



Canadian Broker Network to acquire South Western Insurance Group

Toronto, December 5, 2012 – Canadian Broker Network (“CBN”) and Intact Financial Corporation (TSX : IFC) announced today that they have reached an agreement whereby CBN will acquire Intact affiliate South Western Insurance Group Limited (“South Western”), a wholesale insurance intermediary that provides brokerages with specialty and niche insurance markets. Terms of the transaction, which is expected to close by the end of the year, were not disclosed.

The acquisition of South Western marks CBN's expansion into the wholesale insurance market and complements its existing activities. CBN's ownership will provide South Western with the ability to expand its relationships with insurance companies which will greatly benefit South Western's brokers.

“This acquisition is a tremendous opportunity as it allows us to enter an important segment of the brokerage industry,” said Daryn McLean, Chair of Canadian Broker Network. “With more than 50 years supporting brokers, South Western's growth potential is significant thanks to its strong industry relationships, experienced professionals and unique underwriting expertise in niche and specialty insurance products.”

“We are pleased to have found in CBN the perfect organization to help South Western realize its growth potential,” said Louis Gagnon, President and Chief Operating Officer of Intact Financial Corporation. “Under the strategic direction of CBN, South Western will be well-positioned to better serve the needs of insurance brokers across the country.”

Upon closing, South Western will operate as an independent subsidiary of CBN with its own leadership team, name and brand. “At South Western, brokers can always count on an impressive team of committed and talented employees. Moving forward, the current team will play an even greater role in strengthening our industry relationships and expanding our activities,” said Mack Rooney, President of South Western Group.

About Canadian Broker Network

The Canadian Broker Network (www.canadianbrokernetwork.com) is a group of nine leading, independent commercially oriented insurance brokers. Together, the network writes more than C\$750 million in property and casualty premiums annually.

About South Western Insurance Group

South Western Insurance Group (www.swgins.com) is a Wholesale Insurance Intermediary/Managing General Agent offering a broad range of insurance solutions for specialty, niche, program and hard-to-place business. Since 1961 South Western has provided underwriting expertise to insurance brokers across Canada.

About Intact Financial Corporation

Intact Financial Corporation (www.intactfc.com) is the largest provider of property and casualty insurance in Canada. Intact offers home, auto and business insurance through Intact Insurance, belairdirect, Grey Power, BrokerLink and JEVCO.

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