

Short Form Base Shelf Prospectus

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

A copy of this preliminary short form base shelf prospectus has been filed with the securities regulatory authorities in each of the provinces and territories of Canada but has not yet become final for the purposes of the sale of the securities. Information contained in this preliminary short form base shelf prospectus may not be complete and may have to be amended. The securities may not be sold until a receipt for the short form base shelf prospectus is obtained from the securities regulatory authorities.

This short form base shelf prospectus has been filed under legislation in each of the provinces and territories 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 constitutes a public offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities. These securities have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or any state securities laws and may not be offered or sold in the United States or to U.S. persons (as defined in Regulation S under the 1933 Act) except pursuant to an exemption from the registration requirements of those laws. See “Plan of Distribution”.

Information has been incorporated by reference in this short form base shelf 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 Corporate Secretary’s Department of Equitable Group Inc. at 30 St. Clair Avenue West, Suite 700, Toronto, Ontario M4V 3A1, telephone (416) 515-7000, and are also available electronically at www.sedar.com.

PRELIMINARY SHORT FORM BASE SHELF PROSPECTUS

New Issue

December 27, 2017



EQUITABLE GROUP INC.

\$500,000,000

Common Shares

Preferred Shares

Debt Securities

Subscription Receipts

Warrants

Share Purchase Contracts

Units

Equitable Group Inc. (the “**Company**”) may from time to time offer and issue the following securities: (i) common shares (“**Common Shares**”); (ii) preferred shares (“**Preferred Shares**”); (iii) unsecured debt securities (“**Debt Securities**”); (iv) subscription receipts (“**Subscription Receipts**”) exchangeable for Common Shares and/or other securities of the Company; (v) warrants exercisable to acquire Common Shares and/or other securities of the Company (“**Warrants**”); (vi) share purchase contracts (“**Share Purchase Contracts**”); and (vii) securities comprised of more than one of the Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Share Purchase Contracts and/or Warrants offered together as a unit (“**Units**”), or any combination thereof having an offer price of up to \$500 million in aggregate (or the equivalent thereof, at the date of issue, in any other currency or currencies, as the case may be) at any time during the 25-month period that this short form base shelf prospectus (including any amendments hereto, the “**Prospectus**”) remains valid. The Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts and Units (collectively, the “**Securities**”) offered hereby may be offered in one or more offerings, separately or together, in separate series, in amounts, at prices and on terms to be set forth in one or more prospectus supplements (collectively or individually, as the case may be, “**Prospectus Supplements**”).

The specific terms of any offering of Securities will be set forth in the applicable Prospectus Supplement and may include, without limitation, where applicable: (i) in the case of Common Shares, the number of Common Shares being

offered, the offering price (in the event the offering is a fixed price distribution), the manner of determining the offering price(s) (in the event the offering is not a fixed price distribution) and any other specific terms; (ii) in the case of Preferred Shares, the designation of the particular class, series, liquidation preference amount, the number of shares offered, the issue price, the dividend rate, the dividend payment dates, any terms for redemption at the Company's option or the option of the holder, any exchange or conversion terms and any other specific terms; (iii) in the case of Debt Securities, the specific designation, aggregate principal amount, the currency or the currency unit for which the Debt Securities may be purchased, maturity, interest provisions, authorized denominations, offering price, covenants, events of default, any terms for redemption at the option of the Company or the option of the holder, any exchange or conversion terms and any other specific terms; (iv) in the case of Subscription Receipts, the number of Subscription Receipts being offered, the offering price, the terms, conditions and procedures for the exchange of the Subscription Receipts into or for Common Shares and/or other securities of the Company and any other specific terms; (v) in the case of Warrants, the number of such Warrants offered, the offering price, the terms, conditions and procedures for the exercise of such Warrants into or for Common Shares and/or other securities of the Company 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 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 number of Units being offered, the offering price, the terms of the underlying Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants and/or Share Purchase Contracts and any other specific terms.

All shelf information permitted under applicable securities legislation 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 incorporated by reference into this Prospectus as of the date of such Prospectus Supplement and only for the purposes of the distribution of the Securities covered by that Prospectus Supplement. The offerings are subject to approval of certain legal matters on behalf of the Company by Norton Rose Fulbright Canada LLP.

This Prospectus does not qualify for issuance Debt Securities, or Securities convertible or exchangeable into 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, without limitation, 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. This Prospectus may qualify for issuance Debt Securities, or Securities convertible or exchangeable into Debt Securities, (i) 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 CDOR (the Canadian Dollar Offered Rate) or LIBOR (the London Interbank Offered Rate), and/or (ii) convertible into or exchangeable for Common Shares and/or other securities of the Company.

The Company may sell the Securities to or through underwriters or dealers purchasing as principals and may also sell the Securities to one or more purchasers directly, through applicable statutory exemptions, or through agents designated by the Company from time to time. The Securities may be sold from time to time in one or more transactions at fixed prices or not at fixed prices, such as market prices prevailing at the time of sale, prices related to such prevailing market prices or 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 relating to a particular offering of Securities will identify each underwriter, dealer or agent engaged in connection with the offering and sale of the Securities, as well as the method of distribution and the terms of the offering of such Securities, including the initial offering price (in the event the offering is a fixed price distribution), the manner of determining the offering price(s) (in the event the offering is not a fixed price distribution), the net proceeds to the Company and, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms. See "Plan of Distribution".

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

The outstanding Common Shares are listed and posted for trading on the Toronto Stock Exchange (“**TSX**”) under the symbol “EQB” and the outstanding Series 3 Preferred Shares are listed and posted for trading on the TSX under the symbol “EQB.PR.C”. On December 22, 2017, the last trading day prior to the date of this Prospectus, the closing price per Common Share on the TSX was \$70.22 and the closing price per Series 3 Preferred Share on the TSX was \$25.24. **Unless otherwise specified in the applicable Prospectus Supplement, Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts and Units will not be listed on any securities exchange. There is no market through which these securities may be sold and purchasers may not be able to resell such securities purchased under this Prospectus. This may affect the pricing of the securities in the secondary market, the transparency and availability of trading prices, the liquidity of the securities, and the extent of issuer regulation. See “Risk Factors”.**

The principal, registered and head office of the Company is located at 30 St. Clair Avenue West, Suite 700, Toronto, Ontario M4V 3A1.

TABLE OF CONTENTS

ABOUT THIS PROSPECTUS	1
FORWARD-LOOKING STATEMENTS	1
DOCUMENTS INCORPORATED BY REFERENCE.....	2
WHERE YOU CAN FIND MORE INFORMATION.....	3
EQUITABLE GROUP INC.....	3
CAPITALIZATION OF THE COMPANY.....	4
DESCRIPTION OF SHARE CAPITAL	4
DESCRIPTION OF COMMON SHARES.....	4
DESCRIPTION OF PREFERRED SHARES.....	4
DESCRIPTION OF DEBT SECURITIES	5
DESCRIPTION OF SUBSCRIPTION RECEIPTS.....	6
DESCRIPTION OF WARRANTS	6
DESCRIPTION OF SHARE PURCHASE CONTRACTS	7
DESCRIPTION OF UNITS.....	8
PLAN OF DISTRIBUTION	8
PRIOR SALES	9
TRADING PRICE AND VOLUME OF SECURITIES	9
CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS.....	9
RISK FACTORS	9
USE OF PROCEEDS	10
INTERESTS OF EXPERTS	10
LEGAL MATTERS.....	10
PURCHASERS' STATUTORY RIGHTS	10
CERTIFICATE OF THE COMPANY	C-1

ABOUT THIS PROSPECTUS

An investor should rely only on the information contained in this Prospectus (including the documents incorporated by reference herein) and is not entitled to rely on parts of the information contained in this Prospectus (including the documents incorporated by reference herein) to the exclusion of others. The Company has not authorized anyone to provide investors with additional or different information. The Company is not offering to sell these Securities in any jurisdictions where the offer or sale of these Securities is not permitted. The information contained in this Prospectus (including the documents incorporated by reference herein) is accurate only as of the date of this Prospectus (or the date of the document incorporated by reference herein, as applicable), regardless of the time of delivery of this Prospectus or any sale of the Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts and/or Units. The Company's business, financial condition, results of operations and prospects may have changed since the date of this Prospectus.

Unless the context otherwise requires, all references in this Prospectus to the "Company" refer to the Company and, unless the context requires otherwise, its subsidiary entities on a consolidated basis.

References to dollars or "\$" are to Canadian currency, unless otherwise indicated.

FORWARD-LOOKING STATEMENTS

Certain statements contained in this Prospectus, including those documents incorporated by reference, constitute forward-looking information within the meaning of applicable securities laws. These statements include, but are not limited to, statements about the Company's objectives, strategies and initiatives, financial performance expectations and other statements made herein, whether with respect to the Company's businesses or the Canadian economy. Generally, forward-looking statements can be identified by the use of forward-looking terminology such as "plans", "expects" or "does not expect", "is expected", "budget", "scheduled", "planned", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases which state that certain actions, events or results "may", "could", "would", "should", "might" or "will be taken", "occur", "be achieved", or other similar expressions of future or conditional verbs.

Forward-looking statements are subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, closing of transactions, performance or achievements of the Company to be materially different from those expressed or implied by such forward-looking statements. This includes, but is not limited to risks related to: the general business and economic conditions in which the Company and Equitable Bank operate; the ability of the Company to execute on key priorities, including the successful completion of acquisitions and dispositions; disruptions in or attacks (including cyber-attacks) on the Company's or Equitable Bank's information technology, internet, network access or other voice or data communications systems or services; the impact of new and changes to, or application of, current laws and regulations, including without limitation tax laws, mortgage rules, risk-based capital guidelines and liquidity regulatory guidance; changes to Equitable Bank's credit ratings; changes in currency and interest rates (including the possibility of negative interest rates); increased funding costs and market volatility due to market illiquidity and competition for funding; critical accounting estimates and changes to accounting standards, policies and methods used by Equitable Bank; the nature of the Company's customers and rates of default, and competition as well as other factors discussed under the heading "Risk Factors" herein and in the Company's documents filed on SEDAR at www.sedar.com.

All material assumptions used in making forward-looking statements are based on management's knowledge of current business conditions and expectations of future business conditions and trends, including their knowledge of the current credit, interest rate and liquidity conditions affecting the Company and the Canadian economy as of the date of this Prospectus. Although the Company believes the assumptions used to make such statements are reasonable at this time and has attempted to identify in its continuous disclosure documents important factors that could cause actual results to differ materially from those contained in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. Certain material assumptions are applied by the Company in making forward-looking statements, including without limitation, assumptions regarding its continued ability to fund its mortgage business, a continuation of the current level of economic uncertainty that affects real estate market conditions, continued acceptance of its products in the marketplace, as well as no material changes in its operating cost structure and the current tax regime. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The Company does not undertake to update any forward-looking statements that are contained herein, except in

accordance with applicable securities laws.

DOCUMENTS INCORPORATED BY REFERENCE

As of the date hereof, the following documents, filed with the various securities commissions or similar authorities in each of the provinces and territories of Canada, are specifically incorporated by reference into and form an integral part of this Prospectus:

1. the Company's annual information form ("AIF") dated February 16, 2017 for the year ended December 31, 2016;
2. the Company's consolidated statements of financial position as at December 31, 2016 and 2015 and the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the years in the two-year period ended October 31, 2016, together with the auditors' report thereon;
3. the Company's management's discussion and analysis ("MD&A") for the year ended December 31, 2016;
4. the Company's management information circular dated April 12, 2017 in connection with the May 17, 2017 annual meeting of shareholders;
5. the Company's unaudited condensed consolidated interim financial statements for the three and nine months ended September 30, 2017;
6. MD&A for the interim financial statements of the Company for the three and nine months ended September 30, 2017; and
7. the material change report dated May 11, 2017 relating to the entering into of a commitment letter by Equitable Bank and a syndicate of banks pursuant to which such banks committed to provide a backstop funding facility of up to \$2 billion to Equitable Bank, secured by residential mortgages.

Any material change reports (excluding confidential material change reports), annual information forms, annual financial statements and the auditors' report thereon and related MD&A, interim financial statements and related MD&A, information circulars, business acquisition reports, any news release issued by the Company that specifically states it is to be incorporated by reference in this Prospectus and any other documents as may be required to be incorporated by reference herein under applicable Canadian securities laws which are filed by the Company with a securities commission or any similar authority in Canada after the date of this Prospectus, during the 25-month period this Prospectus remains valid, shall be deemed to be incorporated by reference into this Prospectus.

Upon a new interim financial report and related MD&A of the Company being filed with the applicable securities regulatory authorities during the currency of this Prospectus, the previous interim financial report and related MD&A of the Company most recently filed shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder. Upon new annual financial statements and related MD&A of the Company being filed with the applicable securities regulatory authorities during the currency of this Prospectus, the previous annual financial statements and related MD&A and the previous interim financial report and related MD&A of the Company most recently filed shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder. Upon a new AIF of the Company being filed with the applicable securities regulatory authorities during the currency of this Prospectus, notwithstanding anything herein to the contrary, the following documents shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder: (i) the previous AIF; (ii) material change reports filed by the Company prior to the end of the financial year in respect of which the new AIF is filed; (iii) business acquisition reports filed by the Company for acquisitions completed prior to the beginning of the financial year in respect of which the new AIF is filed; and (iv) any information circular of the Company filed prior to the beginning of the Company's financial year in respect of which the new AIF is filed. Upon a new management information circular prepared in connection with an annual general meeting of the Company being filed with the applicable securities regulatory authorities during the currency of this Prospectus, the previous management information circular prepared in connection with an annual general meeting of the Company shall be deemed no longer to be incorporated by reference into this Prospectus for purposes of future offers and sales of Securities hereunder.

A Prospectus Supplement to this Prospectus containing the specific variable terms in respect of an offering of the Securities will be delivered to purchasers of such Securities together with this Prospectus, unless an exemption from the prospectus delivery requirements has been granted or is otherwise available, and will be deemed to be incorporated by reference into this Prospectus as of the date of such Prospectus Supplement only for the purposes of the offering of the Securities covered by such Prospectus Supplement.

Notwithstanding anything herein to the contrary, any statement contained in this Prospectus or in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded, for purposes of this Prospectus, to the extent that a statement contained herein or in any other subsequently filed document incorporated or deemed to be incorporated by reference herein modifies or supersedes such prior 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 thereafter neither constitute, nor be deemed to constitute, a part of this Prospectus, except as so modified or superseded.

WHERE YOU CAN FIND MORE INFORMATION

The Company may, from time to time, sell any combination of the Securities described in this Prospectus in one or more offerings up to an aggregate principal amount of \$500 million (or the equivalent thereof, at the date of issue, in any other currency or currencies, as the case may be) or, if any Debt Securities are issued at an original issue discount, such greater amount as shall result in an aggregate issue price of \$500 million (or the equivalent thereof, at the date of issue in other currency or currencies, as the case may be). Each time the Company sells Securities, it will provide a Prospectus Supplement that will contain specific information about the terms of that offering. The Prospectus Supplement may also add, update or change information contained in this Prospectus.

The Company files annual and quarterly financial information and material change reports and other material with the securities regulatory authorities in each of the provinces of Canada. Prospective investors may read and download any public document that the Company has filed with the securities commissions or similar authorities in each of the provinces of Canada on SEDAR at www.sedar.com.

EQUITABLE GROUP INC.

The Company was formed on January 1, 2004 to serve as the holding company of The Equitable Trust Company (“**Equitable Trust**”), pursuant to a Certificate of Amalgamation issued under the *Business Corporations Act* (Ontario). At that time, Equitable Trust was a federally regulated financial institution incorporated in 1970 by Letters Patent issued under the predecessor statute of the *Trust and Loan Companies Act* (Canada). Equitable Trust was continued as Equitable Bank by Letters Patent issued under the *Bank Act* (Canada) on June 26, 2013.

The Company’s registered and head office is located at 30 St. Clair Avenue West, Suite 700, Toronto, Ontario M4V 3A1.

Business Overview

The Company is a growing Canadian financial services business that operates through its wholly-owned subsidiary, Equitable Bank. It does not hold any material assets outside of its investments in Equitable Bank.

Equitable Bank is a Schedule I bank regulated by the Office of the Superintendent of Financial Institutions Canada (“**OSFI**”) with total assets under management of approximately \$24.5 billion. Measured by assets, Equitable Bank is the ninth largest independent Schedule I Bank in Canada. Equitable Bank operates with a branchless banking model and serves retail and commercial customers across Canada with a range of savings solutions and mortgage lending products. Equitable Bank employs nearly 600 dedicated full-time employees across the country, and is a 2017 and 2018 recipient of Canada’s Best Employer Platinum Award, the highest bestowed by Aon.

Currently, Equitable Bank provides mortgage loans to a wide range of customers that include business-for-self individuals, newcomers to Canada, small and large commercial entities, and real estate investors. Its mortgage products

consist of first and insured mortgages with terms of up to ten years. Equitable Bank's mortgage portfolio is well diversified across geographies, property types, and borrowers. Equitable Bank reaches its borrowers through its extensive partnerships with Canada's mortgage brokers and other business partners who provide independent professional advice to Equitable Bank's customers. Equitable Bank is also a participant in Canada Mortgage and Housing Corporation's National Housing Act Mortgage-backed Securities and Canada Mortgage Bond programs, which allows it to securitize insured mortgages cost-effectively.

As a federally regulated deposit-taking institution, and member of the Canada Deposit Insurance Corporation, Equitable Bank offers secure deposit products to savers in all Canadian jurisdictions. Equitable Bank provides savers with Guaranteed Investment Certificates and High Interest Savings Accounts that provide security and competitive interest rates. These deposits fund the Company's unsecuritized mortgage lending and liquid asset portfolios, and over the long term have served as a reliable source of funding and asset-liability matching. Deposits are sourced primarily through a national distribution network of independent deposit agents, investment dealers, and financial planners. These agents are members of the Investment Industry Regulatory Organization of Canada, the Mutual Fund Dealer's Association, or the Registered Deposit Brokers Association.

Equitable Bank also offers select deposit products directly to Canadian savers through its digital banking platform, EQ Bank. EQ Bank provides state-of-the-art digital banking services to more than 43,000 Canadians. The Company intends to expand the range of savings products and services offered through EQ Bank in future years, while continuing to grow its strong commitment to its broker partners.

CAPITALIZATION OF THE COMPANY

In keeping with its capital plan, on October 23, 2017 the Company redeemed \$65 million outstanding Series 10 Debentures with the approval of the OSFI (the "**Redemption**").

Other than the Redemption, there have been no material changes in the Company's share capitalization since September 30, 2017.

DESCRIPTION OF SHARE CAPITAL

The authorized share capital of the Company consists of an unlimited number of Common Shares and an unlimited number of preferred shares, issuable in series. As at December 22, 2017, 16,502,437 Common Shares and 3,000,000 Series 3 Preferred Shares were issued and outstanding.

DESCRIPTION OF COMMON SHARES

Holders of Common Shares are entitled to (i) vote at all meetings of the shareholders of the Company, except for meetings where only holders of a specified class or series of shares are entitled to vote; (ii) receive dividends as and when declared by the board of directors of the Company (the "**Board**"), subject to the preference of the Company's holders of preferred shares; and (iii) receive the remaining property of the Company if it is liquidated, dissolved, or wound up, only after paying the Company's holders of preferred shares and paying all outstanding debt.

DESCRIPTION OF PREFERRED SHARES

The Preferred Shares carry no votes in respect of matters to be voted upon at the meeting except where otherwise required by law. The particular terms and provisions of a series of Preferred Shares offered pursuant to this Prospectus will be set forth in the applicable Prospectus Supplement.

The specific terms of a series of Preferred Shares as described in a Prospectus Supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If there are differences between the Prospectus Supplement and this Prospectus, the Prospectus Supplement will prevail. As a result, the statements the Company makes in this section may not apply to a given series of Preferred Shares.

Under the Company's articles of amalgamation, the Board is authorized, subject to Canadian law, without shareholder approval, from time to time to issue an unlimited number of Preferred Shares in one or more series. The Board can fix the rights, privileges, restrictions and conditions of the shares of each series. Preferred Shares are entitled to priority over Common Shares

as to dividends and distributions of assets upon the Company's liquidation, dissolution or winding-up. Preferred Shares may be convertible into shares of any other series or class of shares if the Board so determines. The Board will fix the terms of the series of Preferred Shares it designates by resolution and will file articles of amendment as required under Canadian law before it issues any shares of a series of Preferred Shares.

The Prospectus Supplement relating to the particular series of Preferred Shares will contain a description of the specific terms of that series as fixed by the Board, including, as applicable:

- the offering price at which the Company will issue the Preferred Shares;
- the title and designation of number of shares of the series of Preferred Shares;
- the dividend rate or method of calculation, the payment dates for dividends and the place or places where the dividends will be paid, whether dividends will be cumulative or noncumulative, and, if cumulative, the dates from which dividends will begin to accumulate;
- any conversion or exchange rights;
- whether the Preferred Shares will be subject to redemption and the redemption price and other terms and conditions relative to the redemption rights;
- any liquidation rights;
- any sinking fund provisions;
- any voting rights; and
- any other rights, preferences, privileges, limitations and restrictions that are not inconsistent with the terms of the Company's articles of amalgamation.

Preferred Shares may be offered separately or together with Common Shares, Debt Securities, Subscription Receipts, Warrants or Share Purchase Contracts (see "Description of Units").

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 by a 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. If there are differences between the Prospectus Supplement and this Prospectus, the Prospectus Supplement will prevail. As a result, the statements the Company makes in this section may not apply to all Debt Securities.

The Debt Securities will be direct unsecured obligations of the Company and will be senior or subordinated indebtedness of the Company, as described in the relevant Prospectus Supplement.

The Debt Securities will be issued under one or more indentures between the Company 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 under applicable provincial legislation (each a "**Debenture Trustee**"), as supplemented and amended from time to time (each a "**Trust Indenture**").

Each applicable Prospectus Supplement will set forth the terms and other information with respect to the Debt Securities being offered thereby, including: (i) the designation, aggregate principal amount and authorized denominations 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 such interest will be payable and the record dates for such payments;

(vii) the Debenture Trustee under the Trust Indenture pursuant to which the Debt Securities are to be issued; (viii) any redemption term or terms under which such Debt Securities may be defeased; (ix) 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; (x) any exchange or conversion terms; (xi) whether such Debt Securities will be subordinated to other liabilities of the Company; and (xii) any other specific terms.

Debt Securities may be offered separately or together with Common Shares, Preferred Shares, Subscription Receipts, Warrants or Share Purchase Contracts (see “Description of Units”).

For a list of our debt securities credit ratings, refer to the “*Description of the Business – Three Year History – Credit Ratings*” section of the AIF.

DESCRIPTION OF SUBSCRIPTION RECEIPTS

The Subscription Receipts will be issued under a subscription receipt agreement. The following sets forth certain general terms and provisions of the Subscription Receipts. The particular terms and provisions of Subscription Receipts offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Subscription Receipts. This description will include, where applicable: (i) the number of Subscription Receipts; (ii) the price at which the Subscription Receipts will be offered; (iii) the terms, conditions and procedures for the exchange of the Subscription Receipts into or for Common Shares and/or other securities of the Company; (iv) the number of Common Shares and/or other securities of the Company that may be issued or delivered upon exchange of each Subscription Receipt; and (v) any other material terms and conditions of the Subscription Receipts. Common Shares and/or other securities of the Company issued or delivered upon the exchange of Subscription Receipts will be issued for no additional consideration.

The specific terms of the Subscription Receipts as described in a Prospectus Supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If there are differences between the Prospectus Supplement and this Prospectus, the Prospectus Supplement will prevail. As a result, the statements the Company makes in this section may not apply to the Subscription Receipts as described in a Prospectus Supplement.

Under the subscription receipt agreement, an original purchaser of Subscription Receipts will have a contractual right of rescission following the issuance of Common Shares and/or other securities of the Company issued or delivered to such purchaser upon exchange of Subscription Receipts, entitling the purchaser to receive the amount paid for the Subscription Receipts upon surrender or deemed surrender of the Subscription Receipts, if this Prospectus, the relevant Prospectus Supplement, and any amendment thereto, contains a misrepresentation or is not delivered to such purchaser, provided such remedy for rescission is exercised within 180 days of the date the Subscription Receipts are issued.

Subscription Receipts may be offered separately or together with Common Shares, Preferred Shares, Debt Securities, Warrants or Share Purchase Contracts (see “Description of Units”).

DESCRIPTION OF WARRANTS

Each series of Warrants will be issued under a separate indenture in each case between the Company and a warrant agent determined by the Company. The statements below relating to any Warrants to be issued are summaries of certain anticipated provisions thereof, are not complete and are subject to, and qualified by, reference to all provisions of the applicable warrant indenture. The particular terms and provisions of Warrants offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Warrants. This description will include, where applicable: (i) the title or designation of the Warrants; (ii) the number of Warrants offered; (iii) the number of Common Shares and/or other securities of the Company purchasable upon exercise of the Warrants and the procedures for exercise; (iv) the exercise price of the Warrants; (v) the dates or periods during which the Warrants are exercisable and when they expire; (vi) the designation and terms of any other securities with which the Warrants will be offered, if any, and the number of Warrants that will be offered with each such security; (vii) the material income tax consequences of owning, holding and disposing of the Warrants; and (viii) any other material terms and conditions of the Warrants including, without limitation, transferability and adjustment terms and whether the Warrants will be listed on a stock exchange. Prior to the exercise of their Warrants, holders of Warrants will not have any of the rights of holders of the underlying securities issuable upon exercise of the Warrants.

The specific terms of a series of Warrants as described in a Prospectus Supplement will supplement and, if applicable, may modify or replace the general terms described in this section. If there are differences between the Prospectus Supplement and this Prospectus, the Prospectus Supplement will prevail. As a result, the statements the Company makes in this section may not apply to a given series of Warrants.

The Company will not offer Warrants for sale 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 offered separately is first approved for filing by or on behalf of the securities commissions or similar regulatory authorities in each of the provinces and territories of Canada where the Warrants will be offered for sale.

Warrants may be offered separately or together with Common Shares, Preferred Shares, Debt Securities, Subscription Receipts or Share Purchase Contracts (see “Description of Units”).

DESCRIPTION OF SHARE PURCHASE CONTRACTS

The Company may issue Share Purchase Contracts, representing contracts obligating holders to purchase from or sell to the Company, and obligating the Company to purchase from or sell to the holders, a specified number of Common Shares or Preferred Shares, as applicable, at a future date or dates, and including by way of installment. The Company will deliver an undertaking to the securities regulatory authority in each of the provinces of Canada that it 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 separately is first approved for filing by 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 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. The Company may issue Share Purchase Contracts in accordance with applicable laws and in such amounts and in as many distinct series as the Company may determine.

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, including:

- whether the Share Purchase Contracts obligate the holder to purchase or sell, or both purchase and sell, Common Shares or Preferred Shares, as applicable, and the nature and amount of each of those Securities, or the method of determining those amounts;
- whether the Share Purchase Contracts are to be prepaid or not or paid in installment;
- any conditions upon which the purchase or sale will be contingent and the consequences if such conditions are not satisfied;
- 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 Preferred Shares;
- any acceleration, cancellation, termination or other provisions relating to the settlement of the Share Purchase Contracts;
- the date or dates on which the sale or purchase must be made, if any;
- whether such Share Purchase Contracts will be listed on any securities exchange;
- whether the Share Purchase Contracts will be issued in fully registered or global form;
- any rights, privileges, restrictions and conditions attaching to the Share Purchase Contracts; and
- any other specific terms.

The preceding description and any description of Share Purchase Contracts in the applicable Prospectus Supplement does not purport to be complete and is subject to and is qualified in its entirety by reference to the Share Purchase Contract agreement and, if applicable, collateral arrangements and depository arrangements relating to such Share Purchase Contracts.

Share purchase contract certificates will be exchangeable for new share purchase contract certificates of different denominations at the office indicated in the Prospectus Supplement. In the case of Share Purchase Contracts which obligate the holders to purchase Securities from the Company, 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. Share Purchase Contracts may be offered separately or together with Common Shares, Preferred Shares, Debt Securities, Subscription Receipts or Warrants (see “Description of Units”).

DESCRIPTION OF UNITS

Units are a security comprised of more than one of the other Securities described in this Prospectus offered together as a “Unit”. A Unit is typically issued so the holder thereof is also the holder of each Security included in the Unit. As a result, the holder of a Unit will have the rights and obligations of a holder of each Security comprising the Unit. The agreement, if any, under which a Unit is issued may provide that the Securities comprising the Unit may not be held or transferred separately at any time or at any time before a specified date.

The particular terms and provisions of Units offered by any Prospectus Supplement, and the extent to which the general terms and provisions described below may apply to them, will be described in the Prospectus Supplement filed in respect of such Units. This description will include, where applicable: (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 registered or global form; and (iv) any other material terms and conditions of the Units.

PLAN OF DISTRIBUTION

The Company may sell the Securities to or through underwriters or dealers purchasing as principals and may also sell the Securities to one or more purchasers directly, through applicable statutory exemptions, or through agents designated from time to time. The Securities may be sold from time to time in one or more transactions at fixed prices or not at fixed prices, such as market prices prevailing at the time of sale, prices related to such prevailing market prices or 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 relating to a particular offering of Securities will identify each underwriter, dealer or agent engaged in connection with the offering and sale of the Securities, as well as the method of distribution and the terms of the offering of such Securities, including the initial offering price (in the event the offering is a fixed price distribution), the manner of determining the offering price(s) (in the event the offering is not a fixed price distribution), the net proceeds to the Company and, to the extent applicable, any fees, discounts or any other compensation payable to underwriters, dealers or agents and any other material terms. Only underwriters so named in the Prospectus Supplement are deemed to be underwriters in connection with the Securities offered thereby.

If underwriters purchase Securities from the Company as principal, 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, at market prices prevailing at the time of sale or at prices related to such prevailing market prices. The obligations of the underwriters to purchase such Securities as principal will be subject to certain conditions precedent, and the underwriters will be obligated to purchase all the Securities 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 underwriters, dealers or agents may be changed from time to time. In particular, in connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), after the underwriters have made a reasonable effort to sell all of the Securities at the initial public offering price disclosed in a Prospectus Supplement, the public offering price may be decreased, and further changed from time to time, by the underwriters to an amount not greater than the initial public offering price disclosed in the Prospectus Supplement and, in such case, the compensation realized by the underwriters will be decreased by the amount that the aggregate price paid by

purchasers for the Securities is less than the gross proceeds paid by the underwriters to the Company.

The Securities may also be sold directly by the Company, pursuant to applicable statutory exemptions, at such prices and upon such terms as agreed to by the Company and the purchaser or through agents designated by the Company 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 the Company 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.

The Company may agree to pay the underwriters 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 funds of the Company. Underwriters, dealers and agents who participate in the distribution of the Securities may be entitled under agreements to be entered into with the Company to indemnification by the Company 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.

Any offering of Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will be a new issue of securities with no established trading market. Unless otherwise specified in the applicable Prospectus Supplement, the Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units will not be listed on any securities exchange. Certain dealers may make a market in these Securities, but will not be obligated to do so and may discontinue any market making at any time without notice. No assurance can be given that any dealer will make a market in these Securities or as to the liquidity of the trading market, if any, for these Securities.

In connection with any offering of the Securities (unless otherwise specified in a Prospectus Supplement), the underwriters 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. Such transactions, if commenced, may be interrupted or discontinued at any time.

The Securities will not be registered under the United States Securities Act of 1933, as amended (the “1933 Act”) or the securities laws of any states in the United States and, subject to certain exceptions, may not be offered or sold or otherwise transferred or disposed of in the United States or to or for the account of U.S. persons absent registration or pursuant to an applicable exemption from the 1933 Act and applicable state securities laws. In addition, until 40 days after closing of an offering of Securities, an offer or sale of the Securities within the United States by any dealer (whether or not participating in such offering) may violate the registration requirement of the 1933 Act if such offer or sale is made other than in accordance with Rule 144A or another exemption under the 1933 Act.

PRIOR SALES

Prior sales of the Securities, as applicable, will be described in the Prospectus Supplement relating to the specific issuance of Securities.

TRADING PRICE AND VOLUME OF SECURITIES

Trading prices and volume of the Securities, as applicable, will be described in the Prospectus Supplement relating to the specific issuance of Securities.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The applicable Prospectus Supplement may describe certain Canadian federal income tax considerations generally applicable to investors described therein of purchasing, holding and disposing of the applicable Securities, including, in the case of an investor who is not a resident of Canada, Canadian non-resident withholding tax consideration.

RISK FACTORS

Investment in the Securities is subject to various risks including those risks inherent in conducting the business of a financial services business. Before deciding whether to invest in any Securities, investors should consider carefully the risks set out herein and incorporated by reference in this Prospectus (including subsequently filed documents incorporated by reference)

and those described in a Prospectus Supplement relating to a specific offering of Securities. Prospective investors should consider the categories of risks identified and discussed in the then-current AIF as well as the then-current annual MD&A and interim MD&A incorporated herein by reference including but not limited to credit risk (including credit concentration risk), liquidity and funding risk, market risk, operational risk, legal and regulatory risk, business and strategic risk, reputational risk, and other factors that may affect the Company's or Equitable Bank's results.

No Market for the Securities

There is currently no trading market for any Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Share Purchase Contracts or Units that may be offered. No assurance can be given that an active or liquid trading market for these securities will develop or be sustained. If an active or liquid market for these securities fails to develop or be sustained, the prices at which these securities trade may be adversely affected. Whether or not these securities will trade at lower prices depends on many factors, including liquidity of these securities, prevailing interest rates and the markets for similar securities, the market price of the Common Shares, general economic conditions and the Company's financial condition, historic financial performance and future prospects.

USE OF PROCEEDS

Unless otherwise specified in a Prospectus Supplement, the net proceeds to the Company from the sale of each series of Securities will be added to the general funds of the Company and utilized for general corporate purposes. Each Prospectus Supplement will contain specific information, if any, concerning the use of proceeds from that sale of Securities.

INTERESTS OF EXPERTS

KPMG LLP, Chartered Professional Accountants, Toronto, Ontario, is the external auditor who prepared the Independent Auditors' Report to Shareholders with respect to the consolidated statements of financial position of the Company as at December 31, 2016 and 2015 and the consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for each of the years then ended. KPMG LLP has confirmed with respect to the Company that it is independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations.

LEGAL MATTERS

Unless otherwise specified in the Prospectus Supplement relating to an offering of Securities, certain legal matters relating to the offering of Securities will be passed upon on behalf of the Company by Norton Rose Fulbright Canada LLP with respect to matters of Canadian law. As at the date hereof, partners and associates of Norton Rose Fulbright Canada LLP, beneficially owned, directly or indirectly, less than 1% of any issued and outstanding securities of the Company or any associates or affiliates of the Company. In addition, certain legal matters in connection with any offering of Securities will be passed upon for any underwriters, dealers or agents by counsel to be designated at the time of the offering by such underwriters, dealers or agents with respect to matters of Canadian and, if applicable, United States or other foreign law.

PURCHASERS' STATUTORY RIGHTS

Unless provided otherwise in a Prospectus Supplement, the following is a description of a purchaser's statutory rights. Securities legislation in certain of the provinces and territories 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 and territories, 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, revision of the price or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for the particulars of these rights or consult with a legal advisor.

In addition, original purchasers of Securities which are convertible, exchangeable or exercisable for other securities of the Company will have a contractual right of rescission against the Company in respect of the conversion, exchange or exercise of such Securities. The contractual right of rescission will entitle such original purchasers to receive, upon surrender of the underlying securities, the amount paid for the applicable convertible, exchangeable or exercisable Securities in the

event that this Prospectus, the relevant Prospectus Supplement or an amendment thereto contains a misrepresentation, provided that: (i) the conversion, exchange or exercise takes place within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement; and (ii) the right of rescission is exercised within 180 days of the date of the purchase of such Securities under this Prospectus and the applicable Prospectus Supplement. This contractual right of rescission will be consistent with the statutory right of rescission described under Section 130 of the *Securities Act* (Ontario), and is in addition to any other right or remedy available to original purchasers under Section 130 of the *Securities Act* (Ontario) or otherwise at law.

Original purchasers are further advised that in certain provinces and territories the statutory right of action for damages in connection with a prospectus misrepresentation is limited to the amount paid for the convertible, exchangeable or exercisable securities that were purchased under a prospectus and, therefore, a further payment at the time of conversion, exchange or exercise may not be recoverable in a statutory action for damages. The purchaser should refer to any applicable provisions of the securities legislation of the province or territory in which the purchaser resides for the particulars of these rights, or consult with a legal adviser.

CERTIFICATE OF THE COMPANY

Dated: December 27, 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 short form base shelf 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 short form base shelf prospectus and the supplement(s) as required by the securities legislation of each of the provinces and territories of Canada.

EQUITABLE GROUP INC.

(Signed) "*Andrew Moor*"
Chief Executive Officer

(Signed) "*Tim Wilson*"
Chief Financial Officer

On behalf of the Board of Directors

(Signed) "*Vincenza Sera*"
Director

(Signed) "*Kishore Kapoor*"
Director



**EQUITABLE
GROUP INC.**