



**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**October 31, 2017**

**TRISURA GROUP LTD.**  
333 Bay Street, Suite 1610, Box 22  
Toronto, ON M5H 2R2

**NOTICE OF SPECIAL MEETING OF SHAREHOLDERS AND AVAILABILITY OF CIRCULAR**

**NOTICE IS HEREBY GIVEN** that a special meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of Trisura Group Ltd. (the “**Company**”) will be held at Torys LLP, 79 Wellington Street West, 33<sup>rd</sup> Floor, TD South Tower, Toronto, Ontario, M5K 1N2 on Monday, December 11, 2017 at 10:00 a.m. (Toronto time) for the following purposes:

- (1) to consider and, if deemed advisable, to approve, with or without variation, a special resolution to approve an amendment to the articles of the Company to authorize a share consolidation of the Company’s common shares (the “**Common Shares**”) so that every 10 Common Shares will be consolidated into one Common Share (pursuant to which Shareholders who hold in the aggregate less than one newly consolidated Common Share will then receive a cash payment in exchange for such fractional Common Share based on the average trading price of the Common Shares on the Toronto Stock Exchange during the 20 consecutive trading days ending on and including the trading day immediately prior to the effective date of the consolidation), followed by an immediate share split of every newly consolidated one Common Share into 10 Common Shares;
- (2) to consider and, if deemed advisable, to approve, with or without variation, an ordinary resolution to ratify and approve the adoption of a share option plan of the Company, which provides for the issuance of options to purchase Common Shares (the “**Share Option Plan**”), and the grants of options made under the Share Option Plan; and
- (3) to transact such other business as may properly come before the Meeting or any adjournment(s) thereof.

You have the right to vote at the Meeting if you were a Shareholder at the close of business on October 31, 2017. Before casting your vote, you are encouraged to review the Meeting’s business in the section “Business of the Meeting” of the Company’s management information circular dated October 31, 2017 (the “**Circular**”). The Circular will be made publicly available on November 10, 2017.

The Company is using “Notice and Access” in connection with the delivery of the materials in respect of the Meeting. An electronic copy of the Circular may be accessed at [www.trisura.com/group/investor-centre](http://www.trisura.com/group/investor-centre) under the “Financial Reports” tab and at [www.sedar.com](http://www.sedar.com). If you would like more information about Notice and Access, please contact the Company’s transfer agent, AST Trust Company (Canada) (“**AST**”), toll-free at 1-800-387-0825.

Under Notice and Access, if you would like a paper copy of the Circular, please contact AST toll-free at 1-888-433-6443 (or 416-682-3801 if you are outside Canada or the United States) or [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.com). The Circular will be mailed to you free of charge within three business days of your request, provided the request is made before the date of the Meeting or any adjournment(s) thereof. In order to receive the Circular in advance of the deadline to submit your vote, it is recommended that you contact AST before 5:00 p.m. (Toronto time) on November 27, 2017. All Shareholders who have signed up for electronic delivery of the Circular will receive it by email.

**Shareholders who are unable to attend the Meeting in person are requested to complete, date, sign and return the enclosed form of proxy by 5:00 p.m. (Toronto time) on Thursday, December 7, 2017, or no later than 48 hours (excluding Saturdays, Sundays and holidays) before the time to which the Meeting has been rescheduled, if it has been rescheduled or adjourned.** You can cast your proxy vote in the following ways:

- On the Internet at [www.astvotemyproxy.com](http://www.astvotemyproxy.com);
- Fax your signed proxy to AST at 1-866-781-3111 (toll-free) or 416-368-2502;
- Mail your signed proxy using the business reply envelope accompanying your proxy; or
- Scan and send your signed proxy to [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com).

If you are a non-registered holder of Common Shares and have received these materials through your broker, nominee or other intermediary, please complete and return the form of proxy or voting instruction form provided to you by your broker, custodian, nominee or other intermediary in accordance with the instructions provided therein.

**DATED** at Toronto, Ontario as of the 31<sup>st</sup> day of October, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
TRISURA GROUP LTD.**

*“David Nowak”*

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David Nowak  
Chair

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**TRISURA GROUP LTD.**

**MANAGEMENT INFORMATION CIRCULAR**

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**This management information circular (the “Circular”) is provided in connection with the solicitation of proxies by management of Trisura Group Ltd. (the “Company” or “Trisura”) for use at the special meeting of shareholders (the “Shareholders”) of the Company referred to in the Company’s Notice of Special Meeting of Shareholders and Availability of Circular dated October 31, 2017 (the “Notice”) to be held at Torys LLP, 79 Wellington Street West, 33<sup>rd</sup> Floor, TD South Tower, Toronto, Ontario, M5K 1N2 on Monday, December 11, 2017 at 10:00 a.m. (Toronto time) and at any adjournment(s) thereof (the “Meeting”).**

Solicitation will be made primarily by sending proxy materials to Shareholders by mail and email, and in relation to the delivery of this Circular, by posting this Circular on Trisura’s website at [www.trisura.com/group/investor-centre](http://www.trisura.com/group/investor-centre) under the “Financial Reports” tab and on [www.sedar.com](http://www.sedar.com) pursuant to the “notice-and-access” provisions of National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer* (“**NI 54-101**”) and National Instrument 51-102 – *Continuous Disclosure Obligations* (collectively, “**Notice and Access**”). See “Notice and Access” below for further information. Proxies may also be solicited personally or by telephone by employees of the Company at nominal cost. The cost of solicitation will be borne by the Company.

Trisura’s board of directors (the “**Board**”) has, by resolution, fixed the close of business on **October 31, 2017** as the record date (the “**Record Date**”), being the date for the determination of the registered holders of the Company’s common shares (“**Common Shares**”) entitled to notice of and to vote at the Meeting.

Unless otherwise stated, the information contained in this Circular is given as of October 31, 2017, and all dollar amounts are expressed in Canadian dollars. All references herein to the Company shall include its subsidiaries as the context may require. References in this Circular to the Meeting include any adjournment(s) thereof.

#### **WHO CAN VOTE**

As of October 31, 2017, the Company had 5,813,352 Common Shares outstanding. The Common Shares are listed on the Toronto Stock Exchange (the “**TSX**”) under the symbol “TSU”. Each registered holder of record of Common Shares at the close of business on the Record Date will be entitled to one vote for each Common Share on all matters to come before the Meeting or any adjournment(s) thereof, either in person or by proxy.

#### **NOTICE AND ACCESS**

Trisura is using Notice and Access to provide this Circular electronically for both registered and non-registered Shareholders. Notice and Access is a mechanism that allows reporting issuers other than investment funds to choose to deliver proxy-related materials (such as information circulars and annual financial statements) to registered holders and beneficial owners of securities by posting such materials on the System for Electronic Document Analysis and Retrieval (“**SEDAR**”) and one other website, rather than sending such materials by mail. The Company has elected to utilize Notice and Access because it allows for significantly lower printing and mailing costs associated with the Meeting.

Instead of mailing this Circular to Shareholders, Trisura has posted this Circular on its website at [www.trisura.com/group/investor-centre](http://www.trisura.com/group/investor-centre) under the “Financial Reports” tab, in addition to the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Trisura has sent the Notice, two letters of transmittal (each a “**Letter of Transmittal**”), and a form of proxy or voting information form (collectively, the “**Notice Package**”) to all Shareholders informing them that this Circular is available online and explaining how this Circular may be accessed. Trisura will not directly send the Notice Package to non-registered Shareholders. Instead, Trisura will pay Intermediaries (as defined below) to forward the Notice Package to all non-registered Shareholders.

Registered and non-registered Shareholders who have signed up for electronic delivery of this Circular will receive it by email. No Shareholders will receive a paper copy of this Circular unless they contact the transfer agent and registrar for the Common Shares, AST Trust Company (Canada) (“AST”), in which case AST will mail this Circular within three business days of any request, provided the request is made *before* the date of the Meeting or any adjournment(s) thereof. AST must receive your request before 5:00 p.m. (Toronto time) on November 27, 2017 to ensure you will receive paper copies in advance of the deadline to submit your vote. If your request is made after the Meeting and within one year of this Circular being filed, AST will mail this Circular within 10 calendar days of any request.

Shareholders with questions about Notice and Access can call AST toll-free at 1-800-387-0825. Shareholders may also obtain paper copies of this Circular free of charge by contacting AST toll-free at 1-888-433-6443 (or 416-682-3801 if you are outside Canada or the United States) or [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.com).

## **Q&A ON PROXY VOTING**

### ***What am I voting on?***

Shareholders may vote on the following matters, as fully described in the “Business of the Meeting” section:

1. Approval of the proposed Share Consolidation and Share Split (as defined below);
2. Approval of the Share Option Plan (as defined below) and the grants of options made thereunder; and
3. Such other business as may properly come before the Meeting or any adjournment(s) thereof.

### ***How do I vote?***

If you are a registered Shareholder, you may:

- (a) vote in person at the Meeting; or
- (b) vote your proxy in the following ways:
  - On the Internet at [www.astvotemyproxy.com](http://www.astvotemyproxy.com);
  - Fax your signed proxy to AST at 1-866-781-3111 (toll-free) or 416-368-2502;
  - Mail your signed proxy using the business reply envelope accompanying your proxy; or
  - Scan and send your signed proxy to [proxyvote@astfinancial.com](mailto:proxyvote@astfinancial.com).

If you intend to vote your proxy in a manner provided in (b) above, it must be received by AST no later than 5:00 p.m. (Toronto time) on **Thursday, December 7, 2017**, which is two business days before the day of the Meeting.

If you are a non-registered Shareholder and your Common Shares are held in the name of an intermediary such as a bank, trust company, securities dealer, broker or other intermediary (an “**Intermediary**”), to direct the votes of Common Shares beneficially owned, see “If my Common Shares are not registered in my name but are held in the name of an Intermediary, how do I vote my Common Shares?” below for voting instructions.

### ***What if I plan to attend the Meeting and vote in person?***

If you are a registered Shareholder and plan to attend the Meeting on December 11, 2017 and wish to vote your Common Shares in person at the Meeting, please register with AST when you arrive at the Meeting. Your vote will be taken and counted at the Meeting.

If your Common Shares are held in the name of an Intermediary and you plan to attend the Meeting and vote in person, see “If my Common Shares are not registered in my name but are held in the name of an Intermediary, how do I vote my Common Shares?” below for voting instructions.

### ***Who is soliciting my proxy?***

The proxy is being solicited by management of Trisura and the associated costs will be borne by Trisura.

***What happens if I sign the proxy sent to me?***

Signing the proxy appoints David Nowak or A.J. Silber, each of whom is a director of Trisura, or another person you have appointed, to vote or withhold from voting your Common Shares at the Meeting.

***Can I appoint someone other than these directors to vote my Common Shares?***

**Yes, you may appoint another person or company other than the Trisura directors named on the form of proxy to be your proxyholder.** Write the name of this person (or company) in the blank space on the form of proxy. The person you appoint does not need to be a Shareholder. Please make sure that any other person you appoint is attending the Meeting and knows he or she has been appointed to vote your Common Shares. Proxyholders should present themselves to a representative of AST when they arrive at the Meeting.

***Can I vote by Internet?***

Yes. If you are a registered Shareholder, go to [www.astvotemyproxy.com](http://www.astvotemyproxy.com) and follow the instructions on this website. You will need your control number (located under your address on the form of proxy) to identify yourself to the system. You must submit your vote by no later than 5:00 p.m. (Toronto time) on **Thursday, December 7, 2017**, which is two business days before the day of the Meeting.

***If I change my mind, can I submit another proxy or take back my proxy once I have given it?***

Yes. If you are a registered Shareholder, you may deliver another properly executed form of proxy with a later date to replace the original proxy in the same way you delivered the original proxy. If you wish to revoke your proxy, prepare a written statement to this effect signed by you (or your attorney as authorized in writing) or, if the Shareholder is a corporation, under its corporate seal or by a duly authorized officer or attorney of the corporation. **This statement must be delivered to the Secretary of Trisura at the address below no later than 5:00 p.m. (Toronto time) on the last business day preceding the date of the Meeting, Friday, December 8, 2017, or any adjournment of the Meeting, or to the Chair of the Board prior to the start of the Meeting on Monday, December 11, 2017, or the day of the adjourned Meeting.**

Secretary  
Trisura Group Ltd.  
333 Bay Street, Suite 1610, Box 22  
Toronto, Ontario M5H 2R2  
Email: [simon.chernin@brookfield.com](mailto:simon.chernin@brookfield.com)

If you are a non-registered Shareholder, you may revoke a voting instruction form previously given to an Intermediary at any time by written notice to the Intermediary. An Intermediary is not required to act on a revocation of a voting instruction form unless they receive it at least seven calendar days before the Meeting. A non-registered Shareholder may then submit a revised voting instruction form in accordance with the directions on the form.

***How can I request electronic delivery of proxy-related materials?***

To opt for electronic distribution of investor materials, complete the request for electronic delivery of materials form enclosed with the Notice Package and return it by mail to AST Trust Company (Canada), P.O. Box 700, Station B, Montreal, Québec, H3B 3K3. You can also submit your request online by visiting <https://ca.astfinancial.com/edelivery>.

***How will my Common Shares be voted if I give my proxy?***

The persons named on the form of proxy must vote your Common Shares for or against or withhold from voting, in accordance with your directions, or you can let your proxyholder decide for you. If you specify a choice with respect to any matter to be acted upon, your Common Shares will be voted accordingly. **In the absence of voting directions,**

**proxies received by management will be voted FOR all resolutions put before Shareholders of the Meeting.** See “Business of the Meeting” for further information.

***What if amendments are made to these matters or if other matters are brought before the Meeting?***

The persons named on the proxy will have discretionary authority with respect to amendments or variations to matters identified in the Notice and with respect to other matters which may properly come before the Meeting.

As of the date of this Circular, management of Trisura is not aware of any amendment, variation or other matter expected to come before the Meeting. If any other matters properly come before the Meeting, the persons named on the form of proxy will vote on them in accordance with their best judgment.

***Who counts the votes?***

Trisiura’s transfer agent, AST, counts and tabulates the proxies.

***How do I contact the transfer agent?***

For general Shareholder enquiries, you can contact AST as follows:

By Mail:	AST Trust Company (Canada) P.O. Box 700 Station B Montreal, Québec, H3B 3K3
By Telephone:	416-682-3860 1-800-387-0825
By E-mail:	<i>inquiries@astfinancial.com</i>

***If my Common Shares are not registered in my name but are held in the name of an Intermediary, how do I vote my Common Shares?***

In many cases, Common Shares that are beneficially owned by a non-registered Shareholder are registered either:

- a. in the name of an Intermediary, such as a bank, trust company, securities dealer or broker or a trustee or administrator of self-administered RRSPs, RRIFs, RESPs and similar plans; or
- b. in the name of a depository such as CDS Clearing and Depository Services Inc., or the Depository Trust Company, which the Intermediary is a participant of.

In accordance with the requirements of NI 54-101, the Company has sent the Notice Package indirectly through Intermediaries to both (i) non-registered Shareholders who have advised their Intermediary that they do not object to their Intermediary disclosing ownership information to the Company, consisting of their name, address, e-mail address, securities holdings and preferred language of communication, and (ii) non-registered Shareholders who have advised their Intermediary that they object to their Intermediary disclosing such ownership information to the Company (“**OBOs**”). The Company intends to pay for Intermediaries to deliver the Notice Package to OBOs.

Your Intermediary is required to send you a voting instruction form for the number of Common Shares you beneficially own.

Non-registered Shareholders who have not opted for electronic delivery will receive a voting instruction form to permit them to direct the voting of the Common Shares they beneficially own. Non-registered Shareholders should follow the procedures set out on the form and contact their Intermediaries promptly if they need assistance.

Since Trisura has limited access to the names of its non-registered Shareholders, if you attend the Meeting, Trisura may have no record of your shareholdings or of your entitlement to vote unless your Intermediary has appointed you as proxyholder. Therefore, if you wish to vote in person at the Meeting, insert your name in the space provided on the voting instruction form and return it by following the instructions provided therein. Do not otherwise complete the form as your vote will be taken at the Meeting. Please register with AST when you arrive at the Meeting.

A non-registered Shareholder who does not wish to attend and vote at the Meeting in person must complete and sign the voting instruction form and return it in accordance with the directions on the form. If a non-registered Shareholder does wish to attend and vote at the Meeting in person (or have another person attend and vote on his or her behalf), the non-registered Shareholder must complete, sign and return the voting instruction form in accordance with the directions on the form.

**Non-registered Shareholders should follow the instructions on the forms they receive and contact their Intermediaries promptly if they need assistance.**

### **INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON**

Certain directors and officers of Trisura have an interest in the Share Consolidation and Share Split by virtue of holding Common Shares. David Clare, the Chief Investment Officer of the Company, may also have an interest in the Share Consolidation and Share Split as a result of being an officer of Partners Value Investments LP (“PVI”), a significant shareholder of the Company (see “Principal Holders of Voting Securities”). Officers of the Company who are eligible to receive options under the Share Option Plan have an interest in the approval of the Share Option Plan and the officers who have received grants of options thereunder have an interest in the approval of those grants. See “Business of the Meeting — Approval of Share Option Plan and Grants of Options”. Other than as set forth above, no person who has been a director or an officer of the Company at any time since the Company was incorporated on January 27, 2017, or any associate or affiliate of any of the foregoing persons, has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting.

### **VOTING SECURITIES**

Trisura’s authorized capital consists of (i) an unlimited number of Common Shares; (ii) an unlimited number of non-voting shares; and (iii) an unlimited number of preference shares (issuable in series). As of October 31, 2017, 5,813,352 Common Shares were issued and outstanding. The Company has not issued any non-voting shares or preference shares. The Common Shares are listed on the TSX under the symbol “TSU”.

Each Common Share carries the right to one vote on all matters to be acted upon at the Meeting. Holders of Common Shares as of the Record Date are entitled to receive notice of and to vote at the Meeting or at any adjournment(s) thereof, either in person or by proxy, in accordance with the procedures specified herein.

### **PRINCIPAL HOLDERS OF VOTING SECURITIES**

As of October 31, 2017, PVI beneficially owns, and controls directly or indirectly, 943,634 Common Shares, representing approximately 16.2% of the issued and outstanding Common Shares.

To the knowledge of the directors and officers of the Company, PVI is the only person or corporation that beneficially owns, directly or indirectly, or exercises control or direction over, voting securities of the Company carrying more than 10% of the votes attached to any class of outstanding voting securities of the Company.

### **BUSINESS OF THE MEETING**

To the knowledge of the Board, the only matters to be brought before the Meeting are those matters set forth in the Notice.



## 1. Approval of Proposal to Undertake a Consolidation and Split of the Company's Common Shares

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, pass, with or without variation, a special resolution (the "**Consolidation and Split Resolution**") in the form set out in Appendix A to amend the articles of the Company to authorize a share consolidation of the Common Shares so that every 10 Common Shares will be consolidated into one Common Share (the "**Share Consolidation**") (pursuant to which Shareholders who hold in the aggregate less than one newly consolidated Common Share will then receive a cash payment in exchange for such fractional Common Share on the terms described below), followed by an immediate share split of every newly consolidated one Common Share into 10 Common Shares (the "**Share Split**").

As noted above, Shareholders who hold in the aggregate less than one newly consolidated Common Share following the Share Consolidation will receive a cash payment from the Company in exchange for such fractional Common Share equal to the number of pre-consolidation Common Shares held multiplied by the average trading price per pre-consolidation Common Share on the TSX during the 20 consecutive trading days ending on and including the trading day immediately prior to the date of the consolidation (the "**Effective Date**"). The payment is to be made in exchange for cancellation of such Common Shares. As such, Shareholders who hold less than 10 pre-consolidation Common Shares as of the record date for the Share Consolidation and Share Split set by the Board (the "**Consolidation and Split Record Date**") will cease to be Shareholders of the Company and will not participate in the Share Split. Shareholders who hold 10 or more pre-consolidation Common Shares as of the Consolidation and Split Record Date will not have any fractional Common Shares purchased by the Company following the Share Consolidation. Those Common Shares and fractions thereof not purchased by the Company shall be subject to the Share Split. Therefore, Shareholders who hold 10 or more pre-consolidation Common Shares as of the Consolidation and Split Record Date will be unaffected by the Share Consolidation and Share Split, as the number of post-split Common Shares held by such Shareholders will equal the number of pre-consolidation Common Shares held.

The Company will not be changing its name or its trading symbol in conjunction with the Share Consolidation and Share Split. Registered Shareholders holding 10 or more pre-consolidation Common Shares will be entitled to receive a new share certificate representing the Common Shares following the Share Consolidation and Share Split that reflects a new CUSIP number.

The Consolidation and Split Resolution must be approved by the affirmative vote of at least (i) two-thirds of the votes cast by Shareholders present in person or represented by proxy at the Meeting and (ii) as the Share Consolidation is a "business combination" pursuant to Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions*, a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting, excluding the votes cast by PVI and its affiliates, directors and senior officers of PVI and certain directors and senior officers of Trisura, its affiliates and PVI's affiliates. As of the date of this Circular, the Company estimates that a total of 1,013,763 Common Shares (approximately 17.4% of the outstanding Common Shares) will be excluded in determining whether minority approval for the Consolidation and Split Resolution is obtained, including (x) 943,634 Common Shares held by PVI, (y) 57,527 Common Shares held by directors and senior officers of PVI, and (z) 12,593 Common Shares held by directors and senior officers of Trisura and its subsidiaries.

The Share Consolidation and Share Split is also subject to the approval of the TSX.

Notwithstanding approval of the Consolidation and Split Resolution by Shareholders, the Board, in its sole discretion, shall decide the Effective Date. The Board may, in its sole discretion, determine not to proceed with the Share Consolidation and Share Split at any time, without further approval or action by or prior notice to Shareholders.

### *Recommendation of the Board on the Consolidation and Split Resolution; Voting of Proxies*

**The Board believes that the Share Consolidation and Share Split is in the best interests of the Company. The Board has unanimously approved the Share Consolidation and Share Split (subject to setting the Effective Date). Accordingly, the Board recommends that Shareholders vote FOR the Consolidation and Split Resolution.**

**In the absence of voting directions, proxies received by management will be voted FOR the Consolidation and Split Resolution.**

***Reasons for the Share Consolidation and Share Split***

On June 22, 2017, Brookfield Asset Management Inc. (“**Brookfield Asset Management**”) distributed all of the Common Shares to holders of Brookfield Asset Management’s Class A limited voting shares (“**Brookfield Class A Shares**”) and Class B limited voting shares (“**Brookfield Class B Shares**”) by way of a special dividend (the “**Spin-Off**”). Holders of Brookfield Class A Shares and Brookfield Class B Shares received one Common Share for every 170 Brookfield Class A Shares or Brookfield Class B Shares held. For the following reasons, the Company is proposing the Share Consolidation and Share Split to reduce the number of Shareholders holding a small number of Common Shares:

1. **Reduced Administrative Costs.** As a result of the Spin-Off, the Company has a large number of Shareholders, which mirrors Brookfield Asset Management’s broad shareholder base. This is inefficient for Trisura as a much smaller company. The administrative costs associated with disseminating materials to such a large number of Shareholders and servicing their accounts through the Company’s transfer agent and registrar will be burdensome for the Company, and for many Shareholders the costs will be disproportionately large relative to the value of their investment in Trisura. The Share Consolidation and Share Split is expected to lower administrative costs by significantly reducing the number of Shareholders.
2. **Liquidity for Small Shareholders.** Following the Spin-Off, the vast majority of Shareholders own less than 10 Common Shares. A number of these small Shareholders have asked the Company to repurchase their Common Shares as they have no cost-effective option to dispose of them. The Share Consolidation and Share Split provides cash to these small Shareholders without the payment of brokerage fees that in many cases would represent all or a substantial portion of the sale proceeds.

The Share Consolidation and Share Split will still result in some Shareholders owning “odd lots” of less than 100 Common Shares. “Odd lots” may be more difficult or costly to sell than Common Shares held in board lots of even multiples of 100. There will be fewer odd lot Shareholders, however, following the Share Consolidation and Share Split than is currently the case.

***Risks Associated with the Share Consolidation and Share Split***

The Share Consolidation and Share Split will result in a significant reduction in the number of Shareholders, but the amount of issued and outstanding Common Shares is expected to decrease by less than 5%. The Share Consolidation and Share Split may have an effect on the market price of the Common Shares and/or the Company’s total market capitalization.

***Letters of Transmittal***

If, following the passing of the Consolidation and Split Resolution and obtaining the approval of the TSX, the Board decides to proceed with the Share Consolidation and Share Split, the Company will issue a press release regarding the implementation of the Share Consolidation and Share Split. The Letters of Transmittal included in the Notice Package contain instructions on how to obtain new share certificates representing post-split Common Shares and payment for Shareholders who hold in the aggregate less than one post-consolidation Common Share following the issuance of such press release. The Letters of Transmittal contain procedural information relating to the Share Consolidation and Share Split and should be reviewed carefully. If the Share Consolidation and Share Split is implemented, Shareholders will be required to take the following steps:

- **Registered Shareholders holding less than 10 pre-consolidation Common Shares.** In order to receive a cash payment in exchange for a newly consolidated fractional Common Share following the Share Consolidation, registered Shareholders who hold less than 10 pre-consolidation Common Shares on the Consolidation and Split Record Date must complete and sign the enclosed Letter of Transmittal on BLUE paper and return it, together with the certificate(s) representing such Common Shares to AST. Any certificates

representing less than 10 Common Shares on the Consolidation and Split Record Date which have not been surrendered in accordance with the Letter of Transmittal on or prior to the sixth anniversary date of the Effective Date will cease to represent a claim or interest of any kind or nature against the Company or AST.

- **Registered Shareholders holding 10 or more pre-consolidation Common Shares.** In connection with the Share Consolidation and Share Split, the Company will be required to obtain a new CUSIP number to be assigned to the Common Shares. Accordingly, registered Shareholders who hold 10 or more pre-consolidation Common Shares on the Consolidation and Split Record Date must complete and sign the enclosed Letter of Transmittal on YELLOW paper and return it, together with the certificate(s) representing such Common Shares to AST. A new Common Share certificate will then be sent to the registered Shareholder reflecting the new CUSIP number.
- **Non-Registered Shareholders.** Only registered Shareholders or the persons they appoint as their proxies are required to complete, sign and submit the appropriate Letter of Transmittal as described above. Non-registered Shareholders are not required to submit a Letter of Transmittal. The Intermediary in whose name the non-registered Shareholder's Common Shares are registered will take the appropriate steps to (a) in the case of non-registered Shareholders who hold less than 10 pre-consolidation Common Shares on the Consolidation and Split Record Date, arrange for payment of cash consideration to such non-registered Shareholders in exchange for newly consolidated fractional Common Shares and (b) in the case of non-registered Shareholders who hold 10 or more pre-consolidation Common Shares on the Consolidation and Split Record Date, ensure that the non-registered Shareholder's accounts are adjusted to reflect the new CUSIP number. If you are a non-registered Shareholder and you have questions in this regard, you are encouraged to contact your Intermediary.

#### *Tax Considerations*

You are advised to consult your own tax advisors to determine the particular tax consequences to you of the Share Consolidation and Share Split in light of your particular situation.

**SHAREHOLDERS SHOULD NOT DESTROY ANY SHARE CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNTIL REQUESTED TO DO SO.**

## **2. Approval of Share Option Plan and Grants of Options**

In connection with the Spin-Off, the Board approved the adoption of a share option plan dated June 22, 2017, which provides for the issuance of options to purchase Common Shares (the "**Share Option Plan**"). A copy of the Share Option Plan is attached hereto as Appendix B. The Company undertook to the TSX to seek, at its first meeting of Shareholders, approval by Shareholders of the Share Option Plan and the grants of options made thereunder.

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, approve, with or without variation, a resolution (the "**Share Option Plan Resolution**") in the form set out in Appendix C confirming, ratifying and approving, the adoption of the Share Option Plan by the Company and the grants of options made thereunder prior to the date of the Meeting.

The Share Option Plan, and the grants of options made thereunder, must be approved by the affirmative vote of at least a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

#### *Recommendation of the Board on the Share Option Plan Resolution; Voting of Proxies*

**The Board has reviewed the terms of the Share Option Plan and the grants made thereunder, determined that they are in the best interest of the Company and has authorized the submission of the Share Option Plan and the grants of options made thereunder, to Shareholders for approval. Accordingly, the Board recommends that Shareholders vote FOR the Share Option Plan Resolution.**

**In the absence of voting directions, proxies received by management will be voted FOR the Share Option Plan Resolution.**

### *Summary of the Share Option Plan*

#### *Overview*

The Share Option Plan provides for the issuance of 400,000 Common Shares, which represents approximately 6.9% of the issued and outstanding Common Shares as of the date of this Circular. The following is a summary of the key terms of the Share Option Plan.

#### *General Terms of the Share Option Plan*

The Board will establish the exercise price of each option at the time it is granted, which may not be less than the closing price of a Common Share on the last trading day preceding the date of the grant on the TSX (or, if the Common Shares are not then listed on the TSX, on such other stock exchange on which the Common Shares are listed). For options approved during a blackout period, the effective grant date shall not be less than six business days after the blackout ends and the exercise price for the options will be not less than the volume-weighted average trading price of the Common Shares for the five trading days preceding the effective grant date.

Employees and officers of the Company and its subsidiaries are eligible to participate in the Share Option Plan. Non-employee directors are not eligible to participate in the Share Option Plan. The number of Common Shares issuable to insiders, or issued in any one year to insiders, under the Share Option Plan and any other security-based compensation arrangements adopted from time to time, shall not exceed in either case 10% of the issued and outstanding Common Shares; and no more than 5% of the issued and outstanding Common Shares may be issued under the Share Option Plan and any other security-based compensation arrangements adopted from time to time to any one person. All option grants must be approved by the Board on the recommendation of the Governance and Compensation Committee of the Board (the “**Governance Committee**”). The Board shall determine the vesting period for each option grant, which normally shall be 20% per year over five years commencing the first year after the grant. The Board will also set the expiry period for each option grant, which shall not exceed 10 years, except where the expiry date falls during or shortly after a blackout period, in which case the expiry date shall be 10 business days after the blackout period ends.

The Share Option Plan contains provisions regarding the exercise and cancellation of options following a change in the employment status of a plan participant. In general, all vested options are required to be exercised by, and all unvested options are cancelled on, a participant’s termination date, except as follows: in the event of termination without cause or due to a continuous leave of absence as a result of a disability, vested options are required to be exercised within 90 days following the termination date; in the event of retirement, vested options continue to be exercisable until the applicable expiry date; in the event of death, all granted options continue to vest and are exercisable for six months following death; and in the event the participant is terminated without cause or is constructively dismissed, in each case, within 12 months following a change of control, all unvested options shall immediately vest and become exercisable.

#### *Shareholder Approval*

The Share Option Plan contains an amending provision setting out the types of amendments that can be approved by the Board without Shareholder approval and those which require Shareholder approval. Shareholder approval is required for any amendment that:

- increases the number of Common Shares issuable under the Share Option Plan;
- lengthens the period of time after a blackout period during which options may be exercised;
- results in the exercise price being lower than fair market value of a Common Share at the date of grant;
- reduces the exercise price;
- permits the cancellation and reissuance of an option;
- extends the term of an option beyond its expiry date;

- permits options to be transferable or assignable other than for normal estate planning purposes;
- amends the amendment provisions;
- expands the categories of eligible participants;
- permits the introduction or re-introduction of non-employee directors as eligible persons on a discretionary basis;
- removes or exceeds the insider participation limit; or
- other amendments required by law to be approved by Shareholders.

Shareholder approval is not required for any amendment to the Share Option Plan that is of a housekeeping or administrative nature, that is necessary to comply with applicable laws or to qualify for favourable tax treatment, that is to the vesting, termination or early retirement provisions (provided that the amendment does not entail an extension beyond the expiry period of the options) or that adds or modifies a cashless exercise feature that provides for a full deduction of the number of Common Shares from the Share Option Plan reserve. Shareholder approval is also not required to suspend or terminate the Share Option Plan.

#### *Other Features of the Share Option Plan*

The Company does not provide any financial assistance to plan participants to facilitate the purchase of Common Shares issued pursuant to the exercise of options under the Share Option Plan. Options granted under the Share Option Plan are not transferable or assignable other than by will or pursuant to the laws of descent and distribution.

The Board, at the recommendation of the Governance Committee, is required to approve all option awards. The Governance Committee will recommend any option awards for Trisura's Chief Executive Officer ("CEO"). All other option awards will be recommended by the CEO to the Governance Committee.

#### *Grants of Options*

As of the date of this Circular, 87,000 options have been granted under the Share Option Plan, which represents approximately 1.5% of the issued and outstanding Common Shares. These options may not be exercised until they have been approved by the affirmative vote of at least a majority of the votes cast by Shareholders present in person or represented by proxy at the Meeting.

The following table presents information concerning grants of options made under the Share Option Plan to any directors, officers or other employees of Trisura and its subsidiaries up to and including the date of this Circular.

<u>Position</u>	<u>Number of Options Granted</u>	<u>Date of Grant</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Officers	87,000	August 21, 2017	\$24.3555	August 21, 2027
Other Employees	–	–	–	–

Outstanding options will not be affected by the Share Consolidation and Share Split.

### **DIRECTOR AND EXECUTIVE COMPENSATION**

As Shareholders are being asked to consider the Share Option Plan Resolution, a matter relating to executive compensation, applicable securities laws require the inclusion of this section and "Securities Authorized for Issuance Under Equity Compensation Plans" below in this Circular. The figures set forth herein represent expected results for the year ending December 31, 2017. Actual compensation amounts paid during 2017 will be provided in the management information circular in connection with the Company's first annual general meeting of Shareholders.

## **DIRECTOR COMPENSATION**

### ***Overview***

The Board, through the Governance Committee, is responsible for reviewing and approving the directors' compensation arrangements and any changes to those arrangements.

The Governance Committee establishes the compensation arrangements for each director that is not an employee of the Company or one of its affiliates. The directors' compensation program is designed to attract and retain the most qualified individuals to serve on the Board. Non-employee directors are paid an annual retainer fee (the "**Annual Retainer**") of \$50,000 and the chair of the audit committee of the Board (the "**Audit Committee**") receives an additional annual retainer of \$10,000. Directors are required to receive a certain proportion of their Annual Retainer in deferred share units ("**DSUs**"), as described in "— Director Share Ownership Guidelines" below. The Company has adopted a non-employee director DSU plan, which provides for awards of DSUs to directors other than employees of the Company or its affiliates. A DSU is an award that entitles the participant to receive following the end of the director's tenure as a member of the Board an amount equivalent to the value of a Common Share at settlement. DSUs vest immediately and accrue dividend equivalents if and when dividends are paid on the Common Shares. Directors may also elect to receive 100% of their compensation in DSUs. As employees of Brookfield Asset Management, David Nowak and A.J. Silber do not receive any compensation for their services as directors of Trisura, nor is Brookfield Asset Management compensated for the services of Messrs. Nowak and Silber as directors.

All directors are reimbursed for their reasonable out-of-pocket expenses incurred in serving as directors. In addition, directors are entitled to receive remuneration for services rendered to the Company in any other capacity, except in respect of their service as directors of any of its subsidiaries. Directors who are employees of and who receive a salary from the Company or one of its subsidiaries are not entitled to receive any remuneration for serving as directors, but are entitled to reimbursement of their reasonable out-of-pocket expenses incurred in serving as directors.

### ***Director Share Ownership Guidelines***

Directors who are not also employees of the Company or its subsidiaries are subject to share ownership requirements. Trisura requires that each such director hold Common Shares or DSUs having, in the aggregate, a value equal to at least three times the director's Annual Retainer, as determined by the Board from time to time. Directors have five years from the date of joining the Board to achieve this minimum economic ownership requirement. Directors are required to take one-half of their Annual Retainer in the form of DSUs until the minimum share ownership level is achieved. Thereafter, all independent directors are still required to take at least one-quarter of their Annual Retainer in the form of DSUs. The director share ownership guidelines do not apply to Messrs. Nowak and Silber given that they are expected to be replaced as directors on or about the first annual meeting of Shareholders.

### ***2017 Director Compensation***

Based on the information available at the date hereof, the following table sets out information concerning the expected compensation to be received by the directors of the Company during the year ending December 31, 2017.

<u>Name</u>	<u>Board Position</u>	<u>Fees Earned in Cash</u>	<u>Share-Based Awards (DSUs)</u>	<u>All Other Compensation</u>	<u>Total Compensation</u>
Paul Gallagher <sup>(1)</sup>	Chair of the Audit Committee	—	\$32,000 <sup>(2)</sup>	—	\$32,000
Barton Hedges <sup>(1)</sup>		—	\$27,000 <sup>(2)</sup>	—	\$27,000
David Nowak	Chair of the Board and chair of the Governance Committee	—	—	—	—
A.J. Silber		—	—	—	—

(1) Amounts for Messrs. Gallagher and Hedges are calculated based on the pro-rated portion of their Annual Retainer since their appointment as directors of the Company on June 20, 2017.

(2) Director has elected to receive 100% of his compensation in 2017 in DSUs. The value of each DSU will be equal to the closing price of a Common Share on the settlement date of the DSU.

Greg Morrison, the President and CEO of Trisura, does not receive any compensation in his capacity as director of the Company. For Mr. Morrison's compensation as President and CEO, see "Executive Compensation — Summary Compensation Table" below.

Based on the information available at the date hereof, the following table sets out information concerning the outstanding DSUs as of October 31, 2017.

<u>Name</u>	<u>Number of DSUs that Have Not Vested</u>	<u>Market Value of DSUs that Have Not Vested</u>	<u>Market Value of DSUs Not Paid Out<sup>(1)</sup></u>
Paul Gallagher	—	—	\$16,200
Barton Hedges	—	—	\$13,600

(1) The market value is based on the closing price of a Common Share on the TSX on October 31, 2017 of \$28.85.

## EXECUTIVE COMPENSATION

### Overview

The following discussion describes the compensation structure, programs and significant elements of compensation for the Company's named executive officers ("NEOs"), as defined by applicable securities laws, for the year ending December 31, 2017 year. The Company's NEOs for 2017 are expected to be:

- Greg Morrison, President and CEO of the Company;
- Jimmy Doyle, Chief Financial Officer ("CFO") and Chief Risk Officer of the Company and President and CEO of Trisura International Insurance Ltd. ("Trisura International Insurance"), an operating subsidiary of the Company;
- Michael George, President and CEO of Trisura Guarantee Insurance Company ("TGI"), an operating subsidiary of the Company;

- Eileen Sweeney, President of Trisura Specialty Insurance Company (“**Trisura US**”), an operating subsidiary of the Company; and
- Allen Taylor, the former CFO of the Company.

Mr. Taylor acted as the CFO of the Company until August 15, 2017 pursuant to a management services agreement between the Company and Brookfield Asset Management (the “**Management Services Agreement**”). The Management Services Agreement was terminated on August 15, 2017. For a summary of the terms of the Management Services Agreement, see the section entitled “Executive Compensation — Management Services Agreement” in the Company’s prospectus and U.S. information statement dated May 12, 2017, which can be accessed at [www.sedar.com](http://www.sedar.com) (the “**Prospectus**”).

### ***Compensation Discussion and Analysis***

#### *Overview*

The Governance Committee, in consultation with the CEO, is responsible for establishing, reviewing and overseeing the compensation policies of the Company and compensation of the NEOs. Trisura’s executive compensation program is designed to attract, retain and motivate highly qualified executives while also aligning the interests of the executives with Shareholders.

The CEO makes recommendations to the Governance Committee each year with respect to the compensation for NEOs in consideration of the executive’s performance during the year as well as the performance of the Company. The Governance Committee reviews the recommendations of the CEO in determining whether to make a recommendation to the Board or recommend any further changes to compensation for the executives. In addition, the Governance Committee annually reviews and makes recommendations to the Board regarding the compensation for the CEO.

#### *Governance Committee*

The Governance Committee is comprised of Messrs. Nowak, chair of the Governance Committee, Silber and Hedges, all of whom are independent within the meaning of National Instrument 52-110 – *Audit Committees*, and are charged with reviewing, overseeing and evaluating the corporate governance, compensation and nominating policies of the Company. The members of the Governance Committee maintain the requisite skills and experience to enable the Governance Committee to make decisions on the suitability of the Company’s compensation policies and practices. See “— Biographical Information Regarding the Members of the Governance Committee” below for a description of the qualifications of each member of the Governance Committee.

It is the responsibility of the Governance Committee, in consultation with the chair of the Board, to assess from time to time the size and composition of the Board and its committees; to review the effectiveness of the Board’s operations and its relations with management; to assess the performance of the Board, its committees and individual directors; to review the Company’s statement of corporate governance practices; and to review and recommend the directors’ compensation.

The Board maintains a formal procedure for evaluating the performance of the Board, its committees and individual directors. The Governance Committee reviews the performance of the Board, its committees and the contribution of individual directors on an annual basis.

The Governance Committee is responsible for reviewing the credentials of proposed nominees for election or appointment to the Board and for recommending candidates for Board membership, including the candidates proposed to be nominated for election to the Board at the annual meeting of Shareholders. Candidates are assessed in relation to the criteria established by the Board to ensure that the Board has the appropriate mix of talent, quality, skills, diversity, perspectives and other requirements necessary to promote sound governance and Board effectiveness.



The Governance Committee reviews, at least once a year, the composition of the committees of the Board to ensure that committee membership complies with the relevant governance guidelines, that the workload for independent directors is balanced, and that committee positions are rotated as appropriate. In doing so, the Governance Committee consults with the chair of the Board and makes recommendations to the Board, which appoints committee members.

The Governance Committee is also responsible for reviewing and reporting to the Board on management resource planning, including succession planning and proposed senior management appointments, the job descriptions and annual objectives of senior executives, the form of executive compensation in general, including an assessment of the risks associated with the compensation plans, and the levels of compensation of the CEO and other senior executives. The Governance Committee also reviews the performance of senior management against written objectives and reports thereon.

#### *Biographical Information Regarding the Members of the Governance Committee*

*David Nowak (48)* — Mr. Nowak is a Managing Partner at Brookfield Asset Management and Head of Private Equity for Canada, responsible for investment origination, analysis and execution. Prior to joining Brookfield Asset Management in 2011, he was a principal at a Toronto-based private equity firm. Mr. Nowak serves on the Board of the CVCA, Canada's Venture Capital and Private Equity Association. He holds a Bachelor of Laws from the University of Western Ontario and an MBA from Duke University where he graduated as a Fuqua Scholar.

*A.J. Silber (38)* — Mr. Silber is Vice-President, Legal Affairs and Corporate Secretary of Brookfield Asset Management. He joined Brookfield in 2012 after working at the law firms of Torys LLP in Toronto and Ropes & Gray LLP in New York. Mr. Silber is a graduate of the JD/MBA program at the University of Toronto and holds a Bachelor of Commerce degree from McGill University. Mr. Silber is called to the Bar of Ontario and New York.

*Barton Hedges (52)* — Mr. Hedges served as a director and CEO of Greenlight Capital Re, Ltd., a specialist property and casualty reinsurer, from August 2011 to March 2017. He also served as a director of Greenlight Reinsurance Ireland from 2011 to March 2017. Mr. Hedges previously served as President and Chief Underwriting Officer of Greenlight Reinsurance, Ltd. from January 2006 to August 2011. Mr. Hedges has over 20 years of experience in the property and casualty insurance/reinsurance industry. Prior to joining Greenlight Reinsurance Ltd., Mr. Hedges served as President and Chief Operating Officer of Platinum Underwriters Bermuda, Ltd., a property, casualty and finite risk reinsurer, from July 2002 until December 2005 where he was responsible for the initial start-up of the company and managed the company's day-to-day operations. His previous experience includes serving as executive vice president and Chief Operating Officer of Bermuda-based Scandinavian Re, a former insurance and reinsurance company, and actuarial consultant at Tillinghast-Towers Perrin, a management consulting and software solutions company focused on insurance and financial services. Mr. Hedges received his B.S. in Mathematics, Computer Science Concentration, from Towson State University in 1987 and is a Fellow of the Casualty Actuarial Society.

#### *Compensation Risk*

In reviewing the compensation policies and practices of the Company each year, the Governance Committee seeks to ensure the executive compensation program provides an appropriate balance of risk and reward consistent with the risk profile of the Company. The Governance Committee also seeks to ensure the compensation practices do not encourage excessive risk taking behaviour by the executive team. The Share Option Plan is designed to focus on the long-term performance of the Company, which discourages executives from taking excessive risks in order to achieve short-term, unsustainable performance.

In connection with making compensation decisions for 2018, the Board may consider whether to adopt a clawback policy relating to annual bonus payments, options granted under the Share Option Plan and any other incentive compensation awarded to executives that may be triggered if an executive engages in misconduct that results in the need to restate the Company's financial statements where the individual received an award calculated on the achievement of those financial statements.

All of the Company's directors, officers and employees are subject to the insider trading policy contained in the written code of business conduct and ethics adopted by the Board (the "**Code of Conduct**"), which prohibits trading in the securities of the Company while in possession of material undisclosed information about the Company. Under the Code of Conduct, such individuals are also prohibited from entering into certain types of hedging transactions involving the securities of the Company, such as short sales and put options. Furthermore, the Code of Conduct prohibits trading in the Company's securities, including the exercise of options for cash, during prescribed blackout periods. Trisura also requires all executives and directors to pre-clear trades in the Company's securities.

### ***Principal Elements of Compensation***

The compensation of the NEOs includes three major elements: (i) base salary, (ii) annual bonuses and (iii) the Share Option Plan. Perquisites and personal benefits are not a significant element of compensation of the NEOs.

In addition, Mr. George, together with other employees of 6436978 Canada Limited ("**TG Holdco**"), a subsidiary of the Company and the parent company of TGI, were eligible to purchase common shares of TG Holdco under TG Holdco's share purchase plans (the "**TG SPPs**") in return for notes payable. In connection with the Spin-Off, the TG SPPs were closed to further issuances of common shares of TG Holdco.

#### *Base Salaries*

A primary element of the Company's compensation program is base salary. An NEO's base salary is determined based on the scope of their responsibilities and prior experience, while taking into account competitive market compensation and overall market demand for such executives at the time of hire. For the base salaries that the NEOs are expected to receive in 2017, see "— Summary Compensation Table" below.

Base salaries are reviewed annually and increased for merit reasons based on the executive's success in meeting or exceeding individual objectives and objectives of the Company. Additionally, base salaries can be adjusted as warranted throughout the year to reflect promotions or other changes in the scope or breadth of an executive's role or responsibilities, as well as for market competitiveness.

#### *Annual Bonuses*

Annual bonuses are designed to motivate executive officers to meet the Company's business objectives generally and the Company's annual financial performance targets in particular.

Messrs. Morrison and Doyle and Ms. Sweeney participate in the bonus plan of the Company, which provides an annual bonus based on the achievement of individual and corporate performance goals, which are established by the Board at the beginning of each year. One-half of any bonus payable will be paid in cash at the time of the award with the remaining portion awarded in options that will vest in equal portions over five years and expire on the 10-year anniversary of the grant or, in the case of Mr. Morrison, phantom options. See "Business of the Meeting — Approval of Share Option Plan and Grants of Options" and "— Global Phantom Option Plan" for further details.

Mr. George participates in the TGI CEO bonus plan, which provides an annual cash bonus based on TGI's annual underwriting income. TGI sets targets in connection with its annual budget process. In 2017, Mr. George is eligible for an annual cash bonus of up to 75% of his base salary.

For the annual bonuses that Messrs. Morrison, Doyle and George and Ms. Sweeney are eligible to receive in 2017, see "— Summary Compensation Table" below.

#### *Share Option Plan*

For a summary of the Share Option Plan, see "Business of the Meeting — Approval of Share Option Plan and Grants of Options".

*Global Phantom Option Plan*

The Company has adopted a global phantom option plan dated June 22, 2017 (the “**Phantom Option Plan**”) for officers or employees of the Company and its subsidiaries who reside outside of Canada or the United States, which provides for the issuance of rights to receive cash payments equal to the increase in the value of the Common Shares from the date the option is granted to the date the option is exercised. The terms of the Phantom Option Plan in respect of vesting, date of expiry and consequences of the termination of a plan participant’s employment are substantially the same as the terms of the Share Option Plan described in “Business of the Meeting — Approval of Share Option Plan and Grants of Options — Summary of the Share Option Plan — General Terms of the Share Option Plan”.

**Summary Compensation Table**

Based on the information available at the date hereof, the following table sets out information concerning the expected compensation to be earned by, paid to or awarded to the NEOs during the year ending December 31, 2017.

<u>Name and Principal Position</u>	<u>Salary<sup>(1)</sup></u>	<u>Option Based Awards<sup>(2)</sup></u>	<u>Non-Equity Incentive Plan Compensation (Bonus)</u> <u>Annual Incentive Plans<sup>(3)</sup></u>	<u>All Other Compensation</u>	<u>Total Compensation</u>
Greg Morrison ..... President and CEO of the Company	\$322,000 <sup>(4)</sup>	\$1,032,000	\$516,000 <sup>(4)</sup>	—	\$1,870,000
Jimmy Doyle <sup>(5)</sup> ..... CFO and Chief Risk Officer of the Company and President and CEO of Trisura International Insurance	\$387,000 <sup>(4)</sup>	\$145,000	\$145,000 <sup>(4)</sup>	—	\$677,000
Michael George <sup>(6)</sup> ..... President and CEO of TGI	\$365,000	—	\$274,000	—	\$639,000
Eileen Sweeney <sup>(7)</sup> ..... President of Trisura US	\$291,000 <sup>(4)</sup>	\$412,000	\$67,000 <sup>(4)</sup>	—	\$770,000
Allen Taylor..... Former CFO of the Company	—	—	—	\$23,000 <sup>(8)</sup>	\$23,000

(1) Base salaries presented are amounts expected to be paid during 2017.

(2) Amounts for Messrs. Morrison and Ms. Sweeney are calculated based on the grant date fair value of options (or in the case of Mr. Morrison, phantom options) granted during 2017 and the portion of the bonus payable in options (or in the case of Mr. Morrison, phantom options) under the Company’s bonus plan (based on maximum payment amounts) determined in accordance with Black-Scholes-Merton model. Amount for Mr. Doyle is calculated based on the portion of the bonus payable in options under the Company’s bonus plan (based on maximum payment amounts) determined in accordance with Black-Scholes-Merton model. Actual amounts will depend on performance for 2017.

(3) Amounts for Messrs. Morrison and Doyle and Ms. Sweeney are calculated based on the portion of the bonus payable in cash under the Company’s bonus plan (based on maximum payment amounts). Amount for Mr. George is calculated based on the bonus payable under the TGI CEO bonus plan (based on maximum payment amount). Actual amounts will depend on performance for 2017.

- (4) Messrs. Morrison and Doyle and Ms. Sweeney are compensated in U.S. dollars. These amounts are presented in Canadian dollars using an exchange rate of US\$1.00 = C\$1.2893, being the noon exchange rate posted by the Bank of Canada on October 31, 2017.
- (5) Mr. Doyle was appointed as CFO on August 15, 2017.
- (6) Mr. George's compensation is paid by TGI.
- (7) On December 1, 2016, Ms. Sweeney was retained as a consultant to assist with the launch of Trisura's U.S. business, Trisura US. Upon Trisura US securing a rating from A.M. Best Company, Inc. on September 27, 2017, Ms. Sweeney was appointed as the President of Trisura US.
- (8) Mr. Taylor served as CFO until August 15, 2017 pursuant to the Management Services Agreement. This amount was paid by the Company to Brookfield Asset Management under the Management Services Agreement.

### ***Employment Agreements, Termination and Change of Control Benefits***

Trisura has written employment agreements with each of the current NEOs and each of these executives are entitled to receive compensation established by the Company as well as other benefits in accordance with plans available to the most senior employees (including health, dental, life insurance, accidental death and dismemberment, sick days and short-term disability and long-term disability). The Company's NEO employment contracts do not contain any provisions relating to a change of control or entitlements on a termination of employment. For a summary of the change of control benefit provisions provided under the Share Option Plan, see "Business of the Meeting — Approval of Share Option Plan and Grants of Options".

The Management Services Agreement was terminated on August 15, 2017, in connection with Mr. Doyle replacing Mr. Taylor as CFO of the Company. No incremental payments were made by Trisura in connection with the termination of the Management Services Agreement.

### **INCENTIVE PLAN AWARDS**

The following table sets out the value of all outstanding option-based awards held by the NEOs as at October 31, 2017.

<b>Name</b>	<b>Number of Common Shares Underlying Unexercised Options</b>	<b>Option Exercise Price</b>	<b>Option Expiration Date</b>	<b>Value of Unexercised In-the-Money Options<sup>(1)</sup></b>
Greg Morrison <sup>(2)</sup>	N/A	\$21.317	July 1, 2027	\$452,000
Jimmy Doyle <sup>(3)</sup>	—	—	—	—
Michael George	—	—	—	—
Eileen Sweeney	43,500	\$24.3555	August 21, 2027	\$196,000

(1) The market value is the amount by which the value of the Common Shares at the date shown exceeded the exercise price of the options or phantom options, as applicable. Values are calculated using the closing price of a Common Share on the TSX on October 31, 2017 of \$28.85.

(2) Amounts represent phantom options granted under the Phantom Option Plan. As at October 31, 2017, 60,000 phantom options have been granted to Mr. Morrison.

(3) Mr. Doyle was appointed as CFO on August 15, 2017.

All options and phantom options granted in 2017 will vest 20% per year over five years commencing on the first anniversary of the date of the grant.

The value of non-equity incentive plan compensation expected to be earned by the NEOs during 2017 is set out in “Executive Compensation — Summary Compensation Table”.

### SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information on the Company’s Share Option Plan as of October 31, 2017.

	<b>Number of Common Shares to be issued upon exercise of outstanding options</b>	<b>Weighted-average exercise price of outstanding options</b>	<b>Number of Common Shares remaining available for future issuance under Share Option Plan (excluding Common Shares reflected in column (a))</b>
	(a)	(b)	(c)
Share Option Plan	87,000	\$24.3555	313,000

### INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

Other than as described below, none of the directors, executive officers, employees, former directors, former executive officers or former employees of the Company or any of its subsidiaries, and none of their respective associates or affiliates, is or has within thirty (30) days before the date of this Circular, or at any time since January 1, 2016, been indebted to the Company or any of its subsidiaries or another entity whose indebtedness is the subject of a guarantee, support agreement, letter of credit or other similar agreement or understanding provided by the Company or any of its subsidiaries.

### AGGREGATE INDEBTEDNESS

<b>Purpose</b>	<b>To the Company or its Subsidiaries</b>	<b>To Another Entity</b>
Share Purchases	\$1,551,000	—
Other	—	—

**INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS UNDER SECURITIES PURCHASE AND OTHER PROGRAMS**

<u>Name and Principal Position</u>	<u>Involvement of Company or Subsidiary</u>	<u>Largest Amount Outstanding During 2016</u>	<u>Amount Outstanding as at October 31, 2017</u>	<u>Financially Assisted Securities Purchases During 2016</u>	<u>Security for Indebtedness</u>	<u>Amount Forgiven During 2016</u>
<b>Securities Purchase Programs<sup>(1)</sup></b>						
Michael George, President and CEO of TGI	TG Holdco is the lender under the TG SPPs	\$326,000	\$270,000	—	—	—
<b>Other Programs</b>						
	—	—	—	—	—	—

- (1) Prior to the Spin-Off, certain employees of TG Holdco, including Mr. George, were eligible to purchase common shares of TG Holdco under the TG SPPs in return for notes payable. See “Director and Executive Compensation — Executive Compensation — Principal Elements of Compensation” for further details.

**INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

Neither PVI (or any director or executive officer thereof), nor any director or executive officer of Trisura or any of its subsidiaries, or any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since January 1, 2016 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

**AUDITOR**

Deloitte LLP is the auditor of the Company.

**ADDITIONAL INFORMATION**

Additional information on Trisura is available on its website at [www.trisura.com/group](http://www.trisura.com/group) and on SEDAR at [www.sedar.com](http://www.sedar.com). Financial information is provided in the financial statements and the management’s discussion and analysis (“**MD&A**”) included in the Prospectus, and in the Company’s unaudited condensed interim consolidated financial statements and MD&A for the interim period ended June 30, 2017. For a paper copy of this Circular, contact AST as follows:

**AST Trust Company (Canada)**  
**Toll-Free: 1-888-433-6443**  
**Outside Canada or the United States: 416-682-3801**  
**Email: [fulfilment@astfinancial.com](mailto:fulfilment@astfinancial.com)**

**DIRECTORS’ APPROVAL OF CIRCULAR**

The contents and the sending of this Circular to the Shareholders have been approved by the Board.

**DATED** at Toronto, Ontario this 31<sup>st</sup> day of October, 2017.

**BY ORDER OF THE BOARD OF DIRECTORS OF  
TRISURA GROUP LTD.**

*“David Nowak”*

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David Nowak  
Chair

## APPENDIX A

### CONSOLIDATION AND SPLIT RESOLUTION

#### SPECIAL RESOLUTION OF THE SHAREHOLDERS OF TRISURA GROUP LTD. (the “Company”)

##### BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. the articles of the Company be amended effective as of a date that the board of directors of the Company in its sole discretion may determine (the “**Effective Date**”) to consolidate the issued and outstanding common shares of the Company (the “**Common Shares**”) so that every 10 Common Shares will be consolidated into one Common Share (the “**Share Consolidation**”);
2. holders of less than one newly consolidated Common Share in the aggregate shall be entitled to receive, in exchange for such fractional Common Share, a cash payment equal to the number of pre-consolidation Common Shares held by such holder multiplied by the average trading price per pre-consolidation Common Share on the Toronto Stock Exchange (the “**TSX**”) (or such other exchange upon which the pre-consolidation Common Shares are then listed) during the 20 consecutive trading days ending on and including the trading day immediately prior to the Effective Date, such payment to be made on presentation and surrender to the Company for cancellation of the certificate or certificates representing the issued and outstanding Common Shares or an affidavit of loss in lieu thereof;
3. any certificates representing less than 10 Common Shares immediately prior to the record date for the Share Consolidation and Share Split set by the Board that have not been surrendered, with all other required documentation, on or prior to the sixth anniversary of such date, will cease to represent a claim or interest of any kind or nature against the Company or the Company’s registrar and transfer agent, AST Trust Company (Canada);
4. the articles of the Company be amended effective the Effective Date to subdivide the Common Shares (other than the fractional Common Shares cancelled pursuant to paragraphs 2 and 3 above) by changing each such newly consolidated one Common Share, including fractions thereof, into 10 Common Shares (the “**Share Split**”);
5. any officer or director of the Company is hereby authorized and directed on behalf of the Company to execute or cause to be executed, and to deliver or cause to be delivered, all certificates, notices and other documents, including filing articles of amendment pursuant to the *Business Corporation Act* (Ontario) (the “**Act**”), and to do or cause to be done all such acts and things, as such officer or director may determine to be necessary, desirable, or useful for the purpose of giving effect to the foregoing resolutions, including, without limitation, make any changes required by the TSX or applicable securities regulatory authorities with respect to the Share Consolidation and Share Split, the delivery of articles of amendment in the prescribed form to the Director appointed under the Act, such determination to be conclusively evidenced by the execution and delivery of such documents, or the doing of any such act or thing; and
6. notwithstanding the passing of this special resolution by the shareholders of the Company, the board of directors of the Company may, in its sole discretion, determine not to act upon this special resolution and not file articles of amendment giving effect to the Share Consolidation and Share Split, without further approval of the shareholders of the Company or to revoke this resolution at any time prior to the Share Consolidation and Share Split becoming effective.



**APPENDIX B**  
**SHARE OPTION PLAN**

See attached.

**TRISURA GROUP LTD.  
STOCK OPTION PLAN  
JUNE 22, 2017**

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**TRISURA GROUP LTD.  
STOCK OPTION PLAN**

**Section 1. Interpretation and Administrative Provisions**

**1.1 Purpose**

The purposes of this Plan are to: (i) support the achievement of the performance objectives of the Company and its subsidiaries; (ii) align the interests of Eligible Persons with those of the Company's shareholders; and (iii) attract, retain and motivate Eligible Persons critical to the long term success of the Company and its subsidiaries.

**1.2 Definitions**

For the purposes of the Plan, the following terms have the following meanings:

**"Affiliate"** means any entity that is an "affiliate" for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time.

**"Applicable Withholding Taxes"** means any and all taxes and other source deductions or other amounts which a Participating Company is required by law to withhold from any amounts to be paid or credited hereunder.

**"Blackout Period"** means, with respect to any person, the period of time when, pursuant to any policies or determinations of the Company, securities of the Company may not be traded by such person, including any period when such person has material undisclosed information, but excluding any period during which a regulator has halted trading in the Company's securities.

**"Board"** means the board of directors of the Company.

**"Business Day"** means any day on which the Toronto Stock Exchange is open for business.

**"Cause"** means (i) if the Participant has an employment agreement with a Participating Company, "cause", "just cause" or any other similar term as defined in such agreement, or (ii) if there is no such employment agreement or definition, means:

- (a) the willful failure by a Participant to perform his or her duties with respect to a Participating Company (other than due to illness);
- (b) theft, fraud, dishonesty or misconduct by the Participant involving the property, business or affairs of a Participating Company or the carrying out of the Participant's duties with respect to a Participating Company;
- (c) the material breach by a Participant of his or her employment agreement, the Company's Code of Conduct or any confidentiality, non-solicitation or non-competition obligations;

- (d) the Participant is convicted of, or pleads guilty to, a crime which constitutes an indictable offence; or
- (e) any other conduct that would be treated by the courts of the jurisdiction in which the Participant is employed to constitute cause for termination of employment.

**“Change of Control”** means:

- (a) the direct or indirect sale or disposition of, by conveyance, transfer, lease or otherwise, in any single transaction or series of related transactions, all or substantially all of the property or assets of the Company, other than to an entity which was an Affiliate of the Company prior to the sale or disposition;
- (b) a reorganization, amalgamation, merger, arrangement or combination of the Company with or into any other entity, which results in all of the persons who were the beneficial owners of the Common Shares immediately prior to such reorganization, amalgamation, merger, arrangement or combination, together being entitled to exercise less than 50% of the voting rights attached to the outstanding voting securities of the entity resulting from the applicable transaction;
- (c) a formal bid or tender offer for voting securities of the Company or other acquisition of voting securities of the Company being completed which results in the offeror, its Affiliates and any other person acting jointly or in concert with the offeror (other than Partners Value Investments LP, Partners Limited, any of the shareholders of Partners Limited and/or any of their respective Affiliates) together being entitled to exercise more than 50% of the voting rights attached to the outstanding voting securities of the Company; provided that, prior to such offer or acquisition, such persons were not entitled to exercise more than 50% of the voting rights attached to the outstanding voting securities of the Company; or
- (d) any transaction or series of related transactions determined by the Board to be substantially similar to any of the transactions noted above.

**“Code”** means the U.S. Internal Revenue Code of 1986, as amended from time to time and the Treasury Regulations promulgated thereunder.

**“Committee”** means the Governance and Compensation Committee of the Board or such other committee of the Board as designated by the Board from time to time to administer the Plan.

**“Common Share”** means a common share in the capital of the Company.

**“Company”** means Trisura Group Ltd., and any successor thereto.

**“Disability”** means a physical or mental incapacity of a Participant that has prevented the Participant from performing the duties customarily assigned to the Participant by or in respect of a Participating Company for 90 consecutive days, or any 120 days, whether or not consecutive, in each case, out of any 12 month period, and in the opinion of the Board, in its discretion, is

likely to prevent permanently the Participant from performing the duties customarily assigned to the Participant.

“**Eligible Person**” means any employee or officer of a Participating Company and includes any such person who is on a leave of absence authorized by a Participating Company.

“**Exercise Price**” means the price at which a Common Share may be purchased upon the exercise of an Option as determined by the Board, provided that in no event shall the Exercise Price be less than the Fair Market Value as at the Grant Date.

“**Fair Market Value**” means the closing price of a Common Share on the trading day immediately preceding the applicable day on the Toronto Stock Exchange or, if the Common Shares are not then listed on the Toronto Stock Exchange, on such other principal stock exchange or over-the-counter market on which the Common Shares are listed or quoted. If the Common Shares are not publicly traded or quoted, then “Fair Market Value” shall mean the fair market value of a Common Share as determined in good faith by the Board on the applicable day.

“**Grant Date**” means the date an Option is granted to a Participant as set out in the Participant’s Option Agreement.

“**insider**” has the meaning attributed thereto in the Toronto Stock Exchange Company Manual in respect of the rules governing security-based compensation arrangements, as amended from time to time.

“**Notice of Exercise**” means a notice substantially in the form set out as Schedule B to this Plan, as amended by the Board from time to time.

“**Option**” means a right granted to an Eligible Person to purchase a Common Share pursuant to the terms of this Plan.

“**Option Agreement**” means an agreement substantially in the form set out as Schedule A to this Plan, as amended by the Board from time to time, specifying the terms and conditions of an Option.

“**Participant**” means any Eligible Person to whom an Option is granted.

“**Participating Company**” means the Company and any of its subsidiaries, as designated by the Board from time to time.

“**Plan**” means this Stock Option Plan, as amended or restated from time to time.

“**Retirement**” or “**Retire**” means the resignation of a Participant who is determined by the Board, in its discretion, to be retiring.

“**security-based compensation arrangement**” has the meaning attributed thereto in the Toronto Stock Exchange Company Manual, as amended from time to time.

“**subsidiary**” means any entity that is a “subsidiary” for the purposes of National Instrument 45-106 — *Prospectus Exemptions*, as amended from time to time.

“**Termination Date**” means a Participant’s last day of active employment with a Participating Company (other than in connection with a Participant’s transfer of employment to another Participating Company), regardless of whether the Participant’s termination of employment was lawful, and does not include any period of statutory, contractual, common law or other reasonable notice of termination of employment or any period of salary continuance or deemed employment.

“**U.S. Participant**” means any Participant who is a United States citizen or United States resident alien as defined for purposes of Section 7701(b)(1)(A) of the Code.

“**Vesting Date**” means the date or dates set out in the Option Agreement on which an Option will vest, or such earlier date as is provided for in the Plan or is determined by the Board.

### **1.3 Interpretation**

Where the context so requires, words importing the singular number include the plural and vice versa, and words importing any gender include any other gender. Whenever the Board is entitled to exercise discretion in the administration of the Plan, the term “discretion” means the sole and absolute discretion of the Board.

### **1.4 Currency**

Unless otherwise specifically provided, all references to dollars in this Plan are references to Canadian dollars.

### **1.5 Administration**

This Plan will be administered by the Board which has the discretion to: (i) grant Options to Eligible Persons; (ii) determine the Exercise Price, vesting schedule, term, limitations, restrictions and conditions applicable to Options; (iii) waive or amend the vesting schedule; (iv) interpret and administer the Plan; (v) establish, amend and rescind any rules and regulations relating to the Plan; and (vi) make any other determinations that the Board deems necessary or desirable for the administration of the Plan. The Board may correct any defect or supply any omission or reconcile any inconsistency in the Plan, in the manner and to the extent the Board deems, in its discretion, necessary or desirable. Any decision of the Board with respect to the administration and interpretation of the Plan shall be conclusive and binding on the Participants. Subject to applicable law, the Board may, from time to time, delegate all or any part of the administration of the Plan to the Committee and, following any such delegation, all applicable references in the Plan to the Board shall be deemed to be references to the Committee. The day-to-day administration of the Plan may be delegated to such officers and employees of the Company as the Board determines.



## **1.6 Governing Law**

The Plan shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.

## **1.7 Shares Subject to the Plan**

Subject to adjustment pursuant to Section 4.1, the maximum number of Common Shares that may be issued pursuant to the Plan is 400,000. Common Shares in respect of Options which are cancelled or terminated without having been exercised shall be available for subsequent issuance under this Plan. No fractional Common Shares may be purchased or issued hereunder.

## **1.8 Participation Limits**

The grant of Options under the Plan is subject to the following limitations:

- (a) no more than 10% of the outstanding Common Shares may be issued under the Plan alone or when combined with all other security-based compensation arrangements of the Company in any one year period;
- (b) no more than 5% of the outstanding Common Shares may be issued under the Plan alone or when combined with all other security-based compensation arrangements of the Company to any one Participant; and
- (c) the number of Common Shares that may be (i) issued to insiders within any one year period, or (ii) issuable to insiders at any time, in each case, under this Plan alone or when combined with all other security-based compensation arrangements of the Company, cannot exceed 10% of the outstanding Common Shares.

## **Section 2. Options**

### **2.1 Granting of Options**

The Board may, from time to time, grant Options to Eligible Persons, provided that the total number of Common Shares subject to or issued pursuant to Options shall not at any time exceed the maximum amount set forth in Section 1.7. The grant of an Option to an Eligible Person at any time shall neither entitle such Eligible Person to receive, nor preclude such Eligible Person from receiving, a subsequent grant of an Option. Each Option granted by the Board shall be evidenced by an Option Agreement.

### **2.2 Vesting of Options**

The Board shall determine when an Option will become vested and may determine that the Option will become vested in installments and may make vesting of the Option conditional on the achievement of performance targets. Subject to the terms of any employment or other agreement between the Participant and a Participating Company, or the Board expressly providing to the contrary, a Participant's Options shall vest as to 20% on each of the first five anniversaries of the Grant Date.

### **2.3 Exercise Price**

The Exercise Price of an Option shall be fixed by the Board on the Grant Date and will not be less than the Fair Market Value of a Common Share as of the Grant Date, subject to all applicable regulatory requirements. Notwithstanding the foregoing, if an Option is approved during a Blackout Period, the Grant Date shall not be earlier than the sixth Business Day immediately following the expiration of the Blackout Period and the Exercise Price will not be less than the volume-weighted average trading price of the Common Shares on the Toronto Stock Exchange on the five trading days immediately preceding the Grant Date.

### **2.4 Option Term; Blackout Period**

Subject to Section 3, each Option must be exercised no later than 10 years after the Grant Date or such shorter period as set out in the Participant's Option Agreement, at which time such Option will expire. Notwithstanding any other provision of this Plan, each Option that would expire during or within 10 Business Days immediately following a Blackout Period shall expire on the date that is 10 Business Days immediately following the expiration of the Blackout Period.

### **2.5 Exercise of Options**

Vested Options may be exercised by the Participant delivering to the Company a Notice of Exercise signed by the Participant or his or her legal representative, accompanied by payment in full of the aggregate Exercise Price and any Applicable Withholding Taxes in respect of the Options being exercised, payable:

- (a) in cash, or by certified cheque, bank draft or money order payable to the Company or by such other means as might be specified from time to time by the Board; or
- (b) pursuant to a broker-assisted cashless exercise, whereby the Participant shall elect on the Notice of Exercise to receive:
  - (i) an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Common Shares underlying the Options by a securities dealer designated by the Company, less the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs charged by the securities dealer to sell the Common Shares;
  - (ii) an aggregate number of Common Shares that is equal to the number of Common Shares underlying the Options minus the number of Common Shares sold in the capital markets by a securities dealer designated by the Company as required to realize cash proceeds equal to the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs charged by the securities dealer to sell the Common Shares; or
  - (iii) a combination of (i) and (ii).

Subject to Section 4.13, upon receipt of payment in full, the number of Common Shares in respect of which the Options are exercised will be duly issued to the Participant as fully paid and non-assessable, following which the Participant shall have no further rights, title or interest with respect to such Options.

### **Section 3. Termination of Employment**

#### **3.1 Resignation; Termination for Cause**

If a Participant resigns from a Participating Company (other than in circumstances constituting Retirement) or a Participant's employment with a Participating Company is terminated for Cause, all Options held by the Participant on the Participant's Termination Date, whether vested or unvested, shall automatically terminate on the Termination Date and be of no further force or effect.

#### **3.2 Death**

If a Participant's employment with a Participating Company ceases as a result of the death of the Participant, all unvested Options held by the Participant on the Participant's Termination Date shall continue to vest for six months following the Termination Date. The Participant's legal representatives may within six months after the Participant's Termination Date, or such shorter period as is remaining in the term of the Options, exercise the Participant's vested Options in accordance with Section 2.5. At the end of such six-month period or such shorter period as is remaining in the term of the Options, the unexercised Options shall automatically terminate and be of no further force or effect.

#### **3.3 Termination Without Cause; Disability**

If a Participant's employment with a Participating Company is terminated without Cause or ceases as a result of Disability, all unvested Options held by the Participant on the Participant's Termination Date shall automatically terminate on the Termination Date and be of no further force or effect. The Participant may, within 90 days after the Participant's Termination Date, or such shorter period as is remaining in the term of the Options, exercise the Participant's vested Options in accordance with Section 2.5. At the end of such 90-day period or such shorter period as is remaining in the term of the Options, the unexercised Options shall automatically terminate and be of no further force or effect.

#### **3.4 Retirement**

If a Participant Retires from a Participating Company, all unvested Options held by the Participant on the Participant's Termination Date shall automatically terminate on the Termination Date and be of no further force or effect and all vested Options held by the Participant on the Participant's Termination Date shall remain outstanding and be exercisable in accordance with their terms.

### **3.5 Ceasing Employment Following a Change of Control**

Notwithstanding anything in this Section 3 to the contrary, if a Participant's employment with a Participating Company is terminated without Cause or the Participant resigns in circumstances constituting constructive dismissal, as interpreted by applicable employment standards legislation, in each case, on or within 12 months following a Change of Control and before the expiry of the Participant's Options, all unvested Options held by the Participant on the Participant's Termination Date shall immediately vest. The Participant may within 12 months after the Participant's Termination Date, or such shorter period as is remaining in the term of the Options, exercise all Options held by the Participant on the Participant's Termination Date. At the end of such 12 month period or such shorter period as is remaining in the term of the Options, the unexercised Options shall automatically terminate and be of no further force or effect.

## **Section 4. General**

### **4.1 Capital Adjustments**

In the event of any stock dividend, stock split, combination or exchange of shares, merger, amalgamation, arrangement, consolidation, reclassification, spin-off or other distribution (other than normal cash dividends) of the Company's assets to shareholders, or any other change in the capital of the Company affecting Common Shares, the Board will make such proportionate adjustments, if any, as the Board in its discretion deems appropriate to reflect such change (for the purpose of preserving the value of the Options), with respect to: (i) the number or kind of shares or other securities reserved for issuance pursuant to this Plan; (ii) the number or kind of shares or other securities subject to any outstanding Options; and (iii) the Exercise Price of any outstanding Options; provided, however, that no adjustment will obligate the Company to issue or sell fractional securities. Notwithstanding anything in this Plan to the contrary, all adjustments made pursuant to this Section 4.1 shall be made subject to the rules of the Toronto Stock Exchange and in compliance with paragraph 7(1.4)(c) of the *Income Tax Act* (Canada) and/or with Code Section 409A and Treasury Regulations Section 1.409A-1(b)(5), to the extent applicable.

### **4.2 Effect of a Change of Control**

Notwithstanding any other provision of this Plan, in the event of a Change of Control where the securities of the surviving, successor or acquiring entity are listed on a recognized Canadian or U.S. stock exchange, such surviving, successor or acquiring entity shall assume any outstanding Options or shall substitute similar options for the outstanding Options. If the surviving, successor or acquiring entity does not assume the outstanding Options or substitute similar options for the outstanding Options or if the Board otherwise determines in its discretion, the Company shall give written notice to all Participants advising that the Plan shall be terminated effective immediately prior to the Change of Control and all Options shall be deemed to be vested and, unless otherwise exercised, forfeited or cancelled prior to the termination of the Plan, shall expire immediately prior to the termination of the Plan.

In the event of a Change of Control, the Board has the power to: (i) make such other changes to the terms of the Options as it considers fair and appropriate in the circumstances, provided such changes are not adverse to the Participants; (ii) otherwise modify the terms of the Options to assist the Participants to tender into a takeover bid or other arrangement leading to a Change of Control, and thereafter; and (iii) terminate, conditionally or otherwise, the Options not exercised following successful completion of such Change of Control. If the Change of Control is not completed within the time specified therein (as the same may be extended), the Options which vest pursuant to this Section 4.2 shall be returned by the Company to the Participant and, if exercised, the Common Shares issued on such exercise shall be reinstated as authorized but unissued Common Shares and the original terms applicable to such Options shall be reinstated.

### **4.3 Amendment and Termination**

- (a) The Board may amend or suspend any provision of the Plan, or terminate this Plan, at any time, subject to those provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange), if any, that require the approval of security holders or any governmental or regulatory body regardless of whether any such amendment or suspension is material, fundamental or otherwise, and notwithstanding any rule of common law or equity to the contrary. However, except as expressly set forth herein or as required pursuant to applicable law, no action of the Board or security holders may materially adversely alter or impair the rights of a Participant under any Option previously granted to the Participant without the consent of the affected Participant. Without limiting the generality of the foregoing, the Board may make the following types of amendments to this Plan or any Options without seeking security holder approval:
  - (i) amendments of a “housekeeping” or administrative nature, including any amendment for the purpose of curing any ambiguity, error or omission in this Plan or to correct or supplement any provision of this Plan that is inconsistent with any other provision of this Plan;
  - (ii) amendments necessary to comply with the provisions of applicable law (including, without limitation, the rules, regulations and policies of the Toronto Stock Exchange);
  - (iii) amendments necessary for Options to qualify for favourable treatment under applicable tax laws;
  - (iv) amendments to the vesting provisions of this Plan or any Option;
  - (v) amendments to include or modify a cashless exercise feature, payable in cash or Common Shares, which provides for a full deduction of the number of underlying Common Shares from the Plan maximum;
  - (vi) amendments to the termination or early termination provisions of this Plan or any Option, whether or not such Option is held by an insider, provided

such amendment does not entail an extension beyond the original expiry date of the Option; and

- (vii) amendments necessary to suspend or terminate this Plan.
- (b) Security holder approval will be required for the following types of amendments:
- (i) any amendment to increase the maximum number of Common Shares issuable under this Plan, other than pursuant to Section 4.1;
  - (ii) any amendment to this Plan that increases the length of the period after a Blackout Period during which Options may be exercised;
  - (iii) any amendment which would result in the Exercise Price for any Option granted under this Plan being lower than the Fair Market Value at the Grant Date of the Option;
  - (iv) any amendment that would permit the introduction or reintroduction of non-employee directors as Eligible Persons on a discretionary basis or any amendment that increases the limits previously imposed on non-employee director participation;
  - (v) any amendment to remove or to exceed the insider participation limit set out in Section 1.8(c);
  - (vi) any amendment which reduces the Exercise Price of an Option or permits the cancellation and reissuance of an Option, in each case, other than pursuant to Sections 4.1 or 4.2;
  - (vii) any amendment extending the term of an Option beyond the original expiry date, except as provided in Section 2.4;
  - (viii) any amendment to the amendment provisions;
  - (ix) any amendment which would allow for the transfer or assignment of Options under this Plan, other than for normal estate settlement purposes; and
  - (x) amendments required to be approved by security holders under applicable law (including the rules, regulations and policies of the Toronto Stock Exchange).

#### **4.4 Clawback**

Notwithstanding any other provision of this Plan, any Option which is subject to recovery or recoupment under applicable laws or stock exchange listing requirements, will be subject to such deductions and clawbacks as may be required pursuant to such laws or stock exchange listing

requirements (or any policy adopted by the Company pursuant to any such laws or stock exchange listing requirements).

#### **4.5 Non-Exclusivity**

Nothing contained herein shall prevent the Board or the Committee from adopting other or additional compensation arrangements for the benefit of any Participant, subject to any required regulatory or shareholder approval.

#### **4.6 Unfunded Plan**

This Plan shall be unfunded and the Company will not secure its obligations hereunder. To the extent any individual holds any rights under the Plan, such rights (unless otherwise determined by the Board) shall be no greater than the rights of an unsecured general creditor of the Company.

#### **4.7 Successors and Assigns**

The Plan shall be binding on all successors and assigns of the Participating Companies and each Participant, including without limitation, the legal representative of a Participant, or any receiver or trustee in bankruptcy or representative of the creditors of a Participating Company or a Participant.

#### **4.8 Transferability of Options**

Rights of a Participant respecting Options shall not be transferable or assignable, except as provided in Section 3.2 or by will or the laws of descent and distribution.

#### **4.9 No Special Rights**

Nothing contained in the Plan or by the grant of any Options will confer upon any Participant any right to the continuation of the Participant's employment by a Participating Company or interfere in any way with the right of any Participating Company at any time to terminate a Participant's employment or to increase or decrease the compensation of a Participant. Options shall not be considered Common Shares nor shall they entitle a Participant to any interest in or title to any Common Shares or to exercise voting rights or any other rights attaching to the Common Shares. Participation in the Plan by an Eligible Person shall be voluntary.

#### **4.10 Other Employee Benefits**

The amount of any compensation deemed to be received by a Participant as a result of the exercise of any Option will not constitute compensation with respect to which any other employee benefits of that Participant are determined, including, without limitation, benefits under any bonus, pension, profit-sharing, insurance or salary continuation plan, except as otherwise specifically determined by the Board.

#### **4.11 Withholding Taxes**

It is the responsibility of the Participant to complete and file any tax returns which may be required under Canadian, U.S. or other applicable jurisdiction's tax laws within the periods specified in those laws as a result of the Participant's participation in the Plan.

Notwithstanding any other provision of this Plan, a Participant shall be solely responsible for all Applicable Withholding Taxes resulting from his or her receipt of Common Shares or other property pursuant to this Plan. In connection with the issuance of Common Shares pursuant to this Plan, a Participant shall, at the Participant's discretion:

- (a) pay to the Company an amount as necessary so as to ensure that the Company is in compliance with the applicable provisions of any federal, provincial, local or other law relating to the Applicable Withholding Taxes in connection with such issuance;
- (b) authorize a securities dealer designated by the Company, on behalf of the Participant, to sell in the capital markets a portion of the Common Shares issued hereunder to realize cash proceeds to be used to satisfy the Applicable Withholding Taxes; or
- (c) make other arrangements acceptable to the Company to fund the Applicable Withholding Taxes.

#### **4.12 No Liability**

No Participating Company shall be liable to any Participant for any loss resulting from a decline in the market value of the Common Shares.

#### **4.13 Government Regulation and Grant Restrictions**

The Company's obligation to issue and deliver Common Shares under any Option is subject to: (i) the completion of such registration or other qualification of such Common Shares or obtaining approval of such regulatory authority as the Company shall determine to be necessary or advisable in connection with the authorization, issuance or sale thereof; (ii) the admission of such Common Shares to listing on any stock exchange on which such Common Shares may then be listed; and (iii) the receipt from the Participant of such representations, agreements and undertakings as to future dealings in such Common Shares as the Company determines to be necessary or advisable in order to safeguard against the violation of the securities laws of any jurisdiction. The Company shall take all reasonable steps to obtain such approvals, registrations and qualifications as may be necessary for the issuance of such Common Shares in compliance with applicable securities laws and for the listing of such Common Shares on any stock exchange on which such Common Shares are then listed. Options may not be granted with a Grant Date or effective date earlier than the date on which all actions required to grant the Options have been completed.



#### **4.14 U.S. Participants**

Each Option granted to a U.S. Participant is intended to be exempt from Code Section 409A. Notwithstanding the foregoing, to the extent that any Option granted to a U.S. Participant is determined to constitute “nonqualified deferred compensation” within the meaning of Code Section 409A, such Option will be subject to such additional rules and requirements as specified by the Board from time to time in order to comply with Code Section 409A. If any provision of the Plan contravenes Code Section 409A or could cause the U.S. Participant to incur any tax, interest or penalties under Code Section 409A, the Board may, in its sole discretion and without the U.S. Participant’s consent, modify such provision to: (i) comply with, or avoid being subject to, Code Section 409A, or to avoid the incurrence of taxes, interest and penalties under Code Section 409A, and/or (ii) maintain, to the maximum extent practicable, the original intent and economic benefit to the U.S. Participant of the applicable provision without materially increasing the cost to the Company or contravening Code Section 409A. However, the Company will have no obligation to modify the Plan or any Option and does not guarantee that Options will not be subject to taxes, interest and penalties under Code Section 409A.

#### **4.15 Priority of Agreements**

In the event of any inconsistency or conflict between the provisions of the Plan and any Option Agreement, the provisions of the Plan shall prevail. In the event of any inconsistency or conflict between the provisions of the Plan or any Option Agreement, on the one hand, and a Participant’s employment agreement with a Participating Company, on the other hand, the provisions of the employment agreement shall prevail.

#### **4.16 Severability**

The invalidity or unenforceability of any provision of the Plan shall not affect the validity or enforceability of any other provision and any invalid or unenforceable provision shall be severed from the Plan.

#### **4.17 Effective Date**

This Plan applies to Options granted hereunder on and after June 22, 2017.

**SCHEDULE A  
OPTION AGREEMENT**

**[insert name of officer or employee]** (the “**Participant**”)

Pursuant to the Stock Option Plan (the “**Plan**”) of Trisura Group Ltd. (the “**Company**”) and in consideration of services provided by the Participant to any Participating Company, the Company hereby grants to the Participant on \_\_\_\_\_, \_\_\_\_\_ (the “**Grant Date**”) \_\_\_\_\_ Options to purchase Common Shares of the Company at an Exercise Price of \$\_\_\_\_\_ per Common Share.

Capitalized terms used but not otherwise defined in this agreement shall have the meanings set out in the Plan.

Subject to earlier expiry in accordance with the Plan, the Options shall cease to be exercisable and shall expire on \_\_\_\_\_, \_\_\_\_\_ **[insert expiry date - no longer than [10] years after the grant date]**. The Option vests as follows: **[insert vesting schedule]**.

The Options are not intended to qualify as “incentive stock options” under Section 422 of the Code. **[NTD: Only necessary to include for U.S. Participants.]**

The Company and the Participant understand and agree that the granting and exercise of the Options and the issuance of Common Shares are subject to the terms and conditions of the Plan, all of which are incorporated into and form a part of this agreement.

DATED \_\_\_\_\_, \_\_\_\_\_.

**TRISURA GROUP LTD.**

By: \_\_\_\_\_

Name:

Title:

I agree to the terms and conditions set out herein and confirm and acknowledge that I have not been induced to enter into this agreement or acquire any Option by expectation of employment or continued employment with any Participating Company. I confirm and acknowledge that I have received and reviewed a copy of the Plan, including the early termination provisions set out in Section 3 of the Plan.

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Participant's Signature

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Participant's Name (please print)

**SCHEDULE B  
NOTICE OF EXERCISE**

To: **Trisura Group Ltd.**  
Attention: **Secretary**

I, \_\_\_\_\_ hereby exercise \_\_\_\_\_ options (“**Options**”) to purchase Common Shares of Trisura Group Ltd. (the “**Company**”) at an Exercise Price of \$\_\_\_\_\_ per Common Share. This Notice of Exercise is delivered in respect of the \_\_\_\_\_ Options that were granted to me on \_\_\_\_\_ under the Company’s Stock Option Plan (the “**Plan**”). Capitalized terms used but not otherwise defined herein have the meanings set out in the Plan. In connection with the foregoing:

(tick one)

- I enclose cash, a certified cheque, bank draft or money order payable to the Company in the amount of \$\_\_\_\_\_ (which reflects the aggregate Exercise Price of the Options) plus the amount of \$\_\_\_\_\_ (which reflects the amount the Company believes is necessary to remit as part of any Applicable Withholding Taxes), and the foregoing shall be the full payment for the Common Shares to be received upon exercise of the Options and I acknowledge that the Common Shares will be issued to me only upon satisfaction of the requirements of Section 2.5 of the Plan;
- I hereby elect to receive an amount in cash equal to the cash proceeds realized upon the sale in the capital markets of the Common Shares underlying the Options by a securities dealer designated by the Company, less the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs incurred to sell the Common Shares; or
- I hereby elect to receive an aggregate number of Common Shares that is equal to the number of Common Shares underlying the Options being exercised minus the number of Common Shares sold in the capital markets by a securities dealer designated by the Company as required to realize cash proceeds equal to the aggregate Exercise Price, any Applicable Withholding Taxes and any transfer costs incurred to sell the Common Shares.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Participant’s Signature

**APPENDIX C**

**SHARE OPTION PLAN RESOLUTION**

**RESOLUTION OF THE SHAREHOLDERS OF TRISURA GROUP LTD.  
(the “Company”)**

**BE IT RESOLVED THAT:**

1. the share option plan dated June 22, 2017 (the “**Share Option Plan**”) in the form attached as Appendix B to the Company’s management information circular dated October 31, 2017 (the “**Circular**”) be and is hereby confirmed, ratified and approved;
2. the options granted under the Share Option Plan as set out in “Business of the Meeting — Approval of Share Option Plan and Grants of Options — Grants of Options” of the Circular are hereby confirmed, ratified and approved; and
3. any director or officer of the Company is hereby authorized and directed, acting for, in the name of and on behalf of the Company, to execute or cause to be executed, under the seal of the Company or otherwise, and to deliver or cause to be delivered, all such other documents and instruments, and to do or cause to be done all such other acts and things, as such director or officer of the Company may determine to be necessary or desirable to carry out the intent of the foregoing resolutions, such determination to be conclusively evidenced by the execution and delivery of any such documents or instruments or the taking of any such actions.