



PRESS RELEASE

TRIMONT FINANCIAL TO ACQUIRE WESTERN FINANCIAL GROUP AND WESTERN LIFE ASSURANCE FROM DESJARDINS GROUP

- *Trimont Financial, a subsidiary of Wawanesa Mutual Insurance, to purchase Western Financial Group and Western Life Assurance from Desjardins Group*
- *Western Financial Group to continue to operate under the same name; will continue to sell insurance products from wide range of insurers*
- *Transaction reflects Wawanesa's commitment to the Canadian broker channel and benefits Canada's mutual and cooperative sector*
- *Desjardins Group will continue to focus on the development of its other Canadian distribution networks and partnerships*

WINNIPEG (MB) and LEVIS (QC), February 16, 2017 – Trimont Financial Ltd. – a subsidiary of The Wawanesa Mutual Insurance Company dedicated to supporting and strengthening the insurance broker channel in Canada – has agreed to acquire Western Financial Group and Western Life Assurance (collectively “Western”) from Desjardins Financial Corporation, a Desjardins Group subsidiary, for a total transaction value of about \$775 million, the companies announced today.

The transaction includes Western's primary business units: its brokerage network, Western Financial Group Insurance Solutions, Coast Capital Insurance Services and Western Life Assurance. It is subject to standard closing conditions, including regulatory approvals, and is expected to close in the third quarter of 2017.

“Wawanesa has a long history of supporting the success of insurance brokers, and this investment reflects our continued commitment to the broker channel,” said Wawanesa's President and Chief Executive Officer, Jeff Goy. “Today's announcement will ensure that Western Financial Group remains a trusted, familiar local broker in communities across western Canada.”

Goy noted that Western's brokerage network will continue to offer customers a broad range of products from a wide range of insurers and will continue to operate under the Western Financial Group name. There are no plans to close or relocate any of Western's existing brokerage locations. All of the Western companies will continue their respective regular operations.

“Western is a great organization with a great team behind it. We want to thank them for their commitment and continued hard work. We are also pleased that ownership of Western will remain in the cooperative-mutual sector, given Wawanesa's shared values and customer focus,” said Denis Berthiaume, Desjardins Group's Chief Operating Officer. “Within Desjardins, we remain committed to our other distribution networks and partnerships across the country and focused on growth with them,” he added.

With over 1,700 employees, Western provides personal and business insurance services through 157 office locations and affiliates in British Columbia, Alberta, Saskatchewan, Manitoba and Quebec.

Wawanesa retained TD Securities Inc. and Deloitte LLP as financial advisors and MLT Aikins LLP as lead counsel and Cassels Brock & Blackwell LLP as regulatory counsel. Desjardins retained Desjardins Capital Markets as financial advisor and Stikeman Elliott LLP for its legal counsel.

About The Wawanesa Mutual Insurance Company and Trimont Financial Ltd.

Wawanesa Mutual Insurance is one of the largest property and casualty insurers in Canada with \$3 billion in annual revenues and assets of more than \$9 billion. Wawanesa Mutual, founded in 1896 and headquartered in Winnipeg, is the parent company of Wawanesa General, which offers property and casualty insurance in California and Oregon, and Wawanesa Life, which distributes life insurance products and services throughout Canada. With over 3,000 employees, Wawanesa proudly serves over two million policyholders through nine regional offices and 41 service offices in Canada and the United States. Wawanesa actively gives back to organizations that strengthen communities where it operates, donating well above internationally recognized benchmarks for excellence in corporate philanthropy.

Trimont Financial Ltd., established in 1982, is a wholly-owned subsidiary of Wawanesa Mutual Insurance and provides direct supports to local brokers to assist with succession planning, growth, capital investment and other needs.

About Desjardins Group

Desjardins Group is the leading cooperative financial group in Canada and the sixth largest cooperative financial group in the world, with assets of more than \$260 billion. It has been rated one of the Best Employers in Canada by Aon Hewitt. To meet the diverse needs of its members and clients, Desjardins offers a full range of products and services to individuals and businesses through its extensive distribution network, online platforms and subsidiaries across Canada. Counted among the world's strongest banks according to *The Banker* magazine, Desjardins has one of the highest capital ratios and credit ratings in the industry.

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