

## Short Form Base Shelf Prospectus

*This short form base shelf prospectus has been filed under legislation in each of the provinces of Canada that permits certain information about these securities to be determined after this prospectus has become final and that permits the omission from this prospectus of that information. The legislation requires the delivery to purchasers of a prospectus supplement containing the omitted information within a specified period of time after agreeing to purchase any of these securities.*

*This short form base shelf prospectus is not an offer to sell these securities and it is not soliciting an offer to purchase these securities in any jurisdiction where the offer or sale is not permitted.*

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

*Information has been incorporated by reference in this prospectus from documents filed with securities commissions or similar authorities in Canada. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Vice President, Legal Services and Corporate Secretary, Industrial Alliance Insurance and Financial Services Inc., 1080 Grande Allée West, Québec City, Québec, G1S 1C7, telephone (418) 684-5000, and are also available electronically at [www.sedar.com](http://www.sedar.com).*

## Short Form Base Shelf Prospectus

June 22, 2017



**\$2,000,000,000**

**Debt Securities  
Class A Preferred Shares  
Common Shares  
Subscription Receipts  
Warrants  
Share Purchase Contracts  
Units**

Industrial Alliance Insurance and Financial Services Inc. (“**iA Financial Group**”) may from time to time offer and issue the following securities: (i) senior or subordinated unsecured debt securities (collectively, the “**Debt Securities**”); (ii) class A preferred shares (“**Class A Preferred Shares**”); (iii) common shares (“**Common Shares**”); (iv) subscription receipts (“**Subscription Receipts**”); (v) warrants (“**Warrants**”); (vi) share purchase contracts (“**Share Purchase Contracts**”), and (vii) units (“**Units**”) comprised of one or more of the other securities described in this short form base shelf prospectus (the “**Prospectus**”). The Debt Securities, the Class A Preferred Shares, the Common Shares, the Subscription Receipts, the Warrants, the Share Purchase Contracts and the Units (collectively, the “**Securities**”) offered hereby may be offered separately or together, in separate series, if applicable, in amounts, at prices and on terms to be set forth in an accompanying prospectus supplement (a “**Prospectus Supplement**”) to this Prospectus.

iA Financial Group may sell up to \$2,000,000,000 in aggregate initial offering amount of Securities (or the Canadian dollar equivalent thereof if any of the Securities are denominated in a foreign currency or currency unit) or, if any Debt Securities are issued at an original issue discount, such greater amount as shall result in an aggregate issue price of \$2,000,000,000 (or the Canadian dollar equivalent thereof if the Debt Securities are denominated in a foreign currency or currency unit) at any time and from time to time during the 25 month period that this Prospectus, including any amendments thereto, remains valid.

The specific terms of the Securities in respect of which this Prospectus is being delivered will be set forth in the applicable Prospectus Supplement and may include, where applicable: (i) in the case of the Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which such securities may be purchased, maturity, interest provisions (if any), authorized denominations, ranking, offering price, any terms for redemption at the option of iA Financial Group or the holder, any exchange or conversion terms and any other specific terms; (ii) in the case of the Class A Preferred Shares, the designation of the particular series, aggregate amount, the number of shares offered, the issue price, the dividend rate, the dividend payment dates, any exchange, conversion, redemption or repurchase provisions and any other specific terms; (iii) in the case of the Common Shares, the number of shares and the offering price; (iv) in the case of Subscription

Receipts, the number of Subscription Receipts being offered, the offering price, the procedures for the exchange of the Subscription Receipts for Debt Securities, Class A Preferred Shares or Common Shares, as the case may be, and any other specific terms; (v) in the case of Warrants, the designation, number and terms of the Debt Securities, Class A Preferred Shares or Common Shares purchasable upon exercise of the Warrants, any procedures that will result in the adjustment of those numbers, the exercise price, dates and periods of exercise, the currency in which the Warrants are issued and any other specific terms; (vi) in the case of Share Purchase Contracts, whether the Share Purchase Contracts obligate the holder thereof to purchase or sell Common Shares or Class A Preferred Shares, as the case may be, and the nature and amount of each of those securities and any other specific terms; and (vii) in the case of Units, the designation and terms of the Units and of the Securities comprising the Units and any other specific terms. A Prospectus Supplement may include other specific terms pertaining to the Securities that are not precluded by the parameters described in this Prospectus.

This Prospectus does not qualify for the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to one or more underlying interests including, for example, an equity or debt security, a statistical measure of economic or financial performance including, but not limited to, any currency, consumer price or mortgage index, or the price or value of one or more commodities, indices or other items, or any other item or formula, or any combination or basket of the foregoing items. For greater certainty, this Prospectus may qualify for the issuance of Debt Securities in respect of which the payment of principal and/or interest may be determined, in whole or in part, by reference to published rates of a central banking authority or one or more financial institutions, such as a prime rate or bankers' acceptance rate, or to recognized market benchmark interest rates such as LIBOR, EURIBOR or a U.S. Federal funds rate.

This Prospectus does not qualify for the issuance of Share Purchase Contracts which would constitute derivatives or hybrid products subject to derivative legislation in Canada, including the *Derivatives Act* (Québec).

All information permitted under applicable securities laws to be omitted from this Prospectus will be contained in one or more Prospectus Supplements that will be delivered to purchasers together with this Prospectus. Each Prospectus Supplement will be deemed to be incorporated by reference into this Prospectus for the purposes of securities legislation as of the date of such Prospectus Supplement but only for the purposes of the distribution of the Securities to which the Prospectus Supplement pertains. iA Financial Group's head and registered office is located at 1080 Grande Allée West, Québec City, Québec, G1S 1C7. The outstanding Common Shares, and the outstanding Non-Cumulative Class A Preferred Shares Series B and Non-Cumulative Class A Preferred Shares Series G are currently listed on the Toronto Stock Exchange. **Unless otherwise specified in the applicable Prospectus Supplement, the Debt Securities, the Subscription Receipts, the Warrants, the Share Purchase Contracts and the Units will not be listed on any stock exchange or quotation system.**

The Securities may be sold through underwriters or dealers, by iA Financial Group directly pursuant to applicable statutory exemptions, or through agents designated by iA Financial Group from time to time. The applicable Prospectus Supplement will identify each underwriter, dealer or agent, as the case may be, engaged in connection with the offering and sale of those Securities, and will also set forth the terms of the offering of such Securities including the net proceeds to iA Financial Group and, to the extent applicable, any fees payable to the underwriters, dealers or agents. No underwriter or dealer in Canada has been involved in the preparation of this Prospectus or performed any review of the contents of this Prospectus.

In connection with any underwritten offering of Securities, the underwriters may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a level above that which might otherwise prevail in the open market. Such transactions, if commenced, may be discontinued at any time. See "Plan of Distribution".

**The Debt Securities will be direct unsecured obligations of iA Financial Group constituting senior or subordinated indebtedness, as identified in the relevant Prospectus Supplement, for the purposes of *An Act respecting Insurance* (Québec) (the "Insurance Act") and will not constitute deposits that are insured under the *Canada Deposit Insurance Corporation Act* (the "CDIC Act") or the *Deposit Insurance Act* (Québec) (the "QDI Act").**

Unless otherwise specified in a Prospectus Supplement, an offering of Securities is subject to approval of certain legal matters on behalf of iA Financial Group by Norton Rose Fulbright Canada LLP.

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### CAUTION REGARDING FORWARD-LOOKING STATEMENTS

Some of the statements contained or incorporated by reference in this Prospectus, including those relating to iA Financial Group's strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "may", "will", "could", "should", "would", "suspect", "outlook", "expect", "anticipate", "intend", "plan", "believe", "estimate", "feel", "seek" and "continue" (or the negative thereof) as well as words such as "objective" or "goal" or other similar words or expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include, but are not limited to, the information concerning possible or assumed future results of operations of iA Financial Group. In addition, any statement that may be made concerning iA Financial Group's expectations in connection with ongoing business strategies or prospects, and possible future action by iA Financial Group, including statements made by iA Financial Group with respect to the expected benefits of acquisitions or divestitures, are also forward-looking statements. These statements are not historical facts but instead represent only iA Financial Group's expectations, estimates and projections regarding future events. Forward-looking statements also include, without limitation, the information concerning possible or assumed future results of operations of iA Financial Group, including market guidance and sensitivity analysis. Although iA Financial Group believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements and they should not be interpreted as confirming market or analysts' expectations in any way.

Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Factors that could cause actual results to differ materially from expectations include, but are not limited to:

- market conditions that adversely affect iA Financial Group's capital position or its ability to raise capital;
- general business and economic conditions (including but not limited to performance and volatility of equity markets, interest rate fluctuations and movements in credit spreads, currency rates, investment losses and defaults, market liquidity and creditworthiness of guarantors, reinsurers and counterparties);

- level of competition and consolidation;
- changes in laws and regulations including tax laws;
- changes in accounting standards;
- changes in regulatory capital requirements;
- ability to execute strategic plans and changes to strategic plans;
- liquidity of iA Financial Group, including the availability of financing to satisfy existing financial liabilities on expected maturity dates when required;
- downgrades in iA Financial Group's financial strength or credit ratings;
- dependence on third party relationships including outsourcing arrangements;
- ability to maintain iA Financial Group's reputation;
- impairments of goodwill or intangible assets or the establishment of valuation allowances against future tax assets;
- insurance risks including product design and pricing, mortality, morbidity, longevity and policyholder behaviour including the occurrence of natural or man-made disasters, pandemic diseases and acts of terrorism;
- accuracy of estimates used in applying accounting policies and actuarial methods used by iA Financial Group;
- ability to market and distribute products through current and future distribution channels;
- accuracy of accounting policies and actuarial methods used by iA Financial Group;
- ability to implement effective hedging strategies and unforeseen consequences arising from such strategies;
- ability to source appropriate non-fixed income assets to back iA Financial Group's long dated liabilities;
- failure of information systems and Internet-enabled technology;
- breaches of computer security and privacy;
- the realization of losses arising from the sale of investments classified as available for sale;
- obligations to pledge additional collateral;
- the availability of letters of credit to provide capital management flexibility;
- accuracy of information received from counterparties and ability of counterparties to meet their obligations;
- the availability, affordability and adequacy of reinsurance;
- legal and regulatory proceedings, including tax audits, tax litigation or similar proceedings and including private legal proceedings and class actions relating to practices in the mutual fund, insurance, annuity and financial product distribution industries;
- ability to adapt products and services to the changing market;

- ability to attract and retain key executives, employees and agents;
- the appropriate use and interpretation of complex models or deficiencies in models used;
- acquisitions and iA Financial Group's ability to complete acquisitions including the availability of equity and debt financing for this purpose;
- unforeseen liabilities or asset impairments arising from acquisitions and dispositions of businesses;
- the disruption of or changes to key elements of iA Financial Group's or public infrastructure systems;
- environmental concerns; and
- iA Financial Group's ability to protect its intellectual property and exposure to claims of infringement.

Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found under "Risk Factors" in this Prospectus, under "Risk Factors" in iA Financial Group's most recent annual information form, in iA Financial Group's management's discussion and analysis for the most recent audited consolidated financial statements under "Risk Management", in the "Management of Risks Associated with Financial Instruments", "Management of Insurance Risk" and "Insurance Contract Liabilities and Investment Contract Liabilities" notes to iA Financial Group's most recent audited consolidated financial statements, and elsewhere in iA Financial Group's filings with Canadian securities regulators, which are available for review at [www.sedar.com](http://www.sedar.com).

The forward-looking statements in this Prospectus or the documents incorporated by reference in this Prospectus reflect, unless otherwise indicated, iA Financial Group's expectations as of the date of this Prospectus or the documents incorporated by reference in this Prospectus. iA Financial Group does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this Prospectus or to reflect the occurrence of unanticipated events, except as required by law.

### **NON-IFRS FINANCIAL INFORMATION**

iA Financial Group reports its financial results and statements in accordance with International Financial Reporting Standards ("IFRS"). It also publishes certain financial measures that are not based on IFRS ("Non-IFRS"). A financial measure is considered a Non-IFRS measure for Canadian securities law purposes if it is presented other than in accordance with the generally accepted accounting principles used for iA Financial Group's audited financial statements. These Non-IFRS financial measures are often accompanied by and reconciled with IFRS financial measures. For certain Non-IFRS financial measures, there are no directly comparable amounts under IFRS. iA Financial Group believes that these Non-IFRS financial measures provide additional information to better understand iA Financial Group's financial results and assess its growth and earnings potential, and that they facilitate comparison of the quarterly and full-year results of iA Financial Group's ongoing operations. Since Non-IFRS financial measures do not have standardized definitions and meaning, they may differ from the Non-IFRS financial measures used by other institutions and should not be viewed as an alternative to measures of financial performance determined in accordance with IFRS. iA Financial Group strongly encourages investors to review its financial statements and other publicly-filed reports in their entirety and not to rely on any single financial measure.

Non-IFRS financial measures published by iA Financial Group include, but are not limited to: return on common shareholders equity, core earnings per share, core return on common shareholders equity, sales, net sales, assets under management, assets under administration, premium equivalents, deposits, sources of earnings measures (expected profit on in-force, experience gains and losses, strain on sales, changes in assumptions, management actions and income on capital), capital, solvency ratio, loan originations, finance receivables and average credit loss rate on car loans.

Core earnings is a Non-IFRS measure used to better understand iA Financial Group's capacity to generate sustainable earnings. Management's estimate of core earnings excludes: 1) exceptional items, including but not limited to year-end assumption changes and tax gains and losses; 2) market gains and losses related to universal life policies, investment funds and the hedging program for segregated fund guarantees; 3) gains and losses in excess of \$0.04 per share for strain on

individual insurance sales, for policyholder experience by business segment (individual insurance, individual wealth management, group insurance, group savings and retirement and iA auto and home) and for investment income on capital.

### DOCUMENTS INCORPORATED BY REFERENCE

The following documents, which have been filed by iA Financial Group with the securities commissions or similar authorities in each of the provinces of Canada, are incorporated by reference into and form an integral part of this Prospectus:

- (a) iA Financial Group's Annual Information Form dated March 30, 2017 for the year ended December 31, 2016;
- (b) iA Financial Group's audited consolidated financial statements and the notes thereto as at and for the years ended December 31, 2016 and 2015, together with the independent auditor's report thereon and the report of the appointed actuary for the years ended December 31, 2016 and 2015, as set out on page 3 of the audited consolidated financial statements;
- (c) iA Financial Group's management's discussion and analysis dated February 16, 2017 for the audited consolidated financial statements referred to in paragraph (b);
- (d) iA Financial Group's unaudited interim condensed consolidated financial statements and the notes thereto for the three month periods ended March 31, 2017 and March 31, 2016, except for the notice of no auditor review;
- (e) iA Financial Group's management's discussion and analysis dated May 11, 2017 for the unaudited interim condensed consolidated financial statements referred to in paragraph (d); and
- (f) iA Financial Group's information circular for the solicitation of proxies dated March 6, 2017 in connection with the annual meeting of shareholders and participating policyholders held on May 11, 2017.

Any documents of the types referred to above, any unaudited interim consolidated financial statements and related management's discussion and analysis, any business acquisition reports and any material change reports (excluding confidential material change reports if any), filed by iA Financial Group with the securities regulatory authorities in Canada after the date of this Prospectus and prior to the completion or withdrawal of the distribution of Securities, shall be deemed to be incorporated by reference into this Prospectus. Updated earnings coverage ratios, if required, will be filed quarterly with the applicable securities regulatory authorities in Canada either as Prospectus Supplements or as exhibits to iA Financial Group's unaudited interim and audited annual consolidated financial statements and will be deemed to be incorporated by reference into this Prospectus for the purposes of the offering of Securities hereunder.

A Prospectus Supplement containing the specific terms in respect of any Securities will be delivered, together with this Prospectus, to purchasers of such Securities and will be deemed incorporated in this Prospectus for the purposes of securities legislation as of the date of the Prospectus Supplement, but only for the purposes of the distribution of the Securities to which such Prospectus Supplement pertains.

**Any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference in this Prospectus shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained in this Prospectus or in any other subsequently filed document that also is or is deemed to be incorporated by reference in this Prospectus, modifies or supersedes such statement. The modifying or superseding statement need not state that it has modified or superseded a prior statement or include any other information set forth in the document that it modifies or supersedes. The making of a modifying or superseding statement shall not be deemed an admission for any purposes that the modified or superseded statement, when made, constituted a misrepresentation, an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Prospectus.**

Upon a new annual information form and annual audited consolidated financial statements and related management's discussion and analysis being filed by iA Financial Group with, and where required, accepted by, the applicable securities regulatory authorities during the time that this Prospectus is valid, the previous annual information form, annual audited

consolidated financial statements and related management's discussion and analysis and all unaudited comparative consolidated financial statements and related management's discussion and analysis, and all material change reports and any information circular filed prior to the commencement of iA Financial Group's financial year in which the new annual information form is filed, shall be deemed no longer incorporated by reference into this Prospectus for purposes of future offers and sales of Securities under this Prospectus.

Investors should rely only on the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement. iA Financial Group has not authorized anyone to provide investors with different or additional information. iA Financial Group is not making an offer of Securities in any jurisdiction where the offer is not permitted by law. Investors should not assume that the information contained in or incorporated by reference in this Prospectus or any applicable Prospectus Supplement is accurate as of any date other than the date on the front of the applicable Prospectus Supplement.

## CURRENCY INFORMATION

All currency amounts in this Prospectus are stated in Canadian dollars, unless otherwise indicated.

## iA FINANCIAL GROUP

iA Financial Group is a capital stock life insurance company resulting from its conversion from a mutual life insurance company into a capital stock life insurance company on February 10, 2000. The mutual life insurance company itself resulted from the amalgamation, in 1987, of Industrial Life Insurance Company, founded in 1905, and Alliance Mutual Life Insurance Company, founded in 1892. In 1996, the mutual life insurance company amalgamated with The Solidarity Life Insurance Company.

On June 11, 2003, iA Financial Group was continued under Part 1A of the *Companies Act* (Québec) (the "**Companies Act**") pursuant to Articles of Continuance. As part of its continuance, iA Financial Group changed its name to "Industrial Alliance Insurance and Financial Services Inc.", and its French version "Industrielle Alliance, Assurance et services financiers inc.", and reorganized its share capital. On June 30, 2012, iA Financial Group amalgamated with its subsidiary, Industrial Alliance Pacific Insurance and Financial Services Inc. iA Financial Group is governed by the Insurance Act, the *Business Corporations Act* (Québec) (which replaced the Companies Act effective as of February 14, 2011) and *An Act respecting Industrial-Alliance Life Insurance Company* (Québec).

iA Financial Group's head office is located at 1080 Grande Allée West, Québec City, Québec, G1S 1C7.

iA Financial Group is a life and health insurance company that conducts activities in the insurance and financial services sector. iA Financial Group offers a wide range of life and health insurance products, savings and retirement plans, mutual and segregated funds, securities, auto and home insurance, mortgage loans, car loans and other financial products and services. The fourth largest life and health insurance company in Canada, iA Financial Group is at the head of a large financial group, which is present in all regions of the country and in the United States. iA Financial Group and its subsidiaries have over four million clients, employ more than 5,500 individuals, and manage and administer over \$130 billion in assets. iA Financial Group's Common Shares, Non-Cumulative Class A Preferred Shares Series B and Non-Cumulative Class A Preferred Shares Series G are listed on the Toronto Stock Exchange under the ticker symbols IAG, IAG.PR.A and IAG.PR.G, respectively. iA Financial Group is among the largest public companies in Canada.

## CONSOLIDATED CAPITALIZATION

There have been no material changes in iA Financial Group's share or loan capital on a consolidated basis since March 31, 2017.

## DESCRIPTION OF SHARE CAPITAL

The share capital of iA Financial Group consists of (a) an unlimited number of Common Shares without nominal or par value, (b) 10,000,000 preferred shares with a nominal or par value of \$25 per share, issuable in series (the "**Preferred Shares**"), and (c) an unlimited number of Class A Preferred Shares without nominal or par value, issuable in series (the "**Class A Preferred Shares**").

As of June 21, 2017, 106,403,142 Common Shares, 5,000,000 Non-Cumulative Class A Preferred Shares Series B and 10,000,000 Non-Cumulative Class A Preferred Shares Series G were issued and outstanding. In addition, as of June 21, 2017, 10,000,000 Non-Cumulative Class A Preferred Shares Series H were reserved for issuance upon the conversion of the Non-Cumulative Class A Preferred Shares Series G.

The following is a summary of certain rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares and the Common Shares. This summary is qualified in its entirety by the articles of iA Financial Group. The particular terms and provisions of a series of the Class A Preferred Shares offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply thereto, will be described in such Prospectus Supplement.

## **Description of the Common Shares**

### ***Dividends***

Subject to the prior rights of the holders of Class A Preferred Shares, Preferred Shares and any other shares ranking senior to the Common Shares with respect to the payment of dividends, the holders of Common Shares will be entitled to receive such dividends as may be declared by the Board of Directors out of the sums duly allocated to the payment of shareholder dividends, in such amounts and in such form as the Board of Directors may establish, and all dividends that the Board of Directors may declare on the Common Shares shall be declared and paid in equal amounts per share on all the Common Shares outstanding at the time.

### ***Dissolution***

In the event of liquidation, winding-up or dissolution of iA Financial Group, whether voluntary or involuntary, or any other distribution of its assets to its policyholders and shareholders for the precise purpose of winding up its affairs, subject to the prior rights of the holders of Class A Preferred Shares, Preferred Shares and any other shares ranking senior to the Common Shares with respect to the distribution of property upon liquidation, winding-up or dissolution of iA Financial Group, the holders of Common Shares will be entitled to receive the remaining assets of iA Financial Group relating to shareholders in an equal amount per share, without any share being entitled to any priority over any other share.

### ***Voting***

The holders of Common Shares will be entitled to receive notice of and to attend all meetings of shareholders of iA Financial Group and they will have one vote for each Common Share held at every meeting of shareholders of iA Financial Group, with the exception of meetings at which only the holders of shares of another class or particular series of iA Financial Group are entitled to vote separately as a class or series.

### ***Notice of meeting***

The formalities to be observed with respect to the giving of notice of any meeting or adjourned meeting, the quorum required therefor and the conduct thereof will be those required by law and those, if any, specified in the by-laws or resolutions of iA Financial Group with respect to meetings of shareholders.

## **Description of the Class A Preferred Shares**

### ***Board of Directors' Authority to Issue in One or More Series***

The Board of Directors may issue Class A Preferred Shares in one or more series. Before any shares of a series are issued, the Board of Directors will determine the number of shares comprising the series and, subject to the restrictions set out in the articles of iA Financial Group, the designation of and the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares of the series. Before any shares of a series are issued, the Board of Directors shall amend the articles so as to indicate therein the number, the designation of and any rights, privileges, restrictions and conditions determined for such series by the Board of Directors, the whole subject to the authorization of the *Autorité des marchés financiers* (the “AMF”) in accordance with Section 35.2 of the Insurance Act.



### ***Ranking of Class A Preferred Shares***

The rights, privileges, restrictions or conditions attaching to any series of Class A Preferred Shares will not confer any priority on that series over any other series of Class A Preferred Shares in relation to dividends or return of capital.

With respect to the payment of dividends and the distribution of property upon liquidation, winding-up or dissolution of iA Financial Group, whether voluntary or involuntary, or any other distribution of the assets of iA Financial Group to its policyholders and shareholders for the precise purpose of winding up its affairs, the Class A Preferred Shares: (a) will rank equally with the Preferred Shares; and (b) will rank senior to the Common Shares and to any other shares ranking junior to the Class A Preferred Shares.

If any declared or undeclared cumulative dividends, any declared non-cumulative dividends or any amounts payable on account of return of capital are not paid in full on any series of Class A Preferred Shares, such dividends shall be apportioned pro rata among the Class A Preferred Shares of all series based on the amounts that would be payable on the said shares if all the said dividends were declared and paid in full, and regarding return of capital, based on the amounts that would be payable on account of such return of capital if all the said amounts so payable were paid in full. However, if the property is not sufficient to pay all claims in the aforementioned manner, the claims of the holders of Class A Preferred Shares on account of return of capital shall be paid first and any remaining property shall be applied toward payment of the claims on account of dividends. Additional priority rights may also attach to the Class A Preferred Shares of any series provided that such rights are not incompatible with the rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares as a class relative to the Common Shares and to any other shares ranking junior to the Class A Preferred Shares, as such rights, privileges, restrictions and conditions may be determined in relation to such series of Class A Preferred Shares.

### ***Voting***

Except as referred to below or as required by law or as set out in the rights, privileges, restrictions and conditions attaching to a series of Class A Preferred Shares, the holders of Class A Preferred Shares, as a class, will not be entitled to receive notice of, attend or vote at any meetings of shareholders or of participating policyholders of iA Financial Group.

### ***Change with Approval of the Holders of Class A Preferred Shares***

The rights, privileges, restrictions and conditions attaching to the Class A Preferred Shares as a class may only be amended or removed with the approval of the holders of Class A Preferred Shares given as specified below.

### ***Approval of the Holders of Class A Preferred Shares***

The approval of the holders of Class A Preferred Shares to amend or remove any rights, privileges, restrictions or conditions attaching to the Class A Preferred Shares as a class, or in regard to any other matter requiring the consent of the holders of Class A Preferred Shares, may be given in such manner as may then be required by law, provided that such approval be given by resolution passed by an affirmative vote of at least two thirds ( $\frac{2}{3}$ ) of the votes cast at a meeting of the holders of Class A Preferred Shares duly called for such purpose at which meeting the holders of at least one quarter ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares were present in person or represented by proxy. If the holders of at least one quarter ( $\frac{1}{4}$ ) of the outstanding Class A Preferred Shares are not in attendance or represented by proxy at such meeting within 30 minutes following the time scheduled for the holding of the meeting, the meeting will be adjourned for at least 15 days and the chairman of the meeting will decide on the time and place for the adjourned meeting. Prior notice of at least seven days will be given in respect of the adjourned meeting. At the adjourned meeting, the holders of Class A Preferred Shares who are present in person or represented by proxy thereat may transact the business for which the meeting was originally called and any resolution passed thereat by an affirmative vote of at least two thirds ( $\frac{2}{3}$ ) of the votes cast will mean that the approval of the holders of Class A Preferred Shares as aforementioned has been given.

The formalities to be observed with respect to the giving of notice and the conduct of any meeting or adjourned meeting will be those specified in the by-laws of iA Financial Group or in resolutions of iA Financial Group adopted by the Board of Directors with respect to meetings of shareholders or those required by law. On any ballot taken at any meeting of the holders of Class A Preferred Shares as a class, or at any joint meeting of the holders of two or more series of Class A Preferred Shares, each holder of such shares entitled to vote thereat will have one vote for each Class A Preferred Share held.

## DESCRIPTION OF DEBT SECURITIES

The following sets forth certain general terms and provisions of the Debt Securities. The particular terms and provisions of Debt Securities offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Debt Securities, will be described in such Prospectus Supplement.

The Debt Securities will be direct unsecured obligations of iA Financial Group. The Debt Securities will be senior or subordinated indebtedness of iA Financial Group as described in the relevant Prospectus Supplement. If the Debt Securities are senior indebtedness for the purposes of the Insurance Act, they will rank equally and rateably with all other unsecured indebtedness of iA Financial Group, from time to time issued and outstanding, which is not subordinated. If the Debt Securities are subordinated indebtedness for the purposes of the Insurance Act, they will rank equally and rateably with all other subordinated indebtedness of iA Financial Group, from time to time issued and outstanding. In the event of the insolvency or winding-up of iA Financial Group, the subordinated indebtedness of iA Financial Group, including the subordinated Debt Securities, will be subordinate in right of payment to all policy liabilities of iA Financial Group and all other liabilities of iA Financial Group (including senior indebtedness), except those other liabilities that, by their terms, rank, equally with or are subordinate to such subordinated indebtedness. **The Debt Securities will not constitute deposits that are insured under the CDIC Act or the QDI Act.**

The Debt Securities will be issued under one or more indentures (each, a “**Trust Indenture**”), in each case between iA Financial Group and a financial institution to which the *Trust and Loan Companies Act* (Canada) applies or a financial institution organized under the laws of any province of Canada and authorized to carry on business as a trustee (each, a “**Trustee**”). The statements made in this Prospectus and in the applicable Prospectus Supplement relating to any Trust Indenture and the Debt Securities to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Trust Indenture.

Each Trust Indenture may provide that Debt Securities may be issued thereunder up to the aggregate principal amount which may be authorized from time to time by iA Financial Group. Any Prospectus Supplement for Debt Securities supplementing this Prospectus will contain terms and other information with respect to the Debt Securities being offered thereby, which may include the following:

- (i) the designation, aggregate principal amount, authorized denominations and ranking of such Debt Securities;
- (ii) the currency or currency units for which the Debt Securities may be purchased and the currency or currency unit in which the principal and any interest is payable (in either case, if other than Canadian dollars);
- (iii) the percentage of the principal amount at which such Debt Securities will be issued;
- (iv) the date or dates on which such Debt Securities will mature;
- (v) the rate or rates per annum at which such Debt Securities will bear interest (if any), or the method of determination of such rates (if any);
- (vi) the dates on which any such interest will be payable and the record dates for such payments;
- (vii) the place or places where principal, premium and interest will be payable;
- (viii) the Trustee under the Trust Indenture pursuant to which the Debt Securities are to be issued;
- (ix) any redemption term or terms under which such Debt Securities may be defeased;
- (x) whether such Debt Securities are to be issued in registered form, “book-entry only” form, bearer form or in the form of temporary or permanent global securities and the basis of exchange, transfer and ownership thereof;
- (xi) any exchange or conversion terms;

- (xii) any terms relating to the modification, amendment or waiver of any terms of such Debt Securities or the applicable indenture; and
- (xiii) any other specific terms.

Debt Securities may, at the option of iA Financial Group, be issued in fully registered form, in “book-entry only” form or may be uncertificated. Debt Securities in registered form will be exchangeable for other Debt Securities of the same series and tenor, registered in the same name, for a like aggregate principal amount in authorized denominations and will be transferable at any time or from time to time at the corporate trust office of the Trustee for such Debt Securities. No charge will be made to the holder for any such exchange or transfer except for any tax or government charge incidental thereto.

Debt Securities of a single series may be issued at various times with different maturity dates, may bear interest at different rates and may otherwise vary.

iA Financial Group will summarize in the applicable Prospectus Supplement certain terms of the Debt Securities being offered thereby and the relevant Trust Indenture which iA Financial Group believes will be most important to an investor’s decision to invest in the Debt Securities being offered. It is the Trust Indenture, as supplemented by any applicable supplemental indenture, and not this summary, which defines the rights of a holder of Debt Securities. There may be other provisions in the Trust Indenture which are important to a purchaser of Debt Securities. Such purchaser of Debt Securities should read the Trust Indenture for a full description of the terms of the Debt Securities.

#### **DESCRIPTION OF SUBSCRIPTION RECEIPTS**

The following sets forth certain general terms and provisions of the Subscription Receipts. iA Financial Group may issue Subscription Receipts that may be exchanged by the holders thereof for Debt Securities, Class A Preferred Shares or Common Shares upon the satisfaction of certain conditions. The particular terms and provisions of the Subscription Receipts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below apply to such Subscription Receipts, will be described in such Prospectus Supplement.

Subscription Receipts may be offered separately or together with Debt Securities, Class A Preferred Shares or Common Shares, as the case may be. The Subscription Receipts will be issued under a subscription receipt agreement. The statements made in this Prospectus and in the applicable Prospectus Supplement relating to any subscription receipt agreement and the Subscription Receipts to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable subscription receipt agreement.

Under the subscription receipt agreement, a purchaser of Subscription Receipts will have a contractual right of rescission following the issuance of Debt Securities, Class A Preferred Shares or Common Shares, as the case may be, to such purchaser, entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender of the Debt Securities, Class A Preferred Shares or Common Shares, as the case may be, if this Prospectus, the relevant Prospectus Supplement, and any amendment thereto, contains a misrepresentation, provided such remedy for rescission is exercised within 180 days of the date the Subscription Receipts are issued.

Any Prospectus Supplement for Subscription Receipts supplementing this Prospectus will contain the terms and conditions and other information with respect to the Subscription Receipts being offered thereby, which may include the following:

- (i) the number of Subscription Receipts;
- (ii) the price at which the Subscription Receipts will be offered and whether the price is payable in installments;
- (iii) any conditions to the exchange of Subscription Receipts into Debt Securities, Class A Preferred Shares or Common Shares, as the case may be, and the consequences of such conditions not being satisfied;
- (iv) the procedures for the exchange of the Subscription Receipts into Debt Securities, Class A Preferred Shares or Common Shares, as the case may be;

- (v) the number of Debt Securities, Class A Preferred Shares or Common Shares, as the case may be, that may be exchanged upon exercise of each Subscription Receipt;
- (vi) the designation and terms of any other Securities with which the Subscription Receipts will be offered, if any, and the number of Subscription Receipts that will be offered with each Security;
- (vii) the dates or periods during which the Subscription Receipts may be exchanged into Debt Securities, Class A Preferred Shares or Common Shares, as the case may be;
- (viii) whether such Subscription Receipts will be listed on any securities exchange;
- (ix) any other rights, privileges, restrictions and conditions attaching to the Subscription Receipts; and
- (x) any other specific terms.

Subscription receipt certificates will be exchangeable for new subscription receipt certificates of different denominations at the office indicated in the applicable Prospectus Supplement. Prior to the exchange of their Subscription Receipts, holders of Subscription Receipts will not have any of the rights of holders of the securities subject to the Subscription Receipts.

### **DESCRIPTION OF WARRANTS**

The following sets forth certain general terms and provisions of the Warrants. The particular terms and provisions of the Warrants offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Warrants, will be described in such Prospectus Supplement.

iA Financial Group may issue Warrants for the purchase of Debt Securities, Class A Preferred Shares or Common Shares. Warrants may be issued independently or together with Debt Securities, Class A Preferred Shares or Common Shares offered by any Prospectus Supplement and may be attached to, or separate from, any such offered Securities. Warrants will be issued under one or more warrant agreements between iA Financial Group and a warrant agent that iA Financial Group will name in the relevant Prospectus Supplement.

iA Financial Group has delivered an undertaking to the securities regulatory authority in each of the provinces of Canada that iA Financial Group will not distribute Warrants that, according to the aforementioned terms as described in the Prospectus Supplement for Warrants supplementing this Prospectus, are “novel” specified derivatives or “long-term” or “stand-alone” warrants within the meaning of Canadian securities rules, separately to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless the Prospectus Supplement containing the specific terms of the Warrants to be distributed separately is first approved for filing by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Warrants will be distributed.

Selected provisions of the Warrants and the warrant agreements are summarized below. This summary is not complete. The statements made in this Prospectus and in the applicable Prospectus Supplement relating to any warrant agreement and Warrants to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable warrant agreement.

Any Prospectus Supplement for Warrants supplementing this Prospectus will contain the terms and other information with respect to the Warrants being offered thereby, which may include the following:

- (i) the designation of the Warrants;
- (ii) the aggregate number of Warrants offered and the offering price;
- (iii) the designation, number and terms of the Debt Securities, Class A Preferred Shares or Common Shares or other securities purchasable upon exercise of the Warrants, and procedures that will result in the adjustment of those numbers;

- (iv) the exercise price of the Warrants;
- (v) the dates or periods during which the Warrants are exercisable;
- (vi) the designation and terms of any securities with which the Warrants are issued;
- (vii) if the Warrants are issued as a unit with another security, the date on and after which the Warrants and the other security will be separately transferable;
- (viii) the currency or currency unit in which the exercise price is denominated;
- (ix) any minimum or maximum amount of Warrants that may be exercised at any one time;
- (x) whether such Warrants will be listed on any securities exchange;
- (xi) any terms, procedures and limitations relating to the transferability, exchange or exercise of the Warrants;
- (xii) any rights, privileges, restrictions and conditions attaching to the Warrants; and
- (xiii) any other specific terms.

Warrant certificates will be exchangeable for new warrant certificates of different denominations at the office indicated in the applicable Prospectus Supplement. Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the securities subject to the Warrants.

#### **Modifications**

iA Financial Group may amend the warrant agreements and the Warrants, without the consent of the holders of the Warrants, to cure any ambiguity, to cure, correct or supplement any defective or inconsistent provision, or in any other manner that will not materially and adversely affect the interests of holders of outstanding Warrants. Other amendment provisions will be as indicated in the applicable Prospectus Supplement.

#### **Enforceability**

The warrant agent will act solely as iA Financial Group's agent. The warrant agent will not have any duty or responsibility if iA Financial Group defaults under the warrant agreements or the warrant certificates. A Warrant holder may, without the consent of the warrant agent, enforce by appropriate legal action on its own behalf the holder's right to exercise the holder's Warrants.

### **DESCRIPTION OF SHARE PURCHASE CONTRACTS**

The following sets forth certain general terms and provisions of the Share Purchase Contracts. The particular terms and provisions of Share Purchase Contracts offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Share Purchase Contracts, will be described in such Prospectus Supplement.

iA Financial Group may issue Share Purchase Contracts, representing contracts obligating holders to purchase from or sell to iA Financial Group, and obligating iA Financial Group to purchase from or sell to the holders, a specified number of Common Shares or Class A Preferred Shares, as applicable, at a future date or dates, and including by way of installments. iA Financial Group has delivered an undertaking to the securities regulatory authority in each of the provinces of Canada that iA Financial Group will not distribute Share Purchase Contracts to any member of the public in Canada unless the Prospectus Supplement containing the specific terms of the Share Purchase Contracts to be distributed is first approved for filing by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Share Purchase Contracts will be distributed.

The price per Common Share or Class A Preferred Share, as applicable, may be fixed at the time the Share Purchase Contracts are issued or may be determined by reference to a specific formula contained in the Share Purchase Contracts. iA Financial Group may issue Share Purchase Contracts in accordance with applicable laws and in such amounts and in as many distinct series as it may determine.

Selected provisions of the Share Purchase Contracts and the warrant agreements are summarized below. This summary is not complete. The statements made in this Prospectus and in the applicable Prospectus Supplement relating to any Share Purchase Contracts to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Share Purchase Contracts agreements and, if applicable, collateral arrangements and depository arrangements relating to such Share Purchase Contracts.

Any Prospectus Supplement for Share Purchase Contracts supplementing this Prospectus will contain the terms and other information with respect to the Share Purchase Contracts being offered thereby, which may include the following:

- (i) whether the Share Purchase Contracts obligate the holder to purchase or sell, or both purchase and sell, Common Shares or Class A Preferred Shares, as applicable, and the nature and amount of each of those securities, or the method of determining those amounts;
- (ii) whether the Share Purchase Contracts are to be prepaid or not or paid in installments;
- (iii) any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied;
- (iv) whether the Share Purchase Contracts are to be settled by delivery, or by reference or linkage to the value or performance of Common Shares or Class A Preferred Shares;
- (v) any acceleration, cancellation, termination or other provisions relating to the settlement of the share purchase contracts;
- (vi) the date or dates on which the sale or purchase must be made, if any;
- (vii) whether such Share Purchase Contracts will be listed on any securities exchange;
- (viii) whether the Share Purchase Contracts will be issued in fully registered or global form;
- (ix) any rights, privileges, restrictions and conditions attaching to the Share Purchase Contracts; and
- (x) any other specific terms.

Share purchase contract certificates will be exchangeable for new share purchase contract certificates of different denominations at the office indicated in the applicable Prospectus Supplement. In the case of Share Purchase Contracts which obligate the holders to purchase securities from iA Financial Group, the holders will not have any of the rights of holders of the securities to be purchased pursuant to the Share Purchase Contracts until the completion of the purchase of those securities by the relevant holder in accordance with the terms of the Share Purchase Contract.

## **DESCRIPTION OF UNITS**

The following sets forth certain general terms and provisions of the Units. The particular terms and provisions of Units offered pursuant to an accompanying Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to such Units, will be described in such Prospectus Supplement.

iA Financial Group may issue Units comprised of one or more of the other Securities described in this Prospectus in any combination. Each Unit will be issued so that the holder of the Unit is also the holder of each Security included in the Unit. Thus, the holder of a Unit will have the rights and obligations of a holder of each included Security. The unit agreement under

which a Unit is issued may provide that the Securities included in the Unit may not be held or transferred separately, at any time or at any time before a specified date.

iA Financial Group has delivered an undertaking to the securities regulatory authority in each of the provinces of Canada that iA Financial Group will not distribute Units comprised of one or more of Share Purchase Contracts or Warrants that, at the time of distribution, are “novel” specified derivatives or “long-term” or “stand-alone” warrants within the meaning of Canadian securities rules, separately to any member of the public in Canada unless the offering is in connection with and forms part of the consideration for an acquisition or merger transaction or unless the Prospectus Supplement containing the specific terms of the Units to be distributed separately is first approved for filing by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces of Canada where the Units will be distributed.

Selected provisions of the Units and the unit agreements are summarized below. This summary is not complete. The statements made in this Prospectus and in the applicable Prospectus Supplement relating to any Units to be issued thereunder are summaries of certain anticipated provisions thereof and do not purport to be complete and are subject to, and are qualified in their entirety by reference to, all provisions of the applicable Unit agreements and, if applicable, collateral arrangements and depositary arrangements relating to such Units. .

Any Prospectus Supplement for Units supplementing this Prospectus will contain the terms and other information with respect to the Units being offered thereby, which may include the following:

- (i) the designation and terms of the Units and of the Securities comprising the Units, including whether and under what circumstances those Securities may be held or transferred separately;
- (ii) any provisions for the issuance, payment, settlement, transfer or exchange of the Units or of the Securities comprising the Units;
- (iii) whether the Units will be issued in fully registered or global form; and
- (iv) any other specific terms.

## **INSURANCE ACT RESTRICTIONS AND APPROVALS**

Subject to certain exceptions set forth below, iA Financial Group may pay or declare a dividend or, with the prior consent of the AMF (in accordance with Section 2.2.5.2 of the *Capital Adequacy Requirements Guideline - Life and health insurance* of the AMF adopted in accordance with Sections 325.0.1 and 325.0.2 of the Insurance Act), redeem or purchase any of its shares. iA Financial Group is precluded from carrying out the foregoing under the following circumstances: (i) there are reasonable grounds for believing that iA Financial Group is in contravention of any regulation made under the Insurance Act respecting the maintenance by life insurance companies of an adequate capital base consistent with sound and prudent management and such liquid assets as are adequate to ensure sound and prudent management, (ii) there are reasonable grounds for believing that the payment or declaration of a dividend or the redemption or purchase of any of its shares would cause iA Financial Group to be in contravention of the regulation set out in (i) above, or (iii) the AMF has given written instructions to iA Financial Group pursuant to subsections 275.0.0.1 or 275.3.1 of the Insurance Act regarding its capital base or its liquid assets. As of the date of this Prospectus, no such written instructions were given to iA Financial Group and the limitation set forth hereinabove would not restrict a payment of dividends.

## **CONSTRAINTS ON VOTING SHARES**

The Insurance Act and *An Act respecting Industrial-Alliance, Life Insurance Company* (Québec) contain restrictions on the acquisition, issue, transfer and voting of voting shares of iA Financial Group. Pursuant to these restrictions, no person is permitted to acquire, directly or indirectly, any voting shares of iA Financial Group (including Common Shares) if the acquisition would cause the person and his associates, within the meaning of Section 49 of the Insurance Act, to hold 10% or more of the voting rights attached to the shares of iA Financial Group. In addition, iA Financial Group is not permitted to record any transfer or issue of voting shares of iA Financial Group (including Common Shares) if the transfer or issue would cause the person and his associates, within the meaning of Section 49 of the Insurance Act, to hold 10% or more of the voting

rights attached to the shares of iA Financial Group. No person who holds 10% or more of the voting rights attaching to the shares of iA Financial Group together with his associates may exercise any voting rights attached to the shares held by such person.

## **PLAN OF DISTRIBUTION**

iA Financial Group may sell the Securities (i) through underwriters or dealers, (ii) directly to one or more purchasers pursuant to applicable statutory exemptions, or (iii) through agents. The Securities may be sold at fixed prices or non-fixed prices, such as prices determined by reference to the prevailing price of the specified securities in a specified market, at market prices prevailing at the time of sale or at prices to be negotiated with purchasers, which prices may vary as between purchasers and during the period of distribution of the Securities. The Prospectus Supplement for any of the Securities being offered thereby will set forth the terms of the offering of such Securities, including the type of security being offered, the name or names of any underwriters, dealers or agents, the purchase price of such Securities, the proceeds to iA Financial Group from such sale, any underwriting discounts and other items constituting underwriters' compensation, any public offering price and any discounts or concessions allowed or re-allowed or paid to dealers. Only underwriters so named in the Prospectus Supplement are deemed to be underwriters in connection with the Securities offered thereby.

If underwriters are used in the sale, the Securities will be acquired by the underwriters for their own account and may be resold from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. The obligations of the underwriters to purchase such Securities will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the Securities of the series offered by the Prospectus Supplement if any of such Securities are purchased. Any public offering price and any discounts or concessions allowed or re-allowed or paid to dealers may be changed from time to time.

The Securities may also be sold directly by iA Financial Group at such prices and upon such terms as agreed to by iA Financial Group and the purchaser or through agents designated by iA Financial Group from time to time. Any agent involved in the offering and sale of the Securities in respect of which this Prospectus is delivered will be named, and any commissions payable by iA Financial Group to such agent will be set forth, in the Prospectus Supplement. Unless otherwise indicated in the Prospectus Supplement, any agent would be acting on a best efforts basis for the period of its appointment.

iA Financial Group may agree to pay the underwriters, dealers or agents a commission for various services relating to the issue and sale of any Securities offered hereby. Any such commission will be paid out of the general corporate funds of iA Financial Group. Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with iA Financial Group to indemnification by iA Financial Group against certain liabilities, including liabilities under securities legislation, or to contribution with respect to payments which such underwriters, dealers or agents may be required to make in respect thereof.

In connection with any offering of the Securities, the underwriters, dealers or agents may over-allot or effect transactions which stabilize or maintain the market price of the Securities offered at a higher level than that which might exist in the open market. These transactions may be commenced, interrupted or discontinued at any time.

Unless otherwise specified in a Prospectus Supplement, the Securities will not be registered under the United States Securities Act of 1933, as amended or the securities law of any state of the United States of America.

## **RISK FACTORS**

An investment in the Securities is subject to various risks including those risks inherent in investing in a diversified financial institution. Before deciding whether to invest in any Securities, investors should carefully consider the risks set out herein and described in the documents incorporated by reference in this Prospectus (including subsequently filed documents deemed to be incorporated by reference) and, if applicable, those described in a Prospectus Supplement relating to a specific offering of Securities. Prospective purchasers should consider the categories of risks identified and discussed in other filings iA Financial Group makes with securities regulators including, without limitation, the sections entitled "Risk Factors" in iA Financial Group's annual information form and "Risk Management" contained in iA Financial Group's management's discussion and analysis related to the most recent unaudited interim condensed consolidated financial statements and the "Management of Risks Associated with Financial Instruments", "Management of Insurance Risk" and "Insurance Contract Liabilities and Investment Contract Liabilities" notes to iA Financial Group's most recent audited consolidated financial statements, all of



which are being incorporated by reference into this Prospectus. These risks are not the only risks facing iA Financial Group. Additional risks and uncertainties not currently known to iA Financial Group, or that iA Financial Group currently deems immaterial, may also materially and adversely affect its business.

#### **USE OF PROCEEDS**

Unless otherwise specified in a Prospectus Supplement, the net proceeds to iA Financial Group from the sale of the Securities will be used for the general corporate purposes of iA Financial Group.

#### **LEGAL MATTERS**

Unless otherwise specified in a Prospectus Supplement, certain legal matters relating to an issue and sale of Securities will be passed upon, on behalf of iA Financial Group, by Norton Rose Fulbright Canada LLP. As of the date hereof, the partners and associates of Norton Rose Fulbright Canada LLP owned beneficially as a group, directly or indirectly, less than 1% of the outstanding securities of iA Financial Group.

#### **INDEPENDENT AUDITOR**

The independent auditor of iA Financial Group is Deloitte LLP, Chartered Professional Accountants, located at 925 Grande Allée West, Suite 400, Québec City, Québec, G1S 4Z4.

#### **ENFORCEMENT OF JUDGMENTS AGAINST FOREIGN PERSONS**

Jacques Martin is a director of iA Financial Group who resides outside of Canada and shall appoint iA Financial Group, 1080 Grande Allée West, Québec City, Québec, G1S 1C7, as agent for service of process in Canada. Purchasers are advised that it may not be possible for investors to enforce judgments obtained in Canada against any person that resides outside of Canada, even if the party has appointed an agent for service of process.

#### **STATUTORY RIGHTS OF WITHDRAWAL AND RESCISSION**

Securities legislation in certain of the provinces of Canada provides purchasers with the right to withdraw from an agreement to purchase securities. This right may be exercised within two business days after receipt or deemed receipt of a prospectus and any amendment. In several of the provinces, the securities legislation further provides a purchaser with remedies for rescission or, in some jurisdictions, revisions of the price or damages if the prospectus and any amendment contains a misrepresentation or is not delivered to the purchaser, provided that the remedies for rescission, revisions of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of these rights or consult with a legal adviser.

In an offering of convertible, exchangeable or exercisable securities, investors are cautioned that the statutory right of action for damages for a misrepresentation contained in the prospectus is limited, in certain provincial securities legislation, to the price at which the convertible, exchangeable or exercisable securities is offered to the public under the prospectus offering. This means that, under the securities legislation of certain provinces, if the purchaser pays additional amounts upon conversion, exchange or exercise of the security, those amounts may not be recoverable under the statutory right of action for damages that applies in those provinces. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province for the particulars of this right of action for damages or consult with a legal adviser.

**CERTIFICATE OF INDUSTRIAL ALLIANCE INSURANCE AND FINANCIAL SERVICES INC.**

Dated: June 22, 2017

This short form base shelf prospectus, together with the documents incorporated in this prospectus by reference, will, as of the date of the last supplement to this prospectus relating to the securities offered by this prospectus and the supplement(s), constitute full, true and plain disclosure of all material facts relating to the securities offered by this prospectus and the supplement(s) as required by the securities legislation of each of the provinces of Canada.

*(Signed)* YVON CHAREST  
President and Chief Executive Officer

*(Signed)* RENÉ CHABOT  
Executive Vice-President, CFO  
and Chief Actuary

On Behalf of the Board of Directors

*(Signed)* JOCELYNE BOURGON  
Director and Chair of the Board

*(Signed)* MICHAEL HANLEY  
Director and Chair of the Audit Committee