

**Green believes the following terms provide Indigo with both asset and stock price protection on its investment**

**TERM SHEET  
Transaction Structure Proposal 2**

- Indigo agrees today to enter into a \$[3.25] billion forward common stock purchase agreement with Green
  - Investment Price would be based on an agreed multiple of Green book value per share post spin-off of [1.25x]
  - All changes to Green book value per share prior to spin-off (i.e. gains / losses and write-downs) would be fully reflected in book value per share at the time of Indigo's investment
  - Indigo will place \$[3.25] billion in escrow today
- Indigo's investment would be conditional upon
  - The successful spin-off of the commercial real estate business
  - Further capital (in addition to that raised from Indigo) being raised by Green between now and the time of Indigo's investment of \$[2.75 – 3.25] billion
  - Completion of the sale of the residential mortgage assets to Blackrock for c\$6bn
  - The proposal assumes that all shareholder conditions have been met
- Indigo's investment would have the following price "reset"
  - If Green sells any common stock (or equity securities convertible into common stock) within [1] year post spin-off at a purchase, conversion or reference price per share less than the Investment Price, then Green must make a payment to Indigo to compensate Indigo for the aggregate excess amount per share paid by Indigo
  - At Green's option, Green may issue additional shares of common stock in lieu of cash to Indigo with a market value equal to such excess amount
- Green would also agree to protect Indigo separately for write-downs / losses on Green's balance sheet described below for [6-12] months following the spin-off
  - Up to \$[1.0] billion of write-downs / losses in the residential portfolio
  - Up to \$[500] million of write-downs / losses in excess of \$[250] million in the high yield acquisition portfolio
  - Up to \$[500] million of write-downs / losses in excess of \$[250] million in the private equity business
  - For any write-downs post spin-off described above, Green would make Indigo whole by delivering incremental shares to Indigo
- Indigo would have [1] voting member on Green's Board of Directors