ECN BUSINESS OVERVIEW
Strategic Plan Execution

CONSISTENT AND ON MESSAGE

Transition continues from legacy businesses to businesses with higher growth, increased profitability, and those requiring less capital within core expertise

✓ Sold US C&V business to PNC Bank
✓ Sold commercial aviation business and retained equity upside
✓ Sold non-core rail assets
✓ Strategic process of harvesting “legacy businesses” ongoing
✓ Service Finance acquisition – stellar credit, high returns, significant growth and less capital
✓ Disciplined acquisition process continues
✓ US focus in both organic and M&A growth strategy
✓ Optimizing capital base – NCIB in place
ECN Capital at a Glance

OVERVIEW OF THE COMPANY BY BUSINESS LINE

SYNDICATED/MANAGED ASSETS

VENDOR FINANCE - SYNDICATED/MANAGED

- SFC: Provides primarily small balance, prime & super-prime installment contracts to finance home improvement projects in the U.S.
- Originations primarily sourced through national vendor programs with top manufacturers and dealers
- Installment contracts sold to FDIC insured institutions
- High growth & profitability, with excellent credit and scalability

VENDOR FINANCE - BALANCE SHEET

- Cdn C&V business continues to perform well
- Strategic options continue to be explored
- Long-term option to hold a portion of new vendor originations on ECN Capital’s balance sheet

RAIL FINANCE

- Rightsized railcar business through recent non-core asset sales
- Rail business continues to provide a strong asset base and tax deferral to support new business initiatives; however, will be a smaller component of the company’s strategy going forward

AVIATION FINANCE

- Aviation business run-off execution remains on track

Ongoing business transition towards an asset-light model
Investment Grade Commitment

- Ratings of BBB (low) from DBRS and BBB from Kroll; rating agencies updated throughout transition
- Investment Grade Ratings a key competitive advantage and differentiator with vendor partners; driving additional programs
- Diversified funding structures with multiple sources of financing; broad access to matched & committed capital
- US$2.5B secured revolving credit facility with over US$2.1B undrawn
- Maintain acceptable levels of on-balance sheet assets as ECN builds asset management funding channel
## Focused Vendor Strategy

### DOMINANT VENDOR FINANCE BUSINESSES – 30+ YEARS EXPERIENCE

<table>
<thead>
<tr>
<th>HISTORIC CONTINUITY</th>
<th>CORE VENDOR PILLARS</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Consistent focus on vendor finance over three decades</td>
<td>• Focus on developing exclusive manufacturer relationships in attractive end market verticals that bring proven dealer networks to drive volume at low cost</td>
</tr>
<tr>
<td>• Superior credit management and focus on high quality, relationship driven assets</td>
<td>• Maintain deep knowledge of chosen asset categories in order to invest capital appropriately; High quality assets promote low credit risk</td>
</tr>
<tr>
<td>• Conservative funding model: matched &amp; committed liquidity with broad access to debt &amp; equity capital</td>
<td>• Build national platforms in both the U.S. and Canada with broad capabilities and scale</td>
</tr>
<tr>
<td>• Complimentary to traditional banks: partnering, not competing, with banks</td>
<td>• Utilize I/T driven processes to drive consistency and efficiency</td>
</tr>
<tr>
<td>• Adaptive strategy: recognizing and responding to market changes to maximize profitability and scale while maintaining robust risk management</td>
<td></td>
</tr>
</tbody>
</table>

**ECN Capital**
Proven Leader in North American Vendor Finance

A long history as a leader in North American Vendor Finance
Disciplined Acquisition Approach

**DISCIPLINED ACQUIRER – “RIGHT DEAL AT THE RIGHT TIME”**

- Evaluated ~$65 Billion+ in acquisition targets and stayed disciplined to our strategic plan and proven business model
- Focused on the right fit – returns, credit, growth, & scalability
- Due diligence across specialty finance:

<table>
<thead>
<tr>
<th>Commercial Finance</th>
<th>Asset Management</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer Finance</td>
<td>Home Improvement</td>
</tr>
<tr>
<td>Small Business Finance</td>
<td>Structured Finance</td>
</tr>
<tr>
<td>Equipment Finance</td>
<td>Venture Lending</td>
</tr>
</tbody>
</table>

- Expect to have more to announce in the coming quarters
SFC OVERVIEW
Overview of the Business

- Founded in 2004, Service Finance Company ("SFC") provides prime & super-prime installment contracts to finance home improvement projects in the U.S.
- Technology driven originations primarily sourced through national vendor programs with top manufacturers and dealers, closely mirroring ECN Capital’s go to market strategy.
- Management retention addressed with deferred purchase price construct for key executives.

SFC is an Excellent Fit for ECN’s US Vendor Business

1. NICHE SPECIALTY FINANCE
   - Complementary to banks as asset management partner
   - Top-tier national vendor relationships

2. SCALABLE PLATFORM WITH STRONG GROWTH PROFILE
   - Niche business with strong organic and add-on growth prospects
   - Able to build or acquire substantial scale over the mid-term

3. HIGH CREDIT QUALITY
   - Focused on originating prime & super-prime installment loans
   - 100% of originations have been sold with no recourse
   - Estimated annualized net defaults of ~0.8%

4. LONG TERM FUNDING RELATIONSHIPS
   - Financings are originated at a discount to par and sold for a gain to FDIC insured institutions
   - SFC receives an ongoing fee for servicing and portfolio management

Average Installment Contract Characteristics

- FICO of ~760
- Yield of ~10% (vs. 6.5% for U.S. C&V)
- Annualized Net Losses 0.8%
### Business Model

#### Origination
- Exclusive manufacturer/ vendor sales finance programs
- Expanding dealer base
- Continuously adding new partners

#### Underwriting
- Prime & Super-Prime credit with weighted avg FICO of ~760
- Manufacturer/ vendor promotional financing
- Short realized duration ~ 29 months
- Right to file UCC lien
- Credit losses ~0.8% annually to the FDIC insured institutions

#### RIC Purchase & Management
- 14 FDIC insured institutions currently participating
- New relationships in pipeline
- Fee for originating and underwriting
- Ongoing fee for servicing and portfolio management

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**Capital Reinvested**
Technology driven platform provides contractors ease of use, rapid application decisions, and proven to increase sales
Business Flowchart

1. Consumer contacts dealer.
2. Dealer provides an estimate and facilitates credit application process.
3. Service Finance underwrites the credit application.
4. Financial Institution purchases RIC from SFC.
5. SFC services the RIC for the buyer.
7. RIC docs executed.
8. SFC funds Contractor.

MAKING CAPITAL WORK
Illustrative Example

RIC Expected Cash Flow

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Unpaid Balance</td>
<td>$10,000</td>
<td>$9,126</td>
<td>$8,164</td>
<td>$7,106</td>
<td>$5,942</td>
<td>$4,661</td>
<td>$3,253</td>
<td>$1,704</td>
<td>$57,450</td>
</tr>
<tr>
<td>Principal Payment</td>
<td>$874</td>
<td>$962</td>
<td>$1,058</td>
<td>$1,164</td>
<td>$1,280</td>
<td>$1,408</td>
<td>$1,549</td>
<td>$1,704</td>
<td>$7,637</td>
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<tr>
<td>Interest Payment</td>
<td>$1,000</td>
<td>$913</td>
<td>$816</td>
<td>$711</td>
<td>$594</td>
<td>$466</td>
<td>$325</td>
<td>$170</td>
<td>$5,440</td>
</tr>
<tr>
<td>Principal + Interest</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$1,874</td>
<td>$15,032</td>
</tr>
<tr>
<td>Ending Unpaid Balance</td>
<td>$9,126</td>
<td>$8,164</td>
<td>$7,106</td>
<td>$5,942</td>
<td>$4,661</td>
<td>$3,253</td>
<td>$1,704</td>
<td>$0</td>
<td>$57,450</td>
</tr>
</tbody>
</table>

SFC Economics

<table>
<thead>
<tr>
<th>Year</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Financing (RIC)</td>
<td>A</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$10,000</td>
</tr>
<tr>
<td>SFC Purchase Price</td>
<td>B</td>
<td>$9,250</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SFC sells to FDIC Insured Institution</td>
<td>C</td>
<td>$9,600</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SFC Gain on Sale</td>
<td>D = (C-B)</td>
<td>$350</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>$350</td>
</tr>
<tr>
<td>SFC Management Fee</td>
<td>E = (2% Avg UPB)</td>
<td>$191</td>
<td>$173</td>
<td>$153</td>
<td>$130</td>
<td>$106</td>
<td>$79</td>
<td>$50</td>
<td>$17</td>
</tr>
<tr>
<td>Total SFC Income</td>
<td>F = (E + D)</td>
<td>$541</td>
<td>$173</td>
<td>$153</td>
<td>$130</td>
<td>$106</td>
<td>$79</td>
<td>$50</td>
<td>$17</td>
</tr>
</tbody>
</table>

Note: Assumes 8 year financing at 10% interest rate
Credit Quality

• Service Finance focuses on originating prime & super-prime installment loans
  o 100% of originations have been sold with no recourse
• Annualized net defaults are expected to average ~0.8% to the bank purchaser
  o High FICO borrowers; averaging ~760 FICO
  o Register a UCC lien on the home when account goes into arrears

SFC FICO DISTRIBUTION\(^1\)

1. Originations below 660 FICO are sold to non-bank counterparty
FLEXIBILITY TO FUND VIA TWO MODELS – ON BALANCE SHEET OR SYNDICATED/MANAGED ASSETS:

SFC
Vendor Finance

Syndicated/Managed Assets Segment
- Originated installment contracts sold through to FDIC insured institutions without recourse
- Asset light capital structure: limited debt and equity needed to finance business

Balance Sheet Funded Assets Segment
- Future optionality to balance sheet a portion of SFC originations
- Capital structure: Debt & Equity
Service Finance Update

• Acquisition closed on September 7, 2017
• Exceeding expectations across the business
  • Originations exceeding plan
  • Robust dealer growth continues
• Bank network demand continues to be strong
  o Recently added 14th FDIC insured institution to bank group
• Combination of SFC & ECN resulting in more vendor wins
  • New wins in both solar and windows driven by Investment Grade Rating
  • Recent remodeling wins help reduce origination seasonality
Service Finance Update

- Service Finance originations continue to exceed expectations
  - Positive operating leverage – EBITDA grows faster than originations
  - Strong results since last update – More than 7,700 dealers, adding 150+ per month
  - Currently not changing projections but remain on pace to exceed estimates

**ORIGINATIONS**

**ORIGINAL ESTIMATES VS ACTUAL**

- May: Estimated +19.9%, Actual +19.9%
- June: Estimated +11.4%, Actual +11.4%
- July: Estimated +11.6%, Actual +11.6%
- August: Estimated +14.0%, Actual +14.0%

■ Estimated  ■ Actual
Service Finance Update

**ORIGINATIONS (US$ Million's)**

<table>
<thead>
<tr>
<th></th>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>4Q</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>58</td>
<td>91</td>
<td>106</td>
<td>105</td>
<td>360</td>
</tr>
<tr>
<td>2016</td>
<td>99</td>
<td>143</td>
<td>167</td>
<td>138</td>
<td>547</td>
</tr>
<tr>
<td>2017</td>
<td>135</td>
<td>221</td>
<td>185</td>
<td>-</td>
<td>541</td>
</tr>
</tbody>
</table>

**YOY ORIGINATION GROWTH**

<table>
<thead>
<tr>
<th></th>
<th>1Q</th>
<th>2Q</th>
<th>3Q</th>
<th>4Q</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td>2015</td>
<td>104.1%</td>
<td>120.3%</td>
<td>126.5%</td>
<td>116.8%</td>
<td>118.3%</td>
</tr>
<tr>
<td>2016</td>
<td>71.4%</td>
<td>56.9%</td>
<td>57.2%</td>
<td>31.7%</td>
<td>52.0%</td>
</tr>
<tr>
<td>2017</td>
<td>36.5%</td>
<td>54.3%</td>
<td>53.2%</td>
<td>49.1%</td>
<td></td>
</tr>
</tbody>
</table>

**ORIGINATIONS - FUNDED**

1. QTD through July 2017

- 2014
- 2015
- 2016
- 2017
Service Finance Update

- More than 7,700 dealers, adding 150+ per month
- Robust and maturing dealers lead to predictable origination growth
Disaster Recovery Plan Tested

- Hurricane Irma proved to be a successful test of SFC’s comprehensive disaster recovery plan
- Business continued with no operational disruptions
- Houston and Florida natural disasters will result in significant rebuilding demand over time
Mark E. Berch, President, Board Member:
- 20+ years as a principal founder and operator in several home improvement companies
- Previous management positions at San Diego Carpet Care, International Chemical and Supply, and United Restoration, LLC
- Member of the executive advisory board of the National Association of Professionally Accredited Contractors (NAPAC)

Stephen M. Miner, General Counsel, Board Member:
- Manages SFC’s legal affairs including contractual relationships between SFC and its bank counterparties and principal vendors
- Responsible for regulatory compliance and assists the president in the day-to-day operations of the business
- Previous management positions at Teknion, a designer and manufacturer of high-end office furniture, and Rose Miner & Podolsky PA, a law firm where he practiced tax and corporate law for 10+ years

Ian M. Berch, COO, Board Member:
- Previous management positions at United Restoration, LLC, Superior Security Systems, and Satisfaction Carpet Care

Danny Wall, Board Member
- Retired as President of Morgan Stanley Bank, N.A.
- Former Chairman and CEO of Capmark Bank, formerly GMAC Commercial Mortgage Bank
- Former Chairman of the Federal Home Loan Bank Board (FHLBB), Federal Savings and Loan Insurance (FSLIC), and Federal Home Loan Mortgage (Freddie Mac)
- Majority and Minority Staff Director of the US Senate, Committee on Banking and Housing and Urban Affairs

Wallace M. Jensen, Board Member
- Former President of Centennial Bank (Panama City, Florida)
- Previously at G.E. National Financial Bank, where he served as Secretary, Vice President, Chief Lending, Compliance, & CRA Officer
- Formerly at AT&T Universal Bank, where he served as President and CEO, and Citibank, N.A. as unit President and CEO of the Utah banking operations

Eric M. Berch, CFO:
- 20 years as Controller/CFO for several family owned businesses, focused on the home improvement industry