



**NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS**

**AND**

**MANAGEMENT INFORMATION CIRCULAR**

**April 12, 2022**

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

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

**NOTICE IS HEREBY GIVEN** that an annual and special meeting (the “**Meeting**”) of shareholders (“**Shareholders**”) of Trisura Group Ltd. (the “**Company**”) will be held on Wednesday, May 25, 2022 at 2:00 p.m. (Toronto time) by virtual only meeting via live audio webcast online at <https://web.lumiagm.com/474997956>, using password: ‘trisura2022’ (case sensitive), for the following purposes:

- (1) to receive the consolidated financial statements of the Company for the year ended December 31, 2021, including the external auditor’s report thereon;
- (2) to elect directors who will serve until the next annual meeting of Shareholders;
- (3) to appoint the external auditor who will serve until the next annual meeting of Shareholders and authorize the directors to set its remuneration;
- (4) to consider and, if deemed appropriate, pass an ordinary resolution, the full text of which is reproduced as Appendix A to the Company’s management information circular dated April 12, 2022 (the “**Circular**”), to approve the entering into of the shareholder rights plan agreement between the Company and TSX Trust Company, all as more particularly described in the Circular; and
- (5) 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 April 13, 2022. Before casting your vote, you are encouraged to review the Meeting’s business in the section “Business of the Meeting” of the Circular. The Circular will be made publicly available on or before April 12, 2022.

This year’s Meeting will be held in a virtual meeting format only. Shareholders will be able to listen to, participate in and vote at the Meeting in real time through a web-based platform instead of attending the Meeting in person.

You can attend the Meeting by joining the live webcast online at <https://web.lumiagm.com/474997956>. See “How do I attend and participate at the virtual Meeting?” in the Circular for detailed instructions on how to attend and vote at the Meeting.

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 “Disclosure 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, TSX Trust Company (“**TSX Trust**”), toll-free at 1-800-387-0825.

Under Notice and Access, if you would like a paper copy of the Circular, please contact TSX Trust toll-free at 1-888-433-6443 (or 416-682-3801 if you are outside Canada or the United States) or [tsxt-fulfilment@tmx.com](mailto:tsxt-fulfilment@tmx.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 TSX Trust before 5:00 p.m. (Toronto time) on May 6, 2022. 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 are requested to complete, date, sign and return the enclosed form of proxy by 5:00 p.m. (Toronto time) on Friday, May 20, 2022, 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.tsxtrust.com/vote-proxy](http://www.tsxtrust.com/vote-proxy);
- Fax your signed proxy to TSX Trust 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@tmx.com*.

If you are a non-registered holder of common shares of the Company and have received these materials through your broker, custodian, 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 12<sup>th</sup> day of April, 2022.

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

*“George Myhal”*

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George Myhal  
Chair

# TABLE OF CONTENTS

	<b>Page</b>
VOTING INFORMATION .....	1
Who Can Vote .....	1
Notice and Access .....	1
Q&A on Proxy Voting .....	2
VOTING SECURITIES .....	6
PRINCIPAL HOLDERS OF VOTING SECURITIES .....	6
BUSINESS OF THE MEETING.....	6
1.    Receiving the Consolidated Financial Statements .....	7
2.    Election of Directors .....	7
Majority Voting Policy .....	7
Director Nominees .....	7
3.    Appointment of External Auditor .....	11
4.    Rights Plan .....	12
CORPORATE GOVERNANCE.....	14
Statement of Corporate Governance .....	14
Code of Business Conduct and Ethics .....	15
Whistleblower Policy.....	15
Board of Directors.....	15
Human Capital Management .....	19
Environmental, Social and Governance (‘ESG’) .....	21
Stakeholder Engagement .....	21
Committees of the Board.....	22
DIRECTOR COMPENSATION .....	23
Director Share Ownership Guidelines .....	24
Anti-Hedging Policy .....	24
Share Ownership of Directors.....	24
2021 Director Compensation .....	25
EXECUTIVE COMPENSATION.....	26
Named Executive Officers .....	26
Compensation Discussion and Analysis.....	26
NEO Required Share Ownership .....	27
Anti-Hedging Policy .....	27
Benchmarking Executive Compensation and Compensation Peer Group .....	28
Compensation Risk .....	28

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
Principal Elements of Compensation .....	28
Base Salaries .....	28
Incentive Bonuses .....	29
Share Option Plan .....	29
Global Phantom Option Plan .....	31
Restricted Share Unit Plan .....	31
Grants of Options .....	31
Summary Compensation Table .....	32
Ratio of Named Executive Officer Compensation to GPW / Net Income .....	33
Five Year Compensation Review - CEO .....	33
Employment Agreements, Termination and Change of Control Benefits .....	34
Incentive Plan Awards.....	35
Incentive Plan Awards – Value Vested or Earned During the Year.....	36
SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS .....	37
INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS .....	37
COMMON SHARE PERFORMANCE GRAPH .....	37
INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS .....	38
ADDITIONAL INFORMATION.....	38
DIRECTORS’ APPROVAL OF CIRCULAR.....	38
APPENDIX A .....	A-1
APPENDIX B.....	B-2
APPENDIX C.....	C-3

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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 annual and special meeting of shareholders (the “Shareholders”) of the Company referred to in the Company’s Notice of Annual and Special Meeting of Shareholders and Availability of Circular dated April 12, 2022 (the “Notice”) to be held on Wednesday, May 25, 2022 at 2:00 p.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 “Disclosure Reports” tab and at [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 “Voting Information — 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 **April 13, 2022** 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 March 31, 2022, and all dollar amounts are expressed in Canadian dollars. As previously announced, the Company completed a four-for-one split of its Common Shares on July 9, 2021. By way of subdivision, shareholders received an additional three Common Shares for each Common Share held. References in this Circular to a number of Common Shares, Options, Deferred Share Units or Restricted Share Units are being reported on a post-share split basis, unless otherwise indicated. 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.

### VOTING INFORMATION

#### WHO CAN VOTE

As of March 31, 2022, the Company had 41,266,992 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, except as otherwise provided in this Circular, be entitled to one vote for each Common Share on all matters to come before the Meeting or any adjournment(s) thereof, either virtually through the live webcast platform 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 and is consistent with Trisura’s approach towards sustainability.

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 “Disclosure Reports” tab, in addition to the Company’s SEDAR profile at [www.sedar.com](http://www.sedar.com). Trisura has sent the Notice 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, TSX Trust Company (“**TSX Trust**”), in which case TSX Trust 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. TSX Trust must receive your request before 5:00 p.m. (Toronto time) on May 6, 2022 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, TSX Trust will mail this Circular within 10 calendar days of any request.

Shareholders with questions about Notice and Access can call TSX Trust toll-free at 1-800-387-0825. Shareholders may also obtain paper copies of this Circular free of charge by contacting TSX Trust toll-free at 1-888-433-6443 (or 416-682-3801 if you are outside Canada or the United States) or [tsxt-fulfilment@tmx.com](mailto:tsxt-fulfilment@tmx.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. Election of the directors;
2. Appointment of the external auditor and authorization of the Board to set its remuneration;
3. Approval of the entering into of the shareholder rights plan agreement between the Company and TSX Trust Company (the “**Rights Plan**”); and
4. Such other business as may properly come before the Meeting or any adjournment(s) thereof.

### ***Who can attend and vote at the virtual Meeting?***

Registered Shareholders and duly appointed proxyholders who log in to the Meeting online will be able to listen, ask questions and securely vote through a web-based platform, provided that they are connected to the internet and follow the instructions set out in this Circular. Shareholders who wish to appoint a proxyholder to represent them at the Meeting **must** submit their duly completed proxy **AND** register the proxyholder by calling TSX Trust at **1-866-751-6315 (within North America) or (212) 235-5754 (outside North America)** or online at <https://www.tsxtrust.com/control-number-request> no later than **5:00 p.m. (Toronto time) on May 20, 2022** and provide TSX Trust with the required information for your appointee so that TSX Trust may provide the appointee with a Control Number. This Control Number will allow your appointee to log in to and vote at the Meeting. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with TSX Trust will result in that proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.

If you are a Beneficial Shareholder and wish to vote at the Meeting, you can request your intermediary to appoint you as its proxyholder. Insert your own name as proxyholder on the voting instruction form or proxy form you received from your intermediary and then follow the instructions provided by your intermediary. In addition, **YOU MUST also telephone TSX Trust at 1-866-751-6315 (within North America) or (212) 235-5754 (outside North America) or online at <https://www.tsxtrust.com/control-number-request> no later than 5:00 p.m. (Toronto time) on May 20, 2022 and provide TSX Trust with the required information so that TSX Trust may provide you with a Control Number. This Control Number will allow you to log in to and vote at the Meeting. Without a Control Number you will only be able to log in to the Meeting as a guest and will not be able to vote.**

Non-registered shareholders who have not duly appointed themselves as proxyholder will not be able to vote at the meeting but will be able to participate as a guest.

***How do I attend and participate in the virtual meeting?***

In order to attend the Meeting, registered Shareholders, duly appointed proxyholders (including non-registered shareholders who have duly appointed themselves as proxyholder) and guests (including non-registered shareholders who have not duly appointed themselves as proxyholder) must log in online as set out below.

- **Step 1:** Log in online at <https://web.lumiagm.com/474997956>.
- **Step 2:** Follow the instructions below:

**Registered Shareholders:** Click “I have a login” and then enter your control number and password ‘trisura2022’ (case sensitive). The control number located on the form of proxy or in the email notification you received from TSX Trust is your control number. If you use your control number to log in to the Meeting, any vote you cast at the Meeting will revoke any proxy you previously submitted. If you do not wish to revoke a previously submitted proxy, you should not vote at the Meeting.

**Duly appointed proxyholders:** Click “I have a login” and then enter your control number and password ‘trisura2022’ (case sensitive). Proxyholders who have been duly appointed and registered with TSX Trust as described in this Circular will receive a control number by email from TSX Trust after the proxy voting deadline has passed.

**Guests:** Click “I am a guest” and then complete the online form.

Registered Shareholders and duly appointed proxyholders may ask questions at the Meeting and vote by completing a ballot online during the Meeting. If you plan to vote at the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures.

The Meeting website will be accessible 60 minutes prior to the start of the Meeting. It is important that all attendees log in to the Meeting website at least ten minutes prior to the start of the Meeting to allow enough time to complete the log in process.

You will need the latest versions of Chrome, Safari, Edge and Firefox. Please ensure your browser is compatible by logging in early. PLEASE DO NOT USE INTERNET EXPLORER.

Caution: Internal network security protocols including firewalls and VPN connections may block access to the Lumi platform. If you are experiencing any difficulty connecting or watching the meeting, ensure your VPN setting is disabled or use a computer on a network that is not restricted by the security settings of your organization.

Non-registered Shareholders who have not duly appointed themselves as proxyholders may listen to the Meeting as guests. Guests will not be permitted to ask questions or vote at the Meeting.

***How do I vote?***

If you are a registered Shareholder, you may:

- (a) vote at the Meeting through the live webcast platform; or



(b) vote your proxy in the following ways:

- Fax your signed proxy to TSX Trust 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@tmx.com*.

If you intend to vote your proxy in a manner provided in (b) above, it must be received by TSX Trust no later than 5:00 p.m. (Toronto time) on **Friday, May 20, 2022**, 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.

***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 George Myhal or Greg Morrison, 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.

**If you wish to appoint a non-Shareholder as your proxyholder, the proxyholder must register by calling TSX Trust at 1-866-751-6315 (within North America) or (212) 235-5754 (outside North America) or online at <https://www.tsxtrust.com/control-number-request> no later than 5:00 p.m. (Toronto time) on May 20, 2022 and provide TSX Trust with the required information for your appointee so that TSX Trust may provide the appointee with a Control Number. This Control Number will allow your appointee to log in to and vote at the Meeting. Failure to register the proxyholder (the person you have designated to attend the Meeting, who could be yourself or another person) with TSX Trust will result in that proxyholder not receiving a control number to participate in the Meeting and such proxyholder would only be able to attend the Meeting as a guest.**

***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, Tuesday, May 24, 2022, or any adjournment of the Meeting, or to the Chair of the Board prior to the start of the Meeting on Wednesday, May 25, 2022, or the day of the adjourned Meeting.**

Secretary  
Trisura Group Ltd.  
333 Bay Street, Suite 1610, Box 22  
Toronto, Ontario M5H 2R2  
Email: *bryan.sinclair@trisura.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, you can submit a request for electronic delivery of materials enclosed with the Notice Package online by visiting <https://www.tsxtrust.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?***

Trisura’s transfer agent, TSX Trust, counts and tabulates the proxies.

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

For general Shareholder enquiries, you can contact TSX Trust as follows:

By Mail:	TSX Trust Company P.O. Box 700 Station B Montreal, Québec, H3B 3K3
By Telephone:	416-682-3860 1-800-387-0825
By E-mail:	<a href="mailto:shareholderinquiries@tmx.com">shareholderinquiries@tmx.com</a>

***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 at the virtual 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.

In addition, you must also register yourself by calling TSX Trust at **1-866-751-6315 (within North America) or (212) 235-5754 (outside North America) or online at <https://www.tsxtrust.com/control-number-request> no later than 5:00 p.m. (Toronto time) on May 20, 2022** or two business days before reconvening any adjourned or postponed Meeting. **Failure to register yourself with TSX Trust will result in you not receiving a control number to participate in the Meeting and you would only be able to attend the Meeting as a guest.**

A non-registered Shareholder who does not wish to attend and vote at the Meeting 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 (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.**

## 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 March 31, 2022, 41,266,992 Common Shares were issued and outstanding. The Company has not issued any non-voting 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 through the live webcast platform or by proxy, in accordance with the procedures specified herein.

## PRINCIPAL HOLDERS OF VOTING SECURITIES

To the knowledge of the directors and officers of the Company, there is no 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. Receiving the Consolidated Financial Statements**

The annual financial statements of the Company for the year ended December 31, 2021, including the external auditor's report thereon, are included in the Company's 2021 Annual Report (the "**Annual Report**"). The Annual Report is available on Trisura's website 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), and has been mailed to the Company's registered Shareholders and non-registered Shareholders who requested a paper copy of the Annual Report. Shareholders who have signed up for electronic delivery of the Annual Report have received it by email.

## **2. Election of Directors**

The Board is comprised of seven members, all of whom are to be elected at the Meeting to serve until the next annual meeting of Shareholders.

### ***Majority Voting Policy***

The Board has adopted a policy stipulating that, if the total number of Common Shares voted in favour of the election of a director nominee represents less than a majority of the total Common Shares voted and withheld for that director, the nominee will tender his or her resignation immediately after the Meeting. Within 90 days of the Meeting, the Board will determine whether or not to accept a director's resignation and will issue a press release announcing the Board's decision, a copy of which will be provided to the TSX. Absent exceptional circumstances, the Board will accept the resignation. The resignation will be effective when accepted by the Board. If the Board determines not to accept a resignation, the press release will fully state the reasons for that decision. A director who tenders his or her resignation will not participate in a Board meeting at which the resignation is considered. The majority voting policy does not apply in circumstances involving contested director elections.

### ***Director Nominees***

The Board recommends that the seven director nominees set forth below be elected at the Meeting to serve as directors of the Company until the next annual meeting of Shareholders or until their successors are elected or appointed.

The Board believes that the collective qualifications, skills and experiences of the director nominees allow for Trisura to continue to maintain a well-functioning Board with a diversity of expertise. The Board's view is that, individually and as a whole, the director nominees have the necessary qualifications to be effective at overseeing the business and affairs of the Company.

Trisura does not expect that any of the director nominees will be unable to serve as a director. If a director nominee notifies the Company before the Meeting that he or she will not be able to serve as a director, the management representatives designated in the form of proxy, unless directed to withhold from voting in the election of directors, reserve the right to vote for other director nominees at their discretion.

The following information is submitted with respect to the director nominees:

<p><b>David Clare</b> Age: 36 Director since: 2018 (Not Independent) <b>Municipality of Residence:</b> Toronto, Ontario, Canada <b>Principal Occupation:</b> President and Chief Executive Officer (“CEO”) of Trisura <b>Prior Year Voting Results:</b> 99.65%</p>	Mr. Clare has been President and CEO of Trisura since October 2018. Previously, Mr. Clare was Senior Vice President and Chief Investment Officer of Trisura from February 2018 to October 2018. Prior to joining Trisura, Mr. Clare was a Vice President at PVI. Mr. Clare previously worked in corporate development and strategy at a large financial services holding company. He holds a Bachelor of Commerce degree from Queen’s University.			
	<b>Trisura Board/Committee Membership</b>		<b>Public Board Membership During Last Five Years</b>	
	Board		Trisura Group Ltd.	2018 – Present
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 5 of 5</li> </ul>			
	<b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b>			
	March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs
	Number	148,876	-	148,876
	Value <sup>(1)</sup>	\$5,116,868	-	\$5,116,868
	Has the Director met the Share Ownership Guideline? <sup>(2)</sup>			N/A
	Ratio of Value of Common Shares and DSUs to Director’s Annual Retainer			N/A
<p><b>Paul Gallagher</b> Age: 66 Director since: 2017 (Independent)<sup>(3)</sup> <b>Municipality of Residence:</b> Toronto, Ontario, Canada <b>Principal Occupation:</b> Vice President, Investments of Carfin Inc. <b>Prior Year Voting Results:</b> 95.32%</p>	Mr. Gallagher has been Vice President, Investments of Carfin Inc., an investment vehicle with holdings in private and public companies that are based in Canada and the United States, since 2016. Previously, Mr. Gallagher was the Chief Financial Officer (“CFO”) at Wittington Investments, Limited which owns a number of public and private companies including George Weston Limited, one of North America’s largest food processing and distribution groups and Selfridges Group Limited, an international fashion retail company from 2007 to 2015. Prior to joining Wittington Investments, Limited, he held leadership roles with Avana Group, Fairwater Capital, Oxford Developments and PriceWaterhouseCoopers. Mr. Gallagher is a past member of the boards of Guelph University and Sinai Health Systems and past President of the Board of the Children’s Aid Society of Toronto. He has previously served on the boards of the Caledon Institute of Social Policy, Rostland Corporation, Ryerson Oil and Gas and Northern Geophysical of America. Mr. Gallagher holds the Institute of Corporate Directors designation, is a Chartered Professional Accountant and holds a Bachelor of Commerce Degree from Lakehead University.			
	<b>Trisura Board/Committee Membership</b>		<b>Public Board Membership During Last Five Years</b>	
	Board		Trisura Group Ltd.	2017 – Present
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 5 of 5</li> </ul>			
	Audit Committee			
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul>			
	Governance and Compensation Committee			
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul>			
	Risk Committee			
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul>			
<b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b>				
March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs	
Number	14,000	27,306	41,306	
Value <sup>(1)</sup>	\$481,180	\$938,507	\$1,419,687	
Has the Director met the Share Ownership Guideline? <sup>(2)</sup>			Met	
Ratio of Value of Common Shares and DSUs to Director’s Annual Retainer			15.6x	

<p><b>Barton Hedges</b> Age: 56 Director since: 2017 (Independent)<sup>(3)</sup> <b>Municipality of Residence:</b> Stuart, Florida, United States <b>Principal Occupation:</b> Retired (former director and CEO of Greenlight Capital Re, Ltd.) <b>Prior Year Voting Results:</b> 99.78%</p>	<p>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 30 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.</p>			
	<p><b>Trisura Board/Committee Membership</b></p>		<p><b>Public Board Membership During Last Five Years</b></p>	
	<p>Board</p> <ul style="list-style-type: none"> <li>Meetings attended in 2021: 5 of 5</li> </ul> <p>Audit Committee</p> <ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul> <p>Risk Committee</p> <ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul>		<p>Trisura Group Ltd. Greenlight Capital Re, Ltd.</p> <p>2017 – Present 2011 – 2017</p>	
	<p><b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b></p>			
	March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs
	Number	28,000	32,459	60,459
	Value <sup>(1)</sup>	\$962,360	\$1,115,616	\$2,077,976
	<p>Has the Director met the Share Ownership Guideline?<sup>(2)</sup></p>			Yes
	<p>Ratio of Value of Common Shares and DSUs to Director's Annual Retainer</p>			22.8x
	<p><b>Janice Madon</b><sup>(4)</sup> Age: 55 Director since: 2022 (Independent)<sup>(3)</sup> <b>Municipality of Residence:</b> Oakville, Ontario, Canada <b>Principal Occupation:</b> Self-employed Advisor <b>Prior Year Voting Results:</b> N/A</p>	<p>Ms. Madon has been Senior Advisor to Brookfield Asset Management since 2020. Prior to that, from 2007 to 2019, Ms. Madon held a number of senior roles at Manulife Financial including Chief Accountant, Chief Auditor and most recently leading Manulife Canada's finance team as Executive Vice President and CFO. Previously, she held senior roles at Royal Bank of Canada and Ernst &amp; Young. Ms. Madon currently sits on the boards of Foresters Financial, an international life insurance and individual savings company, REIIF: Real Estate Income and Impact Fund, a private, open-ended fund that invests in Canadian residential real estate and Appleby College, a non-profit independent school. Ms. Madon is a Chartered Professional Accountant and holds an MBA from University of Toronto Rotman School of Management and a Bachelor of Commerce, Hotel and Food Administration from the University of Guelph.</p>		
<p><b>Trisura Board/Committee Membership</b></p>		<p><b>Public Board Membership During Last Five Years</b></p>		
<p>Board</p> <ul style="list-style-type: none"> <li>N/A</li> </ul>		<p>Trisura Group Ltd.</p> <p>2022 – Present</p>		
<p><b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b></p>				
March 31, 2022		Common Shares	DSUs	Total Common Shares and DSUs
Number		0	184	184
Value <sup>(1)</sup>		\$0	\$6,333	\$6,333
<p>Has the Director met the Share Ownership Guideline?<sup>(2)</sup></p>			N/A	
<p>Ratio of Value of Common Shares and DSUs to Director's Annual Retainer</p>			N/A	

<p><b>Greg Morrison</b> Age: 64 Director since: 2017 (Independent) <sup>(3)</sup> <b>Municipality of Residence:</b> Smith's Parish, Bermuda <b>Principal Occupation:</b> Retired (Former President and CEO of Trisura) <b>Prior Year Voting Results:</b> 99.65%</p>	Mr. Morrison is retired, having previously been the President and CEO of Trisura from 2017 to 2018. Prior to that, Mr. Morrison served as the Chairman of Trisura International Holdings Ltd. (" <b>Trisura International Holdco</b> ") since 2012. Previously, he served as the CEO and a director of Trisura International Holdco from 2006 to 2012. He has more than 35 years of experience in the insurance and reinsurance industries. He served as CEO of Platinum Underwriters Holdings Ltd., a property, marine and casualty reinsurance provider trading on the New York Stock Exchange, and London Reinsurance Group Inc., a writer of reinsurance and retrocession in the property and casualty markets. Mr. Morrison currently sits on a number of property, casualty and life insurance company boards and their subsidiaries, including Aetna Life & Casualty (Bermuda) Limited, Stonybrook Capital LLC, Aspen Bermuda Limited, Multi-Strat Holdings, Brookfield Reinsurance Partners and various international subsidiaries of Brookfield Asset Management. Mr. Morrison is a Fellow of the Society of Actuaries (retired) and is an active member of a number of board audit and risk committees.			
	<b>Trisura Board/Committee Membership</b>		<b>Public Board Membership During Last Five Years</b>	
	Board	Trisura Group Ltd.	2017 – Present	
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 5 of 5</li> </ul>			
	<b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b>			
	March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs
	Number	161,600	10,010	171,610
	Value <sup>(1)</sup>	\$5,554,192	\$344,044	\$5,898,236
	Has the Director met the Share Ownership Guideline? <sup>(2)</sup>			Yes
	Ratio of Value of Common Shares and DSUs to Director's Annual Retainer			102.6x
<p><b>George E. Myhal</b> Age: 65 Director since: 2018 Chair of the Board (Independent) <sup>(3)</sup> <b>Municipality of Residence:</b> Toronto, Ontario, Canada <b>Principal Occupation:</b> President and CEO of Windermere Investment Corp. <b>Prior Year Voting Results:</b> 61.16%</p>	Mr. Myhal is the President and CEO of Windermere Investment Corp., a private investment company active in capital markets, real estate and private equity. Previously, he spent 37 years with Brookfield Asset Management and affiliates and related companies in various capacities. Mr. Myhal was President and CEO of Partners Value Investments from 2015 to 2018. He was a Senior Managing Partner of Brookfield from 2001 to 2014 and President and CEO of Trilon Financial Corporation from 1992 to 2001. Mr. Myhal has served on numerous public company boards and has extensive experience in the financial services industry including, insurance, banking, asset management and capital markets. He qualified as a Chartered Accountant in 1981, holds a Bachelor of Applied Science degree and Honorary Doctor of Laws from the University of Toronto.			
	<b>Trisura Board/Committee Membership</b>		<b>Public Board Membership During Last Five Years</b>	
	Board	Trisura Group Ltd.	2018 - Present	
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 5 of 5</li> </ul>	Eurobank Ergasias SA	2016 – 2020	
	Governance and Compensation Committee	Global Champions Split Corp.	2016 – 2018	
	<ul style="list-style-type: none"> <li>Meetings attended in 2021: 4 of 4</li> </ul>	Global Resource Champions Split Corp.	2016 – 2018	
		Partners Value Split Corp.	2016 – 2018	
		Partners Value Investments Inc./LP	2015 – 2018	
	<b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b>			
	March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs
Number	117,196	19,428	136,624	
Value <sup>(1)</sup>	\$4,028,027	\$667,740	\$4,695,767	
Has the Director met the Share Ownership Guideline? <sup>(2)</sup>			Yes	
Ratio of Value of Common Shares and DSUs to Director's Annual Retainer			65.9x	

<p><b>Robert Taylor</b> Age: 75 Director since: 2018 (Independent)<sup>(3)</sup> <b>Municipality of Residence:</b> Oakville, Ontario, Canada <b>Principal Occupation:</b> Retired (Former Chairman and director of Trisura Canada) <b>Prior Year Voting Results:</b> 88.03%</p>	Mr. Taylor served as the Chairman and a director of Trisura Guarantee from 2013 to 2017. As a co-founder of Trisura Guarantee, Mr. Taylor served as the CEO of the company from its inception in 2006 until 2012. From 2002 to 2005, he acted as a management consultant to London Guarantee Insurance Company, a specialty liability underwriter, to assist in the transition of the business following its sale to The St. Paul Companies. Previously, Mr. Taylor was the President and CEO of London Guarantee Insurance Company. He has served the Anglican Diocese of Niagara in various stewardship capacities, including as a member of its financial advisory board and budget committee, as well as Chairman of its insurance committee. Mr. Taylor received his MBA from McMaster University in 1976 and Bachelor of Applied Science in chemical engineering from the University of Waterloo in 1970.			
	<b>Trisura Board/Committee Membership</b>		<b>Public Board Membership During Last Five Years</b>	
	Board	<ul style="list-style-type: none"> <li>• Meetings attended in 2021: 5 of 5</li> </ul>	Trisura Group Ltd.	2018 - Present
	Audit Committee			
	Risk Committee			
	Governance and Compensation Committee			
	<b>Common Shares and Deferred Share Units (DSUs) Beneficially Owned, Controlled or Directed</b>			
	March 31, 2022	Common Shares	DSUs	Total Common Shares and DSUs
	Number	273,316	22,572	295,888
Value <sup>(1)</sup>	\$9,393,871	\$775,800	\$10,169,671	
Has the Director met the Share Ownership Guideline? <sup>(2)</sup>			Yes	
Ratio of Value of Common Shares and DSUs to Director's Annual Retainer			131.2x	

- (1) The market value is based on the closing price of a Common Share on the TSX on March 31, 2022 of \$34.37.
- (2) Directors who are not also employees of the Company or its subsidiaries are required to hold Common Shares or deferred share units (“**DSUs**”) having, in the aggregate, a value equal to at least three times the director’s Annual Retainer (as defined below). Directors have five years from the date of joining the Board to achieve this minimum economic ownership requirement. See “Director Compensation — Director Share Ownership Guidelines”.
- (3) “Independent” refers to the Board’s determination of whether a director nominee is “independent” under Section 1.2 of National Instrument 58-101 – *Disclosure of Corporate Governance Policies*.
- (4) Ms. Madon was appointed to the Board on February 22, 2022.

### 3. Appointment of External Auditor

On recommendation of the audit committee of the Board (the “**Audit Committee**”), the Board proposes the reappointment of Deloitte LLP (“**Deloitte**”) as the external auditor of the Company to hold office until the next annual meeting of Shareholders, and to authorize the Board to set its remuneration. Deloitte has continuously served as the external auditor of Trisura since the Company’s incorporation in January 2017.

Information concerning fees paid to Deloitte for services rendered to the Company during 2021 can be found in the Company’s Annual Information Form for the year ended December 31, 2021, dated March 28, 2022 (the “**AIF**”) under the heading “Audit Committee Information — External Auditor, Fees and Services”, which can be accessed at [www.sedar.com](http://www.sedar.com).

The appointment of Deloitte as the external auditor of the Company must be approved by at least a majority of the votes cast by Shareholders present through the live webcast platform or represented by proxy at the Meeting.



### *Recommendation of the Board; Voting of Proxies*

**On the advice of the Audit Committee, the Board recommends that Shareholders vote FOR the appointment of Deloitte as the external auditor of the Company, and authorization of the Board to set the remuneration to be paid to the external auditor.**

**In the absence of voting directions, proxies received by management will be voted FOR the appointment of Deloitte as the external auditor of the Company, and authorization of the Board to set the remuneration to be paid to the external auditor.**

#### **4. Rights Plan**

At the Meeting, Shareholders will be asked to consider, and, if deemed advisable, to approve, by ordinary resolution in the form set forth in Appendix A to this Circular (the “**Rights Plan Resolution**”), the adoption of the Rights Plan. A copy of the full text of the Rights Plan is attached as Appendix B to this Circular. The Rights Plan will only be entered into if it is approved by a majority of the votes cast by Shareholders at the Annual and Special Meeting.

The Board believes that the Rights Plan preserves the fair treatment of Shareholders, is consistent with current best Canadian corporate practice and addresses institutional investor guidelines. The Rights Plan is not intended to prevent a take-over of the Company.

#### *Background and Purpose of the Rights Plan*

While the existing legislative framework for take-over bids in Canada addresses many of the concerns related to unequal treatment of Shareholders in the event of a take-over bid, there continues to be a role for rights plans in protecting the Company and protecting against unequal treatment of Shareholders. For instance, there remains the possibility that control of the Company may be acquired pursuant to private agreements in which a small group of Shareholders dispose of shares at a premium to market price, which premium is not shared by the other Shareholders. Also, a person may slowly accumulate Common Shares through stock exchange acquisitions which may result, over time, in the acquisition of control without payment of fair value for control or fairly sharing any control premium among all Shareholders. The Rights Plan aims to address such concerns, to require that bids be made to all Shareholders and to prevent a potential acquirer from entering into lock-up agreements with existing Shareholders prior to launching a take-over bid, except for permitted lock-up agreements as specified in the Rights Plan.

The Rights Plan will not inhibit Shareholders from exercising their rights as Shareholders under the Company’s corporate statute, the *Business Corporations Act* (Ontario) (the “**Act**”). These rights include the right to solicit proxies to promote a change in the composition of the Board and to requisition a Shareholders’ meeting to transact any proper business stated in the requisition. In addition, the Rights Plan will not affect the financial condition of the Company. Finally, the issuance of rights will not change the manner in which Shareholders currently trade their Common Shares.

The Board has determined that it is advisable for the Company to adopt a shareholder rights plan for the reasons described above and has approved the Rights Plan. The Rights Plan encourages fair treatment of all Shareholders by providing Shareholders with an equal opportunity to participate in a take-over bid. The Rights Plan encourages a potential acquirer to proceed by way of a Permitted Bid (as defined below), which requires the take-over bid to satisfy certain minimum standards designed to promote fairness, or with the concurrence of the Board.

The Rights Plan is not being adopted in response to any specific proposal to acquire control of the Company, nor is the Board currently aware of any pending or threatened take-over bid for the Company. If the Shareholders approve the Rights Plan Resolution, the Rights Plan will be in effect for three years.

#### *Summary of the Rights Plan*

The material terms of the Rights Plan are summarized below. This summary is qualified in its entirety by reference to the actual provisions of the Rights Plan, the full text of which is reproduced in Appendix B to this Circular. Readers should carefully review Appendix B of this Circular in its entirety. For ease of reference, certain definitions used in the Rights Plan have been reproduced below. Capitalized terms not otherwise defined in this section shall have the same meaning ascribed to such terms in the Rights Plan.

The Rights Plan will be effective upon approval by the Shareholders at the Annual and Special Meeting.

### ***Issue of Rights***

One right (a “**Right**”) attaches to each Common Share. The Rights will separate from the Common Shares and will be exercisable ten trading days (the “**Separation Time**”) after a person has acquired, or commences a take-over bid to acquire, 20% or more of the Common Shares, other than by an acquisition pursuant to a take-over bid permitted by the Rights Plan (a “**Permitted Bid**”). Each Right entitles the registered holder thereof to purchase from the Company one Common Share at an exercise price equal to three times the market price of a Common Share determined as at the Separation Time (the “**Exercise Price**”).

The acquisition by any person (an “**Acquiring Person**”) of 20% or more of the Common Shares, other than pursuant to certain exceptions in the Rights Plan, is referred to as a “Flip-in Event”. Any Rights held by an Acquiring Person will become void upon the occurrence of a Flip-in Event. Ten trading days after the occurrence of the Flip-in Event, each Right (other than those held by the Acquiring Person) will entitle the registered holder to receive from the Company, upon payment of the Exercise Price, Common Shares having an aggregate market value equal to twice the Exercise Price.

### ***Permitted Bid Requirements***

If a take-over bid is structured as a Permitted Bid, a Flip-in Event will not occur and the Rights will not become exercisable.

Permitted Bids must be made by means of a take-over bid circular and comply with the following:

- (1) the take-over bid must be made to all Shareholders of record other than the bidder;
- (2) the take-over bid must not permit the bidder to take up any Common Shares that have been tendered until 105 days after the take-over bid is made, or such shorter minimum initial deposit period that a take-over bid must remain open for deposits of securities thereunder pursuant to National Instrument 62-104 – *Take-Over Bids and Issuer Bids* (“**NI 62-104**”) after the take-over bid is made, and then only if at such time more than 50% of the Common Shares held by the Independent Shareholders (which term generally includes Shareholders other than the bidder and persons acting jointly or in concert with the bidder), have been tendered pursuant to the take-over bid and not withdrawn;
- (3) the take-over bid must contain an irrevocable and unqualified provision that, unless it is withdrawn, Common Shares may be deposited or tendered at any time during the period of time between the date of the take-over bid and the date on which the Common Shares subject to the take-over bid may be taken up and paid for, and that any Common Shares deposited or tendered pursuant to the take-over bid may be withdrawn until they have been taken up and paid for; and
- (4) the take-over bid must contain an irrevocable and unqualified provision that, if on the date on which Common Shares may be taken up and paid for more than 50% of the Common Shares held by Independent Shareholders are deposited or tendered pursuant to the take-over bid and not withdrawn, then the bidder must make a public announcement of that fact and the take-over bid must then remain open for an additional 10 days from the date of the public announcement;

provided, however, that a take-over bid that qualified as a Permitted Bid will cease to be a Permitted Bid at any time that such take-over bid ceases to meet any or all of the provisions of the Permitted Bid definition and provided that, at such time, any acquisitions of securities pursuant to the Permitted Bid will cease to be a Permitted Bid Acquisition. The term “Permitted Bid” also includes a Competing Permitted Bid.

The Rights Plan also allows a Competing Permitted Bid to be made while a Permitted Bid is in existence. A Competing Permitted Bid must satisfy all of the requirements for a Permitted Bid, except that Common Shares may not be paid for until the later of the last day on which the take-over bid constituting the Competing Permitted Bid must be open for acceptance after the date of such take-over bid under NI 62-104 and the earliest date on which Common Shares may be taken up under the Permitted Bid.

### ***Redemption***

Until the occurrence of a Flip-in Event as to which the Board has not issued a waiver, the Board may elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.0001 (subject to adjustment) per Right, rounded down to the nearest whole cent for each holder of Rights.

### ***Fiduciary Duty of the Board***

The Rights Plan will not detract from or lessen the duty of the Board to act honestly and in good faith with a view to the best interests of the Company and its Shareholders. The Board will continue to have the duty and power to take such actions and make such recommendations to the Shareholders as are considered appropriate.

### ***Amendment to the Rights Plan***

The Board may amend the Rights Plan with the approval of a majority of the votes cast by Independent Shareholders voting in person and by proxy. Without such approval, the Board may amend to correct any clerical or typographical error or to make such changes as are required to maintain the validity and effectiveness of the Rights Plan as a result of any change in any applicable laws, rules or regulatory requirements.

### ***Term***

If the Rights Plan is approved by Shareholders, the Rights Plan will expire at the close of business on the date of the Company's 2025 annual meeting unless the continuation of the Rights Plan for additional three-year periods is approved by the Independent Shareholders of the Company.

### ***Recommendation of the Board; Voting of Proxies***

The Rights Plan Resolution, the text of which is reproduced as Appendix A to this Circular, must be approved by at least a majority of the votes cast at the Annual and Special Meeting by all Shareholders of the Company present or represented by proxy in order for the Rights Plan to be effective.

**The Board recommends that Shareholders vote FOR the approval of the Rights Plan Resolution as described in this Circular.**

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

## **CORPORATE GOVERNANCE**

### ***Statement of Corporate Governance***

The Company's corporate governance policies and practices are reviewed regularly by the Board and updated as necessary or advisable. Trisura's corporate governance practices are consistent with the guidelines for corporate governance adopted by the Canadian Securities Administrators and the TSX. A description of Trisura's corporate governance practices is set out below.

The Company has a complete compliance program that includes a Code of Business Conduct and Ethics ("**Code of Conduct**") that applies to all directors, officers and employees of the Company, along with related Company policies, in addition to maintaining a Whistleblower Policy overseen by the CEO, CFO, SVP Human Resources and Chief Compliance Officer, and a Privacy Policy overseen by the Chief Compliance Officers of the respective jurisdictions. Senior management reports to the Board and its committees with respect to oversight of the Code of Conduct and the Whistleblower Policy.

Our governance and compliance structures and processes include the following:

- Our Code of Conduct, embedded into our internal training programs;
- Support of the Compliance team, which follows legislative, governance, regulatory and compliance rules, trends and best practices;
- Robust policies and reporting mechanisms, including whistleblower and incident reporting procedures that protect anonymity and confidentiality;
- Data governance and cybersecurity policies;
- Policies on conflict of interest, disclosure of material information and insider trading; and
- Protection of human rights.

#### *Code of Business Conduct and Ethics*

Each Director, officer and employee of the Company reviews and confirms compliance with the Code of Conduct on an annual basis. Subject to any necessary revisions, and taking into account new trends in best practices and legal requirements, the Code of Conduct is approved by the Board annually. Our Code of Conduct is available on SEDAR ([www.sedar.com](http://www.sedar.com)) and on our website at [www.trisura.com/group](http://www.trisura.com/group).

The principles in our Code of Conduct promote the highest levels of personal conduct and ethical standards, and include respecting confidentiality, avoiding conflicts of interest, prioritizing respect in the workplace, acting in a socially-responsible manner, using the Company's resources and opportunities appropriately, engaging in sound market conduct and abiding by the law.

#### *Whistleblower Policy*

Our Whistleblower Policy is designed to safeguard the integrity of the Company's financial reporting, business dealings and to support adherence to the Code of Conduct. Reporting of incidents can be completed confidentially through a number of channels, including an independent third party that allows for anonymous reporting.

The SVP, Human Resources and CFO reviews reports related to whistleblower investigations as needed, at least annually, and report findings to the Board as necessary. There have been no instances of whistleblower investigations in the Company's history.

#### *Board of Directors*

The Board currently consists of seven directors. The directors are elected by Shareholders at each annual meeting of Shareholders, and all directors hold office for a term expiring at the close of the next annual meeting of Shareholders or until their respective successors are elected or appointed. The nominees for election by Shareholders as directors are determined by the governance and compensation committee of the Board (the "**Governance Committee**").

The Board has adopted a majority voting policy in respect of the election of directors. See "Business of the Meeting — Election of Directors — Majority Voting Policy".

#### Advance Notice Provisions

The by-laws of the Company include certain advance notice provisions (the "**Advance Notice Provisions**"), which can be accessed at [www.sedar.com](http://www.sedar.com). The Advance Notice Provisions require advance notice to the Company in circumstances where nominations of persons for election to the Board are made by holders of the Common Shares (or any other shares then carrying the right to vote) other than pursuant to a "proposal" made in accordance with the provisions of the **OBCA** or a requisition of Shareholders made in accordance with the provisions of the **OBCA**.

The Advance Notice Provisions set a deadline by which Shareholders must submit a notice of director nominations to the Company prior to any meeting of Shareholders. In the case of an annual meeting of Shareholders, notice must be given not less than 30 days prior to the date of the annual meeting. In the event that the annual meeting is to be held on a date that is less than 50 days after the date on which the first public announcement of the date of the annual meeting was made, notice may be given not later than the close of business on the 10<sup>th</sup> day following the notice date. In the case of a special meeting of Shareholders (which is not also an annual meeting), notice to the Company must be given not later than the close of business on the 15<sup>th</sup> day following the day on which the first public announcement of the date of the special meeting was made.

The Advance Notice Provisions also require any Shareholder making a director nomination to provide certain important information about him or herself and his or her nominees with its advance notice.

The chair of the meeting shall determine whether a nomination was made in accordance with the procedures set forth in the Advance Notice Provisions.

The Board may, in its sole discretion, waive any requirement of the Advance Notice Provisions.

#### Mandate of the Board

The Board has responsibility for overseeing the management of the business and affairs of Trisura directly and through three standing committees: the Audit Committee, the Governance Committee and the Risk Committee (as defined below) (collectively, the “**Committees**”). The responsibilities of the Board and each Committee, respectively, are set out in written charters, which are reviewed and approved annually by the Board. The Board charter is attached as Appendix C to this Circular. Committee charters are available on our website at [www.trisura.com/group](http://www.trisura.com/group).

The Board is responsible for:

- overseeing the Company’s long-term strategic planning process, and reviewing and approving the Company’s business plan;
- reviewing major strategic initiatives to determine whether management’s proposed actions accord with the Company’s long-term corporate goals and Shareholder objectives;
- appointing the Company’s CEO, overseeing the selection of other members of senior management and reviewing succession planning;
- assessing management’s performance against approved business plans;
- reviewing and approving the reports issued to Shareholders, including annual and interim financial statements;
- overseeing the Company’s environmental, social and governance program and related practices;
- reviewing and monitoring controls and procedures related to cybersecurity;
- overseeing management’s approach to managing the impact of key risks facing the Company;
- promoting effective corporate governance; and
- safeguarding Shareholders’ equity interests through the optimum utilization of the Company’s capital resources.

#### Independent Directors

As currently constituted, six of the seven directors on the Board are considered to be “independent” under applicable securities laws. Mr. Clare is not considered to be “independent” within the meaning of applicable securities laws as a result of his position as President and CEO of Trisura. The Company obtains information from its directors annually to determine their independence. The Board determines which directors are considered to be independent of the Board

based on the recommendation of the Governance Committee, which evaluates director independence based on the guidelines set forth under applicable securities laws.

The independent directors hold “in camera” sessions at each meeting of the Board and its Committees, at which management and non-independent directors are not present, and have the opportunity, at their discretion, to hold ad hoc meetings that are not attended by management and non-independent directors. There were five private meetings of independent directors during 2021. The Committees are each comprised entirely of independent directors.

### Board Renewal

The Governance Committee reviews the composition of the Board on a regular basis in relation to approved director criteria and skill requirements and recommends changes as appropriate to renew the Board. The Governance Committee does not support a mandatory retirement age, director term limits or other mandatory Board turnover mechanisms because its view is that such policies are overly prescriptive; therefore, the Company does not have term limits or other mechanisms that compel Board turnover. The Governance Committee does believe that periodically adding new voices and perspectives to the Board can help Trisura adapt to a changing business environment. For example, in February 2022, the Company appointed Ms. Madon to the Board. Ms. Madon is a highly respected, seasoned professional with valuable experience in risk management, finance, governance, investment management, social and environmental responsibility, regulatory reporting, tax and technology.

### Position Descriptions

The Board has adopted a written position description for the chair of the Board (the “**Chair**”), which sets out the Chair’s key responsibilities, including, as applicable, duties relating to setting Board meeting agendas, chairing Board and Shareholder meetings and communicating with Shareholders and regulators. The Board has also adopted a written position description for each of the Committee chairs which set out each of the Committee chair’s key responsibilities, including duties relating to setting Committee meeting agendas, chairing Committee meetings and working with the respective Committee and management to ensure, to the greatest extent possible, the effective functioning of the Committee.

The Board has also adopted written position descriptions for the CEO which set out the key responsibilities of the CEO. The primary functions of the CEO are to lead management of the business and affairs of the Company, to lead the implementation of the resolutions and the policies of the Board, to supervise day to day management and to communicate with Shareholders and regulators.

### Director Orientation and Continuing Education

The Governance Committee has established an orientation program for new directors under which a new director is provided with onboarding materials and meets individually with the Chair and members of the executive management team of Trisura. A new director is provided with comprehensive orientation and education as to the nature and operation of the Company and the Company’s business, the Company’s culture and values, approach to environmental, social and governance matters, risk management, the role of the Board and its Committees, and the contribution that an individual director is expected to make. Each director also receives periodic updates of orientation material. The Governance Committee is responsible for coordinating development programs for continuing directors to enable the directors to maintain or enhance their skills and abilities as directors as well as ensuring that their knowledge and understanding of the Company and its business remains current.

In addition, the Company provides regular continuing education for directors. Time is set aside at all regularly scheduled Board meetings for presentations on different areas of Trisura’s businesses, led by executives responsible for or familiar with these operations. Presentations on new developments and trends in corporate governance and director fiduciary duties are also provided as appropriate.

In 2021, the Company held five education sessions. All directors were present at all five sessions, addressing topics including, but not limited to: trends in property and casualty insurance, innovation, North American surety, hiring, Covid-19, cybersecurity, reinsurance risk management, program monitoring and regulatory developments.

The Board also conducts periodic onsite visits to the Company's business operations in key markets outside Toronto, where regularly scheduled Board meetings are normally held. These site visits are designed to provide directors the opportunity to learn about the Company's business units firsthand and meet in person with local management. Given the restrictions imposed during the Covid-19 pandemic, the last onsite visit took place in November 2019. The Company intends to reinstate this practice once safe to do so.

Management regularly canvasses directors for suggestions as to topics and issues for which they would like to receive a presentation, or additional information.

#### Conflicts of Interest

In situations where a director has a material interest in a matter to be considered by the Board or any Committee on which he or she serves, such director may be required to absent himself or herself from the meeting while discussions and voting with respect to the matter are taking place. Directors are also required to comply with the relevant provisions of the OBCA regarding conflicts of interest.

#### Director Commitments and Interlocking Directorships

The Governance Committee monitors the demands placed on each director's time and attention outside of their service on the Board. This includes, among other things, reviewing the number of other public company boards that a director sits on to ensure that no director has excessive commitments to other public companies that may result in a reduced ability for the director to provide effective oversight as a Board member. The Governance Committee also monitors interlocking board and committee memberships among all directors. Board interlocks exist when two directors of one company sit on the board of another company and committee interlocks exist when two directors sit together on another board and are also members of the same board committee, in each case, other than subsidiaries of the Company. Currently, there are no board or committee interlocks that exist among the director nominees.

#### Board, Committee and Director Evaluation

The Governance Committee is responsible, along with the Chair, for establishing and implementing procedures to evaluate the effectiveness of the Board, its Committees and the contributions of individual Board members. The Governance Committee also takes reasonable steps to evaluate and assess, on an annual basis, directors' performance and effectiveness of the Board, its Committees, individual members, the Chair and Committee chairs. The assessment addresses, among other things, individual director independence, individual director and overall Board skills and individual director financial literacy. The Board receives and considers the recommendations from the Governance Committee regarding the results of the evaluation of the performance and effectiveness of the Board, its Committees and individual members. Annual director evaluation also includes peer review by the other members of the Board.

## Skills Matrix

The Board's Skills Matrix set out below highlights the skills and experience that are prioritized by the Board, reflects the current strengths of the Board as a whole and is used to identify any gaps in experience or skills in the Board membership. Board member selection criteria include the following for each candidate: availability, personality, good judgement, ethics and reputation. In addition, management and the Board aim to develop a diversified Board composition that includes the following skills and strengths, which are in line with the needs of the Company. The skills of each of the directors are identified within the Skills Matrix below (based on self-identification). The skills matrix also assists in the succession planning process for Board membership.

<b>Skills</b>	<b>David Clare</b>	<b>Paul Gallagher</b>	<b>Barton Hedges</b>	<b>Janice Madon</b>	<b>Greg Morrison</b>	<b>George E. Myhal</b>	<b>Robert Taylor</b>	<b>Total Number of Directors with Skill</b>
Accounting/Audit	X	X	X	X	X	X	X	7
Financial services	X	X	X	X	X	X	X	7
Governance		X	X	X	X	X	X	6
Investment management	X	X	X	X	X	X		6
Legal and regulatory affairs				X	X			2
P&C operations	X		X				X	3
Risk management		X	X	X	X	X	X	6
Social and environmental responsibility		X		X		X		3
Strategic leadership / Senior executive	X	X	X	X	X	X	X	7
Talent management / Executive compensation			X		X	X	X	4
Technology		X		X				2

## *Human Capital Management*

The Board has strategic oversight of the Company's human capital management, which includes overseeing organization effectiveness, workplace culture, succession planning, compensation and diversity and inclusion. In the current context, that also includes overseeing the Company's response to the Covid-19 pandemic, including measures taken to ensure the safety and well-being of employees. The Board is assisted by the Governance Committee and Human Resources team in its oversight of the Company's human capital management.

Human capital management and talent development are crucial to our success and constitute key drivers that enable us to deliver value to our stakeholders. We are committed to providing a workplace where employees are surrounded



by a strong, diverse and inclusive team that will inspire them, and are given the opportunity to perform to the best of their ability.

The Company prioritizes creating a workplace where employees feel valued, respected and heard, and where they can contribute every day. We believe that a diverse and inclusive workforce fosters broader exchanges of perspectives, enriches discussion at every level of the Company and welcomes different approaches and ideas.

We seek to have a highly engaged workforce, be considered a ‘best’ employer, be a recognized destination for top talent and experts, and train our employees to succeed in a changing, and challenging environment.

### Succession Planning

The Company engages in succession planning at various levels within the organization, including with respect to directors, to ensure we are developing talent for future roles and that we are prepared for unplanned departures and retirements. The Company aims to leverage succession planning as a tool to make progress on the diversity of its Board and management team.

The Board is responsible for ensuring that the Company is supported by an appropriate organizational structure, including a CEO and other officers who have complementary skills and expertise to ensure sound management of the business and affairs of the Company and its long-term profitability.

The Board is supported in this function by the Governance Committee, which makes recommendations on the appointment, assessment, compensation and termination (if applicable) of the CEO and other senior officers, analyzes the assessment of senior officers and presents an annual senior officers succession plan. The Governance Committee advises management in relation to its succession planning, including the appointment, development and monitoring of senior officers.

To mitigate the risk that the Company’s operations suffer from a talent gap, succession planning is reviewed at least annually and implemented continuously to facilitate talent renewal and smooth leadership transitions. Each year, the SVP, Human Resources, reviews succession plans and prepares a succession plan report covering a number of critical positions, including senior officers and the CEO. For each critical position, a pool of ‘Ready Now’, ‘Ready in 1-3 Years’ and ‘Ready in 3-5 Years’ candidates is identified. Where a talent gap or risk is observed, a development plan is established to identify and develop potential successors. Individualized development plans may include lateral movements to diversify exposure, leadership training, mentoring and other special programs.

The annual succession plan report is presented to the Governance Committee for review, analysis, discussion and reporting to the Board. Committee members and directors actively participate in ongoing discussion with management relating to succession planning year-round. The members of the Governance Committee and the entire Board ensure they are exposed to, have direct interactions with, and get to know, the candidates identified in the succession plans for officer positions and can appreciate their skills and expertise first-hand, including through presentations by such individuals at regular meetings, through presentations made at annual training sessions and by meeting and discussion held with the candidates. The members of the Governance Committee firmly believe that they, and the Board in its entirety, have a comprehensive and deep knowledge of succession planning and identified successors within the organization.

### Diversity and Inclusion

Trisura instituted a formal Board Diversity Policy in February 2019 that addresses diversity, including gender. The objectives of the policy include the following:

- Board appointments will be based on merit, having due regard for the benefits of diversity on the Board, so that each nominee possesses the necessary skills, knowledge and experience to serve effectively as a director; and

- In the director identification and selection process, diversity on the Board, including the level of representation of women on the Board, will influence succession planning and be a criterion in identifying and nominating new candidates for election to the Board.

The Governance Committee is responsible for implementing the board diversity policy, monitoring progress towards the achievement of its objectives and recommending to the Board any necessary changes that should be made to the policy.

The Board has adopted a gender diversity target for the Board that at least 30% of the Board's directors identify as women, while continuing to ensure optimal representation of skills and expertise. Currently, 14% of the Board's directors identify as women. The Board has committed to meeting the gender diversity target of at least 30% of directors identifying as women in advance of the Company's 2024 annual meeting of shareholders.

More broadly, Trisura has developed a Diversity Policy which establishes the Company's commitment to fostering, cultivating, and preserving a culture of diversity and inclusion. We embrace and encourage differences in age, colour, ethnicity, family or marital status, gender identity or expression, language, national origin, physical and mental ability, political affiliation, race, religion, sexual orientation, and other characteristics that make our employees unique. To that effect, the Company has also engaged a service provider to assist with the development of an equity framework, which Trisura intends to implement.

There are fourteen officers of the Company who identify as women (30% of the Company's officers).

#### *Environmental, Social and Governance ('ESG')*

We believe that acting responsibly toward all stakeholders is fundamental to operating a productive, profitable and sustainable business. This underlies our philosophy of conducting business with a long-term perspective in a sustainable and ethical manner. The Board has ultimate oversight of ESG strategy, which includes oversight of climate related risks and opportunities. The Board receives regular updates on the Company's ESG initiatives throughout the year.

Although the Company's property exposure is primarily related to fronted programs, physical and weather-related risks have an impact on the property-exposed business that the Company retains. Management assesses and manages climate related risks in order to adapt our business to the impacts of climate change through enhanced catastrophe modelling, adjustments to pricing practices related to severe weather, continuing to redefine how we select property-exposed business and structuring appropriate reinsurance coverage.

The Company has recently approved a Responsible Investing Policy, which mandates the inclusion of ESG factors into our investment decisions, starting with the due diligence of a potential investment through to the ultimate exit process. Management is in the process of implementing this policy throughout our investment portfolio. As part of the Responsible Investment Policy, during the initial due diligence phase, we utilize both internal and third-party research to identify material ESG risks and opportunities relevant to the potential investment. We perform deeper due diligence if required.

#### *Stakeholder Engagement*

The Board and management welcome interaction with all stakeholders as it is important to have regular, collaborative and constructive engagement with shareholders, customers, governments, employees and communities, and encourage open dialogue, and the exchange of ideas and perspectives.

Communication with stakeholders takes various forms: our annual meeting of shareholders, Annual Report, Management Information Circular, Annual Information Form, quarterly reporting and disclosure, quarterly conference calls, news releases, website, presentations at investor and industry conferences and other internal and external meetings.

While engagement with management is more frequent, the Chair of our Board is available to address stakeholders annually at our annual meeting of shareholders.

We continue to encourage our stakeholders to reach out to our Directors and Management to discuss matters of significance. Stakeholders who wish to contact directors and management can do so through the Corporate Secretary ([bryan.sinclair@trisura.com](mailto:bryan.sinclair@trisura.com)). Further information on our stakeholder engagement events are available on our website at [www.trisura.com/group](http://www.trisura.com/group).

### ***Committees of the Board***

Each of the standing committees of the Board – the Audit Committee, the Governance Committee and the Risk Committee – is comprised entirely of independent directors. The responsibilities of each Committee is set out in written charters, which are reviewed and approved annually by the Board, and are available on our website at [www.trisura.com/group](http://www.trisura.com/group).

#### **Audit Committee**

The Audit Committee consists of three directors, all of whom are both independent and financially literate within the meaning of National Instrument 52-110 — *Audit Committees* (“**NI 52-110**”). As of March 31, 2022, the Audit Committee was comprised of Messrs. Gallagher (chair of the Audit Committee), Hedges and Taylor. Each of the Audit Committee members must have an understanding of the accounting principles used to prepare financial statements and varied experience as to the general application of such accounting principles, as well as an understanding of the internal controls and procedures necessary for financial reporting. For additional details regarding the relevant education and experience of the members of the Audit Committee, see “Business of the Meeting – Election of Directors – Director Nominees”.

The Audit Committee is responsible for: (i) monitoring the Company’s systems and procedures for financial reporting and associated internal controls, and the performance of the Company’s auditors; (ii) reviewing certain public disclosure documents before their approval by the full Board and release to the public, such as the Company’s quarterly and annual financial statements and management’s discussion and analysis; (iii) recommending an auditor to be nominated for appointment as the external auditor, and for approving the assignment of any non-audit work to be performed by the external auditor; (iv) monitoring financial and non-financial risk exposures and the steps taken to monitor and control such risk exposures; and (v) annually reviewing the guidelines which apply to the Company’s treasury and risk management activities and overseeing the Company’s overall risk management activities. The Audit Committee meets regularly in private session with the Company’s auditors, without management present, to discuss and review specific issues as appropriate. The Audit Committee met four times during 2021.

In addition to being independent directors as described above, all members of the Audit Committee must meet an additional “independence” test under Canadian securities laws, in that their directors’ fees must be and are the only compensation they receive, directly or indirectly, from the Company. Further, the Audit Committee requires that all its members disclose any form of association with a present or former auditor of the Company to the Board for a determination as to whether this association affects the independent status of the director.

Additional information about the Audit Committee can be found in the AIF under the heading “Audit Committee Information”, which can be accessed at [www.sedar.com](http://www.sedar.com).

#### **Governance Committee**

As of March 31, 2022, the Governance Committee was comprised of Messrs. Myhal (chair of the Governance Committee), Taylor and Gallagher, all of whom are independent within the meaning of NI 52-110, 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 “Business of the Meeting — Election of Directors — Director Nominees” 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, 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 Governance Committee met four times during 2021.

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 who are nominated for election to the Board at the Meeting. 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 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.

The Governance Committee reviews the related party transactions during the year in accordance with applicable legislation to ensure that when any arise, the terms and conditions of such transactions are at fair market value. Any instances of related party transactions would be disclosed in the Company's Financial Statements.

#### Risk Committee

As of March 31, 2022, the risk committee of the Board (the "**Risk Committee**") was comprised of Messrs. Hedges (chair of the Risk Committee), Gallagher and Taylor, all of whom are independent within the meaning of NI 52-110, and are charged with overseeing the risk infrastructure and investments of Trisura. The Risk Committee meets on a quarterly basis to review the Company's financial risk management procedures, capital levels and portfolio investment plan and strategies. The Risk Committee is responsible for reviewing and approving management's recommended portfolio financial goals and requirements, including asset allocation, risk tolerance, investment time horizon, capital adequacy and compliance with both the Company's Investment Policy Guidelines and Responsible Investment Policy. The Risk Committee provides oversight of cybersecurity risks, including the review and approval of the Company's Cyber Security Incidence Response Policy on an annual basis. In addition, the Risk Committee has oversight of the internal investment function of the Company and is responsible for, among other things, selecting and reviewing the Chief Risk Officer and Chief Investment Officer of Trisura. The Risk Committee met four times during 2021.

## **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 \$60,000 and the chairs of the Audit Committee, Governance Committee and Risk Committee receive an additional annual retainer of \$15,000. Directors are required to receive a certain proportion of their Annual Retainer in 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 in cash 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.

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.

As at April 12, 2022, all current directors and proposed nominees for election to the Board who are required to meet the ownership requirement have done so. In addition, Ms. Madon, who is being nominated to the Board for the first time this year and has through February 2027 to fulfill the minimum ownership requirement, is on track to fulfill the ownership requirement within the applicable time frame.

### ***Anti-Hedging Policy***

In order to maintain the alignment of interests between the Company and its directors, the Company generally prohibits all directors, including management and affiliated directors, from using derivatives or other financial instruments to retain legal ownership of their shares or share units in the Company while reducing their exposure to changes in the Company’s share price. Moreover, a director may not hold a short position in any security of the Company, either by way of a short sale or by utilizing derivatives. This allows shareholders to determine a director’s true economic exposure to the Company’s equity. Under limited circumstances, a director may be permitted to enter into a transaction that has the effect of hedging the economic value of any direct or indirect interests held by the such director, but only to the extent that the transaction (i) is executed and disclosed in full compliance with all applicable rules and regulations; (ii) has been approved by the CEO and CFO and, if appropriate, the Governance Committee; and (iii) is in respect of interests directly or indirectly held by such director in excess of the interests that such director is required to hold under the Director Share Ownership Guidelines. To date, no director has hedged the economic value of their direct or indirect interests in the Company.

### ***Share Ownership of Directors***

The following table sets out the total number of Common Shares and DSUs held by the seven proposed nominees for election to the Board at the Meeting.

<u>Holdings as at March 31, 2022</u>	<u>Common Shares</u>	<u>DSUs</u>	<u>Total Common Shares and DSUs</u>
Total	742,988	111,959	854,947

### 2021 Director Compensation

The following table sets out information concerning the compensation received by the non-employee directors of the Company during the year ended December 31, 2021.

<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	Chair of the Audit Committee	\$20,000	\$71,250	–	\$91,250
Barton Hedges	Chair of the Risk Committee	–	\$91,250	–	\$91,250
Janice Madon <sup>(1)</sup>		–	–	–	–
George Myhal	Chair of the Board, and chair of the Governance Committee	–	\$71,250	–	\$71,250
Greg Morrison		–	\$57,500	–	\$57,500
Robert Taylor		\$20,000	\$57,500	–	\$77,500

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(1) Janice Madon was appointed director on February 22, 2022.

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

The following table sets out information concerning the outstanding DSUs as of December 31, 2021.

<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	–	–	\$ 1,276,184
Barton Hedges	–	–	\$ 1,515,016
Janice Madon <sup>(2)</sup>	–	–	–
George Myhal	–	–	\$ 900,483
Greg Morrison	–	–	\$ 456,584
Robert Taylor	–	–	\$ 1,055,666

(1) The market value is based on the closing price of a Common Share on the TSX on December 31, 2021 of \$47.69.

(2) Janice Madon was appointed director on February 22, 2022.

## **EXECUTIVE COMPENSATION**

### *Named Executive Officers*

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 ended December 31, 2021. The Company’s NEOs for 2021 were:

- David Clare, President and CEO of the Company;
- David Scotland, CFO of the Company;
- Chris Sekine, President and CEO of Trisura Canada, an operating subsidiary of the Company;
- Michael Beasley, President and CEO of Trisura US, an operating subsidiary of the Company; and
- Eileen Sweeney, Executive Vice President and CFO of Trisura US.

### *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. Executives are expected to be committed to the Company’s overall business approach to creating shareholder value over the long-term, emphasizing long-term decision-making with a focus on capital preservation and achievement of strong risk-adjusted returns on capital, and maintaining an environment of teamwork. We have developed an approach to compensation that rewards strong performance over the long-term, aligned with the interests and expectations of our long-term investors.

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.

#### *NEO Required Share Ownership*

The Company's Chief Executive Officer is required to hold Common Shares, RSUs or other equity securities that own underlying common shares of the Company with a value equal to three times their base salary, based on the market value of the securities held, and which must be attained within five years of being designated that position. The Company's other NEOs are required to hold Common Shares, RSUs or other equity securities that own underlying common shares of the Company with a value equal to one times their base salary, based on the market value of the securities held, and which must be attained within five years of being designated that position.

As of March 31, 2022 the CEO and all other Named Executive Officers met the respective share ownership requirements or were on track to fulfill the ownership requirement within the applicable time frame.

<b>Name and Principal Position</b>	<b>Salary<sup>(1)</sup></b>	<b>Share Ownership<sup>(2)</sup></b>	<b>Ratio of Share Ownership to Salary</b>
David Clare President and CEO of the Company	\$350,000	\$5,659,502	16.2x
David Scotland CFO of the Company	\$255,000	\$316,032	1.2x
Chris Sekine President and CEO of Trisura Canada	\$350,000	\$4,668,890	13.3x
Michael Beasley <sup>(3)</sup> President of Trisura US	\$428,697	\$248,976	0.6x
Eileen Sweeney <sup>(3)</sup> Executive Vice President and CFO of Trisura US	\$402,374	\$4,922,334	12.2x

(1) Represents the salary earned in 2021.

(2) The market value of Common Shares and Restricted Share Units held as at March 31, 2022, where the market value is based on the closing price of a Common Share on the TSX on March 31, 2022 of \$34.37.

(3) Mr. Beasley and Ms. Sweeney are compensated in U.S. dollars. Their salary amounts are presented in Canadian dollars using an exchange rate of US\$1.00 = C\$1.2535 being the average exchange rate posted by the Bank of Canada for each day during 2021.

#### *Anti-Hedging Policy*

All executives are prohibited from entering into transactions that have the effect of hedging the economic value of any direct or indirect interests by the executive in the Company's shares. Under limited circumstances, an executive may be permitted to enter into a transaction that has the effect of hedging the economic value of any direct or indirect interests held by such executive, but only to the extent that the transaction (i) is executed and disclosed in full compliance with all applicable rules and regulations; (ii) has been approved by the CEO and CFO and, if appropriate,



the Governance Committee; and (iii) is in respect of interests directly or indirectly held by such individual in excess of the interests that such individual is required to hold under the Share Ownership Guidelines. To date, no executive has hedged the economic value of their direct or indirect interests in the Company.

#### *Benchmarking Executive Compensation and Compensation Peer Group*

Salary and short-term incentives are elements of compensation that can be easily benchmarked; however, long-term incentives are more difficult to benchmark since their value is dependent on the underlying assumptions used by each organization and may not be consistent across organizations. Since long-term incentives are a significant focus of the Company's incentive programs, the Governance Committee has not defined a peer group or benchmarked NEO compensation against a peer group. The Governance Committee believes that the Company's current compensation policies have assisted in attracting and retaining top talent and encouraging executives to assess the risks related to their decisions and actions, and minimizing the ability of executives to benefit from taking risks that increase the performance of the Company in the short-term at the expense of long-term value. The Governance Committee also believes that the Company's current compensation policies meet the Company's other objectives.

#### *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 (as defined below) 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 (see “— Principal Elements of Compensation — Share Option Plan”).

All of the Company's directors, officers and employees are subject to the insider trading policy contained in 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, (iii) options, granted under the Share Option Plan or RSUs, granted under the Company's RSU Plan. Perquisites and personal benefits are not a significant element of compensation of the NEOs.

#### *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. An NEO's base salary, as well as RRSP and 401k matching, delivers the only form of fixed compensation. For the base salaries that the NEOs received during 2021, 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.

### *Incentive Bonuses*

Incentive 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. Incentive bonuses are intended to be the most significant component of an NEO's compensation.

The NEOs 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. A portion of the bonus, no greater than 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, as RSUs which vest over three years. See "— Share Option Plan — General Terms of the Share Option Plan", "— Global Phantom Option Plan" and "— Restricted Share Unit Plan" for further details.

Over the last three years incentive bonuses have represented, on average, 70% of the CEO's total compensation and 53% of NEO's total compensation, excluding the CEO. Over the last three years non-cash compensation has represented, on average, 56% of the CEO's total compensation and 31% of the NEO's total compensation.

For the annual bonuses that Messrs. Scotland, Sekine, Beasley and Clare and Ms. Sweeney received during 2021, see "— Summary Compensation Table" below.

### *Share Option Plan*

#### Overview

The Company adopted a share option plan dated June 22, 2017, under which grants of options to purchase Common Shares may be made. The plan originally provided for the issuance of 400,000 Common Shares, which represented approximately 6% of the issued and outstanding Common Shares as at December 31, 2019. Shareholders voted to approve the Amended and Restated Stock Option Plan dated December 31, 2019 on June 17, 2020, which increased the number of available options for grant from 400,000 to 880,000, representing approximately 10% of the issued and outstanding Common Shares as at December 31, 2019. As at December 31, 2020, 546,320 options were available for grant under the Share Option Plan, which represented approximately 5.3% of the issued and outstanding Common Shares as at December 31, 2020. As at December 31, 2020, 333,680 options had been granted under the Share Option Plan, which represents approximately 3.3% of the issued and outstanding Common Shares as at December 31, 2020. As at December 31, 2021, 2,018,084 options are available for grant under the Share Option Plan, which increased due to the July 2021 four-for-one share split, and represents approximately 4.9% of the issued and outstanding Common Shares as at December 31, 2021. As at December 31, 2021, 1,501,916 options have been granted under the Share Option Plan, which represents approximately 3.6% of the issued and outstanding Common Shares as at December 31, 2021. 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

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 termination 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 CEO. All other option awards will be recommended by the CEO to the Governance Committee.

The Company’s annual burn rate, which represents the number of options granted under the Share Option Plan divided by the weighted average number of Common Shares outstanding during the fiscal year was 1.8% in 2019 (1.1% net of forfeitures in 2019), 0.9% in 2020 , and 0.4% in 2021.

*Global Phantom Option Plan*

The Company has 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 “— Share Option Plan — General Terms of the Share Option Plan”. None of the NEOs are eligible to receive awards under the Phantom Option Plan.

*Restricted Share Unit Plan*

The Company a restricted share unit plan effective December 9, 2019, under which senior management and executives of the Company and its subsidiaries may be awarded equity in the Company by way of RSUs, which vest over the course of three years. The award of an RSU reflects a right granted to the recipient to receive a Common Share, purchased in the market for fair market value. RSU awards are discretionary and subject to Board approval. Employees who receive RSUs will be required to hold until those RSUs are vested. Once vested, RSUs granted under the plan can be settled for Common Shares. RSUs were granted to four of the NEOs in 2021, as described in “Summary Compensation Table”.

*Grants of Options*

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 during 2021.

<u>Position</u>	<u>Number of Options Granted</u>	<u>Date of Grant</u>	<u>Exercise Price</u>	<u>Expiry Date</u>
Officers	100,000	January 1, 2021	\$21.99	January 1, 2031
Officers	185,816	February 18, 2021	\$29.38	February 18, 2031
Officers	30,000	June 14, 2021	\$37.99	June 14, 2031

### Summary Compensation Table

The following table sets out information concerning the compensation earned by, paid to or awarded to the NEOs during the years ended December 31, 2021, 2020 and 2019.

Name and Principal Position	Year	Salary	Non-Equity Incentive Plan Compensation (Bonus)			All Other Compensation <sup>(4)</sup>	Total Compensation
			Share-Based Awards <sup>(1)</sup>	Option Based Awards <sup>(2)</sup>	Annual Incentive Plans <sup>(3)</sup>		
David Clare President and CEO of the Company	2021:	\$350,000	\$340,000	\$340,000	\$180,000	\$20,000	\$1,230,000
	2020:	\$295,833	\$275,000	\$275,000	\$150,000	\$11,833	\$1,007,666
	2019:	\$270,633	—	\$551,304	\$123,750	\$10,833	\$956,520
David Scotland CFO of the Company <sup>(5)</sup>	2021:	\$255,000	\$90,000	\$90,000	\$128,000	\$15,350	\$578,350
	2020:	\$232,500	—	\$125,000	\$87,000	\$13,950	\$458,450
	2019:	\$200,833	—	\$125,804	\$60,000	\$10,042	\$396,679
Chris Sekine President and CEO of Trisura Canada <sup>(6)</sup>	2021:	\$350,000	\$142,500	\$142,500	\$185,000	\$21,000	\$841,000
	2020:	\$345,833	\$100,000	\$175,000	\$175,000	\$20,750	\$816,583
	2019:	\$311,190	—	\$413,600	\$100,000	\$18,671	\$843,461
Michael Beasley <sup>(7)(8)</sup> President of Trisura US	2021:	\$428,697	\$134,751	\$134,751	\$238,165	\$17,649	\$954,013
	2020:	\$402,450	\$94,598	\$239,647	\$254,885	\$22,860	\$1,014,440
	2019:	\$398,070	—	\$218,920	\$218,939	\$25,211	\$861,140
Eileen Sweeney <sup>(7)(8)</sup> Executive Vice President and CFO of Trisura US	2021:	\$402,374	—	\$250,700	\$219,363	\$18,176	\$890,613
	2020:	\$402,450	—	\$283,793	\$234,763	\$21,869	\$942,875
	2019:	\$398,070	—	\$199,018	\$199,035	\$25,211	\$821,334

- (1) The value of share-based awards, comprised of RSUs only, is calculated based on a price per Common Share of \$35.17, being the five-day volume-weighted average price on the date before the RSUs were granted.
- (2) Amounts for Messrs. Scotland, Sekine, Beasley and Clare and Ms. Sweeney are calculated based on the grant date fair value of options granted during 2021, 2020 and 2019, and the portion of the bonus awarded in options for the years 2021, 2020 and 2019 under the Company's bonus plan determined in accordance with Black-Scholes-Merton model.
- (3) Amounts for Messrs. Scotland, Beasley and Clare and Ms. Sweeney reflect the portion of the cash bonus earned during 2021, 2020 and 2019 under the Company's bonus plan. Amount for Mr. Sekine reflects the cash bonus earned under the Trisura Canada CEO bonus plan during 2020 and 2019, and the Company's bonus plan for 2021.
- (4) None of the NEOs are entitled to perquisites or other personal benefits which, in the aggregate, are worth over \$50,000 or over 10% of their base salary. Amounts included reflect company contributions to RRSP or 401k plans.
- (5) Mr. Scotland was appointed as CFO on August 9, 2019.
- (6) Mr. Sekine was appointed as President and CEO of Trisura Canada on April 15, 2019.

- (7) Mr. Beasley 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\$1.2535 being the average exchange rate posted by the Bank of Canada for each day during 2021, an exchange rate of US\$1.00 = C\$1.3415 being the average exchange rate posted by the Bank of Canada for each day during 2020, an exchange rate of US\$1.00 = C\$1.3269 being the average exchange rate posted by the Bank of Canada for each day during 2019.
- (8) On February 11, 2019, Mr. Beasley was appointed President and CEO of Trisura US and Ms. Sweeney was appointed Executive Vice President and CFO of Trisura US.

*Ratio of Named Executive Officer Compensation to GPW / Net Income*

The following table illustrates the total compensation awarded to the Named Executive Officers as a percentage of Gross Written Premium and Net Income (in thousands):

	<b>2021</b>	<b>2020</b>	<b>2019</b>
NEOs total compensation	\$4,494	\$4,240	\$3,879
Gross Premiums Written	\$1,563,206	\$926,442	\$448,262
Total compensation as percentage of Gross Premiums Written	0.3%	0.5%	0.9%
Adjusted Net Income	\$61,890	\$33,274	\$13,914
Total compensation as percentage of Adjusted Net Income	7.3%	12.7%	27.9%

*Four Year Compensation Review - CEO*

Mr. Clare was appointed CEO on October 16, 2018. In fiscal years 2018 through 2021 inclusive, Mr. Clare received a base salary of \$268,281 on average per year and cash-based annual incentive compensation of \$150,938. This represented the only cash compensation awarded to Mr. Clare during that period.

Participation in the Company's non-cash annual incentive compensation, the value of which is based on the performance of the Company's common shares, represented 59% of the value of the total compensation awarded to Mr. Clare over the last four years.

The following table sets out the value of the total compensation awarded to Mr. Clare over the four years based on the value of common shares as at March 31, 2022, for 2018, 2019, and 2020 and based on the value at the date it was awarded for 2021.

<b>Year</b>	<b>Total compensation when issued</b>	<b>Value of compensation with market appreciation</b>
2018	\$1,018,691	\$8,811,334
2019	\$956,520	\$4,174,066
2020	\$1,007,666	\$960,875
2021	\$1,230,000	\$1,230,000
<b>Total</b>	<b>\$4,212,877</b>	<b>\$15,176,275</b>

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

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). For a summary of the change of control benefit provisions provided under the Share Option Plan, see “— Principal Elements of Compensation — Share Option Plan — General Terms of the Share Option Plan”.

Chris Sekine has a written employment agreement with the Company that provides for contractual termination entitlements. The Company may terminate Chris Sekine at any time without cause and the Company will be required to provide him with his accrued but unpaid annual base salary, vacation pay and business expenses up to the termination date, plus (i) a lump sum payment equivalent to 24 months of his base salary, and (ii) a lump sum payment equal to the last two annual bonus payments awarded in cash, plus 50% of that amount. The receipt of the separation package is conditioned on Chris Sekine’s execution of a release of claims. Chris Sekine’s employment agreement also contains a customary confidentiality covenant and certain covenants that will continue to apply following the termination of his employment, including non-competition and non-solicitation provisions which are in effect during Chris Sekine’s employment and for the 18 months following the termination of his employment. If Chris Sekine was terminated without cause as at December 31, 2021, it is estimated that he would be entitled to an aggregate payment of approximately \$1,180,604.

### *Incentive Plan Awards*

The following table sets out the value of all outstanding option-based awards held by the NEOs as at December 31, 2021.

<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>
David Clare	70,000	\$ 6.4156	November 16, 2028	\$ 2,889,210
David Clare	196,500	\$ 6.77	February 25, 2029	\$ 8,040,780
David Clare	172,780	\$ 12.56	February 21, 2030	\$ 6,070,280
David Clare	36,360	\$ 29.3781	February 18, 2031	\$ 665,822
David Scotland	40,000	\$ 7.16	August 16, 2029	\$ 1,621,100
David Scotland	20,940	\$ 12.56	February 21, 2030	\$ 735,685
David Scotland	16,524	\$ 29.3781	February 18, 2031	\$ 302,586
Chris Sekine	96,000	\$ 7.31	March 15, 2029	\$ 3,876,480
Chris Sekine	25,072	\$ 12.56	February 21, 2030	\$ 880,855
Chris Sekine	23,132	\$ 29.3781	February 18, 2031	\$ 423,591
Michael Beasley	152,000	\$ 6.09	August 21, 2027	\$ 6,323,200
Michael Beasley	39,528	\$ 6.77	February 25, 2029	\$ 1,617,486
Michael Beasley	68,620	\$ 12.56	February 21, 2030	\$ 2,410,826
Michael Beasley	31,680	\$ 29.3781	February 18, 2031	\$ 580,122
Eileen Sweeney	174,000	\$ 6.09	August 21, 2027	\$ 7,238,400
Eileen Sweeney	58,560	\$ 6.77	February 25, 2029	\$ 2,396,275
Eileen Sweeney	62,380	\$ 12.56	February 21, 2030	\$ 2,191,597
Eileen Sweeney	37,512	\$ 29.3781	February 18, 2031	\$ 686,917
<b>Total</b>	<b>1,321,588</b>	<b>—</b>	<b>—</b>	<b>\$ 48,951,212</b>

(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 December 31, 2021 of \$47.69.

All currently outstanding options and phantom options granted during 2021 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 earned by the NEOs during 2021 is set out in “Executive Compensation — Summary Compensation Table”.



***Incentive Plan Awards – Value Vested or Earned During the Year***

<b>Name and Principal Position</b>	<b>Options-based Awards</b>	<b>Share-based Awards</b>	<b>Non-equity Incentive Plan Compensation</b>
	<b>Value Vested During 2021<sup>(1)</sup></b>	<b>Value Vested During 2021</b>	<b>Value Earned During the Year</b>
David Clare President and CEO of the Company	\$2,342,764	—	\$180,000
David Scotland CFO of the Company	\$403,963	—	\$128,000
Greg Morrison Former President and CEO of the Company <sup>(2)</sup>	\$30,471	—	—
Chris Sekine President and CEO of Trisura Canada	—	—	\$185,000
Michael Beasley President of Trisura US	\$1,621,796	—	\$238,165 <sup>(3)</sup>
Eileen Sweeney Executive Vice President and CFO of Trisura US	\$1,884,242	—	\$219,363 <sup>(3)</sup>

- (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 of \$31.18 on February 22, 2021, \$31.16 on February 25, 2021 and \$43.45 on November 16, 2021 for Mr. Clare, \$31.18 on February 22, 2021 and \$47.91 on August 16, 2021 for Mr. Scotland, \$30.93 on February 26, 2021 for Mr. Morrison, \$31.18 on February 22, 2021 and \$45.35 on August 23, 2021 for Mr. Beasley, and \$31.18 on February 22, 2021, \$31.16 on February 25, 2021 and \$45.35 on August 23, 2021 for Ms. Sweeney.
- (2) Amounts represent phantom options granted under the Phantom Option Plan. As at December 31, 2021, 130,060 phantom options had been granted to Mr. Morrison and remain outstanding.
- (3) Mr. Beasley 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\$1.2535 being the average exchange rate posted by the Bank of Canada for each day during 2021.

## SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets out information on the Company’s Share Option Plan as of December 31, 2021.

	Number of Common Shares to be issued upon exercise of outstanding options	Weighted-average exercise price of outstanding options	Number of Common Shares remaining available for future issuance under Share Option Plan (excluding Common Shares reflected in column (a))
	(a)	(b)	(c)
Share Option Plan	1,501,916	\$12.47	2,018,084

## INDEBTEDNESS OF DIRECTORS AND EXECUTIVE OFFICERS

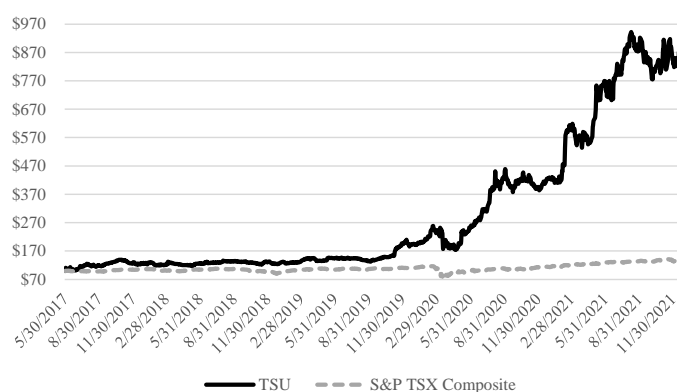
None of the directors, executive officers, employees, former directors, former executive officers or former employees of the Company or any of its subsidiaries, and none of their respective associates or affiliates, is or has within 30 days before the date of this Circular, or at any time since January 1, 2021, 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.

## COMMON SHARE PERFORMANCE GRAPH

The graph below details the share performance of the Company’s Common Shares on the TSX (Symbol: TSU). The total return on the Company’s shares for the period from May 30, 2017 to December 31, 2021 has been 820%. Both compensation and share price have increased since spin-out.

### Cumulative Total Return on \$100 Investment Since Inception

May 30, 2017 to December 31, 2021



## **INTERESTS OF INFORMED PERSONS IN MATERIAL TRANSACTIONS**

No director or executive officer of Trisura or any of its subsidiaries, or any proposed nominee for election as a director of the Company, or any associate or affiliate of any of the foregoing, has had any material interest, direct or indirect, in any transaction since January 1, 2021 or in any proposed transaction which has materially affected or would materially affect the Company or any of its subsidiaries.

## **ADDITIONAL INFORMATION**

Additional information on Trisura is available on its website at [www.trisura.com/group](http://www.trisura.com/group) and at [www.sedar.com](http://www.sedar.com). Upon request to the Secretary of Trisura, the Company will provide any person or company with the Annual Report and/or the interim financial statements of the Company subsequent to the end of its financial year. Financial information on the Company is provided in the Company's consolidated financial statements for the years ended December 31, 2021, 2020 and 2019 and management's discussion and analysis in respect thereof. For a paper copy of this Circular, contact TSX Trust as follows:

**TSX Trust Company**  
**Toll-Free: 1-888-433-6443**  
**Outside Canada or the United States: 416-682-3801**  
**Email: [tsxt-fulfilment@tmx.com](mailto:tsxt-fulfilment@tmx.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 12<sup>th</sup> day of April, 2022.

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

*"George Myhal"*

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George Myhal  
Chair

## **APPENDIX A**

### **RIGHTS PLAN RESOLUTION**

1. The shareholder rights plan agreement between Trisura Group Ltd. (the “**Company**”) and TSX Trust Company, as rights agent, the adoption of which was authorized by the Board of Directors of the Company subject to the approval thereof by the shareholders of the Company pursuant to this resolution, and the full text of which is reproduced as Appendix B to the management information circular of the Company dated April 12, 2022, be, and is hereby authorized, approved and adopted; and
2. Any officer or director of the Company be, and is hereby, authorized, for and on behalf of the Company, to sign and execute all documents, to conclude any agreement and to do and perform all acts and things deemed necessary or advisable in order to give effect to this resolution, including compliance with all securities laws and regulations.

**APPENDIX B**

**RIGHTS PLAN**

(See attached.)

**SHAREHOLDER RIGHTS PLAN AGREEMENT**

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**TRISURA GROUP LTD.**

**and**

**TSX TRUST COMPANY**

**as Rights Agent**

**Dated as of May 25, 2022**

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# TABLE OF CONTENTS

Page

ARTICLE 1 INTERPRETATION.....	2
1.1    Certain Definitions.....	2
1.2    Currency.....	15
1.3    Descriptive Headings .....	15
1.4    References to Agreement.....	15
1.5    Calculation of Number and Percentage of Beneficial Ownership of Outstanding Voting Shares.....	15
1.6    Acting Jointly or in Concert.....	16
ARTICLE 2 THE RIGHTS .....	16
2.1    Legend on Certificates .....	16
2.2    Execution, Authentication, Delivery and Dating of Rights Certificates .....	17
2.3    Registration, Registration of Transfer and Exchange.....	17
2.4    Mutilated, Destroyed, Lost and Stolen Rights Certificates .....	18
2.5    Persons Deemed Owners of Rights.....	18
2.6    Delivery and Cancellation of Certificates .....	18
2.7    Agreement of Rights Holders.....	19
2.8    Rights Certificate Holder Not Deemed a Shareholder .....	20
ARTICLE 3 EXERCISE OF THE RIGHTS .....	20
3.1    Initial Exercise Price; Exercise of Rights; Detachment of Rights.....	20
3.2    Adjustments to Exercise Price: Number of Rights.....	23
3.3    Date on Which Exercise Is Effective .....	27
ARTICLE 4 ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS .....	28
4.1    Flip-in Event .....	28
ARTICLE 5 THE RIGHTS AGENT.....	29
5.1    General.....	29
5.2    Merger or Amalgamation or Change of Name of Rights Agent .....	30
5.3    Duties of Rights Agent.....	31
5.4    Change of Rights Agent.....	32
5.5    Compliance with Anti-Money Laundering Legislation .....	33
5.6    Fiduciary Duties of the Directors.....	33
5.7    Privacy Legislation .....	33
5.8    Liability.....	33
ARTICLE 6 MISCELLANEOUS .....	34
6.1    Redemption and Waiver.....	34
6.2    Expiration.....	36

**TABLE OF CONTENTS**  
(continued)

	<b>Page</b>
6.3 Issuance of New Rights Certificates .....	36
6.4 Fractional Rights and Fractional Shares.....	36
6.5 Supplements and Amendments .....	36
6.6 Rights of Action .....	38
6.7 Notice of Proposed Actions .....	38
6.8 Notices .....	38
6.9 Costs of Enforcement.....	39
6.10 Successors .....	39
6.11 Benefits of this Agreement.....	40
6.12 Governing Law .....	40
6.13 Counterparts.....	40
6.14 Severability .....	40
6.15 Effective Date .....	40
6.16 Shareholder Approval .....	40
6.17 Determinations and Actions by the Board of Directors .....	40
6.18 Time of the Essence .....	41
6.19 Regulatory Approvals .....	41
6.20 Declaration as to Non-Canadian and Non-United States Holders.....	41
6.21 Fiduciary Duties of the Board of Directors .....	41
6.22 Language.....	41



## SHAREHOLDER RIGHTS PLAN AGREEMENT

This agreement, dated as of May 25, 2022, is between Trisura Group Ltd., a corporation incorporated under the laws of Ontario (the “**Corporation**”), and TSX Trust Company, a corporation existing under the laws of Canada, as rights agent (the “**Rights Agent**”, which includes any successor Rights Agent).

1. The Board of Directors (as defined herein) of the Corporation has determined that it is advisable and in the best interests of the Corporation to adopt a shareholder rights plan (the “**Rights Plan**”) to (a) ensure, to the extent possible, that all holders of the Common Shares (as defined herein) of the Corporation and the Board of Directors have adequate time to consider and evaluate any unsolicited Take-over Bid (as defined herein) for the Common Shares, (b) provide the Board of Directors with adequate time to identify, solicit, develop and negotiate value-enhancing alternatives, as considered appropriate, to any unsolicited Take-over Bid, (c) encourage the fair treatment of the Corporation’s shareholders in connection with any unsolicited Take-over Bid and (d) generally assist the Board of Directors in enhancing shareholder value.
2. The Board of Directors of the Corporation has authorized the Corporation to adopt the Rights Plan, subject to approval of the Rights Plan by resolution passed by at least a majority of the votes cast by the holders of Common Shares at a meeting of shareholders of the Corporation called by the Board of Directors for, amongst other purposes, the purpose of approving the Rights Plan (the “**Rights Plan Approval Resolution**”).
3. The Rights Plan Approval Resolution was duly passed by the holders of Common Shares at a meeting of shareholders of the Corporation held on May 25, 2022.
4. In order to implement the Rights Plan, the Board of Directors of the Corporation has authorized:
  - (i) the issuance, effective at 4:00 p.m. (Eastern time) on May 26, 2022, of one right (a “**Right**”) in respect of each Common Share of the Corporation outstanding at 4:00 p.m. (Eastern time) on May 26, 2022 (the “**Record Time**”); and
  - (ii) the issuance of one Right in respect of each Common Share issued after the Record Time and prior to the earlier of the Separation Time and the Expiration Time.
5. Each Right entitles the holder thereof, after the Separation Time, to purchase securities of the Corporation pursuant to the terms and subject to the conditions set forth in this agreement.
6. The Corporation wishes to appoint the Rights Agent to act on behalf of the Corporation and holders of Rights, and the Rights Agent is willing to so act, in connection with the issuance, transfer, exchange and replacement of Rights Certificates, the exercise of Rights and other matters referred to in this agreement.

**NOW THEREFORE**, in consideration of the premises and the respective covenants and agreements set forth in this agreement, the parties agree as follows.

## ARTICLE 1 INTERPRETATION

### 1.1 Certain Definitions

For the purpose of this agreement:

- (a) “**Acquiring Person**” means any Person who is or becomes the Beneficial Owner of 20% or more of the then outstanding Voting Shares; provided, however, that the term “**Acquiring Person**” will not include:
- (i) the Corporation or any Subsidiary of the Corporation;
  - (ii) any Person who becomes the Beneficial Owner of 20% or more of the then outstanding Voting Shares as a result of any one or any combination of:
    - (A) a Voting Share Reduction;
    - (B) a Permitted Bid Acquisition;
    - (C) an Exempt Acquisition;
    - (D) a Pro Rata Acquisition; or
    - (E) a Convertible Security Acquisition;provided, however, that if a Person becomes the Beneficial Owner of 20% or more of the Voting Shares then outstanding by reason of one or any combination of a Voting Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition and thereafter such Person, while such Person is the Beneficial Owner of 20% or more of the Voting Shares then outstanding, increases the number of Voting Shares beneficially owned by such Person by more than 1.0% of the number of Voting Shares outstanding (other than pursuant to one or any combination of a Voting Share Reduction, a Permitted Bid Acquisition, an Exempt Acquisition, a Pro Rata Acquisition or a Convertible Security Acquisition) then, as of the date such Person becomes the Beneficial Owner of such additional outstanding Voting Shares, such Person will be an “**Acquiring Person**”;
  - (iii) for a period of ten days after the Disqualification Date (as defined below), any Person who becomes the Beneficial Owner of 20% or more of the outstanding Voting Shares as a result of such Person becoming disqualified from relying on Clause 1.1(d)(v) solely because such Person or the Beneficial Owner of such Voting Shares is making or has announced an intention to make a Take-over Bid, either alone or by acting jointly or in concert with any other Person. For the purposes of this definition, “**Disqualification Date**” means the first date of a public announcement of facts indicating that any Person is making or intends to make a Take-over Bid, either alone, through such Person’s Affiliates or Associates or by acting jointly or in concert with any other Person; or
  - (iv) an underwriter or member of a banking or selling group acting in such capacity that becomes the Beneficial Owner of 20% or more of the Voting Shares in connection with a

distribution of securities of the Corporation pursuant to a prospectus or by way of private placement;

- (b) “**Affiliate**”, when used to indicate a relationship with a specified Person, means a Person who directly, or indirectly through one or more controlled intermediaries, controls, or is a Person controlled by, or is a Person under common control with, such specified Person;
- (c) “**Associate**”, where used to indicate a relationship with any Person, means (i) a spouse of that Person, (ii) any Person who resides in the same home as that Person and to whom that Person is married or with whom that Person is living in a conjugal relationship outside marriage, or (iii) a relative of that Person or of a Person mentioned in clause (i) or (ii) of this definition if the relative resides in the same home as that Person;
- (d) a Person will be deemed the “**Beneficial Owner**” of, and to have “**Beneficial Ownership**” of, and to “**Beneficially Own**”:
  - (i) any securities as to which such Person or any of such Person’s Affiliates or Associates is the owner at law or in equity;
  - (ii) any securities as to which such Person or any of such Person’s Affiliates or Associates has or shares the right to acquire or become the owner at law or in equity (A) upon the exercise of any Convertible Securities, or (B) pursuant to any agreement, arrangement or understanding (whether or not in writing), in either case if such right is exercisable immediately or within a period of 60 days thereafter and whether or not upon the occurrence of a contingency or the making or any payment (other than (1) customary agreements with and between underwriters and/or banking group members and/or selling group members with respect to a distribution of securities pursuant to a prospectus or by way of private placement, and (2) pledges or hypothecations of securities granted as security in the ordinary course of business of the pledgee or hypothecatee); and
  - (iii) any securities which are subject to a lock-up agreement or similar commitment to deposit or tender such securities to a Take-over Bid made by such Person or any of such Person’s Affiliates or Associates or any other Person acting jointly or in concert with such Person; and
  - (iv) any securities which are Beneficially Owned within the meaning of clauses (i), (ii) and (iii) of this definition by any other Person with whom such Person is acting jointly or in concert with respect to the Corporation or any of its securities;

provided, however, that a Person will not be deemed the “**Beneficial Owner**” of, or to have “**Beneficial Ownership**” of, or to “**Beneficially Own**”, any security because:

- (v) such security has been or agreed to be deposited or tendered pursuant to a Permitted Lock-up Agreement or is otherwise deposited or tendered pursuant to any Take-over Bid made by such Person, any Affiliate or Associate of such Person or any Person acting jointly or in concert with such Person until such deposited security has been taken up or paid for, whichever occurs first;
- (vi) such Person or any Affiliate or Associate of such Person or any other Person acting jointly or in concert with such Person holds such security and:

- (A) the ordinary business of any such Person (the “**Fund Manager**”) includes the management of investment funds for others (which, for greater certainty, may include or be limited to one or more employee benefit plans or pension plans) and such security is held by the Fund Manager in the ordinary course of such business in the performance of the Fund Manager’s duties for the account of any other Person (a “**Client**”), including a non-discretionary account held on behalf of a Client by a broker or dealer registered under applicable laws;
- (B) such Person (the “**Trust Company**”) is licensed to carry on the business of a trust company under applicable laws and, as such, acts as trustee or administrator or in a similar capacity in relation to the estates of deceased or incompetent Persons (each, an “**Estate Account**”) or in relation to other accounts (each, an “**Other Account**”) and holds such security in the ordinary course of such duties for Estate Accounts or Other Accounts;
- (C) such Person (the “**Plan Administrator**”) is the administrator or the trustee of one or more pension funds or plans (a “**Plan**”), or is a Plan, registered under the laws of Canada or any province thereof or the laws of the United States of America or any state thereof and such security is held by the Plan Administrator or the Plan in the ordinary course of the Plan Administrator’s or Plan’s activities;
- (D) such Person (the “**Statutory Body**”) is established by statute for purposes that include, and the ordinary business or activity of such Person includes, the management of investment funds for employee benefit plans, pension plans and insurance plans of various public bodies and such security is held by the Statutory Body in the ordinary course of the management of such investment funds;
- (E) such Person is a Crown Agent or agency (a “**Crown Agent**”); or
- (F) such Person (the “**Manager**”) is the manager or trustee of a mutual fund (“**Mutual Fund**”) that is registered or qualified to issue its securities to investors under the securities laws of any province of Canada or the laws of the United States of America or is a Mutual Fund;

provided, however, that in any of the foregoing cases, the Fund Manager, the Trust Company, the Plan Administrator, the Plan, the Statutory Body, the Crown Agent, the Manager or the Mutual Fund, as the case may be, is not then making a Take-over Bid, has not then announced an intention to make a Take-over Bid and is not then acting jointly or in concert with any other Person who is making a Take-over Bid or who has announced a current intention to make a Take-over Bid, other than an Offer to Acquire Voting Shares or other securities (1) pursuant to a distribution by the Corporation, (2) by means of a Permitted Bid or a Competing Permitted Bid or (3) by means of market transactions made in the ordinary course of business of such Person (including pre-arranged trades entered into in the ordinary course of business of such Person) executed through the facilities of a stock exchange or organized over-the-counter market;

- (vii) such Person is (A) a Client of the same Fund Manager as another Person on whose account the Fund Manager holds such security, (B) an Estate Account or Other Account of the same Trust Company as another Person on whose account the Trust Company holds such security or (C) a Plan with the same Plan Administrator as another Plan on whose account the Plan Administrator holds such security;

- (viii) such Person is (A) a Client of a Fund Manager and such security is owned at law or in equity by the Fund Manager, (B) an Estate Account or Other Account of a Trust Company and such security is owned at law or in equity by the Trust Company or (C) a Plan and such security is owned at law or in equity by the Plan Administrator; or
- (ix) because such Person is the registered holder of securities as a result of carrying on the business of or acting as a nominee of a securities depositary;
- (e) **“Board of Directors”** means the board of directors of the Corporation or, if duly constituted and whenever duly empowered, any committee of the board of directors of the Corporation;
- (f) **“Book Entry Form”** means, in reference to securities, securities that have been issued and registered in uncertificated form and includes securities evidenced by an advice or other statement and securities which are maintained electronically on the records of the Corporation’s transfer agent but for which no certificate has been issued;
- (g) **“Book Entry Rights Exercise Procedures”** has the meaning ascribed to it in subsection 3.1(d);
- (h) **“Business Day”** means any day other than a Saturday, a Sunday or a day on which banking institutions in Toronto, Ontario (or, for purposes only of the proviso to the definition of “close of business”, banking institutions in each city designated for depositing securities in acceptance of the Competing Permitted Bid or Permitted Bid, as the case may be, referred to in such proviso) are authorized or obligated by law to close;
- (i) **“Canadian Dollar Equivalent”** of any amount which is expressed in United States dollars means, on any date, the Canadian dollar equivalent of such amount determined by multiplying such amount by the Canadian Exchange Rate in effect on such date;
- (j) **“Canadian Exchange Rate”** means, on any date:
  - (i) if, on such date, the Bank of Canada publishes the daily average exchange rate for such date for the conversion of one United States dollar into Canadian dollars, such rate; or
  - (ii) in any other case, the rate for such date for the conversion of one United States dollar into Canadian dollars calculated in such manner as may be determined by the Board of Directors from time to time acting in good faith;
- (k) **“close of business”** on any given date means the time on such date (or, if such date is not a Business Day, the time on the next Business Day) at which the principal office in Toronto, Ontario of the transfer agent for the Common Shares (or, after the Separation Time, the office of the Rights Agent) is closed to the public; provided, however, that for the purposes of the definitions of “Competing Permitted Bid” and “Permitted Bid”, “close of business” on any date means 11:59 p.m. (local time at the place of deposit) on such date (or, if such date is not a Business Day, 11:59 p.m. (local time at the place of deposit) on the next succeeding Business Day);
- (l) **“Common Share”** means the common shares of the Corporation and any other shares of the Corporation into which such shares may be subdivided, consolidated, reclassified or changed;

- (m) “**common shares**”, when used with reference to any Person other than the Corporation, means the class or classes of shares (or similar equity interest) with the greatest per share (or similar interest) voting power entitled to vote generally in the election of all directors of such other Person;
- (n) “**Competing Permitted Bid**” means a Take-over Bid that is made by means of a take-over bid circular and which also complies with the following additional provisions:
  - (i) is made after a Permitted Bid or another Competing Permitted Bid has been made and prior to the expiry, termination or withdrawal of such previous Permitted Bid or Competing Permitted Bid;
  - (ii) satisfies all components of the definition of a Permitted Bid provided that it is not required to satisfy the requirement set forth in clause 1.1(II)(ii)(A) thereof; and
  - (iii) contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares shall be taken up or paid for pursuant to such Take-over Bid prior to the close of business on the last day of the minimum initial deposit period that such Take-over Bid must remain open for deposits of securities thereunder pursuant to NI 62-104 after the date of the Take-over Bid constituting the Competing Permitted Bid;

provided, however, that a Competing Permitted Bid will cease to be a Competing Permitted Bid at any time when such bid ceases to meet any of the requirements of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such Competing Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition;

- (o) “**controlled**”: a Person is “controlled” by another Person or two or more Persons acting jointly or in concert if:
  - (i) in the case of a Person other than a partnership or a limited partnership, including a corporation or body corporate: (A) securities entitled to vote in the election of directors or trustees of such body corporate carrying more than 50% of the votes for the election of the directors or trustees are held, directly or indirectly, by or for the benefit of the other Person or two or more Persons acting jointly or in concert, and (B) the votes carried by such securities are entitled, if exercised, to elect a majority of the board of directors or trustees of such Person;
  - (ii) in the case of a partnership other than a limited partnership, more than 50% of the voting or equity interests of such partnership are held, directly or indirectly, by or for the benefit of the other Person or Persons; and
  - (iii) in the case of a limited partnership: (A) the other Person or each of the other Persons is a general partner of the limited partnership or (B) the general partner of such limited partnership is controlled by such other Person or Persons within the meaning of this definition,

and “**controls**”, “**controlling**” and “**under common control with**” will be interpreted accordingly;

- (p) **“Convertible Securities”** means any securities issued by the Corporation (including rights, warrants, convertible notes and options, but excluding the Rights) carrying any purchase, exercise, conversion or exchange rights, pursuant to which the holder of Convertible Securities may acquire Voting Shares or other securities convertible into or exercisable or exchangeable for Voting Shares, directly or indirectly (in each case, whether such right is exercisable immediately or after a specified period and whether or not on condition or the happening of any contingency or the making of any payment);
- (q) **“Convertible Security Acquisition”** means the acquisition of Voting Shares on the exercise, conversion or exchange of Convertible Securities acquired by any Person pursuant to a Permitted Bid Acquisition, Exempt Acquisition or Pro Rata Acquisition;
- (r) **“Co-Rights Agent”** has the meaning ascribed to it in subsection 5.1(a);
- (s) **“dividends paid in the ordinary course”** means cash dividends paid in any financial year of the Corporation to the extent that such cash dividends do not exceed, in the aggregate, the greatest of:
  - (i) 200% of the aggregate amount of cash dividends declared payable by the Corporation on the Common Shares in its immediately preceding financial year;
  - (ii) 300% of the arithmetic average of the aggregate amounts of cash dividends declared payable by the Corporation on the Common Shares in its three immediately preceding financial years; and
  - (iii) 100% of the aggregate consolidated net income of the Corporation, before extraordinary items, for its immediately preceding financial year;
- (t) **“Effective Date”** has the meaning ascribed to it in section 6.15;
- (u) **“Election to Exercise”** has the meaning ascribed to it in clause 3.1(e)(ii);
- (v) **“equivalent common shares”** has the meaning ascribed to it in subsection 3.2(b);
- (w) **“Exempt Acquisition”** means an acquisition by a Person of Voting Shares and/or Convertible Securities:
  - (i) in respect of which the Board of Directors has waived the application of section 4.1 pursuant to section 6.1; or
  - (ii) made as an intermediate step in a series of related transactions in connection with the acquisition by the Corporation or one or more of its Subsidiaries of securities or assets of a Person, provided that the Person who acquires such Voting Shares and/or Convertible Securities distributes or is deemed to distribute such Voting Shares and/or Convertible Securities to its security holders within 10 Business Days of the completion of such acquisition, and following such distribution no Person has become the Beneficial Owner of 20% or more of the then outstanding Voting Shares; or
  - (iii) pursuant to a distribution by the Corporation of Voting Shares or Convertible Securities (and the conversion or exchange of such securities):

- (A) to the public pursuant to a prospectus or similar document (provided that such Person does not thereby Beneficially Own a greater percentage of the Voting Shares or Convertible Securities so offered than the percentage of Voting Shares or Convertible Securities Beneficially Owned by the Person immediately prior to the receipt or exercise of rights or prior to that distribution), or
- (B) by way of private placement or other distribution made by the Corporation that is exempt from the prospectus requirements of applicable law (other than a Pro Rata Acquisition) provided that (x) all necessary stock exchange approvals for such private placement or other distribution made by the Corporation that is exempt from the prospectus requirements of applicable law have been obtained and such private placement or other distribution that is exempt from the prospectus requirements of applicable law complies with the terms and conditions of such approvals and (y) such Person does not become the Beneficial Owner of more than 25% of the Voting Shares outstanding immediately prior to the completion of such private placement or other distribution that is exempt from the prospectus requirements of applicable law, and in making this determination, the Voting Shares or Convertible Securities to be issued to such Person shall be deemed to be held by such Person but shall not be included in the aggregate number of outstanding Voting Shares immediately prior to the completion of such private placement; or
- (iv) pursuant to an amalgamation, merger, reorganization, arrangement, business combination or other similar transaction (statutory or otherwise, but for greater certainty not including a Take-over Bid), that requires approval in a vote of holders of Voting Shares to be obtained prior to such Person acquiring such Voting Shares and/or Convertible Securities, and such approval has been obtained; or
- (v) pursuant to the exercise of Rights;
- (x) “**Exercise Price**” means, as of any date, the price at which a holder may purchase the securities issuable upon exercise of one whole Right. Until adjustment thereof in accordance with the terms hereof, the Exercise Price shall be:
  - (i) until the Separation Time, an amount equal to three times the Market Price, from time to time, of a Common Share; and
  - (ii) from and after the Separation Time, an amount equal to three times the Market Price, as at the Separation Time, of a Common Share;
- (y) “**Expansion Factor**” has the meaning ascribed to it in subsection 3.2(a);
- (z) “**Expiration Time**” means earlier of:
  - (i) the Termination Time; and
  - (ii) the termination of a Reconfirmation Meeting (as defined in section 6.16) at which this agreement is not reconfirmed or presented for reconfirmation as contemplated in section 6.16;



- (aa) **“Flip-in Event”** means a transaction or other action in or pursuant to which any Person becomes an Acquiring Person;
- (bb) **“holder”** has the meaning ascribed to it in section 2.5;
- (cc) **“Independent Shareholders”** means holders of Voting Shares other than Voting Shares Beneficially Owned by:
  - (i) an Acquiring Person;
  - (ii) an Offeror, other than a Person described in any one or more of paragraphs (A) through (E) of clause 1.1(d)(vi);
  - (iii) any Associate or Affiliate of such Acquiring Person or Offeror;
  - (iv) any Person acting jointly or in concert with such Acquiring Person or Offeror; and
  - (v) any employee benefit plan, stock purchase plan, deferred profit sharing plan and any other similar plan or trust for the benefit of employees of the Corporation or a Subsidiary of the Corporation, unless the beneficiaries of the plan or trust direct the manner in which the Voting Shares are to be voted or direct whether the Voting Shares are to be tendered to a Take-over Bid, in which case such plan or trust shall be considered an Independent Shareholder;
- (dd) **“Market Price”** per share of any securities on any date of determination means the average of the weighted average sale price per share of such securities (determined as described below) for the 20 consecutive Trading Days through and including the Trading Day immediately preceding such date; provided, however, that if an event of a type analogous to any of the events described in section 3.2 have caused the sale prices in respect of any Trading Day used to determine the Market Price not to be fully comparable with the sale prices on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day, each such sale price so used will be appropriately adjusted in a manner analogous to the applicable adjustment provided for in section 3.2 in order to make it fully comparable with the sale price on such date of determination or, if the date of determination is not a Trading Day, on the immediately preceding Trading Day. The weighted average sale price per share of any securities on any date will be determined by dividing the aggregate sale price of all securities sold on the principal stock exchange in Canada on which such securities are listed and posted for trading divided by the total number of securities so sold except that:
  - (i) if for any reason such prices are not available on such day or the securities are not listed and posted for trading on any stock exchange in Canada, the Market Price will be calculated using the sale prices for such securities on such date, as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the principal national securities exchange in the United States on which such securities are listed or admitted to trading (and if such securities are listed or admitted to trading on more than one other securities exchange such prices shall be determined based on the securities exchange on which such securities are then listed or admitted to trading on which the largest number of such securities were traded during the most recently completed financial year);

- (ii) if for any reasons such prices described in (i) above are not available on such day or the securities are not listed and posted for trading on a stock exchange in Canada or a national securities exchange in the United States, the Market Price will be calculated using the sale prices for such securities on such date in the over-the-counter market, as reported by any reporting system then in use (as determined by the Board of Directors); or
- (iii) if on any such date none of such prices described in (ii) above are available or the securities are not listed or admitted to trading on a stock exchange in Canada or a national securities exchange in the United States and are not quoted by any such over-the-counter market reporting system, the Market Price will be calculated using the average of the closing bid and asked prices for such date as furnished by a professional market maker making a market in the securities selected by the Board of Directors;

provided, however, that if on any such date the securities are not traded on any exchange or in the over-the-counter market and the price referred to in clause (iii) is not available, the weighted average trading price per share of such securities on such date will mean the fair value per share of such securities on such date as determined by a nationally or internationally recognized investment dealer or investment banker chosen by the Board of Directors. The Market Price shall be expressed in Canadian dollars and, if initially determined in respect of any day forming part of the 20 consecutive Trading Day period in question in United States dollars, such amount shall be the Canadian Dollar Equivalent thereof;

- (ee) “**NI 62-103**” shall mean National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues*, as may be amended and in force from time to time, adopted by the Canadian securities regulatory authorities, and any comparable successor law, rule, instrument or regulation thereto in force in the Province of Ontario;
- (ff) “**NI 62-104**” shall mean National Instrument 62-104 – *Take-Over Bids and Issuer Bids*, as may be amended and in force from time to time, adopted by the Canadian securities regulatory authorities, and any comparable successor law, rule, instrument or regulation thereto in force in the Province of Ontario;
- (gg) “**Nominee**” has the meaning attributed to it in subsection 3.1(d);
- (hh) “**OBCA**” means the *Business Corporations Act* (Ontario), as amended, and the regulations made thereunder, and any successor laws or regulations thereto;
- (ii) “**Offer to Acquire**” includes, without limitation:
  - (i) an offer to purchase, a public announcement of an intention to make an offer to purchase, or a solicitation of an offer to sell; and
  - (ii) an acceptance of an offer to sell, whether or not such offer to sell has been solicited,or any combination thereof, and the Person accepting an offer to sell will be deemed to be making an offer to acquire to the Person who made the offer to sell;
- (jj) “**Offeror**” means a Person who has announced a current intention to make or who is making a Take-over Bid;

- (kk) **“Offeror’s Securities”** means Voting Shares Beneficially Owned by an Offeror on the date of a Take-over Bid;
- (ll) **“Permitted Bid”** means a Take-over Bid which is made by means of a take-over bid circular and which also complies with the following additional provisions:
- (i) the Take-over Bid is made to all holders of Voting Shares of record, other than the Offeror;
  - (ii) the Take-over Bid contains, and the take-up and payment for securities tendered or deposited thereunder is subject to, an irrevocable and unqualified condition that no Voting Shares will be taken-up or paid for pursuant to the Take-over Bid:
    - (A) prior to the close of business on a date which is not less than 105 days after the date of the Take-over Bid or such shorter minimum initial deposit period that a take-over bid (that is not exempt from the general take-over bid requirements contained in Part 2 of NI 62-104) must remain open for deposits of securities thereunder, in the applicable circumstances at such time, pursuant to NI 62-104;
    - (B) and then only if at such date in (A), more than 50% of the Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and not withdrawn;
  - (iii) the Take-over Bid contains an irrevocable and unqualified provision that, unless the Take-over Bid is withdrawn, Voting Shares may be deposited or tendered pursuant to such Take-over Bid at any time during the period of time between the date of the Take-over Bid and the date on which the Voting Shares subject to the Take-over Bid may be taken-up and paid for and that any Voting Shares deposited or tendered pursuant to the Take-over Bid may be withdrawn until taken-up and paid for; and
  - (iv) the Take-over Bid contains an irrevocable and unqualified provision that, if on the date on which Voting Shares may be taken up and paid for more than 50% of the Voting Shares held by Independent Shareholders have been deposited or tendered pursuant to the Take-over Bid and not withdrawn, the Offeror will make a public announcement of that fact and the Take-over Bid will remain open for deposits and tenders of Voting Shares for not less than 10 days from the date of such public announcement;
- provided, however, that a Take-over Bid that qualified as a Permitted Bid ceases to be a Permitted Bid at any time and as soon as such time when such Take-over Bid ceases to meet any or all of the provisions of this definition, and provided that, at such time, any acquisitions of securities made pursuant to such Permitted Bid, including any acquisition of securities made prior to such time, will cease to be a Permitted Bid Acquisition. The term “Permitted Bid” shall include a Competing Permitted Bid;
- (mm) **“Permitted Bid Acquisition”** means an acquisition of Voting Shares made pursuant to a Permitted Bid or a Competing Permitted Bid;
- (nn) **“Permitted Lock-up Agreement”** means an agreement (the terms of which are publicly disclosed and a copy of which is made available to the public):

- (i) not later than the date on which the Lock-up Bid (as defined below) is publicly announced; or
- (ii) if the Lock-up Bid has been made prior to the date on which such agreement has been entered into, forthwith and in any event not later than the Business Day following the date of such agreement;

between an Offeror, any Affiliate or Associate of the Offeror or any other Person acting jointly or in concert with the Offeror and a Person (the “**Locked-up Person**”) who is not an Affiliate or Associate of the Offeror or a Person acting jointly or in concert with the Offeror whereby the Locked-up Person agrees to deposit or tender Voting Shares and/or Convertible Securities held by the Locked-up Person to the Offeror’s Take-over Bid or to any Take-over Bid made by an Affiliate or Associate of the Offeror or made by any other Person acting jointly or in concert with the Offeror (the “**Lock-up Bid**”), where the agreement:

- (i)
  - (A) permits the Locked-up Person to terminate its obligation to tender or to withdraw the Voting Shares and/or Convertible Securities in order to tender or deposit the Voting Shares and/or Convertible Securities to another Take-over Bid or to support another transaction that contains an offering price for each Voting Share and/or Convertible Security that exceeds, or provides a value for each Voting Share and/or Convertible Security that is greater than, the offering price contained or proposed to be contained in the Lock-up Bid; or
  - (B) permits the Locked-up Person to terminate its obligation to tender or to withdraw the Voting Shares and/or Convertible Securities in order to tender or deposit the Voting Shares and/or Convertible Securities to another Take-over Bid or to support another transaction that contains an offering price for each Voting Share and/or Convertible Security that exceeds, or provides a value for each Voting Share and/or Convertible Security that is greater than, the offering price contained in or proposed to be contained in the Lock-up Bid by as much or more than a specified amount (the “**Specified Amount**”) where the Specified Amount is not greater than 7% of the offering price that is contained or proposed to be contained in the Lock-up Bid; and
- (ii) does not provide for any “break-up fees”, “top-up fees”, “termination fees”, penalties, expenses or other amounts that exceed in the aggregate the greater of (A) the cash equivalent of 2.5% of the price or value payable to the Locked-up Person under the Take-over Bid and (B) one-half of the increased price or value that is paid pursuant to another Take-over Bid or transaction, if the Locked-up Person fails to tender Voting Shares pursuant thereto or withdraws Voting Shares previously tendered in order to accept the other Take-over Bid or support the other transaction;
- (iii) if the number of Voting Shares or Convertible Securities offered to be purchased under the Lock-up Bid is less than 100% of the Voting Shares or Convertible Securities held by Independent Shareholders, where the price or value of the consideration per Voting Share or Convertible Security offered under such other Take-over Bid or transaction is not less than the price or value of the consideration per Voting Share or Convertible Security offered under the Lock-up Bid and the number of Voting Shares and/or Convertible Securities to be purchased under such other Take-over Bid or transaction:

- (A) exceeds the number of Voting Shares and/or Convertible Securities that the Offeror has offered to purchase under the Lock-up Bid; or
- (B) exceeds by as much as or more than a specified number (the “**Specified Number**”) the number of Voting Shares or Convertible Securities that the Offeror has offered to purchase under the Lock-up Bid, provided that the Specified Number is not greater than 7% of the number of Voting Shares or Convertible Securities offered to be purchased under the Lock-up Bid;

and for greater clarity, the agreement may contain a right of first refusal or require a period of delay to give the Person who made the Lock-up Bid an opportunity to match a higher price in another Take-over Bid or other similar limitation on a Locked-up Person’s right to withdraw Voting Shares from the agreement, so long as the limitation does not preclude the exercise by the Locked-up Person of the right to withdraw Voting Shares during the period for acceptance of the other Take-over Bid or transaction;

- (oo) “**Person**” includes, without limitation, any individual, body corporate, firm, partnership, association, fund, trust, trustee, executor, administrator, legal personal representative, group, organization, syndicate, government or governmental agency or instrumentality or other entity, whether incorporated or unincorporated;
- (pp) “**Privacy Laws**” has the meaning attributed to it in section 5.7;
- (qq) “**Pro Rata Acquisition**” means:
  - (i) the acquisition of Voting Shares as a result of a stock dividend, a stock split or other event pursuant to which a Person becomes the Beneficial Owner of Voting Shares or Convertible Securities on the same proportionate basis as all other holders of the same class of Voting Shares;
  - (ii) the acquisition of Voting Shares pursuant to any regular dividend reinvestment plan or other plan made available by the Corporation to holders of all its Voting Shares where such plan permits the holder to direct that some or all of: (A) dividends paid in respect of shares of any class of the Corporation, (B) proceeds of redemption of shares of the Corporation, (C) interest paid on evidences of indebtedness of the Corporation, or (D) optional cash payments be applied to the purchase from the Corporation of further securities of the Corporation (other than holders resident in any jurisdiction where participation in such plan is restricted or impractical to the Corporation as a result of applicable law); or
  - (iii) the receipt and/or exercise of rights (other than the Rights) issued by the Corporation and distributed to all the holders of a class of Voting Shares or Convertible Securities on a pro rata basis to subscribe for or purchase Voting Shares or Convertible Securities (other than holders resident in any jurisdiction where the distribution or exercise of such rights is restricted or impractical as a result of applicable law), provided that such rights are acquired directly from the Corporation and not from any other Person, and provided further that the Person exercising such rights does not thereby become the Beneficial Owner of a greater percentage of such Voting Shares or Convertible Securities, so offered than the Person’s percentage of Voting Shares Beneficially Owned immediately prior to such acquisition;
- (rr) “**Record Time**” has the meaning ascribed to it in the recitals;

- (ss) “**Redemption Price**” has the meaning ascribed to it in subsection 6.1(a);
- (tt) “**Right**” has the meaning ascribed to it in the recitals;
- (uu) “**Rights Certificates**” means the certificates representing the Rights after the Separation Time, which are to be substantially in the form attached as Exhibit A;
- (vv) “**Rights Plan**” has the meaning ascribed to it in the recitals;
- (ww) “**Rights Register**” and “**Rights Registrar**” have the respective meanings ascribed to them in subsection 2.3(a);
- (xx) “**Securities Act**” means the *Securities Act* (Ontario), as amended, and the regulations, instruments and rules thereunder, and any comparable or successor laws, instruments, rules or regulations thereto;
- (yy) “**Separation Time**” means, subject to subsection 6.1(d), the close of business on the tenth Trading Day after the earlier of:
  - (i) the Stock Acquisition Date;
  - (ii) the date of the commencement of, or first public announcement of the intent of any Person (other than the Corporation or any Subsidiary of the Corporation) to commence, a Take-over Bid (other than a Permitted Bid or a Competing Permitted Bid); and
  - (iii) the date upon which a Permitted Bid or Competing Permitted Bid ceases to be such;or such later time as may be determined by the Board of Directors; provided that (A) if the foregoing results in the Separation Time being prior to the Record Time, the Separation Time will be the Record Time, (B) if any Take-over Bid referred to in clause (ii) expires or is cancelled, terminated or otherwise withdrawn prior to the Separation Time, such Take-over Bid will be deemed, for the purposes of this definition, never to have been made or (C) if the Board of Directors determines pursuant to section 6.1 to waive the application of section 4.1 to a Flip-in Event, the Separation Time in respect of that Flip-in Event will be deemed never to have occurred;
- (zz) “**Stock Acquisition Date**” means the date of the first public announcement (which, for purposes of this definition, shall include, without limitation, a news release issued or report filed pursuant to the early warning requirements of NI 62-103 or section 13(d) of the *U.S. Exchange Act*) by the Corporation or a Person of facts indicating that a Person has become an Acquiring Person;
- (aaa) “**Subsidiary**” of a Person has the meaning ascribed to it in the *Securities Act*;
- (bbb) “**Take-over Bid**” means an Offer to Acquire Voting Shares or Convertible Securities (or both), where the Voting Shares subject to the Offer to Acquire, together with the Voting Shares into which the Convertible Securities are convertible or exchangeable, together with the Offeror’s Securities, constitute, in the aggregate, 20% or more of the Voting Shares outstanding on the date of the Offer to Acquire;

- (ccc) “**Termination Time**” means the time at which the right to exercise Rights will terminate pursuant to subsection 6.1(g);
- (ddd) “**Trading Day**”, when used with respect to any securities, means a day on which the principal Canadian securities exchange on which such securities are listed or admitted to trading is open for the transaction of business or, if the securities are not listed or admitted to trading on any Canadian securities exchange, a Business Day;
- (eee) “**Transferee**” has the meaning ascribed to it in subsection 4.1(b);
- (fff) “**U.S. Exchange Act**” means the *United States Securities Exchange Act of 1934*, as amended, and the rules and regulations thereunder as from time to time in effect;
- (ggg) “**Voting Share Reduction**” means an acquisition or redemption by the Corporation or a Subsidiary of the Corporation of Voting Shares which, by reducing the number of Voting Shares outstanding, increases the percentage of outstanding Voting Shares Beneficially Owned by any Person to 20% or more of the Voting Shares outstanding; and
- (hhh) “**Voting Shares**” means the Common Shares and any other shares in the capital of the Corporation to which are attached a right to vote for the election of directors generally.

## **1.2 Currency**

All sums of money which are referred to in this agreement are expressed in lawful money of Canada, unless otherwise specified.

## **1.3 Descriptive Headings**

Descriptive headings are for convenience only and are not to affect the meaning or construction of any of the provisions of this agreement.

## **1.4 References to Agreement**

References to “**this agreement**”, “**hereto**”, “**herein**”, “**hereby**”, “**hereunder**”, “**hereof**” and similar expressions refer to this agreement, as amended or supplemented from time to time, and not to any particular Article, section, subsection, clause or other portion hereof and include any and every instrument supplemental or ancillary hereto.

## **1.5 Calculation of Number and Percentage of Beneficial Ownership of Outstanding Voting Shares**

- (a) For the purposes of this agreement, in determining the percentage of the outstanding Voting Shares with respect to which a Person is or is deemed to be the Beneficial Owner, all unissued Voting Shares of which such Person is deemed to be the Beneficial Owner will be deemed to be outstanding.
- (b) The percentage of outstanding Voting Shares Beneficially Owned by any Person, for the purposes of this agreement, will be and be deemed to be the product determined by the formula:

$$100 \quad \times \quad \frac{A}{B}$$

where:

A = the number of votes for the election of all directors generally attaching to the outstanding Voting Shares Beneficially Owned by such Person; and

B = the number of votes for the election of all directors generally attaching to all outstanding Voting Shares.

## **1.6 Acting Jointly or in Concert**

For purposes of this agreement, a Person is acting jointly or in concert with every other Person who has any agreement, arrangement, commitment or understanding (whether formal or informal and whether or not in writing) with the first Person, or with any of such other Person's Affiliates or Associates, to acquire or Offer to Acquire any Voting Shares or Convertible Securities (other than (i) customary agreements with and between underwriters and/or banking group members and/or selling group members with respect to a distribution of securities pursuant to prospectus or by way of private placement, and (ii) pledges or hypothecations of securities granted as security in the ordinary course of business of the pledgee or hypothecatee).

## **ARTICLE 2 THE RIGHTS**

### **2.1 Legend on Certificates**

Certificates for Common Shares issued after the Record Time but prior to the earlier of the Separation Time and the Expiration Time will evidence, in addition to the Common Shares, but subject to section 3.2, one Right for each Common Share evidenced thereby and will have impressed, printed or written on or otherwise affixed to them substantially the following legend:

UNTIL THE SEPARATION TIME (AS DEFINED IN THE RIGHTS AGREEMENT REFERRED TO BELOW), THIS CERTIFICATE ALSO EVIDENCES AND ENTITLES THE HOLDER OF THIS CERTIFICATE TO CERTAIN RIGHTS AS SET FORTH IN A SHAREHOLDER RIGHTS PLAN AGREEMENT DATED AS OF MAY 25, 2022 (AS THE SAME MAY BE AMENDED OR SUPPLEMENTED FROM TIME TO TIME IN ACCORDANCE WITH THE TERMS THEREOF, THE "RIGHTS AGREEMENT") BETWEEN TRISURA GROUP LTD. (THE "CORPORATION") AND TSX TRUST COMPANY, AS RIGHTS AGENT, THE TERMS OF WHICH ARE INCORPORATED HEREIN BY REFERENCE AND A COPY OF WHICH MAY BE INSPECTED DURING NORMAL BUSINESS HOURS AT THE PRINCIPAL EXECUTIVE OFFICES OF THE CORPORATION. UNDER CERTAIN CIRCUMSTANCES, AS SET FORTH IN THE RIGHTS AGREEMENT, SUCH RIGHTS MAY BE AMENDED, REDEEMED OR TERMINATED, MAY EXPIRE, MAY BECOME VOID (IF, IN CERTAIN CASES, THEY ARE "BENEFICIALLY OWNED" BY AN "ACQUIRING PERSON", WHETHER CURRENTLY HELD BY OR ON BEHALF OF SUCH PERSON OR ANY SUBSEQUENT HOLDER) OR MAY BE EVIDENCED BY SEPARATE CERTIFICATES AND MAY NO LONGER BE EVIDENCED BY THIS CERTIFICATE. THE CORPORATION WILL



MAIL OR ARRANGE FOR THE MAILING OF A COPY OF THE RIGHTS AGREEMENT TO THE HOLDER OF THIS CERTIFICATE WITHOUT CHARGE AS SOON AS IS PRACTICABLE AFTER RECEIPT OF A WRITTEN REQUEST THEREFOR.

Certificates representing Common Shares that are issued and outstanding at the Record Time will evidence one Right for each Common Share evidenced thereby, despite the absence of the foregoing legend until the earlier of the Separation Time and the Expiration Time.

## **2.2 Execution, Authentication, Delivery and Dating of Rights Certificates**

- (a) The Rights Certificates will be executed on behalf of the Corporation by the Chairman of the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or any Vice-President. The signatures of such officers may be reproduced in electronic format on the Rights Certificates, and when so reproduced will be valid and binding on the Corporation even though the Persons whose signatures are so reproduced may not hold office at the time the Rights Certificates are issued.
- (b) Promptly after the Separation Time, the Corporation will notify the Rights Agent of the Separation Time and will deliver Rights Certificates executed by the Corporation to the Rights Agent for countersignature and a disclosure statement describing the Rights, and the Rights Agent will countersign such Rights Certificates and deliver such Rights Certificates and disclosure statement to the holders of the Rights pursuant to subsection 3.1(d). No Rights Certificate will be valid for any purpose until countersigned by the Rights Agent.
- (c) Each Rights Certificate will be dated the date it is countersigned.

## **2.3 Registration, Registration of Transfer and Exchange**

- (a) After the Separation Time, the Corporation will cause to be kept a register (the “**Rights Register**”) in which, subject to such reasonable regulations as it may prescribe, the Corporation will provide for the registration and transfer of Rights. The Rights Agent is hereby appointed the “**Rights Registrar**” for the purpose of maintaining the Rights Register for the Corporation and registering Rights and transfers of Rights as provided in this agreement. If the Rights Agent ceases to be the Rights Registrar, the Rights Agent will have the right to examine the Rights Register at all reasonable times. After the Separation Time and prior to the Expiration Time, upon surrender for registration of transfer or exchange of any Rights Certificate, but subject to subsection (c) and subsection 4.1(b), the Corporation will execute, and the Rights Agent will countersign and deliver, in the name of the holder or the designated transferee or transferees, as required pursuant to the holder’s instructions, one or more new Rights Certificates evidencing the same aggregate number of Rights as did the Rights Certificates so surrendered. Alternatively, in the case of the exercise of Rights in Book Entry Form, the Rights Agent shall provide the holder or designated transferee or transferees with one or more statements issued under the Right Agent’s direct registration system evidencing the same aggregate number of Rights as did the direct registration system’s records for the Rights transferred or exchanged.
- (b) All Rights issued upon any registration of transfer or exchange of Rights Certificates will be valid obligations of the Corporation, and such Rights will be entitled to the same benefits under this agreement as the Rights surrendered upon such registration of transfer or exchange.
- (c) Every Rights Certificate surrendered for registration of transfer or exchange will be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Corporation or the

Rights Agent, as the case may be, duly executed by the holder thereof or such holder's attorney duly authorized in writing. As a condition to the issuance of any new Rights Certificate under this section 2.3, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.

- (d) The Corporation shall not be required to register the transfer or exchange of any Rights after the Rights have been terminated pursuant to the provisions of this agreement.

#### **2.4 Mutilated, Destroyed, Lost and Stolen Rights Certificates**

- (a) If any mutilated Rights Certificate is surrendered to the Rights Agent prior to the Expiration Time, the Corporation will execute and the Rights Agent will countersign and deliver in exchange therefor a new Rights Certificate evidencing the same number of Rights as the Rights Certificate so surrendered.
- (b) If there will be delivered to the Corporation and the Rights Agent prior to the Expiration Time (i) evidence to their satisfaction of the destruction, loss or theft of any Rights Certificate and (ii) such security or indemnity as may be required by them to indemnify them and any of their agents, then, in the absence of notice to the Corporation or the Rights Agent that such Rights Certificate has been acquired by a *bona fide* purchaser, the Corporation will execute, and upon its request the Rights Agent will countersign and deliver, in lieu of any such destroyed, lost or stolen Rights Certificate, a new Rights Certificate evidencing the same number of Rights as did the Rights Certificate so destroyed, lost or stolen.
- (c) As a condition to the issuance of any new Rights Certificate under this section, the Corporation may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Rights Agent) in connection therewith.
- (d) Every new Rights Certificate issued pursuant to this section in lieu of any destroyed, lost or stolen Rights Certificate will evidence a contractual obligation of the Corporation, whether or not the destroyed, lost or stolen Rights Certificate is at any time enforceable by anyone, and will be entitled to all the benefits of this agreement equally and proportionately with any and all other Rights duly issued by the Corporation under this agreement.

#### **2.5 Persons Deemed Owners of Rights**

The Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may deem and treat the Person in whose name a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Common Share registration, satisfactory evidence of the associated Common Share registration) is registered as the absolute owner thereof and of the Rights evidenced thereby for all purposes. As used in this agreement, unless the context otherwise requires, the term “**holder**” of any Rights will mean the registered holder of such Rights (or, prior to the Separation Time, of the associated Common Shares).

#### **2.6 Delivery and Cancellation of Certificates**

All Rights Certificates surrendered upon exercise or for redemption, registration of transfer or exchange, if surrendered to any Person other than the Rights Agent, will be delivered to the Rights Agent and, in any case, will be promptly cancelled by the Rights Agent. The Corporation may deliver at any time to the Rights Agent for cancellation any Rights Certificates previously countersigned and delivered hereunder which the Corporation may

have acquired in any manner whatsoever, and all Rights Certificates so delivered will be promptly cancelled by the Rights Agent. No Rights Certificate will be countersigned in lieu of or in exchange for any Rights Certificates cancelled as provided for in this section, except as expressly permitted by this agreement. The Rights Agent will destroy all cancelled Rights Certificates and on request by the Corporation, will deliver a certificate of destruction to the Corporation.

## **2.7 Agreement of Rights Holders**

Every holder of Rights, by accepting Rights, becomes a party to this agreement and for greater certainty is bound by the provisions herein and consents and agrees with the Corporation and the Rights Agent and with every other holder of Rights that:

- (a) it will be bound by and subject to the provisions of this agreement, as amended from time to time in accordance with the terms hereof, in respect of the Rights held;
- (b) prior to the Separation Time, each Right will be transferable only together with, and will be transferred by a transfer of, the associated Common Share certificate representing such Right;
- (c) after the Separation Time, the Rights Certificates will be transferable only upon registration of the transfer on the Rights Register as provided in this agreement;
- (d) prior to due presentment of a Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Common Share registration, satisfactory evidence of the associated Common Share registration) for registration of transfer or exchange, the Corporation, the Rights Agent and any agent of the Corporation or the Rights Agent may deem and treat the Person in whose name the Rights Certificate (or, prior to the Separation Time, the associated Common Share certificate, or if no certificate evidences the Common Share registration, satisfactory evidence of the associated Common Share registration) is registered as the absolute owner thereof and of the Rights evidenced thereby (despite any notations of ownership or writing on such Rights Certificate or the associated Common Share certificate made by anyone other than the Corporation or the Rights Agent) for all purposes, and neither the Corporation nor the Rights Agent will be affected by any notice to the contrary;
- (e) it has waived any right and is not entitled to receive any fractional Rights or any fractional Common Shares upon exercise of a Right (except as provided herein);
- (f) subject to section 6.5, without the approval of the holders of Voting Shares or Rights and on the sole authority of the Board of Directors, this agreement may be amended or supplemented from time to time as provided in this agreement; and
- (g) notwithstanding anything in this agreement to the contrary, neither the Corporation nor the Rights Agent will have any liability to any holder of a Right or any other Person as a result of its inability to perform any of its obligations under this agreement by reason of any preliminary or permanent injunction or other order, decree or ruling issued by a court of competent jurisdiction or by a governmental, regulatory or administrative agency or commission, or any statute, rule, regulation or executive order promulgated or enacted by a governmental authority, prohibiting or otherwise restraining performance of such obligations, and any performance times provided for in this agreement shall be extended for a period of time equivalent to the time lost because of any delay in performance that is excusable hereunder.

## **2.8 Rights Certificate Holder Not Deemed a Shareholder**

No holder, as such, of any Right or Rights Certificate will be entitled to vote or receive dividends as, or be deemed for any purpose to be, a holder of any Common Share which may at any time be issuable on the exercise of such Right, nor will anything contained herein or in any Rights Certificate be construed or deemed to confer on the holder of any Right or Rights Certificate, as such, any of the rights, titles, benefits or privileges of a shareholder of the Corporation or any right to vote at any meeting of shareholders of the Corporation whether for the election of directors or otherwise or on any matter submitted to shareholders of the Corporation at any meeting thereof, or to give or withhold consent to any action of the Corporation, or to receive notice of any meeting or other action affecting any shareholder of the Corporation except as expressly provided herein, or to receive dividends, distributions or subscription rights, or otherwise, until the Right or Rights evidenced by any Rights Certificate will have been duly exercised in accordance with the terms and provisions hereof.

## **ARTICLE 3 EXERCISE OF THE RIGHTS**

### **3.1 Initial Exercise Price; Exercise of Rights; Detachment of Rights**

- (a) Subject to adjustment as set forth in this agreement, from and after the Separation Time and prior to the Expiration Time, each Right will entitle the holder thereof to purchase one Common Share for the Exercise Price (which Exercise Price and number of Common Shares are subject to adjustment as set forth below).
- (b) Until the Separation Time:
  - (i) the Rights are not exercisable and may not be exercised; and
  - (ii) each Right will be evidenced by the certificate for the associated Common Share registered in the name of the holder thereof (which certificate will also be deemed to be a Rights Certificate) or by the Book Entry Form registration for the associated Common Shares and will be transferable only together with, and will be transferred by a transfer of, such associated Common Share.
- (c) From and after the Separation Time and prior to the Expiration Time:
  - (i) the Rights will be exercisable; and
  - (ii) the registration and transfer of the Rights will be separate from and independent of the Common Shares.
- (d) Promptly following the Separation Time, the Corporation will determine whether it wishes to issue Rights Certificates or whether it will maintain the Rights in Book Entry Form. In the event the Corporation determines to maintain the Rights in Book Entry Form, it will put in place such alternative procedures as are directed by the Rights Agent for the Rights to be maintained in Book Entry Form (the “**Book Entry Rights Exercise Procedures**”), it being hereby acknowledged that such procedures shall, to the greatest extent possible, replicate in all substantive respects the procedures set out in this agreement with respect to the exercise of the Rights Certificates and the procedures set out in this agreement shall be modified only to the extent necessary, as determined by the Rights Agent, to permit the Corporation to maintain the Rights in Book Entry Form. In such event, the Book Entry Rights Exercise Procedures shall be deemed to replace the procedures set out

in this agreement with respect to the exercise of Rights and all provisions of this agreement referring to Rights Certificates shall be applicable to Rights registered in Book Entry Form in like manner as to Rights in certificated form.

In the event that the Corporation determines to issue Rights Certificates, the Rights Agent will mail to each holder of record of Common Shares as of the Separation Time (other than an Acquiring Person and other than, in respect of any Rights Beneficially Owned by such Acquiring Person which are not held of record by such Acquiring Person, the holder of record of such Rights (a “**Nominee**”)), at such holder’s address as shown by the records of the Corporation (and the Corporation will furnish copies of such records to the Rights Agent for this purpose):

- (i) a Rights Certificate representing the number of Rights held by such holder at the Separation Time in substantially the form of Exhibit A, appropriately completed, and having such marks of identification or designation and such legends, summaries or endorsements printed thereon as the Corporation may deem appropriate and as are not inconsistent with the provisions of this agreement, or as may be required to comply with any law, rule, regulation or judicial or administrative order or with any rule or regulation made pursuant thereto or with any rule or regulation of any stock exchange or quotation system on which the Rights may be listed or traded from time to time, or to conform to usage; and
- (ii) a disclosure statement prepared by the Corporation describing the Rights;

provided that a Nominee will be sent the materials provided for in clauses (i) and (ii) only in respect of all Common Shares held of record by it which are not Beneficially Owned by an Acquiring Person. In order for the Corporation to determine whether any Person is holding Common Shares which are Beneficially Owned by another Person, the Corporation may require the first-mentioned Person to furnish any information and documentation as the Corporation deems necessary or appropriate to make that determination.

- (e) Rights may be exercised in whole or in part on any Business Day after the Separation Time and prior to the Expiration Time by submitting to the Rights Agent at its principal office in the city of Toronto or any other office of the Rights Agent or Co-Rights Agent in the cities designated for that purpose from time to time by the Corporation:
  - (i) the Rights Certificate evidencing such Rights;
  - (ii) an election to exercise such Rights (an “**Election to Exercise**”) substantially in the form attached to the Rights Certificate duly completed and executed by the holder or his or her executors or administrators or other personal representatives or his, her or their legal attorney duly appointed by an instrument in writing in form and executed in a manner satisfactory to the Rights Agent; and
  - (iii) payment by certified cheque, banker’s draft or money order payable to the order of the Rights Agent, of a sum equal to the applicable Exercise Price multiplied by the number of Rights being exercised and an amount sufficient to cover any tax or other governmental charge which may be payable in respect of any transfer or delivery of Rights Certificates or the issuance or delivery of certificates for the relevant Common Shares in a name other than that of the holder of the Rights being exercised.
- (f) In the event that the Corporation determines to issue Rights Certificates, then upon receipt of the Rights Certificate which is accompanied by a completed Election to Exercise that does not indicate

that such Right is null and void as provided by subsection 4.1(b) and payment as set forth in subsection 3.1(e), the Rights Agent (unless otherwise instructed by the Corporation if the Corporation is of the opinion that the Rights cannot be exercised in accordance with this agreement) will promptly:

- (i) requisition from the transfer agent of the Common Shares, certificates representing the number of such Common Shares to be purchased (the Corporation hereby irrevocably authorizing its transfer agents to comply with all such requisitions);
  - (ii) when appropriate, requisition from the Corporation the amount of cash (if any) to be paid in lieu of issuing fractional Common Shares;
  - (iii) after receipt of the Common Share certificates, deliver them to or to the order of the registered holder of such Rights Certificate, registered in such name or names as may be designated by such holder;
  - (iv) after receipt, deliver such cash (if any) referred to in clause (ii) by way of cheque to or to the order of the registered holder of the Rights Certificate; and
  - (v) tender to the Corporation all payments received on exercise of the Rights.
- (g) In case the holder of any Rights exercises less than all the Rights evidenced by such holder's Rights Certificate, a new Rights Certificate evidencing the Rights remaining unexercised will be issued by the Rights Agent to such holder or to such holder's duly authorized assigns.
- (h) The Corporation covenants and agrees that it will:
- (i) take all such action as may be necessary and within its power to ensure that all Common Shares delivered upon exercise of Rights, at the time of delivery of the certificates representing such Common Shares or registration in Book Entry Form of such Common Shares (subject to payment of the Exercise Price), will be duly and validly authorized, issued and delivered as fully paid and non-assessable;
  - (ii) take all such action as may be necessary and within its power to comply with any applicable requirements of the OBCA, the *Securities Act* and the securities legislation of each of the other provinces and territories of Canada and any other applicable law, rule or regulation in connection with the issuance and delivery of the Rights Certificates and the issuance of any Common Shares upon exercise of Rights;
  - (iii) use reasonable efforts to cause all Common Shares issued on exercise of Rights to be listed on the principal exchanges or over-the-counter markets on which the Common Shares are then listed or traded;
  - (iv) if required, cause to be reserved and kept available out of its authorized and unissued Common Shares the number of Common Shares that, as provided in this agreement, will be sufficient from time to time to permit the exercise in full of all outstanding Rights; and
  - (v) pay when due and payable any Canadian and United States federal and provincial and state transfer taxes and charges (for greater certainty, not in the nature of income, capital gains or withholding taxes) which may be payable in respect of the original issuance or delivery

of the Rights Certificates or registration in Book Entry Form of Common Shares to be issued upon exercise of any Rights, provided that the Corporation will not be required to pay any tax or other governmental charge which may be payable in respect of any transfer or delivery of Rights Certificates or the issuance or delivery of certificates for Common Shares or registration in Book Entry Form of Common Shares in a name other than that of the holder of the Rights being transferred or exercised.

### **3.2 Adjustments to Exercise Price: Number of Rights**

The Exercise Price, the number of Common Shares or other securities subject to purchase on the exercise of each Right and the number of Rights outstanding are subject to adjustment from time to time as provided in this section.

- (a) If the Corporation at any time after the Record Time and prior to the Expiration Time:
  - (i) declares or pays a dividend on the Common Shares payable in Common Shares (or other securities exchangeable for or convertible into or giving a right to acquire Common Shares or other securities of the Corporation) other than (A) pursuant to any dividend reinvestment plan of the Corporation providing for the acquisition of Common Shares, or (B) the issue of Common Shares (or other Convertible Securities) in lieu of (and having a value no greater than) a dividend paid in the ordinary course;
  - (ii) subdivides or changes the outstanding Common Shares into a greater number of Common Shares;
  - (iii) combines or changes the outstanding Common Shares into a smaller number of Common Shares; or
  - (iv) issues any Common Shares (or other Convertible Securities) in respect of, in lieu of or in exchange for existing Common Shares except as otherwise provided in this section 3.2;

the Exercise Price and the number of Rights outstanding (or, if the payment or effective date therefor occurs after the Separation Time, the securities purchasable on exercise of Rights) will be adjusted in the following manner.

If the Exercise Price and number of Rights are to be adjusted (i) the Exercise Price in effect after such adjustment will be equal to the Exercise Price in effect immediately prior to such adjustment divided by the number of Common Shares (or other securities of the Corporation) (the “**Expansion Factor**”) that a holder of one Common Share immediately prior to such dividend, subdivision, combination, change or issuance would hold thereafter as a result thereof and (ii) each Right held prior to such adjustment will become that number of Rights equal to the Expansion Factor, and the adjusted number of Rights will be deemed to be allocated among the Common Shares with respect to which the original Rights were associated (if they remain outstanding) and the securities of the Corporation issued in respect of such dividend, subdivision, consolidation, change or issuance, so that each such Common Share (or other security of the Corporation) will have exactly one Right associated with it.

For greater certainty, if the securities purchasable upon exercise of Rights are to be adjusted, the securities purchasable on exercise of each Right after such adjustment will be the securities that a holder of the securities purchasable on exercise of one Right immediately prior to such dividend, subdivision, consolidation, change or issuance would hold thereafter as a result thereof.

Adjustments pursuant to this subsection will be made successively whenever an event referred to in this subsection occurs.

- (b) If the Corporation at any time after the Record Time and prior to the Expiration Time fixes a record date for the issuance of rights, options or warrants to all or substantially all holders of Common Shares entitling them to subscribe for or acquire (for a period expiring within 45 calendar days after such record date) Common Shares, shares having the same rights, privileges, restrictions and conditions as Common Shares (“**equivalent common shares**”), or securities convertible into or exchangeable for or carrying a right to acquire Common Shares or equivalent common shares at a price per Common Share or per equivalent common share (or, if a security convertible into or exchangeable for or carrying a right to acquire Common Shares or equivalent common shares, having a conversion, exchange or exercise price, including the price required to be paid to purchase such convertible or exchangeable security or right, per share) less than 90% of the Market Price per Common Share on the second Trading Day immediately preceding such record date, the Exercise Price in respect of the Rights to be in effect after such record date will be determined by multiplying the Exercise Price in respect of the Rights in effect immediately prior to such record date by a fraction (i) the numerator of which will be the number of Common Shares outstanding on such record date, plus the number of Common Shares that the aggregate offering price of the total number of Common Shares and/or equivalent common shares so to be offered (and/or the aggregate initial conversion, exchange or exercise price of the convertible or exchangeable securities or rights so to be offered (including the price required to be paid to purchase such convertible or exchangeable securities or rights)) would purchase at such Market Price per Common Share and (ii) the denominator of which will be the number of Common Shares outstanding on such record date, plus the number of additional Common Shares and/or equivalent common shares to be offered for subscription or purchase (or into which the convertible or exchangeable securities or rights so to be offered are initially convertible, exchangeable or exercisable). In case such subscription price may be paid by delivery of consideration, part or all of which is in a form other than cash, the value of such consideration will be as determined in good faith by the Board of Directors, whose determination will be described in a statement filed with the Rights Agent and will be binding on the Rights Agent and the holders of the Rights. Such adjustment will be made successively whenever such a record date is fixed. To the extent that such rights, options or warrants are not so issued, or if issued, are not exercised prior to the expiration thereof, the Exercise Price will be readjusted to the Exercise Price which would then be in effect based on the number of Common Shares, equivalent common shares (or securities convertible into or exchangeable or exercisable for Common Shares or equivalent common shares) actually issued on exercise of such rights, options or warrants.
- (c) For purposes of this agreement, the granting of the right to purchase Common Shares (whether from treasury or otherwise) pursuant to a dividend reinvestment plan or any employee benefit, stock option or similar plans will be deemed not to constitute an issue of rights, options or warrants by the Corporation; provided, however, that, in all such cases, the right to purchase Common Shares is at a price per share of not less than 90% of the then current market price per share (determined as provided in such plans) of the Common Shares.
- (d) If the Corporation at any time after the Record Time and prior to the Expiration Time fixes a record date for a distribution to all or substantially all holders of Common Shares (including any such distribution made in connection with a merger in which the Corporation is the continuing corporation or an amalgamation) of (i) evidences of indebtedness or assets, including cash (other than a dividend paid in the ordinary course or a dividend paid in Common Shares, but including any dividend payable in securities other than Common Shares), (ii) rights, options or warrants entitling them to subscribe for or purchase Common Shares (or Convertible Securities) (excluding those referred to in subsection 3.2(b)) at a price per Common Share (or, if a security convertible into or



exchangeable for or carrying a right to acquire Common Shares, having a conversion, exchange or exercise price, including the price required to be paid to purchase such convertible or exchangeable security or right, per share) that is less than 90% of the Market Price per Common Share on the second Trading Day immediately preceding such record date or (iii) other securities of the Corporation, the Exercise Price in effect after such record date shall be determined by multiplying the Exercise Price in effect immediately prior to such record date by a fraction: (x) the numerator of which shall be the Market Price per Common Share on such record date, less the fair market value (as determined in good faith by the Board of Directors, whose determination shall be described in a statement filed with the Rights Agent and shall be binding on the Rights Agent and the holders), on a per share basis, of the portion of the evidences of indebtedness, cash, assets, rights, options or warrants or other securities so to be distributed; and (y) the denominator of which shall be such Market Price per Common Share. Such adjustments will be made successively whenever such a record date is fixed and, if such distribution is not so made, the Exercise Price in respect of the Rights will be adjusted to be the Exercise Price in respect of the Rights which would have been in effect if such record date had not been fixed.

- (e) In the event the Corporation shall at any time after the Record Time and prior to the Expiration Time issue any securities of the Corporation (other than Common Shares), or rights, options or warrants to subscribe for or purchase any such securities of the Corporation, or securities convertible into or exchangeable for or carrying a right to purchase any such securities of the Corporation, in a transaction referred to in clause 3.2(a)(ii) or 3.2(a)(iv), if the Board of Directors acting in good faith determines that the adjustments contemplated by section 3.2 in connection with such transaction will not appropriately protect the interests of the holders, the Board of Directors acting in good faith may determine what other adjustments to the Exercise Price, number of Rights and/or securities purchasable upon exercise of Rights would be appropriate and, notwithstanding section 3.2, such adjustments, rather than such other adjustments contemplated by section 3.2, shall be made. The Corporation and the Rights Agent shall have authority, with such prior approval of the holders of the Common Shares or the holders as may be required to amend this agreement in accordance with section 6.5 and subject to receipt of all necessary approvals of the securities exchanges on which the Common Shares are at the relevant time listed or approved to trading, to amend this agreement as appropriate to provide for such adjustments.
- (f) Notwithstanding anything in this agreement to the contrary, no adjustment of the Exercise Price will be required unless such adjustment would require an increase or decrease of at least 1% in the Exercise Price; provided, however, that any adjustments which by reason of this subsection are not required to be made will be carried forward and taken into account in any subsequent adjustment. All calculations under section 3.2 will be made to the nearest cent or to the nearest ten-thousandth of a Common Share or other share, as the case may be.
- (g) If as a result of an adjustment made pursuant to section 4.1, the holder of any Right thereafter exercised will become entitled to receive any shares other than Common Shares, thereafter the number of such other shares so receivable upon exercise of any Right and the applicable Exercise Price thereof will be subject to adjustment from time to time in a manner and on terms as nearly equivalent as is practicable to the provisions with respect to the Common Shares contained in this section 3.2, and the provisions of this agreement with respect to the Common Shares will apply on like terms to any such other shares.
- (h) All Rights originally issued by the Corporation subsequent to any adjustment made to the Exercise Price will evidence the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time hereunder upon exercise of the Rights, all subject to further adjustment as provided herein.

- (i) Unless the Corporation has exercised its election as provided in subsection (j), upon each adjustment of an Exercise Price as a result of the calculations made in subsections (b) and (d), each Right outstanding immediately prior to the making of such adjustment will thereafter evidence the right to purchase, at the adjusted Exercise Price, that number of Common Shares (calculated to the nearest one ten-thousandth) obtained by:
  - (i) multiplying (A) the number of Common Shares covered by a Right immediately prior to such adjustment by (B) the Exercise Price in effect immediately prior to such adjustment; and
  - (ii) dividing the product so obtained by the Exercise Price in effect immediately after such adjustment.
- (j) The Corporation may elect on or after the date of any adjustment of an Exercise Price to adjust the number of Rights, in lieu of any adjustment in the number of Common Shares purchasable upon the exercise of a Right. Each of the Rights outstanding after the adjustment in the number of Rights will be exercisable for the number of Common Shares for which such a Right was exercisable immediately prior to such adjustment. Each Right held of record prior to such adjustment of the number of Rights will become that number of Rights (calculated to the nearest one ten-thousandth) obtained by dividing the relevant Exercise Price in effect immediately prior to adjustment of the relevant Exercise Price by the relevant Exercise Price in effect immediately after adjustment of the relevant Exercise Price. The Corporation will make a public announcement of its election to adjust the number of Rights, indicating the record date for the adjustment, and, if known at the time, the amount of the adjustment to be made. This record date may be the date on which the relevant Exercise Price is adjusted or any day thereafter, but, if the Rights Certificates have been issued, will be at least 10 days later than the date of the public announcement. If Rights Certificates have been issued, upon each adjustment of the number of Rights pursuant to this subsection, the Corporation, as promptly as is practicable, will cause to be distributed to holders of record of Rights Certificates on such record date, Rights Certificates evidencing, subject to section 6.4, the additional Rights to which such holders will be entitled as a result of such adjustment, or, at the option of the Corporation, will cause to be distributed to such holders of record in substitution and replacement for the Rights Certificates held by such holders prior to the date of adjustment, and upon surrender thereof, if required by the Corporation, new Rights Certificates evidencing all the Rights to which such holders will be entitled after such adjustment. Rights Certificates to be so distributed will be issued, executed and countersigned in the manner provided for herein and may bear, at the option of the Corporation, the relevant adjusted Exercise Price and will be registered in the names of holders of record of Rights Certificates on the record date specified in the public announcement.
- (k) Each Right originally issued by the Corporation subsequent to any adjustment made to the Exercise Price hereunder shall evidence the right to purchase, at the adjusted Exercise Price, the number of Common Shares purchasable from time to time hereunder upon exercise of a Right immediately prior to such issue, all subject to further adjustment as provided herein.
- (l) If as a result of an adjustment made pursuant to this section 3.2, the holder of any Right thereafter exercised shall become entitled to receive any securities other than Common Shares, thereafter the number of such other securities so receivable upon exercise of any Right and the applicable Exercise Price thereof shall be subject to adjustment from time to time in a manner and on terms as nearly equivalent as is practicable to the provisions with respect to the Common Shares contained in this section 3.2, and the provisions of this agreement with respect to the Common Shares shall apply on like terms to any such other securities.

- (m) Irrespective of any adjustment or change in an Exercise Price or the number of Common Shares issuable upon the exercise of the Rights, the Rights Certificates previously and thereafter issued may continue to express the relevant Exercise Price per Common Share and the number of Common Shares which were expressed in the initial Rights Certificates issued hereunder.
- (n) In any case in which this section requires that an adjustment in an Exercise Price be made effective as of a record date for a specified event, the Corporation may elect to defer, until the occurrence of such event, the issuance to the holder of any Right exercised after such record date of the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise over and above the number of Common Shares and other securities of the Corporation, if any, issuable upon such exercise on the basis of the relevant Exercise Price in effect prior to such adjustment; provided, however, that the Corporation delivers to such holder a due bill or other appropriate instrument evidencing such holder's right to receive such additional Common Shares (fractional or otherwise) or other securities upon the occurrence of the event requiring such adjustment.
- (o) Notwithstanding anything in this section to the contrary, the Corporation will be entitled to make such reductions in the Exercise Price, in addition to those adjustments expressly required by this section, as and to the extent that in its good faith judgment the Board of Directors determines to be advisable in order that any (i) consolidation or subdivision of Common Shares, (ii) issuance wholly for cash of any Common Share or securities that by their terms are convertible into or exchangeable for Common Shares, (iii) stock dividends or (iv) issuance of rights, options or warrants referred to in this section, hereafter made by the Corporation to holders of its Common Shares, will not be taxable to such shareholders.
- (p) The Corporation covenants and agrees that, after the Separation Time, except as permitted by section 6.1 or 6.5, it will not take (or permit any Subsidiary of the Corporation to take) any action if at the time such action is taken it is reasonably foreseeable that such action would diminish substantially or otherwise eliminate the benefits intended to be afforded by the Rights.
- (q) Whenever an adjustment to the Exercise Price or a change in the securities purchasable upon exercise of the Rights is made pursuant to this section, the Corporation will promptly:
  - (i) file with the Rights Agent and with the transfer agent for the Common Shares a certificate specifying the particulars of such adjustment or change; and
  - (ii) cause notice of the particulars of such adjustment or change to be given to the holders of the Rights who request a copy.

The failure to file such certificate or cause such notice to be given as aforesaid, or any defect therein, will not affect the validity of any such adjustment or change.

### **3.3 Date on Which Exercise Is Effective**

Each Person in whose name any certificate for Common Shares or other securities is issued or a registration in Book Entry Form for Common Shares or other securities is made upon the exercise of Rights will be deemed for all purposes to have become the holder of record of the Common Shares or other securities represented thereby on, and such certificate or registration will be dated, the date upon which the Rights Certificate evidencing such Rights was duly surrendered (together with a duly completed Election to Exercise) and payment of the relevant Exercise Price for such Rights (and any applicable transfer taxes and other governmental charges payable by the exercising holder hereunder) was made; provided, however, that if the date of such surrender and payment is a date upon which the relevant Common Share transfer books of the Corporation are closed, such Person will be deemed to

have become the holder of record of such Common Shares or other securities on, and such certificate or registration will be dated, the next succeeding Business Day on which the relevant Common Share or other applicable securities transfer books of the Corporation are open.

## ARTICLE 4 ADJUSTMENTS TO THE RIGHTS IN THE EVENT OF CERTAIN TRANSACTIONS

### 4.1 Flip-in Event

- (a) Subject to subsection 4.1(b) and section 6.1, if prior to the Expiration Time a Flip-in Event occurs, each Right will constitute, effective on and after the later of its date of issue and the close of business on the tenth Trading Day following the Stock Acquisition Date, or such longer period as may be required to satisfy all applicable requirements of the Securities Act and the securities laws or comparable legislation of each of the other provinces and territories of Canada and, if applicable, of the United States of America and each of the states thereof, the right to purchase from the Corporation, upon payment of the relevant Exercise Price and otherwise exercising such Right in accordance with the terms hereof, that number of Common Shares having an aggregate Market Price on the date of occurrence of such Flip-in Event equal to twice the Exercise Price for an amount in cash equal to the Exercise Price (such right to be appropriately adjusted in a manner analogous to the applicable adjustments provided for in section 3.2 if, after such date of occurrence, an event of a type analogous to any of the events described in section 3.2 has occurred with respect to the Common Share).
- (b) Notwithstanding anything in this agreement to the contrary, upon the occurrence of any Flip-in Event, any Rights that are or were Beneficially Owned on or after the earlier of the Separation Time and the Stock Acquisition Date by (i) an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person); or (ii) a transferee or other successor in title, directly or indirectly, (a “**Transferee**”) of Rights held by an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person), whether or not for consideration, in a transfer that the Board of Directors has determined is part of a plan, arrangement, understanding or scheme of an Acquiring Person (or any Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or any Affiliate or Associate of an Acquiring Person) that has the purpose or effect of avoiding clause (i), will become null and void without any further action, and any holder of such Rights (including any Transferee) will not have any right whatsoever to exercise such Rights and will not have thereafter any other rights whatsoever with respect to such Rights, whether under any provision of this agreement or otherwise. The holder of any Rights represented by a Rights Certificate which is submitted to the Rights Agent on exercise or for registration of transfer or exchange which does not contain the necessary certifications set forth in the Rights Certificate establishing that such Rights are not void under this subsection will be deemed to be an Acquiring Person for the purpose of this section and such Rights will be null and void.
- (c) Any Rights Certificate that represents Rights Beneficially Owned by a Person described in clause (b)(i) or (ii) or transferred to any nominee of any such person, and any Rights Certificate issued on transfer, exchange, replacement or adjustment of any other Rights Certificate referred to in this sentence, will contain the following legend:

THE RIGHTS REPRESENTED BY THIS RIGHTS CERTIFICATE ARE OR  
WERE BENEFICIALLY OWNED BY A PERSON WHO WAS AN  
ACQUIRING PERSON OR AN AFFILIATE OR ASSOCIATE OF AN

ACQUIRING PERSON OR A PERSON ACTING JOINTLY OR IN CONCERT WITH ANY OF THEM (AS SUCH TERMS ARE DEFINED IN THE SHAREHOLDER RIGHTS PLAN AGREEMENT). THIS RIGHTS CERTIFICATE AND THE RIGHTS REPRESENTED BY THIS CERTIFICATE WILL BE VOID IN THE CIRCUMSTANCES SPECIFIED IN SUBSECTION 4.1(b) OF THE SHAREHOLDER RIGHTS PLAN AGREEMENT.

The Rights Agent will not be under any responsibility to ascertain the existence of facts that would require the inclusion of that legend, but will be required to include the legend only if instructed to do so by the Corporation or if a holder fails to certify on transfer or exchange in the space provided on the Rights Certificate that it is not an Acquiring Person or other Person referred to in the legend. The issuance of a Rights Certificate without the legend referred to in this subsection will not affect the application of subsection (b).

- (d) From and after the Separation Time, the Corporation will do all such acts and things as will be necessary and within its power to ensure compliance with the provisions of this section, including all such acts and things as may be required to satisfy the requirements of the OBCA and the Securities Act or comparable legislation of any other applicable jurisdiction and the rules of any stock exchange where the Common Shares may then be listed or traded in respect of the issuance of Common Shares upon the exercise of Rights in accordance with this agreement.
- (e) Notwithstanding any other provision of this agreement, any Rights held by the Corporation or any of its Subsidiaries will be void.

## **ARTICLE 5 THE RIGHTS AGENT**

### **5.1 General**

- (a) The Corporation hereby appoints the Rights Agent to act as agent for the Corporation and the holders of Rights in accordance with the terms and conditions hereof, and the Rights Agent hereby accepts such appointment. The Corporation may from time to time appoint one or more co-rights agents (each, a “**Co-Rights Agent**”) as it may deem necessary or desirable, subject to the prior written approval of the Rights Agent. In the event the Corporation appoints one or more Co-Rights Agents, the respective duties of the Rights Agents and Co-Rights Agents will be as the Corporation may determine with the written approval of the Rights Agent and the Co-Rights Agent. The Corporation agrees to pay to the Rights Agent reasonable compensation for all services rendered by it hereunder or otherwise agreed to with the Corporation in writing and, from time to time, on demand of the Rights Agent, its reasonable expenses and counsel fees and other disbursements incurred in the administration and execution of this agreement and the exercise and performance of its duties hereunder (including the reasonable fees and disbursements of any expert or advisor retained by the Rights Agent with the prior approval of the Corporation, such approval not to be unnecessarily withheld). The Corporation also agrees to indemnify the Rights Agent, and its officers, directors, employees, Affiliates and agents for, and to hold it and them harmless against any loss, liability, cost, claim, action, damage, suit, penalty, levy, disbursement or expense incurred without negligence, bad faith or wilful misconduct on the part of the Rights Agent or its directors, officers, employees, Affiliates and agents, for anything done, suffered or omitted by the Rights Agent or such persons in connection with the acceptance, execution and administration of this agreement and the exercise and performance of its duties hereunder, including costs and expenses of defending against any claim of liability, which right to indemnification will survive the termination of this agreement and the resignation or removal of the Rights Agent. In the event of any disagreement arising

regarding the terms of this agreement, the Rights Agent shall be entitled, at its option, to refuse to comply with any and all demands whatsoever until the dispute is settled either by written agreement between the parties to this agreement or by a court of competent jurisdiction.

- (b) The Corporation will inform the Rights Agent in a reasonably timely manner of events which may materially affect the administration of this agreement by the Rights Agent and at any time, upon request, will provide to the Rights Agent an incumbency certificate with respect to the then current directors of the Corporation, provided that failure to inform the Rights Agent of any such events, or any defect therein, will not affect the validity of any action taken hereunder in relation to such events.
- (c) The Rights Agent will be protected and will incur no liability for or in respect of any action taken, suffered or omitted by it in connection with its administration of this agreement in reliance upon any Common Share registration confirmed in writing by the transfer agent of the Corporation (unless such transfer agent is the Rights Agent or any Affiliate thereof), any certificate or other evidence of ownership for Common Shares, Rights Certificate, certificate or other evidence of ownership for other securities of the Corporation, instrument of assignment or transfer, power of attorney, endorsement, affidavit, letter, notice, direction, consent, certificate, statement or other paper or document believed by it to be genuine and to be signed, executed and, where necessary, verified or acknowledged, by the proper Person or Persons. The Rights Agent need not investigate any fact or matter stated in any such document, but it may, in its discretion, make such further inquiry or investigation into such facts or matters as it may see fit.

## 5.2

### **Merger or Amalgamation or Change of Name of Rights Agent**

- (a) Any corporation into which the Rights Agent or any successor Rights Agent may be merged or amalgamated or with which it may be consolidated, or any corporation resulting from any merger, amalgamation, statutory arrangement or consolidation to which the Rights Agent or any successor Rights Agent is a party, or any corporation succeeding to the shareholder or stockholder services business of the Rights Agent or any successor Rights Agent, will be the successor to the Rights Agent under this agreement without the execution or filing of any paper or any further act on the part of any of the parties hereto, provided that such corporation would be eligible for appointment as a successor Rights Agent under the provisions of section 5.4. In case at the time such successor Rights Agent succeeds to the agency created by this agreement any of the Rights Certificates have been countersigned but not delivered, any such successor Rights Agent may adopt the countersignature of the predecessor Rights Agent and deliver such Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, any successor Rights Agent may countersign such Rights Certificates either in the name of the predecessor Rights Agent or in the name of the successor Rights Agent; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this agreement.
- (b) In case at any time the name of the Rights Agent is changed and at such time any of the Rights Certificates have been countersigned but not delivered, the Rights Agent may adopt the countersignature under its prior name and deliver Rights Certificates so countersigned; and in case at that time any of the Rights Certificates have not been countersigned, the Rights Agent may countersign such Rights Certificates either in its prior name or in its changed name; and in all such cases such Rights Certificates will have the full force provided in the Rights Certificates and in this agreement.

### **5.3 Duties of Rights Agent**

The Rights Agent undertakes the duties and obligations imposed by this agreement upon the following terms and conditions, by all of which the Corporation and the holders of Rights Certificates, by their acceptance thereof, will be bound:

- (a) the Rights Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information, instructions or for any other reason whatsoever, the Rights Agent, acting reasonably, determines that such act is conflicting with or contrary to the terms of this agreement or the law or regulation of any jurisdiction or any order or directive of any court, governmental agency or other regulatory body;
- (b) the Rights Agent may retain and consult (at the Corporation's expense) with legal counsel (who may be legal counsel for the Corporation) and the opinion of such counsel will be full and complete authorization and protection to the Rights Agent as to any action taken or omitted by it in good faith and in accordance with such opinion; the Rights Agent may also, with the approval of the Corporation (where such approval may reasonably be obtained and such approval not to be unreasonably withheld), retain and consult with such other experts or advisors as the Rights Agent considers necessary or appropriate to properly carry out the duties and obligations imposed under the agreement (at the expense of the Corporation) and the Rights Agent will be entitled to act and rely and shall be protected in so acting and relying in good faith on the advice of any such expert or advisor;
- (c) whenever in the performance of its duties under this agreement the Rights Agent deems it necessary or desirable that any fact or matter be proved or established by the Corporation prior to taking or suffering any action hereunder, such fact or matter (unless other evidence in respect thereof is specifically prescribed in this agreement) may be deemed to be conclusively proved and established by a certificate signed by a Person believed by the Rights Agent to be a director, the Chief Executive Officer or the Chief Financial Officer of the Corporation and delivered to the Rights Agent; and such certificate will be full authorization to the Rights Agent for any action taken or suffered in good faith by it under the provisions of this agreement in reliance upon such certificate;
- (d) nothing in this agreement shall be construed as relieving the Rights Agent from liability for its own negligence, bad faith or wilful misconduct;
- (e) the Rights Agent will not be liable for or by reason of any of the statements of fact or recitals contained in this agreement or in the certificates for Common Shares or the Rights Certificates (except its countersignature thereof) or be required to verify the same, but all such statements and recitals are and will be deemed to have been made by the Corporation only;
- (f) the Rights Agent will not be under any responsibility in respect of the validity of this agreement or the execution and delivery hereof (except the due authorization, execution and delivery hereof by the Rights Agent) or in respect of the validity or execution of any Common Share certificate or Rights Certificate (except its countersignature thereof); nor will it be responsible for any breach by the Corporation of any covenant or condition contained in this agreement or in any Rights Certificate; nor will it be responsible for any change in the exercisability of the Rights (including the Rights becoming void pursuant to subsection 4.1(b)) or any adjustment required under the provisions of section 3.2 or responsible for the manner, method or amount of any such adjustment or the ascertaining of the existence of facts that would require any such adjustment (except with respect to the exercise of Rights after receipt of the certificate contemplated by section 3.2 describing any such adjustment); nor will it by any act hereunder be deemed to make any

representation or warranty as to the authorization of any Common Shares to be issued pursuant to this agreement or any Rights or as to whether any Common Shares will, when issued, be duly and validly authorized, executed, issued and delivered as fully paid and non-assessable;

- (g) the Corporation will perform, execute, acknowledge and deliver or cause to be performed, executed, acknowledged and delivered all such further and other acts, instruments and assurances as may reasonably be required by the Rights Agent for the carrying out or performing by the Rights Agent of the provisions of this agreement;
- (h) the Rights Agent is hereby authorized and directed to accept instructions with respect to the performance of its duties hereunder from any Person designated in writing by the Corporation, and to apply to such Persons for advice or instructions in connection with its duties, and it will not be liable for any action taken, omitted or suffered by it in good faith in accordance with the instructions of any such Persons. It is understood that instructions to the Rights Agent shall, except where circumstances make it impractical or the Rights Agent otherwise agrees, be given in writing (including by e-mail) and, where not in writing, such instructions shall be confirmed in writing (including by e-mail) as soon as is reasonably practicable after the giving of such instructions;
- (i) the Rights Agent and any shareholder, director, officer or employee of the Rights Agent may buy, sell or deal in Common Shares, Rights or other securities of the Corporation or become pecuniarily interested in any transaction in which the Corporation may be interested, or contract with or lend money to the Corporation or otherwise act as fully and freely as though it were not the Rights Agent under this agreement. Nothing herein will preclude the Rights Agent from acting in any other capacity for the Corporation or for any other legal entity; and
- (j) the Rights Agent may execute and exercise any of the rights or powers hereby vested in it or perform any duty hereunder either itself or by or through its attorneys or agents, and the Rights Agent will not be answerable or accountable for any act, omission default, neglect or misconduct of any such attorneys or agents or for any loss to the Corporation resulting from any such act, omission, default, neglect or misconduct, provided reasonable care was exercised in good faith in the selection and continued employment thereof.

#### **5.4 Change of Rights Agent**

The Rights Agent may resign and be discharged from its duties under this agreement upon 60 days' notice in writing (or such lesser notice as is acceptable to the Corporation) mailed to the Corporation and to each transfer agent of Common Shares by registered or certified mail, and to the holders of Rights in accordance with section 6.8, all of which will be at the Corporation's expense. The Corporation may remove the Rights Agent upon 30 days' notice in writing, mailed to the Rights Agent and to each transfer agent of the Common Shares by registered or certified mail, and to the holders of the Rights in accordance with section 6.8. If the Rights Agent should resign or be removed or otherwise become incapable of acting, the Corporation will appoint a successor to the Rights Agent. If the Corporation fails to make such appointment within a period of 60 days after such removal or after it has been notified in writing of such resignation or incapacity by the resigning or incapacitated Rights Agent or by the holder of any Rights (which holder, with such notice, must submit such holder's Rights Certificate for inspection by the Corporation), then the outgoing Rights Agent or holder of any Rights may apply to any court of competent jurisdiction for the appointment of a new Rights Agent at the Corporation's expense. Any successor Rights Agent, whether appointed by the Corporation or by such a court, must be a corporation incorporated under the laws of Canada or a province thereof authorized to carry on the business of a trust company in the Province of Ontario. After appointment, the successor Rights Agent will be vested with the same powers, rights, duties and responsibilities as if it had been originally named as Rights Agent without further act or deed; but the predecessor Rights Agent, upon payment by the Corporation to the predecessor Rights Agent of all outstanding fees and expenses owing by the Corporation to the



predecessor Rights Agent pursuant to this agreement, will deliver and transfer to the successor Rights Agent any property at the time held by it hereunder and execute and deliver any further assurance, conveyance, act or deed necessary for the purpose. Not later than the effective date of any such appointment, the Corporation will file notice thereof in writing with the predecessor Rights Agent and each transfer agent of the Common Shares, and mail or cause to be mailed a notice thereof in writing to the holders of the Rights. Failure to give any notice provided for in this section 5.4, however, or any defect therein, will not affect the legality or validity of the resignation or removal of the Rights Agent or the appointment of the successor Rights Agent, as the case may be.

### **5.5 Compliance with Anti-Money Laundering Legislation**

The Rights Agent shall retain the right not to act and shall not be liable for refusing to act if, due to a lack of information or for any other reason whatsoever, the Rights Agent reasonably determines that such an act might cause it to be in non-compliance with any applicable sanctions legislation or regulation or applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, provided that the Rights Agent promptly notifies the Corporation (to the extent not prohibited by the applicable sanctions legislation or regulation or the applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, as the case may be) of such determination together with the reasons therefor in accordance with section 6.8. Further, should the Rights Agent reasonably determine at any time that its acting under this agreement has resulted in it being in non-compliance with any applicable sanctions legislation or regulation or applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, then it shall have the right to resign on 10 days' prior written notice to the Corporation, provided: (i) that the Rights Agent's written notice shall describe the circumstances of such non-compliance to the extent not prohibited by the applicable sanctions legislation or regulation or the applicable anti-money laundering or anti-terrorist legislation, regulation or guideline, as the case may be; and (ii) that if such circumstances are rectified to the Rights Agent's satisfaction, acting reasonably, within such 10 day period, then such resignation shall not be effective.

### **5.6 Fiduciary Duties of the Directors**

Nothing contained herein shall be construed to suggest or imply that the Board of Directors shall not be entitled to recommend that holders of the Voting Shares and/or Convertible Securities reject or accept any Take-over Bid or take any other action including the commencement, prosecution, defence or settlement of any litigation and the solicitation of additional or alternative Take-over Bids or other proposals to shareholders that the directors believe are necessary or appropriate in the exercise of their fiduciary duties.

### **5.7 Privacy Legislation**

The parties acknowledge that federal and/or provincial legislation that addresses the protection of individuals' personal information (collectively, "**Privacy Laws**") applies to obligations and activities under this agreement. Despite any other provision of this agreement, neither party will take or direct any action in connection with this agreement that would contravene, or cause the other to contravene, applicable Privacy Laws. The Corporation will, prior to transferring or causing to be transferred personal information to the Rights Agent, obtain and retain required consents of the relevant individuals to the collection, use and disclosure of their personal information, or will have determined that such consents either have previously been given upon which the parties can rely or are not required under the Privacy Laws. The Rights Agent will use commercially reasonable efforts to ensure that its services hereunder comply with Privacy Laws.

### **5.8 Liability**

Notwithstanding any other provision of this agreement, and whether such losses or damages are foreseeable or unforeseeable, the Rights Agent shall not be liable under any circumstances whatsoever for any (a)

breach by any other party of securities law or other rule of any securities regulatory authority, (b) lost profits or (c) special, indirect, incidental, consequential, exemplary, aggravated or punitive losses or damages.

## **ARTICLE 6 MISCELLANEOUS**

### **6.1 Redemption and Waiver**

- (a) Until the occurrence of a Flip-in Event as to which the application of section 4.1 has not been waived pursuant to this section, the Board of Directors, with the prior consent of the holders of Voting Shares or the holders of Rights given in accordance with subsection (i) or (j), as the case may be, may elect to redeem all but not less than all of the then outstanding Rights at a redemption price of \$0.0001 per Right, rounded down to the nearest whole cent for each holder of Rights, appropriately adjusted in a manner analogous to the applicable adjustment provided for in section 3.2, if an event of the type analogous to any of the events described in section 3.2 have occurred (such redemption price being herein referred to as the “**Redemption Price**”).
- (b) Until the occurrence of a Flip-in Event as to which the application of section 4.1 has not been waived pursuant to this section, upon written notice to the Rights Agent, the Board of Directors, with the prior consent of the holders of Voting Shares given in accordance with subsection (i), may determine, if such Flip-in Event would occur by reason of an acquisition of Voting Shares otherwise than pursuant to a Take-over Bid made by means of a take-over bid circular to all holders of Voting Shares and otherwise than in the circumstances set forth in subsection (d), to waive the application of section 4.1 to such Flip-in Event. If the Board of Directors proposes such a waiver, the Board of Directors will extend the Separation Time to a date subsequent to and not more than ten Business Days following the meeting of shareholders called to approve such waiver.
- (c) Until the occurrence of a Flip-in Event as to which the application of section 4.1 has not been waived pursuant to this section, upon written notice delivered to the Rights Agent, the Board of Directors may determine to waive the application of section 4.1 to any Flip-in Event provided that the Flip-in Event would occur by reason of a Take-over Bid made by take-over bid circular sent to all holders of Voting Shares and provided further that if the Board of Directors waives the application of section 4.1 to such Flip-in Event, the Board of Directors will be deemed to have waived the application of section 4.1 to any other Flip-in Event occurring by reason of any Take-over Bid made by take-over bid circular to all holders of Voting Shares which is made prior to the expiry of any Take-over Bid (as the same may be extended from time to time) made by take-over bid circular in respect of which a waiver is, or is deemed to have been, granted under this subsection.
- (d) Notwithstanding subsections (b) and (c), upon written notice to the Rights Agent, the Board of Directors may waive the application of section 4.1 in respect of any Flip-in Event, provided that both of the following conditions are satisfied:
  - (i) the Board of Directors has determined that the Person became an Acquiring Person by inadvertence and without any intention to become, or knowledge that it would become, an Acquiring Person; and
  - (ii) such Person has reduced its Beneficial Ownership of Voting Shares such that at the time of the granting of a waiver pursuant to this subsection, such Person is no longer an Acquiring Person;

In the event of any such waiver, for the purposes of this agreement, such Flip-in Event will be deemed not to have occurred and the Separation Time will be deemed not to have occurred as a result of such Person having inadvertently become an Acquiring Person.

- (e) The Board of Directors will be deemed to have elected to redeem, without further formality, the Rights at the Redemption Price on the date that a Person who has made a Permitted Bid, a Competing Permitted Bid or Take-over Bid in respect of which the Board of Directors has waived, or is deemed to have waived, pursuant to this section the application of section 4.1, takes up and pays for Voting Shares pursuant to the terms and conditions of such Permitted Bid, Competing Permitted Bid or Take-over Bid, as the case may be.
- (f) Where a Take-over Bid that is not a Permitted Bid or Competing Permitted Bid expires, is withdrawn or otherwise terminated after the Separation Time has occurred and prior to the occurrence of a Flip-in Event, the Board of Directors may elect to redeem all the then outstanding Rights without the consent of the holders of Voting Shares or the holders of Rights, as the case may be, at the Redemption Price and reissue Rights under this agreement to holders of record of Common Shares immediately following the time of such redemption and, thereafter, all of the provisions of this agreement will continue in full force and effect and such Rights, without any further formality, will be attached to the outstanding Common Shares in the same manner as prior to the occurrence of such Separation Time.
- (g) If the Board of Directors elects or is deemed to have elected to redeem the Rights and, in circumstances in which subsection (a) is applicable, such redemption is approved by the holders of Voting Shares or the holders of Rights in accordance with subsection (i) or (j), as the case may be, the right to exercise the Rights will thereupon, without further action and without notice, terminate, and the only right thereafter of the holders of Rights will be to receive the Redemption Price.
- (h) Within 10 Business Days after the Board of Directors electing or having been deemed to have elected to redeem the Rights or, if subsection (a) applies, within 10 Business Days after the holders of Voting Shares or the holders of Rights have approved the redemption of Rights in accordance with subsection (i) or (j), as the case may be, the Corporation will give notice of redemption to the holders of the then outstanding Rights by mailing such notice to each such holder at such holder's last address as it appears upon the registry books of the Rights Agent or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided will be deemed given, whether or not the holder receives the notice. Each such notice of redemption will state the method by which the payment of the Redemption Price will be made. The Corporation may not redeem, acquire or purchase for value any Rights at any time in any manner other than that specifically set forth in this section, and other than in connection with the purchase of Common Shares prior to the Separation Time.
- (i) If a redemption of Rights pursuant to subsection (a) or a waiver of a Flip-in Event pursuant to subsection (b) is proposed at any time prior to the Separation Time, such redemption or waiver must be submitted for approval to the holders of Voting Shares. Such approval will be deemed to have been given if the redemption or waiver is approved by the affirmative vote of a majority of the votes cast by Independent Shareholders represented in person or by proxy at a meeting of such holders duly held in accordance with applicable laws and regulatory requirements and any requirements in the Corporation's articles and/or by-laws.
- (j) If a redemption of Rights pursuant to subsection (a) is proposed at any time after the Separation Time, such redemption must be submitted for approval to the holders of Rights. Such approval will be deemed to have been given if the redemption is approved by holders of Rights by a majority of

the votes cast by the holders of Rights represented in person or by proxy at and entitled to vote at a meeting of such holders. For the purposes hereof, each outstanding Right (other than Rights which are Beneficially Owned by any Person referred to in clauses (i) to (v) inclusive of the definition of Independent Shareholders) will be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting will be those, as nearly as may be, which are provided in the Corporation's by-laws and the OBCA with respect to meetings of shareholders of the Corporation.

- (k) The Corporation shall not be obligated to make a payment of the Redemption Price to a holder of Rights unless the holder is entitled to receive at least \$1.00 in respect of all Rights held by such holder.

## **6.2 Expiration**

No Person will have any rights pursuant to this agreement or in respect of any Right after the Expiration Time, except the Rights Agent as specified in section 5.1.

## **6.3 Issuance of New Rights Certificates**

Notwithstanding any of the provisions of this agreement or of the Rights to the contrary, the Corporation, at its option, may issue new Rights Certificates evidencing Rights in such form as may be approved by the Board of Directors to reflect any adjustment or change in the number or kind or class of securities purchasable upon exercise of Rights made in accordance with the provisions of this agreement.

## **6.4 Fractional Rights and Fractional Shares**

- (a) The Corporation will not be required to issue fractions of Rights or to distribute Rights Certificates (or, if the Rights are maintained in Book Entry Form, confirmation of registrations of Rights) that evidence fractional Rights. In lieu of such fractional Rights, there will be paid to the registered holders of the Rights with regard to which such fractional Right would otherwise be issuable, an amount in cash equal to the fraction of the Market Price of a whole Right that the fraction of a Right which would otherwise be issuable is of one whole Right.
- (b) The Corporation will not be required to issue fractions of Common Shares upon exercise of the Rights or to distribute certificates that evidence fractional Common Shares or, if Common Shares are then issued and registered in Book Entry Form, to register fractional Common Shares in Book Entry Form. In lieu of issuing fractional Common Shares, the Corporation will pay to the registered holders of Rights, at the time such Rights are exercised as herein provided, an amount in cash equal to the same fraction of the Market Price of a whole Common Share that the fraction of a Common Share which would otherwise be issuable upon the exercise of such right is of one whole Common Share at the date of such exercise.
- (c) The Rights Agent will have no obligation to make any payments in lieu of issuing fractions of Rights or Common Shares pursuant to subsection (a) or (b), respectively, unless and until the Corporation has provided to the Rights Agent the amount of cash to be paid in lieu of issuing such fractional Rights or Common Shares, as the case may be.

## **6.5 Supplements and Amendments**

- (a) The Corporation may make amendments to this agreement from time to time to correct any clerical or typographical error or which are required to maintain the validity of this agreement as a result of

any change in any applicable legislation, rules or regulations or decision of a court or regulatory authority.

- (b) Subject to subsection (a), the Corporation, with the prior consent of the holders of Voting Shares obtained as set forth below, at any time prior to the Separation Time, may supplement or amend any of the provisions of this agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally). Such consent will be deemed to have been given if the action requiring such approval is authorized by the affirmative vote of a majority of the votes cast by Independent Shareholders present or represented at and entitled to vote at a meeting of the holders of Voting Shares duly called and held in compliance with applicable laws and the Corporation's by-laws.
- (c) Subject to subsection (a), the Corporation, with the prior consent of the holders of Rights, at any time on or after the Separation Time, may supplement or amend any of the provisions of this agreement and the Rights (whether or not such action would materially adversely affect the interests of the holders of Rights generally).
- (d) Notwithstanding anything in this section to the contrary, no amendment or supplement may be made to the provisions of Article 5 except with the written concurrence of the Rights Agent to such amendment or supplement.
- (e) Any approval of the holders of Rights will be deemed to have been given if the action requiring such approval is authorized by the affirmative votes of the holders of Rights present or represented at and entitled to be voted at a meeting of the holders of Rights and representing a majority of the votes cast in respect thereof. For the purposes hereof, each outstanding Right (other than Rights which are void pursuant to the provisions hereof) will be entitled to one vote, and the procedures for the calling, holding and conduct of the meeting will be those, as nearly as may be, which are provided in the Corporation's by-laws and the OBCA with respect to meetings of shareholders of the Corporation.
- (f) Any amendments made by the Corporation to this agreement pursuant to subsection 6.5(a) which are required to maintain the validity of this agreement:
  - (i) if made before the Separation Time, be submitted to the holders of Voting Shares at the next meeting of shareholders and the holders of Voting Shares, by the majority referred to in subsection (b), may confirm or reject such amendment; and
  - (ii) if made after the Separation Time, be submitted to the holders of Rights at a meeting to be called for a date not later than immediately following the next meeting of shareholders of the Corporation and the holders of Rights, by resolution passed by the majority referred to in subsection (e), may confirm or reject such amendment.

Any such amendment will be effective from the date of the resolution of the Board of Directors adopting such amendment, until it is confirmed or rejected or until it ceases to be effective (as described in the next sentence) and, where such amendment is confirmed, it continues in effect in the form so confirmed. If such amendment is rejected by the holders of Voting Shares or the holders of Rights or is not submitted to the holders of Voting Shares or holders of Rights as required, then such amendment will cease to be effective from and after the termination of the meeting at which it was rejected or to which it should have been but was not submitted or from and after the date of the meeting of holders of Rights that should have been but was not held, and no subsequent amendment

to this agreement to substantially the same effect will be effective until confirmed by the shareholders or holders of Rights, as the case may be.

- (g) The Corporation will give notice in writing to the Rights Agent of any amendment or supplement to this agreement pursuant to this section within five Business Days of the date of any such amendment or supplement, provided that failure to give such notice, or any defect therein, will not affect the validity of any such supplement or amendment.
- (h) For greater certainty, neither the exercise by the Board of Directors of any power or discretion conferred on it under this agreement nor the making by the Board of Directors of any determination or the granting of any waiver it is permitted to make or give under this agreement will constitute an amendment, variation or rescission of the provisions of this agreement or Rights for purposes of this section or otherwise.

## **6.6 Rights of Action**

Subject to the terms of this agreement, all rights of action in respect of this agreement, other than rights of action vested solely in the Rights Agent, are vested in the respective holders of the Rights; and any holder of any Rights, without the consent of the Rights Agent or of the holder of any other Rights, on such holder's own behalf and for such holder's own benefit and the benefit of other holders of Rights, may enforce, and may institute and maintain, any suit, action or proceeding against the Corporation to enforce, or otherwise act in respect of, such holder's right to exercise such holder's Rights in the manner provided in such holder's Rights Certificate and in this agreement. Without limiting the foregoing or any remedies available to the holders of Rights, it is specifically acknowledged that the holders of Rights would not have an adequate remedy at law for any breach of this agreement and will be entitled to specific performance of the obligations under, and injunctive relief against, actual or threatened violations of the obligations of any Person subject to, this agreement.

## **6.7 Notice of Proposed Actions**

If the Corporation proposes after the Separation Time and prior to the Expiration Time to effect the liquidation, dissolution or winding-up of the Corporation or the sale of all or substantially all of the Corporation's assets, then, in each such case, the Corporation will give to each holder of a Right, in accordance with section 6.8, a notice of such proposed action. The notice must specify the date on which such liquidation, dissolution, winding-up or sale is to take place, and such notice must be so given at least 20 Business Days prior to the date of taking such proposed action.

## **6.8 Notices**

- (a) Notices or demands authorized or required by this agreement to be given or made by the Rights Agent or by the holder of any Rights to or on the Corporation will be sufficiently given or made if delivered or sent by email or by first-class mail, postage prepaid, addressed (until another email address or address is filed in writing with the Rights Agent) as follows:

333 Bay Street  
Suite 1610  
Toronto, Ontario  
M5H 2R2

Attention: Chief Financial Officer  
Email: david.scotland@trisura.com

- (b) Notices or demands authorized or required by this agreement to be given or made by the Corporation or by the holder of any Rights to or on the Rights Agent will be sufficiently given or made if delivered or sent by email or by first-class mail, postage prepaid, addressed (until another email address or address is filed in writing with the Corporation) as follows:

TSX Trust Company  
1 Toronto Street  
Suite 1200  
Toronto, Ontario M5C 2V6

Attention: Relationship Manager  
Email: helen.kim@tmx.com

- (c) Notices or demands authorized or required by this agreement to be given or made by the Corporation or the Rights Agent to or on the holder of any Rights will be sufficiently given or made if delivered or sent by email (if such holder has consented to receive notices or demands by email) or first-class mail, postage prepaid, addressed to such holder at the address of such holder as it appears upon the registry books of the Rights Agent or, prior to the Separation Time, on the registry books of the transfer agent for the Common Shares. Any notice which is mailed in the manner herein provided will be deemed given, whether or not the holder receives the notice.

- (d) Notices will be deemed to have been received as follows:

- (i) in the case of personal delivery, on the day of delivery, unless delivered on a day that is not a Business Day or after 4:00 p.m. on the day of delivery, in which case notice will be deemed to have been received on the next Business Day;
- (ii) in the case of email, on the Business Day of transmission if transmitted before 4:00 p.m. on that Business Day or, otherwise, on the next Business Day following the day of transmission; and
- (iii) in the case of first class mail, on the fifth Business Day following mailing.

Any accidental error, omission or failure in giving or delivering or mailing any such notice will not invalidate or otherwise prejudicially affect any action or proceeding founded thereon.

## **6.9 Costs of Enforcement**

The Corporation agrees that, if it or any other Person the securities of which are purchasable upon exercise of Rights fails to fulfill any of its obligations pursuant to this agreement, then the Corporation or such Person will reimburse the holder of any Rights for the costs and expenses (including reasonable legal fees) incurred by such holder in actions to enforce the holder's rights pursuant to any Rights or this agreement.

## **6.10 Successors**

All the covenants and provisions of this agreement by or for the benefit of the Corporation or the Rights Agent bind and enure to the benefit of their respective successors and assigns hereunder.

**6.11 Benefits of this Agreement**

Nothing in this agreement will be construed to give to any Person other than the Corporation, the Rights Agent and the holders of the Rights any legal or equitable right, remedy or claim under this agreement; but this agreement will be for the sole and exclusive benefit of the Corporation, the Rights Agent and the holders of the Rights.

**6.12 Governing Law**

This agreement and each Right issued hereunder will be deemed to be a contract made under the laws of the Province of Ontario and for all purposes will be governed by and construed in accordance with the laws of such province applicable to contracts to be made and performed entirely within such province.

**6.13 Counterparts**

This agreement may be executed (including electronically) and delivered (including in PDF format by e-mail) in any number of counterparts; each of such counterparts shall, when so executed and delivered, for all purposes be deemed to be an original; and all such counterparts shall together constitute one and the same instrument.

**6.14 Severability**

If any term or provision hereof or the application thereof to any circumstance is, in any jurisdiction and to any extent, invalid or unenforceable, such term or provision will be ineffective as to such jurisdiction to the extent of such invalidity or unenforceability without invalidating or rendering unenforceable the remaining terms and provisions hereof or the application of such term or provision to circumstances other than those as to which it is held invalid or unenforceable.

**6.15 Effective Date**

This agreement shall be effective and in full force and effect in accordance with its terms from and after May 25, 2022 (the “**Effective Date**”).

**6.16 Shareholder Approval**

This agreement must be reconfirmed by the Independent Shareholders by a resolution passed by a majority of the votes cast by Independent Shareholders present or represented by proxy at the annual meeting of shareholders of the Corporation to be held in 2025 and every third annual meeting of shareholders of the Corporation thereafter (each such annual meeting being a “**Reconfirmation Meeting**”). If this agreement is not so reconfirmed at any such Reconfirmation Meeting, this agreement shall terminate as of the close of business on the date of termination of the Reconfirmation Meeting and all outstanding Rights, without further formality, will be deemed to have been redeemed at the Redemption Price; provided that a Flip-in Event has not occurred prior to such time (other than a Flip-in Event in respect of which the application of section 4.1 has been waived pursuant to section 6.1).

**6.17 Determinations and Actions by the Board of Directors**

All actions, calculations and determinations (including all omissions with respect to the foregoing) which are done or made by the Board of Directors in good faith in connection with this agreement (i) may be relied on by the Rights Agent and (ii) will not subject the Board of Directors or any director of the Corporation to any liability to the holders of the Rights.



**6.18**            **Time of the Essence**

Time will be of the essence of this agreement.

**6.19**            **Regulatory Approvals**

Any obligation of the Corporation or action contemplated by this agreement, including any amendment hereto, will be subject to the receipt of any requisite approval or consent from any applicable regulatory authority, including any necessary approvals of the Toronto Stock Exchange or any other stock exchange.

**6.20**            **Declaration as to Non-Canadian and Non-United States Holders**

If in the opinion of the Board of Directors (who may rely on the advice of legal counsel) any action or event contemplated by this agreement would require compliance by the Corporation with the securities laws or comparable legislation of a jurisdiction outside Canada or the United States, the Board of Directors acting in good faith may take such actions as it may deem appropriate to ensure that such compliance is not required, including establishing procedures for the issuance to a Canadian resident fiduciary of Rights or securities issuable on exercise of Rights, the holding thereof in trust for the Persons entitled thereto and the sale thereof and remittance of the proceeds of such sale (if any) to the Persons entitled thereto. In no event will the Corporation or the Rights Agent be required to issue or deliver Rights or securities issuable on exercise of Rights to Persons who are citizens, residents or nationals of any jurisdiction other than Canada and the United States of America in which such issue or delivery would be unlawful without registration of the relevant Persons or securities for such purposes.

**6.21**            **Fiduciary Duties of the Board of Directors**

For greater certainty, this agreement will not be construed to suggest or imply that the Board of Directors is not entitled to recommend that holders of Voting Shares reject or accept any Take-over Bid (whether or not such Take-over Bid is a Permitted Bid or a Competing Permitted Bid) or take any other action (including the commencement, prosecution, defence or settlement of any litigation) with respect to any Take-over Bid or otherwise that the Board of Directors believes is necessary or appropriate in the exercise of its fiduciary duties.

**6.22**            **Language**

Les parties aux présentes ont exigé que la présente convention ainsi que tous les documents et avis qui s'y rattachent et/ou qui en découleront soient rédigés en langue anglaise. The parties hereto have required that this agreement and all documents and notices related thereto and/or resulting therefrom be drawn up in the English language.

[The remainder of this page has been intentionally left blank.]

IN WITNESS WHEREOF, the parties have caused this agreement to be duly executed as of the date first above written.

**TRISURA GROUP LTD.**

By: \_\_\_\_\_  
Name: David Clare  
Title: President & Chief Executive  
Officer

\_\_\_\_\_  
Name: David Scotland  
Title: Chief Financial Officer

**TSX TRUST COMPANY**

By: \_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Name:  
Title:

## EXHIBIT A

### FORM OF RIGHTS CERTIFICATE

Certificate No. \_\_\_\_\_ Rights \_\_\_\_\_

#### RIGHTS CERTIFICATE

This certifies that \_\_\_\_\_ is the registered holder of the number of Rights set forth above, each of which entitles the registered holder thereof, subject to the terms, provisions and conditions of the Shareholder Rights Plan Agreement dated as of May 25, 2022, as the same may be further amended, restated or supplemented from time to time (the “**Rights Agreement**”) between Trisura Group Ltd., a corporation incorporated under the laws of Ontario (the “**Corporation**”), and TSX Trust Company, a corporation existing under the laws of Canada, as rights agent (the “**Rights Agent**”, which term includes any successor Rights Agent under the Rights Agreement), to purchase from the Corporation at any time after the Separation Time and prior to the Expiration Time (as such terms are defined in the Rights Agreement), one fully paid Common Share of the Corporation (a “**Common Share**”) at the Exercise Price referred to below, upon presentation and surrender of this Rights Certificate together with the Form of Election to Exercise and Declaration of Ownership duly executed and submitted to the Rights Agent at its principal office in the city of Toronto or any other office of the Rights Agent designated for that purpose from time to time by the Rights Agent. Until adjustment thereof in certain events as provided in the Rights Agreement, the Exercise Price shall be: (i) until the Separation Time (as such term is defined in the Rights Agreement), an amount equal to three times the Market Price (as such term is defined in the Rights Agreement), from time to time, per Common Share; and (ii) from and after the Separation Time, an amount equal to three times the Market Price, as at the Separation Time, per Common Share.

In certain circumstances described in the Rights Agreement, each Right evidenced hereby may entitle the registered holder thereof to purchase or receive assets, debt securities or shares in the capital of the Corporation other than Common Shares, or more or less than one Common Share, all as provided in the Rights Agreement.

In certain circumstances described in the Rights Agreement, the number of Common Shares which each Right evidenced hereby may entitle the registered holder thereof to purchase shall be adjusted as provided in the Rights Agreement.

This Rights Certificate is subject to all of the terms and conditions of the Rights Agreement which terms and conditions are incorporated herein by reference and made a part hereof and to which Rights Agreement reference is hereby made for a full description of the rights, limitations of rights, obligations, duties and immunities thereunder of the Rights Agent, the Corporation and the holders of the Rights. Copies of the Rights Agreement are on file at the registered office of the Corporation and are available upon written request.

This Rights Certificate, with or without other Rights Certificates, upon surrender at any of the offices of the Rights Agent designated for such purpose, may be exchanged for another Rights Certificate or Rights Certificates of like tenor and date evidencing an aggregate number of Rights equal to the aggregate number of Rights evidenced by the Rights Certificate or Rights Certificates surrendered. If this Rights Certificate is exercised in part, the registered holder will be entitled to receive, upon surrender hereof, another Rights Certificate or Rights Certificates for the number of whole Rights not exercised.

Subject to the provisions of the Rights Agreement, the Rights evidenced by this Rights Certificate may be, and under certain circumstances are required to be, redeemed by the Corporation at a redemption price of \$0.0001 per Right, rounded down to the nearest whole cent for each holder of Rights, subject to adjustment in certain events.

Fractional Common Shares will not be issued upon the exercise of any Right or Rights evidenced hereby, but in lieu thereof a cash payment will be made, as provided in the Rights Agreement.

No holder of this Rights Certificate, as such, will be entitled to vote or receive dividends or be deemed for any purpose the holder of Common Shares or of any other shares of the Corporation which may at any time be issuable upon the exercise hereof, nor will anything contained in the Rights Agreement or herein be construed to confer upon the holder hereof, as such, any of the rights of a shareholder of the Corporation or any right to vote for the election of directors or upon any matter submitted to shareholders of the Corporation at any meeting thereof, or to give or withhold consent to any corporate action, or to receive notice of meetings or other actions affecting shareholders of the Corporation (except as provided in the Rights Agreement), or to receive dividends, distributions or subscription rights, or otherwise, until the Rights evidenced by this Rights Certificate have been exercised as provided in the Rights Agreement.

This Rights Certificate will not be valid or obligatory for any purpose until it will have been countersigned by the Rights Agent.

WITNESS the electronic signature of the proper officers of the Corporation and its corporate seal.

Date:

**TRISURA GROUP LTD.**

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

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

Countersigned:

**TSX TRUST COMPANY**

By: \_\_\_\_\_  
Authorized Signature

**FORM OF ELECTION TO EXERCISE**  
(to be attached to each Rights Certificate)

**TO: TRISURA GROUP LTD.**

**AND TO: TSX TRUST COMPANY**

The undersigned hereby irrevocably elects to exercise \_\_\_\_\_ whole Rights represented by the attached Rights Certificate to purchase the Common Shares issuable upon the exercise of such Rights and requests that certificates for such Common Shares be issued to:

Name

Address

City and Province or State

Social Insurance Number or other taxpayer identification number

If such number of Rights are not all the Rights evidenced by this Rights Certificate, a new Rights Certificate for the balance of such Rights shall be registered in the name of and delivered to:

Name

Address

City and Province or State

Social Insurance Number or other taxpayer identification number

Dated: \_\_\_\_\_

\_\_\_\_\_  
Signature

Signature Guaranteed:

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever.)

Signature must be guaranteed by a Schedule 1 Canadian chartered bank, a major Canadian trust company or a member of a recognized Medallion Guarantee Program (STAMP, SEMP, MSP).

(To be completed if true)

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, an Affiliate or Associate of an Acquiring Person or any

Person acting jointly or in concert with an Acquiring Person or with an Associate or Affiliate of an Acquiring Person (as such terms are defined in the Rights Agreement).

\_\_\_\_\_  
Signature

**FORM OF ASSIGNMENT**

(To be executed by the registered holder if such holder desired to transfer the Rights Certificate)

FOR VALUE RECEIVED \_\_\_\_\_

hereby sells, assigns and transfers unto \_\_\_\_\_

(please print name and address of transferee)

the Rights represented by this Rights Certificate, together with all right, title and interest therein, and does hereby irrevocably constitute and appoint \_\_\_\_\_ as attorney, to transfer the within Rights on the books of the Corporation, with full power of substitution.

Dated: \_\_\_\_\_

Signature Guaranteed:

\_\_\_\_\_  
Signature

(Signature must correspond to name as written upon the face of this Rights Certificate in every particular, without alteration or enlargement or any change whatsoever.)

Signature must be guaranteed by a Schedule 1 Canadian chartered bank, a major Canadian trust company or a member of a recognized Medallion Guarantee Program (STAMP, SEMP, MSP).

(To be completed if true)

The undersigned hereby represents, for the benefit of the Corporation and all holders of Rights and Common Shares, that the Rights evidenced by this Rights Certificate are not, and, to the knowledge of the undersigned, have never been, Beneficially Owned by an Acquiring Person, an Affiliate or Associate of an Acquiring Person or any Person acting jointly or in concert with an Acquiring Person or with an Associate or Affiliate of an Acquiring Person (as such terms are defined in the Rights Agreement).

\_\_\_\_\_  
Signature

## **NOTICE**

If the certification set forth above in the Form of Election to Exercise or the Form of Assignment is not completed, the Corporation reserves the right to treat the Beneficial Owner of the Rights evidenced by this Rights Certificate to be an Acquiring Person or an Affiliate or Associate thereof (as defined in the Rights Agreement) and accordingly such Rights will be null and void.



## APPENDIX C

### TRISURA GROUP LTD.

#### BOARD OF DIRECTORS CHARTER

##### 1. Role of the Board

The role of the board of directors (the “**Board**”) of Trisura Group Ltd. (the “**Company**”) is to oversee, directly and through its committees, the business and affairs of the Company, which are conducted by the Company’s officers and employees under the direction of the Chief Executive Officer (“**CEO**”).

##### 2. Authority and Responsibilities

The Board meets regularly to review reports by management on the Company’s performance and other relevant matters of interest. In addition to the general supervision of management, the Board performs the following functions:

- a) strategic planning — overseeing the strategic-planning process within the Company and, at least annually, reviewing, approving and monitoring the strategic plan for the Company, including fundamental financial and business strategies and objectives;
- b) risk assessment — assessing the major risks facing the Company and reviewing, approving and monitoring the manner of managing those risks;
- c) CEO — developing a position description for the CEO including the corporate objectives that the CEO is responsible for meeting, and selecting, evaluating and compensating the CEO;
- d) officers and senior management — overseeing the selection of corporate officers and the evaluation and compensation of senior management;
- e) succession planning — monitoring the succession of key members of senior management;
- f) communications and disclosure policy — adopting a communications and disclosure policy for the Company that ensures the timeliness and integrity of communications to shareholders, and establishing suitable mechanisms to receive stakeholder views;
- g) corporate governance — developing the Company’s approach to corporate governance, including developing a set of corporate governance principles and guidelines applicable to the Company;
- h) internal controls — reviewing and monitoring the controls and procedures within the Company to maintain its integrity, including its disclosure controls and procedures, and its internal controls and procedures for financial reporting and compliance;
- i) culture — on an ongoing basis, satisfy itself that the CEO and other executive officers create a culture of compliance throughout the Company, including compliance with the Company’s Code of Business Conduct and Ethics and its anti-bribery and corruption policies;
- j) cybersecurity – reviewing and monitoring controls and procedures within the Company as it relates to handling cyber security events, incidents and data breaches; and
- k) environmental, social and governance - overseeing the Company’s environmental, social and governance program and related practices.

### 3. Composition and Procedures

- a) **Size of Board and Selection Process** — The directors of the Company are elected each year by the shareholders at the annual meeting of shareholders. The Governance and Compensation Committee recommends to the full Board the nominees for election to the Board and the Board proposes individual nominees to the shareholders for election. Any shareholder may propose a nominee for election to the Board either by means of a shareholder proposal upon compliance with the requirements prescribed by the *Business Corporations Act* (Ontario) or at the annual meeting itself. The Board also recommends the number of directors on the Board to shareholders for approval. Between annual meetings, the Board may appoint directors to serve until the next annual meeting.
- b) **Qualifications** — Directors should have the highest personal and professional ethics and values and be committed to advancing the best interests of the Company. They should possess skills and competencies in areas that are relevant to the Company's activities. A majority of the directors will be independent and unaffiliated directors based on the rules and guidelines of applicable stock exchanges and securities regulatory authorities.
- c) **Director Education and Orientation** — The Company's management team is responsible for providing an orientation and education program for new directors, as well as ongoing education to directors.
- d) **Meetings** — The Board holds at least four scheduled meetings a year plus one to review the Company's strategic plan, all chaired by the Chair of the Board. The Board is responsible for its agenda. Prior to each Board meeting, the Chair of the Board discusses agenda items for the meeting with the CEO and other members of senior management. Materials for each meeting are distributed to the directors in advance of the meeting. At the conclusion of each Board meeting, the independent and unaffiliated directors meet without any other person present. The Chair of the Board chairs these in-camera sessions.
- e) **Committees** — The Board has established three standing committees to assist it in discharging its responsibilities: the Audit Committee, the Risk Committee and the Governance and Compensation Committee. Special committees are established, from time to time, to assist the Board in connection with specific matters. The chair of each committee reports to the Board following meetings of their committee. The governing charter of each standing committee is reviewed and approved annually by the Board.
- f) **Evaluation** — The Governance and Compensation Committee performs an annual evaluation of the effectiveness of the Board as a whole, the committees of the Board and the contributions of individual directors, and provides a report to the Board on the findings of this process. In addition, each committee assesses its own performance annually.
- g) **Compensation** — The Governance and Compensation Committee recommends to the Board the compensation for non-management directors (it is the policy of the Company that management directors do not receive compensation for their service on the Board). In reviewing the adequacy and form of compensation, the Governance and Compensation Committee seeks to ensure that director compensation reflects the responsibilities and risks involved in being a director of the Company and aligns the interests of the directors with the best interests of the Company.
- h) **Access to Outside Advisors** — The Board and any committee may at any time retain outside financial, legal or other advisors at the expense of the Company. Any director may, subject to the approval of the Chair of the Board, retain an outside advisor at the expense of the Company.
- i) **Charter of Expectations** — The Board has adopted a Charter of Expectations for Directors which outlines the expectations the Company places on its directors in terms of professional and personal competencies, performance, behaviour, share ownership, conflicts of interest and resignation events.