



ECN CAPITAL CORP.

**NOTICE OF
SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 2, 2021**

AND

MANAGEMENT INFORMATION CIRCULAR

October 29, 2021



Invitation to Fellow Shareholders

As you know, on August 10, 2021, ECN Capital Corp. (the “Corporation”) entered into a definitive agreement with Truist Bank, the wholly owned bank subsidiary of Truist Financial Corporation (“Truist”), to sell all of the issued and outstanding equity interests in each of Service Finance Company, LLC and Service Finance Holdings, LLC (together “SFC”), each a wholly-owned, indirect subsidiary of the Corporation, for cash proceeds of US\$2 billion, subject to adjustment (the “Transaction”). Subject to standard licensing and regulatory approvals, and the satisfaction of customary closing conditions, the Transaction is expected to close in December 2021.

In connection with the announcement of the Transaction, the Corporation announced that it intends to distribute the aggregate net proceeds of the Transaction, after estimated taxes and transaction costs, of approximately \$1.82 billion to common shareholders of the Corporation (the “Distribution”), a portion of which will be in the form of a special dividend and the remainder in the form of a return of capital, with such return of capital being subject to approval of the Corporation’s common shareholders.

As a result, we are pleased to invite you to attend a special meeting (the “Meeting”) of common shareholders of the Corporation to be held by way of a live audio webcast at <https://meetnow.global/MP9ZLRU> on December 2, 2021 at 10:00 a.m. (Toronto time) to vote on a special resolution (the “Stated Capital Reduction Resolution”) authorizing and approving a reduction of the stated capital account of the common shares in the capital of the Corporation (“Common Shares”) by an aggregate amount equal to \$1,010,500,000 for the purposes of effecting the return of capital portion of the Distribution (the “Return of Capital”).

The full text of the Stated Capital Reduction Resolution is attached as Schedule “A” to the accompanying management information circular. In order to pass the Stated Capital Reduction Resolution, at least two-thirds of the votes cast by holders of Common Shares must be cast in favour of the Stated Capital Reduction Resolution.

Our board of directors has unanimously determined that the Return of Capital is in the best interests of the Corporation and unanimously recommends that you vote FOR the Stated Capital Reduction Resolution.

If the Stated Capital Reduction Resolution is approved by the holders of Common Shares and the Distribution is declared by the Corporation’s board of directors thereafter, the Corporation will, as soon as reasonably practicable thereafter, issue a news release announcing the amount of the Distribution, including the amount of the Return of Capital portion of the Distribution, as well as the record date for determining the holders of Common Shares entitled to the Distribution and the payment date for the Distribution.

Included with this letter is the formal Notice of Meeting and our management information circular, which includes information with respect to the matter to be voted on at the Meeting and directions on how to vote. We encourage you to review it for complete details of the matters, as well as their impact on you.

Representation of your Common Shares at the Meeting is very important. We urge you, whether or not you plan to attend the Meeting, to vote promptly over the internet, by telephone or by mailing a completed form of proxy or voting instruction form.

Thank you for your continued support.

William Lovatt
Chairman of the Board

Steven Hudson
Chief Executive Officer

October 29, 2021



**Notice of Special Meeting of Shareholders
December 2, 2021**

Notice is hereby given that a special meeting of the holders of common shares (“Common Shares”) of ECN Capital Corp. (the “Corporation”) will be held by way of a live audio webcast at <https://meetnow.global/MP9ZLRU> on December 2, 2021 at 10:00 a.m. (Toronto time) (the “Meeting”) for the following purposes:

1. to consider and, if deemed advisable, approve, with or without variation, a special resolution (the “Stated Capital Reduction Resolution”) in the form set out in Schedule “A” to the accompanying management information circular dated October 29, 2021 (the “Circular”), authorizing and approving a reduction of the stated capital account of the Common Shares by an aggregate amount equal to \$1,010,500,000 pursuant to Section 34(1)(b) of the *Business Corporations Act* (Ontario) for the purposes of distributing such amount to holders of Common Shares by way of a return of capital, all as more particularly described in the Circular; and
2. to transact such other business as may properly come before the Meeting or any adjournment or postponement thereof.

Please refer to the accompanying Circular and Virtual Meeting User Guide for specific details of the foregoing matters and for access details with respect to the Meeting.

In light of the unprecedented and on-going public health impact of the coronavirus disease 2019 (and variants thereof) and to mitigate risks to the health and safety of our communities, shareholders, employees and other stakeholders, the Corporation will be convening and conducting the Meeting in a virtual-only format (as it has done for its most recent annual meeting of shareholders), which will be conducted via live audio webcast online at <https://meetnow.global/MP9ZLRU>. During the audio webcast, shareholders will be able to listen to the Meeting live, and registered shareholders and duly appointed and registered proxyholders will be able to submit questions and vote while the Meeting is being held. We hope that hosting the Meeting virtually helps enable greater participation by shareholders by allowing shareholders that might not otherwise be able to travel to a physical meeting to attend online, while minimizing the health risk that may be associated with large gatherings. Please refer to the accompanying Circular and Virtual Meeting User Guide for access details with respect to the Meeting.

Shareholders are invited to attend the Meeting. The Circular includes important information about the items to be considered at the Meeting and how to exercise your vote. Registered shareholders and duly appointed and registered proxyholders will be able to virtually attend, participate in and vote at the Meeting at <https://meetnow.global/MP9ZLRU>. Non-registered shareholders who receive this notice of special meeting of shareholders and related materials through their broker, investment dealer, bank, trust company, custodian, nominee or other intermediary, should carefully follow the instructions of their intermediary to ensure that their Common Shares are voted at the Meeting in accordance with such shareholders’ instructions. Please refer to the accompanying Circular and Virtual Meeting User Guide for access details with respect to the Meeting.

Non-registered shareholders (being shareholders who hold their Common Shares through an investment dealer, trust company, custodian, nominee or other intermediary) are advised that voting through a proxyholder at the Meeting will include, as a result of the virtual nature of the Meetings, an additional step of registering proxyholders with the transfer agent of the Corporation, Computershare Investor Services Inc., after submitting their form of proxy or voting instruction form, as applicable. Failure to register the proxyholder with the transfer agent will result in the proxyholder not receiving an “Invitation Code” via email to participate in and vote at the Meeting and only being able to attend as a guest. Non-registered shareholders who have not duly appointed themselves as proxyholder will be able to attend the Meeting as guests but will not be able to vote or submit questions at the Meeting.

If you plan to vote at the Meeting, it is important that you are connected to the internet at all times during such Meeting in order to vote when balloting commences. It is your responsibility to ensure internet connectivity for the duration of the Meeting. You should allow ample time to log in to the Meeting online and complete the check-in procedures.

Shareholders are encouraged to express their vote in advance of their Meeting by completing the form of proxy or voting instruction form provided to them.

The Common Shares represented by properly executed proxies given in favour of the persons named in the form of proxy will be voted at the Meeting in accordance with the instructions indicated thereon. If no instructions are given, the shares represented by properly executed proxies given in favour of the persons named in the form of proxy will be voted **FOR** the Stated Capital Reduction Resolution, as further described in the Circular.

If you have any questions regarding the forms, please contact your broker or intermediary or the Corporation’s strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-855-682-4840 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

Your proxy or voting instruction form must be received not later than November 30, 2021 at 10:00 a.m. (Toronto time), or in the case of any adjournment or postponement of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment or postponement.

DATED the 29th day of October, 2021.

By Order of the Board of Directors
Mary Beth Koenig
*Chief Legal Officer, General Counsel and
Corporate Secretary*



ECN CAPITAL CORP.

**Management Information Circular for Special Meeting of Shareholders
December 2, 2021**

INFORMATION CONTAINED IN THIS CIRCULAR

This management information circular (the “Circular”) is furnished in connection with the solicitation, by or on behalf of the management of ECN Capital Corp. (the “Corporation”), of proxies to be used at the Corporation’s special meeting of the holders of common shares of the Corporation (the “Common Shares”) to be held on December 2, 2021 (the “Meeting”) at 10:00 a.m. (Toronto time) or at any adjournment or postponement thereof. The Meeting will be held in virtual-only format, which will be conducted by way of a live audio webcast at <https://meetnow.global/MP9ZLRU>.

All capitalized words and terms used but not otherwise defined in this Circular have the meanings set forth under “*Glossary*”. Capitalized words and terms used in the Schedules attached to this Circular are defined separately therein.

Unless otherwise indicated herein, “\$” refers to Canadian dollars and “US\$” refers to United States dollars.

Information contained in this Circular should not be construed as legal, tax or financial advice and Shareholders are urged to consult their own professional advisors in connection therewith.

**SUMMARY OF SPECIAL MEETING OF
ECN CAPITAL CORP. COMMON SHAREHOLDERS**

This summary contains highlights about this Circular. This summary does not contain all of the information that you should consider in advance of the Meeting, and we encourage you to read the entire Circular carefully before voting. Unless stated otherwise or the context otherwise requires, all references in this proxy statement to “we,” “us,” “our,” or the “Corporation” are to ECN Capital Corp.

Meeting Information

Date and time:	Thursday, December 2, 2021 at 10:00 a.m. (Toronto time)
Place:	Virtual-only format, conducted by way of a live audio webcast at https://meetnow.global/MP9ZLRU .
Record Date:	October 26, 2021
Voting:	Holders of Common Shares as of the close of business on the Record Date may vote. Each Common Share is entitled to one vote on each matter to be voted upon.

Voting Deadline:	In order to be valid and acted upon at the Meeting, forms of proxy or VIFs, as well as votes cast over the internet and by telephone must be received not later than 10:00 a.m. (Toronto time) on November 30, 2021, or in the case of any adjournment or postponement of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment or postponement. If you hold your Common Shares in “street name” (i.e., through a broker or other Intermediary), then you should follow the instructions on the VIF provided by your broker or other Intermediary with respect to the procedures to be followed for voting at the Meeting.
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Business of the Meeting and Board Recommendations

The Meeting will cover the following item of business:

Item of Business	Summary	Board Vote Recommendation
Stated Capital Reduction Resolution	<p>At the Meeting, Shareholders will be asked to consider and, if deemed advisable, approve the Stated Capital Reduction Resolution in the form set out in Schedule “A” to the Circular.</p> <p>Shareholders are urged to review the Circular when considering the Stated Capital Reduction Resolution. In particular, see “<i>Matters to be Acted Upon at Meeting - Stated Capital Reduction Resolution and Return of Capital – General</i>”.</p> <p>The Stated Capital Reduction Resolution must be approved by a special majority of not less than two-thirds of the Common Shares voted at the Meeting by Shareholders present in person or represented by proxy at the Meeting.</p>	FOR.

If any other items of business are properly brought before the Meeting (or any adjourned or postponed meeting), holders of Common Shares will be asked to vote on such business. We are not aware of any other items of business at this time.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS AND INFORMATION

Certain statements in this Circular constitute “forward-looking statements” and “forward-looking information.” When used in this Circular, the words “may”, “would”, “could”, “will”, “intend”, “plan”, “anticipate”, “believe”, “estimate”, “expect”, “occur” and similar expressions, as they relate to the Corporation, or its management, are intended to identify forward-looking statements. Forward-looking statements in this Circular include those related to the Transaction, the expected timing for closing of the Transaction and the receipt of standard licensing and regulatory approvals in connection therewith, the expected impact of the Transaction on the Corporation’s business, expectations regarding the Distribution and Return of Capital and the timing thereof, including the confirmation and declaration by the Board after

approval by the Shareholders and the expected impact on the market price of the Common Shares as a result of the Distribution and expectations related to the Corporation's remaining portfolio operating companies following closing of the Transaction, including, but not limited to, expectations regarding the expansion of product menu offerings and operational improvements, the availability and significance of opportunities and the Corporation's ability to continue to maximize Shareholder value. Such statements reflect our current views with respect to future events and are subject to inherent risks, uncertainties and numerous assumptions, including, without limitation, strategic plans, general economic and industry conditions, reliance on debt financing, dependence on borrowers, dependence on financing its business through funding commitments and the sale of loan portfolios to banks and other financial institutions, inability to recover receivables, competition, interest rates, regulation, demand for financing in the specialty finance sector, insurance, failure of key systems, debt service, future capital needs, the anticipated and potential impact of the novel coronavirus pandemic on the Corporation, the risk factors set out herein under "*Risk Factors*" and such other risks or factors described from time to time in reports of the Corporation.

By their nature, forward looking statements involve numerous assumptions, known and unknown, risks and uncertainties, both general and specific, which contribute to the possibility that predictions, forecasts, projections and other forms of forward-looking information may not be achieved. Many factors could cause our actual results, performance, or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward looking statements and readers are cautioned that the list of factors in the foregoing paragraph is not exhaustive. Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described herein as intended, planned, anticipated, believed, estimated or expected. Accordingly, readers are cautioned not to place undue reliance on forward looking statements or interpret or regard forward-looking statements as guarantees of future outcomes. Except as may be required by applicable Canadian securities laws, we do not intend, and disclaim any obligation to update or rewrite any forward-looking statements, whether oral or written, as a result of new information, future events or otherwise.

GLOSSARY

Unless the context otherwise requires or where otherwise provided, the following words and terms shall have the meanings set forth below when used in this Circular.

"**A&R Credit Agreement**" has the meaning ascribed thereto under "Risk Factors – Failure to Meet Covenants of its Credit Facility".

"**Board**" means the board of directors of the Corporation.

"**Circular**" means this management information circular dated October 29, 2021, together with all schedules and appendices hereto, distributed by the Corporation in connection with the Meeting.

"**Code**" has the meaning ascribed thereto under "*Certain United States Federal Income Tax Considerations*".

"**Common Shares**" means common shares in the capital of the Corporation.

"**Computershare**" means Computershare Investor Services Inc., the Corporation's transfer agent.

"**Corporation**" means ECN Capital Corp.

“**CRA**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations*”.

“**Distribution**” means the proposed one-time distribution to holders of Common Shares of the net proceeds of the Transaction in an amount expected to be approximately \$7.50 per Common Share (estimated based on the number of issued and outstanding Common Shares as of the Record Date), a portion of which will be distributed by way of the Return of Capital and the remainder of which will be distributed in the form of a special dividend.

“**Distribution Record Date**” means the record date for holders of Common Shares entitled to the Distribution, including the Return of Capital portion of the Distribution.

“**Existing Credit Agreement**” means the second amended and restated credit agreement to which the Corporation is a party, dated as of October 16, 2019 (as amended by a first amendment dated December 30, 2019, a second amendment dated February 8, 2020 and a third amendment dated June 21, 2021).

“**Holder**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations*”.

“**HSR Act**” has the meaning ascribed thereto under “*Matters to be Acted Upon at Meeting – Background to the Reduction of Stated Capital*”.

“**Intermediary**” means an intermediary with which a Non-Registered Holder may deal in respect of the Common Shares, such as, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs, RDSPs, TFSAs (each as defined in the Tax Act) and similar plans, and their nominees.

“**IRS**” has the meaning ascribed thereto under “*Certain United States Federal Income Tax Considerations – Passive Foreign Investment Company*”.

“**mark-to-market election**” has the meaning ascribed thereto under “*Certain United States Federal Income Tax Considerations – Passive Foreign Investment Company*”.

“**Meeting**” means the special meeting of Shareholders to be held on December 2, 2021, and any adjournment or postponement thereof.

“**meeting materials**” has the meaning ascribed thereto under “*Proxies – Non-Registered Shareholders – Appointment of Proxy*”.

“**NI 51-102**” means National Instrument 51-102 – *Continuous Disclosure Obligations*.

“**NI 54-101**” means National Instrument 54-101 – *Communication with Beneficial Owners of Securities of a Reporting Issuer*.

“**NOBOs**” has the meaning ascribed thereto under “*Proxies – Non-Registered Shareholders – Appointment of Proxy*”.

“**Non-Registered Holder**” has the meaning ascribed thereto under “*Proxies – Non-Registered Shareholders*”.

“**Non-Resident Holder**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations – Non-Resident Holders*”.

“**Notice of Meeting**” means the formal notice of special meeting of the Shareholders dated October 29, 2021.

“**OBCA**” means the *Business Corporations Act* (Ontario).

“**OBOs**” has the meaning ascribed thereto under “*Proxies – Non-Registered Shareholders – Appointment of Proxy*”.

“**PFIC**” has the meaning ascribed thereto under “*Certain United States Federal Income Tax Considerations – Tax Consequences of the Distribution*”.

“**PUC**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations – Stated Capital Reduction and Return of Capital*”.

“**QEF election**” has the meaning ascribed thereto under “*Certain United States Federal Income Tax Considerations – Passive Foreign Investment Company*”.

“**Record Date**” has the meaning ascribed thereto under “*Voting Shares – Record Date*”.

“**Registered Shareholder**” has the meaning ascribed thereto under “*Proxies – Registered Shareholders*”.

“**Resident Holder**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations – Resident Holders*”.

“**Return of Capital**” means the portion of the proposed Distribution to holders of Common Shares to be distributed by way of a return of capital in an amount expected to be approximately \$4.15 per Common Share (estimated based on the number of issued and outstanding Common Shares as of the Record Date) giving effect to the Stated Capital Reduction.

“**SEDAR**” means the System for Electronic Document Analysis and Retrieval.

“**SFC**” means, collectively, Service Finance Company, LLC and Service Finance Holdings, LLC, each a wholly-owned indirect subsidiary of the Corporation.

“**Shareholders**” means holders of the Corporation’s Common Shares.

“**Stated Capital Reduction**” means the proposed reduction of the stated capital account of the Common Shares by an aggregate amount equal to \$1,010,500,000 for the purposes of effecting the Return of Capital portion of the Distribution.

“**Stated Capital Reduction Resolution**” means the special resolution of holders of Common Shares, the full text of which is set forth in Schedule “A” to this Circular, authorizing and approving the Stated Capital Reduction pursuant to Section 34(1)(b) of the OBCA.

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations made thereunder, as now in effect and as they may be promulgated or amended from time to time.

“**Tax Proposals**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations*”.

“**taxable capital gain**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations – Resident Holders – Return of Capital*”.

“**Transaction**” means the sale by an indirect wholly-owned subsidiary of the Corporation of all of the issued and outstanding equity interests in SFC to Truist for cash proceeds of US\$2 billion (subject to adjustment as set forth in the Transaction Agreement).

“**Transaction Agreement**” means the definitive agreement dated August 10, 2021 between the Corporation and Truist.

“**Treaty**” has the meaning ascribed thereto under “*Certain Canadian Federal Income Tax Considerations – Non-Resident Holders – Special Dividend*”.

“**Truist**” means Truist Bank, the wholly owned bank subsidiary of Truist Financial Corporation.

“**TSX**” means the Toronto Stock Exchange.

“**U.S. Holder**” has the meaning ascribed thereto under “*Certain United States Federal Income Tax Considerations*”.

“**VIF**” means voting instruction form.

PROXIES

Solicitation of Proxies

It is expected that the solicitation of proxies for the Meeting will be primarily by mail, but proxies may also be solicited personally, by advertisement or by telephone, by directors, officers or employees of the Corporation without special compensation, or by the Corporation's transfer agent, Computershare, at nominal cost. The Corporation has also retained Kingsdale Advisors as its strategic shareholder advisor and proxy solicitation agent and will pay, in addition to certain out-of-pocket expenses, fees of approximately \$50,000 for its proxy solicitation services. The cost of solicitation will be borne by the Corporation.

Appointment of Proxyholder

The persons designated by management of the Corporation in the form of proxy are directors or officers of the Corporation. **Each Shareholder has the right to appoint as proxyholder a person or company (who need not be a Shareholder of the Corporation) other than the persons designated by management of the Corporation in the form of proxy to attend and act on the Shareholder's behalf at the Meeting or at any adjournment or postponement thereof.** Such right may be exercised by inserting the name of the person or company in the blank space provided in the form of proxy or by completing another form of proxy.

In the case of *Registered Shareholders*, the completed, dated and signed form of proxy should be sent in the envelope provided or otherwise to the Chief Legal Officer, General Counsel and Corporate Secretary of the Corporation c/o Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, M5J 2Y1, fax number 1-866-249-7775 or to the Chief Legal Officer, General Counsel and Corporate Secretary of the Corporation at the Corporation's registered office, which is located at c/o Blake, Cassels & Graydon LLP, 199 Bay Street, Suite 4000, Toronto, Ontario, M5L 1A9, fax number 1-416-863-2653. In the case of *Non-Registered Holders* who receive these materials through their broker or other Intermediary, the Shareholder should complete and send the form of proxy in accordance with the instructions provided by their broker or other Intermediary. **To be effective, a proxy must be received by Computershare or the Chief Legal Officer, General Counsel and Corporate Secretary of the Corporation not later than November 30, 2021 at 10:00 a.m. (Toronto time) (unless such proxy submission deadline is waived by the Board), or in the case of any adjournment or postponement of the Meeting, not less than 48 hours, Saturdays, Sundays and holidays excepted, prior to the time of the adjournment or postponement. The time limit for deposit of proxies may be waived or extended by the Chair of the Meeting at his or her discretion without notice.**

Registering the proxyholder is an additional step that must be taken once a Shareholder has submitted the form of proxy. Failure to register a duly appointed proxyholder will result in the proxyholder not receiving an invitation code from Computershare to participate in the Meeting. To register a proxyholder after submitting the form of proxy, Shareholders must visit <http://www.computershare.com/ECNCapital> and provide Computershare with their proxyholder's contact information **no later than November 30, 2021 at 10:00 a.m.** so that Computershare may provide the proxyholder with an invitation code via email. **Without an invitation code, proxyholders will not be able to vote at the Meeting.**

Revocation of Proxy

A Shareholder who has given a proxy may revoke it by depositing an instrument in writing signed by the Shareholder or by the Shareholder's attorney, who is authorized in writing, or by transmitting, by telephonic or electronic means, a revocation signed by electronic signature by the Shareholder or by the Shareholder's attorney, who is authorized in writing, to or at the registered office of the Corporation at any time up to and including the last business day preceding the day of the Meeting, or in the case of any adjournment or postponement of the Meeting, the last business day preceding the day of the adjournment or postponement, or with the Chair of the Meeting on the day of, and prior to the start of, the Meeting or any adjournment or postponement thereof. A Shareholder may also revoke a proxy in any other manner permitted by law.

If a Registered Shareholder who has submitted a form of proxy attends the Meeting via webcast and proceeds with voting at the Meeting, any and all previously submitted proxies will be revoked. If you do not wish to revoke all previously submitted proxies, do not vote at the Meeting.

Voting of Proxies

On any ballot that may be called for, the Common Shares represented by a properly executed proxy given in favour of the persons designated by management of the Corporation in the form of proxy will be voted in accordance with the instructions given on the form of proxy, and if the Shareholder specifies a choice with respect to any matter to be acted upon, the Common Shares will be voted accordingly.

The form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the accompanying Notice of Meeting and with respect to other matters which may properly come before the Meeting or any adjournment or postponement thereof. As of the date of this Circular, management of the Corporation is not aware of any such amendment, variation or other matter to come before the Meeting. However, if any amendments or variations to matters identified in the accompanying Notice of Meeting or any other matters which are not now known to management should properly come before the Meeting or any adjournment or postponement thereof, the Common Shares represented by properly executed proxies given in favour of the persons designated by management of the Corporation in the form of proxy will be voted on such matters pursuant to the discretionary authority provided for in the form of proxy.

Registered Shareholders

A registered holder of Common Shares ("**Registered Shareholder**") may vote in any of the ways set out below.

On the Internet: A Registered Shareholder can go to the website at www.investorvote.com and follow the instructions on the screen. The Registered Shareholder's voting instructions are then conveyed electronically over the internet. The Registered Shareholder will need the 15-digit Control Number found on his or her proxy.

By Telephone: A Registered Shareholder can call the number located on such Registered Shareholder's proxy. The Registered Shareholder will need the 15-digit Control Number found on his or her proxy.

By Mail: A Registered Shareholder can complete the proxy as directed and return it in the business reply envelope provided to Computershare Investor Services Inc., 100 University Avenue, 8th Floor, North Tower, Toronto, Ontario, M5J 2Y1.

By Fax: A Registered Shareholder may submit his or her proxy by facsimile by completing, dating and signing the enclosed form of proxy and returning it by facsimile to Computershare at 1-416-263-9524 or toll free (within North America) at 1-866-249-7775.

At the Meeting: If a Registered Shareholder plans to vote during the Meeting, such Registered Shareholder does not need to do anything except attend the Meeting and vote via online ballot, when prompted, as outlined under “*Participation at the Meeting*” below.

Non-Registered Shareholders

Only Registered Shareholders or duly appointed proxyholders are permitted to vote at the Meeting. Most Shareholders of the Corporation are “non-registered” Shareholders because the Common Shares they own are not registered in their names but are instead registered in the name of the brokerage firm, bank or trust company through which they purchased the Common Shares.

A holder of Common Shares is a non-registered (or beneficial) Shareholder (a “**Non-Registered Holder**”) if the Shareholder’s Common Shares are registered either: (a) in the name of an that the Non-Registered Holder deals with in respect of the Common Shares; or (b) in the name of a clearing agency (such as CDS & Co.) of which the Intermediary is a participant.

A Non-Registered Holder may vote in any of the ways set out below.

On the Internet: A Non-Registered Holder can go to the website at www.proxyvote.com and follow the instructions on the screen. The Non-Registered Holder’s voting instructions are then conveyed electronically over the internet. The Non-Registered Holder will need the 16-digit Control Number found on his or her VIF.

By Telephone: A Non-Registered Holder can call the number located on such Non-Registered Holder’s VIF. The Non-Registered Holder will need the 16-digit Control Number found on his or her VIF.

By Mail: A Non-Registered Holder can complete the VIF as directed and return it in the business reply envelope provided by the Non-Registered Holder’s nominee’s cut-off date and time.

The Corporation may utilize the Broadridge QuickVote™ service to assist Non-Registered Holders with voting their Common Shares over the telephone. Alternatively, Kingsdale Advisors may contact such Non-Registered Holders to assist them with voting their Common Shares directly over the phone.

If you have any questions or require assistance, please contact the Corporation’s strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-855-682-4840 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

Appointment of Proxy

Non-Registered Holders who have not objected to their Intermediary disclosing certain ownership information about them to the Corporation are referred to as non-objecting beneficial owners (“**NOBOs**”). Those Non-Registered Holders who have objected to their Intermediary disclosing ownership information about them to the Corporation are referred to as objecting beneficial owners (“**OBOs**”). In accordance with the requirements of NI 54-101, the Corporation has elected to send copies of the proxy-related materials, including a form of proxy or VIF (collectively, the “**meeting materials**”) indirectly through Intermediaries for onward distribution to NOBOs and OBOs. The Corporation will also pay the fees and costs of Intermediaries for their services in delivering the meeting materials to NOBOs and OBOs in accordance with NI 54-101. Intermediaries must forward the meeting materials to each Non-Registered Holder (unless the Non-Registered Holder has waived the right to receive such materials), and often use a service company (such as Broadridge Investor Communication Solutions, Canada), to permit the Non-Registered Holder to direct the voting of the Common Shares held by the Intermediary on behalf of the Non-Registered Holder.

Generally, Non-Registered Holders who have not waived the right to receive meeting materials will either:

- (a) be given a proxy which has already been signed by the Intermediary (typically by a facsimile, stamped signature), which is restricted as to the number of Common Shares beneficially owned by the Non-Registered Holder, but which is otherwise uncompleted. This form of proxy need not be signed by the Non-Registered Holder. In this case, the Non-Registered Holder who wishes to submit a proxy should otherwise properly complete the form of proxy and deposit it with Computershare, as described above under “*Registered Shareholders*”; or
- (b) more typically, be given a VIF which must be completed and signed by the Non-Registered Holder in accordance with the directions on the VIF. Non-Registered Holders should submit VIFs to Intermediaries in sufficient time to ensure that their votes are received from the Intermediaries by the Corporation.

The purpose of these procedures is to permit Non-Registered Holders to direct the voting of the Common Shares they beneficially own. Should a Non-Registered Holder who receives either a proxy or a VIF wish to attend and vote at the Meeting (or have another person attend and vote on behalf of the Non-Registered Holder), the Non-Registered Holder should strike out the names of the persons named in the form of proxy and insert their own (or such other person’s) name in the blank space provided in the form of proxy or, in the case of a VIF, follow the corresponding instructions on the VIF, to appoint themselves as proxyholders, and deposit the form of proxy or submit the VIF in the appropriate manner noted above. Non-Registered Holders should carefully follow the instructions on the form of proxy or VIF that they receive from their Intermediary in order to vote the Common Shares that are held through that Intermediary. **Therefore, Non-Registered Holders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate persons, as required.**

Meeting materials are being sent to both Registered Shareholders and Non-Registered Holders of the Common Shares. If you are a Non-Registered Holder, and the Corporation or its agent has sent these meeting materials directly to you, your name and address and information about your holdings of securities have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf. By choosing to send these meeting materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these meeting

materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Registering a Proxyholder

Shareholders who wish to appoint a third-party proxyholder to represent them at the Meeting, including Non-Registered Holders that wish to appoint themselves or another person as proxyholder, must register their duly appointed proxyholder as an additional step after submitting their form of proxy or VIF. Failure to register the proxyholder will result in the proxyholder not receiving an invitation code from Computershare to participate in the Meeting. To register a proxyholder after submitting the form of proxy or VIF, Shareholders must visit <http://www.computershare.com/ECNCapital> and provide Computershare with their proxyholder's contact information **no later than November 30, 2021 at 10:00 a.m.** so that Computershare may provide the proxyholder with an invitation code via email. **Without an invitation code, proxyholders will not be able to vote at the Meeting.**

The Corporation is not sending the meeting materials to Registered Shareholders or Non-Registered Holders using notice-and-access delivery mechanisms defined under NI 54-101 and NI 51-102.

If you have any questions about the information contained in this Circular or require assistance, please contact the Corporation's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-855-682-4840 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

United States Beneficial Holders

To attend and vote at the Meeting, a U.S.-resident beneficial holder must first obtain a valid legal proxy from their broker, bank or other agent appointing him or herself as proxyholder and subsequently register in advance of the Meeting.

If you are a U.S.-resident beneficial holder, follow the instructions from your broker or bank included with the meeting materials, or contact your broker or bank to request a legal proxy form. After obtaining a valid legal proxy from your broker, bank or other agent, you must submit a copy of your legal proxy appointing yourself as proxyholder to Computershare at 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, Canada or by email at uslegalproxy@computershare.com. **Requests for registering legal proxies must be labeled as "Legal Proxy" and be received not later than November 30, 2021 at 10:00 a.m.** You will receive a confirmation of your proxy registration by email.

After receiving confirmation of your proxy registration by email, you must visit <http://www.computershare.com/ECNCapital> and provide Computershare with your contact information **no later than November 30, 2021 at 10:00 a.m.** so that Computershare may provide you with an invitation code via email. **Without an invitation code, you will not be able to vote at the Meeting.**

If you have any questions about the information contained in this Circular or require assistance, please contact the Corporation's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors at 1-855-682-4840 (toll free in North America), or at 1-416-867-2272 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

Participation at the Meeting

The Meeting will be hosted online by way of a live audio only webcast in accordance with the Virtual Special Meeting of Shareholders Code of Procedure, which was adopted by the Board and attached to the Circular as Schedule “B”. Shareholders will not be able to attend the Meeting in person. Please refer to the accompanying Virtual Meeting User Guide for the Meeting’s access details.

Registered Shareholders and duly appointed and registered proxyholders will be able to virtually attend, participate and vote at the Meeting. Registered Shareholders and duly appointed and registered proxyholders who participate in the Meeting online will be able to listen to the Meeting, submit questions and vote, all in real time, provided they are connected to the internet, log in using their Control Number or invitation code and complete a ballot virtually during the Meeting.

Non-Registered Holders who have not duly appointed themselves as proxyholders may still attend the Meeting as a guest. Guests will be able to listen to the Meeting but will not be able to submit questions or vote at such Meeting.

Registered Shareholders that have a 15-digit Control Number located on their form of proxy, along with duly appointed and registered proxyholders who were assigned an invitation code by Computershare, and guests, including Non-Registered Holders who have not duly appointed themselves as proxyholder, can log in to the Meeting as set out below. Guests can listen to the Meeting but are not able to vote.

1. Log in online at <https://meetnow.global/MP9ZLRU>. We recommend that you log in at least 15 minutes before the Meeting starts. Please refer to the accompanying Virtual Meeting User Guide for access details with respect to the Meeting.
2. Read and accept the Terms and Conditions.
3. Click on “Shareholder” and then enter your Control Number (see below) or “Invitation” and enter your invitation code,

OR click “Guest” and then complete the online form.

Registered Shareholders and duly appointed proxyholders may submit questions during the Meeting by utilizing the “Q&A” function on the web portal, prior to the opening of the polls. In order to facilitate a respectful and effective Meeting, only questions of general interest to all Shareholders in respect of the business properly brought before the Meeting will be answered during the Meeting. If several questions relate to the same or very similar topic, the Corporation will group the questions and state that it has received similar questions. General questions not relating directly to the formal business of the Meeting will be addressed by Management following the termination of the Meeting.

Management will acknowledge receipt of all questions prior to the opening of the polls and will address those questions which are pertinent to the formal business of the Meeting prior to voting. Management will confirm that general questions not relating to the formal business of the Meeting will be answered following termination of the Meeting. At this time, Management will also identify any questions relating to individual matters and confirm that a representative will directly respond to the Registered Shareholder or duly appointed proxyholder following the Meeting.

In the event of technical malfunction or other significant problem that disrupts the Meeting, the Chair of the Meeting may adjourn, recess, or expedite the Meeting, or take such other action as the Chair determines is appropriate considering the circumstances.

Registered Shareholders

The 15-digit Control Number located on the form of proxy or in the email notification you received is your Control Number for the purposes of logging in to the Meeting.

Duly Appointed Proxyholders

The proxy agent will provide proxyholders with an invitation code by email once the proxyholder has been duly appointed and registered in accordance with the instructions provided above under “*Registering a Proxyholder*”.

Remaining Connected and Troubleshooting

If you attend the Meeting, it is important that you are connected to the internet at all times during the Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the Meeting. You should allow ample time to check into the Meeting online and complete the related procedures. Please refer to the accompanying Virtual Meeting User Guide for specific details of the foregoing matters and for access details with respect to the Meeting.

If you have any difficulties accessing the Meeting, please contact our webcast provider at 1-888-724-2416 or 1-781-575-2748.

VOTING SHARES

Voting Shares

As at October 26, 2021, the Corporation had 242,896,452 Common Shares outstanding, each carrying the right to one vote per Common Share. A special majority of not less than two thirds of the votes cast at the Meeting, whether by proxy or otherwise, will constitute approval of the Stated Capital Reduction Resolution.

Record Date

The Board has fixed October 26, 2021 as the record date (the “**Record Date**”) for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting. Any holder of Common Shares of record at the close of business on the Record Date is entitled to vote the Common Shares registered in such Shareholder’s name at that date at the Meeting.

Principal Shareholders

To the knowledge of the directors and executive officers of the Corporation, as of October 26, 2021, North Peak Capital Management, LLC, on behalf of the investment funds over which it has discretionary trading authority, directly or indirectly, exercises control or direction over 31,297,695 Common Shares,

representing approximately 12.9% of the voting rights attached to the issued and outstanding Common Shares.¹

MATTERS TO BE ACTED UPON AT MEETING

Stated Capital Reduction Resolution and Return of Capital – General

At the Meeting, Shareholders will be asked to consider and, if thought advisable, pass the Stated Capital Reduction Resolution authorizing and approving the reduction of the stated capital account of the Common Shares by an aggregate amount equal to \$1,010,500,000 pursuant to Section 34(1)(b) of the OBCA for purposes of effecting the Return of Capital portion of the Distribution.

Based on the number of issued and outstanding Common Shares as of the Record Date, holders of Common Shares as of the close of business on the Distribution Record Date are expected to receive approximately \$7.50 per Common Share, approximately \$4.15 of which is expected to comprise the Return of Capital and the remainder of which will be in the form of a special dividend. The Distribution represents an expected aggregate payment of approximately \$1.82 billion to holders of Common Shares, based upon the expected net proceeds of the Transaction (after estimated taxes and transaction costs). The actual amount that will be received by Shareholders of record as of close of business on the Distribution Record Date will be an amount per Common Share equal to the aggregate amount of the Distribution divided by the number of Common Shares outstanding on the Distribution Record Date.

If the Stated Capital Reduction Resolution is approved by holders of Common Shares at the Meeting, subject to the prior closing of the Transaction, the Board intends to confirm the Stated Capital Reduction for purposes of effecting the Return of Capital portion of the Distribution and declare the Distribution, including the Return of Capital portion of the Distribution, as soon as practicable following the Meeting. The confirmation and declaration of the Distribution by the Board, including the actual amount of the Distribution, will be subject to applicable laws, compliance with applicable provisions of the A&R Credit Agreement, and the exercise by the Board of its fiduciary duties. As soon as reasonably practicable following such confirmation and declaration, the Corporation will issue a news release announcing the amount of the Distribution, including the amount of the Return of Capital portion of the Distribution, as well as the Distribution Record Date and payment date for the Distribution.

The TSX has advised the Corporation that it has determined to use “due bills” in connection with the Distribution. Due bills represent entitlements to cash, and will attach to Common Shares between the first trading day prior to the Distribution Record Date and the payment date for the Distribution, allowing Common Shares to carry the value of the entitlement to the Distribution until it is paid. When due bills are used, the ex-distribution date is deferred to the first trading day after the payment date. The Distribution is expected to be paid on or about December 22, 2021 and the Common Shares are expected to commence trading “ex-distribution” on the TSX on or about December 23, 2021. The foregoing dates for the Distribution are subject to change; the definitive dates will be announced by the Corporation in the above-referenced news release.

¹ Such information is based upon North Peak Capital Management, LLC’s alternative monthly report dated June 8, 2021, filed by North Peak Capital Management, LLC on the Corporation’s SEDAR profile on June 8, 2021.

Background to the Reduction of Stated Capital

On August 10, 2021, the Corporation entered into the Transaction Agreement with Truist, a wholly owned bank subsidiary of Truist Financial Corporation, pursuant to which Truist agreed to purchase all of the issued and outstanding equity interests in SFC for aggregate consideration of US\$2 billion in cash (subject to adjustment as set forth in the Transaction Agreement).

Pursuant to the terms of the Transaction Agreement, closing of the Transaction is subject to a number of conditions, including, among others: (i) termination or expiry of any applicable waiting period under the *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, as amended (the “**HSR Act**”); (ii) receipt of other regulatory approvals, including pursuant to certain state licensing laws; and (iii) there having been no material adverse change in SFC’s business. The applicable waiting period under the HSR Act expired at 11:59 p.m. on September 29, 2021. The Transaction is expected to close in December 2021. Closing of the Transaction is not subject to approval by Shareholders.

The Corporation believes that the Transaction marks another milestone on the road to its primary strategic directive of managing and maximizing investor capital in the specialty finance sector. In entering into the Transaction, the Corporation determined that the Transaction maximizes value for Shareholders and puts SFC in the best position to succeed in its next phase of growth, while positioning the Corporation to continue its success with its remaining portfolio operating companies, Triad Financial Services, Inc. and Kessler Financial Services LLC. The Corporation intends to work with both companies to meaningfully expand product menus and improve operational excellence, which will drive significant opportunities to continue to maximize Shareholder value in the future.

Purpose of the Stated Capital Reduction

Following completion of the Transaction, the Corporation intends to distribute the aggregate net proceeds of the Transaction (after estimated taxes and transaction costs) of approximately \$1.82 billion to holders of Common Shares, estimated to represent a payment of approximately \$7.50 per Common Share (estimated based on the number of issued and outstanding Common Shares as of the Record Date). In order to distribute the net proceeds of the Transaction in a tax efficient manner for Shareholders, the Corporation is proposing the Stated Capital Reduction. Approval of the Stated Capital Reduction Resolution is required to enable the Return of Capital. If Shareholders do not approve the Stated Capital Reduction Resolution at the Meeting, the Corporation will not be able to complete the Return of Capital portion of the Distribution on the terms and on the timing currently proposed.

The Corporation believes that the Distribution, including the Stated Capital Reduction and Return of Capital, represents an appropriate use of its financial resources following closing of the Transaction in order to reward Shareholders for their support and return the net proceeds from the Transaction to Shareholders in a tax-efficient manner. The resulting financial resources of the Corporation following payment of the Distribution remain significant and are expected to be sufficient to carry on its remaining business and satisfy all of the Corporation’s liabilities and obligations.

As a result of the Transaction Agreement, the Corporation received fully underwritten agreements from its senior lenders for the amendment of its Existing Credit Agreement following closing of the Transaction. The Corporation’s Existing Credit Agreement will be amended and restated so as to provide for an aggregate of US\$700,000,000 in revolving funding for a period of 4 years from the closing date of the Transaction.

At the Meeting, or any adjournment or postponement thereof, Shareholders will only be asked to approve the Stated Capital Reduction Resolution. If any other items of business are properly brought before the Meeting, or any adjournment or postponement thereof, Shareholders will be asked to vote on such business. We are not aware of any other items of business at this time.

Effect of the Distribution

The stated capital account of the Common Shares is currently approximately \$1.013 billion. If the Stated Capital Reduction Resolution is approved by holders of Common Shares at the Meeting, in connection with the Distribution holders of Common Shares will receive an amount expected to be approximately \$7.50 per Common Share, of which approximately \$4.15 will be the Return of Capital (in each case, estimated based on the number of issued and outstanding Common Shares as of the Record Date), resulting in an aggregate expected Distribution of approximately \$1.82 billion, including an aggregate expected Return of Capital of \$1,010,500,000. After giving effect to the Stated Capital Reduction and the payment of the Return of Capital, the aggregate stated capital of the Common Shares is expected to be reduced by \$1,010,500,000 to approximately \$2.2 million.

Absent other factors, the Distribution is expected to decrease the per share market price of the Common Shares by approximately \$7.50 (the expected per share amount of the Distribution has been estimated based on the number of issued and outstanding Common Shares as of the Record Date).

Prohibitions under the OBCA

Prohibition on Stated Capital Reduction under the OBCA

The OBCA provides that a corporation shall not reduce its stated capital if there are reasonable grounds for believing that (a) the corporation is or, after taking such action, would be unable to pay its liabilities as they become due; or (b) after the taking of such action, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

As of the date of this Circular, the Corporation does not have reasonable grounds to believe that, after giving effect to the Stated Capital Reduction, the Corporation would be unable to pay its liabilities as they become due or that the realizable value of the Corporation's assets would be less than the aggregate of its liabilities.

Prohibition on Declaring a Dividend under the OBCA

The OBCA also provides that the directors of a corporation shall not declare and a corporation shall not pay a dividend if there are reasonable grounds for believing that (a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or (b) the realizable value of the corporation's assets would be less than the aggregate of its liabilities and its stated capital of all classes.

As of the date of this Circular, the Corporation does not have reasonable grounds to believe that, at the time at which the Board would declare the Distribution or at the time after which the Corporation would pay the Distribution, the Corporation would be unable to pay its liabilities as they become due or that the realizable value of the Corporation's assets would be less than the aggregate of its liabilities and its stated capital of all classes.

Tax Consequences

For a description of the principal Canadian federal income tax considerations applicable to the holders of Common Shares in connection with the Distribution, see “*Certain Canadian Federal Income Tax Considerations*” and “*Certain United States Federal Income Tax Considerations*”.

Approval of Stated Capital Reduction

The text of the Stated Capital Reduction Resolution shall be substantially as attached hereto as Schedule “A”. Pursuant to Section 34(1)(b) of the OBCA, the Stated Capital Reduction Resolution must be approved by a special majority of not less than two-thirds of the votes cast by holders of Common Shares at the Meeting in person or by proxy. Approval of the Stated Capital Reduction Resolution is required to enable the Return of Capital. If Shareholders do not approve the Stated Capital Reduction Resolution at the Meeting, the Corporation will not be able to complete the Return of Capital on the terms and on the timing currently proposed.

Notwithstanding the foregoing, the Stated Capital Reduction Resolution proposed for consideration by the holders of Common Shares authorizes the Board, without further notice to or approval of the Shareholders, to reduce, revoke or abandon (but not increase the aggregate amount of) the Stated Capital Reduction and the Return of Capital at any time prior to its being given effect.

The Board has unanimously determined that the Stated Capital Reduction and Return of Capital are in the best interests of the Corporation. The Corporation believes that the Distribution represents an appropriate use of its financial resources following closing of the Transaction in order to reward Shareholders for their support and to return the net proceeds from the Transaction to Shareholders. As a result, should the Stated Capital Reduction Resolution not be approved by Shareholders at the Meeting, the Board may nonetheless determine to proceed with the Distribution as a taxable special dividend in its entirety. The resulting financial resources of the Corporation following payment of the Distribution remain significant and are expected to be sufficient to carry on its remaining business and satisfy all of the Corporation’s liabilities and obligations.

Recommendation of the Board

The Board has unanimously determined that the Stated Capital Reduction and Return of Capital are in the best interests of the Corporation and unanimously recommends that the Shareholders vote FOR the Stated Capital Reduction Resolution. It is the intention of the persons named in the enclosed form of proxy or VIF, as applicable, to vote the proxy FOR the Stated Capital Reduction Resolution at the Meeting, if not expressly directed to vote to the contrary in such form of proxy or VIF, as applicable.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

The following summary is, as of the date hereof, a summary of the principal Canadian federal income tax consequences generally applicable under the provisions of the Tax Act to a holder of Common Shares who receives the Distribution comprised of the Return of Capital and the remainder in the form of a special dividend, and who, at all relevant times, for the purposes of the Tax Act, holds the Common Shares as capital property and deals at arm’s length and is not affiliated with the Corporation (a “**Holder**”). Generally, the Common Shares will be considered to be capital property to a Holder provided that the Holder does not use or hold the Common Shares in the course of carrying on a business and such Holder

has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade. Holders who do not hold their Common Shares as capital property should consult their own tax advisors with respect to their own particular circumstances.

This summary is not applicable to a Holder: (i) that is a “financial institution” for purposes of the mark-to-market rules contained in the Tax Act; (ii) that is a “specified financial institution” (as defined in the Tax Act); (iii) an interest in which is a “tax shelter investment” (as defined in the Tax Act); (iv) that reports its “Canadian tax results” (as defined in the Tax Act) in a currency other than Canadian currency; or (v) that has entered into or will enter into, with respect to the Common Shares, a “derivative forward agreement” or “synthetic disposition arrangement” (as those terms are defined in the Tax Act). Such Holders should consult their own tax advisors with respect to an investment in the Common Shares.

This summary is based upon the provisions of the Tax Act in force as of the date hereof, and an understanding of the current administrative policies and assessing practices of the Canada Revenue Agency (the “**CRA**”) published in writing by the CRA and publicly available prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the “**Tax Proposals**”) and assumes that the Tax Proposals will be enacted in the form proposed, although no assurance can be given that the Tax Proposals will be enacted in their current form or at all. This summary does not otherwise take into account or anticipate any changes in law or in the administrative policies or assessing practices of the CRA, whether by way of judicial, legislative or governmental decision or action. This summary is not exhaustive of all possible Canadian federal income tax considerations, and does not take into account other federal or any provincial, territorial or foreign income tax legislation or considerations, which may differ materially from those described in this summary.

This summary is of a general nature only and is not, and is not intended to be, and should not be construed to be, legal or tax advice to any particular Holder, and no representations concerning the tax consequences to any particular Holder are made. The tax consequences of acquiring, holding and disposing of Common Shares will vary according to the Holder’s particular circumstances. Holders should consult their own tax advisors regarding the tax considerations applicable to them having regard to their particular circumstances.

Stated Capital Reduction and Return of Capital

The amount that will be paid by the Corporation to the Shareholders on the Return of Capital on the Common Shares will not exceed the paid-up capital (as defined in the Tax Act) (“**PUC**”) of such shares. PUC is the aggregate of all amounts received by a corporation upon the issuance of its shares (by class), adjusted in certain circumstances in accordance with the Tax Act. PUC differs from the adjusted cost base of shares to any particular Shareholder because adjusted cost base is calculated based on the amount paid by a Shareholder to acquire shares of a corporation, whether on issuance by the corporation or from a third party through the marketplace. An amount paid by a public corporation as defined for the purposes of the Tax Act to its shareholders on a reduction of the PUC in respect of any class of its shares is generally deemed to be a dividend by virtue of subsection 84(4.1) of the Tax Act unless the amount may reasonably be considered to have been derived from proceeds of disposition realized by the corporation, or by a person or partnership in which the corporation had a direct or indirect interest at the time that the proceeds were realized, from a transaction that occurred (i) outside the ordinary course of the business of the corporation or the person or partnership that realized the proceeds, and (ii) within the period that commenced 24 months before the payment.

The proceeds for the Return of Capital will be derived from the Transaction. Management of the Corporation is of the view that the Return of Capital can reasonably be considered to be derived from proceeds of disposition realized by a person or partnership in which the Corporation has a direct or indirect interest from a transaction that occurred outside the ordinary course of business of that person or partnership and, as a result, subsection 84(4.1) should not apply to deem the amount paid to holders of Common Shares of the Return of Capital to be a dividend. This determination is not free from doubt and no legal opinion or advance tax ruling has been sought or obtained in this regard. If the Return of Capital is deemed to be a dividend under the Tax Act, the provisions of the Tax Act regarding taxable dividends from a taxable Canadian corporation would apply and the summary below regarding the Return of Capital would not be applicable.

Resident Holders

The following portion of this summary is applicable to a Holder who, for the purposes of the Tax Act and any applicable tax treaty or convention and at all relevant times, is or is deemed to be resident in Canada (“**Resident Holder**”). A Resident Holder to whom the Common Shares might not constitute capital property may make, in certain circumstances, the irrevocable election permitted by subsection 39(4) of the Tax Act to have the Common Shares, and all other Canadian securities held by such person in the year of the election or in any subsequent taxation year, treated as capital property. Resident Holders considering making such election should first consult their own tax advisors.

Return of Capital

The amount received by a Resident Holder on the Return of Capital will not be included in computing the Resident Holder’s income for purposes of the Tax Act but will reduce the adjusted cost base of the Common Shares held by the Resident Holder. If the amount by which the adjusted cost base of the Common Shares is reduced on the Return of Capital were to exceed the Resident Holder’s adjusted cost base in the Common Shares, such Resident Holder would be deemed to have realized a capital gain equal to such excess and the Resident Holder’s adjusted cost base of the Common Shares would then be nil.

Generally, a Resident Holder is required to include in computing income for the taxation year in which the capital gain is realized one-half of the amount of any capital gain (a “**taxable capital gain**”). A Resident Holder that is, throughout the relevant taxation year, a “Canadian-controlled private corporation” (as defined in the Tax Act) may also be liable to pay a refundable tax on its “aggregate investment income”, which is defined under the Tax Act to include an amount in respect of taxable capital gains.

Capital gains realized by an individual (including certain trusts) may give rise to liability for alternative minimum tax as calculated under the detailed rules set out in the Tax Act.

The Special Dividend

The special dividend included in the Distribution will be a taxable dividend for the purposes of the Tax Act. A taxable dividend received or deemed to be received on a Common Share by a Resident Holder who is an individual (other than certain trusts) will be included in the individual’s income and generally will be subject to the gross-up and dividend tax credit rules applicable to taxable dividends received by individuals from taxable Canadian corporations, including the enhanced dividend tax credit rules applicable to any dividends (including deemed dividends) designated by the Corporation as “eligible dividends” in accordance with the Tax Act.

A taxable dividend received or deemed to be received on a Common Share by a Resident Holder that is a corporation will be included in computing its income and will generally be deductible in computing its taxable income, subject to the detailed rules in the Tax Act. In certain circumstances, however, a dividend received (or deemed to be received) by a Resident Holder that is a corporation may be deemed to be a capital gain or proceeds of disposition potentially giving rise to a capital gain. Resident Holders that are corporations should consult their own tax advisors having regard to their own particular circumstances.

A Resident Holder that is a “private corporation”, as defined in the Tax Act, or any other corporation controlled by or for the benefit of an individual (other than a trust) or a related group of individuals (other than trusts), will generally be liable to pay a refundable tax under Part IV of the Tax Act on a dividend received (or deemed to be received) on a Common Share (including the special dividend) to the extent such dividend is deductible in computing its taxable income for the taxation year.

A Resident Holder that is, throughout the relevant taxation year, a “Canadian-controlled private corporation” (as defined in the Tax Act) may also be liable to pay a refundable tax on its “aggregate investment income”, which is defined under the Tax Act to include an amount in respect of dividends to the extent that such dividends are not deductible in computing the Resident Holder’s taxable income for the taxation year.

Dividends received or deemed to be received by an individual (including certain trusts) may give rise to a liability for alternative minimum tax.

Non-Resident Holders

The following portion of this summary is applicable to a Holder who, for the purposes of the Tax Act and any applicable tax treaty or convention and at all relevant times, is not resident or deemed to be resident in Canada and who does not use or hold (and is not deemed to use or hold) the Common Shares in connection with a business carried on in Canada (a “**Non-Resident Holder**”). This summary does not apply to a Non-Resident Holder that carries on an insurance business in Canada and elsewhere and such holders should consult their own tax advisors.

Return of Capital

The amount received by a Non-Resident Holder on the Return of Capital will not be subject to Canadian federal income tax but will reduce the adjusted cost base of the Common Shares held by the Non-Resident Holder. If the amount by which the adjusted cost base of the Common Shares is reduced were to exceed the Non-Resident Holder’s adjusted cost base of the Common Shares, such Non-Resident Holder would be deemed to have realized a capital gain in an amount equal to such excess from a disposition of such shares and the Non-Resident Holder’s adjusted cost base of the Common Shares would then be nil.

A Non-Resident Holder will not be subject to Canadian income tax under the Tax Act on any capital gain realized on any deemed disposition of a Common Share that results from the Return of Capital unless such Common Share constitutes “taxable Canadian property” (as defined by the Tax Act) to the Non-Resident Holder. Provided that the Common Shares are listed on a “designated stock exchange” for the purposes of the Tax Act (which includes the TSX) at a particular time, the Common Shares generally will not constitute taxable Canadian property to a Non-Resident Holder at that time unless, at any time during the five year period immediately preceding that time: (i) 25% or more of the issued shares of any class or series of the Corporation’s capital stock were owned by any combination of (a) the Non-Resident Holder, (b) persons with whom the Non-Resident Holder did not deal at arm’s length, and (c) partnerships in which the Non-Resident Holder or a person described in (b) holds a membership interest directly or indirectly

through one or more partnerships; and (ii) more than 50% of the value of the Common Shares was derived, directly or indirectly, from one or any combination of (a) real or immovable property situated in Canada, (b) “Canadian resource properties”, (c) “timber resource properties”, and (d) options in respect of, or an interest in, any such property (whether or not the property exists), all for purposes of the Tax Act. A Non-Resident Holder’s Common Shares can also be deemed to be taxable Canadian property in certain circumstances set out in the Tax Act.

The Special Dividend

A dividend (including the special dividend) paid or credited (or deemed to be paid or credited) to a Non-Resident Holder by the Corporation will be subject to Canadian withholding tax at the rate of 25%, subject to a reduction of such rate under the terms of an applicable income tax treaty or convention. For example, in the case of a Non-Resident Holder who is a resident of the United States for purposes of the Canada-U.S. Tax Convention (1980), as amended (the “**Treaty**”), who is the beneficial owner of the dividend, and who qualifies for full benefits of the Treaty, the rate of such withholding tax will generally be reduced to 15%. Non-Resident Holders are urged to consult their own advisors to determine their entitlement to relief under an applicable income tax treaty or convention.

CERTAIN UNITED STATES FEDERAL INCOME TAX CONSIDERATIONS

This is a general summary of the material U.S. federal income tax consequences of the Distribution applicable to U.S. Holders. This discussion is based on the Internal Revenue Code of 1986, as amended (the “**Code**”), applicable U.S. Treasury Regulations and administrative and judicial interpretations, all as of the date hereof and all of which are subject to change (possibly on a retroactive basis). This summary applies only to U.S. Holders who hold their Common Shares as capital assets within the meaning of Section 1221 of the Code and does not discuss all the tax consequences that may be relevant to a particular U.S. Holder in light of the holder’s particular circumstances, including the impact of the Medicare contribution tax on net investment income. Different rules that are not discussed below may apply to some U.S. Holders subject to special tax rules such as partnerships (or entities or arrangements classified as partnerships for U.S. federal income tax purposes), insurance companies, tax-exempt persons, financial institutions, regulated investment companies, real estate investment trusts, dealers in securities or currencies, persons that hold Common Shares as a position in a “straddle” or as part of a “hedge”, “conversion transaction” or other integrated investment, persons who received Common Shares as compensation, persons who own or have owned (directly, indirectly or constructively) 10% or more of the Common Shares, persons whose functional currency is other than the U.S. dollar or persons required to recognize any item of gross income with respect to the Distribution as a result of such income being recognized on an applicable financial statement. This summary does not address any federal estate, gift or alternative minimum tax or any state, local or foreign tax considerations that may be relevant to a U.S. Holder.

This summary is for general information only and is not intended to constitute a complete description of all tax consequences relating to the Distribution. Each U.S. Holder is urged to consult its own tax advisor with respect to the U.S. federal, state and local consequences of the Distribution, as well as any tax consequences arising under the laws of any other taxing jurisdiction.

As used herein, a “**U.S. Holder**” is a beneficial owner of Common Shares who is:

- (i) an individual who is a citizen or resident of the United States;

- (ii) a corporation (or other business entity treated as a corporation for U.S. federal income tax purposes) created or organized in or under the laws of the United States, any state thereof, or the District of Columbia;
- (iii) an estate the income of which is subject to U.S. federal income tax regardless of its source; or
- (iv) a trust that (A) is subject to the primary supervision of a court within the United States and the control of one or more U.S. persons or (B) otherwise has validly elected to be treated as a U.S. domestic trust for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in a partnership (or an entity or arrangement treated as a partnership for U.S. federal income tax purposes) that holds Common Shares will depend on the status of the partner and the activities of the partnership. U.S. Holders that are partnerships (or entities or arrangements treated as partnerships for U.S. federal income tax purposes) should consult their own tax advisors concerning the U.S. federal income tax consequences to them and their partners of the Distribution.

Tax Consequences of the Distribution

Subject to the passive foreign investment company (“**PFIC**”) rules discussed below, the full amount of the Distribution will be treated as a dividend, without reduction for any Canadian taxes withheld from the amount paid, to the extent of the U.S. Holder’s share of the Corporation’s current and accumulated earnings and profits, if any, determined under U.S. federal income tax principles. For non-corporate U.S. Holders, amounts treated as dividends may be “qualified dividend income” that is taxed at the lower applicable capital gains rate provided that certain conditions are satisfied, including certain holding period requirements. In the case of a corporate U.S. Holder amounts treated as dividends will not qualify for the dividends-received deduction otherwise generally available to corporate U.S. Holders. U.S. Holders should consult their own tax advisors concerning the rules discussed above in their particular circumstances.

To the extent the Distribution exceeds a U.S. Holder’s allocable share of the Corporation’s current and accumulated earnings and profits, such excess amount will first be treated as a non-taxable return of capital, causing a reduction in the U.S. Holder’s adjusted basis in such U.S. Holder’s Common Shares, and any amounts in excess of the U.S. Holder’s adjusted basis will be treated as capital gain. Such capital gain would be long-term capital gain if the U.S. Holder’s holding period in the Common Shares exceeds one year as of the date of the Distribution. Long-term capital gain of a non-corporate U.S. Holder is generally eligible for reduced rates of taxation.

The Corporation may not maintain calculations of earnings and profits in accordance with U.S. federal income tax principles and each U.S. Holder should therefore assume that the Distribution will generally be treated as a dividend for U.S. federal income tax purposes.

Passive Foreign Investment Company

The discussion set forth above summarizing the material U.S. federal income tax consequences to U.S. Holders of the Distribution assumes that the Corporation is not a PFIC for the current taxable year and has not been a PFIC in any prior taxable year.

In general, a non-U.S. corporation is classified as a PFIC under Section 1297 of the Code for each taxable year in which (i) 75% or more of its income is passive income (as defined for U.S. federal income tax purposes) or (ii) on average for such taxable year, 50% or more (by value) of its assets either produce

or are held for the production of passive income. For purposes of the PFIC provisions, “gross income” generally means sales revenue less cost of goods sold and “passive income” generally includes dividends, interest, royalties, rents and gains from commodities or securities transactions, including certain transactions involving oil and gas. In determining whether or not it is classified as a PFIC, a non-U.S. corporation is required to take into account its pro rata portion of the income and assets of each corporation in which it owns, directly or indirectly, at least a 25% interest, measured by value.

The determination of whether any non-U.S. corporation is a PFIC for a taxable year depends, in part, on the application of complex U.S. federal income tax rules, which are subject to differing interpretations, including uncertainty as to whether the exception for income derived in the active conduct of a banking, financing or similar business under Section 954(h) of the Code is available for purposes of the PFIC rules. The Corporation is a specialty finance company, and U.S. Holders should consider whether the income from its finance activities is considered to be “passive”. Whether such income is considered to be “passive” may depend in part on the ability of a non-U.S. corporation to meet certain requirements under the PFIC rules or benefit from the exception under Section 954(h) of the Code described above. In particular, recently finalized U.S. Treasury Regulations effective for taxable years of shareholders beginning after January 14, 2021 suggest that the exception under Section 954(h) of the Code is not available for purposes of the PFIC rules. In addition, recently proposed U.S. Treasury Regulations would, if finalized, make clear that such exception is not available. If the exception under Section 954(h) is not available for purposes of the PFIC rules, income from the Corporation’s finance activities will generally be considered passive.

Although the matter is not free from doubt, the Corporation believes that (i) it has not been a PFIC for any taxable year prior to its current taxable year, (ii) it will not be a PFIC for its taxable year ending December 31, 2021, based on the application of the exception under Section 954(h) of the Code, and (iii) it will be a PFIC for its future taxable years because the exception under Section 954(h) of the Code will not apply. However, PFIC classification is factual in nature, generally cannot be determined until the close of the taxable year in question, and is determined annually. Thus, there can be no assurance that the Corporation is not a PFIC for its current taxable year and has not been a PFIC for any prior taxable year or that the Internal Revenue Service (the “**IRS**”) will not successfully challenge those positions.

Accordingly, based on the Corporation’s conclusions in the foregoing paragraph, if a U.S. Holder receives the Distribution in its taxable year beginning on or before January 14, 2021, the Corporation should not be treated as a PFIC with respect to such U.S. Holder. If a U.S. Holder receives the Distribution in its taxable year beginning after January 14, 2021, however, the Corporation will be treated as a PFIC with respect to the U.S. Holder and such U.S. Holder’s receipt of the Distribution will be subject to the rules discussed below.

If the Corporation is classified as a PFIC, or is treated as a PFIC with respect to a U.S. Holder under the “once a PFIC, always a PFIC” rule described below and the U.S. Holder has not made a timely and effective QEF election or mark-to-market election, the following consequences of the Distribution will generally apply to the U.S. Holder under Section 1291 of the Code:

- The portion of the Distribution, if any, that constitutes an “excess distribution” received by such a U.S. Holder on the Common Shares of the Corporation (*i.e.*, the portion of any distributions received by the U.S. Holder on such Common Shares in the taxable year in excess of 125% of the average annual distributions received by such U.S. Holder in the three preceding taxable years, or, if shorter, such U.S. Holder’s holding period for such Common Shares) would be taxable and allocated ratably to all days in the U.S. Holder’s holding period for such Common Shares. The

portion of such excess distribution that is allocated to the current taxable year (or, potentially, certain prior taxable years for which the Corporation was not treated as a PFIC with respect to such U.S. Holder) would be treated as ordinary income in the current taxable year. Any portion allocated to a prior taxable year (and not treated as ordinary income in the current taxable year) would be taxable at the highest marginal rates applicable to ordinary income for such prior taxable year and would be subject to an interest charge levied as an additional tax.

- Any preferential rate for which the Distribution might otherwise qualify (including under the rules applicable to long-term capital gains or qualified dividend income) may not be available.

Although a non-U.S. corporation's status as a PFIC or non-PFIC is generally determined on a year-by-year basis, a non-U.S. corporation that is not a PFIC in a given taxable year under the rules of Section 1297 of the Code described above generally will be treated as a PFIC with respect to a U.S. Holder if (i) such non-U.S. corporation was a PFIC in any prior taxable year, (ii) such U.S. Holder's holding period for its shares includes any portion of such prior taxable year and (iii) such U.S. Holder has not made a timely and effective QEF election or mark-to-market election. This rule is referred to herein as the "once a PFIC, always a PFIC" rule.

A U.S. Holder may be able to mitigate the generally unfavorable U.S. federal income tax rules that apply to the ownership and disposition of stock in a PFIC by making a timely and effective mark-to-market election under Section 1296 of the Code (a "**mark-to-market election**") or by making a timely and effective election under Section 1295 of the Code to treat such non-U.S. corporation as a qualified electing fund (a "**QEF election**"), if such elections are available to the U.S. Holder in its particular circumstances. Each U.S. Holder is urged to consult its own tax advisor regarding the availability and consequences to them of any such elections.

A U.S. Holder that owns an equity interest in a PFIC may be required to file an Internal Revenue Service Form 8621 and such other information as may be required by the U.S. Treasury Department.

The PFIC rules, including the rules governing any elections that may potentially be made by a U.S. Holder, are extremely complex. Each U.S. Holder is urged to consult its own tax advisor regarding the potential PFIC status of the Corporation, including with respect to the applicability dates of recently proposed and finalized U.S. Treasury Regulations for a U.S. Holder with a taxable year other than the calendar year, and how the PFIC rules would affect the U.S. federal income tax consequences of the Distribution to it.

Receipt of Foreign Currency

The tax basis of any Canadian dollars received by a U.S. Holder as a result of the Distribution generally will equal the U.S. dollar value of such Canadian dollars at the applicable spot exchange rate on the date received. Upon a subsequent exchange of Canadian dollars for U.S. dollars, another currency or property, a U.S. Holder generally will recognize exchange gain or loss equal to the difference between the U.S. Holder's tax basis in such Canadian dollars and the value of the U.S. dollars, other currency or property received. Such gain or loss will be U.S. source ordinary gain or loss. U.S. Holders are urged to consult their own tax advisors regarding how to account for foreign currency received in the Distribution.

Backup Federal Income Tax Withholding

Amounts of the Distribution received by a U.S. Holder may be subject to information reporting to the IRS unless the U.S. Holder is an exempt recipient (such as a corporation). Such payments may also be

subject to U.S. federal backup withholding at a specified rate, currently 24%, if the recipient of such payments fails to supply a taxpayer identification number, certified under penalties of perjury, as well as certain other information, or otherwise fails to establish an exemption from backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules will be allowed as a refund or credit against a holder's U.S. federal income tax liability, if any, provided the required information is timely furnished to the IRS.

RISK FACTORS

Consummation of the transactions contemplated by the Stated Capital Reduction Resolution as set out in this Circular are subject to a number of risks. Shareholders should carefully consider the risks described below in evaluating whether or not to approve the Stated Capital Reduction Resolution.

Closing of the Transaction may be delayed, may be completed on different terms, or may not occur at all

The completion of the Transaction is subject to a number of conditions precedent, certain of which are outside the control of the parties to the Transaction Agreement. A substantial delay in satisfying these conditions precedent could delay the closing of the Transaction (or could result in the Transaction not being completed due to one or more conditions precedent not being satisfied). There is no certainty, nor can the Corporation provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. The Corporation and Truist each has the right to terminate the Transaction Agreement in certain circumstances. Accordingly, there is no certainty, nor can the Corporation provide any assurance, that the Transaction will not be terminated before its completion. In the event that the Corporation does not complete the Transaction, the Distribution may not be completed.

The Board May Decide Not to Proceed with the Return of Capital and/or the Distribution or Reduce the Stated Capital Reduction and Return of Capital

Notwithstanding approval of the Stated Capital Reduction Resolution by the holders of Common Shares, the Board will retain the discretion to defer acting on the Stated Capital Reduction Resolution or to reduce, revoke or abandon the Stated Capital Reduction and Return of Capital and/or the Distribution, without any further approval from the Shareholders, if it determines that such transactions are no longer in the best interests of the Corporation. As a result, the Board may in its sole discretion determine to, among other things, reduce the aggregate amount of the Stated Capital Reduction and Return of Capital, defer the proposed timing for the Return of Capital and/or the Distribution, or choose not to proceed with the Return of Capital and/or the Distribution.

As well, the Board may not be permitted under the OBCA (i) to reduce its stated capital (and therefore effect the Return of Capital portion of the Distribution) if there are reasonable grounds for believing that (a) the Corporation is or, after taking such action, would be unable to pay its liabilities as they become due; or (b) after the taking of such action, the realizable value of the Corporation's assets would be less than the aggregate of its liabilities, and (ii) to declare or pay a dividend if there are reasonable grounds for believing that (a) the Corporation is or, after payment, would be unable to pay its liabilities as they become due; or (b) the realizable value of the Corporation's assets would thereby be less than the aggregate of its liabilities and its stated capital of all classes. As of the date of this Circular, the Corporation does not have reasonable grounds to believe that (i) after giving effect to the Stated Capital Reduction, the Corporation would be unable to pay its liabilities as they become due or that the realizable value of the

Corporations assets would be less than the aggregate of its liabilities, and (ii) at the time at which the Board would declare the Distribution or at the time after which the Corporation would pay the Distribution, the Corporation would be unable to pay its liabilities as they become due or that the realizable value of the Corporation's assets would be less than the aggregate of its liabilities and its stated capital of all classes.

Amount and Timing of Distribution is Uncertain

Following and subject to the completion of the Transaction, the Corporation intends to distribute substantially all of the net proceeds of the Transaction (after taxes and transaction costs) to holders of Common Shares by way of the Return of Capital and taxable special dividend. While the Corporation currently expects the Distribution to take place as soon as practicable after the completion of the Transaction and approval of the Stated Capital Reduction Resolution at the Meeting, the timing of such Distribution will be determined by the Board and there can be no certainty, and the Corporation cannot provide any assurance, as to if, and when, such Distribution will take place.

In addition, the amount available for the Distribution may be reduced if the Corporation's expectations and/or estimates of the following are inaccurate: the amount of the net proceeds from the Transaction that will be available to the Corporation after payment of applicable expenses, liabilities, taxes and transaction costs; timing of the Distribution; and on-going operating expenses following the Transaction. Accordingly, the amount of cash available for the Distribution, and the timing of any Distribution cannot currently be quantified with certainty.

The amount expected to be received by each Shareholder of record on the Distribution Record Date in connection with the Distribution all as more particularly set forth herein, including the expected amount of Return of Capital to be received by each such Shareholder, has been calculated based on the issued and outstanding Common Shares as of the Record Date. The actual amount to be received each Shareholder of record on the Distribution Record Date in connection with the Distribution will be an amount per Common Share equal to the aggregate amount of the Distribution divided by the number of Common Shares outstanding on the Distribution Record Date (including any Common Shares issued after the date hereof and prior to the Distribution Record Date), and the actual per share amount of the Return of Capital portion of the Distribution will be an amount per Common Share equal to the Stated Capital Reduction divided by the number of Common Shares outstanding on the Distribution Record Date (including any Common Shares issued after the date hereof and prior to the Distribution Record Date).

Failure to Meet Covenants of its Credit Facility

In connection with the completion of the Transaction, the Corporation is making certain amendments to its Existing Credit Agreement to provide for a continuing revolving facility, from and after the date of completion of the Transaction, in the amount of US\$700,000,000 and substantially on the terms and conditions set forth in the Corporation's Existing Credit Agreement. Pursuant to the amended and restated credit agreement to be entered into (the "**A&R Credit Agreement**"), the Corporation would not be permitted to make the Distribution after the occurrence and during the continuance of a default or an event of default or if it would cause a default or event of default to occur. As of the date of this Circular, there has not been an occurrence of any one or more events that would constitute a default or an event of default (as such terms are defined in the Existing Credit Agreement) and the Corporation is currently in compliance with all covenants in its Existing Credit Agreement. Although the Corporation believes that it will continue to be in compliance with the covenants in its Existing Credit Agreement and those of the A&R Credit Agreement (once entered into), there can be no assurances of the Corporation's continued

compliance and that it will be able to provide payment of the Distribution without breaching any covenant of the A&R Credit Agreement (once in effect).

The Corporation May Be Treated as a Passive Foreign Investment Company (PFIC) for U.S. Federal Income Tax Purposes

If the Corporation is treated as a PFIC with respect to a U.S. Holder, the U.S. Holder will generally be subject to special rules, which could result in adverse U.S. federal income tax consequences. Although the matter is not free from doubt, the Corporation believes that (i) it has not been a PFIC for any taxable year prior to its current taxable year, (ii) it will not be a PFIC for its taxable year ending December 31, 2021, and (iii) it will be a PFIC for its future taxable years. Based on the Corporation’s conclusions, if a U.S. Holder receives the Distribution in its taxable year beginning on or before January 14, 2021, the Corporation will not be treated as a PFIC with respect to such U.S. Holder. If a U.S. Holder receives the Distribution in its taxable year beginning after January 14, 2021, however, the Corporation will be treated as a PFIC with respect to the U.S. Holder.

There can be no assurance, however, that the Corporation is not a PFIC for its current taxable year and has not been a PFIC for any prior taxable year or that the IRS will not successfully challenge those positions. See the section titled “Certain U.S. Federal Income Tax Considerations” for a more detailed discussion.

Each U.S. Holder is urged to consult its own tax advisor regarding the potential PFIC status of the Corporation and how the PFIC rules (including elections that may be available thereunder) would affect the U.S. federal income tax consequences of the Distribution to it.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

The following table sets forth, as of the Record Date, information known to us regarding the beneficial ownership of securities of the Corporation of each director or executive officer of the Corporation who may be considered to have a material interest in the Stated Capital Reduction by way of such beneficial ownership.

Name and Position with the Corporation	Common Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised⁽¹⁾
Steven K. Hudson <i>Director and Chief Executive Officer</i>	12,094,454
William W. Lovatt <i>Director</i>	800,000
Pierre Lortie <i>Director</i>	410,737
David Morris <i>Director</i>	30,000
Paul Stoyan <i>Director</i>	722,488

Name and Position with the Corporation	Common Shares Beneficially Owned, Directly or Indirectly, or over which Control or Direction is Exercised ⁽¹⁾
Carol Goldman <i>Director</i>	30,000
Karen Martin <i>Director</i>	86,655
Michael Lepore <i>Chief Financial Officer</i>	561,847
Mary Beth Koenig <i>Chief Legal Officer</i>	553,850
Scott Shaw <i>Chief Executive Officer, The Kessler Group</i>	3,490,737
Mark Berch <i>President, Service Finance</i>	124,041

Notes:

- (1) The information in the table is current as of October 26, 2021.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

To the best of the Corporation's knowledge, except as disclosed herein, since the commencement of the Corporation's most recently completed financial year, no informed person (as such term is defined in NI 51-102) of the Corporation or any associate or affiliate of an informed person, has had any material interest, direct or indirect, in any transaction or any proposed transaction which has materially affected or is reasonably expected to materially affect the Corporation or any of its subsidiaries.

OTHER MATTERS

As of the date of this Circular, the Corporation and Management know of no business that will be presented for consideration at the Meeting other than the matters referred to above. If any other matter is properly brought before the Meeting for action by Shareholders, proxies returned to us will be voted in accordance with the judgment of the proxy holder.

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available on SEDAR at www.sedar.com. Shareholders of the Corporation can, upon request, obtain a copy of any such document free of charge. Financial information about the Corporation is provided in the Corporation's comparative annual financial statements and MD&A for its most recently completed financial year.

Shareholders of the Corporation may request copies of the Corporation's financial statements and MD&A by contacting the Chief Legal Officer, General Counsel and Corporate Secretary of the Corporation

by email mbkoenig@ecncapitalcorp.com or by mail at 777 S. Flagler Drive, Suite 800 East, West Palm Beach, Florida 33401.

QUESTIONS AND FURTHER ASSISTANCE

All questions regarding the information contained in this Circular or requests for assistance in completing the form of proxy can be directed to the Corporation's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-855-682-4840 (toll free in North America), or at 1-416-867-2271 (collect outside North America), or by email at contactus@kingsdaleadvisors.com.

DIRECTORS' APPROVAL

The contents and the sending of this Circular have been approved by the Board.

Dated as of October 29, 2021.

Mary Beth Koenig
*Chief Legal Officer, General Counsel
and Corporate Secretary*

SCHEDULE "A"

STATED CAPITAL REDUCTION RESOLUTION

BE IT RESOLVED, AS A SPECIAL RESOLUTION THAT:

1. ECN Capital Corp. (the "**Corporation**") is hereby authorized to reduce the stated capital account maintained by the Corporation in respect of the common shares in the capital of the Corporation (the "**Common Shares**") by an aggregate amount equal to \$1,010,500,000 pursuant to Section 34(1)(b) of the *Business Corporations Act* (Ontario) (the "**Stated Capital Reduction**") for the purpose of distributing to holders of Common Shares an aggregate amount equal to \$1,010,500,000 (the "**Return of Capital**"), if, as and when determined by the board of directors of the Corporation, in its sole discretion, and the stated capital account in respect of the Common Shares shall be adjusted to reflect the Stated Capital Reduction, all as more particularly set forth in the management information circular of the Corporation dated October 29, 2021;
2. Notwithstanding that this special resolution has been approved by the holders of Common Shares, the board of directors of the Corporation are hereby authorized and empowered, at their sole discretion, to defer acting on this special resolution or to reduce, revoke or abandon (but not increase the aggregate amount of) the Stated Capital Reduction or Return of Capital prior to its being given effect without any further notice to or approval, ratification or confirmation by the holders of Common Shares; and
3. Any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed, under the seal of the Corporation or otherwise, and to deliver or cause to be delivered all such documents, agreements and instruments, and to perform or cause to be performed all such acts and things, as such officer or director shall determine to be necessary or desirable to give full effect to this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of such documents, agreements or instruments or the performing or causing to be performed of such other acts or things.

SCHEDULE “B”

VIRTUAL SPECIAL MEETING OF SHAREHOLDERS CODE OF PROCEDURE (the “Code”)

1. Application

This Code shall govern the conduct of virtual special meetings of shareholders (each, a “**Meeting**”) of ECN Capital Corp. (the “**Corporation**”). It is a complement to the provisions of the *Business Corporations Act (Ontario)*, including the regulations or guidelines thereunder (the “**Act**”), and to the Corporation’s by-laws (the “**By-Laws**”). In any case of conflict between the Code and the Act and/or the By-Laws, the Act and/or the By-Laws, as applicable, shall prevail.

In order to facilitate a fair and productive Meeting, we ask the cooperation of shareholders (“**you**”) in observing the following procedures:

2. Business of the Meeting

The business to be conducted at the Meeting will be set forth in the applicable Notice of Meeting and Management Proxy Circular (the “**Circular**”) delivered to shareholders. The Corporation will follow the agenda of the Meeting as set out in the Circular.

3. Registered Shareholders and Non-Registered Shareholders

The board of directors of the Corporation (the “**Board**”) has fixed the record date for the purpose of determining holders of Common Shares entitled to receive notice of and to vote at the Meeting and disclosed same within the Circular. Any holder of common shares (“**Common Shares**”) of the Corporation of record at the close of business on the record date will be entitled to vote the Common Shares registered in such shareholder’s name at that date on each matter to be acted upon at the Meeting. Please follow the instructions provided in the Circular to participate at the Meeting. If you have voted your shares prior to the start of the Meeting, and your vote has been received by the Corporation’s scrutineers, you do not need to vote those shares during the Meeting, unless you wish to revoke or change your vote.

Shareholders and duly appointed proxyholders entitled to vote at the Meeting may vote by proxy in advance of the Meeting. Non-registered shareholders who have not duly appointed themselves as proxyholders will be able to attend the Meeting as guests. Guests are able to attend the Meeting but are not able to submit questions or vote their shares (if any).

4. Questions

Shareholders and duly appointed proxyholders may submit questions during the Meeting using the “Q&A” function provided in the web portal. Questions may be submitted at any point in advance of, or during, the Meeting but must be submitted prior to the commencement of voting on the matter to which they relate. Subject to this Code, all questions relating to a matter subject to a vote at the Meeting will be addressed prior to the closing of voting on such matter.

Following termination of the formal business of the Meeting, the Corporation may address any appropriate general questions received from shareholders and duly appointed proxyholders regarding the Corporation.

5. Pertinence and Good Order

In order to facilitate a respectful and effective Meeting, only questions of general interest to all shareholders will be answered, if your question is related to an individual matter a Corporation representative will contact you after the Meeting.

6. Specific Questions

If there are any matters of individual concern to a shareholder and not of general concern to all shareholders, or if a question posed was not otherwise answered, such matters may be raised separately after the Meeting by contacting the Corporation's Investor Relations team by sending an e-mail to the Chairman of the Board at board@ecncapital.corp.



ECN CAPITAL