THIS AMENDING AGREEMENT MADE AS OF THE 13th DAY OF JANUARY, 1995.

B E T W E E N:

GE CAPITAL MORTGAGE INSURANCE COMPANY (CANADA), a body corporate incorporated under the laws of Canada

(hereinafter called "GE Insurance")

OF THE FIRST PART

- and -

HER MAJESTY IN RIGHT OF CANADA as represented by the Minister of Finance

(hereinafter called "Canada")

OF THE SECOND PART

WHEREAS by an agreement made as of the 1st day of January, 1991 (the "Guarantee Agreement") between Canada and The Mortgage Insurance Company of Canada ("MICC"), Canada provided a guarantee relating to certain losses by mortgage lenders insured by MICC, which guarantee was authorized by Vote 12b of *Appropriation Act No. 3, 1990-91*;

AND WHEREAS Vote 12b was repealed and replaced by Vote 26c under *Appropriation Act No. 3, 1994-95;*

AND WHEREAS the *Assignment of Crown Debt Regulations* made pursuant to the *Financial Administration Act* have been amended to add, as a class of Crown debts within the meaning of paragraphs 68(1)(b) of the *Financial Administration Act*, moneys payable pursuant to an agreement between the Minister of Finance and a company carrying on the business of mortgage insurance whereby Her Majesty guarantees claims of holders of mortgages insured by the company and any other chose in action in respect of which there is a right of recovery enforceable by action against the Crown arising out of such an agreement;

AND WHEREAS by an assignment made as of the 13th day of January, 1995 (the "Assignment") by MICC to GE Insurance, MICC assigned all of its right, title and interest in and to the Guarantee Agreement including, without limitation, any moneys payable pursuant to the Guarantee Agreement, any other chose in action in respect of which there is a right of recovery enforceable by action against the Crown arising out of such Guarantee Agreement and all of its right, title and interest in the Guarantee Fund established pursuant to the Guarantee Agreement, and Canada has consented to the Assignment in writing by a consent (the "Consent") dated as of the 13th day of January, 1995;

AND WHEREAS notwithstanding the Assignment and Consent, Canada's obligations to the date of the Assignment to MICC and to the mortgage lenders insured by MICC whose losses are guaranteed by Canada pursuant to the Guarantee Agreement remain in full force and effect;

AND WHEREAS the Guarantee Agreement provides in section 8 thereof for its periodic review and possible amendment or modification, in subsection 9(1) thereof for negotiations in good faith in the event of unforeseen contingencies, and in section 11 thereof further provides for its amendment;

AND WHEREAS Canada and GE Insurance wish to clarify and amend certain provisions of the Guarantee Agreement;

AND WHEREAS as a result of the Assignment references in the Guarantee Agreement to the "Company" should, on and after the date of the Assignment and the Consent, be deemed to be references to GE Insurance;

NOW, THEREFORE, Canada and GE Insurance agree that the Guarantee Agreement is hereby clarified and amended as follows:

1. On and after January 13, 1995 all references in the Guarantee Agreement to "Company" shall be deemed to be references to GE Insurance.

2. Notwithstanding section 1 hereof, in the event that Canada, pursuant to the Guarantee Agreement, becomes bound to make any payment to any mortgage lender with respect to eligible mortgages insured by MICC prior to the 13th day of January, 1995, for the purposes thereof references in the Guarantee Agreement to "Company" shall be deemed to be references to MICC.

3. Section 1 of the Guarantee Agreement is amended by adding immediately after the definition of "liquidator" a new definition as follows:

   ""MICC" means The Mortgage Insurance Company of Canada, a party to this Agreement prior to its assignment by MICC to the Company."

4. Section 5 of the Guarantee Agreement is amended by adding thereto, immediately following subsection 5(6), new subsections 5(7) and 5(8) as follows:

   "5(7) The Company acknowledges and agrees that in the event that Canada becomes bound to make payments pursuant to section 2 of this Agreement upon MICC becoming insolvent in the manner described in subsection 2(1) of this Agreement, all funds in the Guarantee Fund, including, without limitation, any and all contributions, with interest thereon, made by the Company pursuant to section 4 of this Agreement from the date of the Assignment to the date of such insolvency, shall be available to Canada as a source of funds pursuant to subsection 5(3).

5(8) Canada acknowledges and agrees that in the event of Canada becoming bound to make payments upon MICC becoming insolvent as referred to in subsection 5(7) above, the Company shall not be liable for, and Canada will not demand from the Company, any payment or contribution other than the contributions, with interest thereon, made by the Company to the Guarantee Fund as of the date on which MICC became insolvent.

5. Section 9 of the Guarantee Agreement is amended by deleting the words "Central Capital Corporation" in the first line of paragraph 9(5)(a) and replacing them with "GE Capital Mortgage Corporation".

6. Section 10 of the Guarantee Agreement is amended by adding thereto, immediately following subsection 10(1), new subsection 10(1.1) as follows:

"10(1.1) For greater certainty, Canada hereby confirms that on and after January 13, 1995, any failure or loss suffered by MICC as described in paragraphs (a), (b), (c)and (d) of the definition of "event of default" contained in section 1 of this Agreement shall not constitute an event of default by the Company."

7. For greater certainty, GE Insurance hereby covenants and agrees to and with Canada that it will assume, pay and discharge all moneys due and to become due under the Guarantee Agreement including, without limitation, the Guarantee Fund Payments

pursuant to section 4 of the Guarantee Agreement and payment of the risk premium pursuant to section 3 of the Guarantee Agreement.

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement as of the day and year first hereinabove written.

GE CAPITAL MORTGAGE INSURANCE COMPANY (CANADA)
Per: Brian Leo Hurley
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HER MAJESTY IN RIGHT OF CANADA
Per:
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