure of any such representations and warranties to be so true and correct would not reasonably be expected to have a material adverse effect on the ability of Alignvest to perform its obligations hereunder;

- (c) the payment referred to in Section 2.6;
- (d) a copy, duly executed by the Purchaser or such of its Affiliates as may be appropriate having regard to the Distribution Agreement Term Sheet, of the Distribution Agreement;
- (e) a copy, duly executed by the Purchaser or such of its Affiliates as may be appropriate having regard to the TSA Term Sheet, of the Transition Services Agreement; and
- (f) the items referenced in Schedule 4.3(f).

ARTICLE 5 CONDITIONS OF CLOSING

5.1 Purchaser's Conditions. The Purchaser shall not be obligated to complete the transactions contemplated by this Agreement, including the purchase of the Shares, unless, at or before the Closing Time, each of the conditions listed below in this Section 5.1 has been satisfied, it being understood that the conditions in Sections 5.1(1) and 5.1(1) are included for the exclusive benefit of the Purchaser. The Vendor shall take all such actions, steps and proceedings as are reasonably within its control as may be necessary to ensure that the conditions listed below in this Section 5.1 are fulfilled at or before the Closing Time.

(1) *Representations and Warranties.* The representations and warranties of the Vendor in Section 3.1 were true and correct as of the date of this Agreement and are true and correct as of the Closing Date (except to the extent that any such representation or warranty speaks as of any other specific date, in which case such representation and warranty shall have been true and correct as of such date), with the same force and effect as if such representations and warranties had been made on and as of such date, except, in all cases but for the Vendor Fundamental Representations, where the failure of any such representations and warranties to be so true and correct has not had a Material Adverse Effect. With respect to the Vendor Fundamental Representations (except for the Vendor Fundamental Representation in Section 3.1(3)), as of the Closing Date, such representations and warranties are true and correct in all material respects. With respect to the Vendor Fundamental Representation in Section 3.1(3), as of the Closing Date, such representation and warranty is true and correct in all respects.

(2) *Vendor's Compliance and Deliverables.* The Vendor shall have performed and complied in all material respects with all of the terms, covenants and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time, including, for the avoidance of doubt, delivery of the items referenced in Section 4.2, provided that in respect of the Closing Date, to the extent any such terms, covenants and conditions of the Vendor contain any materiality qualification, such terms, covenants and conditions are performed or complied with in all material respects without regard to such qualification.

(3) *No Law.* During the Interim Period, no Governmental Authority of competent jurisdiction shall have enacted, issued or promulgated any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) that prohibits consummation of the transactions contemplated by this Agreement to be completed on or before the Closing Time.

(4) *Insurance Sales Entity.* Establishment by the Vendor of a licensed insurance entity in Trinidad and Tobago (with the final form of such entity to be determined by the Parties based on the distribution/sales model agreed to in the Distribution Agreement), to carry on the business of such entity under the *Insurance Act* (Trinidad and Tobago).

(5) *Financial Holding Company.* Establishment by the Vendor of a financial holding company in Trinidad and Tobago as required to allow the parties to the Distribution Agreement and their relevant affiliates to undertake the activities contemplated thereunder immediately upon effectiveness of the Distribution Agreement.

(6) *Mortgage Servicing.* The Vendor and the Corporation shall have entered into such mortgage servicing agreement or agreements, in a form mutually satisfactory to the Vendor and Purchaser (each acting in a commercially reasonable manner), as would be necessary to allow for the Vendor to continue to service the Vendor's mortgages that are held by the Corporation, with such agreement or agreements providing, among other things, that (a) the Vendor shall be the only servicer for the implicated mortgages, (b) the Corporation shall be prohibited from sharing, selling or utilizing customer data pertaining to the mortgages except as provided therein or required by Applicable Law, (c) the fees to be charged thereunder shall be on prevailing market terms typically governing similar arrangements between similar parties, having regard to geography, volume, and other considerations, and (d) the Corporation shall be prohibited from transferring, selling or disposing of the mortgages in any manner without allowing the Vendor 30 days to exercise a right of first refusal with respect thereto, provided that, in the event the Vendor exercises its right of first refusal, the Vendor shall in good faith pay to the Purchaser the fair market value of the applicable mortgages, even if the value to be received by the Purchaser upon transferring, selling or disposing of such mortgages to the potential third party purchaser would have been less than the fair market value of such mortgages; provided further that, in the event that the Parties cannot agree upon the fair market value of such mortgages, the Parties will refer the determination of such fair market value to a third party valuator.

(7) *Required Regulatory Approvals.* Subject to Section 7.6, the Regulatory Approvals set out in Schedule 5.1(7) (collectively, the "**Required Regulatory Approvals**") on terms and conditions satisfactory to the Purchaser acting reasonably.

(8) *No Order.* No Applicable Regulator or a Governmental Authority (with respect to any anti-trust or competition approvals), whether the approval from such Applicable Regulator or Governmental Authority is a Required Regulatory Approval or otherwise, (a) shall have enacted, issued, promulgated, enforced or entered any Order which has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of the transactions contemplated by this Agreement or causing any of the transactions contemplated by this Agreement to be rescinded following completion thereof, or (b) having been notified of the transactions contemplated hereby, shall have raised any material regulatory objection that the Parties, acting reasonably and in accordance with the terms of this Agreement, have not been able to address to their reasonable satisfaction.

(9) *Sagikor Acquisition Closing.* The Sagikor Acquisition Closing shall have occurred.

5.2 Condition Not Fulfilled. If any condition in Section 5.1 has not been fulfilled at the Closing Time (or Outside Date, if applicable) or if any such condition is, or becomes, impossible to satisfy, other than as a result of the failure of the Purchaser to comply with its obligations under this Agreement, then the Purchaser in its sole discretion (subject to Section 5.2(b)) may either:

- (a) terminate this Agreement by notice to the Vendor, as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition. For greater certainty, both the Purchaser and Alignvest must waive the condition in Section 5.1(8) for it to be considered waived under this Agreement.

5.3 Vendor's Conditions. The Vendor shall not be obligated to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the conditions listed below in this Section 5.3 has been satisfied, it being understood that the conditions in Sections 5.3(1) and 5.3(2) are included for the exclusive benefit of the Vendor. The Purchaser shall take all such actions, steps and proceedings as are reasonably within the Purchaser's control as may be necessary to ensure that the conditions listed below in this Section 5.3 are fulfilled at or before the Closing Time.

(1) *Representations and Warranties.* The representations and warranties of the Purchaser contained in this Agreement were true and correct as of the date of this Agreement and are true and correct as of the Closing Date (except to the extent that any such representation or warranty speaks as of any other specific date, in which case such representation and warranty shall have been true and correct as of such date) with the same force and effect as if such representations and warranties had been made on and as of such date, except, in all cases, where the failure of any such representations and warranties to be so true and correct has not had a Purchaser Material Adverse Effect.

(2) *Purchaser's Compliance and Deliverables.* Except to the extent pertaining to the Purchaser's obligation to pay the Purchase Price pursuant to Article 2, the Purchaser shall have performed and complied in all material respects with all of the terms, covenants and conditions in this Agreement on its part to be performed or complied with at or before the Closing Time, including, for the avoidance of doubt, delivery of the items referenced in Section 4.3, provided that in respect of the Closing Date, to the extent any such terms, covenants and conditions of the Purchaser contain any materiality qualification, such terms, covenants and conditions are performed or complied with in all material respects without regard to such qualification. With respect to the Purchaser's obligation to pay the Purchase Price pursuant to Article 2, the Purchaser shall have performed and complied with such covenant and condition in all respects.

(3) *No Law.* During the Interim Period, no Governmental Authority of competent jurisdiction shall have enacted, issued, promulgated, enforced or entered any statute, rule, regulation, judgment, decree, injunction or other order (whether temporary, preliminary or permanent) that prohibits consummation of the transactions contemplated by this Agreement to be completed on or before the Closing Time.

(4) *Insurance Sales Entity.* Establishment by the Vendor of a licensed insurance entity in Trinidad and Tobago (with the final form of such entity to be determined by the Parties based on the distribution/sales model agreed to in the Distribution Agreement), to carry on the business of such entity under the *Insurance Act* (Trinidad and Tobago).

(5) *Financial Holding Company.* Establishment by the Vendor of a financial holding company in Trinidad and Tobago as required to allow the parties to the Distribution Agreement and their relevant affiliates to undertake the activities contemplated thereunder immediately upon effectiveness of the Distribution Agreement.

(6) *Mortgage Servicing.* The Vendor and the Corporation shall have entered into such mortgage servicing agreement or agreements, in a form mutually satisfactory to the Vendor and Purchaser (each acting in a commercially reasonable manner), as would be necessary to allow for the Vendor to continue to service the Vendor's mortgages that are held by the Corporation, with such agreement or agreements providing, among other things, that (a) the Vendor shall be the only servicer for the implicated mortgages, (b) the Corporation shall be prohibited from sharing, selling or utilizing customer data pertaining to the mortgages except as provided therein or required by Applicable Law, (c) the fees to be charged thereunder shall be on prevailing market terms typically governing similar arrangements between similar parties, having regard to geography, volume, and other considerations, and (d) the Corporation shall be prohibited from transferring, selling or disposing of the mortgages in any manner without allowing the Vendor 30 days to exercise a right of first refusal with respect thereto, provided that, in the event the Vendor exercises its right of first refusal, the Vendor shall in good faith pay to the Purchaser the fair market value of the applicable mortgages, even if the value to be received by the Purchaser upon transferring, selling or disposing of such mortgages to the potential third party purchaser would have been less than the fair market value of such mortgages; provided further that, in the event that the Parties cannot agree upon the fair market value of such mortgages, the Parties will refer the determination of such fair market value to a third party valuator.

(7) *Required Regulatory Approvals.* Subject to Section 7.6, the Required Regulatory Approvals shall have been obtained on or prior to the Outside Date.

(8) *No Order.* No Applicable Regulator or a Governmental Authority (with respect to any anti-trust or competition approvals), whether the approval from such Applicable Regulator or Governmental Authority is a Required Regulatory Approval or otherwise, (a) shall have enacted, issued, promulgated, enforced or entered any Order which has the effect of making the transactions contemplated by this Agreement illegal, otherwise restraining or prohibiting consummation of the transactions contemplated by this Agreement or causing any of the transactions contemplated by this Agreement to be rescinded following completion thereof, or (b) having been notified of the transactions contemplated hereby, shall have raised any material regulatory objection that the Parties, acting reasonably and in accordance with the terms of this Agreement, have not been able to address to their reasonable satisfaction.

(9) *Sagikor Acquisition Closing.* The Sagikor Acquisition Closing shall have occurred.

5.4 Condition Not Fulfilled. If any condition in Section 5.3 has not been fulfilled at the Closing Time (or Outside Date, if applicable) or if any such condition is, or becomes, impossible to satisfy, other than as a result of the failure of the Vendor to comply with its obligations under this Agreement, then the Vendor in its sole discretion may either:

- (a) terminate this Agreement by notice to the Purchaser as provided in Section 8.1; or
- (b) waive compliance with any such condition without prejudice to its right of termination in the event of non-fulfilment of any other condition.

ARTICLE 6 INDEMNIFICATION

6.1 Survival. All provisions of this Agreement, other than the conditions in Article 5, shall not merge on Closing but shall survive the execution, delivery and performance of this Agreement, the Closing and the payment of the consideration for the Shares, subject to the terms of this Agreement.

6.2 Indemnity by the Vendor. The Vendor shall indemnify the Purchaser Indemnified Parties and save them fully harmless against, and will reimburse or compensate them for, any Damages arising from, or in connection with:

- (a) any breach of any representation or warranty of the Vendor contained in this Agreement;
- (b) any breach or any non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement that by its terms applies or is to be performed in whole or in part prior to or on the Closing Date;
- (c) any breach or any non-fulfilment of any covenant or agreement on the part of the Vendor contained in this Agreement that by its terms applies or is to be performed in whole after the Closing Date;
- (d) any Pre-Closing Taxes, except to the extent any such Taxes were taken into account in computing the Closing Date Total Capital Available; and
- (e) except to the extent set out in Section 6.3(f) or the Distribution Agreement, all Employee Liabilities for the Seconded Employees arising in respect of the period prior to Closing, and all Employee Liabilities related to any Offered Employees that remain employed with the Vendor or any of its Affiliates following the Closing.

6.3 Indemnity by the Purchaser. The Purchaser shall indemnify the Vendor Indemnified Parties and save them fully harmless against, and will reimburse or compensate them for, any Damages arising from, or in connection with:

- (a) any breach of any representation or warranty of the Purchaser contained in this Agreement;
- (b) any breach or non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement that by its terms applies or is to be performed in whole or in part prior to or on the Closing Date;
- (c) any breach or any non-fulfilment of any covenant or agreement on the part of the Purchaser contained in this Agreement that by its terms applies or is to be performed in whole after the Closing Date;
- (d) any claims pertaining to (i) information contained in the Prospectus or related public filings, other than Scotia Information, (ii) Alignvest's Qualifying Acquisition (as such term is defined in the Signing Date Sagicor Arrangement Agreement), other than related to Scotia Information;
- (e) actions taken at the request of the Purchaser pursuant to Section 7.2(1); and
- (f) (i) with respect to Offered Employees (whether offers pursuant to Section 7.6(1) or transfers pursuant to Section 7.6(5) are accepted or rejected by any Offered Employee), notice, pay in lieu of notice, severance or termination pay or other payments or benefits in connection with the cessation or change to the terms and conditions of, their employment with the Vendor resulting from the transactions contemplated by this Agreement and (ii) all Employee Liabilities arising following

Closing in respect of Offered Employees who accept offers of employment or are transferred to employment with the Corporation,

but, for greater certainty, Sections 6.3(d) and 6.3(f) shall not apply to the extent the applicable Damages arise as a result of fraud, negligence or intentional misrepresentation by the Vendor.

6.4 Claim Notice. If an Indemnified Party becomes aware of any act, omission or state of facts that may reasonably be expected to give rise to Damages in respect of which a right of indemnification is provided for under this Article 6 (irrespective of any monetary limitations under this Agreement that may apply), the Indemnified Party shall within 20 days of becoming so aware give written notice thereof (a “**Claim Notice**”) to the Indemnifying Party. The Claim Notice shall specify whether the potential Damages arise as a result of a claim by a Person against the Indemnified Party (a “**Third Party Claim**”) or whether the potential Damages arise as a result of a claim directly by the Indemnified Party against the Indemnifying Party (a “**Direct Claim**”), and shall also specify with reasonable particularity (to the extent that the information is available):

- (a) the factual basis for the Direct Claim or Third Party Claim, as the case may be;
- (b) the specific sections of this Agreement pursuant to which indemnification is being sought;
- (c) the estimated amount of the potential Damages arising therefrom; and
- (d) such other information as is reasonably necessary to enable the Indemnifying Party to assess the merits of the potential claim.

Following receipt of notice of a Direct Claim, the Indemnifying Party has 60 days to investigate the Direct Claim and respond in writing. For purposes of the investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Direct Claim, together with such other information as the Indemnifying Party may reasonably request. If the Indemnifying Party disputes the validity or amount of the Direct Claim, the Indemnifying Party shall provide written notice of the dispute to the Indemnified Party within the 60 day period specified in this Section 6.4. The dispute notice must describe in reasonable detail the nature of the Indemnifying Party’s dispute. During the 30 day period immediately following receipt of a dispute notice by the Indemnified Party, the Indemnifying Party and the Indemnified Party shall attempt in good faith to resolve the dispute. If the Indemnifying Party and the Indemnified Party fail to resolve the dispute within that 30 day time period, the Indemnified Party is free to pursue all rights and remedies available to it, subject only to this Agreement.

The omission to notify the Indemnifying Party of a Direct Claim or a Third Party Claim shall not relieve the Indemnifying Party from any obligation to indemnify the Indemnified Party, unless the notification occurs after the expiration of the specified period set out in Section 6.5 or if (and only to that extent that) the omission to notify materially prejudices the Indemnifying Party.

Nothing in this Section 6.4 shall be construed to affect the time within which a Claim Notice must be delivered pursuant to Sections 6.5(1) and 6.5(2) in order to permit recovery pursuant to Sections 6.2(a), 6.2(b), 6.3(a) or 6.3(b), as the case may be. In respect of any Claim Notice concerning Taxes required to be paid by the Corporation, a Purchaser’s Indemnified Party shall deliver with its Claim Notice a copy of any assessment, reassessment, notice of confirmation

thereof, proposal to assess or reassess, appeal or notification of a similar Proceeding, together with all correspondence related to such documents.

6.5 Time Limits for Claim Notice for Breach of Representations and Warranties and Covenants.

(1) *Notice by the Purchaser.* No Damages may be recovered from the Vendor pursuant to Section 6.2 unless a Claim Notice is delivered by the Purchaser in accordance with the timing set out below:

- (a) with respect to claims arising in connection with Section 6.2(a) (except with respect to the Vendor Fundamental Representations or the representations and warranties in Section 3.1(21)(Taxes)) and with Section 6.2(b), within 18 months of the Closing Date;
- (b) with respect to claims arising in connection with Section 6.2(a) in connection with the Vendor Fundamental Representations, on or before the sixth anniversary of the Closing Date;
- (c) with respect to claims arising in connection with Section 6.2(a) in connection with the representations and warranties in Section 3.1(21)(Taxes), and with respect to claims arising in connection with Section 6.2(d), any time before the date that is 90 days after the relevant Governmental Authorities are no longer entitled to assess or reassess the Corporation in respect of the Taxes in question; and
- (d) with respect to claims arising in connection with Section 6.2(c), for the period of time contemplated by the applicable covenant or agreement in this Agreement or until fully performed.

Unless a Claim Notice has been given in accordance with the timing set out in this Section 6.5(1), the Vendor shall be released on the date contemplated in this Section 6.5(1) from the obligation to indemnify the Purchaser's Indemnified Parties pursuant to Section 6.2; provided, however, that in the event of fraud relating to a representation or warranty of the Vendor in this Agreement, then notwithstanding the foregoing time limitations, the Purchaser Indemnified Parties shall be entitled to deliver a Claim Notice at any time for purposes of such a claim.

(2) *Notice by the Vendor.* No Damages may be recovered from the Purchaser pursuant to Section 6.3 unless a Claim Notice is delivered by the Vendor:

- (a) with respect to claims arising in connection with Section 6.3(a) (except with respect to the Purchaser Fundamental Representations) and Section 6.3(b), within 18 months of the Closing Date;
- (b) with respect to claims arising in connection with Section 6.3(a) in connection with the Purchaser Fundamental Representations, on or before the sixth anniversary of the Closing Date; and
- (c) with respect to claims arising in connection with Section 6.3(c), for the period of time contemplated by the applicable covenant or agreement in this Agreement or until fully performed; and

- (d) with respect to claims arising in connection with Sections 6.3(d), 6.3(e) and 6.3(f), at any time.

Unless a Claim Notice has been given in accordance with the timing set out in this Section 6.5(2), the Purchaser shall be released on the date contemplated in this Section 6.5(2) from the obligation to indemnify the Vendor's Indemnified Parties pursuant to Section 6.3; provided, however, that in the event of fraud relating to a representation or warranty of the Purchaser in this Agreement, then notwithstanding the foregoing time limitations, the Vendor shall be entitled to deliver a Claim Notice at any time for purposes of such a claim.

6.6 Monetary Limitations.

(1) *Damages from Vendor.* Notwithstanding anything contained in this Agreement to the contrary, (i) the Vendor shall not be liable for any amounts for which the Purchaser's Indemnified Parties are otherwise entitled to indemnification pursuant to Section 6.2(a) unless the aggregate amount of all Damages for which the Purchaser's Indemnified Parties are entitled to indemnification pursuant to Section 6.2(a) exceeds, on a cumulative basis, \$960,000, and then only to the extent of such excess, (ii) no Damages may be claimed by a Purchaser's Indemnified Party under Section 6.2(a), and no Damages shall be included in calculating the aggregate Damages set forth in clause (i) of this Section 6.6(1), other than Damages in excess of \$100,000 resulting from any single claim or series of claims arising from the same or related facts (it being understood that more than one claim from customers with respect to the same or related facts shall be deemed to be related), and (iii) the Vendor shall not be required to make indemnification payments pursuant to Section 6.2 to the extent the indemnification payments thereunder would exceed:

- (a) in the case of a claim under Section 6.2(a), except those arising from a breach of the Vendor Fundamental Representations, 15% of the Purchase Price; provided, however, that in the event such limitation is reached, the limitation on indemnification payments applicable to claims under Section 6.2(a) relating only to a breach of the representations set out in Section 3.1(17) (*Agreements and Filings with Applicable Regulators*), Section 3.1(19) (*Compliance with Laws; Governmental Authorizations*) to the extent relating to breaches of Applicable Laws promulgated by Applicable Regulators, Section 3.1(23) (*No Unlawful Payments*), 3.1(25) (*Compliance with Money Laundering Laws*) and 3.1(26) (*No Conflicts with Sanctions Laws*) as they relate to the Vendor's compliance with Applicable Laws, shall be increased by 10% of the Purchase Price to equal an aggregate amount of 25% of the Purchase Price; or
- (b) in the case of a claim under Section 6.2(a) arising from a breach of the Vendor Fundamental Representations, and in the case of a claim under Sections 6.2(b) and 6.2(c), the Purchase Price.

For the avoidance of doubt, in no event, subject to the following sentence, shall the Vendor's aggregate liability pursuant to Section 6.2 exceed the Purchase Price, notwithstanding the breach of more than one subsection of Section 6.2. Notwithstanding the foregoing, the caps, thresholds and limitations in this Section 6.6(1) shall not apply in the case of fraud of the Vendor or a breach of the representations and warranties in Section 3.1(21) (*Taxes*).

(2) *Damages from Purchaser.* Notwithstanding anything contained in this Agreement to the contrary, (i) the Purchaser shall not be liable for any amounts for which the Vendor's

Indemnified Parties are otherwise entitled to indemnification pursuant to Sections 6.3(a), 6.3(b), or 6.3(e) unless the aggregate amount of all Damages for which the Vendor's Indemnified Parties are entitled to indemnification pursuant to Sections 6.3(a), 6.3(b), or 6.3(e) exceeds, on a cumulative basis, \$960,000, and then only to the extent of such excess, (ii) no Damages may be claimed by a Vendor's Indemnified Party under Sections 6.3(a), 6.3(b), or 6.3(e), and no Damages shall be included in calculating the aggregate Damages set forth in clause (i) of this Section 6.6(2), other than Damages in excess of \$100,000 resulting from any single claim or series of claims arising from the same or related facts (it being understood that more than one claim from customers with respect to the same or related facts shall be deemed to be related), and (iii) the Purchaser shall not be required to make indemnification payments pursuant to Section 6.3 to the extent the indemnification payments thereunder would exceed:

- (a) in the case of a claim under Section 6.3(a), except those arising from a breach of the Purchaser Fundamental Representations, 15% of the Purchase Price; or
- (b) in the case of a claim under Section 6.3(a) arising from a breach of the Purchaser Fundamental Representations, and in the case of a claim under Sections 6.3(b), 6.3(c), 6.3(d) and 6.3(e), the Purchase Price.

For the avoidance of doubt, in no event, subject to the following sentence, shall the Purchaser's aggregate liability pursuant to Section 6.3(a) to Section 6.3(e) exceed the Purchase Price, notwithstanding the breach of more than one subsection of Section 6.3. Notwithstanding the foregoing, the caps, thresholds and limitations in this Section 6.6(2) shall not apply in the case of fraud of the Purchaser.

6.7 Agency for Non-Parties. Notwithstanding Section 10.14, each Party hereby accepts each indemnity in favour of each of its Indemnified Parties who are not Parties as agent and trustee of that Indemnified Party. Each Party may enforce an indemnity in favour of any of that Party's Indemnified Parties on behalf of each such Indemnified Party.

6.8 Mitigation. Each Indemnified Party shall use reasonable efforts to mitigate any claim or liability that such Indemnified Party asserts or is reasonably likely to assert under this Article 6. In the event that any Indemnified Party shall fail to make such reasonable efforts to mitigate any such claim or liability, then notwithstanding anything contained in this Agreement to the contrary, the Indemnifying Party shall not be required to indemnify the Indemnified Party for that portion of any Damages that could reasonably be expected to have been avoided if the Indemnified Party had made such efforts.

6.9 Provisions. No Indemnifying Party shall be liable under this Article 6 in respect of any Damages to the extent that the fact, matter, event or circumstance giving rise to the claim or on which it is based is allowed, provided, accrued and reserved for in the Financial Statements.

6.10 Contingent Liabilities. No Indemnifying Party shall be liable under this Article 6 in respect of any Damages which are contingent unless and until such contingent Damages become an actual liability and are due and payable. Contingent Damages which become due and payable shall not be excluded from this Article 6 because the Damages become due and payable after the time limitations set out in this Article 6 so long as a claim in respect thereof was begun within the time limitations set out in this Article 6 by delivery of a Claim Notice, that reasonably identified, to the extent known at the time, the contingent Damages sought in accordance with Section 6.4.

6.11 No Double Recovery. No Indemnified Party shall be entitled to recover from any Indemnifying Party under this Article 6 or under any other agreement delivered pursuant to this Agreement more than once in respect of the same Damages (notwithstanding that such Damages may result from breaches of multiple provisions of this Agreement and/or other agreements delivered pursuant to this Agreement). For greater certainty, no Damages may be claimed under this Article 6 by any Indemnified Party to the extent such amounts are included in any adjustment amount to the Purchase Price paid under Section 2.7.

6.12 Direct Claims. In the case of a Direct Claim, the Indemnifying Party shall have 60 days from receipt of a Claim Notice in respect thereof within which to make such investigation as the Indemnifying Party considers necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate its right to be indemnified under this Article 6, together with all such other information as the Indemnifying Party may reasonably request. If the Parties fail to agree at or before the expiration of such 60 day period (or any mutually agreed upon extension thereof), the Indemnified Party shall be free to pursue such remedies as may be available to it.

6.13 Third Party Claims.

(1) *Rights of Indemnifying Party.* In the case of a Third Party Claim which has the potential to involve Damages payable by the Indemnifying Party which are not excluded as a result of the application of the monetary limitations set out in Section 6.6(1), the Indemnifying Party shall have 60 days from receipt of a Claim Notice to elect, at its option, to exercise its right to assume and control the defense of, at its own expense and by counsel of its own choosing, any such Third Party Claim, and shall be entitled to assert any and all defences available to the Indemnified Party to the fullest extent permitted by Applicable Law; provided that the Indemnifying Party shall not have the right to make such election if such Third Party Claim exclusively: (i) relates to an injunction or other equitable relief against the Indemnified Party, (ii) involves a finding or admission of any violation of Applicable Law or admission of any wrongdoing of the Indemnified Party, (iii) involves a Claim by a Governmental Authority (other than a Third Party Claim for Taxes) or involves a criminal or quasi-criminal Proceeding, or (iv) would reasonably be expected to materially and negatively impact or affect the reputation of any Indemnified Party.

(2) *Respective Rights on Indemnifying Party's Assumption of Control.* If the Indemnifying Party elects to assume control of any such Third Party Claim as contemplated by Section 6.13(1), the Indemnified Party shall reasonably cooperate with the Indemnifying Party and its counsel in the defence of such Third Party Claim. Such reasonable cooperation shall include (a) allowing the Indemnifying Party and its Representatives to investigate the fact, matter, event or circumstance alleged to give rise to the Third Party Claim and using commercially reasonable efforts to make available to the Indemnifying Party, its then current officers, directors and employees to act as witnesses (including interviews, the preparation and submission of witness statements and the giving of evidence at any related hearing); (b) promptly furnishing all material and information relating to the Third Party Claim; (c) preserving all material evidence relating to the Third Party Claim; and (d) providing reasonable access to any Representatives of the Parties as reasonably needed; provided that, in each case, such reasonable cooperation shall not unduly interfere with the operation of the Indemnified Party's business. The Indemnifying Party shall not consent to the settlement or discharge of such Third Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), unless (i) the relief consists solely of money Damages to be paid by the Indemnifying Party and does not include an injunction or other equitable relief against the Indemnified Party, (ii) the settlement or discharge does not involve any finding or admission of

any violation of Applicable Law or admission of any wrongdoing of the Indemnified Party, (iii) such Third Party Claim was not initiated by a Governmental Authority (other than a Third Party Claim for Taxes) and does not involve any criminal or quasi-criminal Proceeding, and (iv) the settlement and discharge would not reasonably be expected to materially and negatively impact or affect the reputation of any Indemnified Party. Notwithstanding the Indemnifying Party's election to assume the defense of such Third Party Claim, the Indemnified Party shall have the right to employ separate counsel and to monitor the defence of such Third Party Claim, and the Indemnified Party shall bear the fees, costs and expenses of such separate counsel.

(3) *Rights of Vendor in Respect of Certain Claims.* Notwithstanding anything to the contrary in this Section 6.13 but without limiting the rights of an Indemnifying Party under Section 6.13(1), in the case of a Third Party Claim where the Claim Notice is delivered by a Purchaser Indemnified Party and which relates to or arises in connection with any of: (a) a claim or inquiry by a Governmental Authority, (b) any potential or actual criminal liability, (c) a claim that may reasonably be expected to adversely affect the reputation or involve an admission of fault or liability of the Vendor or any of its Affiliates or their respective Representatives, (d) a claim involving a conflict of interest between the Vendor and the Purchaser, or (e) a claim in respect of any Excluded Intellectual Property, then, in each such case, the Purchaser shall reasonably cooperate with the Vendor and its counsel in the defence of such Third Party Claim. Such reasonable cooperation shall include (i) allowing the Vendor and its Representatives to investigate the fact, matter, event or circumstance alleged to give rise to the Third Party Claim and using commercially reasonable efforts to make available to the Vendor, its then current officers, directors and employees to act as witnesses (including interviews, the preparation and submission of witness statements and the giving of evidence at any related hearing); (ii) promptly furnishing all material and information relating to the Third Party Claim; (iii) preserving all material evidence relating to the Third Party Claim; and (iv) providing reasonable access to any Representatives of the Purchaser or its Affiliates as reasonably needed; provided that, in each case, such cooperation shall not unduly interfere with the operation of the Purchaser's business. The Vendor shall have the right to employ separate counsel and to monitor the defence of such Third Party Claim, and the Vendor shall bear the fees, costs and expenses of such separate counsel.

(4) *No Assumption of Control by Indemnifying Party.* If the Indemnifying Party, after receiving a Claim Notice with respect to a Third Party Claim, does not elect to assume control of such Third Party Claim within 60 days after receipt thereof, the Indemnified Party shall have the right to continue to control such Third Party Claim or if the Indemnifying Party fails to conduct the defence with reasonable diligence, the Indemnified Party shall have the right to assume control of such Third Party Claim (upon providing further written notice thereof to the Indemnifying Party). The Indemnified Party shall not:

- (a) agree to the settlement or discharge of, or admit any liability with respect to, any such Third Party Claim; or
- (b) during such 60 day period following notification being received by the Indemnifying Party, make any decisions in respect of such Third Party Claim,

without the prior written consent of the Indemnifying Party (which consent shall not be unreasonably withheld, conditioned or delayed). Notwithstanding anything to the contrary contained in this Article 6, no Indemnifying Party shall have any liability under this Article 6 for any Damages arising out of or in connection with any Third Party Claim that is settled or discharged by an Indemnified Party without the prior, written consent of such Indemnifying Party.

6.14 Net Financial Benefit. No Indemnifying Party shall be liable under this Article 6 in respect of any Damages suffered by any Indemnified Party to the extent there are any resulting deductions or credits actually available and capable of being used to reduce the Taxes payable by the Corporation for a taxation year or period ending after Closing that would not have been available had such Damages not been sustained; provided, that, subject to Section 6.11, Damages suffered by any Indemnified Party shall include an amount equal to any additional Tax costs actually paid by the Indemnified Party with respect to a taxation year or period ending after Closing, that resulted from receipt of an indemnity payment under this Article 6.

6.15 Insurance and Other Recoveries. Notwithstanding anything contained in this Agreement to the contrary, Damages of all Indemnified Parties shall be net of any insurance or other prior or subsequent recoveries (including under or pursuant to any insurance policy, indemnity, reimbursement agreement or contract pursuant to which or under which any Indemnified Party is a party or has rights) actually paid to and received by the Indemnified Parties in connection with the facts giving rise to the right of indemnification, less any costs and expenses incurred in obtaining such recovery (including any insurance deductibles and reasonable and documented out-of-pocket costs). The applicable Indemnified Parties shall use commercially reasonable efforts to recover from insurance policies or other applicable sources of recovery the maximum portion of any Damages of such Indemnified Parties. If the applicable Indemnified Parties shall have used commercially reasonable efforts to recover any amounts recoverable under insurance policies or other applicable sources of recovery and shall not have recovered the applicable Damages, the applicable Indemnifying Party shall be liable for the amount by which such Damages exceeds the amounts actually recovered subject to the limitations on indemnification set out in Section 6.6.

6.16 Characterization of Indemnification Payments. Unless otherwise required by Law, any payment made pursuant to this Article 6, shall be treated for all Tax purposes as an adjustment to the Purchase Price.

ARTICLE 7 COVENANTS

7.1 IPO Prospectus.

(1) The Vendor agrees to provide (and to cause the Corporation to provide) such assistance and information as may be reasonably required in connection with the preparation of the Prospectus, and Alignvest agrees that all information relating to the Vendor and/or the Corporation in the Prospectus, including the financial statements referred to in Section 7.1(2), must be in a form and content satisfactory to the Vendor and/or the Corporation, acting reasonably.

(2) The Vendor shall provide (and will cause the Corporation to provide) Alignvest and its auditor access to and the opportunity to review all financial statements and financial information of the Vendor and/or the Corporation that is required in connection with the preparation of the Prospectus. The Vendor (on its own behalf and on behalf of the Corporation) hereby: (a) consents to the inclusion of any such financial statements in the Prospectus to the extent required to be included therein; and (b) agrees to provide appropriate signatures where required and to obtain any necessary consents from any of its auditors and any other advisors to the use of any financial or other expert information required to be included in the Prospectus. The Vendor further agrees to provide (and to cause the Corporation to provide) such financial information and assistance as may be reasonably required in connection with any pre-filing or exemptive relief application in

respect of disclosure in the Prospectus and in connection with the preparation of any pro-forma financial statements for inclusion in the Prospectus. The Purchaser shall promptly reimburse the Vendor for all reasonable and documented out-of-pocket costs, other than costs of legal counsel or any amounts that would have been incurred in the ordinary course independent of obligations under this Section 7.1, incurred by the Vendor and Corporation in connection with the compliance by the Vendor with its obligations under this Section 7.1, up to a maximum aggregate amount of \$100,000.

(3) Alignvest and Sagicor shall jointly seek to ensure that the Prospectus complies in all material respects with Applicable Law, does not contain any misrepresentations, and is in a form satisfactory to the Toronto Stock Exchange and to the Alignvest Securities Authorities in order to obtain a receipt from the Alignvest Securities Authorities in respect thereof. For greater certainty, the Vendor and/or the Corporation shall not be responsible for any information or financial statements in the Prospectus other than Scotia Information pursuant to Section 3.1(24). As between the parties hereto, the Purchaser shall be entitled to rely on the representations and warranties of the Vendor in Section 3.1(24). For greater certainty, in no case shall the Vendor and/or the Corporation be responsible for any *pro forma* financial statements included in the Prospectus.

(4) Alignvest shall give the Vendor and/or the Corporation and its auditors and legal counsel a reasonable opportunity to review and comment on drafts of the Prospectus and other related documents as it relates to the Corporation or the Scotia Information, and shall give reasonable consideration to any comments made by the Vendor and/or the Corporation and its auditors and legal counsel and agrees that, without prejudice to the representations and warranties set out in Section 3.1(24), all information relating to the Vendor and/or the Corporation included in the Prospectus must be in a form and content satisfactory to the Vendor and/or the Corporation, acting reasonably.

(5) The Vendor covenants to re-certify or update the Scotia Information, as required and requested by the Purchaser upon reasonable notice, for any Prospectus.

7.2 Financing Cooperation.

(1) Prior to the Closing, the Vendor shall (and shall cause the Corporation to), at the sole cost and expense of the Purchaser (subject to Section 7.2(2) below), use their commercially reasonable efforts to cause the applicable officers, Employees and advisors, including legal and accounting, of the Corporation, to cooperate with the Purchaser as necessary in connection with the arrangement of any financing as may be customary and reasonably requested by the Purchaser (provided that such requested cooperation does not unreasonably interfere with the ongoing operations of the Corporation), including using their commercially reasonable efforts to: (a) participate at reasonable times in a reasonable number of meetings, presentations and due diligence sessions; (b) assist the Purchaser and any financing sources in the preparation of bank information memoranda, private placement memoranda and similar documents for any portion of financing; (c) take all corporate actions reasonably requested by the Purchaser to permit the consummation of a financing and to permit the proceeds thereof to be made available to the Purchaser at Closing; (d) execute and deliver any customary credit agreements and pledge and security documents and otherwise reasonably facilitate the granting of a security interest (and perfection thereof) in collateral, guarantees, mortgages, other definitive financing documents or other certificates, customary closing certificates (including a solvency certificate) and documents as may be reasonably requested by the Purchaser (provided that no obligation of the Corporation under any agreement or financing document contemplated in this Section 7.2(1) shall be effective

until Closing); (e) obtain customary authorization letters with respect to the bank information memoranda and consents of accountants to the use of their reports in any materials relating to a financing; and (f) cooperate reasonably with the due diligence of financing sources, to the extent customary and reasonable and to the extent not unreasonably interfering with the business of the Corporation; provided, however, that the Vendor and the Corporation shall not be obligated to provide or be responsible for any post-Closing or *pro forma* statements, information, or adjustments desired to be incorporated into any information used in connection with procurement of the financing unless already required to be provided by the Vendor for the Prospectus.

(2) The Purchaser shall promptly reimburse the Vendor for all reasonable and documented out-of-pocket costs incurred by the Corporation or the Vendor in connection with such cooperation (it being understood and agreed, however, that the Purchaser shall not be responsible for any amounts that would have been incurred in connection with the transactions contemplated hereby regardless of efforts to obtain financing, or otherwise incurred independently of the transactions contemplated hereby).

(3) In the event that the minimum cash requirement in section 7.03(E) of the Signing Date Sagicor Arrangement Agreement is not met due to excessive redemptions of Alignvest Class A Shares, (a) Alignvest shall use reasonable commercial efforts to seek to obtain additional debt or equity or other financing sufficient to restore Alignvest's cash level to meet such minimum cash requirement, or make other appropriate arrangements to seek to complete the Sagicor Acquisition Closing, and (b) Sagicor shall use reasonable commercial efforts to cooperate with Alignvest's efforts to seek to obtain such financing.

7.3 Access for Integration Planning. During the Interim Period, subject to the requirements of Applicable Law and any confidentiality obligations or restrictions on access contained in any Contract, the Vendor shall give, or cause to be given, to the Purchaser and its Representatives reasonable access during normal business hours, on not less than two Business Days' notice, to the Corporation, the Business, including the Books and Records, the Real Property (together with any existing surveys and title opinions in the Corporation's possession), the property subject to Leases and current members of the management team of the Corporation or the Business, in each case as the Purchaser reasonably requires solely for the purpose of enabling the Purchaser to plan and implement its integration strategy as of the Closing for the Business. The Vendor may in its sole discretion refuse to provide access or information if it is not satisfied that such information or access is required for the purposes of the Purchaser's integration planning. Such investigations shall be carried out during normal business hours and without undue interference with the operations of the Corporation and the Business, and the Vendor shall co-operate in facilitating such access and investigations. Notwithstanding anything to the contrary in this Agreement, neither the Vendor nor the Corporation shall be required to disclose any information to the Purchaser if such disclosure would, in the Vendor's sole discretion: (a) cause significant competitive harm to the Vendor if the transactions contemplated by this Agreement are not consummated; (b) jeopardize any solicitor-client or other privilege; or (c) contravene any Applicable Law, fiduciary duty or binding agreement entered into prior to the date of this Agreement. Prior to the Closing, without the prior written consent of the Vendor, which may be withheld for any reason, the Purchaser shall not contact any suppliers to, or customers of, the Corporation and the Purchaser shall have no right to perform invasive or subsurface investigations of the Real Property. The Vendor may establish access protocols and designate access coordinators to further supplement the terms of this Section 7.1 and the Purchaser agrees to be bound by and comply with such further terms. Notwithstanding the generality of the foregoing, all information received pursuant to this Section 7.1 shall be held in confidence in accordance with the Confidentiality Agreements.

7.4 Transaction Personal Information. The Purchaser shall collect Transaction Personal Information prior to Closing only as necessary for purposes related to the transactions contemplated by this Agreement and for the completion of such transactions. The Purchaser shall not disclose Transaction Personal Information to any Person other than to its Representatives who are evaluating and advising on the transactions contemplated by this Agreement. The Purchaser shall not, following the Closing, without the consent of the individuals to whom such Personal Information relates or as permitted or required by Applicable Law, use or disclose Transaction Personal Information for purposes other than those for which such Transaction Personal Information was collected by the Vendor or the Corporation prior to the Closing, and shall give effect to any withdrawal of consent made in accordance with Privacy Law.

The Purchaser shall protect and safeguard the Transaction Personal Information against unauthorized collection, use or disclosure, as provided by Privacy Law. The Purchaser shall cause its Representatives to observe the terms of this Section 7.4 and to protect and safeguard Transaction Personal Information in their possession. If the Vendor or the Purchaser terminates this Agreement as provided herein, the Purchaser shall promptly deliver to the Vendor all Transaction Personal Information in its possession or in the possession of any of its Representatives, including all copies, reproductions, summaries or extracts thereof.

7.5 Action During Interim Period. During the Interim Period, except as otherwise expressly set forth in Schedule 7.5 and Section 7.6, as required by Applicable Law or as consented to in writing in advance by the Purchaser (such consent not to be unreasonably withheld, conditioned or delayed, and in the event the Purchaser does not acknowledge receiving a request for consent within 10 Business Days after such consent is requested in writing by the Vendor, the Purchaser shall be deemed to have consented to such request) or as otherwise contemplated, permitted or required by this Agreement or the Transaction Agreements,

- (a) subject to Section 7.5(b), the Vendor shall use its commercially reasonable efforts to cause the Corporation to carry on its business in all material respects in the Ordinary Course of Business and use commercially reasonable efforts to preserve intact its current business organization, keep available the services of its current key officers and other key Employees and maintain its existing material business relationships with customers, suppliers, distributors, licensors (of Intellectual Property material to the conduct of the Business), and others having material business dealings with the Corporation; and
- (b) notwithstanding Section 7.5(a), the Vendor shall not, directly or indirectly, cause or permit the Corporation do any of the following:
 - (i) amend any Constitutive Documents of the Corporation in any respect that would be material to the Purchaser;
 - (ii) grant any options to acquire capital stock in the Corporation or grant to any Person any right to acquire any ordinary shares in the capital stock of the Corporation;
 - (iii) (A) directly or indirectly issue, sell or grant any Corporation Securities or any other equity interests in the Corporation, (B) redeem, purchase or otherwise reacquire any issued and outstanding Corporation Securities, or (C) subdivide, consolidate or reclassify any Corporation Securities;

- (iv) declare, set aside, make or pay any dividend or other distribution, whether payable in cash, shares, property or otherwise, in respect of the Shares;
- (v) make, by contribution to capital, property transfers, purchase of securities or otherwise, any material investment (other than investments in marketable securities and cash equivalents) in any Person, other than investment portfolio transactions in the Ordinary Course of Business;
- (vi) sell, license, pledge, dispose of or lease any property, right or other asset (in each of the foregoing, excluding Intellectual Property) to any Person, except in each case for properties, rights or assets: (A) sold, licensed, leased or disposed of by the Corporation in the Ordinary Course of Business (including investment portfolio transactions); or (B) that are not material to the Business;
- (vii) lend money to any Person, other than (A) advances to its Employees in the Ordinary Course of Business, (B) in connection with loan transactions to customers in the Ordinary Course of Business or (C) in connection with investment portfolio transactions in the Ordinary Course of Business;
- (viii) except (A) for indebtedness that is outstanding as of the date hereof, (B) in connection with transactions in the Ordinary Course of Business (including investment portfolio transactions, banking arrangements with other financial institutions or customers, insurance premium financing arrangements, or hedging arrangements), (C) for indebtedness to fund the investments, (D) for obligations in respect of letters of credit, surety bonds and similar instruments entered into in the Ordinary Course of Business, and in each case guarantees thereof, incur any indebtedness for borrowed money (including by way of issuing any debt securities), or assume, guarantee or endorse, or otherwise as an accommodation become responsible for, any material indebtedness for borrowed money;
- (ix) except as contemplated by Section 7.6, (A) pay any bonus or make any profit-sharing payment to, or increase the amount of the wages, salary, commissions, fringe benefits or other compensation (including equity-based compensation) or remuneration payable to, any of its Employees, former Employees, consultants, former consultants or directors, except that the Corporation may provide any routine salary increases to its Employees in the Ordinary Course of Business and in connection with the Corporation's customary employee review process and may make customary bonus and profit-sharing payments in accordance with plans or arrangements existing on the date hereof, (B) hire any employee with an annual base salary in excess of \$100,000, except (1) for employees hired pursuant to offers of employment outstanding on the date hereof or (2) in order to fill a position vacated after the date hereof to the extent necessary to fulfill an essential function or retain any independent contractor, or, except in the Ordinary Course of Business or for cause, terminate the employment or services of any director, officer, Employee or consultant or (C) except as required by any Contract in effect on the date hereof, grant or pay any change of control, severance, retention or termination compensation or benefits to, or increase in any manner the change of

- control, severance or termination compensation or benefits of, any director, officer, Employee, consultant or former Employee or consultant;
- (x) make any material changes to its methods of accounting or accounting practices, except as required by IFRS;
 - (xi) make any material changes to the actuarial assumptions or methods used by the Business other than changes in the Ordinary Course of Business that are consistent with accepted actuarial practice;
 - (xii) commence, settle, compromise or otherwise resolve any Proceeding, except: (A) with respect to routine matters in the Ordinary Course of Business, (B) in such cases where the Corporation reasonably determines in good faith that the failure to commence suit would result in a material impairment of a valuable aspect of its Business, or (C) in connection with a breach of this Agreement;
 - (xiii) (A) make, change or revoke any Tax election or adopt or change any method of Tax accounting, (B) settle or compromise any liability with respect to Taxes or surrender any claim for a refund of Taxes, (C) file any amended Tax Return or (D) consent to any extension or waiver of the limitations period applicable to any claim or assessment with respect to Taxes;
 - (xiv) make any capital expenditure other than (A) in the Ordinary Course of Business and to the extent not exceeding \$100,000 in the aggregate or (B) as set forth in the Budgets;
 - (xv) except as contemplated by Section 7.6, (A) enter into or terminate (other than expiration in accordance with its terms) any Material Contract or other Contract that would constitute a Material Contract if entered into prior to the Agreement Date or (B) modify or amend or renew (other than renewal in accordance with its terms and in the Ordinary Course of Business consistent with past practice), or waive any material right or remedy under, any Material Contract;
 - (xvi) distribute or dispose of Investment Assets other than (A) in the Ordinary Course of Business consistent with past practice, or (B) in accordance with the principles outlined on Schedule 7.5(b)(xvi);
 - (xvii) authorize any of, or commit, resolve or agree in writing or otherwise to take any of, the foregoing actions.
- (c) Notwithstanding anything to the contrary contained in this Section 7.5, Purchaser acknowledges that it is anticipated, and permitted hereunder, that the shareholders of the Corporation pass a resolution (in writing or at a duly convened meeting) at or prior to Closing adopting a new name which shall exclude the word "Scotia" or any Vendor Marks, and shall seek the written approval of the Registrar of Companies to the adoption of such new name; provided, that the Vendor has received the written approval of the Purchaser, not to be unreasonably withheld, to such name.

7.6 Employees.

(1) Subject to Section 7.6(5), the Purchaser shall prepare offers of employment, on behalf of the Corporation, for those Employees listed on an employee list to be provided by the Vendor as soon as practicable following the date hereof, which offers shall be made to such Employees at least two (2) weeks prior to the Closing Date, provided that such Employees are still employed by the Vendor on such date (such Employees, the “**Offered Employees**”) with employment to be effective as of the Closing and conditional on the Closing. Such offers shall be on terms, which are, at a minimum, in the aggregate equal to or better and without any break in service between employment with the Vendor and employment with the Corporation, and provide past service recognition to the extent such past service factors into compensation, pension and benefit plans, and rights on termination.

(2) The Vendor and the Purchaser shall reasonably cooperate to effect an orderly transition of the Offered Employees to employment with the Corporation as contemplated by Section 7.6(1). Without limiting the generality of the foregoing, the Vendor and the Purchaser shall reasonably cooperate with respect to the communication of the offers of employment to the Offered Employees prior to the Closing, which shall include the Vendor providing the names and contact information of such employees to the Purchaser upon request. The Vendor shall be provided with a reasonable opportunity to review and comment on offers of employment (and other information as reasonably requested by the Vendor to consider the Purchaser’s compliance with Section 7.6(1)), made to the Offered Employees in advance of their distribution, which comments will be considered by the Purchaser in good faith.

(3) Effective as of the Closing Date, the Offered Employees who become employed by the Corporation shall cease to participate in the Employee Plans and all other benefit plans, programs and arrangements of the Vendor. The benefits accrued by each such Offered Employee who participates in a pension plan maintained by Vendor shall be fully vested on Closing. The Vendor shall ensure that all Employee and employer contributions to the pension plan have been paid up to the Closing Date.

(4) Purchaser shall or shall cause the Corporation to provide each of the Offered Employees who become employed by the Corporation participation in employee pension, benefit and welfare plans, policies and practices in accordance with Section 7.6(1). With respect to each such employee benefit plan, policy and practice made available or applicable to such Offered Employees from and after the Closing Date, the Purchaser and the Corporation shall cause all such Offered Employees to receive credit for all service with the Vendor and its Affiliates and predecessors prior to the Closing Date, for all purposes (including eligibility to participate, vesting credit, eligibility to commence benefits, and benefit accrual), except as would otherwise result in the duplication of any benefit and, where any such plan, policy or practice contains any pre-existing condition exclusion to coverage, evidence of insurability provision, actively at work requirement or waiting period, continued employment or other service requirement that did not exist or had been waived or otherwise satisfied under the corresponding Employee Plan, the Purchaser and the Corporation shall ensure that such exclusion, evidence of insurability provision, actively at work requirement, waiting period, continued employment or other service requirement is waived with respect to the Employees. For greater certainty, the Employee Plans and other benefit plans, programs and arrangements of the Vendor shall have no liability for claims incurred by any Offered Employee who becomes employed by the Corporation or his or her dependant or beneficiary on or after the Closing Date. For purposes of this Section 7.6(4), claims shall be considered to be incurred as follows: (a) health and dental care benefits, upon provision of the services, materials or supplies comprising any such benefits, (b) short-term and long-term

disability, upon the date of diagnoses of the illness or other event giving rise to such claim, and (c) life insurance and accidental death and dismemberment insurance, upon the death, illness, dismemberment, injury or accident giving rise to such claim.

(5) Notwithstanding Section 7.6(1), as soon as practical following the date hereof, the Vendor and the Purchaser will undertake consultations to evaluate and determine, acting reasonably and in good faith, whether it would be advantageous to the Parties for the Vendor to transfer to, or continue the employment of the Offered Employees with, the Corporation following the date of such determination, and in any event prior to the Closing, with such transfer or continuation to be on identical terms of employment but with notice of the transactions contemplated by this Agreement and information regarding the Offered Employees' post-Closing compensation package, which will be in accordance with terms required pursuant to the final sentence of Section 7.6(1) (the "**Pre-Closing Transfer**"). The determination required by this Section 7.6(5) shall be made by the Parties having regard to whether the Pre-Closing Transfer will: (a) result in lower costs and expenses for the Parties; (b) minimize the risk of liability exposure of the Vendor and/or the Purchaser to claims from the Offered Employees (including termination payments and benefits); (c) facilitate an orderly transition for the Offered Employees; and (d) not unduly or unreasonably delay the completion of the transactions contemplated by this Agreement. To the extent that the Vendor and Purchaser agree to proceed with the Pre-Closing Transfer, the Purchaser shall be relieved of its obligations pursuant to Section 7.6(1) and Section 7.6(2), and the Vendor and the Purchaser shall reasonably cooperate to effect the Pre-Closing Transfer in accordance with this Section 7.6(5).

(6) The Vendor acknowledges that the Vendor's accrued pension liabilities for Seconded Employees currently take into account the impact on the Employees' pension entitlements of projected salary increases over the Employees' expected period of employment with the Vendor. However, pension entitlements of the Seconded Employees under the Vendor's pension plan who become employed by the Corporation will not in fact increase after Closing because only increases in salary while employed by the Vendor are actually recognized in the Vendor's pension plan. In recognition of this "break in the salary link", the Vendor will pay an amount to a Seconded Employee, conditional upon him/her accepting an offer of employment with the Corporation referred to in Section 7.6(1) or Section 7.6(5), determined by the Vendor on a reasonable basis, that takes into account the fact the actual liability for the Seconded Employees' accrued pension benefits at Closing will be less than the liability for such pension benefits as reflected in the Financial Statements due to the use of salary projections in calculating the liabilities for financial statement purposes.

7.7 Filings with Governmental Authorities.

- (1) *Required Regulatory Approvals.*
 - (i) As soon as practicable following the date of this Agreement (as is prudent taking into account the timing of the Sagicor Acquisition Closing), the Purchaser or the Vendor, or, if required, both, shall make or file with the applicable Governmental Authority such applications, and related submissions, to obtain the Required Regulatory Approvals.
 - (ii) With respect to the Required Regulatory Approvals required to be obtained by Purchaser, the Purchaser shall use its commercially reasonable efforts to obtain (and the Vendor shall and shall cause the Corporation to use its reasonable commercial efforts to assist the Purchaser to obtain) such

Required Regulatory Approvals as soon as is reasonably practicable after the date of this Agreement. For greater certainty, in connection with obtaining the Required Regulatory Approvals, the commercially reasonable efforts of the Purchaser shall include proposing, negotiating, agreeing to or effecting, by undertaking, consent agreement, hold separate agreement or otherwise:

- (A) the sale, divestiture, licensing or disposition of all or any part of the assets of the Purchaser, Alignvest or their Affiliates;
- (B) the termination or amendment of any existing contractual rights, relationships and obligations, or entry into or amendment of any licensing arrangements of the Purchaser, Alignvest and their Affiliates; and
- (C) the taking of any action that, after consummation of the transactions contemplated by this agreement, would limit the freedom of action of, or impose any other requirement on the Purchaser, Alignvest or their Affiliates with respect to the operations of the Purchaser, Alignvest or their Affiliates;

provided, that Purchaser shall not be required to undertake any of the actions listed under items (A) through (C) of this paragraph to obtain the Required Regulatory Approvals if such actions could reasonably be expected to have a material adverse effect on the core business (including either the insurance or bank business) of the Purchaser, its Affiliates, the Corporation, or Sagicor Group Jamaica Limited or any of its wholly-owned subsidiaries, as currently carried out by the Purchaser, its Affiliates, the Corporation or Sagicor Group Jamaica Limited or any of its wholly-owned subsidiaries, as the case may be, in Trinidad and Tobago.

- (iii) Other Regulatory Approvals. As soon as practicable following the date of this Agreement (as is prudent taking into account the timing of the Sagicor Acquisition Closing), the Parties shall make such other applications to obtain all other Regulatory Approvals and in doing so, each Party will use its commercially reasonable efforts and keep the other Party informed as to the status of those applications. Notwithstanding the generality of the foregoing, the Purchaser shall make commercially reasonable efforts to cooperate with and facilitate the Vendor's application process for a licensed insurance entity in Trinidad and Tobago, as contemplated by Sections 5.1(4) and 5.3(4); provided, however, that the Purchaser shall not be responsible for any filing, application or similar fees.

(2) *Information and Requests.* The Vendor and the Purchaser shall furnish each other or the applicable Governmental Authority with such information and assistance as the other Party or Governmental Authority may reasonably request in order to obtain a Regulatory Approval. For greater certainty, the Vendor shall not be required to provide to any Person any of its Tax Returns or any Tax Returns of any of its Affiliates (other than the Corporation). All requests and enquiries from any Governmental Authority shall be dealt with by the Purchaser and the Vendor in consultation with the other.

(3) *Requirements and Restrictions with respect to Required Regulatory Approvals.* With respect to obtaining the Required Regulatory Approvals, the Parties shall:

- (a) not extend or consent to any extension of any applicable waiting period or enter into any agreement with a Governmental Authority to not consummate the transactions contemplated herein, except with the prior written consent of the other Party;
- (b) promptly notify each other of substantive written communications of any nature from a Governmental Authority relating to the Required Regulatory Approvals and provide the other Party with copies thereof, except to the extent of competitively sensitive information, which competitively sensitive information will be provided only to the external legal counsel or external expert of the other Party and shall not be shared by such counsel or expert with any other Person;
- (c) respond as promptly as reasonably possible to any inquiries or requests received from a Governmental Authority in respect of the Required Regulatory Approvals;
- (d) permit the other Party to review in advance any proposed substantive written communications of any nature with a Governmental Authority in respect of the Required Regulatory Approvals, and provide the other Party with final copies thereof, except to the extent of competitively sensitive information, which competitively sensitive information will be provided only to the external legal counsel or external expert of the other Party and shall not be shared by such counsel or expert with any other Person; and
- (e) not participate in any substantive meeting or discussion (whether in person, by telephone or otherwise) with a Governmental Authority in respect of the Required Regulatory Approvals unless it consults with the other Party in advance and gives the other Party the opportunity to attend and participate thereat (except where a Governmental Authority expressly requests that the other Party should not be present at the meeting or discussion or part or parts of the meeting or discussion, or except where competitively sensitive information may be discussed, commercially reasonable efforts will be made to allow external legal counsel to participate).

(4) *Filing Fees.* All filing fees and applicable Taxes in respect of any filing made with a Governmental Authority in order to obtain the Required Regulatory Approvals or other Regulatory Approvals shall be shared equally by the Purchaser and the Vendor, provided that each of the Purchaser and the Vendor shall be responsible for its own legal fees relating to the foregoing.

7.8 Exclusivity. During the Interim Period, none of the Vendor or the Corporation shall (and the Vendor and the Corporation shall cause their respective Affiliates and Representatives not to), directly or indirectly: (a) solicit, initiate or encourage (including by way of furnishing any information relating to the Corporation), or induce or take any other action which could reasonably be expected to lead to the making, submission or announcement of, any proposal or inquiry that constitutes, or could reasonably be likely to lead to, an Acquisition Proposal; (b) other than informing Persons of the provisions contained in this Section 7.8, enter into, continue or participate in any discussions or any negotiations regarding any Acquisition Proposal or otherwise take any action to facilitate or induce any effort or attempt to make or implement an Acquisition

Proposal; (c) approve, endorse, recommend or enter into any Acquisition Proposal or any letter of intent, memorandum of understanding or Contract contemplating an Acquisition Proposal or requiring the Corporation or the Vendor to abandon or terminate its obligations under this Agreement, or (d) agree, resolve or commit to do any of the foregoing. The Vendor and the Corporation agree to notify the Purchaser immediately if any Person makes any proposal, offer, inquiry or contact with respect to an Acquisition Proposal and provide the Purchaser with a description of the material terms and conditions thereof, including the identity of such Person. The Vendor and the Corporation shall immediately cease and cause to be terminated any existing discussions with any Person (other than the Purchaser) concerning any proposal relating to an Acquisition Proposal. With respect to the Persons with whom discussions or negotiations have been terminated, the Vendor and the Corporation shall use their respective commercially reasonable efforts to obtain the return or destruction of, in accordance with the terms of any applicable confidentiality agreement, any confidential information previously furnished to any such Person by the Vendor, the Corporation or any of their respective Representatives. The Vendor shall not, and shall cause the Corporation not to, release any Person from, or waive any provision of, any confidentiality or standstill agreement to which the Vendor or the Corporation is a party, and that relates to an Acquisition Proposal without the prior written consent of the Purchaser.

7.9 Related Party Transactions. Subject to any contractual arrangements to be made in connection with the Transaction Agreements, the Vendor shall take, or cause the Corporation to take, all necessary actions to terminate prior to the Closing all Contracts between Vendor or any Affiliate thereof (other than the Corporation), on the one hand, and the Corporation, on the other hand, except for those Contracts set forth on Schedule 4.2(j).

7.10 Tax Matters.

(1) *Stub Period Tax Returns.* The Purchaser shall cause to be prepared at the Corporation's expense and filed on a timely basis all Tax Returns for the Corporation for (a) any Pre-Closing Tax Period for which Tax Returns are not required to be filed as of the Closing Date and (b) for any Straddle Period for which Tax Returns are required to be prepared and filed (all Tax Returns referred to in clause (a) and (b) above collectively being referred to herein as the "**Stub Period Returns**"). The Purchaser shall prepare each Stub Period Return on a basis consistent with (i) Applicable Law, (ii) the Closing Date Balance Sheet, and (iii) the past practices and procedures of the Corporation. The Purchaser shall provide to the Vendor for its review a draft of each Stub Period Return no later than 30 days in the case of an income Tax Return, and 20 days in the case of any other Tax Return, prior to the due date for filing such Tax Return with the appropriate Governmental Authorities. The Vendor shall notify the Purchaser in writing within 10 days in the case of an income Tax Return, and 5 days in the case of any other Tax Return, after delivery to it of a Stub Period Return if it has any comments with respect to items set forth in such Stub Period Return, including the substance of its comments. The Purchaser shall accept the Vendor's comments to any Stub Period Return provided they are reasonable and consistent with Applicable Law. The Tax Returns shall be filed on a basis that reflects the Vendor's comments. The Purchaser will cause the Corporation to timely file all Stub Period Returns in the form provided to the Vendor by the Purchaser, and to remit any Taxes shown as owing on such Stub Period Returns on a timely basis.

(2) *Payment of Stub Period Returns.* Other than Taxes which were taken into account in computing the Closing Date Excess Capital, the Vendor shall be responsible for (a) all Taxes shown as due on any Stub Period Return for the Corporation for a Pre-Closing Tax Period and (b) with respect to any Stub Period Return for the Corporation for a Straddle Period, Taxes shown as due on such Stub Period Return that are allocable to the portion of the Straddle Period ending

immediately prior to the Closing Date (as determined under Section 7.10(3)). The Vendor shall pay to the Purchaser the amount of any Taxes described in the foregoing sentence at least five days prior to the applicable due date and the Purchaser will cause the Corporation to timely remit any Taxes shown as owing on any Stub Period Return.

(3) *Straddle Periods.* In the case of any Straddle Period, the amount of Taxes shown as due on a Stub Period Return that are allocable to the portion of the Straddle Period ending immediately prior to the Closing Date shall be:

- (a) In the case of Taxes imposed on a periodic basis (such as real or personal property Taxes), the amount of such Taxes for the entire period (or, in the case of such Taxes determined on an arrears basis, the amount of such Taxes for the immediately preceding period) multiplied by a fraction, the numerator of which is the number of calendar days in the Straddle Period prior to the Closing Date and the denominator of which is the number of calendar days in the entire relevant Straddle Period; and
- (b) In the case of Taxes not described in (a) above (such as franchise Taxes, Taxes that are based upon or related to income or receipts, or Taxes that are based upon occupancy or imposed in connection with any sale or other transfer or assignment of property), the amount of any such Taxes shall be determined as if such taxable period ended immediately prior to the Closing Date.

(4) *Cooperation Respecting Tax Matters.* Each Party shall provide reasonable cooperation to the other Party (and following the Closing, the Purchaser shall cause the Corporation to provide reasonable cooperation to the Vendor) and their respective counsel in respect of Tax matters arising under this Agreement, including making available to each other in a timely fashion such data and other information as may reasonably be required for the preparation, review and filing of all Stub Period Returns and in order to contest any Tax matter, prepare for any audit by a Governmental Authority or to pursue any refund including the 2016 Tax Refund, objection or appeal; and preserving such data and other information until the expiry of any applicable limitation period under Applicable Law with respect to such Stub Period Returns of the Corporation; provided that, for the avoidance of doubt, neither the Vendor nor any Affiliate of the Vendor shall have any obligation to provide or make available to any Person all or any portion of any Tax Return of the Vendor or of any Affiliate of the Vendor (other than the Corporation). This Section 7.10(4) is subject to section 7.10(6) in respect of the 2016 Tax Refund.

(5) *Tax Refunds.* Any refunds including the 2016 Tax Refund or credits of Taxes (including any interest paid or credited with respect thereto net of any Taxes paid by the Corporation on such interest) of, or with respect to, the Corporation for any Pre-Closing Tax Period or the portion of any Straddle Period ending immediately prior to the Closing Date (determined in accordance with 7.10(3)), will be for the account of the Vendor (except to the extent such refunds or credits were reflected on the Closing Date Balance Sheet and reflected in the calculation of Closing Date Excess Capital). The Purchaser shall promptly inform the Vendor of any such refunds or credits to which the Vendor may be entitled hereunder and shall pay to the Vendor an amount equal to the amount of any such refunds or credits within 10 days following the date such refunds were paid to the Corporation or if credited by the relevant Governmental Authority to the Corporation within 10 days following the date such credit was applied by the Corporation in respect of any year of income. Any payment made pursuant to this Section 7.10(5) shall constitute an increase to the Purchase Price.

(6) *2016 Tax Refund.* Following the Closing, the Vendor shall have the right to pursue, and the Purchaser shall cause the Corporation to use reasonable commercial efforts to cooperate with the Vendor in pursuing, the 2016 Tax Refund. Without limiting the foregoing, the Vendor shall have the right to make all submissions on behalf of the Corporation to the relevant Governmental Authorities in respect of the 2016 Tax Refund, to conduct meetings and telephone calls with the relevant Governmental Authorities, and to control any audit or other legal Proceeding in respect of the 2016 Tax Refund; provided, that the Purchaser shall have the right to review any such submissions made on behalf of the Corporation to a Governmental Authority in respect of the 2016 Tax Refund and to participate in any such meetings or telephone calls with a Governmental Authority at the Purchaser's sole cost. The Vendor shall have the sole right to determine whether the Corporation shall agree to any adjustment to the 2016 Tax Refund proposed by a Governmental Authority as a result of an audit, or to contest, object or appeal any decision by a Governmental Authority in respect of the 2016 Tax Refund (a "**2016 Tax Refund Contest**"). The Vendor shall control all matters and Proceedings relating to a 2016 Tax Refund Contest; provided, that in the course of exercising such control the Vendor shall not take any actions that would have a material adverse effect on the Purchaser. Each of the Purchaser, the Corporation and Alignvest shall use reasonable commercial efforts to cooperate with the Vendor in accordance with Section 7.10(4) hereof in obtaining the 2016 Tax Refund or in respect of any 2016 Tax Refund Contest and the Purchaser shall cause the Corporation to provide Vendor with all necessary authorizations, powers of attorney and other necessary documents and assistance to allow Vendor to effectively pursue the 2016 Tax Refund or conduct and control a 2016 Tax Refund Contest. All external costs of the Corporation, the Purchaser or Alignvest incurred at the request of the Vendor in connection with the 2016 Tax Refund or any 2016 Tax Refund Contest shall be reimbursed by the Vendor to the Corporation, the Purchaser or Alignvest, as applicable, within ten Business Days of receipt of notice in writing of such expenses, accompanied by reasonable supporting documentation. To the extent of any inconsistency between this Section 7.10(6) and Section 6.13, the provisions of this Section 7.10(6) shall prevail.

(7) *Amendments to Tax Returns.* Except as required by Applicable Law, none of the Purchaser, the Corporation shall, or cause or permit their Affiliates to, without the prior written consent of the Vendor, (a) refile, amend or otherwise modify any Tax Return of the Corporation filed for a Pre-Closing Tax Period or Straddle Period, or (b) make any Tax election that would have any retroactive effect to any Pre-Closing Tax Period. The Vendor shall have no liability whatsoever resulting from any action by the Purchaser, the Corporation contrary to this Section 7.10(7).

7.11 Third Party Consents. The Vendor shall, and the Purchaser shall cooperate, in each case using commercially reasonable efforts, to obtain all material Consents on or prior to Closing, provided however, none of the Vendor, the Corporation or the Purchaser shall be obligated to pay any consideration therefor to any Person.

7.12 Access to and Retention of Books and Records after Closing.

(1) *Access.* The Purchaser shall use reasonable commercial efforts to maintain, and the Vendor and its Representatives shall be allowed reasonable access to, the Books and Records, for a period of seven years from the Closing Date or for such longer period of time as may be required by Applicable Law or in connection with any claim made against the Vendor Indemnified Parties. During such time, the Purchaser shall provide the Vendor and its Representatives with such reasonable assistance, at the expense of the Vendor, as the Vendor and its Representatives may require in connection with the review and use of such Books and Records.

(2) *Retention Rights.* The Purchaser acknowledges that the Vendor shall be entitled to retain copies of any of the Books and Records, in its discretion, acting reasonably, for accounting, tax, litigation and regulatory purposes and, without limiting the generality of the foregoing, the Vendor shall be also entitled to retain copies (electronic or otherwise) of the materials posted to the Data Room or otherwise provided or made available by the Vendor to the Purchaser in connection with the transactions contemplated by this Agreement.

(3) *Excluded Books and Records.* For a period of seven years from the Closing Date, the Vendor shall use reasonable efforts to maintain and provide the Purchaser with reasonable access to the Excluded Books and Records promptly upon the Purchaser's reasonable request and, to the extent requested by the Purchaser, promptly produce copies of those portions of the Excluded Books and Records which are related to the Business of the Corporation even if not exclusively or primarily related to the Business of the Corporation (with such redactions or deletions as may be necessary to exclude such information not primarily related to the Business of the Corporation).

7.13 Sagicor Acquisition Agreement. Sagicor and Alignvest each covenant to consult with the Vendor and consider, in good faith, the comments provided by the Vendor prior to amending the Sagicor Arrangement Agreement in a manner that would reasonably be expected to cause the transactions contemplated by this Agreement not to be consummated, though, for greater certainty, the prior consent of the Vendor shall not be required for such amendment.

7.14 Trademarks and Other Intellectual Property.

(1) The Purchaser acknowledges and agrees that, it is not acquiring any rights in or to any Excluded Intellectual Property, and following the Closing, none of the Purchaser or any of its Affiliates shall have any right, title or interest in or to, or right to use, and the Purchaser covenants that it and its Affiliates will not hereafter adopt, use, apply to register or register, or authorize others to adopt, use, apply to register or register, any Trademarks consisting of, incorporating or confusingly similar to any Vendor Marks except as expressly permitted by the Transition Services Agreement or Distribution Agreement. Nothing in this Agreement shall prevent (x) the Purchaser and its Affiliates from adopting, using, applying to register or registering any Trademark consisting of or containing any generic term contained in any Vendor Mark registration or application, (y) the Vendor and its Affiliates from adopting, using, applying to register or registering any Trademark consisting of or containing any generic term contained in any Trademark registration or application included in the Intellectual Property, or (z) the Purchaser and its Affiliates from using in the Business any Books and Records rightfully used by the Purchaser and its Affiliates and necessary for the continued operation of the Business notwithstanding that such items may have displayed thereon or embodied therein a Vendor Mark, so long as such use does not constitute use as a Trademark of a Vendor Mark under Applicable Law.

(2) The Purchaser covenants and agrees to, (a) effective as of or immediately following the Closing, change, or cause its applicable Affiliates to change, the name of the Corporation to a name that does not include anything confusingly similar to any Vendor Mark, (b) within 60 days following the Closing, change, or cause its applicable Affiliates to change, the name(s) of the Corporation on Licences or any business name local registrations to name(s) that do not include anything confusingly similar to any Vendor Mark, subject to any requirements of any Governmental Authority for approval of change of such name(s) of the Corporation on Licences or any business name local registrations, and where necessary, such 60 day period shall be extended to comply with requirements of any such Governmental Authority (but further

subject to the Purchaser's and the applicable Affiliates' use of their reasonable efforts to complete such change of the name(s) of the Corporation on Licences or any business name local registrations as soon as practicable), and (c) at all times following the Closing, refrain from using the current names of the Vendor or any name that includes reference to any Vendor Mark in any materials or assets, except as expressly permitted by the Transition Services Agreement or Distribution Agreement. Prior to the Closing, to the extent permitted or practicable under Applicable Law, the Vendor may file requests to change the name(s) of the Corporation on Licences or any business name local registrations, effective as of the Closing, as part of the requests for the Required Regulatory Approvals pertaining to the Vendor or the Business, and to take all other necessary corporate action to effect such change of names.

(3) The Purchaser acknowledges and agrees that, prior to the Closing, the Vendor and/or its Affiliates shall be permitted to remove from, or obscure in the internal space of, the Business any signage or other displays visible to the public that bear the Vendor Marks.

(4) If at any time following the Closing, any of the Purchaser, the Corporation, the Vendor or any of its Affiliates discovers any Trademark registration or application (including any internet domain name registration) for any Intellectual Property used exclusively by the Business (other than Excluded Intellectual Property) that is owned or registered in the name of any of the Vendor or its Affiliates, the Vendor shall, or shall to the extent practicable cause the applicable Affiliate to, take all actions, including executing any documents, to promptly transfer and assign all right, title and interest in and to such Trademark registrations and applications (including any internet domain name registration) to the Corporation or a designee specified by the Purchaser.

(5) The entirety of this 7.14 is subject to the terms and conditions of the Distribution Agreement and the Transition Services Agreement.

7.15 Release.

(1) Effective upon the Closing, the Vendor, on its own behalf and on behalf of its Affiliates, heirs, successors, trustees, executors, administrators, assigns and any other Person that may claim by, through or under Vendor (collectively, the "**Releasing Parties**"), hereby (a) irrevocably waives, releases, acquits and forever discharges the Corporation and each of its present and former officers, directors, managers, employees and other agents (collectively, the "**Releasees**") from, any and all claims, demands, rights, causes of action, Proceedings, Orders, remedies, obligations, damages and liabilities of any kind or nature whatsoever, whether absolute, accrued, contingent, known or unknown, fixed or otherwise, disputed or undisputed, liquidated or unliquidated, secured or unsecured, joint or several, vested or unvested, due or to become due, executor, determined determinable or otherwise since the beginning of time and (b) agrees that no Releasing Party will bring or voluntarily participate in or assist any Proceeding that relates to any matter released pursuant to this Section 7.15. Notwithstanding the foregoing, the Releasing Parties do not waive or release (i) any rights based upon, arising out of or relating to rights in favour of the Releasing Parties created pursuant to the terms of this Agreement and the Transaction Agreements, or (ii) any rights to indemnification as a result of such Releasing Party's service as an officer or director of the Corporation pursuant to constituent documents unless such rights to indemnification are related to or arise from a breach of this Agreement or any Transaction Agreement.

(2) It is the intention of the Releasing Parties through this Agreement and with the advice of counsel to fully, finally and forever settle and release the claims set forth above. In furtherance of such intention, the releases herein given shall be and remain in effect as full and

complete releases of such matters notwithstanding the discovery of any additional claims or facts relating thereto.

7.16 Confidentiality. Effective as of the Closing, the Vendor hereby assigns to the Purchaser all of the Vendor's right, title and interest in and to any confidentiality agreements entered into by the Vendor (or its Affiliates, officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors, or other agents) and each Person (other than the Purchaser, Alignvest, and their Affiliates, officers, directors, managers, employees, attorneys, accountants, consultants, financial advisors, and other agents) who entered into any such agreement or to whom confidential information of the Corporation was provided in connection with an acquisition transaction or business combination involving the Corporation or its Affiliates. From and after the Closing, the Vendor will take all actions reasonably requested by the Purchaser, at the Purchaser's expense, in order to assist in enforcing the rights so assigned.

ARTICLE 8 TERMINATION

8.1 Grounds for Termination.

This Agreement may be terminated on or prior to the Closing Date:

- (a) by the mutual written agreement of the Vendor and the Purchaser;
- (b) by written notice from the Purchaser to the Vendor as permitted in Section 5.2; or
- (c) by written notice from the Vendor to the Purchaser as permitted in Section 5.4.

8.2 Effect of Termination. If this Agreement is terminated:

- (a) by the Vendor or by the Purchaser under Section 8.1, subject to Section 8.2(b), all further obligations of the Parties under this Agreement shall terminate, except for the obligations under this Article 8 and Section 7.4, Section 10.1, Section 10.2, and Section 10.6, which shall survive such termination; and
- (b) by a Party under Section 8.1(b) or Section 8.1(c) and the right to terminate arose because of a breach of this Agreement by the other Party (including a breach by the other Party resulting in a condition in favour of the terminating Party failing to be satisfied), then, the other Party shall remain fully liable for any and all Damages sustained or incurred by the terminating Party directly or indirectly as a result thereof, subject to the limitations set out in Article 6.

8.3 Termination Fees.

(1) Notwithstanding anything to the contrary in this Agreement (including Section 8.2), if a Termination Fee Event occurs, whichever of the Purchaser or Alignvest is required (or would have been required) to pay the fee or expense reimbursement amount under the Signing Date Sagicor Arrangement Agreement shall pay the Vendor the Termination Fee in accordance with Section 8.3(2).

(2) The Termination Fee shall be paid by the Purchaser to the Vendor by wire transfer of immediately available funds within two Business Days after the date of the Termination Fee Event.

(3) The Purchaser acknowledges that the agreements contained in this Section 8.3 are an integral part of the transactions contemplated by this Agreement, and that without these agreements the Vendor would not enter into this Agreement, and that the amounts set out in this Section 8.3 represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, which the Vendor will suffer or incur as a result of the event giving rise to such damages and resultant termination of this Agreement, and is not a penalty. The Purchaser irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive.

(4) The Purchaser agrees that the payment of the Termination Fee pursuant to this Section 8.3 is in addition to any damages or other payment or remedy to which the Vendor may be entitled, but, for greater certainty, the limitations set out in Article 6 shall still be applicable and be inclusive of such Termination Fee, and such Termination Fee shall be deducted from the amount of any Damages sustained by the Vendor.

ARTICLE 9 RESTRICTIVE COVENANTS

9.1 Non-Competition. Subject to Section 9.2 and without limiting anything provided for in the Distribution Agreement, the Vendor shall not, and shall ensure that its Affiliates do not, without the prior written consent of the Purchaser, at any time during the Restricted Period, either individually or in partnership or jointly or in conjunction with each other or any Person, as principal, agent, consultant, contractor, employer, employee, investor or shareholder, or in any other manner, directly or indirectly, advise, manage, carry on, establish, acquire control of, be engaged in, invest in, guarantee the debts or obligations of, any Person that operates, is engaged in or has an interest in, a business anywhere within Trinidad and Tobago that engages in the underwriting or manufacturing of insurance (a "**Restricted Business**"). For greater certainty, "Restricted Business" does not include the sales, marketing or distribution of Insurance Contracts or other insurance products and nothing in this Article 9 shall prohibit the Vendor or its Affiliates from entering into an insurance distribution agreement with any other Person in the event that the Distribution Agreement is terminated or is otherwise no longer in effect.

9.2 Permitted Competition. Notwithstanding Section 9.1 above, nothing herein shall prohibit the Vendor or its Affiliates from:

- (a) owning, as a passive investor, not more than 5% of the shares or other securities of any class of any publicly traded issuer;
- (b) performing any act expressly required by this Agreement or any other agreement contemplated under this Agreement; or

- (c) conducting any business other than a Restricted Business, which includes, for greater certainty, the soliciting of existing and prospective customers of the Business, whether in Trinidad and Tobago or elsewhere, in respect of any business other than a Restricted Business.

9.3 Reasonableness of Restrictions. The Parties agree that all restrictions in this Article 9 are necessary, fundamental and integral to this Agreement and are reasonable and valid.

ARTICLE 10 GENERAL

10.1 Expenses. Except as otherwise expressly provided herein or any Transaction Agreement, each Party shall be responsible for all costs and expenses (including any Taxes imposed on such expenses) incurred by it in connection with the negotiation, preparation, execution, delivery and performance of this Agreement and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers), the Corporation shall not be responsible for or charged any costs incurred by the Vendor in connection with the negotiation, preparation, execution, delivery and performance of this Agreement (in the case of the Corporation, to the extent such costs are incurred prior to or at Closing) and the transactions contemplated by this Agreement (including the fees and disbursements of legal counsel, bankers, investment bankers, accountants, brokers and other advisers).

10.2 Payment of Transfer Taxes. Taxes payable by the Vendor pursuant to Applicable Law shall be paid by the Vendor and stamp duty Taxes shall be borne equally by the Purchaser and the Vendor.

10.3 Public Announcements. Except to the extent otherwise required by Applicable Law or as contemplated herein, by the Sagikor Arrangement Agreement, the Prospectus or a management information circular of Alignvest in connection with the Sagikor Arrangement Agreement, or upon the consent of the other Party, not to be unreasonably withheld, neither Party shall make any public announcement regarding this Agreement or the transactions contemplated by this Agreement.

10.4 Notices.

(1) **Mode of Giving Notice.** Any notice, direction, certificate, consent, determination or other communication required or permitted to be given or made under this Agreement shall be in writing and shall be effectively given and made if (a) delivered personally, (b) sent by prepaid courier service or mail, or (c) sent by e-mail (return receipt requested) or other similar means of electronic communication, in each case to the applicable address set out below:

- (a) if to the Vendor, to:

Scotiabank Trinidad and Tobago Limited
Senior Vice President and Managing Director
Executive Offices, 56-58 Richmond St.
Port of Spain, Trinidad

Attention: Stephen Bagnarol
Email: stephen.bagnarol@scotiabank.com

with a copy (which shall not constitute notice) to:

Fitzwilliam, Stone, Furness-Smith & Morgan
48-50 Sackville Street
Port of Spain, Trinidad

Attention: Mark Ramkerrysingh
Email: mramkerrysingh@fitzwilliamstone.com

And to:

The Bank of Nova Scotia
Scotia Plaza
44 King Street West
Toronto, Ontario M5H 1H1

Attention: Charles Emond (Executive Vice President Finance); Vik Sharma
(Senior Vice-President, Strategic Transactions & Review); Ian Arellano
(Executive Vice President and General Counsel)

Email: charles.emond@scotiabank.com; vikas.sharma@scotiabank.com;
ian.arellano@scotiabank.com

And to

Blake, Cassels & Graydon LLP
199 Bay Street, Suite 4000
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: Alex Moore; David Kruse
Email: alex.moore@blakes.com; david.kruse@blakes.com

(b) if to the Purchaser, to:

Sagicor Financial Corporation Limited
Cecil F De Caires Building
Willey, St. Michael
Barbados

Attention: Dodridge Miller
Email: Dodridge_Miller@Sagicor.com

with a copy (which shall not constitute notice) to:

Paul Hastings LLP
200 Park Avenue
New York, NY 10166

Attention: Cathleen McLaughlin; Robert Leung
Email: cathleenmclaughlin@paulhastings.com;
robertleung@paulhastings.comwith

with a copy (which shall not constitute notice) to:

Alignvest Acquisition II Corporation
100 King Street West, Suite 7050
Toronto ON M5X 1C7

Attention: Timothy Hodgson
Email: thodgson@alignvest.com

with a copy (which shall not constitute notice) to:

Stikeman Elliott LLP
199 Bay Street
Commerce Court West
Toronto, Ontario M5L 1A9

Attention: Simon Romano
Email: sromano@stikeman.com

with a copy (which shall not constitute notice) to:

M. Hamel-Smith & Co.
Eleven Albion
Corner Dere & Albion Streets
Port of Spain
Trinidad

Attention: Melissa Inglefield
Email: melissa@trinidadlaw.com

(2) *Deemed Delivery of Notice.* Any such communication so given or made shall be deemed to have been given or made and to have been received on the day of delivery if delivered, or on the day of e-mailing or sending by other means of recorded electronic communication, provided that such day in either event is a Business Day and the communication is so delivered, faxed, e-mailed or sent before 4:30 p.m. on such day. Otherwise, such communication shall be deemed to have been given and made and to have been received on the next following Business Day. Any such communication sent by mail shall be deemed to have been given and made and to have been received on the fifth Business Day following the mailing thereof; provided however that no such communication shall be mailed during any actual or apprehended disruption of postal services. Any such communication given or made in any other manner shall be deemed to have been given or made and to have been received only upon actual receipt.

(3) *Change of Address.* Any Party may from time to time change its address under this Section 10.4 by notice to the other Party given in the manner provided by this Section 10.4.

10.5 Time of Essence. Time shall be of the essence of this Agreement in all respects.

10.6 Entire Agreement. This Agreement, together with the Transaction Agreements and the Confidentiality Agreements, constitutes the entire agreement between the Parties pertaining to the subject matter of this Agreement and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no conditions, representations, warranties, obligations or other agreements between the Parties in connection with the subject matter of this Agreement (whether oral or written, express or implied, statutory or otherwise) except as explicitly set out in this Agreement or in the Transaction Agreements. In the event of any conflict or inconsistency between the provisions of this Agreement and the provisions of the Transaction Agreements, the provisions of this Agreement shall govern to the extent necessary to remove the conflict or inconsistency.

10.7 Amendment. No amendment of this Agreement shall be effective unless made in writing and signed by the Parties.

10.8 Waiver. A waiver of any default, breach or non-compliance under this Agreement shall not be effective unless in writing and signed by the Party to be bound by the waiver, and then only in the specific instance and for the specific purpose for which it has been given. No waiver shall be inferred from or implied by any failure to act or delay in acting by a Party in respect of any default, breach or non-observance or by anything done or omitted to be done by the other Party. The waiver by a Party of any default, breach or non-compliance under this Agreement will not operate as a waiver of that Party's rights under this Agreement in respect of any continuing or subsequent default, breach or non-observance (whether of the same or any other nature).

10.9 Severability. Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction will, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and will be severed from the balance of this Agreement, all without affecting the remaining provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

10.10 Remedies. The Parties acknowledge that the failure to comply with a covenant or obligation contained in this Agreement may give rise to irreparable injury to a party inadequately compensable in damages. Accordingly, a Party may seek to enforce the performance of this Agreement (including, without limitation, by injunction, specific performance, set-off, or other remedy) upon application to a court of competent jurisdiction without proof of actual damage (and

without the requirement of posting a bond or other security). Except for the foregoing rights in respect of equitable relief, the Parties acknowledge and agree that their sole rights to monetary damages with respect to any and all claims (other than claims arising from fraud, criminal activity or wilful misconduct on the part of a Party in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement shall be under the provisions set forth in Article 6, Article 8, Section 10.1 and Section 10.16. In furtherance of the foregoing, each party hereby waives, to the fullest extent permitted under Law, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement it may have against the other parties hereto and their Affiliates and each of their respective Representatives arising under or based upon any Law, except as provided in Article 6, Article 8, Section 10.1, and this Section 10.10.

10.11 Attornment. Each Party agrees (a) that any Proceeding relating to this Agreement may (but need not) be brought in any court of competent jurisdiction in the Province of Ontario, and for that purpose now irrevocably and unconditionally attorns and submits to the jurisdiction of such Ontario court; (b) that it irrevocably waives any right to, and shall not, oppose any such Proceeding in the Province of Ontario on any jurisdictional basis, including forum non conveniens; and (c) not to oppose the enforcement against it in any other jurisdiction of any Order duly obtained from an Ontario court as contemplated by this Section 10.11. Each of the Parties irrevocably appoints the Persons listed in Section 10.4 as its agent to receive on its behalf service of summons and any other legal process which may be served in any Proceeding. Such service may be made by mailing or delivering a copy of such process to the applicable party in care of its agent at the address given in this Section 10.11 and each of the Parties hereby irrevocably authorizes and directs the respective agents to accept such service on their behalf. If and to the extent that such service and any summons or other legal process cannot for any reason be effected upon the applicable agent as in this Agreement provided, each of the Parties further irrevocably consents to the service of any and all legal process in any such Proceeding by the mailing of copies of such process in the manner specified in Section 10.4. Nothing in this Section 10.11 shall affect the rights of the Parties to serve legal process in any other manner permitted by Applicable Law.

10.12 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable in such Province and this Agreement shall be treated, in all respects, as an Ontario contract.

10.13 Successors and Assigns; Assignment. This Agreement shall enure to the benefit of, and be binding on, the Parties and their respective successors and permitted assigns. Neither Party may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement without the prior written consent of the other Party, not to be unreasonably withheld, but consent of the Vendor shall not be required in the case of any of an assignment by the Purchaser to: (i) an Affiliate that is directly majority-owned by the Purchaser, provided, that, such Affiliate and the Purchaser shall be jointly and severally liable with respect to all of the obligations of the Purchaser, including the representations, warranties, covenants, indemnities and agreements of the Purchaser; or (ii) a lender or lenders as continuing collateral security for obligations owed to it or them.

10.14 Third Party Beneficiaries. This Agreement is for the sole benefit of the Parties, and except as specifically provided for in Sections 6.7 and 7.1, nothing in this Agreement, express or implied, is intended to or shall confer upon any other Person any legal or equitable right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.15 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and both of which taken together shall be deemed to constitute one and the same instrument. To evidence its execution of an original counterpart of this Agreement, a Party may send a copy of its original signature on the execution page hereof to the other Party by facsimile, e-mail in pdf format or by other electronic transmission (including “docusign” or similar mechanisms) and such transmission shall constitute delivery of an executed copy of this Agreement to the receiving Party.

10.16 Characterization. Unless otherwise required by Law, any Shareholder Equity Adjustment shall be treated for all Tax purposes as an adjustment to the Purchase Price.

10.17 Waiver of Access to Escrow Account. Notwithstanding anything to the contrary in this Agreement, the Vendor and the Corporation each hereby irrevocably waive and release, and shall cause any Affiliate of each of the Vendor and the Corporation, in connection with this Agreement, to waive and release, on substantially similar terms, any and all right, title, interest, causes of action and claims of any kind, whether in tort or contract or otherwise (each, a “**Claim**”), in or to, and any and all right to seek payment of any amounts due to it in connection with this Agreement, out of the Escrow Account, or from monies or other assets released from the Escrow Account that are payable to Alignvest Shareholders or IPO Underwriters, and further agrees not to seek recourse, reimbursement, payment or satisfaction of any Claim against the Escrow Account, any monies or other assets released from the Escrow Account that are payable to Alignvest Shareholders or IPO Underwriters or any monies or other assets in the Escrow Account for any reason whatsoever or to bring any Proceedings against the Escrow Account or the Escrow Agent.

[Signature Pages Follow.]

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

SCOTIABANK TRINIDAD AND TOBAGO LIMITED

By: "*Brendan King*" _____
Name: Brendan King
Title: Director

SAGICOR FINANCIAL CORPORATION LIMITED

By: "*Dodridge D. Miller*"

Name: Dodridge D. Miller

Title: President and Chief Executive Officer

ALIGNVEST ACQUISITION II CORPORATION

By: "*Timothy Hodgson*"

Name: Timothy Hodgson

Title: Managing Director and Chairman, AQY