SAGEN MI CANADA INC.
(hereinafter "Sagen")

DISCLOSURE POLICY

1. INTRODUCTION

Sagen is a reporting issuer in Canada. Sagen owns a number of subsidiary companies, including the following subsidiaries:

Subsidiary Name	Jurisdiction of Incorporation
Sagen Holdings I Company	Nova Scotia
Sagen Holdings II Company	Nova Scotia
Sagen Mortgage Insurance Company Canada	Canada
MIC Holdings N Company	Ontario
MIC Holdings O Company	Ontario
Sagen International Holdings Inc.	Ontario
MIC Insurance Company Canada	Canada

(References to "**Sagen**" or the "**Company**" in this Disclosure Policy include Sagen and all of its subsidiary companies).

As a reporting issuer in Canada, Sagen is subject to applicable Canadian securities laws which, among other things, require certain periodic and event-driven disclosures.

This Disclosure Policy has been adopted by the Company's board of directors (the "**Board**") to provide a framework for the Company's approach to disclosure. It extends to all employees, consultants, officers and directors of the Company, the Board and those authorized to speak on its behalf. It covers disclosure in all documents filed with the securities regulators and all written statements, including but not limited to, those made in the Company's annual and quarterly reports, press releases, letters to shareholders, presentations by senior management and information contained on the Company's website and other electronic communications. It extends to all oral statements made in meetings and conversations with members of the investment community (which includes analysts, retail and institutional investors, investment dealers, brokers, and investment advisers), interviews with the media, as well as speeches and meetings and dealings with the public generally.

This Policy will be reviewed periodically by the Audit Committee of the Board.

2. ADMINISTRATION OF POLICY

The Company's disclosure committee (the "**Disclosure Committee**") is responsible for overseeing the Company's disclosure controls, procedures and practices. The Disclosure Committee consists of the following officers of the Company (if such positions are currently filled): President & Chief Executive Officer, Chief Financial Officer, Chief Risk Officer, and General Counsel.

A. General Responsibilities of Disclosure Committee

Subject to: (i) applicable law, (ii) periodic disclosure matters (such as quarterly results), and (iii) any development determined by the Board as requiring immediate public disclosure, the Disclosure Committee shall be responsible for overseeing that a reasonable investigation of the Company's information and developments is conducted on an ongoing basis for disclosure purposes, assessing such

information and developments for materiality, preparing any needed disclosure documents and reporting to the Board, or appropriate committee of the Board, as to if and when such material information requires public disclosure. The Disclosure Committee shall meet as circumstances dictate.

B. Written Record of Meeting

The members of the Disclosure Committee should keep written minutes of their meetings. It is essential that the Disclosure Committee be kept fully apprised of all pending Company information and developments that are or may be material in order for the Disclosure Committee to evaluate those events and to discuss whether disclosure is necessary or appropriate and, if so, the timing for public release of such information.

C. Review of Disclosure Compliance

The Disclosure Committee shall meet with all officers and any senior operational employees as the Disclosure Committee may deem appropriate to review and discuss, as applicable, the Company's information and developments, the Company's disclosure compliance system and this disclosure policy.

3. EVENT DRIVEN DISCLOSURE AND OFFERING DOCUMENTS

As part of Canada's continuous disclosure regime, reporting issuers are required to provide disclosure upon the occurrence of certain important events. Episodic or event-driven disclosure documents include, for example, press releases, material change reports and dividend declaration reports, as well as disclosure documents prepared in connection with, for example, an offering of securities, a take-over bid, an issuer bid or another similar transaction ("**Event-Driven Disclosure Documents**"). Principally, no Event-Driven Disclosure Document may be released to the public without the prior approval of the Board or applicable Board committee, however, such entity may delegate its approval requirement in certain circumstances, including in the case where such Event-Driven Disclosure Document is routine or is not deemed to be material. Below are specific guidelines to be used in connection with the preparation and dissemination of Event-Driven Disclosure Documents emanating from material information relating to the business and affairs of the Company.

A. Disclosure of Material Information

Material information consists of both material facts and material changes relating to the business and affairs of the Company. A material fact is a fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of the Company's securities. A material change is a change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of any of its securities and includes a decision to implement such a change made by the Board or by senior management who believe that confirmation of the decision by the Board is probable.

As a general matter, the determination of whether a fact or a change is material is a factual determination that must be made on a case-by-case basis. Relevant factors include the magnitude of the potential impact of the event or change and the probability of the event or change occurring. Past activity in the market for the Company's securities following announcements of similar information may assist in assessing materiality. A fact or a change should be presumed to be material information if an investor might consider the information to be important in deciding whether to buy, sell or hold the Company's securities.

Some of the matters that are likely to be material are significant changes in reserves, earnings forecasts, possible joint ventures, the acquisition or loss of a significant project, financing developments, major personnel changes and litigation developments.

Subject to certain limited exceptions (described below), applicable securities laws require the Company to make accurate and timely disclosure of material information to Canadian financial markets, media and investors and potential investors. The Toronto Stock Exchange takes the position that this requires the immediate release and public dissemination of material information. This obligation is in addition to scheduled disclosure requirements, including the Company's quarterly financial disclosure and annual disclosure. As discussed in greater detail below, disclosure of material information to particular investors, financial analysts or other persons prior to public announcement and dissemination of the material information in a press release (often referred to as "tipping" or "selective disclosure") is generally not permitted under applicable securities laws.

B. Determination of Materiality

The Disclosure Committee, the Board and, if applicable, the appropriate committee of the Board, are responsible for considering and determining the materiality of information relating to the Company and when developments may justify or require public disclosure. If an employee, officer or director of the Company is in possession of information that may be material or may have become material, a member of the Disclosure Committee should be contacted to discuss such information on a timely basis.

C. Guidelines and Procedures for the Preparation and Dissemination of Material Information

In complying with the requirement to disclose material information under applicable laws and stock exchange rules, the Company should have reference to the following basic disclosure guidelines:

(a) **Press Release Disclosure:** Material changes and information will be publicly disclosed by a press release disseminated through an approved newswire service (see section 4, below – *Periodic Disclosure*).

(b) **Press Release Responsibility:** The preparation and presentation to the Board of press releases and other public communications about the Company are the responsibility of the Disclosure Committee.

(c) **Balanced Disclosure:** If a press release disclosing material information is warranted, the announcement should be factual and balanced, neither over-emphasizing favourable news nor under-emphasizing unfavourable news. Unfavourable material information must be disclosed just as promptly and completely as favourable material information. If the omission of certain information would make the rest of the disclosure misleading, that information should be included (i.e., half truths are misleading).

(d) **Form of Press Release:** Press releases are to be prepared and distributed in accordance with applicable securities laws and the rules and practices of the Toronto Stock Exchange. A press release disclosing material information should first be delivered to the Canadian Investment Regulatory Organization ("**CIRO**") Market Surveillance, so that the exchange can assess the release and determine if a trading halt is necessary. The press release should then be disseminated to the media and financial community through an approved newswire service that provides national and simultaneous coverage and carries the full text of the release. The Toronto Stock Exchange accepts the use of any news service that meets the following criteria:

I. dissemination of the full text of the release to the national financial press and to daily newspapers that provide regular coverage of financial news;

II. dissemination to all exchange members; and

III. dissemination to all relevant regulatory bodies.

If the information is a "material change", the press release must be followed by the preparation and filing of a Material Change Report under applicable securities laws.

(e) **Correction of Incorrect or Misleading Disclosure:** If the Company learns of a material error or misrepresentation in a previous disclosure item, that disclosure should be promptly corrected. Similarly, if the Company becomes aware of material information published by others regarding the Company which is misleading, it should take appropriate action to correct such information or otherwise make it known to the public that it is not responsible for publishing such information and does not necessarily agree with such statements. Appropriate actions may include contacting the publisher of such material and misleading information and/or issuing a Company press release.

(f) **Consistency of Message:** To assure consistency and accuracy of the Company's responses, all inquiries or requests for information from outside the Company (i.e. from the media, financial analysts, regulatory authorities or investors) should be referred to a member of the Disclosure Committee.

(g) **Inadvertent Disclosure of Material Information:** If it is discovered that previously undisclosed material information has been inadvertently disclosed, such information should be promptly disclosed via news release.

(h) **Determination to Keep Material Information Confidential:** In certain limited circumstances, the Disclosure Committee may advise the Board that disclosure of material information would be unduly detrimental to the Company (for example if release of the information would prejudice negotiations in a corporate transaction or if the Board has not yet confirmed a decision by senior management). In these circumstances, the Disclosure Committee must also advise the Board as to whether the undisclosed material information constitutes a material change and, if the Board determines that such information does constitute a material change, the Disclosure Committee shall file a confidential material change report with the applicable securities regulators. The request for confidentiality will be renewed in writing every 10 days. During the period before material information is disclosed, such non-disclosure of material information should also be communicated to CIRO Market Surveillance in order that the Company's securities may be placed on "stock watch". In these circumstances, the Disclosure Committee will also consider and implement appropriate measures to keep such information confidential until it is required or appropriate to be publicly disclosed. If the basis for confidentiality ceases to exist, the Disclosure Committee must ensure that the material information is promptly disclosed.

D. Selective Disclosure

Disclosure of material information to particular persons prior to public announcement of the material information in a press release is not permitted under applicable securities laws.

(a) **Necessary Course of Business Exception:** An exception to the prohibition on selective disclosure is that it may be made in the "necessary course of business" (as opposed to just being in the "ordinary" course of business"). Determining whether or not such selective disclosure is in the necessary course of business is to be determined by the Board following discussion with the Disclosure Committee, upon giving consideration to the particular fact scenario and the underlying policy that everyone have equal access to information, and an equal opportunity to trade on that information. A confidentiality agreement may help ensure those given information in the necessary course of business do not use it or convey it. Discussions between representatives of the Company and representatives of Company suppliers, strategic partners, lenders or government agencies undertaken in the ordinary course of the Company's business often will be considered to be in the necessary course of business and therefore permitted disclosure. However, discussions with financial market analysts or investors will not generally be considered to be in the necessary course of business.

(b) **Professionals:** Material information may also be disclosed to legal counsel, accountants, or other professionals that the Company has retained because these outsiders are considered to be in a fiduciary relationship with the Company and, accordingly, have a duty to keep such information confidential.

(c) **Dealing with Financial Market Analysts And Significant Investors:** When dealing with third parties, particularly the investment community (i.e. financial analysts, brokers, retail and institutional investors, significant investors and the press), no confidential information should be divulged or discussed unless or until it has been disclosed to the public via a press release or equivalent public statement (see section 6 below - *Contact with Analysts, Investors and the Media*).

4. PERIODIC DISCLOSURE

In addition to event-driven disclosure requirements, Canadian securities regulators have established a system requiring regular disclosure of financial and operating information. Such periodic disclosure includes annual and interim financial statements, management's discussion and analysis of interim and annual financial results, the annual information form, and the statement of executive compensation (each, a "**Periodic Disclosure Document**"). No Periodic Disclosure Document may be released to the public without the prior approval of the Board or the appropriate committee of the Board. The Board, or appropriate committee of the Board, may however, delegate its approval authority in certain circumstances, including in the case where a disclosure document is routine or is not deemed to be material.

In connection with the preparation of the Company's Periodic Disclosure Documents, the Disclosure Committee shall be responsible for:

(a) establishing, maintaining and documenting disclosure controls and other procedures that are designed to ensure that:

I. information required to be disclosed by the Company to securities regulatory authorities and other written information that the Company discloses to the investment community and the public is recorded, processed, summarized and reported accurately and without omission of any material fact necessary to ensure that the information is not misleading and is made on a timely basis,

II. financial information disclosed by the Company fairly presents in all material respects the financial condition, results or operations and cash flows of the Company as of and for the periods presented therein, and

III. information is communicated to management, including the Chief Executive Officer and the Chief Financial Officer, as appropriate, to allow timely decisions regarding such required disclosure;

(b) monitoring the integrity and effectiveness of the disclosure controls and procedures on an ongoing basis;

(c) reviewing and supervising the preparation of the Company's interim and annual financial statements and related management's discussion and analysis, annual information form, statement of executive compensation, take-over bid circulars, directors' circulars, issuer bid circulars, rights offering circulars, prospectuses, and other reports and statements filed by the Company pursuant to securities legislation, regulations and rules; and

(d) evaluating the effectiveness of the disclosure controls and procedures and amending them if necessary.

5. PUBLIC CALLS

Public calls may be held in connection with the Company's quarterly and annual financial results, in which discussion of key aspects of the financial results is accessible simultaneously to all interested parties, some as participants and others in a listen-only mode by telephone or the internet via webcast. The Disclosure Committee may also determine the need to hold a call in connection with other major corporate developments, such as material transactions or material developments relating to the Company's operations.

The following guidelines apply to Company calls:

(a) **Advance Notice:** The Company should provide advance notice of calls and/or webcasts by issuing a news release announcing the date and time and providing information on how interested parties may access the call and/or webcast. In addition, the Company may send invitations to analysts, institutional investors, the media and others to participate.

(b) **Material Information Released Prior to Call:** Calls should be preceded by a news release containing all relevant material information.

(c) **Record of Call:** If possible, the Company should retain a recorded or written record of the call for six years

(d) **Forward-looking Information:** In appropriate circumstances, at the beginning of the call, a Company spokesperson will notify all participants to the call that there may be discussion of forward-looking information. The spokesperson will then provide appropriate cautionary language with respect to any such forward-looking information and direct participants to publicly available documents containing the assumptions, sensitivities and a full discussion of the risks and uncertainties that could affect such forward-looking statements.

(e) **Equal Access to Information:** Any supplemental information provided to participants will also be posted to the website for others to view. An archived audio webcast or an

audio transcript of the call should be made available following the call but, in most circumstances, will no longer be available on the website after 45 days.

(f) **Electronic Notice:** The archived audio webcast page of the website shall include a prominent notice that advises the reader that the information therein is for historical purposes only and that while information contained within the releases was believed to be accurate at the time of issue, the Company will not and specifically disclaims any duty to update this information.

6. CONTACT WITH ANALYSTS, INVESTORS AND THE MEDIA

The Company recognizes that meetings with financial market analysts and significant investors are an important element of the Company's investor relations. Company representatives may meet with analysts and investors on an individual or small group basis as needed and will initiate contacts or respond to analyst and investor calls in accordance with these disclosure guidelines. No person other than a member of the Disclosure Committee shall have any communications with media, members of the investment community, shareholders or other capital market participants without specific authorization of the Board. The following guidelines should be observed in connection with analyst or investor meetings or communications:

(a) **Disclosure of Material Information Prohibited:** Disclosure in individual or group meetings does not constitute adequate disclosure of information that is considered material non-public information. Therefore, only non-material information or previously disclosed information should be provided in individual and group meetings.

(b) **Record of Discussions:** Spokespersons should keep notes of conversations with financial analysts and investors and where practicable more than one Company representative should be present at all individual and group meetings or calls.

(c) **Selective Disclosure:** If selective disclosure of previously undisclosed material information occurs, the Company should promptly disclose such information via news release, as described above.

7. QUIET PERIODS

To reduce the possibility of inadvertent or selective disclosure of material information, or the appearance of same, all communications with financial analysts, investors and other financial market professionals should cease during the period beginning on the first day following the end of a quarter or year-end and will end with the issuance of the public release of such quarterly or annual results, except communications with respect to matters that do not relate to the relevant period's operations or expected results for such period.

8. FINANCIAL ANALYST REPORTS AND MODELS; MARKET EXPECTATIONS

The following guidelines should be followed in connection with financial and market analyst research reports and models:

(a) **Comments on Research Reports or Models:** Company officers and directors should not review or comment on draft research reports or models of financial or market analysts. However, if the Company does review or comment on a draft research report or model, it should only be done by members of the Disclosure Committee and should be limited to a review for factual accuracy and to pointing out errors in fact based on publicly disclosed

information about the Company. Company officials should not express comfort with or disapproval of an analyst's draft report or model. In order to avoid appearing to "endorse" an analyst's draft report or model, the Company will only provide its comments to the analyst verbally. So as to avoid any appearance of endorsement, the Company will comment only on draft reports and will not comment on final analysts' reports.

(b) **Appropriately Managing Market Expectations:** The Company will not confirm, or attempt to influence, an analyst's opinions or conclusions and will not express comfort with analysts' models and earnings estimates.

9. RUMOURS

As a general rule, the Company should not comment, affirmatively or negatively, on rumours. If asked to comment on a rumour, the Company's spokespersons should respond, with a statement such as, "It is our policy not to comment on market rumours or speculation." If a stock exchange or other regulatory authority requests that the Company make a definitive statement in response to a market rumour that may be causing significant volatility in the Company's stock, the Disclosure Committee will consider the matter and decide whether and how to do so, or whether the matter warrants consideration by and guidance from the Board.

10. FORWARD-LOOKING INFORMATION

The Company may choose to disclose "forward-looking information" from time to time. Forward-looking information generally involves statements about future plans or expectations, such as revenue or earnings expectations. When the Company elects to disclose forward-looking information in continuous disclosure documents, press releases, speeches, calls, etc., the Company should consider the following guidelines.

(a) **Material Forward-Looking Information:** If the forward-looking information is deemed material, it should be broadly disseminated by press release as with other material information, in accordance with these disclosure guidelines.

(b) **Identification:** The information should be clearly identified as forward looking.

(c) **Risk, Caution and Disclaimer:** The information should be accompanied by a statement that identifies:

(i) risks, uncertainties and other factors that may cause actual results to differ materially from those indicated as expected or projected in the statement; and

(ii) the material factors or assumptions that were applied in drawing a conclusion or making a forecast or projection set out in the forward-looking information.

Forward-looking information should also be accompanied by a statement that disclaims the Company's intention or obligation to update or revise the forward-looking information, whether as a result of new information, future events or otherwise. Notwithstanding this disclaimer, should subsequent events indicate that actual events or results have differed, or will with reasonable certainty differ, materially from those anticipated in the forward-looking information, the Company may choose to issue a news release updating the forward-looking information and explaining the reasons for the difference.

11. ELECTRONIC COMMUNICATIONS

This disclosure policy also applies to all forms of communication, including electronic communications. Accordingly, the Disclosure Committee will also be responsible for electronic communications of corporate disclosure, including disclosure on the Company website, if any. As a general guideline, if the Company posts or publishes investor relations material in electronic form (on a website or otherwise), it should be contained within a separate section of the website or electronic system and should include a notice that the information posted was accurate at the time of posting, but may be superceded by subsequent disclosures, and that the Company assumes no obligation to update such information. All data or disclosures posted to the Company website should show the date such material was issued.

12. DISCLOSURE RECORD

The Disclosure Committee or its designate will maintain a copy of continuous disclosure documents, press releases and other filings made by the Company with the Canadian provincial securities regulators and transcripts or recordings of investor or shareholder calls or webcasts for the previous six year period.

13. ENFORCEMENT

This disclosure policy will be circulated to, or posted for viewing by, all directors, officers, employees and consultants of the Company. It is a condition of their appointment or employment that employees, consultants, officers and directors of the Company at all times abide by the standards, requirements and procedures set out in this disclosure policy unless authorized to proceed otherwise by written notice of the Disclosure Committee or the Board. Any such individual who violates this disclosure policy may face disciplinary action up to and including termination of his or her employment or appointment with the Company without notice. The violation of this disclosure policy may also violate certain securities laws. If it appears that an employee, consultant, officer or director may have violated such securities laws, the Company may refer the matter to the appropriate regulatory authorities, which could lead to fines or other penalties.

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If you have any questions in connection with this disclosure policy, please contact a member of the Disclosure Committee.